

ITEM No ...4.....

REPORT TO: CITY DEVELOPMENT COMMITTEE – 26 OCTOBER 2020

REPORT ON: SECTOR DEVELOPMENT PLANS UPDATE

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 265-2020

1 PURPOSE OF REPORT

1.1 This report updates committee on progress in respect to the sector development plans approved in 2019 for Construction; Offshore Wind / Decommissioning; and Creative/Digital/Technology.

2 RECOMMENDATION

2.1 It is recommended that the Committee:

- a Notes the positive developments and progress that have taken place in respect to these sectors; and
- b Notes the impact that the Covid-19 pandemic has had on these sectors and the ongoing challenges.

3 FINANCIAL IMPLICATIONS

3.1 None.

4 BACKGROUND

4.1 Reference is made to Article XII of the City Development Committee of 11 March 2019 (Report No 106-2019) where the Committee approved a plan for further development of the construction sector in the city.

4.2 Reference is made to Article XI of the City Development Committee of 13 May 2019 (Report No 177-2019) where the Committee approved a plan for further development of the offshore wind/decommissioning sector in the city.

4.3 Reference is made to Article IX of the City Development Committee of 9 September 2019 (Report No 218-2019) where the Committee approved a plan for further development of the creative/digital/technology sector in the city.

4.4 Delivery of these sector development plans has been set against the context of the Covid-19 pandemic which has had, and will continue to have, a profound impact on the city's economy. This has necessitated the diversion of staff resources to provide emergency support to businesses across a range of sectors. This report captures the impact that Covid-19 has had in respect to the sectors and highlights the positive activity and progress that has taken place in spite of the challenging context and economic climate.

5 CONSTRUCTION

Context and key developments

Construction Sector Key Statistics				
	Total Enterprises		Employment	
	Dundee City	Scotland	Dundee City	Scotland
2017/2018	410 (12.7%)	20,205 (11.6%)	3,500 (4.6%)	140,000 (5.7%)
2018/2019	430 (13.0%)	20,680 (11.7%)	3,500 (4.7%)	136,000 (5.4%)
Change	4.9%	2.4%	0%	-2.9%
Sources: UK Business Counts; Business Register and Employment Survey				

- 5.1 The development plan for construction published in 2019 noted that the sector remains an important contributor to the Dundee economy, despite a decline of 22% in employment since 2010 driven by a number of company closures including Muirfield Contracts and McGills. The baseline position in the plan showed that construction companies made up 12.7% of the business base in the city, providing employment to 4.6% of the city's workforce.
- 5.2 Given the significant challenges which have faced the sector in recent years, the development plan set a target of stabilising employment numbers and creating a platform for future growth. The most recent data published in the 18 months since the plan was approved shows that there has been a rise of 4.9% in the number of construction companies operating in the city, compared to a Scotland-wide rise of 2.4%. Employment levels in Dundee have remained stable, against a small decline in Scottish construction of 2.9%.
- 5.3 These positive and encouraging trends were set against a backdrop of reasonably benign economic conditions. The global pandemic and lockdown that commenced in March of this year has, however, had a profound impact on the sector. Lockdown restrictions meant that the majority of construction sites were unable to operate until a phased restart was announced at the end of May, leading to the gradual reopening of sites over the summer months. On all but essential sites, construction activity ceased between 23 March and 10 June.
- 5.4 The depth of the challenge facing the sector as a result of the impact of Covid-19 is evidenced by the following:
- a Scottish Government analysis has identified construction as one of the sectors most affected by the pandemic;
 - b Output in Scotland's construction sector contracted by 28.6% in June compared to the same month in 2019;
 - c 87% of construction businesses applied to the coronavirus job retention scheme compared to the average for all sectors of 78%; and
 - d Scottish Chambers of Commerce Quarterly Economic data for Quarter 2 2020 shows that 70% of construction companies suffered a decrease in confidence; half of companies cut investment; employment levels dropped; and numbers looking to recruit fell from 53% to 25%.
- 5.5 The Scottish Construction Leadership Forum has published a recovery plan for the sector. Covid-19 has compounded a number of long-term challenges facing the sector, including low productivity and the industry being highly cyclical and project focused. The vision set out in the plan is for a safe, productive, profitable, digitally-enabled, low carbon and socially responsible sector which offers quality jobs and fair work to a highly skilled and diverse workforce. Early

signs are the sector is gradually recovering with a reduction in furloughed staff and growth in vacancies. Dundee and Angus Chamber of Commerce's Quarterly Business Survey published in September 2020 shows construction companies in Dundee operating at over 70% of their pre-lockdown capacity, but the majority remain concerned about prospects for the next 12 months.

