

REPORT TO: ECONOMIC DEVELOPMENT COMMITTEE - 13TH JUNE 2005

REPORT ON: ECONOMIC DEVELOPMENT PLAN 2005 - 2007

REPORT BY: DIRECTOR OF ECONOMIC DEVELOPMENT

REPORT NO.: 341-2005

1 PURPOSE OF REPORT

1.1 To present to Committee for approval the draft Economic Development Plan for the period 2005-2007.

2 RECOMMENDATIONS

2.1 That Committee approve the draft plan and that it is taken forward for design, print and distribution.

3 FINANCIAL IMPLICATIONS

3.1 The financial costs of design, print and distribution will be met from existing budgets.

4 LOCAL AGENDA 21 IMPLICATIONS

4.1 The plan and its actions contribute to the economic sustainability of the city.

5 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 The plan and its actions help to promote greater access to the labour market for all.

6 REPORT

6.1 In addition to providing a detailed framework for actions to promote the economic well-being of the city, the Council's economic development plan provides the strategic basis for other key documents and activities including:-

- The Community Plan - Working and Enterprise theme
- The Local Economic Forum
- The Departmental Service Plan

6.2 The plan is produced to cover a three-year cycle, which provides a realistic time-frame in which to measure the effectiveness of policies and actions, while providing the flexibility of allowing significant change to take place, if required, over the medium term.

6.3 The document has been developed within the context of European, national and local policies and strategies such as the *Framework for Economic Development in Scotland* and *Smart, Successful Scotland*.

6.4 The plan also takes cognisance of changes in the local economy over the previous plan period, identifying positive trends whilst recognising and highlighting aspects that require a new focus or additional attention. Significant improvements over the period include:

- Net employment growth of 3.2%, or an additional 2522 jobs in the city.
- A drop in the claimant count unemployment rate from 5.7% to 4.3%.
- A reduction in youth unemployment by 11% and in numbers of long-term unemployed by 55%.

- A drop in the ratio of those claiming Job Seekers Allowance to vacancies from 6.3:1 in 2000 to 3.6:1 in 2004. The unemployment to vacancy ratio (U/V ratio) has been used as a key indicator in each previous Dundee City Council Economic Development plan as it serves to provide an insight into the dynamics of the local economy by measuring unemployment and job availability. The latest results are particularly encouraging as Dundee has experienced a convergence towards the Scottish average figure.
- Gross weekly earnings of full time employees working in Dundee City have increased by 25% between 2000 and 2004. This provides a favourable comparison to the 16% increase achieved in Scotland as a whole and, whereas in 2000, median earnings in Dundee were 3.8% lower than the Scottish average, in 2004, they reached 3.9% above the Scottish average.

6.5 The strategic goal builds upon previous plan objectives while reprioritising to reflect the Scottish Executive's drive to develop and implement the city region concept. This agenda helps to build a stronger relationship between the process of planning for economic development and any future Structure Plan process in terms of consideration of common geographic spheres of influence. The plan also reflects the need and opportunity for greater positive joint working between Dundee, Angus, Fife and Perth and Kinross in a number of activities.

6.6 The plan goes on to break down the city region agenda into *Support Objectives* which envisage the city as a:

- Major location for employment and investment
- City of knowledge, innovation and enterprise
- Vibrant cultural leisure and retail centre

6.7 Consideration is also given to the enabling themes of *Partnership, Labour Supply, Image, Infrastructure* and *Resources* and how changes in each of these areas influences the way in which implementation takes place.

6.8 The plan also includes a policy and actions matrix which can be used as an easy reference point and a basis for measurement.

7 CONSULTATIONS

7.1 The Chief Executive, Depute Chief Executive (Support Services) and Depute Chief Executive (Finance) have been consulted in the preparation of this report.

8 BACKGROUND PAPERS

8.1 None.

DOUGLAS A A GRIMMOND
DIRECTOR OF ECONOMIC DEVELOPMENT

DATE: 7TH JUNE 2005

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INTRODUCTION

PURPOSE OF THE PLAN

This plan has been developed to articulate the Council's priority actions for Economic Development over the next three years. In doing so, there is clear recognition of the strategic goals and objectives that we share with our partners in the Dundee Partnership and through the Community Planning process, and of the need to work together to realise our longer-term goals.

The plan is designed to promote understanding of what we are hoping to achieve, why we feel this is necessary and how we aim to deliver on the plan's objectives. It is not set in stone, as, for practical reasons, we have to be able to respond flexibly to unforeseen opportunities or changes in policy or economic conditions as they arise or become evident. Nevertheless, the 3-year time-horizon of the plan is pitched towards providing to the ability to review and modify our direction within timescales that accommodate normal cycles of change.

The previous plan activity was reviewed in 2004 with comments invited from interested parties by October. These have been considered and where appropriate, incorporated into the plan.

ECONOMIC CONTEXT

Global and national economic conditions have had, and continue to have, a profound effect on performance of the local economy. It is important therefore to review trends and forecasts at these levels in order to understand the context in which the Dundee economy operates.

The following analysis is based on information available in December 2004. It should be noted, however, that economies at all levels are subject to unexpected change and forecasts are based on prevailing conditions at a given point in time.

Global Outlook

The world economy experienced sustained slowdown in 2001 and 2002 but recovered strongly from 2003 onwards. The Fraser of Allander Institute has forecasted global GDP growth of 4.2% for 2004 compared to 3.9% in 2003. Growth is expected to remain above 4 % beyond 2006.

The strong resurgence in the US economy was dampened in 2004 by high-energy costs. OECD anticipates that growth of 4.3% in 2004 will slow to 3.3% in 2005 with the American government continuing to run substantial deficits.

In Japan, which at the start of 2004 exhibited the highest growth of the G7 nations, growth is forecast to fall from 3.4% in 2004 to 2.5% in 2005. Slackening domestic demand will leave the Japanese economy increasingly dependent for growth on external trade and therefore vulnerable to downturn in the world economy.

China's ongoing transition from a rural, command economy to a modern, increasingly urban, market economy continues to produce rates of economic growth seldom paralleled in the industrialised world. Whilst there has been some evidence of slowing as the government implements measures to constrain overheating sectors, output was forecast to grow by 7.3% in 2004.

Global Overview

Worldwide recession in 2001 and 2002 gave way to a period of sustained recovery in 2003 led by the US. The economies of the Far East, and China in particular, have exhibited strong growth and their rapid industrialisation presents the advanced economies of the West with both challenges and opportunities.

The low wage economies of China and other Far Eastern economies make them an attractive investment option for labour intensive operations. The disparity in costs between these developing countries and industrialised nations intensifies the need for the industrialised world to concentrate on high skill, high value added industries if they are to maintain competitive advantage.

Europe

Growth in the European Union, and the Euro area in particular, has been somewhat subdued in recent years, but the outlook has brightened as global demand has increased. There are few signs of a return to the negative growth territory seen in some European countries in 2002 and 2003. Nevertheless GDP growth continues to lag behind the UK and US with Germany and Italy both facing difficult challenges. The Fraser of Allander Institute is forecasting Euro area growth of 1.8% in 2004 rising to 2.3% in 2005.

In May 2004, a further 10 countries joined the European Union. Whilst this has resulted in the EU's population expanding by 19%, economic output increased by just 5%. Indeed, the total output of the accession countries combined is just one third of output in the UK. However, with forecast GDP expansion of 4% in 2004 and 2005, the accession countries are expected to grow at double the rate of the established EU15.

Poland and the 3 Baltic States are expected to perform particularly well. The expanded EU may offer new trade opportunities for Scottish businesses.

UK

The UK economy performed better during the global slowdown of 2001-2002 than the other major European economies, most notably Germany and France. The fundamentals of the UK economy remain sound: inflation is low and stable; employment is close to its historic high and interest rates, notwithstanding recent increases, are at historically low levels. The UK's robust performance in recent years has been driven by high levels of consumer expenditure which has helped counter the significant downturns experienced by the manufacturing sector in 2001 and 2002.

The UK economy is forecast to grow by 3.3% in 2004 slowing to 2.5% in 2005 and 2006.

Scotland

The Scottish economy picked up in 2004 having been affected by the downturn in the Euro area, Scotland's main overseas trading market, between 2001 and 2003. Whilst the manufacturing sector remains weak, exports have increased, service sector growth has improved and the labour market remains buoyant. Future growth may be affected by higher interest rates and fluctuations in oil prices. Nevertheless, the Fraser of Allander Institute are relatively optimistic and forecast real GDP growth of 2.1% in 2004 and 1.9% in 2005. They suggest that investment, tourism and exports will help strengthen the economy. Strong growth in construction is forecast although manufacturing may continue to perform weakly. Employment levels are expected to rise with unemployment levels continuing to decline slowly.

Europe Overview

Economic growth in the EU and Euro Area in particular has been subdued in recent years but improved in 2004 as global demand increased.

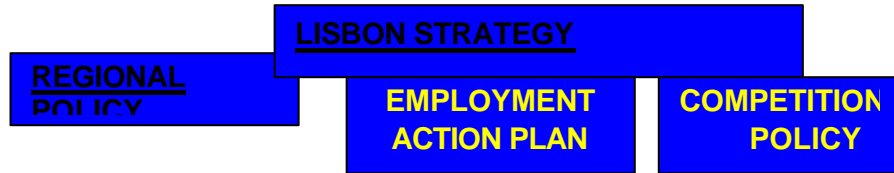
The new member states are:
Cyprus
Czech Republic
Estonia
Hungary
Latvia
Lithuania
Malta
Poland
Slovak Republic
Slovenia

POLICY CONTEXT

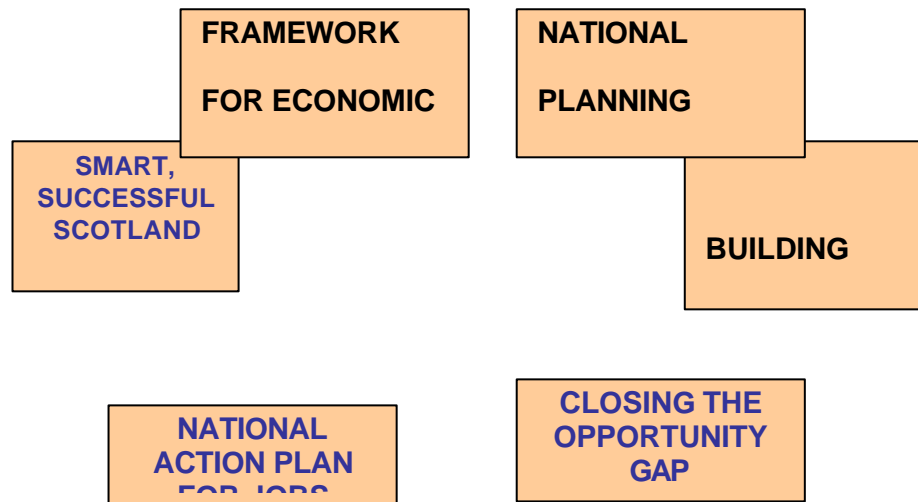
In addition to recognising the potential and actual impact that the macro economic environment has on local conditions, this plan is developed within the context of a range and hierarchy of policy influences. There is a considerable volume and breadth of external policy agendas that shapes what we do, but, for the sake of brevity, this section will provide a flavour of only the most influential of these.

LEVEL OF ORIGIN

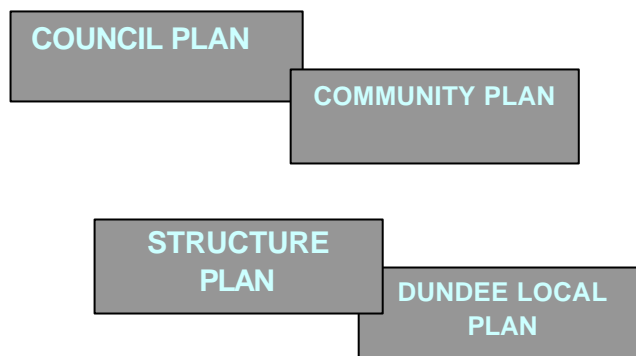
EUROPE



UK/SCOTLAND



LOCAL



EUROPEAN POLICY

LISBON STRATEGY

In 2000, the Council of Europe met in Lisbon and set out an ambitious strategy for European economic direction in order to strengthen employment, economic reform and social cohesion within the context of enlargement and a movement towards a knowledge-based economy and away from the traditional, industrial focus. The Strategy, which will be reviewed under the Luxembourg and UK Presidencies during 2005, is based on the following foundations:

- Preparing the transition to a knowledge-based economy and society by better policies for the information society and R&D, as well as by stepping up the process of structural reform for competitiveness and innovation and by completing the internal market;
- Modernising the European social model, investing in people and combating social exclusion;
- Sustaining the healthy economic outlook and favourable growth prospects by applying an appropriate macro-economic policy mix.

The strategy provides strong direction to a range of subsidiary economic policies, which, given the current R&D activity and potential in Dundee juxtaposed to high levels of social and economic deprivation, will have particular relevance.

