

**ANGUS COUNCIL****ECONOMIC DEVELOPMENT COMMITTEE - 16 JANUARY 1997****SUBJECT: BUSINESS DEVELOPMENT IN THE FOOD SECTOR****REPORT BY DIRECTOR OF PLANNING, TRANSPORT & ECONOMIC DEVELOPMENT**

**Abstract:** This report advises the Committee on a proposal to participate in a Scottish wide business development initiative. The initiative is aimed at providing the food processing sector with a cost effective method of introducing qualified and experienced personnel to assist in addressing and sustaining new market opportunities.

**1 RECOMMENDATION**

It is recommended that the Committee -

- a) note the invitation from Scottish Enterprise Tayside to participate in the "Business Development in the Food sector" initiative; and
- b) agree to sponsor one Angus based food processing company at a cost of £2,356 subject to Scottish Enterprise Tayside agreeing to sponsor at least one other Angus based company under this initiative.

**2 INTRODUCTION**

- 2.1 An invitation has been received from SET requesting the Council to participate in a Scottish initiative entitled "Business Development in the Food Sector".
- 2.2 This follows a successful pilot programme, run by Herriot Watt University which resulted in advanced food industry expertise being provided successfully to assist small and inexperienced food processing companies.
- 2.3 The initiative will operate through secondment to SME's of individuals with high-level industrial expertise to identify and implement development strategies. These individuals will provide dedicated management and technical support to address specific needs and opportunities identified by the participating companies. Linkages with SET and the Council will be essential to ensure that growth potentials are maximised.
- 2.4 The food sector is a significant employer within Angus and one that continues to experience rapid technological change at the same time as new hygiene legislation and changes in consumer demands are taking place. The sector comprises few large companies and many owner managed small and medium enterprises.

### 3 PROJECT OUTLINE

- 3.1 It would be appropriate for Angus Council to agree to participate in this initiative to assist the participating companies and also, if successfully applied, to demonstrate the importance of applying technical and marketing innovation to such an important sector of the local economy.
- 3.2 The programme will provide experienced food sector personnel to work with chosen companies in areas of identified need over a period of up to 12 weeks (spread over a period of 2 years).
- 3.3 The cost to each company is £2,356. Each of the three Councils in Tayside have been approached by SET to sponsor one company at a cost of £2,356. SET have agreed to sponsor three additional places at a total cost of £7,068. Each company will meet 50% of the cost involved equivalent to £200 per week for 12 weeks. The recommendation for Angus Council to participate is made on the basis that at least one of the companies sponsored by SET will be for Angus.

### 4 FINANCIAL IMPLICATIONS

- 4.1 It is proposed to participate in this initiative at a cost of £2,356 during 1997/98. This sum can be financed from the 1997/98 Departmental Revenue Budget for "Assistance to Industry".

### 5 CONSULTATION

- 5.1 The Chief Executive, Directors of Law and Administration and Finance have been consulted and are in agreement with the terms of this report.

### 6 CONCLUSION

- 6.1 This national initiative, if successful will not just prove beneficial to the two Angus based companies but will serve to demonstrate the importance of applying technical innovations and marketing expertise to this important sector of the local economy.

### NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

AA/JH/DV/LJP

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30 December 1996