Support and Interventions

- 5.6 The challenges which the global pandemic has presented for construction reinforce the need for Dundee City Council and partners to continue to support the sector through the mechanisms set down in the development plan.
- 5.7 **Capital investment:** The sector development plan recognises the role that the Council and wider public sector partners can play in supporting construction activity through capital investments. The Scottish Construction Leadership Forum's recovery plan for the sector highlights the immediate need for a pipeline of work from the public and private sectors to help address the significant income shortfalls that lockdown has brought. In February 2020 an updated £375 million Capital Plan covering the period 2020-2025 was published by Dundee City Council, providing contract opportunities for the construction sector with a major focus on works that support reduction of the Council's carbon footprint through initiatives including external wall insulation, energy efficiency measures, LED streetlights and flood protection. Reference is made to Article XIV of the Policy and Resources Committee of 24 August 2020 (Report No 185-2020) and the Council's Covid-19 Recovery Plan, This made a commitment to support the sector's recovery through restarting £25 million of suspended construction works within 3 weeks of lockdown restrictions easing, including Waterfront Place (Morgan Sindall), Broughty Ferry Flood Protection (McLaughlin Harvey), Balmerino Nursery (Robertson Construction) and West City Square (Dundee Construction Services). Furthermore, a commitment has been made to commence planning for a further £10 million of capital works.
- 5.8 **House Building:** The plan recognises that in addition to community, regeneration and sustainability benefits, increasing the level of new house building can provide a stimulus for the construction sector, generating local employment opportunities. The plan projects an annual house building target of 480 builds per annum, including 200 homes through the Affordable Housing Supply Programme. There is also a commitment through the planning system to ensure a sufficient supply of land to enable the housebuilding sector to deliver housing across all tenures. After progress being made in 2018/19, the new house target was not achieved in 2019/20 with evidence of only 260 completions. However, the Council approved planning permission for almost 700 residential units over the same period, continuing to enable opportunities for delivery. Additionally, there are approximately 519 units currently under construction, demonstrating healthy house building activity in the City. The Council's Covid-19 Recovery plan, meanwhile, made a commitment to work with housebuilders to re-open sites safely, secure the upgrade at Swallow junction to support further housing development at Western Gateway and continue working with Scottish Water, Scottish Environment Protection Agency and developers to unlock infrastructure restraints.

House Building Completions in Dundee City		
Year to April	Completions	Target
2015	210	610
2016	323	610
2017	416	610
2018	201	610
2019	486	610
2020	260	480
2021*	522*	480

**Indicative projections for 2021*

5.9 **Community Benefits****Community Benefit Activity from March 2019 to March 2020**

Supplier Development	
Local Construction Spend (within 35 miles)	£14,718,058
Average Percentage of Spend which was local (within 35 miles)	53%
Average Local Labour (within 35 miles)	73%
Employment and Skills	
Employment Opportunities Created	58
New Start Employment Opportunities (previously unemployed, redundant, graduates or new entrants)	19
Project Initiated Modern Apprenticeships	13
Existing Modern Apprentices	21
Work Experience Opportunities	35
Awareness Raising Activity	
Awareness Raising Events and Activities Delivered	56
Individuals Supported through Awareness Raising	2,452