REGIONAL POLICY

This policy is designed to promote the concept of *cohesion* in Europe. That is to reduce economic disparities across its nations and regions by providing assistance to those areas in most need. Dundee has significantly benefited from this since the mid 1980s, and most of the regeneration projects that have been undertaken in the city over the last 20 years have enjoyed some investment from Europe.

The recent expansion of the EU to take in 10 new members has changed the pattern of relative economic prosperity across Europe, with many of the new member states having regions requiring significant financial assistance. Few will disagree that it is right to provide this support, even though the corollary is that funds available for other areas, such as Dundee, will be significantly diminished. The current Regional policy regulations expire at the end of 2006, after which, new funding programmes that will provide a sharper focus on driving forward the key messages from the Lisbon Agenda, will come into place.

COMPETITION POLICY

The European Commission is keen to ensure that no unfair competitive advantage is conferred upon industry within the internal market, by the actions of public bodies (state aid) or through anti-competitive practice within industry itself. This policy appears, at times, to be in conflict with the desire of member states, and the Commission itself, to provide assistance in areas of economic disadvantage. Changes to regional policy have prompted the EC to review its competition regulations with a view to removing some of those anomalies. Although discussions are still ongoing at time of print, it is likely that for Dundee, the main impact of this will be the loss of *Assisted Area* status, which has allowed *Regional Selective Assistance* grants, made available from a domestic budget, to be made to companies within a framework of eligibility criteria and certain financial limits. It will be replaced by a new regime that is likely to allow assistance to be given under more restrictive conditions in non-*Assisted Areas*, but at this point, it is not clear whether the UK Government will provide grants in those areas.

EUROPEAN EMPLOYMENT STRATEGY

The 1997 Luxembourg European Council meeting launched the implementation of the European Employment Strategy (EES) and adopted the first set of annual Employment Guidelines. These

Guidelines were arranged around four "pillars" or headings - employability, entrepreneurship, adaptability, and equal opportunities. The March 2000 Lisbon European Council meeting added a series of new "horizontal" objectives, established full employment as an overarching long-term goal for the EU economy, and set targets for improvements in the employment rate.

The current EES covers the period 2003 - 2006 and it contains three overarching objectives:

- Improved quality in work and productivity;
- Full employment;
- Greater social cohesion and inclusion.

These, overarching objectives, have been further supplemented by the recommendations of the 'Employment Task Force', which reported in November 2003:

- Attracting more people to the labour market;
- Improving the governance of employment;
- Investing in human capital;
- Improving adaptability.

UK / SCOTTISH POLICY

FRAMEWORK FOR ECONOMIC DEVELOPMENT IN SCOTLAND

The Framework For Economic Development in Scotland (FEDS) was first published in 2000 and subsequently refreshed in 2004. This provides a statement of intent, by the Scottish Executive regarding policy direction and specific areas of intervention, which clearly contribute to the objectives of the Lisbon Strategy.

The key outcome objectives are:

- ***Economic growth*** - with growth accelerated and sustained through greater competitiveness in the global economy;
- ***Regional development*** - with economic growth a pre-requisite for all regions to enjoy the same economic opportunities, and with regional development itself contributing to national economic prosperity;
- ***Closing the opportunity gap*** - with economic growth a pre-requisite for all in society to enjoy enhanced economic opportunities, and with social development in turn contributing to national economic prosperity, and;
- ***Sustainable development*** - in economic, social and environmental terms.

The FEDS enabling objectives are:

- A stable and supportive macroeconomic environment;
- A facilitating national economic context: encompassing the physical, human and electronic infrastructure;
- Dynamic competitiveness in Scottish enterprises, and;
- Economic policies and programmes to secure the social, regional and environmental objectives.

SMART, SUCCESSFUL SCOTLAND

Flowing from FEDS, this document provides strategic direction to the Enterprise Networks and an enterprise strategy for Scotland. SSS has three organising themes:

- **GROWING BUSINESSES**

Which will support the development of new businesses and the encouragement of greater competitiveness within existing industry.

- **SKILLS AND LEARNING**

Focussing on a skilled labour supply for the future.

- **GLOBAL CONNECTIONS**

To make Scotland a world class business location.

NATIONAL PLANNING FRAMEWORK FOR SCOTLAND

Published in 2004, this sets out a wider context for Scotland until 2025. Not an economic development strategy, it nevertheless identifies priorities for strategic investment, aimed at contributing to Scotland's competitiveness and sustainability in the longer-term future.

For Dundee, there are specific references to the challenge of reducing and reversing population decline, and particular developments in the knowledge economy clusters, the Central Waterfront redevelopment and recognises that benefits would be gained by better transport links to Edinburgh.

BUILDING BETTER CITIES

This policy document follows on from the *Cities Review 2003*, which gave consideration to the characteristics of Scotland's major cities, in recognition of the strategic role they play, and interaction with their surrounding regions.

Building Better Cities is based upon the findings of the Review and the subsequent development of City Visions. This has resulted in recognition of the strategic importance of the Waterfront redevelopment, with the Scottish Executive making an initial contribution of £9.3m to this via the City Growth Fund.

UNITED KINGDOM NATIONAL ACTION PLAN ON EMPLOYMENT - 2004

The National Action Plan is aligned with the European Employment Strategy and is based upon:

- Active labour market policies, tailored and appropriate help and support for those without work;
- Policies that make work pay, improved incentives through reform of the tax and benefit system and the national minimum wage;
- Policies that reduce barriers to work, for example education, skills and training policies to produce a flexible and productive workforce.

Targets

The medium term targets for 2006 include: increasing the employment rate and reducing the unemployment rate; increasing the employment rate in disadvantaged areas and groups; increasing availability of quality childcare; and reducing the proportion of children in workless households.

Longer term targets, by 2010 cover: a higher percentage of people in work than ever before; an increase to 70% in the proportion of lone parents in work; an increase in attendance at university or further education; and halving child poverty. This focus on childcare, child poverty and lone parents has high relevance to women at risk of becoming detached from the labour market.

CLOSING THE OPPORTUNITY GAP

This broad policy covers actions identified in the Scottish Budget 2003-2006. From an economic development perspective, the areas of focus are contained in the following objectives:

Closing the opportunity gap on employment and learning

This includes:

- Increasing support to 16-19 year olds from low-income families to stay on at school and/or FE college, thereby raising the participation and retention rates of this group.
 - Reducing the proportion of 16-19 year olds not in education, training and employment.
 - Increasing the proportion of participants in higher education from socially and economically disadvantaged.
 - Closing the gap in unemployment rates between the worst 10% of areas and the Scottish average.
-
- **Improve the skill base of Scotland to be better prepared to meet the demands of the knowledge economy by:**
 - Increasing Modern Apprenticeships to over 25,000 in employment and training by 2006, targeting under-represented groups.
 - Increasing the number of people in employment undertaking training.

LOCAL POLICY

LOCAL ECONOMIC FORUM

The LEF plays a strategic role in providing a co-ordinating framework for the economic development aspects of the 3 Community Plan's in Tayside. In doing so it brings together regional representatives of organisations with a key economic development role, to influence the decision-making context and supporting infrastructure with the objective of promoting a cohesive approach in the region.

THE COUNCIL PLAN 2003 - 2007 AND THE COMMUNITY PLAN

The Community Planning provisions were introduced by the Local Government Scotland Act 2003 providing a statutory basis for *"co-operation between local authorities, other key bodies and organisations and communities"*.

The Community Planning process in Dundee has long been established in terms of the history of agencies and organisations working together, a fact which is reflected in the Council Plan 2003 2007. However, the act formalises a requirement for a broader partnership. Community Planning Partnerships have been established across Scotland, and in Dundee it is structured to reflect the themes covered by the Council Plan and the Community Plan:

- **WORKING AND ENTERPRISE**
- **LIFELONG LEARNING**
- **HEALTH & CARE**
- **COMMUNITY SAFETY**
- **BUILDING STRONGER COMMUNITIES**
- **THE DUNDEE ENVIRONMENT**

STRUCTURE AND LOCAL PLANS

The Dundee and Angus Structure Plan 2001-2016 provides the strategic land-use planning framework for the area, indicating amounts of land to be provided for activities such as housing and employment, and types of developments anticipated in leisure and tourism. These are translated into more detailed policies which are articulated through the Dundee Local Plan. The current plan, which is subject to modification following a Local Plan Inquiry, provides Council policy on the specific sites available for employment use: different categories of site, ranging from *High Amenity* to *General Economic Development Areas* and, the industrial use class of business encouraged to locate on those sites. High Amenity Sites include the Western Gateway, which is deemed to be strategically important for the wider region, Ninewells Medi-Park, the Technopole and the Digital Media Park. Areas of Principal Economic Development are limited to use classes 4, 5 and 6 (*Business, General Industry* and *Storage and Distribution*, respectively) although, there is recognition of a requirement for investment in Dunsinane Industrial Estate and flexibility is being employed for other, non-retail uses.

ECONOMIC CHANGE 2001-2004

POPULATION TRENDS

Over the period 2000 to 2004 the City’s population continued it’s historical decline falling from 146,610 in 2000 to 143,090, a decline of 2.4%. The population of Scotland remained stable over this period.

Analysis of 2001 Census data suggests however, that the City can draw upon a 30 minute drive time population that exceeds 300,000. 190,000 of this total are aged 16-64.

Analysis of Census commuting data confirms that Dundee is a net provider of jobs to residents of surrounding local authorities. 6,300 Dundee residents commute to other areas to work on a daily basis whilst 19,300 commute into the City. 29% of Dundee’s workforce comes from surrounding local authorities. 10,363 Angus residents, 4,104 Fife residents and 3,938 Perth and Kinross residents work in the City.

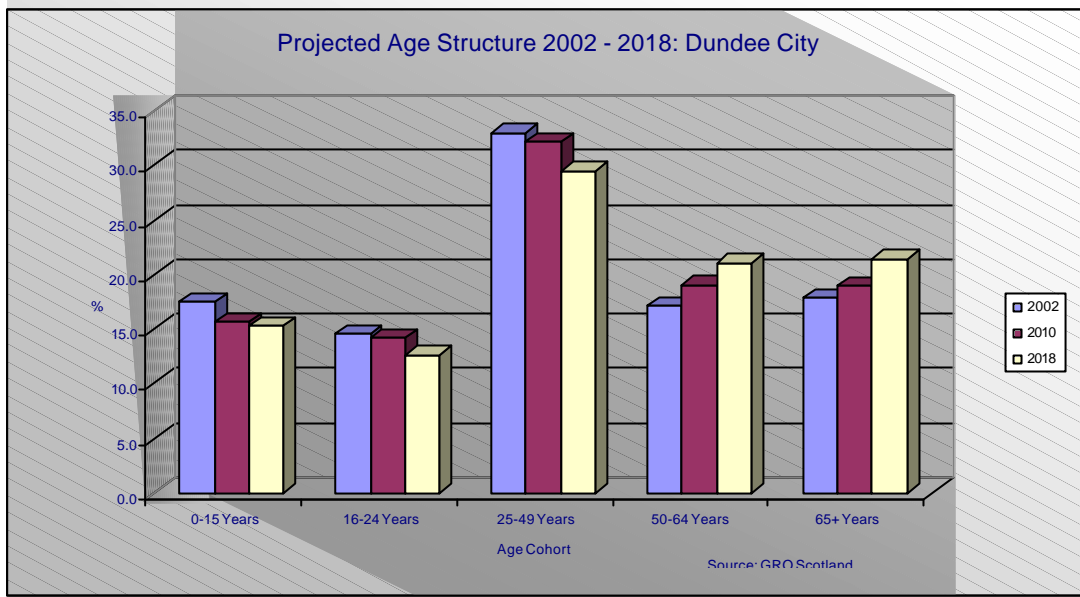
Dundee is a net provider of jobs to residents of surrounding local authorities who represent 29% of Dundee’s workforce.

Place of residence	Dundee workforce		
	No. of workers	% of total workforce	% of total in-commuters
Dundee City	47,357	71.0%	
Angus	10,363	15.5%	53.7%
Fife	4,104	6.2%	21.3%
Perth & Kinross	3,938	5.9%	20.4%
Highland	217	0.3%	1.1%
Edinburgh City	127	0.2%	0.7%
Aberdeenshire	80	0.1%	0.4%
Stirling	70	0.1%	0.4%
Aberdeen City	60	0.1%	0.3%
West Lothian	46	0.1%	0.2%
Other Scottish LAs	301	0.5%	1.6%
Total workforce	66,663	100.0%	100.0%
<u>Source: Census of Population 2001</u>			

The City demonstrably provides employment opportunities to a regional labour market. Despite the falling population within its administrative boundaries, Dundee continues to draw upon the economically active population of its neighbouring authorities to service the demands of the jobs market.

In addition, there are over 5000 full time students resident in the City that hold down jobs in addition to undertaking their academic studies.

