



DUNDEE PARTNERSHIP FORUM

"A RENEWABLE DUNDEE"

WEDNESDAY 17 MARCH 2010

APEX HOTEL, DUNDEE

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Dundee Partnership Forum

A Renewable Dundee

Wednesday, 17 March 2010

at the Apex Hotel, Dundee

Background

This Forum event gave the Dundee Partnership an opportunity to consider the potential for the development of renewable energy in the city, including the development of a renewable supply chain.

Agenda

The agenda for the day is appended along with a list of those attending. The event was chaired by Jill Farrell, Director at Scottish Enterprise. The initial presentations allowed the Partnership to consider the potential for new employment presented by renewable energy placing this within a national and international context.

Workshops explored the complexity and breadth of issues involved in developing a renewable supply chain in Dundee, along with the skills and training needed and the potential for spin-off benefits for the city.

WELCOME

Dundee Partnership Chair, Ken Guild, welcomed delegates to the Forum which was potentially a major stepping stone in the drive to transform Dundee into Scotland's renewable energy hub. He stressed that business leaders and the community at large were facing a once in a lifetime opportunity to establish Dundee as the country's renewable capital.

Councillor Guild said that it was appropriate that the Forum was meeting at the Apex at the heart of the regeneration of the port to map out the role representatives of the public, private and academic sectors in Dundee could play in making the ambitious vision of Dundee as a renewable centre a reality.

Although Dundee had lost out forty years ago in the battle to be the main oil and gas base the city was now in a prime position to secure a key role in the development of Scotland's wind, wave and tidal power industry.

NEW EMPLOYMENT IN DUNDEE

Mike Galloway, Dundee City Council's Director of City Development, examined the potential for growth from renewables and the new employment opportunities it could bring to Dundee. He pointed to the contrast in the mood from the Forum event in September 2009 where we were grappling with recession at its worst and today where we were confronting encouraging indications of growth and innovation.

In examining the current position he examined trends in relation to: retail; transport; storage and communication, the public sector; life sciences; digital media and the development of the Waterfront.

Retail

This sector had seen 17% growth over the last 10 years but had significantly slowed in the recession. Looking at Dundee as a regional hub there is still good potential for growth and this needs to remain a long term strategic aim of the partnership.

Transport, Storage and Communication

There has been high growth in contact centres in the recent past and 42% growth in this sector over the last 10 years. Although again transport has seen a reduction in growth and employment locally in the recession, this is still an area with opportunities for growth.

Public Sector

There has been a significant growth as is evidenced by the expansion of the Education sectors. The current economic and political climate mean that growth is less likely over the next few years, particularly as public expenditure contracts.

Life Sciences

This has been Dundee's fastest growing sector over the last decade. The sector is now four times the size it was in 1997. Over 4,000 people are employed in this area and it is still growing. New growth areas can be predicted within specialist research groups.

Digital Media

There has been year on year expansion, particularly in the Games Sector, with Dundee hosting 12 of Scotland's 22 games companies. This includes Scotland's largest two players, with over 300 employed at Real Time Worlds.

Projections are for growth to continue at around 5% per annum.

Waterfront Project

The expansion of the waterfront and its re-connection with the city is perhaps the key strategic project in recent times. There is currently real progress ongoing in the central waterfront with the development of a flood scheme nearing completion and work on the bridge ramps about to start.

In terms of future jobs, the city's image and stemming population loss some areas have been identified as key factors. In terms of confidence the movements on the possible V&A siting have been significant and in terms of jobs a key area is today's topic of sustainability and renewable energy.

Renewable Energy

This presents possibly the single greatest opportunity for growth. There is significant potential in relation to offshore wind development. Not least if we are to meet Scottish Government targets of supplying 30% of our energy needs from renewable sources by 2020.

Currently, wind power is the established technology for meeting these targets on a large scale. Within this context Dundee has been identified in the recent Scottish Government report as perhaps the best site on the east coast for operations and manufacture.

The scale of investment will be huge, Scotland needs 6,000 offshore turbines while it also has 25% of Europe's wind resource. The annual projected capital expenditure will be 50% more than the oil and gas sector, creating up to 70,000 jobs in the UK and around 20,000 jobs in Scotland. The estimated expenditure in the sector between now and 2020 is at least £100 billion.

This presents a golden opportunity for Dundee. If Scotland can expect 20,000 jobs, Dundee can support and expect a good proportion. This could rise to 1,000 jobs in direct manufacturing with the same again in support employment with around 400 long-term jobs in terms of operations and maintenance.

Dundee Renewables

The Council, Forth Ports and Scottish Enterprise have already worked together to market this opportunity. There is a real need to promote Dundee to developers and manufacturers. Although competition is keen, stakes are high and the Partnership needs to ensure that the city is right behind this development. Today's Forum can start to take this forward.