- a The Council's capital programme continues to deliver community benefits and support contractors. The requirements of other frameworks including SCAPE and Hubco, and more recently Scottish Procurement Alliance and Procurement Hub Framework requirements, have been blended alongside Council requirements.
- b One of the most important functions of Community Benefits is to work with lead contractors to encourage as much contract spend as possible to be made within the local area. This is achieved through a range of linked measures including requiring and reporting local spend information; working with lead contractors to identify local contractors to compete for identified sub-contract and supply opportunities; and the delivery of project specific meet-the-buyer events. These included events for the Broughty Ferry Flood Defence project with Mclaughlin Harvey and an event promoting sub-contract opportunities available in the service phase of the Dundee and Angus residual waste project with MVV.
- c Since March 2020, the Covid-19 pandemic has impacted on the Community Benefits programme with most sites closed for several months and many support staff and Community Benefit leads furloughed for much of lockdown. The full impact of the pandemic on targets is yet to be established but it is anticipated that there will be reduced apprentice recruitment and elements of the Programme, including work experience and awareness raising activities, will be impacted by social distancing guidelines. An increase in private sector redundancies, including apprentice redundancies when the furlough period comes to an end is also likely.

- 5.10 **Supplier Development:** The plan recognises the importance of, within legal limits, supporting local businesses to be able to compete for Council and other contracts. Since the plan's inception, work to address this has included continuing to promote the Quick Quote function for lower value procurement contracts; encouraging companies to access support provided through the Supplier Development Programme; and organising local supplier development events. On 18 February, a Tay Cities Meet-the-Buyer Event was held enabling companies to meet with buyers from Dundee City, Angus, Perth and Kinross and Fife Councils as well as Tayside Contracts, NHS Tayside and the Higher and Further Education Institutions in the region. Training in the use of the Public Contracts Scotland portal was also provided. To support this activity, the Council's Procurement Team works with departments to divide and advertise competent parts of projects, for example specific trades, to ensure that these

opportunities are accessible to smaller business who could not compete for multiple trade contracts. Increasing supplier confidence in public sector procurement supports contractors not only to secure Council contracts, but those of other public sector organisations that advertise opportunities on Public Contract Scotland.

- 5.11 **Business Support:** The plan outlined the importance of providing support for new construction companies and for those seeking to develop and grow their businesses. The Council has continued to provide this one-to-one support through the Business Gateway Tayside service. In response to the Covid-19 pandemic, a bespoke Survive and Thrive Programme was launched. One-to-one appointments are available by video calls and a series of webinars have been developed to replace face-to-face training sessions. The Scottish Construction Leadership Forum's recovery plan highlights a need to focus on digitisation and to encourage small and medium-sized enterprises (SMEs) to embrace digital ways of working. This aligns well to support that Business Gateway Tayside provides through its DigitalBoost programme, providing access to one-to-one expert help and free training seminars.
- 5.12 **Industry Engagement:** A major recommendation in the sector development plan was the establishment of a construction industry forum that would meet annually and engage stakeholders and industry representatives to support the long-term development and sustainability of the sector and to consider barriers to new house building and other construction projects. The inaugural construction forum event, "Unlocking Potential in Dundee", took place on 11 February 2020 at the Steeple Church and was co-hosted by Dundee City Council and Dundee & Angus Chamber of Commerce. A national perspective on the development of, and challenges facing, the sector was provided by the Scottish Property Federation, Scottish Water, Kirkwood Homes and CCG (Scotland) Limited. Contributions on the skills agenda were provided by the Construction Industry Training Board, Dundee City Council's Community Benefits Manager and Dundee & Angus College. Key findings from the event were:
- a the industry needs to change and build in ways that look to future construction methods;
 - b the need for a culture of partnership and collaboration, beyond individual projects, was recognised as key to the sector's future development;
 - c the need for closer collaboration between the public and private sectors was identified; and
 - d the importance of moving towards carbon neutrality and contributing to the circular economy agenda was endorsed.

Planning work will be undertaken over the next quarter for the second annual construction forum event in early 2021 which is expected to be virtual and with a strong focus on the recovery theme.