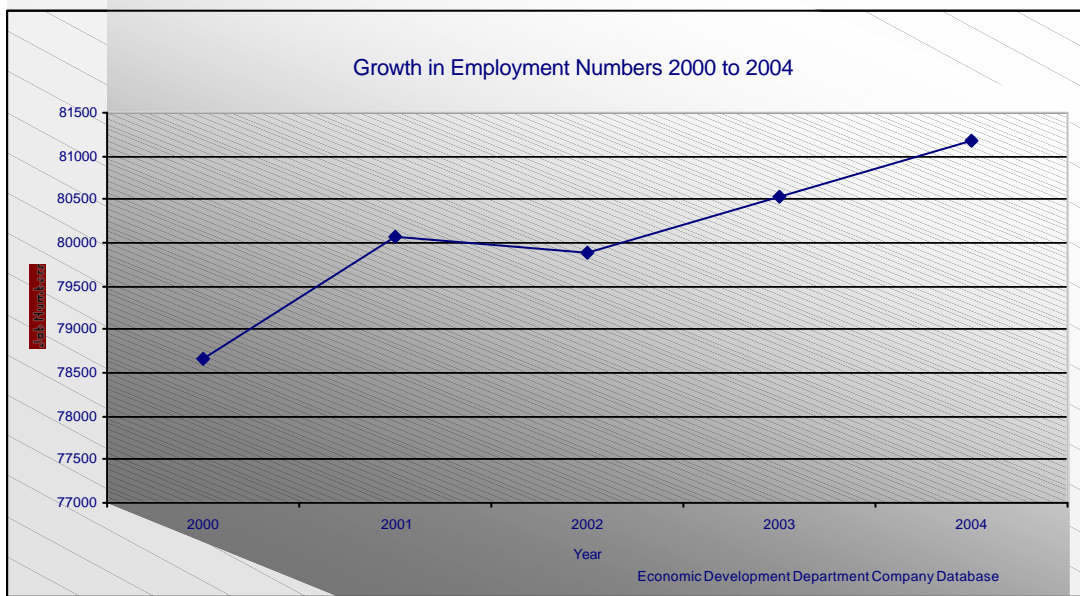
Population projections suggest, however, that in line with other countries in Western Europe, Scotland faces rapid population aging over the next 2 decades that will have significant implications for labour market retention and recruitment. Population aging is a consequence of 3 cumulative factors - greater longevity, lower fertility rates and the ageing of the baby boom generation born in the years between 1945 and the early 1960s.



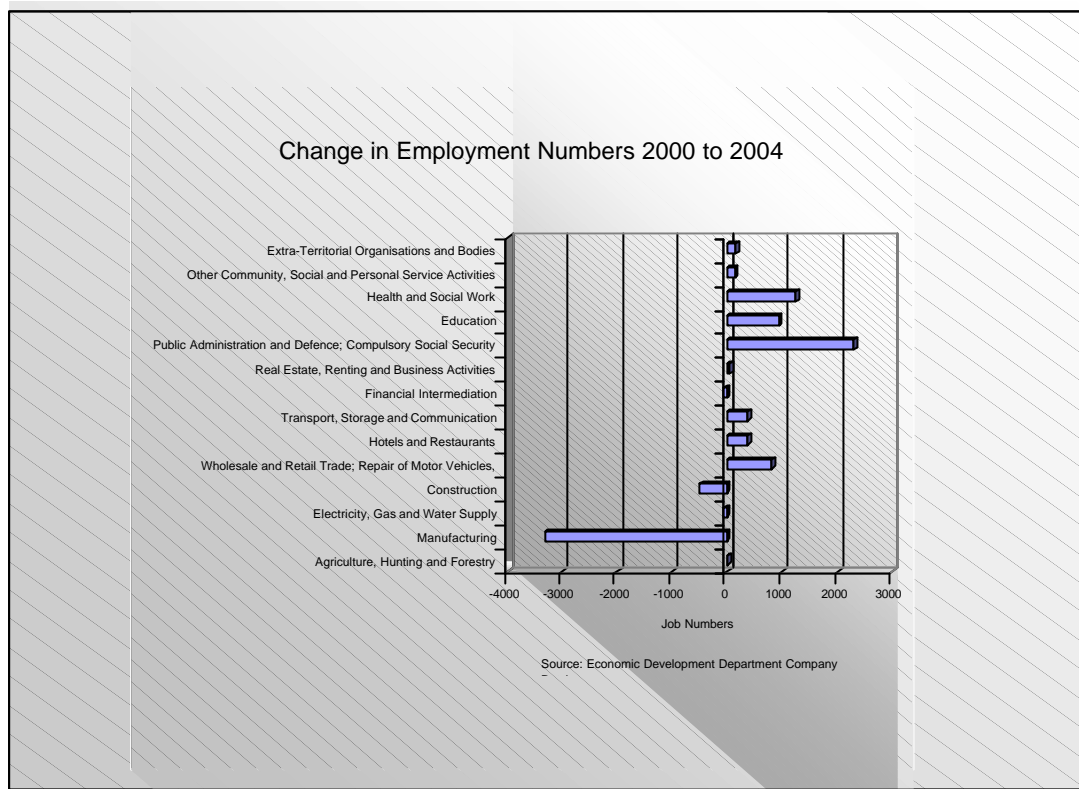
Between 2002 and 2018, Dundee's population is projected to age considerably. The percentage of children is anticipated to fall from 17.5% to 15.3% whilst the percentage aged 65+ should increase from 17.9% to 21.5%. The working age population is forecast to age in profile with the percentage aged 25-49 falling from 33.0% to 29.5%. Those aged 50-64 years are expected to grow from 17.1% to 19.1%. Developing policies at European, national and local levels to address the implications of these trends will be critical if economic growth is to be sustained.

EMPLOYMENT GROWTH

Over the course of the previous plan period there was a net jobs gain of 2,522 jobs to the City's employment total, equivalent to a growth rate of 3.2%.



Net employment growth was, however, achieved against a background of mixed fortunes for different sectors of the local economy. 10 of the City's 14 employment sectors experienced positive growth of 6,434 jobs whilst 4 sectors lost a cumulative total of 3,912 jobs.



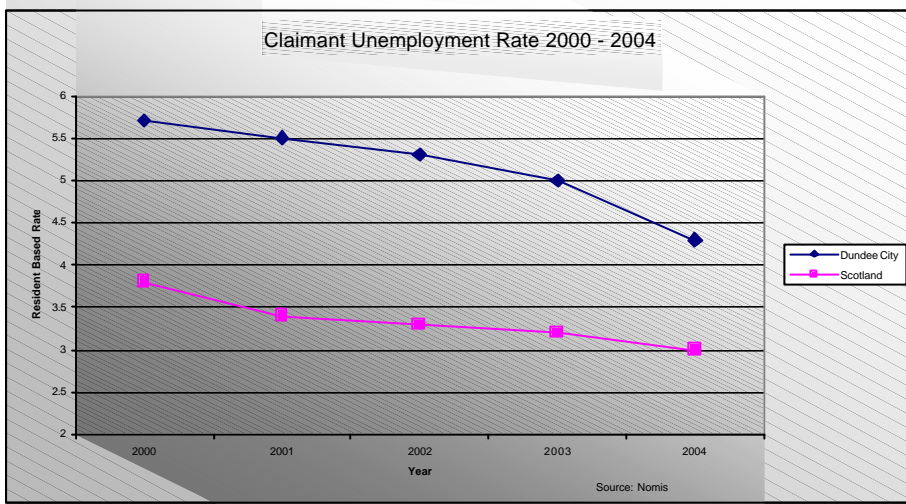
- The **manufacturing sector** lost over 3,300 jobs between 2000 and 2004. This occurred against a backdrop of worldwide recession in the manufacturing sector and increasing competition from China and other Far East countries. Competition from low wage economies impacted in 2001 with the closure of Levi Strauss the jeans manufacturer. The company had operated in Dundee for more than 30 years and its closure resulted in nearly 500 redundancies. Other notable job losses that affected the sector over the period included over 200 jobs at APW and 120 jobs at Farmor Engineering in 2001 and 200 plus jobs at ABB Power in 2002.
- The **Public Administration and Defence** sector experienced a net job gain of over 2,300 between 2000 and 2004. The sector was buoyed by a number of significant inward investments. Notably, the opening of the Inland Revenue and Department of Work and Pensions contact centres in 2002 that between them provide employment for over 1,200.
- The **Health and Social Work** sector experienced employment growth of over 1,200. This reflected increasing government investment in the health and care sectors and the establishment in Dundee of the Scottish Commission for the Regulation of Care and the Scottish Social Services Council in 2001.
- Employment in **the Education** sector also increased by 950 over the period. Continuing growth in the City's higher education sector contributed to this positive trend.
- The City's **Wholesale and Retail** sector continued to expand with a net increase of more than 800 over the period. The opening of the Overgate Centre in 2000 and the £40 million redevelopment of the Kingsway West Retail Park contributed to the City's continuing development as a successful regional shopping centre.
- A survey of Tayside **Biotechnology** companies and organisations carried out in 2003 indicated that the sector had grown by an estimated 50%-65% annually between 1998 and 2003 and

employs an estimated 3,566 Full Time Equivalent Employees across Tayside. The majority of this employment is concentrated in Dundee.

- A **Digital Media** sector study carried out in 2004 indicated that there were over 300 companies and organisations in Tayside employing in excess of 2,300 Full Time Equivalent employees. 55% of companies operate in Dundee. The sector achieved annual employment growth of 20% between 2000 and 2003.

UNEMPLOYMENT

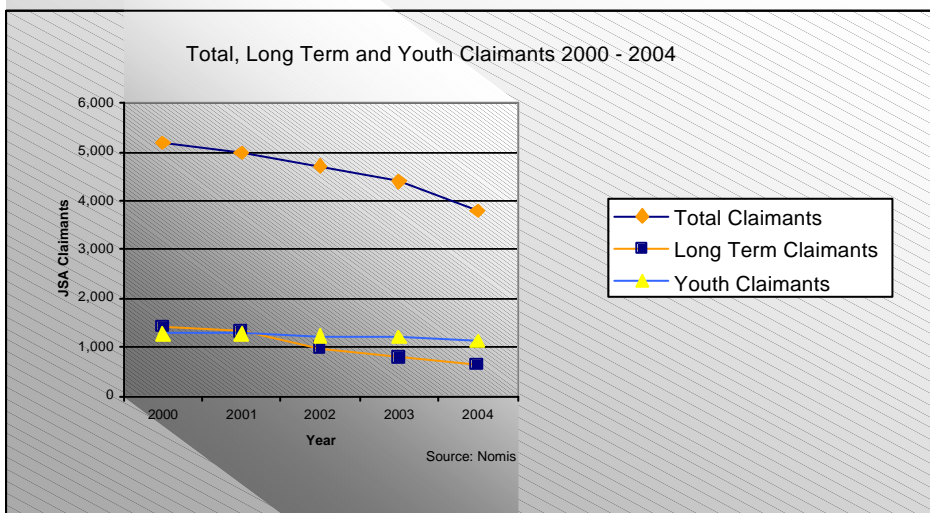
As the City's economy has continued to grow over the period, the number of registered unemployed has declined accordingly.



Between 2000 and 2004 the rate of claimants to working aged residents fell from 5.7% to 4.3%. Despite this positive trend, the claimant rate continued to exceed the Scottish average that stood at 3.0% in 2004.

In absolute terms, total claimant numbers have fallen from a monthly average of 5,187 in 2000 to 3,795 in 2004; a fall of 27%.

The number of long terms claimants (12 months+) has fallen from a monthly average of 1,427 in 2000 to

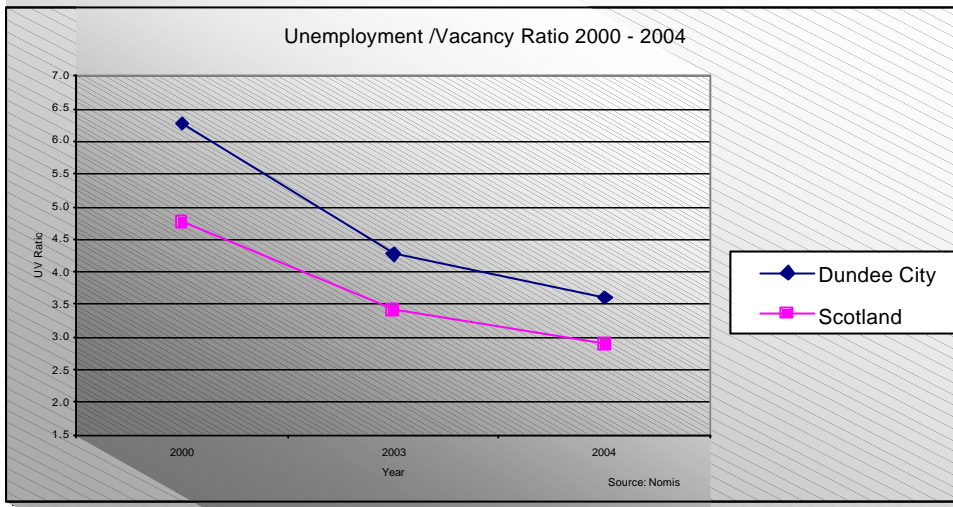


645 in 2004; a 55% reduction.

