

6 THE BUSINESS GATEWAY - FUNDING FOR 2006/2007 (AN290-2006)

The Committee at its meeting of the 8th May 2006 agreed to continue the Council's funding of the Business Gateway until the end of June 2006. By that time it was expected that Scottish Enterprise Tayside would be able to clarify their budget for the remainder of the financial year.

Scottish Enterprise Tayside has now confirmed that its budget allocation for the year will be £781,000. This represents full funding by SET up to the level in 2005/06. This will allow the Gateway to function as it has for the last few years. There are a number of technical issues concerning staff deployment that require to be clarified though it is considered that there is sufficient confidence in the overall budget to agree funding from the Council.

It was previously indicated to the Committee that Scottish Enterprise Tayside intended tendering its contract for the Business Gateway in April 2007 and that a report on the implications of this would be brought to the Committee. This issue is not yet finally resolved though the date for tendering has now been provisionally set for October 2007. A report will be brought to the Committee once the implications are known.

It is proposed therefore that the City Council agrees to confirm its funding for the whole of 2006/2007 at the budgeted level of £115,000, being £45,000 in lieu of rent and £70,000 as cash. This will be paid as £28,750 for the quarter to the end of September 2006 with the remainder to be paid once the Director of Economic Development is satisfied that the remaining technical issues are resolved.