- 5.13 **Employability and Skills:** The Scottish Construction Leadership Forum's recovery plan for the sector highlights the risk of redundancy and unemployment in the sector as a result of Covid-19 and a particular and immediate need to support the younger workforce through getting apprentices back into work & learning, and encouraging new entrants from diverse backgrounds. A key priority for Community Benefit Programme will be to support workers experiencing redundancy, including apprentices. While there have been some redundancies, including those directly involved in delivering Community Benefits, the full extent of this is likely to become clear after the furlough scheme comes to an end. Responses to recovery programmes, including the Kick Start wage-subsidy programme have been positive within the sector, with many contractors committing to participate. The Dundee Partnership's Discover Work Service and Council managed Employability Pathway will have an essential role to play in supporting those who lose jobs or opportunities.

- 5.14 **Efficient processing of Applications:** the plan recognises the role that Dundee City Council can play in supporting the sector through the efficient processing of planning and building warrant applications. The Council's Planning performance over the last year has been better than or consistent with the Scottish average performance figures in terms of decision-making timescales. The healthy supply of land for housing and employment uses ensures the city is ready to respond to growth in housebuilding and support economic growth.

Planning Service Key Performance Statistics		
	Dundee City Council	Scottish Average
Annual Number of Planning Applications	446	N/A
Annual Number of Other Applications	173	N/A
Application Approval Rate	93.7%	94.2%
Decision Making Timescales		
Major Developments	18.4 weeks	33.5 weeks
Local Developments (non-householder)	11.5 weeks	10.9 weeks
Householder	7.7 weeks	7.3 weeks
Established Housing Land Supply	4,747 units**	N/A
5-year effective Housing Land Supply	7.5 years **	5 years (target)
Employment Land Supply (marketable)	139.30 hectares (May 2019)	
Source: Scottish Government Annual Planning Performance Statistics 2019/20; Dundee City Council Housing Land Audit 2020 (Draft figures**); Dundee City Council Business Land Audit 2019.		

6 OFFSHORE WIND / DECOMMISSIONING

Context and key developments

- 6.1 The sector development plan for offshore wind and decommissioning identified that Energy (included renewables) is a key growth sector for the Scottish economy and that Dundee, due to its geographical location, deep water port facilities, port side land assets and skilled labour, is well positioned to realise opportunities in both sectors.
- 6.2 The plan identified that Dundee had undertaken a range of activity to position the city to secure new investment and jobs in these sectors and this had already resulted in investment in the city by companies such as Texo, OM Heavy Lift, Offshore Decommissioning Services and COES Caledonian.
- 6.3 This positive momentum has continued over the 16 months since the plan was published with the following key developments:
- Neart Na Gaoithe: NNG is an offshore wind farm located 15.5 km off the Fife coast. The development is co-owned by EDF Renewables UK & Irish utility ESB (who have Dundee linkages as technology supplier to the V&A and Regional Performance Centre). In November 2019, it was announced that NNG and Siemens Gamesa will use Port of Dundee for turbine construction and marshalling. The clearance and preparatory works for the new facility on the eastern side of the port is well underway and can be seen from various locations across the city. Around 100 jobs will be created in the construction and marshalling phase of the project to commence at end of 2021.
 - In December 2019, Forth Ports announced that they would invest £40 million in the creation of two new quaysides, resurfacing of 25-40 acres of port side land and construction of a new logistics warehouse providing the modern facilities required to secure further work in both sectors.
 - In June 2019, the Curlew Floating, Production, Storage and Off-loading vessel arrived in the Port of Dundee for cleaning by Augean North Sea Services. The work involved the removal of over 1,000 tonnes of waste and 200,000 work hours and demonstrated the

credentials of the Forth and Tay Offshore Alliance to undertake a major decommissioning project, helping to secure a number of “piece small” decommissioning contracts.