A NATIONAL CHALLENGE AND A DUNDEE SOLUTION

The huge scale of this new challenge for the UK and Dundee in particular was stressed in the presentation by Jim McPhillimy who is both Group Services Director for Central Services at Scottish and Southern Energy and the Chair of Scottish Enterprise's Tayside Regional Advisory Panel.

The massive opportunities will be firstly in off-shore wind, followed by wave and tidal energy. Of the initial 6,000 turbines needed around a quarter will be produced in Scotland.

Opportunities will arise in relation to job creation, commerce and contracting. There will be a need for infrastructure development and provision.

To be successful the partnership needs to understand the mindset of developers. Three of the four offshore development areas around Scotland are adjacent to Dundee, it is ideally sited to become a development hub.

Perhaps the biggest challenge is being bold enough to take steps now. This needs to be done through building a viable private/public partnership which is joined-up and delivering a single message. Dundee has a heritage it can sell in this area particularly in relation to high end engineering and research and development. The parting message was "time is more of the essence than we realise".

DUNDEE RENEWABLES - MAKING IT HAPPEN

The final presentation of the morning was from Matt North, the Dundee Port Manager for Forth Ports. Matt started his presentation by setting the context for the Port of Dundee within Forth Ports PLC. Forth Ports is the largest port grouping in Scotland, owning 8 operational ports of

40 million tonnes of cargo per year. Employing more than 1,200 people, they are a FTSE 250 company and have four business divisions.

The Port of Dundee is one of 6 ports in the group in Scotland with all the ports located in the east coast. All ports are recognised by the Government as being key locations to support the renewable energy industry.

Matt presented a comprehensive picture on the services provided by Forth Ports. (the full presentation is available on the Dundee Partnership website at www.dundeepartnership.com)

An objective is to set up a 120 MW plant to generate electrical and thermal energy fired with biomass material at Dundee.

Dundee provides a sheltered estuarial port comprising a range of riverside berths with a total quayside length in excess of 1,300m. Its deep water gives Dundee a real advantage over many competitors, as does its heavy lift capability.

Dundee, with its current track record in relation to oil and gas provides skilled personnel and its education sector provides a bedrock for further research and training development. The scale of the work involved in offshore and turbine production was graphically displayed in the way that the new turbines would dwarf Big Ben and Nelson's Column.

The key message for the day was the need to build a concept for a new era. In this way we need to create through partnership of the city and its community components including the Port of Dundee, a range of long term sustainable energy industries developing Dundee as a world leading centre for renewable energy.

To achieve this the Council, Scottish Enterprise, the private sector and the communities that make up the city of Dundee need to project a vision and image of Dundee as a region with the capability to deliver on renewables.

QUESTIONS TO PANEL

Q Tim Allan from the Unicorn Property Group recognised Matt North as an evangelist for the Port of Dundee. He asked, however, if this was reflected across the wide span of interests making up Forth Ports.

A Matt stated that indeed Dundee is at the forefront of the integrated group's strategy. It is key in terms of offering the appropriate infrastructure and in lacking the impediments e.g. the Forth Bridge which face other ports in the group. Forth Port's Chief Executive was pushing Dundee's case in meetings at the highest government level.

Mike Galloway stated that the National Renewables Infrastructure Plan (NRIP) had identified Dundee as one of (if not the) best placed port for development. Perhaps as important is that Dundee as a community needs to show that it supports this development.

Matt North added that Dundee needs to show itself central to NRIP development or the gains may be diluted. It needs to push its best assets and when projects come, they will tend to come in clusters.

Q Doug McLaren, Tayside Recyclers, questioned whether we were in a position as a country to cope with putting the structures in place to achieve growth. He gave the example of steel plant closure at Redcar and China's massive buy up of world steel.

A Mike Galloway thought our utilisation of resources was an important area. Other materials than steel would figure predominantly e.g. Dundee through research at the

university was a recognised centre of excellence with regard to the use of concrete. This ability to utilise our knowledge resources will be key.

For Jim McPhillimy we have to see operations in a wide sense, i.e. in an entrepreneurial way. A concentration higher up in the supply side would win out in the longer term.

Doug McLaren came back to agree that the bottom line should revolve around saving carbon and research and innovation will be key to achieving this.

Q Chris Smith, ICS2 Ltd asked about the dangers from lightning strikes.

A This defeated the panel's knowledge reserves.

Q Mike Galloway then asked the Forum members present if there was anyone who did not think that the growth of the renewable sector in Dundee was a great opportunity.

A Jim McPhillimy stressed the importance of the whole community being perceived as wanting this to happen. There is a need to get out to communities and their representatives. Erik Cramb made the analogy of the need for an evangelical job to be done in convincing the communities of Dundee.