The decline in youth claimant numbers has been somewhat less marked falling from a monthly average of 1,287 in 2000 to 1,140 in 2004; a drop of 11%.

U/V RATIO

Between 2000 and 2004 the number of vacancies registered at jobcentre plus offices in Dundee rose by 27% whilst the number of claimant unemployed fell by 27%. Consequently, the ratio of unemployed to vacancies fell from 6.3:1 in 2000 to 3.6:1 in 2004.

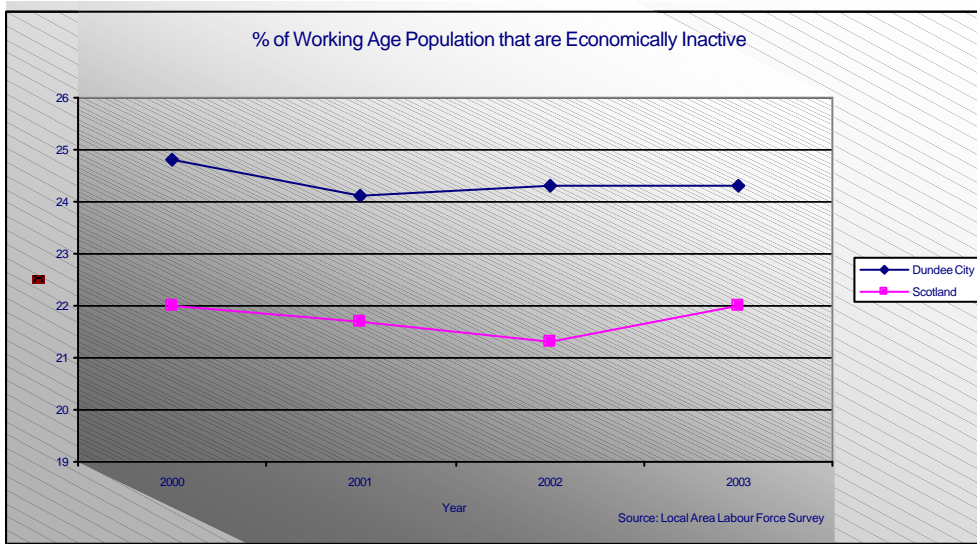


Whilst the u/v ratio in the City remains above the Scottish average it has narrowly significantly in recent years.

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ECONOMIC INACTIVITY

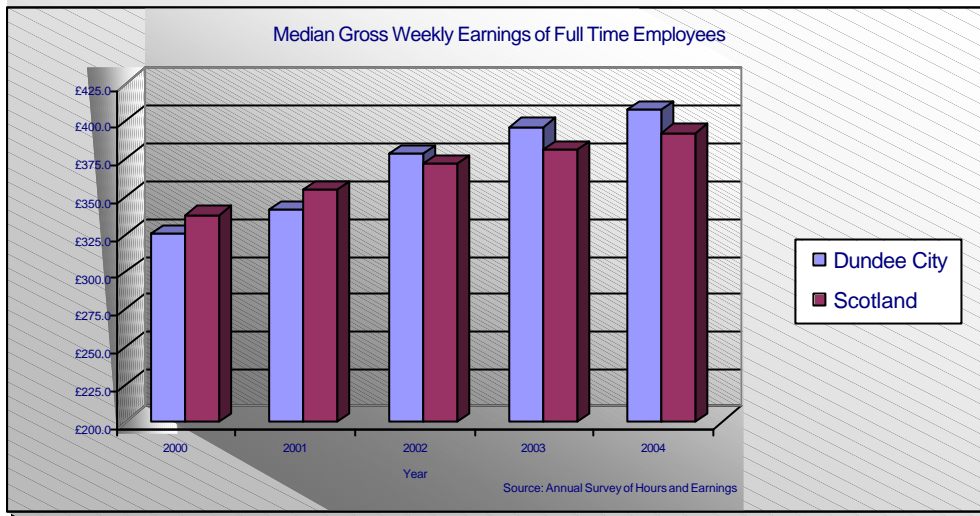
With claimant unemployment levels at historically low levels across the UK and an aging population profile, government policy has increasingly begun to focus on the need to re-engage working age persons, who are neither in work or seeking work, with the labour market.



Whilst claimant unemployment levels in Dundee have fallen by 27% between 2000 and 2004, the proportion of working age persons who are economically inactive in Dundee (i.e. neither in work or seeking work) has declined only marginally (from 24.8% in 2000 to 24.3% in 2003) and remains above the Scottish average that stood at 22.0% in 2003.

WAGE LEVELS

Gross weekly earnings of full time employees working in Dundee City have increased by 25% between 2000 and 2004. This compares to a 16% increase in Scotland as a whole.

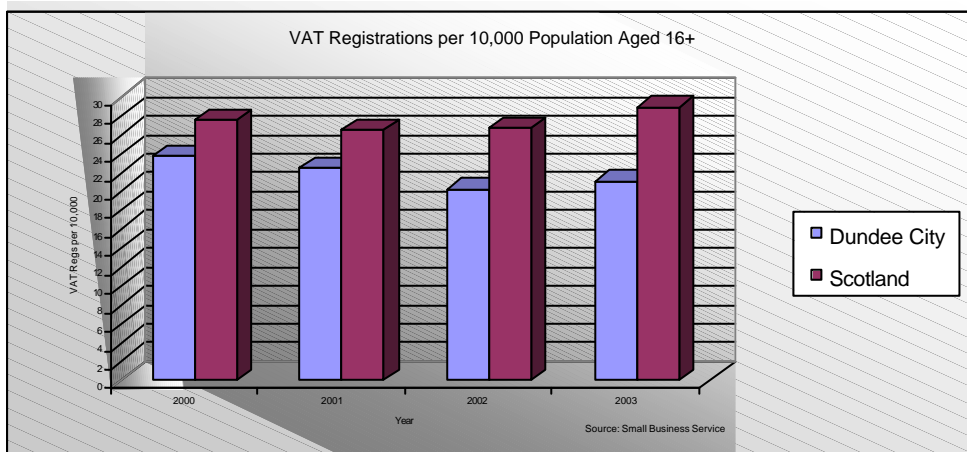


Median earnings in Dundee were 3.8% lower than the Scottish average in 2000 but by 2004 exceeded the Scottish average by 3.9%.

Above Scottish average growth in wage levels is a positive trend for the Dundee economy and indicates that the quality of jobs available to the labour force has improved over the Plan period.

RATES OF BUSINESS START UP

The City Council and its partner, Scottish Enterprise Tayside, provide assistance to businesses and to people wishing to set up businesses through the Dundee Business Gateway. The number of start-ups assisted during the plan period increased from 203 in 2000 to 285 in financial year 2003/2004.



Between 2000 and 2004, the total number of businesses located in Dundee rose from 3,730 to 4,001, representing a rise of 7%.

Analysis of VAT Registration data, suggests however that levels of entrepreneurial activity in Dundee have lagged the Scottish average over the previous

plan period. In 2004, there were 21.1 new VAT Registrations per 10,000 population in Dundee compared to 29.0 per 10,000 in Scotland.

STRATEGIC GOAL AND OBJECTIVES

The Strategic Goals identified in previous plans were developed from the Dundee Partnership's Vision statement that expressed a desire to establish Dundee as:

"A thriving regional shopping, service and employment centre, where people can realise their potential; are proud to live and work and which tourists consider worth visiting."

Since that time, much work has been done and a great deal achieved towards the realisation of that vision, although we are acutely aware that there is still much to do. Over the years we have consistently examined and developed our role as a regional centre and, more widely, there has been increasing recognition of the economic impact of cities in conjunction with the surrounding towns and villages, and their hinterland. This approach has been validated and given new impetus through the Scottish Executive's work on the role of the "city region" which is underpinned through the strategic economic development policy documents; *Framework for Economic Development in Scotland* and *Smart Successful Scotland*.

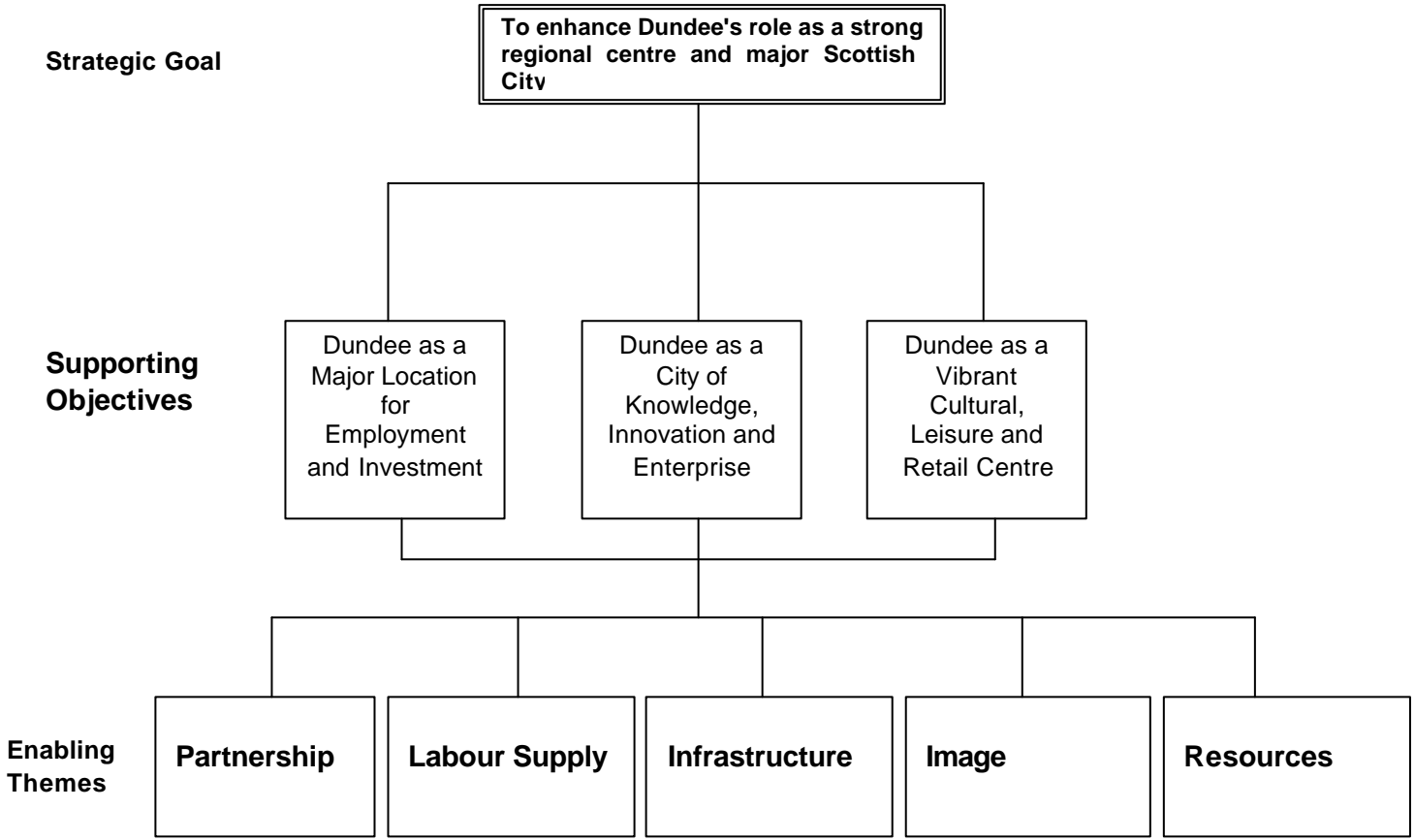
In 2003, the Executive reinforced this concept through its *Cities Review Analysis* and subsequent *Building Better Cities* policy response, which sought a clear ten-year vision for each of Scotland's 5 main cities. The Local Economic Forum and the Dundee Partnership, through the Community Planning process, produced a new "City-Vision" which updates aspirations and builds upon achievements.

THE VISION

Through the work of the Dundee Partnership, our city will;

- *Be a vibrant and attractive city with an excellent quality of life where people chose to live, learn work and visit;*
- *Offer real choice and opportunity in a city that has tackled the root causes of social and economic exclusion, creating a community which is healthy, safe confident, educated and empowered;*
- *Have a strong and sustainable city economy that will provide jobs for the people of Dundee, retain more of the universities' graduates and make the city a magnet for new talent.*

This new policy emphasis on the city -region, enables us to reprioritise and refocus our strategic direction for this 2005-2007 economic development plan and allows us to reconfigure our objectives to fit better with the new agenda. It is therefore appropriate, that the Strategic Goal used here and it's supporting objectives, which form the basis of the plan, are developed using the Dundee Partnership's City Vision as a key reference point.



DUNDEE AS A STRONG REGIONAL CENTRE AND A MAJOR SCOTTISH CITY

Dundee, like any city, has different geographical boundaries of influence, each of which is affected by a range of factors including the strength of product or service. We know, for example, that 300,592 people live within a 1/2hour drive of Dundee and 628, 468 within 1 hour and that a proportion of these people will utilise the services and facilities on offer. We are also aware that a vibrant retail and leisure base will attract people from further away than a centre that is less attractive.