- d The capability of the wider City Region in respect to Offshore Wind was further boosted in October 2019 by the news that Montrose Port has been selected as the Operations and Maintenance base for Seagreen 1 owned by SSE Renewables and Total creating around 100 jobs. MHI Vestas Offshore Wind have been confirmed as the supplier of 114 10MW wind turbines and they will maintain and service the turbines from Montrose.
- e Forth Ports and John Lawrie Group announced a joint £5m investment in developing a metal recycling and decommissioning base at the Port, part of the wider strategy to develop a full-service oil and gas decommissioning hub at the Port of Dundee.
- f In September 2020, the Chief Executive of Forth Ports, Charles Hammond, confirmed that they were looking at the feasibility of bidding to establish a freeport in Dundee. Freeports or zones are designated by the government as areas with little to no tax in order to encourage economic activity. While located geographically within a country, they essentially exist outside its borders for tax purposes. Companies operating within freeports can benefit from deferring the payment of taxes until their products are moved elsewhere, or can avoid them altogether if they bring in goods to store or manufacture on site before exporting them again. The feasibility that a freeport at Dundee could be extended beyond the port area to include MSIP and Claverhouse Industrial estate to support non-essential key side activity and establish the necessary essential space for business investment/development and job creation, will be explored.

6.4 Whilst there has been some short-term disruption to development work, the offshore wind sector has been less impacted by the pandemic than some other sectors. Indeed, in the first half of 2020, global offshore wind investment quadrupled with investors giving the green light to 28 new offshore windfarms worth £28 billion. Green investment and transitioning to a low carbon economy are seen as central to Covid -19 recovery planning. Future opportunities for the city and region’s economy may come from developments off the east coast including Berwick Bank, Marr Bank, Inchcape and the ScotWind leasing round which was launched in June 2020. Council officers remain engaged with developers of these projects in trying to maximise the opportunities for Dundee and the wider Forth & Tay area.

6.5 The impact of the pandemic on oil and gas decommissioning is less certain. The decline of the oil price has resulted in operators seeking to defer activity in the short term in order to rationalise expenditure. In the longer term, if oil prices remain subdued, the long-term viability of some fields may come into question leading to an increase in decommissioning activity.

Support and Interventions

6.6 A range of activity has been undertaken since the plan’s inception to further support development of both sectors.

6.7 **Forth and Tay Offshore:** Council officers have continued to work alongside neighbouring councils and offshore wind development companies to promote the region’s credentials and the capabilities of companies and organisations in the region. Actions have included:

- a Undertaking supplier development surveys and establishing an online directory of over 200 supply chain companies that includes details of their experience and capabilities;
- b Promoting the region at major events (pre-pandemic) such as Global Offshore Wind and All-Energy;
- c Hosting physical and virtual meet-the-buyer events with developers and their suppliers;

- d Promoting access to funding support to enable supply chain companies to transition and develop the required capabilities to secure contracts; and
 - e Developing a specification for additional project management and supply chain support.
- 6.8 **Inward Investment:** Council officers have continued to facilitate and support inward investment enquiries from sector supply chain companies through the provision of information and hosting of visits. The opportunity to connect investor interest to the Michelin Scotland Innovation Parc is also being actively pursued where appropriate.
- 6.9 **Skills Development:** Council officers hosted a regional skills event for the offshore wind/ decommissioning supply chain in January 2020 and are working with the Scottish Offshore Wind Energy Council (SOWEC) Skills Group to undertake a supply chain skills survey. This will be mapped against existing college and university skills provision to understand where gaps exist. Skills jobs fairs have also been facilitated to support recruitment and access to employment and careers.
- 6.10 **Tendering Support:** Supply chain companies have been offered webinar training through the Council funded Supplier Development Programme to improve their knowledge and techniques in tendering for contracts.
- 6.11 **Forth and Tay Decommissioning:** The alliance is undertaking a range of work including:
- a evaluating the option of establishing a deep-water port in the Firth of Forth as an access facility to Dundee for decommissioning projects;
 - b working with the Oil and Gas Authority and Decom North Sea to increase the focus on safety; and
 - c commissioning a paper, supported by the Scottish Government's Decommissioning Challenge Fund, on an outline business case for an Innovation Network for Decommissioning and the Circular Economy. The aim is potentially to create compelling business models for the re-use, re-manufacture and re-purposing of decommissioned equipment, rather than defaulting to sending everything to European steel smelters.

