1 RECOMMENDATION

1.1 The Committee is asked to note the contents of this Report and to authorise the Director of Law and Administration to sign the Minute of Variation and Extension of Contract on behalf of Angus Council.

2 BACKGROUND

2.1 The Committee is referred to Article 17 of the minutes of the Infrastructure Services Committee of 16 October 2003 which records that the Committee was asked to note the content of Report 1128/03 and to authorise the Director of Law & Administration to sign the Minute of Variation and Extension of Contract on behalf of Angus Council.

3 PROGRESS

3.1 The achievements of the Business Gateway Angus BGA for 2003/04 are shown in Appendix 1 to this Report. Overall the BGA performed admirably meeting or exceeding 13 of 17 measurable targets. The only notable failure relates to applications to the Angus Loan Fund Panel over which the Gateway has little control. It should however be noted that many of the targets for Angus are lower than those for Dundee or Perth and Kinross. These targets have an historical base and will be reviewed upwards if substantially exceeded.

3.2 The table below shows comparative figures over the past 3 years for three main elements of the Gateway’s work in Angus, i.e. Start-ups, Projects Completed and enquiries fielded. Changes in reporting requirements over the years makes meaningful comparison difficult for other areas of the Gateways work.

<table>
<thead>
<tr>
<th>Year</th>
<th>Start Ups*</th>
<th>Projects Completed**</th>
<th>Enquiries***</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/01</td>
<td>88</td>
<td>68</td>
<td>2,896</td>
</tr>
<tr>
<td>2001/02</td>
<td>106</td>
<td>71</td>
<td>4,704</td>
</tr>
<tr>
<td>2002/03</td>
<td>154</td>
<td>94</td>
<td>3,229</td>
</tr>
<tr>
<td>2003/04</td>
<td>154</td>
<td>198**</td>
<td>6,153</td>
</tr>
</tbody>
</table>

* Start-ups – The table shows the number of new businesses started up in the year with assistance from Business Gateway.

** Projects completed – sources of funding secured for businesses.

*** Enquiries – The table shows the number of business information enquiries.

xx This includes businesses supported through the Angus & Mearns Economic Development Fund which is administered by the Business Gateway.
3.3 Overall the trend in relation to these indicators is upwards although the enquiry level for 2002/03 fell well short of the achievements in 2001/02. One of the business information officers originally located in the Angus office was relocated to Dundee in 2002/03 and the last remaining Angus based information officer was promoted early in 2003/04 to take up a trainee business advisor position again based in Dundee. All business information enquiries are now routed through the Dundee office, although those emanating from Angus are still being tracked. From the high level of Angus inquiries given above it appears that this approach, adopted to improve cost efficiency, has not had a negative impact on the number of enquiries from the Angus office in 2003/04. However, Business Advisers operating out of the Angus office and visiting customers no longer have the opportunity of direct contact with the information officers and this may have had an adverse impact on the availability of quality information when delivering business advisory services. This will need to be investigated as part of the proposed forthcoming Best Value Management Review (see 5.1 below).

4 SERVICE LEVEL AGREEMENT

4.1 The Service Level Agreement between Angus Council and Tayside Business Gateway Limited requires a Minute of Variation and Extension of Contract to be signed on behalf of each of the three Local Authorities. The specific targets for Angus are:

<table>
<thead>
<tr>
<th>Application to Angus Grant Scheme</th>
<th>18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications to Angus Loan Fund</td>
<td>2</td>
</tr>
<tr>
<td>Existing Businesses Assisted</td>
<td>180</td>
</tr>
<tr>
<td>Community based Marketing Activities</td>
<td>12</td>
</tr>
</tbody>
</table>

5 FINANCIAL IMPLICATIONS

5.1 The Council contributes £110,000 per annum to the core financing of the Tayside Business Gateway from the Economic Development Revenue Budget. It is proposed that this contribution be continued for 2004/2005 and it will be met from the specific provision contained in the 2004/05 Economic Development Budget. During 2004/05 it is proposed to undertake a Best Value Management Review of the business support services provided through the Economic Development Unit. This will include a review of the service provided through the Business Gateway Service Level Agreement.

6 HUMAN RIGHTS IMPLICATIONS

6.1 There are no Human Rights implications associated with this report.

7 CONSULTATION

7.1 The Directors of Finance and Law and Administration have been consulted in the preparation of this Report.
8 CONCLUSION

8.1 Overall the Business Gateway office in Angus is performing well, although the initially low level of some targets leaves room for improvement.

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.

20 April 2004
DV/NP/MM

A B Watson
Chief Executive