

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Enterprise, Planning and Infrastructure
<b>DATE</b>	26 November 2009
<b>DIRECTOR</b>	Gordon McIntosh
<b>TITLE OF REPORT</b>	Aberdeen City and Shire Economic Future Project Update
<b>REPORT NUMBER:</b>	EPI/09/043

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### 1. PURPOSE OF REPORT

To provide the Committee with project updates from the Aberdeen City and Shire Economic Future (ACSEF) which is the Aberdeen City and Shire public private sector partnership for economic development

### 2. RECOMMENDATION(S)

1. Notes the actions being taken by ACSEF.
2. Agrees to receive reports on developments through ACSEF at future meetings.

### 3. FINANCIAL IMPLICATIONS

No financial implications arising from this report. The Council is a funding partner of ACSEF along with Aberdeenshire Council and Scottish Enterprise.

### 4. SERVICE & COMMUNITY IMPACT

The ACSEF action plan (2008) is closely linked to The Council's Policy Statement - Vibrant Dynamic and Forward Looking which states:

1. Continue to promote Aberdeen as the Energy capital of Europe and seek to lead in the field of renewable energy
2. Adopt policies to tackle the skills shortage in our city
3. Ensure the sustainability of the successful economy of Aberdeen City and Shire
4. Ensure that a wi-fi facility covers the city centre, and continue support for the Connected Middlefield project
5. Implement masterplans, working with partners including those in the private sector
6. Continue to drive regeneration and take advantage of regeneration opportunities city wide as they present themselves

- and identify, in consultation with the local communities, immediate priorities for regeneration projects
7. Carry out a Retail Impact Assessment to assess the impact of out of town developments on the city centre
  8. Strive to buy goods and products locally (where this is possible) and encourage other public sector bodies and businesses in the city to adopt a similar approach.
  9. Further increase the number of apprentice trades people employed by the council

The ACSEF Action Plan is closely linked to the commitments in the Single Outcome Agreement.

National Outcome 1 - We live in a Scotland that is the most attractive place for doing business in Europe

National Outcome 2 - We realise our full economic potential with more and better employment opportunities for our people

## **5. OTHER IMPLICATIONS**

No other Implications

## **6. REPORT**

### **ACSEF Action Plan**

- 6.1 The Economic Action Plan 2008 for Aberdeen City and Shire is about delivering a vision for 2025 of “building on energy”. The action plan (currently being reviewed) represents the first five years of actions towards delivering the vision.
- 6.2 The over-arching objectives are to achieve economic growth and quality of life underpinned by seven strategic priorities in which all actions should be focused.
- 6.3 The Strategic Priorities in addition to economic growth and quality of life are:
  - Deliver a fully integrated transport network
  - Maximise our intellectual capital – people and expertise
  - Anchor the oil and gas industry
  - Deliver city centre redevelopment
  - Attract and develop skilled people
  - Improve the efficiency of planning decision making
  - Aberdeen City and Shire as a location of choice for company headquarters.
- 6.4 The aim is that by 2025 for Aberdeen City and Shire is to be recognised as one of the most robust and resilient economies in Europe, with a reputation for opportunity, enterprise and inventiveness that will attract and retain world-

class talent of all ages, and to maintain current levels of growth in the economy. There is a need to sustain a vibrant business base, by building on oil and gas and growing our other key sectors of food and drink, life sciences and tourism.

### **ACSEF Summit June 2009**

6.5 The ACSEF Summit held on 11 June, 2009, attended by over 140 delegates including representatives from Aberdeen City Council, informed delegates that the ACSEF partnership will deliver a robust action plan and ensure Aberdeen City and Shire is well placed to capitalise on the upturn of the economy when it arrives.

6.6 At the summit a report was presented on what had been achieved: what's next: what we need to do: what will all this bring: and the longer term view. Elected members from Aberdeen City Council were circulated with a DVD version of the report.

A summary of the main priorities and activity to date is detailed below:-

6.7 *Fully integrated transport network* - this was reported through the Regional Transport Partnership and covers all aspects of transport including road, rail, sea and air and the effect on the general public.

6.8 *Maximise our intellectual capital* – people and expertise. At this early stage this is focused on life sciences however it also includes growth in number of indigenous companies in this sector and more locally developed patents, products and services. In the longer term it is intended to develop the infrastructure facilities in business environments to support the life science sector and to attract overseas players to this area. There is a continued need to develop international connections, growth and awareness creating a mature life science cluster, and a need to strengthen the links between life sciences in Aberdeen City and Shire with the wider support for life sciences across Scotland and internationally.

6.8.1 Anchor the Oil and Gas industry – the Energetica project now has a master plan and meetings continue with sub groups being established to deliver the Energetic strategic framework. There are also areas Aberdeen City and Shire can take a lead in all energy aspects utilising wind, wave and biomass. The development of the sub sea cluster at Westhill will enhance the supply chain and make this area a focus for future global expertise.

6.8.2 Attract and develop skilled people – work is ongoing and every academy through “Determined to Succeed” has an official link with a business. The three sub groups created in this area are

- schools to employability
- graduate qualifications
- great place for great people

- 6.9 Improve the proficiency of planning decision making – meetings have been held on this topic and the longer term agenda includes more opportunities for private sector to engage in master planning. The Head of Planning and Infrastructure for Aberdeen City Council is a member to this group.
- 6.10 Aberdeen City and Shire location of choice for company headquarters – meantime 30% of Scotland top hundred companies are located in Aberdeen City and Shire and work continues with growth companies ensuring that there is an effective business infrastructure and a strong indigenous business base. In the longer term new investment routes and ensuring a presence at international investment events are being identified.

### **Offshore Europe 2009**

- 6.11 ACSEF has joined forces with leading energy industry bodies to launch a concerted campaign that will position Aberdeen City and Shire as a global energy hub. For Offshore Europe 2009 ACSEF teamed up with Oil & Gas UK, OPITO, ITF and Aberdeen Renewable Energy Group (AREG) to ensure that clear, consistent messages about the region's energy credentials and capabilities are communicated around the world.
- 6.12 Aberdeen City and Shire has the highest concentration of energy expertise, experience, skills and technology in the eastern hemisphere combined with fast-growing infrastructure and exciting new developments
- 6.13 ACSEF's flagship project, Energetica, is now an integral part of the region's strategic development plans. It is included in the Aberdeen City and Shire structure plan, approved by the Scottish Government and more details will be outlined in both Councils' local development plans.
- 6.14 Energetica is a 30 mile development corridor that stretches from Aberdeen Airport and the Bridge of Don to Peterhead, one of the most undeveloped parts of Aberdeen City and Aberdeenshire Structure Plan area. The aim is to create a high energy, low carbon lifestyle destination that will offer exemplar residential, leisure, business and education facilities that will attract people and businesses from around the world. The realisation of the 'Energetica' vision will transform this area into a global showcase for energy efficiency, green energy and related firms.

### **CONCLUSION**

- 6.15 Council officials, led by the Director of Enterprise, Planning and Infrastructure are well represented in all working groups of ACSEF including the Management Team. The Council Leader is a Board member and the Chief Executive attends the Board meetings, thus ensuring that

ACSEF priorities are aligned with those of the Council and that the City is the catalyst for the future economic prosperity of the City Region

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**BACKGROUND PAPERS**

The Economic Action Plan (2008) for Aberdeen City and Shire - ACSEF