7 CREATIVE / DIGITAL / TECHNOLOGY

Context and key developments

- 7.1 The sector development plan for creative/digital and technology industries published in September 2019 noted that these sectors are significant contributors to the UK, Scottish and Dundee economies. Economic output for Dundee from these sectors in 2017 was estimated at £205 million (Tech Nation).
- 7.2 Creative Industries (including Digital) is one of the key growth sectors in the Scottish Government Economic Strategy. At the outset of the development plan published last year, the sector accounted for 2,545 jobs. Latest figures show that the sector in the city had grown to 3,030. The sector accounted for 500 enterprises at the outset of the plan which has subsequently risen to 510. However, due to the time lag in data publication, these changes do not reflect the current economic climate. A report published by the Scottish Government's Office of the Chief Economic Adviser (OCEA) in June 2020 highlighted Dundee as one of seven local authority areas in Scotland where the concentration of jobs in the creative industries surpasses the Scottish average.
- 7.3 In respect of the impact of Covid-19, the wide variety that makes up the creative/digital and technology industries means that the constituent parts have experienced the pandemic in very different ways. The UK's Department for Digital, Culture, Media and Sport (DCMS) defines the

creative sector as: advertising and marketing; architecture; crafts; design and designer fashion; film, TV, radio and photography; information technology (IT), software and computer services; publishing; museums, galleries and libraries; music, performing and visual arts

- 7.4 Those parts of the creative industries sector such as film, TV, music and performing & visual arts have clearly been very badly affected with continuing restrictions that have left many enterprises and individuals in an extremely challenging position. Some have been able to access Covid-19 support funding, but as the support regime changes many are concerned about the long-term viability of their businesses or are looking at alternative employment routes.
- 7.5 At the other end of the spectrum, those involved in IT, software and computer services have experienced the pandemic in a different way. Computers and the internet have been increasingly used for many purposes during lockdown, including remote working and access to entertainment, including video games where clearly Dundee has a strength. Whilst there has been disruption to supply chains caused by lockdowns in Asia, an impact on availability of goods and subsequent price inflation, in general, businesses involved in the supply of IT related services have seen an increase in business.
- 7.6 The sector development plan highlighted that a key element of the Council's work in this area is focused on ensuring that the city has the underpinning digital infrastructure in place to ensure that the city's economy remains resilient and competitive. The pandemic has accentuated the importance of digitalisation to the way people live and work. A legacy of the current situation is that the need for ever faster access to data and automation will drive the demand for faster deployment of next generation technology, including 5G.

Support and Interventions

- 7.7 **Digital Skills:** Officers have consulted widely with a broad spectrum of companies as well as training and education providers to understand the skills gaps that need to be addressed to ensure that our digital companies can grow and compete and that the city has the requisite talent to attract new investors. A digital skills action plan is being developed in conjunction with universities, college and key local companies to ensure that skills gaps are addressed and that careers in the sector are effectively promoted. In addition, £4m from the Tay Cities Deal Employability Programme has been identified to promote digital skills and a series of workshops is being planned to develop detailed proposals in consultation with key companies and other stakeholders.
- 7.8 **Response to Logan Review:** In September 2020, a major review of the Scottish tech ecosystem was published with 34 key recommendations. The review looks at every aspect of the ecosystem from the education system through to support for new and existing businesses. It identifies that Scotland needs to establish more digital start-ups, attract more outside talent and large investors. Of particular significance to Dundee is the proposal for the establishment of a national network of Techscalers providing long-term affordable incubation space, free start-up education for tenants and a "market square" space for tech companies to engage. Dundee is identified as one of the locations where one of these facilities should be located. Officers are currently working on a response to Scottish Government that will seek to ensure that Dundee's digital technology industry is at the heart of the government's plans to implement the review findings.
- 7.9 **5G Testbed and Public Wi-Fi:** Reference is made to Article XV of the City Development Committee of 9 September 2019 (Report No 266-209) which outlined plans for a 5G testbed to be created within the Central Waterfront and for the installation of a free Public Wi-Fi network at the Waterfront extending to cover the main city centre streets. Reference is also made to Article VII of the City Development Committee of 27 January 2020 where members approved the appointment of AWTG Limited to take forward the installation of the fibre backbone and core equipment required for operation of the Testbed and Public Wi-Fi network. The detailed survey and deployment planning are well underway for the physical works with the target of

completing these by the end of March 2021. An indicative sum of £2 million was made available in the Tay Cities Deal Head of Terms for the development of 5G use case trails. A Business Case is currently being prepared with proposals to develop use cases around a number of thematic areas including Smart Tourism, Smart Infrastructure, Digital Play and Automation. In essence, use cases will seek to demonstrate applications with commercial potential to make life better or more efficient.