Dundee is a net importer of labour, and the sustainability of the economy is

dependent on the city's industry getting access to a multi-skilled labour supply.

We have to therefore take into account the reasons for people's willingness to live or work in an area. This is generally motivated by factors such as, the quality and range of employment available, accessibility and transport, the nature and function of the housing market, the quality of services provided, and an underlying perception of the City.

Dundee must continue to evolve and present a dynamic and appealing image to the onlooker and investor alike, and this can only be successfully achieved if the image is a reality, not just a notion. It is therefore vital that we continue to strive to increase the quality and diversity of our physical and cultural environment, the available employment and the skills of the workforce, to strengthen Dundee's position as a competitive hub for the wider region. The successful development of the Central Waterfront area will help to satisfy that requirement and will represent a landmark achievement in the City's renaissance. However, in striving for this goal, we must also recognise that localised persistent deprivation exists within the city and this needs to be addressed through continued and innovative partnership working in order to improve the quality of life for individuals, optimise the quality and quantity of labour supply, and reduce impediments that act as a drag on the economy as a whole.

The city region is multi-dimensional, and it is important to recognise and exploit the many assets that the wider area can offer. The natural environment and historic capital of the surrounding region provides great opportunities for range of activities from walking, sightseeing and nature watching to formal and informal sports. The area is renowned for its quality golf courses and, increasingly, a

reputation for first class produce and cuisine. Dundee has a positive history of partnership working within the city and the challenge facing us within this new agenda, is to look to ways of working with organisations and agencies in the wider area, to cohesively identify and drive forward common agendas.

The *National Planning Framework for Scotland* recognises that real improvements have been made in Dundee in the past 10 years. The challenge for Dundee is to continue to improve upon the product it provides to its citizens, to the wider region it serves, and to visitors to the city.

The achievement of this strategic goal requires continual work on the components that will help us to build towards our vision. This cannot be delivered by a single agency, but requires the collaboration of a broad range of stakeholders across the public, private, community and voluntary sectors, and with colleagues in our neighbouring authorities, working on issues such as housing, transportation and environment. This plan will focus on those activities where the Council and its partners can make a contribution to assist the economic dimension of the goal.

SUPPORTING OBJECTIVES

Dundee as a Major Location for Employment and Investment

Employment

Employment in Dundee has seen a marginal increase since 2001, despite substantial losses in the manufacturing sector. These losses reflect a trend experienced in most first-world economies and was manifested in Dundee, for example, through the closure of Levis and ABB Power. Nevertheless, the period 2001-2004 saw the considerable rise of 23.9% in Public Administration jobs, largely as a result of concerted campaigning by the Council and its partners to maximise the benefit from the decentralisation of civil service jobs.

Focussed activity in this area has led to the location of the following agencies within the City of Dundee:

- Headquarters for the Scottish Commission for the Regulation of Care
- Headquarters for the Scottish Social Services Council
- Office of the Scottish Charities regulator
- Department for Work & Pensions: New Pensions Service Centre
- New Inland Revenue - contact centre

These agencies alone have resulted in the creation of 1384 posts (the majority of which are new to the city). The Scottish Executive and Westminster Government are exploring opportunities for further decentralisation of civil service jobs over the medium to long term and developments will be monitored by the Partnership with a view to targeting those jobs that would be appropriate for the city.

The health sector is the second highest employment growth area employing over 13% of the city's workforce. The varied nature of this employment is important to the city and its function as a regional centre; however, the performance of this sector is tied to central government policies and investment.

The contribution that the Higher and Further Education sector makes to the city - the relationship between town and gown, is many layered. Apart from the cultural and social vibrancy that is created by a strong educational infrastructure, as an industrial sector, it contributes nearly 9,000 jobs to the city's economy - over 10% of the workforce. Over the past few years, the Council and its partners have worked with the Universities and the College on a range of initiatives designed to assist the city's growth and which support specific aspects of the sector. This collaboration will continue to be an important tool for the continued exploration of new opportunities.

Large-scale investment in the shopping product in the city during previous plan periods brought with it significant increases in employment in the retail / wholesale sector. This now represents over 16% of the available employment in Dundee. The city is now recognised as an attractive regional shopping destination with a good range of national outlets. Over the coming years, the challenge will be to maintain that position while enhancing the speciality shopping provision - encouraging independent operators and unique or different products to provide an enriched and varied retail experience of the city.

One of the impacts of the reduction in claimant count unemployment rate experienced in Dundee over the previous plan period has been to highlight the city's relatively poor position with regard to economic inactivity rates. Currently, about 20,000 people are classified as economically inactive in the city. This includes a large proportion whom, for various reasons, have been in receipt of

In 2000, *Talking Tayside* was initiated to promote the contact centre industry at careers events in schools and colleges, provide first hand experience of operations and to create pre-recruitment training courses. The initiative holds an annual award ceremony covering a number of categories supported by a wide range of sponsors.

Incubator 2

In response to the growing need for business space for the Biotechnology Sector, Dundee City Council recently completed the construction of a 2nd incubator unit at the Technopole. The Incubator Units will be managed by the University of Dundee to provide support and flexible space to new spinout companies, ensuring the University has the necessary facilities to encourage such growth.

Economic Inactivity

20,000 working age persons are defined as **economically inactive** in Dundee. The economically inactive are those who are out of work and not actively seeking employment. Unemployed persons in receipt of benefit are not classified as inactive because they are actively seeking work.

incapacity benefit. This issue, which will be given greater attention under the *Labour Supply* enabling theme, has been identified of concern to the Westminster Government as well as the Scottish Executive, which is responding through the development of an Employability Framework. The Council will work with the agencies of Westminster and the Executive to devise and implement a local response to the issue within the parameters of that framework. Aligned to the objective of maximising the opportunities for people to access the labour market, is the Working for Families initiative, which is designed to remove the barriers to employment or training, caused by limitations in access to childcare. Again, this issue will be covered later in the plan.

Investment

In recent years, the significant public sector investment in Dundee's physical environment and infrastructure has been instrumental in pump-priming private sector investment. Both forms of investment have directly created employment, with downstream benefits in the construction industry. Examples include:

- £40m redevelopment of Kingsway West Retail Park to include Scotland's largest Tesco Extra store.
- £20m research centre for NCR who employ 1500 people in the city.
- £17.5 development of the Centre for Interdisciplinary Research.

A significant barrier to investment opportunities in Dundee is the configuration of the city centre in relation to the central waterfront and thus the potential for the utilisation of valuable sites. In 2001, the Dundee Partnership approved a master plan for the long-term redevelopment of the area, a project that has a strategic geographic significance for the city-region over the medium to long-term. The Scottish Executive has made £9.3 million available to help kick-start the process and almost £1million from Europe and this, together with Partnership funding will provide a continued focus for future investment in Dundee.

As a result of recommendations made in the Report of the Local Inquiry into the Local Plan, and the City Council's response to these, an increase in retail floor space in the city centre will be encouraged. The key sites are at the Overgate, Wellgate and Keillor Centres, where future investment will be encouraged.

However, as the previous plan alluded to, the nature of inward investment has changed radically from that which was recognised in the 1980's and early 1990's. Global changes in labour supply, reductions in unemployment, trends in foreign direct investment and industrial and market sectors, have impacted on the way new investment projects are identified. The traditional way of securing inward investment projects was to work closely with Scottish Development International (SDI), formerly Locate in Scotland, and ensuring that we had a good supply of advance factories to meet any demand generated.

This has changed significantly and is expected to change even more during the plan period. Whilst there are still large 'footloose' projects these are fewer in number and are increasingly not location dependant. The rise in mass communication technologies has contributed to this. The City is still an attractive location for large investment projects however these will no longer come from just one or two targeted sectors but from almost any sector of the economy. Moreover within the plan period there will be a significant diminution of the availability of European and Government funding for projects. This will reduce the attractiveness of the City to non-location dependant large-scale new investment.

More realistically, the City will benefit from new investment activity in sectors

The master plan for the **Central Waterfront Redevelopment** describes proposals to reconnect the city centre with Dundee's historic waterfront. The plan envisages a mixed-use development that will provide housing, business space and leisure facilities, as well as better access for pedestrians and cyclists. The impact of traffic flow will be mitigated by the creation of two, east / west boulevards and there will also be provision for public open space.

For details of the plan, look at:
www.dundee.gov.uk/publications/waterfront.pdf

Locate Dundee was established in 2003 to promote the city as an ideal location for potential investment.

within which the City has a clear competitive and locational advantage and our task, therefore, is to communicate the attractions of the City as a location for new investment in those sectors. At the moment, these are considered to be - retail, leisure, education, life sciences, interactive and creative industries. Opportunities for the development of an advantage in the fields of renewable energy and environmental technologies will be kept under review especially the opportunity to build expertise on marine renewable energy at Dundee Port. The communications strategies to be adopted will use a wide-range of methods (such as direct marketing, lobbying, web-based communication etc) to assist in the identification of projects.

In relation to property development, this scenario presents us with a more complex task. Our previous successful approach to inward investment (and the stimulation of indigenous expansion) shows that property development projects are a key element in the process and will need to be included in future initiatives. The existence of flexible business space has been a key factor in attracting civil service jobs, for example. However, such projects will have to be both "smarter" and more complex given the much broader range of targets and the need for greater flexibility. The Council's involvement in property development has been driven by market failure. While this is not of the scale that it was in the 1970s and 80s, it remains a major issue in the local economy. It is likely to be particularly pertinent to the success of large-scale projects like the Central Waterfront proposals, which are dependent upon the development of new offices on a grand scale. Whilst the manufacturing sector will remain important to the city, future opportunities are more likely to arise from other sectors, such as retailing and civil service jobs.

The underlying reason for seeking inward investment is job and wealth creation, and to provide an appropriate basis on which to build and sustain the city's economic future. As stated, the availability of appropriate property is an important consideration of any would-be employer, but access to a workforce that meets the employer's skills needs is fundamental. The issues surrounding labour supply will be dealt with under the section covering that enabling theme.

Dundee as a City of Knowledge, Innovation and Enterprise

The concept of a modern, competitive city is one defined by the presence of a strong knowledge base, a skilled workforce and industrial clusters centred around that knowledge and utilising those skills. Dundee has a growing reputation for knowledge and innovation. This is primarily due to the existence of the city's educational institutions, Ninewells Teaching Hospital and locally based life science and interactive media firms, and the associated research and application of new technologies.

Life Sciences

This sector has developed an international reputation, employing over 3,500 people including 600 scientists from across the world. The recent establishment of the £17.5m Centre for Interdisciplinary Research reaffirms the pioneering nature of the work in Dundee. In addition to this, Dundee was chosen for the location of the life sciences Intermediate Technology Institute, which, over a 15-year period will use its £15 million budget to commission research and investigate the feasibility of new markets.

The past 3 years has seen the creation of 3 new companies that are research-led, hi-tech in nature, and the further development of the Technopole site, which

Technopole and MediPark - agencies in the City have been involved in the development of land and premises to support the continued development of the Life Sciences Sector in the City. These include Dundee City Council's Technopole site

provides business space for the sector.

An annual international life sciences conference has been held in Dundee for the last five years, organised through the Bio-Dundee initiative, a public/private partnership funded by Dundee City Council, Scottish Enterprise Tayside, both universities, the Scottish Crop Research Institute and is supported by the European Regional Development Fund. The latest of these focussed on the challenges and successes associated with the commercialisation of research. Bio-Dundee provides a platform for the establishment of a Scotland-wide initiative.

In February 2005, the Scottish Executive launched its Life Science Strategy, which seeks to increase the size of the sector and achieve critical mass by 2020. During the course of this plan, Bio-Dundee will work towards supporting those objectives and will explore how it can help to deliver the actions identified in the strategy. Dundee's role in assisting Scotland achieve its life sciences aspirations is exemplified by a survey, conducted by leading journal, *The Scientist*, of over 2000 U.S.-based scientists revealed that Dundee is the 3rd most desirable place to work outside North America. This is a useful indicator of the City's standing within the global bio-technology community, and a reminder that strenuous efforts must continue to be made to maintain and enhance that reputation.

The Creative Industries

The city's assets can clearly be seen in computer art and games development; animation; video imaging, and design education and innovation.

Based at the University of Abertay Dundee, IC Cave is one of Europe's leading research centres for computer games and virtual entertainment. In conjunction with Dundee City Council and the University of Dundee, The Channel 4 "Ideasfactory" initiative, has recently held workshops aimed at introducing animation, and associated employment opportunities, to young people. Some of the output from the project is the subject of coverage by Channel 4 television.

Scottish Enterprise Tayside is nearing completion of the eye-catching digital media centre, which will provide business space for the anticipated growth in the number of companies working in the sector. The City Council will assist in marketing the site through the award winning *Locate-Dundee* initiative.

