

Towards a robust, resilient wellbeing economy for Scotland

Headline 25 recommendations from the report from the independent Advisory Group established by the Scottish Government to advise on Scotland's economic recovery in the wake of the COVID-19 pandemic.

The UK and Scottish Governments should accelerate the review of the Fiscal Framework. It is vital that the overall funding approach is robust to address economic recovery and is resilient to future economic shocks.

The UK and Scottish Governments should commit to securing significant increase in access to capital investment to support the recovery. This should maintain the Scottish Government's commitment to a Mission to raise infrastructure investment and it is imperative that the Scottish National Investment Bank opens this year.

The economic development landscape in Scotland should pivot to a more regionally focused model in order to address the specific new challenges of economic recovery. This model should be tasked to drive delivery of place-based and regional solutions, especially the City-Region Growth Deals.

The Scottish Government should build its professional capability to manage ownership stakes in private businesses, which are likely to arise out of the crisis. This should not require new legislation, nor a new public sector organisation

Banks should develop new instruments to enable the strategic incubation of otherwise viable and strategically important companies to ensure they are protected during the recovery phase. The Scottish Government should use its convening power to coordinate approaches to different sectors of the economy, in close liaison with financial services institutions, sectoral organisations and the enterprise bodies

The Scottish Government, Scottish Enterprise and VisitScotland must ensure a strong and bold prospectus on Scotland and on available investment opportunities, recognising the substantial, twin shocks of the pandemic and leaving the European Union. This will require a focus on opportunity areas and deployment of its international presence to maximum effect.

The Scottish Government and the business community should take urgent action to develop a new collaborative partnership on the strategy for Scotland's economic recovery.

The Scottish Government, regulatory bodies and local authorities should review their key policy, planning and consenting frameworks, especially for key infrastructure investments such as marine renewables, to accelerate projects.

The Scottish Government should deploy its expanding tax powers and business support interventions to enable economic recovery. This should include targeted use of rates relief to incentivise economic recovery and greater use of conditionality in business support, building on the experience of the Business Pledge and Fair Work First

The UK and Scottish Governments should mobilise investment in Scotland's digital infrastructure, covering broadband and mobile networks, to build resilience and enhance exports.

The green economic recovery is central to recovery overall. The Scottish Government now needs to establish a priority on delivering transformational change with clear sector plans, where the coincidence of emissions reductions, the development of natural capital and job creation are the strongest

The financial services sector and the Scottish Government should develop and promote nature-based investments to protect and enhance Scotland's natural capital. This should include the development of financial solutions to fund forestry and other nature - based solutions, including agriculture, and should be accompanied by the development of a Scottish Natural Capital Census.

The tourism and hospitality industries should work in partnership with the Scottish Government to develop a sustainable future strategy; the Scottish Government should consider a targeted reduction in business rates to support the sectors' recovery; and it should press the UK Government to consider a reduction in VAT.

Given the significant contribution of the arts, culture and creative industries to Scotland's economy and to our social capital, the Scottish Government should take steps to protect the sector; seek to increase public and private investment; and work to create a National Arts Force.

The Scottish Government should accelerate its work on reforming adult social care; and should urgently review the structure, funding and regulation of the sector to ensure its sustainability and quality going forward. The review should address workforce issues, including the Fair Work Convention's 2019 report on the sector; and should recognise and support the contribution of unpaid carers

The Scottish Government should take action to protect the capacity and financial sustainability of the third sector, in recognition of its important role in building and strengthening social capital. It should examine the scope for longer-term funding arrangements for services; more flexible and collaborative approaches to procurement; and new ways to incentivise private investment in the sector.

The Scottish Government should support a renewed focus on place-based initiatives, building on lessons learned from initiatives on Community Wealth-Building. It should also accelerate investment in housing, in particular through the Scottish National Investment Bank

The Scottish Government and local authorities should assess the impact of any learning loss and ensure that pupils are fully supported as schools return, in order to mitigate the risk of reduced educational attainment, particularly among disadvantaged groups

The business community should work with the Scottish Government and the enterprise bodies to accelerate the embedding of Fair Work principles, in the context of changes to the workplace and to working patterns. This could cover the shift in experience and attitude to flexible and home-working which has been accelerated by the pandemic, and the concerns about precarious and "gig economy" work.

The Scottish Government should refocus its skills strategies to address the risks of unemployment, recognising the importance of high participation sectors, and of improving the provision of lifelong learning to enable people to reskill.

The Scottish Funding Council and the Scottish Government should protect universities and colleges from the financial impact of the crisis, so that they can maintain and enhance their role as “anchor institutions” and take decisive steps to align their teaching and learning provision, including postgraduate skills training, to meet business and employer needs; and to focus their support for research investment and growth.

Skills Development Scotland and the Scottish Funding Council should collaborate with colleges, universities and businesses to prioritise apprenticeship training; and should respond to youth unemployment with a flexible learning response. This should include further development of Graduate Apprenticeships and online learning.

The business community, with the support of the Scottish Government and in partnership with local authorities, should mobilise urgently to develop a business-led Scottish Jobs Guarantee scheme. This would respond to the likely increase in unemployment among young people and the serious, generational challenge that this represents for our country,

To promote an approach to economic policy that values all of Scotland’s assets, the Scottish Government should consider adopting a Four Capitals framework in forming its future economic strategy, and reporting against it.

To create momentum and build confidence, the Scottish Government should set out its response to the proposals in our report by the end of July, and should publish regular updates on its recovery plan.

To view the full document, [click here.](#)