- 7.10 **Fibre Connectivity:** The sector development plan highlighted that the deployment of a high speed fibre optic network throughout the city is essential to ensure that the city can benefit from ultrafast broadband and low latency communication. Fibre will provide the backbone for the rollout of 5G mobile services and encouraging its deployment is vital for Dundee to remain competitive with other cities. There is active engagement with a number of companies who have expressed interest in deployment in the city and officers are working with these companies to discuss issues such as access to roads and footways, public buildings and public land. In March 2020, CityFibre announced plans to deploy a full fibre network in Dundee as part of a wider £4 billion investment programme that will cover 8 million premises across the UK. Dundee City Council is also part of a Tay Cities bid to the UK Department of Culture Media and Sports (DCMS) for around £1.8 million of funding (for Dundee) that aims to enable the deployment of full fibre connectivity into 39 Dundee schools. This proposal is currently the subject of a live procurement exercise.
- 7.11 **CyberQuarter:** The sector development plan highlighted that UK and Scottish Governments had made £11.7 million available in the Tay Cities Deal for development of the CyberQuarter. This is an academic-industrial partnership designed to establish the Tay Cities region as a centre of best practise in applied research and development and knowledge exchange in cybersecurity. It will exploit Abertay University's distinctive ethical hacking and offensive cybersecurity knowledge. The project is expected to deliver research and development solutions in cyber security for businesses, upskill workers, raise awareness of cyber risk and create jobs through development of new products and services. The project has now received approval to move to development of its full business case and, subject to signing of the Tay Cities Deal, construction and occupation is scheduled to take place in 2021/2022.
- 7.12 **E-Sports Arena:** In September 2020, Dundee City Council and Northern Lights Arena Europe Ltd (NLAE) signed an 18 months exclusivity agreement to explore development of a new entertainment centre on sites 10 and 11 at the Waterfront. Proposals for the arena include a 4,000 seat multi-purpose arena that can be used for esports events, a dedicated esports academy for further and higher education, as well as space for conventional leisure, indoor sporting events, and retail and business outlets. The company has entered into agreements with Abertay University and Dundee and Angus College to provide facilities to students on esports related courses.
- 7.13 **Creative Dundee:** Dundee City Council supports Creative Dundee to undertake a range of activities to enable the creative and cultural sectors to recover. Agreed actions include:
- a using the WeDundee tool to engage people on the future of the city and its cultural/creative industries;
 - b refresh of Creative Industries Strategy to take account of pandemic impact on sector;
 - c providing one-to-one support and signposting to companies and individuals operating in the sector; and
 - d supporting workforce development and in particular support and engagement of young people in partnership with Developing the Young Workforce.
- 7.14 **Tayscreen:** The Dundee City Council led screen office promotes the region as a location for TV, film and other media work. Production spend across the region for the two-year period for

2018/19 was £2.6 million, an increase of 5% over the previous year that was itself a record increase in production of over 130%. This produced an economic impact of around £5 million. Recent successes for the region include HBO Succession starring Brian Cox (and promoting V&A Dundee) and Val McDermid's Forensic Crime Drama Traces which was filmed extensively in Dundee. All tourism has been severely affected by Covid-19 but screen continues to play a key role in raising awareness and influencing destination and economic development decisions. 40% of visitors to Scotland say that seeing Scotland on film or TV was important in their decision to book a Scottish holiday. TayScreen has also played a leading role in development of a Covid compliant production code for the UK and Scotland in collaboration with Film Offices UK, Creative England, the Scottish Locations Network and Creative/Screen Scotland

8 **POLICY IMPLICATIONS**

- 8.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

9 **CONSULTATIONS**

- 9.1 The Council Management Team were consulted in the preparation of this report.

10 **BACKGROUND PAPERS**

- 10.1 None.

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GH/RY/KAS

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