The economic impact of film production is significant, for example, £1.1bn was spent in the UK during 2003 alone. Scotland and Tayside, with access to dramatic locations, skilled crew and untapped talent, has resources that are attractive to the film industry. *Tayscreen* a project funded by Dundee City, Angus and Perth and Kinross councils and Europe, has been operational since 2002, and is designed to assist film makers find locations, facilities and people, in an effort to reduce barriers to film production in this part of Scotland. A recent evaluation of the project reports that it has exceeded all targets including the number of filming days, which were surpassed by six-fold. The project is set to continue to 2006 under current funding arrangements, and discussions are underway with Fife Council to widen this.

Growing Businesses

This is one of the organising themes of *A Smart, Successful Scotland* and it asserts the need to promote new enterprise development and the growth in scale of innovative companies in order to maximise economic dynamism in Scotland. The Council and partner agencies are fully committed to delivering improvements in these areas and so we need to continuously assess our impact and modify our intervention.

Despite some improvement in the number of business start-ups over the previous plan period, Dundee remains stubbornly below the Scottish average in terms of existing per capita stock and new business

Global Digital Cities Network

The aim of the GDCN is to reinforce the position of the member cities in the forefront of interactive technologies by increased cooperation and by an annual exchange of information. Dundee is well placed to contribute its expertise in computer and mobile gaming as well as interactive and creative media.

Dubai became a member in 2004 and the 2005 meeting will be held in Dubai.

The network is developing a range of collaborative initiatives based around interactive technologies. These will be developed in the

The Enterprise Advice Project aims to encourage local people to consider self-employment as an option, trying to raise the level of entrepreneurial activity in the City. Support is provided from the pre-idea stage to start-up and beyond. **Kick Start Grants** are also available from the

registrations. Academic studies have identified a link between low entrepreneurial activity and "employee culture" engendered by the existence of large employers or high levels of public sector employment. In Dundee, the former certainly characterised the city's industrial years, while the employment structure in today's economy shows a reliance on the public sector.

There is also a suggestion that the city's under 30s age group are not fully utilising the assistance available to encourage them develop their own businesses.

In the forthcoming plan period, a fundamental reappraisal of the city's performance and factors contributing to this will be required, with a view to formulating an enterprise development strategy for the city. It is envisaged that this will recognise the need for entrepreneurial education for all ages and will tie in to the Scottish Executive's "*Determined to Succeed*" agenda and the City Council's *Enterprise in Education* Policy.

Also during this time, the partners in the Business Gateway will undertake a review of service provision and operations to assess how it can contribute to the new strategy and how we can more effectively encourage the development of innovative practices within existing businesses. How we promote the benefits of quality systems and staff development to local businesses will be considered in the forthcoming period.

The previous Economic Development Plan identified the growth in potential of the *social enterprise* sector: those organisations that provide a commercial or marketable service or product, but for which profit generation is not a driving motive. Such organisations range from local, voluntary groups to large not-for-profit businesses, but tend to share objectives in providing some form of social benefit. In this respect, the sector often provides a vital role in helping to create employment, producing over £2bn in turnover while providing a service to the community.

An action identified in the previous plan was to carry out a baseline study to establish the strength of the sector in Dundee. Results showed that the sector was not well represented in the city. Since then, work has been undertaken at partnership level to explore issues and constraints, and to highlight these to a wider audience.

In 2004, the Scottish Executive, through Communities Scotland launched Futurebuilders Scotland, a fund that will invest £18m in growing the sector until March 2007. Locally, a Social Enterprise Partnership has been established to assist in this process and encourage the development of new and existing social enterprises and, where possible, help in identifying new service requirements. The SEP will develop an action plan to increase activity in the city.

A growth market for social enterprises and mainstream businesses alike exists within the *Green Economy*. The past few years have seen some significant environmental legislation coming in to force, presenting challenges to the way we dispose of products (and produce them). The Scottish Executive also produced a draft strategy for the development of *Green Jobs*, identifying amongst other things, renewable energy and recycling as key areas of growth. Both Universities have expertise in recycling and a joint venture between them both and the City Council will add to the city's reputation in that field in the next few years. Over the following plan period, consideration will be given to what other opportunities arise in Dundee and how best to exploit them.

Clean Close Company

An analysis of regeneration needs in the Stobswell district of the city, highlighted local concerns that poor maintenance in some tenements was having a wider impact on the image of the area.

The Clean Close Company has been set-up as a partnership between the Council, the Stobswell Community Forum and Registered Social Landlords to address these issues and provide local employment

FutureBuilders Scotland offers:

- £12m Investment Fund with grants available between £25,000-£500,000
- £4m Seed corn Fund - up to £25,000
- £1m Learning Fund to help organisations develop skills - up to £2000 per worker
- £1m support programme.

Dundee as a Vibrant Cultural, Leisure and Retail Centre

It is important for areas of a city to feel vibrant and exciting, and having a good selection of places to visit; shop; eat, and drink, is essential for creating a buzz.

Dundee has seen an expansion in the depth and variety of cultural attractions located in the city and with it, the number of restaurants, bars, nightclubs, and, of course, shops. Possessing a reputation for having high quality cultural assets provides an appreciable advantage to any city as they act as magnets, contributing to a broader mix of people engaged in a variety of activities and thus, contributing vitality.

The proximity between key cultural assets in the city such as, DCA, Dundee Rep and Sensation, together with a burgeoning nightclub scene and the location of the two universities' student associations, has led to the recognition that there was an opportunity to assist in the development of a "Cultural Quarter". Work will be undertaken in this plan period to assist this process by the development of workspaces for artists within the Cultural Quarter and located close to the new Digital Media Centre, thereby adding to the existing critical mass. It is also anticipated that Dundee will actively participate in the Scottish Executive's *6 Cities Festival* which will celebrate the creative /cultural experience and help to cultivate further activities.

The previous plan identified the lack of quality hotel bed spaces as a serious limitation to the development of business tourism and the hosting of conferences in the city. Since that plan was written, the Apex hotel has been developed, in City Quay, providing 153 rooms, conference and leisure facilities. 340 more people worked in the Hotel and Restaurant sector, in Dundee, in 2003 than in 2000 and numbers employed in the Tourism sector, as defined by the Office for National Statistics, is up by 5.5% over the same period.

The quality of the retail environment is a significant factor in attracting visitors to Dundee. The City Centre Management role, provided by the Economic development Department, is the executive function of the City Centre Action Group, which aims to promote the sustained, economic well being of the core area. Some significant achievements have been made over the plan period including the introduction of a variety of markets, the employment of city centre ambassadors to help visitors and liaise with local retail businesses, the development of targeted approach to potential investors and the establishment of the award-winning DUNCAN scheme, designed to reduce shoplifting in the area and promote a safer city centre.

During the forthcoming period, the focus will be on building on the achievements to date by further development of the DUNCAN initiative in the context of an expanding evening economy and consideration of associated transportation issues, the development of a retail inward investment strategy in conjunction with existing marketing strategies and an extension of the ambassadors role to include street monitoring.

The City of Discovery campaign has focused on building a positive image of the city by promoting Dundee's key strengths to a worldwide audience. The media led campaign has positioned Dundee as a vibrant, successful city with a high quality of life built upon thriving businesses, academic excellence and a burgeoning arts and culture scene. Much has been achieved in altering the perception of Dundee, particularly within the media, resulting in more positive reporting of issues and events within the city.

Tourism

In recent years, a key concern regarding the local tourism infrastructure has been the lack of quality visitor accommodation. During the last plan period, a new, 4-star, 153-roomed Apex Hotel has been developed at City Quay. The hotel also provides a 400 delegate conference facility, going some way in satisfying previous



stated requirements for an improvement to business tourism infrastructure. It is hoped that future developments at the central waterfront will augment this provision.

Dundee, nevertheless, as a city location with a massive rural tourist hinterland, is an attractive location as a tourist base. This supports a significant volume of existing accommodation businesses.

The East of Scotland Golf Alliance, whose membership is drawn from Dundee, Angus, Fife, Perth and Kinross, and East Lothian, was established in recognition that there are a large number of fine courses and associated visitor experiences available in the East of Scotland, including the internationally famous courses of St. Andrews, Carnoustie and Gleneagles. The main drive of the Alliance to date has been to present the subject as a single product from a marketing perspective. The Alliance has brought together the public and private sector who have produced a brand for the initiative, and provided resources to send marketing missions to golf exhibitions across the world. This approach to recognition of a shared product should be considered further at appropriate geographic levels.

2004 saw the beginning of the reorganisation of the Scottish Tourist Board, which is to be replaced by the single, central agency, VisitScotland. As part of this exercise, there is likely to be some rationalisation of local Tourist Information Centres. Dundee is keen to retain its centre and the key services it provides for the city. Over the next year, we will work with VisitScotland to look for an optimum solution within the context of change. As a result of potential changes to the approach to tourism, it will be necessary for the Dundee Partnership to review its Tourism, Arts and Leisure strategy.

Changes within the sector have also led to discussions between private sector tourist facilities operators with a view to achieving a cohesive approach to the marketing of their products. The idea has now evolved into the Destination Dundee initiative, which has active support from the Dundee Partnership.

In seeking to fully develop the visitor/tourism infrastructure, studies have been undertaken into capacity and opportunity and these have concluded that significant potential exists for leisure development. Camperdown Park has recently seen the location of amusements on a year round basis. A number of leisure facilities, such as the ice arena, a multiplex cinema, some restaurants and a Premier Travel Inn, are now situated adjacent to the park, and opportunities for further, mixed-use development could emerge through a review of the Local Plan.

Destination Dundee

This collaborative approach to destination selling brings together resources and ideas from the visitor and tourism industry, supported by public sector agencies, to offer packages of deals and promote the city as a great place to visit.

ENABLING THEMES

The above objectives do not operate in isolation, but are interrelated by overlapping issues and actions. For example, identifying or attracting *Investment* is a basic requirement for most activities mentioned. They are also underpinned by *enabling themes* that inform the way we work, and assist us with setting the conditions for achieving those objectives.

PARTNERSHIP AND NETWORKS

Working in partnership enables shared agendas and objectives to be developed, contributing to government endeavours to ensure that its policies and initiatives are "joined-up" at all levels, while maintaining the ability to respond flexibly to local situations. Dundee has a strong track record of operating within a successful partnership and has historically benefited from clarity of purpose and focussed resources. The Dundee Partnership has long been a central, influencing force behind efforts to revitalise the city, and commitment to partnership working, has also been a thread running through each of the previous plans.

The Dundee Partnership continues to evolve most recently as a result of the holistic agenda being pursued through "Community Planning". There are a wide range of stakeholders in the process, reflecting the scope of the Community Plan, and these include, in a not exhaustive list; Scottish Enterprise Tayside; Communities Scotland; Tayside Police; Jobcentre Plus; Dundee and Abertay Universities and Dundee College; Community and Voluntary sectors, the Chamber of Commerce and Tayside NHS Trust.

Beyond joint strategic planning, partnership working requires a commitment of time and other skills resources to project or area specific implementation teams. A number of these exist in Dundee including the City of Discovery Campaign, and across a broader geography, the Tayside Local Labour Initiative.

Different forms of external partnership are also necessary to achieve different objectives. For example, the Eastern Scotland European Partnership manages and provides strategic direction of expenditure of European Regional Development Fund monies and the Objective 3 partnership provides a similar function for European Social Funds across lowland Scotland. The City Council has an active role in both of these organisations, and, it is envisaged that there will continue to be some form of role, during the 2007 - 2013 programme period. In the approach to that period, it will be increasingly important that we continue to use our membership of organisations such as CoSLA, the Eastern Scotland European Consortium (ESEC) and the Scottish Local Authority Economic Development group (SLAED), to feed into European and domestic policy agendas to ensure that Dundee's position is recognised and understood. In other external partnership areas, the Council is an active member of the Scottish Lottery Officers Group, a Scottish wide local authority officers group developing relationships between local government, the diverse lottery good causes, CoSLA, the Scottish Executive and other external funders.

The enlargement of the European Union to 25 member states further broadens the experience of approaches to economic development in Europe, providing opportunities for the Council, and the Partnership, to share experiences and enter into joint projects with colleagues from the rest of Europe. This change to the European landscape brings with it an expansion of the internal market

and therefore opportunities to benefit from this. Future EU funding is likely to place more emphasis on co-operation between regions of Europe and to this end, in this plan period, consideration will be given to the types of activity that can be undertaken to promote our engagement with other European areas.

LABOUR SUPPLY

The improvement in national and local headline unemployment levels reflects the economic stability and growth of the last decade. However, in the past few years, a debate has been growing about the levels of "real unemployment", which includes people of working age on incapacity benefits and those not working or claiming benefits, as well as those on Job Seekers Allowance.

This is an issue that has implications for the economic competitiveness of the city region for two main reasons. Firstly, the local economy is dependent on having access to a good stock of labour. If current unemployment trends were to continue, opportunities for the expansion of existing businesses, start-ups or relocation of new businesses to the area would be constrained by limitations in the effective labour supply. Add to this, future demographic changes to the population's working-age structure, and those limitations are exacerbated. But it is more than just a question of numbers. The area also needs to supply an educated workforce, compatible with the needs of future industry, and so, education and training must remain high priorities for the Community Planning Partnership. Futureskills Scotland has projected estimates of half a million new jobs in the next five years throughout Scotland. These are likely to be across a wide range of occupations, the greatest number occurring in corporate management, teaching & research, administration & clerical and caring personal service occupations. Dundee needs to ensure that the local labour market has the skills and capacity to service that potential.

