

REPORT TO: CITY DEVELOPMENT COMMITTEE – 28 JANUARY 2013
REPORT ON: PROPOSED OFFSHORE RENEWABLE ENERGY INSTITUTE
REPORT BY: DIRECTOR OF CITY DEVELOPMENT
REPORT NO: 41-2013

1 PURPOSE OF REPORT

- 1.1 This report seeks approval of a contribution from the City Council towards the cost of a Business Plan for the establishment of an offshore renewable energy institute to be based at Dundee University.

2 RECOMMENDATION

- 2.1 It is recommended that the Committee
- 2.2 Agrees to make a contribution of £10,000 from the 2012/13 City Development Budget to the cost of the Business Plan subject to confirmation that the overall funding package for the Business Plan has been reached.

3 FINANCIAL IMPLICATIONS

- 3.1 This sum can be accommodated within the City Development Budget provision for Partnership Projects within the 2012/13 budget.

4 BACKGROUND

- 4.1 As part of the work involved in attracting significant local projects in offshore renewables there have been discussions with Dundee University over the way it can contribute to this developing industry.
- 4.2 Following a series of workshop sessions with representatives of public agencies and significant organisations within the renewables industry a proposal has emerged to create an Offshore Renewable Energy Institute. This will operate as collaboration between Dundee and Aberdeen Universities with the principal office will be based here in Dundee.
- 4.3 Dundee University has developed this idea based on its expertise in mineral and energy law, environmental law, concrete technology, coastal processes and planning, construction management, risk based asset management, geotechnics and fluid dynamics. In consideration of providing as comprehensive a service as possible they have now proposed to partner with Aberdeen University who bring strengths such as marine ecosystems, reliability of offshore structures, foundation engineering and the relationship between subsea structures and commercial fishing.
- 4.4 The proposed Institute would therefore be able to provide a comprehensive service to the offshore renewables industry in the fields of Regulation, Law and Economics, Environment and Consenting, Asset Management including Operations and Maintenance strategies, and the Design, Fabrication and Installation of offshore structures.
- 4.5 The offshore Renewables Industry is projected to develop over the next fifteen years and is likely to be worth in excess of £100 billion to the UK economy. In Scotland it is expected that the industry will create and sustain over 30,000 jobs over the next few years. Dundee has been identified by the Scottish Government and one of the key locations for manufacturing and associated activity for this new industry. The first consents for the offshore wind fields east of Dundee have now been lodged with the Scottish Government

- 4.6 In this context it will be to the benefit of the City if we have this Institute based here providing this level of expertise to what is still a very young industry. This will open up considerable worldwide opportunities and should in itself, over time, provide high level employment within the Institute itself
- 4.7 In order to properly prepare for the creation of the Institute the University is proposing to draw up a detailed business plan for the project. The overall cost of the business plan is to be £97600 and the University has identified MacAskill Associates to undertake the work. They are a leading and respected firm within the renewables sector.
- 4.8 The Universities will contribute £28000 in staff time and £25000 of cash. In addition contributions are being sought from industrial partners of £20000 and from Scottish Enterprise of £14600. The balance of £10000 is being sought from the City Council.
- 4.9 This will be a prestigious Institute that will contribute to the capability of the City within the Renewables industry. It will add to the international standing of the University and the City and is therefore considered worthy of support.

5 POLICY IMPLICATIONS

- 5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

6 CONSULTATIONS

- 6.1 The Chief Executive, the Director of Corporate Services and Head of Democratic and Legal Services have been consulted and are in agreement with the contents of this report.

7 BACKGROUND PAPERS

- 7.1 None.

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SU/EC

16 January 2012

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Dundee House
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