

## 1. SUMMARY

- 1.1 The last meeting of the Economy Thematic Group took place on 29 November and this report provides a summary of the key issues covered. The group remains focussed on identifying and recording measures which will enable changes in the local economy to be identified and tracked or treated as appropriate.

## 2. Key Issues

- 2.1 **Budget.** A presentation on the current budget situation was made by partners, which highlighted the budget challenges being faced by the public sector and how these pressures impact on the third sector. This led to a discussion on the wider economic impacts of the public sector cuts which will be pursued outwith the thematic group meeting.
- 2.2 **Scorecard.** The Economy Thematic CPP Group scorecard has undergone significant change over the past two years due in part to the agreement to have one scorecard to serve both the CPP Economy Thematic CPP Group and the Council's Economy Policy and Performance Group (PPG). Discussion progressed to the recent Audit Scotland Report into the role of Community Planning Partnerships in Economic Development and the recommendations on having a systematic, evidence based approach and regarding the use of economic indicators in SOA's and economic development strategies.
- 2.3 **Bute.** Under Partner Updates, the economic situation on Bute was discussed.

The Dunoon & Bute travel to work area has the highest unemployment in the Highlands and islands at 5% (Nov 2011) and the rate for Bute is estimated at 6.1%. Yet, employers report that they have difficulty in filling vacancies. There is a complex range of economic and social issues for which a wider partnership approach is required.

One in four of the working age population was claiming some form

of state benefit in Oct 2011, 465 individuals were receiving incapacity benefit or employment support allowance. School leaver destination figure suggest that higher than average leavers are leaving the island, and there appears to be a belief that there are few opportunities for young people on the island.

It is difficult to promote inward investment or business expansion when there are recognised difficulties in recruitment.

There is clearly a lot of activity taking place and an alignment amongst the main economic / regeneration partners (public sector, business and community), with a focus on physical regeneration and business growth/social enterprise activity. However, this traditional approach does not seem to be addressing some of the core issues identified on Bute.

The Thematic Group agreed that this matter be raised with the Management Committee to seek agreement and endorsement of a wider partnership approach to address the economic and social challenges on Bute.

Next Economy Thematic Group meeting is due to be held on 29 February 2012

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