Secondly, many of those in the economically inactive category would like to re-engage in the labour market to improve personal income levels and quality of life. However, there is anecdotal evidence that some low-income households find that levels of pay offered in the type of work available to them, are insufficient to meet basic needs, providing little incentive to move away from benefit dependency. Further barriers that have been identified, are a lack of accessible / affordable childcare and / or, a lack of service provision at times that fit with the demands of many of the types of employment where vacancies exist. The government and the Scottish Executive are currently addressing these issues through the emerging *Employability Framework* and the *Working for Families Initiative*, the latter of which is currently operational in Dundee.

The mechanism for the partnership to articulate what it intends to do locally, is the Local Employment Action Plan, which is part of a family of plans originating at the European level. The Dundee Partnership Training and Employment Group (TEG) have responsibility for developing the plan and key contributors to this document are: Dundee City Council, Jobcentre Plus, SET, Dundee College and the Chamber of Commerce.

The local labour market is a fluid geography whose boundaries vary according to the nature of the employment available. What is clear is that the base is bigger than Dundee alone and with a view to achieving a greater understanding of issues, discussions will take place within the TEG regarding opportunities to engage with colleagues across local authority boundaries.

INFRASTRUCTURE

The provision of modern infrastructure has played a key catalytic role in Dundee's economic regeneration initiatives over an extended period. Infrastructure projects have been many and varied, including estate development; advance and bespoke property provision; airport development; physical and electronic communications developments etc.

Infrastructure issues will continue to be important during the period of the Plan, and it is useful to look at these in four categories, viz:- land issues; property issues; Dundee Airport, and other communications issues.

Land Issues

In taking forward the Plan's strategic goal and its supporting objectives, it is important that there is sufficient land to allow all opportunities to be realised. General industrial/business uses will require additional serviced land at Claverhouse Industrial East and proposals for the installation of services to the allocations for technology/medical/businesspark uses at the City's west end (i.e. Medi-Park; Technology Park; Digital Media Park, Balgarthno and west of the Swallow Hotel) should be actively developed during the Plan period and consideration given to the requirement for further acquisition.

The need for further expansion of the Dundee Technopole site should be investigated and sites for key emerging uses (such as recycling) should also be identified during the Plan period.

Dundee's aspirations in expanding its regional centre role in relation to retailing and leisure will require investigation.

Previous consultancy studies have confirmed Dundee's leisure/tourism product as having two key focal points - the City Centre and the Camperdown area. The product mixes are different with Camperdown's product being aimed principally at the day visitor leisure market.

Significant potential exists for Dundee to strengthen its regional attraction in this area by fully exploiting the opportunities offered by treating the Greater Camperdown Area in a "single or linked product manner" (i.e. the area encompassing Camperdown Park/Templeton Woods/Clatto; Dunsinane and Kingsway West Retail Park).

This would identify the area as a regional leisure attraction offering:-

- A wide range of Country Park facilities and attractions;
- Golf;
- Wildlife Centre;
- Children's play facilities;
- A gradually expanding leisure centre product;
- Other leisure attractions (cinema, ice rink);
- Hotel and restaurant/café facilities;
- A wide range of retailing outlets.

Property issues

Dundee's previous successful approach to inward investment and the stimulation of indigenous expansion has shown that property development projects are a key element in the economic regeneration process and will need to be included in future initiatives. The existence of flexible business space has been a key factor in attracting civil service jobs, for example.

However, such projects will have to be both "smarter" and more complex given the broader range of targets and the need for more and more flexibility.

Accordingly, it is anticipated that, during the Plan period, property projects will be brought forward for:-

- sectoral initiatives (such as digital media);
- managed business space;
- office space;

- incubators (across a broad range of uses);
- advance general industrial/warehouse space (smaller than the previously successful large industrial units).

Dundee Airport

The prime function of Dundee Airport is to overcome any perception of "peripherality" of Dundee's economy with the outside economy. It therefore facilitates quick and easy business travel for key staff in Dundee, Tayside and North Fife in a wide variety of economic sectors. In parallel, it allows similar easy access for key personnel elsewhere in the UK (and abroad). It, therefore, acts as a key element in the City-Region's attractiveness as a prime location for economic activities.

Dundee Airport cannot act as a substitute for Edinburgh Airport, because Edinburgh will always be able to command a wider range of services. However because a very large proportion of routine business travel is to a few UK centres, and especially London, Dundee Airport should be able to produce a disproportionate benefit to the overall ease of business travel to/from the city and region, with just a modest number of well-configured services.

Another important role for Dundee Airport is to provide a quality point of access for business executive aircraft, thereby enabling senior business executives and investors to visit Dundee easily. Aerodrome quality, safety, and opening hours, matter a great deal in relation to travel by such senior personnel, and Dundee Airport meets these criteria very well.

A third category that the airport could seek to develop is its potential to bring high value inbound tourism to the city and region, with the considerable spending power in the local economy that this would convey.

An important ancillary benefit from the presence of the airport is that it already generates a significant number of high value and very skilled jobs for the area in business sectors that the city could not otherwise hope to attract. There are for example in excess of 20 highly skilled private sector jobs for airline pilots, instructors and aircraft engineers at Dundee, and about a further 30 jobs in reservations, cabin crew, flight catering and airline administration. The airport staff also includes a range of specialised professions and trades that would otherwise be absent from the range of skilled career opportunities in the city.

During the Plan period therefore attempts will continue to develop further scheduled services to other UK domestic locations and to a major international transfer hub. Other initiatives that will be pursued will include:-

- increasing business executive private aircraft usage;
- developing inbound tourism;
- attracting quality airport related jobs.

Other communications issues

Communications issues have played varying roles in previous Economic Development Plans, depending on prevailing circumstances. At this time, it is felt that road communications and electronic-related communications are being addressed satisfactorily leaving the issues of port-related communications and rail communications.

The key issues in relation to the port are to ensure that cruise-related opportunities are developed and that any further opportunities arising from coastal shipping are fully exploited at the appropriate time.

As previously discussed, the city function is multi-faceted and has many spheres of influence. As part of that, the city contributes to the national economy in its own right and with the other Scottish cities as other centres of business and employment. However, this is hampered by limitations in rail accessibility to Edinburgh. Currently the east coast network is congested, lacks capacity and, due to track configuration, constrains speed. Clearly, it is in the interest of both the local and the Scottish economy to look for ways in which this situation can be improved.

There is also an urgent need to upgrade Dundee Rail Station, particularly within the context of the redevelopment of the central waterfront and the requirement to promote Dundee as a key business centre.

IMAGE

Dundee's image and its ability to compete with other cities has improved significantly over the past five to ten years, via a combination of "product" improvement (City Centre Initiative/factory building programmes/D.C.A. etc) and a highly successful "place" marketing campaign (the City of Discovery Campaign). However, this is only part of an on-going process, as the standards among cities continue to rise over time. We are also aware that the "customers" of marketing campaigns are various, ranging from visitors and tourists, to potential investors in specialist industrial sectors or those with a general commercial interest. In the previous plan period, a suite of marketing tools was developed, the component parts of which are capable of being used independently or collectively. In October 2004, the approach won the best European FDI (Foreign Direct Investment) strategy. The competition was organised by FDI magazine, part of the Financial Times group, to find the European Cities and Regions of the Future. Dundee went forward to the overall 'European Cities of the Future – Best FDI Promotion Strategy' after winning the UK section with its campaigns. The key elements of the strategy are:

Bio Dundee

City of Discovery

Locate Dundee

Interactive Tayside

Strategic projects including the Waterfront redevelopment and the Digital Media Park were also part of the winning entry, confirming the importance of the link between product and marketing.

However, it is vital that we continue to review and improve our performance in all of these areas, and over the forthcoming period, a review of each of these, taking into account new initiatives such as Destination Dundee, will be undertaken.

RESOURCES

The Dundee Partnership has played a vital role in focussing the staff and financial resources of the partner organisations towards the achievement of agreed objectives and targets. We have also benefited greatly by the ability to augment what we do with financial assistance from the European Union through the Structural Funds (European Regional Development Fund and European Social Fund) and through the Lottery's Good Causes, which in the past, have assisted with the development of much of the city's cultural, industrial and technological capital. This investment is continuing in projects such as the Digital Media Park, the central Waterfront and the rejuvenation of McManus Galleries. This additional funding has been instrumental in helping to lever-in private sector funding to the city. In the past 4 years, the city has accessed over £51m of external funding and has enjoyed in excess of £330m of other investment contributing to Dundee's long-term economic sustainability.

As discussed in the Policy Context chapter, changes to Structural Funding system and Competition Policy mean that the amounts of funding available, and purposes it can be used for will introduce significant limitations. During the next two years, negotiations will be taking place between the European Commission, the UK Government and the Scottish Executive, to finalise how much funding will be available and the scope of its application. The City Council and its partners will have a role in that process and will seek to secure an optimum position for Dundee to focus on growth and continue to prime-pump private sector investment.

This plan also has to recognise the impact of the Scottish Executive's settlement on core-funding for local government, which for Dundee, has not kept pace with actual costs, thereby potentially reducing the Council's ability to contribute fully to the economic challenges and opportunities that lay ahead. The Scottish Executive has identified, through key policies, the role that the cities play as engines of growth for the Scottish Economy. Together with our partners, we need to work with the Scottish Executive to ensure that future investment is focussed on those areas that will significantly contribute to the city's position as a competitive place - the knowledge economy, skills development, innovation and business growth and, to continue to generate investor confidence, the public realm.

MONITORING, EVALUATION AND REVIEW

During the implementation of the Plan, regular monitoring and evaluation activities will be undertaken. Monitoring and evaluation activities will be two-fold measuring:

- Overall health of the economy
- Progress achieved and the effect of specific actions undertaken in pursuit of the plans strategic goals

Overall Health of the Economy

The following indicators will be monitored on a regular basis and where possible Dundee's performance will be benchmarked against averages for Scotland and the UK:

- Overall employment levels
- Unemployment levels
- The u/v ratio (i.e. the number of registered unemployed per registered vacancy)
- Levels of long term unemployment
- Levels of economic inactivity amongst the working age population
- Rates of business start up and growth
- Average wage levels
- A proxy measure of investment levels

Strategic Goals and Specific Actions

An annual review will be undertaken to establish the progress of specific actions undertaken in pursuit of the strategic goals laid out in the Plan and their effect.

Reporting Mechanisms

Information gathered from the above monitoring activities will form the basis of a mid term report to be published in 2006.

Dundee Economic Profile - indicators and commentary on the health of the Dundee economy will be published on the Dundee City Council website and updated monthly.

POLICY MATRIX

STRATEGIC GOAL : TO ENHANCE DUNDEE'S ROLE AS A STRONG REGIONAL CENTRE AND MAJOR SCOTTISH CITY

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
Contribute to and facilitate the successful development of the city region through the Community Planning Process	<ul style="list-style-type: none"> Engaging with partners via the Working and enterprise theme Contribute to the knowledge pool within the lifelong learning theme Contribute to establishment of City - region Forum 	Throughout Plan Period	SET Communities Scotland Jobcentre Plus HFE sector Community & Voluntary groups and organisations Chamber of Commerce Tayside Police Tayside NHS Trust
Contribute to the Central Waterfront development as a key physical catalyst for economic sustainability.	<ul style="list-style-type: none"> Provide strategic support and direction through membership of the Dundee Central Waterfront Board Provide direct support in terms of project / site marketing 	Throughout Plan Period	Scottish Executive SET Private Sector
Support Partnership plans and actions to regenerate prioritised areas of deprivation in the city	<ul style="list-style-type: none"> Continue contribution to Ardlar area regeneration through support to the Ardlar Economic Group Review role as chair of Ardlar Economic Group Actively participate in the Stobswell regeneration process Continue on board of Directors for Clean Close Company and achieve financial sustainability Deliver <i>Working for Families</i> 	2005-7 2005 2005-2007 2007 2005 - 2006 (possibly 2007 depending on available funds)	Ardlar Village Trust Employment Action Team Dundee Employment Aftercare Project Community Planning Partnership Stobswell Officer Group Communities Scotland Stobswell Community Forum Registered Social Landlords Scottish Executive Job Centre Plus Action Team for Jobs SET Dundee Voluntary Action

	initiative to Dundee's 15 most deprived wards		
Support and contribute to strengthening working relations across the city region area.	<ul style="list-style-type: none"> Play an active role in Economic/City Region Forum Continue to contribute to work of Dundee Partnership and its development 	Throughout Plan Period	SET Angus Council Fife Council Perth & Kinross Council Communities Scotland Jobcentre Plus HFE sector Community & Voluntary groups and organisations Chamber of Commerce Tayside Police Tayside NHS Trust