Q The question was raised as to the suitability of Dundee Airport

A It was not seen as an obstruction to development, although there were limitations around the limited runway length. Helicopters could be used more extensively. Development would mean more fixed wing flights coming into Dundee. Indeed the industry base being only 5 minutes from the airport was a boon.

WORKSHOPS

WORKSHOP A - THE SKILLS AND TRAINING OPPORTUNITY

Speakers: David Gourley, Dundee College
Chris Ashe, Dundee College

Facilitator Marie Dailly, Dundee City Council

Renewable Industry Skills

A variety of skills were identified - technical skills, research and development, management and support infrastructure. It is envisaged that these skills would be required across the population. The general thinking is that 95% of the key skills are there but need to be fine tuned or adapted to meet the needs of the industry.

Skills Motivation

There is a need to know now what the demand is likely to be in order to set up training/courses to meet this demand. Schools, universities and colleges need to be proactive in developing courses now and work back from the timeline of 2014. There is an opportunity to tie in with the Curriculum for Excellence in schools ensuring that young people coming through the school system get the opportunity to move into this area of work.

We should learn from what other educational institutions are doing and look at areas where there have been developments such as Denmark, India and Aberdeen.

A demand for training needs to be established and courses put in place. We should be discussing with companies what their future needs are. It is felt that education/training providers should be brought to the table now to meet with potential employers.

Barriers

A lack of certainty about what is needed for the future and not having the appropriate training in place. Waiting until too late to bring the educational institutes on board, they need to make changes to their curriculum now.

Skills Development Scotland to be on board supporting the development of the skills and learning agenda.

Solutions

The development of the strategic plan with all partners involved from the learning skills sectors engaging with employers. Learning from best practice in other areas and putting in place opportunities for training and research and development.

There needs to be buy in and commitment from all the educational institutions from schools through to colleges and universities. The package to attract inward investment should provide details of the capacity of the colleges and universities to take on board the training and learning requirements.

WORKSHOP B - SPIN OFFS FOR DUNDEE

Speakers: Stan Ure, Dundee City Council

Facilitator Jennifer Caswell, Dundee City Council

Spin-Offs

A key factor is that renewable development will lead to more money circulating in the local economy. The influx of people to meet the new demand will have knock-on effects for physical infrastructure. This will affect e.g. housing demand. This increased demand will lead to opportunities for professional services in relation to supply and the indirect supply chain.

In the knowledge sector there will be a proliferation of research and development opportunities which will need to be grasped by the Universities and Colleges. The increased population will impact on council services with implications for their delivery.

City-wide Issues

A key initiator is the need to communicate the opportunities involved city-wide. This needs to be achieved in such a way that everyone is on side both now and when things start to move.

The city needs to be perceived as both confident and ambitious. We need to project this as a very exciting place for services to come to. This is a time of very positive opportunities for Dundee.

We need to ensure that professional services are included in the supply chain events as they need to understand this in order to make decisions for their clients.

Profit is going to be one of the outcomes from the industry at some point and we need to think about how we ensure that some of this is recycled to the local economy. This could be in the form of, e.g. community chests. The public need to see that some of the profit is captured for the local community and its economy.

Conclusion

There is a need to ensure we promote the job opportunities for local people. Equally, there is a need to ensure that people know what is going on, with the example of a learning journey for key stakeholders to the Port. In the widest sense there is a need to explore the national basis for local support down to getting information into the schools.

WORKSHOP C - A RENEWABLE SUPPLY CHAIN

Speakers: Kevin Bazley, Scottish Enterprise

Facilitator Alan Watt, Scottish Enterprise

INFORM PRIVATE SECTOR

A key factor was seen to be the need to keep the private sector 'in the loop'. In this way they need to be constantly made aware of information and business opportunities around renewables.

PRIVATE SECTOR INVOLVEMENT

A particularly significant point for the workshop was that, as the private sector is recognised as part of the renewables supply chain, it will have a central role within the framework of Dundee Renewables. Delivering on this will be vital to achieving future success.

ECONOMIC OPPORTUNITY

There was general agreement that even if ultimately there is no direct turbine manufacturing jobs created in Dundee that this whole sector remains a big economic opportunity for the city and its private companies.

WORKSHOP FEEDBACK PLENARY

Barriers and how to overcome them had figured strongly in all three workshops. In terms of skills the need to act now and be ahead of the game had featured strongly. The message here was that buy-in had to be at all levels and this message was replicated across all the workshops.

The need for practical methods to ensure the good exchange of knowledge had featured in the supply chain workshop e.g. through the formal use of the constituency of Dundee Renewables. A feature here had also been the need to develop the appropriate structures e.g. a business consortium within the supply chain.

