REPORT BY THE CHIEF EXECUTIVE

Abstract: This paper informs the committee of a £200,000 donation, which has been received by Angus Council from the RGIT Trust, to be beneficial to the people of Montrose and Angus and applied to vocational training related opportunities. It also seeks to make recommendations on how the fund is to be developed and administered under the direction of the Economic Development Unit.

1 RECOMMENDATIONS

1.1 It is recommended that the committee:-

a) welcome the £200,000 donation made by the RGIT trust in recognition of the support afforded over the years by Angus Council to the business conducted by RGIT Montrose Group Ltd;

b) agree that the development and administration of the fund be undertaken by Angus Council to ensure that it is used solely as a support package for Angus residents with priority consideration given to residents from Montrose;

c) approve that the fund be developed once a review of other key funding streams in the area have been undertaken and key stakeholders consulted; and

d) acknowledge that once the review process has been completed a report back to committee will be made on how the fund is to be implemented.

2 RGIT – BACKGROUND RGIT

2.1 RGIT Montrose was formed in 2000 by the merger of Montrose Scota Training International (MSTI) and the oil industry training interests of Robert Gordon’s Institute of Technology, now The Robert Gordon University.

2.2 Set up as a charitable trust, RGIT Montrose provides a range of training courses, services and facilities, aimed mainly at the international oil and gas industry, from an international network of training centres.

2.3 2003 saw a change in operations at the Montrose site due to a multi-million pound management buy-out. The proceeds have been shared between Robert Gordons University and the charitable trust. A multi-million pound training fund has been established to support individuals in the North East of Scotland and individuals within Angus will be eligible. In her capacity as a member of the Trust, Councillor Kitty Richie has successfully negotiated a specific sum for Angus. This has resulted in Angus Council securing a £200,000 contribution from the RGIT trust which has now been paid into the Council’s account.
2.4 This fund has been donated by the trust in recognition of the support afforded over the years by Angus Council to the business conducted by RGIT Montrose Group Ltd and is to be applied for the purposes of vocational training, for the benefit of the people of Montrose and Angus.

3 ANGUS OVERVIEW

3.1 The main sectors of the Angus economy are engineering manufacturing and the hospitality industry. The manufacturing/engineering sector is one of the main employers and employs 15% of the population in the area.

3.2 Unemployment in Angus is 3.1%, which is slightly less than the Scottish average of 3.6%.

3.3 The area currently benefits from a number of mainstream government funded programmes e.g. New Deal, Skillseekers and Training for Work.

3.4 Locally initiatives have seen the introduction of a development fund established with a generous financial contribution from GlaxoSmithKline. However due to a poor uptake it is expected that the fund is about to be reviewed.

4 THE WAY FORWARD

4.1 It is felt that in order to avoid duplication of effort and type of grant available, Angus Council should make recommendations regarding how the fund will be administered and developed in the area.

4.2 There are a number of key opportunities/areas, which deserve special consideration when the funding programme is being developed:

- Addressing barriers to employment.
- Lack of graduate opportunities.
- Utilisation of the fund to aid inward investment and ultimately employment prospects for local residents.

4.3 Should these be examined whilst taking existing mainstream training/employment grants into consideration it is hoped that the fund will allow for innovation and a new approach to be adopted, thus offering a more flexible approach to securing employment.

4.4 Key stakeholders JobCentre Plus, Scottish Enterprise, Business Gateway and local training providers will be consulted throughout the development phase of the fund.

5 FINANCIAL IMPLICATIONS

5.1 Currently there are no financial implications arising from this report.

6 HUMAN RIGHTS IMPLICATIONS

6.1 There are no Human Rights implications arising from this report.
7  CONSULTATION

7.1 The Directors of Finance, Law & Administration and the Personnel Services Manager have been consulted during the preparation of this report.

8  CONCLUSION

8.1 The fund gives consideration to inward investment opportunities linked to securing employment in Angus and opportunities to aid graduate employment.

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.

DV/FC/MM

03 June 2004

A B Watson OBE
Chief Executive