

REPORT TO: ECONOMIC DEVELOPMENT COMMITTEE - 14TH JUNE 2004
REPORT ON: ECONOMIC DEVELOPMENT DEPARTMENT SERVICE PLAN 2003/2007
ANNUAL REPORT FOR YEAR 2003/2004
REPORT BY: DIRECTOR OF ECONOMIC DEVELOPMENT
REPORT NO.: 459-2004

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform the Committee of Departmental performance during the year 2003/2004.

2 RECOMMENDATIONS

- 2.1 It is recommended that the Committee notes the contents of the report.

3 FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications associated with this report.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 The activities covered by the plan will have significant bearing on several of the key themes of Local Agenda 21, particularly the following:-
- Resources are used efficiently and waste minimised.
 - Local needs are met locally.
 - The opportunity to undertake satisfying work in a diverse economy.
 - Access to the skills, knowledge and information needed to enable everyone to play a full part in society.

5 EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 Many of the initiatives and actions outlined in the Plan are aimed at improving access to economic opportunities for all sectors of the community.

6 REPORT

- 6.1 Reference is made to item 5 of the Economic Development Committee meeting of 12th January 2004, wherein the Department's Service Plan for 2003/2004 was approved.
- 6.2 As this was only 5 months ago, some of the strategies and initiatives contained in the Plan have not had sufficient time to be developed so this report concentrates on the Department's core high-level performance indicators and a summary of the past year's key highlights and achievements.

7 HIGH LEVEL CORE PERFORMANCE INDICATORS

- 7.1 The trend of general economic improvement in the City, which began in the mid-1990s, has continued during the past year and is reflected in the following high level core performance indicators:

7.2 Overall Employment Levels

- 7.2.1 The Department carries out an annual survey of all businesses in Dundee to determine the number of companies and the overall employment levels. Analysis of this year's results is not yet complete and will be reported to the Committee at a later date. However, the 1997 to 2003 figures show overall net employment growth of 5299 jobs, or 7%, i.e. at an annual rate exceeding 1%.

7.3 Unemployment

- 7.3.1 Unemployment continued to fall during the year across all categories, e.g.

No. of registered unemployed at March 2004 = 4042

No. of registered unemployed at March 2003 = 4667

Year on year change = Decrease of 625 (or 13.4%)

No. of long-term unemployed (1 year plus) at March 2004 = 679

No. of long-term unemployed (1 year plus) at March 2003 = 854

Year on year change = Decrease of 175 (or 20.5%)

7.4 Economic Dynamism

- 7.4.1 A useful measure of the dynamism of the local economy is the U/V ratio - i.e. the number of registered unemployed per officially notified vacancy. The trend in both levels of vacancies and the U/V ratio is shown below:-

Notified vacancies at March 2004 = 1046

Notified vacancies at March 2003 = 714

Year on year change = Increase of 332 (or 46.5%)

U/V Ratio as at March 2004 = 3.86

U/V Ratio as at March 2003 = 6.54

Year on year change = Decrease of 2.68 (or 41%)

7.5 Company Growth

- 7.5.1 As with overall employment, the analysis of the 2004 results is not yet complete and will be reported to Committee at a later date. However the 1997 to 2003 figures show consistent growth in the number of companies in the City, with the overall number of businesses increasing over the period from 3400 to 4000, i.e. an increase of 600 companies (or 17.7%).

7.6 Levels of Investment

- 7.6.1 Investments in Dundee have continued at a buoyant level. Because of the differing and lengthy time scales involved, it is not practical to annualise investment levels. It is more practical to do it over 3 year periods. In the past 3 years it is estimated that there has been considerably in excess of £300 million invested in the City.

KEY HIGHLIGHTS AND ACHIEVEMENTS

8.1 The key highlights and achievements during the year include:-

- Launch of new jobs-based campaign - Dundee Working For The Future
- Continued improvement in Dundee's regional shopping product (e.g. significant new investment in both City Centre and peripheral retail parks).
- Continued high levels of external funding (£24m of ERDF/ESF/Lottery Funding accessed during 2001/3).
- The Safe City Centres Initiative (DUNCAN) now fully operational with 75 private sector members.
- Dundee Partnership Learning and Working Strategy agreed.
- Dundee Airport - Dundee/London passenger numbers increased by 1000 during the year, while business executive charter traffic increased by 35%.
- Dundee now has all British Telecom exchanges fully operational for broadband.
- Large scale business land servicing programmes underway (5 acres at Dundee Technopole and a 4 year programme providing 75 acres at Claverhouse East).
- Locate Dundee inward investment property marketing campaign underway.
- 82,500 sq ft of new or refurbished business floorspace provided.
- Phase 2 of Dundee Technopole Incubator buildings underway.
- £300,000 first phase of neighbourhood shops improvement initiative completed.

- Increased momentum in the City of Discovery Campaign which now has a wide portfolio of events and projects, such as:-
 - Business Breakfasts (attracting key speakers such as Sir Ranulph Fiennes, Kate Adie, Lesley Riddoch, Alison Hall etc)
 - Dundee Flower and Food Festival
 - Dundee Book Prize (entries have now tripled and publication is now guaranteed for the top 3 entries)
 - Dundee International Guitar Festival
 - Dundee Mountain Film Festival
 - Dundee Blues Bonanza
 - Increase overall media coverage
 - Increased use of Campaign logo (over 20 companies now use it)

- Further consolidation of the "one door" joint agency approach to services to businesses via the establishment of the new Business Gateway.

- Key successes in the various sectoral initiatives, e.g:-
 - Celtic Film and TV Festival
 - International Bio-Dundee Conference
 - Establishment of Discovery Credit Union
 - "Ideas Factory" project with Channel 4

- Sister City Agreement signed with Dubai

- A variety of successful inward investment projects, e.g:-
 - The Office of the Charities Regulator
 - Expansion of Inland Revenue and Pensions Agency contact centres
 - Job Centre Plus contact centre
 - A further 8 bids for civil service dispersal projects ongoing

9 **THE YEAR AHEAD**

9.1 A number of key projects and initiatives will be carried out during the coming year, including:-

- Production of new Economic Development Plan 2004-2007.
- Production of new Local Employment Action Plan 2004-2006.
- Review of relationship with Visit Scotland (as a result of changes to the Area Tourist Board network to begin in April 2005).
- Re-launch of the City of Discovery Campaign.
- Production of Corporate Asset Management Plan.
- Undertake review of sectoral initiatives and related joint projects in parallel with expected changes in the external funding regimes (e.g. ERDF funding post 2006 and UK Regional Policy).

10 **CONSULTATIONS**

10.1 The Chief Executive, Depute Chief Executive (Finance) and Depute Chief Executive (Support Services) were consulted in the preparation of this report.

11 **BACKGROUND PAPERS**

- 11.1 Dundee City Council Plan 2004/2007
- 11.2 Dundee City Council Economic Development Plan 2001/2004
- 11.3 Dundee Partnership Learning and Working Strategy
- 11.4 Economic Development Department Service Plan 2003/2007

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DATE: 7TH JUNE 2004