The benefits for the city had been the focus in the spin-off workshop leading to more money in the local economy and the development of the physical infrastructure through the supply chain.

Again knowledge and research and development had been seen as positive features, while local services needed to adapt and prepare for an influx of new people.

Conclusion

Jill Farrell urged delegates to act with pace or risk this resulting in lost opportunities. The Partnership had shown ambition throughout today's discussion, the need was to move forward with confidence.

NEXT STEPS

Since the Dundee Partnership Forum event the Dundee Renewables Partnership has continued to develop with groups formed on : Infrastructure; Skills; Environment; the Supply Chain and Marketing. The partners have exhibited at the Scottish Renewables annual conference in Glasgow and at the All Energy exhibition and conference in Aberdeen. A skills development audit of capability is underway following a seminar for colleges, agencies and training providers held on 10 May.

DUNDEE



PARTNERSHIP

Dundee Partnership Forum

Wednesday, 17 March 2010

A Renewable Dundee

A G E N D A

Chaired by Jill Farrell, Operations Director, Scottish Enterprise

- 8.45 - 9.15 Registration and Coffee
- 9.15 Welcome from Cllr Ken Guild, Chair, Dundee Partnership Forum
- 9.20 New Employment in Dundee
Mike Galloway, Director of City Development, Dundee City Council
- 9.40 A National Challenge and a Dundee Solution
Jim McPhillimy, Chair, Tayside Regional Advisory Board, Scottish Enterprise
- 10.10 Dundee Renewables - Making It Happen
Matt North, Dundee Port Manager, Forth Ports
- 10.30 Questions to Panel
- 10.55 Coffee Break
- 11.15 Workshops
- (a) The Skills and Training Opportunity
Facilitator : Marie Dailly
Speaker : David Gourley, Dundee College
- (b) A Renewable Supply Chain
Facilitator : Allan Watt
Speaker : Kevin Bazley, Scottish Enterprise
- (c) Spin - Offs for Dundee
Facilitator : Jennifer Caswell
Speaker : Stan Ure, Head of Economic Development, Dundee City Council
- 12.15 Workshop Feedback Plenary
- 12.30 Summary and Conclusions
- 12.45 Lunch

DUNDEE PARTNERSHIP FORUM - 17 MARCH 2010

Attendance List

Gordon Ogilvie	Angus Council
Barry McKenzie	Barclays
David Milne	Blackadders
Evelyn Porter	Blackadders
Kevin Soutar	Brown and Tawse
John McQuestion	Business Gateway
Alan Mitchell	Chamber of Commerce
Bailie Helen Wright	Dundee City Council
Bert Sandeman	Dundee City Council
Chris Ward	Dundee City Council
Councillor Ken Guild	Dundee City Council
David Dorward	Dundee City Council
Lord Provost John Letford	Dundee City Council
Mike Galloway	Dundee City Council
Peter Allan	Dundee City Council
Rod Crawford	Dundee City Council
Stan Ure	Dundee City Council
Stewart Murdoch	Dundee City Council
Jennifer Caswell	Dundee City Council
Marie Dailly	Dundee City Council
Merrill Smith	Dundee City Council
Chris Ashe	Dundee College
David Gourley	Dundee College
Betty Ward	Dundee Community Health Partnership
Rev Erik Cramb	Dundee Partnership
Ray Johnston	Economic Development
Charles Goodall	Federation of Small Businesses
Matt North	Forth Ports
Bruce Bisset	Galloway Group
Euan Grant	Gauldie Wright & Partners
Steve Carter	Go Dundee
Chris Smith	ICS2 Ltd
Hamish Ogilvie	Malcolm, Ogilvie Ltd
Tony Lumsden	Malcolm, Ogilvie Ltd

Scott Sampson	McGill Electrical
Iain Brown	North Engineering
Peter Cochrane	North Engineering
Rob Fraser	Omni Instruments Ltd
Michelle Cairnie	Scott & Fyffe
Allan Watt	Scottish Enterprise
Jill Farrell	Scottish Enterprise
Jim McPhillimmy	Scottish Enterprise
Kevin Bazley	Scottish Enterprise
Sandra Jamieson	Scottish Enterprise
Sarah Smith	Scottish Government
Neil Gardiner	TACTRAN
Gavin Robertson	Tayside Police
Doug McLaren	Tayside Recyclers
Janice Napier	Thorntons
Tim Allan	Unicorn Property Group
David Gilmour	University of Abertay
Julliette O'Keefe	University of Abertay
Enilouna Oduna	University of Abertay (Student)
Bill Lynch	University of Dundee
Trudi Cunningham	University of Dundee
Kathryn Mackenzie	Volunteer Centre
Rev Allan Webster	Workplace Chaplain
Allan Duffy	XM Services
Jim Getty	XM Services