KEY OBJECTIVE 1: DUNDEE AS A MAJOR LOCATION FOR EMPLOYMENT AND INVESTMENT

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
Continue to undertake efforts to attract appropriate civil service jobs	<ul style="list-style-type: none"> Monitor the decentralisation policy Respond to appropriate opportunities through the development of targeted bids. 	Throughout plan period	Scottish Executive SDI SET
Monitor the economy, identify areas for growth and support key growth sectors	<ul style="list-style-type: none"> Undertake and commission appropriate research Support and develop sectoral initiatives. 	Throughout Plan Period	SET Scottish Economic Research
Refocus approaches to inward investment	<ul style="list-style-type: none"> Identify and target potential investment sectors Employ a broader range of communication and marketing tools Continue to work with SDI to secure mainstream inward investment 	2005-6 Throughout Plan Period 2005-7	SDI SET
To ensure the land and property needs of potential inward investors,	See Infrastructure	Throughout Plan Period	Dundee City Developments + Dundee City Council SET

indigenous company and new starts are met			Private Sector
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KEY OBJECTIVE 2: DUNDEE AS A CITY OF KNOWLEDGE, INNOVATION AND ENTERPRISE

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
Continue to support the development of the life sciences sector in the city	<ul style="list-style-type: none"> • Bio-Dundee • Technopole development • Organisation of annual life sciences conference • Work with partner organisations to support growth in this sector 	<ul style="list-style-type: none"> • Throughout Plan Period • 2005-6 • Annually • Throughout Plan Period 	Life Sciences sector ERDF SET
Continue to support and develop initiatives which nurture and promote the creative industries sector in Dundee	<ul style="list-style-type: none"> • Working with partner organisations to assist with initiatives such as: <ul style="list-style-type: none"> ○ Dare to be digital ○ Tayscreen ○ Interactive Tayside ○ The marketing and promotion of the Digital Media Park. 	<ul style="list-style-type: none"> • Throughout Plan Period 	Universities College SET
To foster a greater understanding and development of entrepreneurial culture within the City.	<ul style="list-style-type: none"> • Examine the potential for the development of an enterprise strategy for Dundee • Contribute to the review of the current Business Shop mechanism for the delivery of advice and assistance to new and existing businesses • Work closely with the Education department on the "Determined To Succeed" 	<ul style="list-style-type: none"> • Throughout Plan Period • 2005-6 • Throughout Plan Period 	All Partners SET DCC

	agenda		
To support and promote environmental awareness among businesses and encourage the growth of "green enterprise".	<ul style="list-style-type: none"> Continue development of Recycling Institute Support efforts to increase activity within the field of renewable energy Consider development of economic opportunities arising from drive for environmental sustainability 	<ul style="list-style-type: none"> Throughout Plan Period Throughout Plan Period 2005-6 	Universities College SET

KEY OBJECTIVE 3: DUNDEE AS A VIBRANT CULTURAL, LEISURE AND RETAIL CENTRE

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
To promote vibrancy through the provision of support to cultural activity that generates a positive economic outcome for the city.	<ul style="list-style-type: none"> Development of artists workspaces Establish an Events Development Group Support for a "Creative City" festival Organise and manage Dundee Book festival Contribute to the establishment of a "Creative Enterprise" support project 	<ul style="list-style-type: none"> 2005-6 2005 2005-7 Annually 2005 	Dundee Partnership City of Discovery Campaign SET
To continue to coordinate effective city centre management through the City Centre Action Group	<ul style="list-style-type: none"> Development of a retail inward investment strategy Enhance role of City Centre Ambassadors Further develop the Safer City Centre Initiative Continue with "Little and Lost" scheme Explore initiatives to promote the evening economy 	<ul style="list-style-type: none"> 2005-6 2006 Throughout plan period Throughout plan period 2005-6 	Retailers Community Safety Partnership Tayside Police Scottish Executive
To continue to	<ul style="list-style-type: none"> Positively 	<ul style="list-style-type: none"> 2005-6 	Dundee Partnership

encourage and support the development of the "Cultural Quarter"	contribute to the Cultural Quarter Working Group and development of an action plan		Universities Private Sector
Support the reinvigoration of Greater Camperdown	<ul style="list-style-type: none"> Provide input and advocacy for redevelopment plans 	<ul style="list-style-type: none"> 2005-7 	Private Sector
Promote the further development of the Business Tourism Market	<ul style="list-style-type: none"> Consolidate and develop the Conference Bureau 	<ul style="list-style-type: none"> 2005-7 	Dundee Partnership VisitScotland
Encourage the coordination and development of an East of Scotland Tourism product.	<ul style="list-style-type: none"> Work through the DP Tourism Arts and Leisure Group to identify appropriate stakeholders Explore shared commitment and opportunities Build upon existing networks on golf, cycling and walking. 	<ul style="list-style-type: none"> 2005 2006-7 2005-7 	Dundee Partnership East of Scotland Tourism Stakeholders Existing Networks

ENABLING THEME 1: PARTNERSHIP AND NETWORKS

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
Continue focus / co-ordinate economic development strategy and actions via the Dundee Partnership and Community Planning process	<ul style="list-style-type: none"> refresh Enterprise and Working Theme Strategy and identity and deliver projects via the various Working Groups 	<ul style="list-style-type: none"> Throughout plan period 	SET Communities Scotland Jobcentre Plus HFE sector Community & Voluntary groups and organisations Chamber of Commerce Tayside Police Tayside NHS Trust
Continue to contribute to the shared objectives and actions of established networks and partnerships	Actively participate in: <ul style="list-style-type: none"> Eastern Scotland European Partnership Scottish Lowland Objective 3 Partnership East of Scotland European Consortium Scottish Local Authority Economic 	<ul style="list-style-type: none"> Throughout plan period 	All ERDF Objective 2 stakeholders in East of Scotland Programme area All ESF Objective 3 stakeholders All local authorities in East of Scotland All Scottish local authorities Office of Deputy Prime Minister Scottish Executive UK regional

	<p>Economic Development Group</p> <ul style="list-style-type: none"> • CoSLA • Scottish Lottery Officers Group • East of Scotland Golf Alliance • INTERREG Steering Group 		<p>representatives Other European Regions and Municipalities</p>
<p>Support and contribute to strengthening working relations across the city region area.</p>	<ul style="list-style-type: none"> • Play an active role in Economic/City Region Forum 	<ul style="list-style-type: none"> • Throughout Plan Period 	<p>SET Angus Council Fife Council Perth & Kinross Council Other city region stakeholders</p>
<p>Consider the development of, and contribution to European inter-regional actions based upon the 2007-2016 INTERREG North Sea Programme</p>	<ul style="list-style-type: none"> • Contribute to discussions on implementation of the Programme • Identify issues relevant to Dundee • Identify opportunities to participate in joint projects 	<ul style="list-style-type: none"> • 2006-7 	<p>ESEC North Sea Commission Other UK Partners Other North Sea Partners</p>

ENABLING THEME 2: LABOUR SUPPLY

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
<p>To continue to co ordinate key actors in strategic employment and training activity to maximise the impact of employability activity across the city</p> <p>Continue the development and utilisation of Labour Market Analysis and strategy</p>	<ul style="list-style-type: none"> • Engage with partners through the Dundee Partnership Training and Employment Group • Finalise and implement the Local Employment Action Plan and align this with the Scottish Executive's Employability Framework 	<ul style="list-style-type: none"> • Ongoing • 2005 - 2007 	<p>Job Centre Plus Scottish Enterprise Tayside Dundee College Careers Scotland Chamber of Commerce</p> <p>Job Centre Plus Scottish Enterprise Tayside Dundee College Careers Scotland Chamber of Commerce Training guidance and employment placement organisations</p>

	<ul style="list-style-type: none"> • Monitor growth and churn in the labour market and respond to failures and weaknesses 		
Support and develop initiatives that tackle worklessness with a view to lowering inactivity levels	<ul style="list-style-type: none"> • Agree targets and monitor progress in reducing the number of workless individuals in the city • Address child care related barriers that prevent parents from taking up training or employment opportunities • Continue to engage with partners in the development of projects 	<ul style="list-style-type: none"> • 2005 - 2010 • 2005-2007 • Ongoing 	<p>Job Centre Plus Dundee Partnership Training and Employment Group</p> <p>Working for Families Steering Group</p>
To continue the development of sector focused initiatives	<ul style="list-style-type: none"> • Continue to work with Tayside Local Labour Initiative and other key actors to address construction related issues • Continue to support "Talking Tayside" • Provide support to alternative curriculum initiatives 	<ul style="list-style-type: none"> • Ongoing • Ongoing • Ongoing • Ongoing 	<p>TLLI Tayside Construction Forum</p> <p>Private Sector Dundee College SET Perth and Kinross Council Angus Council</p> <p>Dundee College Private Sector Education</p> <p>Social Enterprise Partnership</p>

	<ul style="list-style-type: none"> Support employment generation through the development of the social enterprises 		
To consider how best the partnership can respond to demographic changes that affect labour supply	<ul style="list-style-type: none"> Develop an understanding of the impact of an ageing workforce and seek to work with partners and employers in developing a response 	<ul style="list-style-type: none"> 2005 - 2006 	Job Centre Plus Scottish Enterprise Tayside Dundee College Careers Scotland Chamber of Commerce Private sector
To encourage workforce development	<ul style="list-style-type: none"> Identify existing workforce development programmes Research effective practice from elsewhere Analyse potential for further development in Dundee 	<ul style="list-style-type: none"> Throughout plan period 	

ENABLING THEME 3: INFRASTRUCTURE

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
To ensure the land needs of potential inward investors, indigenous company growth and new starts are met	<ul style="list-style-type: none"> General Industrial/Business uses: <ul style="list-style-type: none"> provide additional serviced land at Claverhouse Technology/medical/business park etc. uses: <ul style="list-style-type: none"> Investigate potential acquisition / servicing requirements at Dundee's western periphery investigate potential expansion of Dundee Technopole site Leisure/retailing 	current to 2008 2005/6 2006/7	ERDF SET ERDF

	<ul style="list-style-type: none"> ○ Pursue the development of the Greater Camperdown area as a focused retail/leisure co-ordinated facility • Emerging Issues <ul style="list-style-type: none"> ○ Identify potential for development of area for recycling uses 	2005/6	SET Private Sector
		2005/6	Scottish Executive Private Sector
To ensure the property needs of potential inward investors, indigenous company growth and new starts are met	<ul style="list-style-type: none"> • Investigate potential for focused sectoral initiatives • Develop managed business space • Provide further office space • Develop a broad range of incubator facilities • Provide general industrial / warehousing floor space 	2005/6 2006/7 throughout Plan period 2006/7 2006/7	SET/ERDF/private sector private sector SET/private sector SET/private sector/Universities/ERDF ERDF
Further develop facilities and services at Dundee Airport	<ul style="list-style-type: none"> • Continue to carry out a phased programme of facility improvements • Encourage the growth of business executive private usage • Encourage the development of in-bound tourist flights • seek additional quality airport related jobs 	throughout Plan period throughout Plan period throughout Plan period throughout Plan period	private sector private sector private sector
Promote efficient and effective transportation links to and from the city.	<ul style="list-style-type: none"> • Monitor opportunities for the development of further coastal shipping or cruise related activities. • Develop a lobbying strategy for the improvement of rail links to Edinburgh and local rail infrastructure. 	Throughout the Plan period 2005/6	Scottish Executive SET Chambers of Commerce Private sector SET and adjacent LAs and LECs

ENABLING THEME 4: IMAGE

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
To ensure that the strategic marketing provision in the city is co-ordinated and focused on appropriate target audiences relevant to the strategic	<ul style="list-style-type: none"> • Review and realign City of Discovery Campaign • Review Interactive Tayside • Refocus Locate Dundee toward current investment opportunities 	<ul style="list-style-type: none"> • 2005 • 2005-6 • 2005-6 • 2005-6 	City of Discovery Campaign Committee Dundee Partnership Private Sector Dundee and Angus Chamber of Commerce

goal or enabling objectives	<ul style="list-style-type: none"> • Develop Bio-Dundee with a view to internationalisation • Assist in strategic delivery of Destination Dundee 	<ul style="list-style-type: none"> • 2005 	
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ENABLING THEME 5: RESOURCES

POLICY	ACTIONS	TIMESCALE	PARTNER INVOLVEMENT
To co-ordinate and deliver European funding advice and assistance to Council Departments, and, where required, to partner external organisations for the benefit of the Dundee area.	<ul style="list-style-type: none"> • Continue to provide a comprehensive advice, facilitation and advocacy service. • Provide support regarding project obligations in the post-programme period • Provide advice regarding the scope of funds post 2006 	<p>2005-2006</p> <p>2006-2008</p> <p>2006-2008</p>	Other Council Departments External Organisations
To optimise Dundee's position with regard to new EU funding regulations	<ul style="list-style-type: none"> • Monitor Regional Policy and Competition Policy direction and evaluate opportunities and threats for Dundee • Input into discussions regarding the scope and delivery of new funding arrangements for 2007-2013 period 	2005-2006	ESEC SLAED COSLA