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**Title: Economy Theme FQ1 Report**

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**1. SUMMARY**

- 1.1** The purpose of this paper is to report and provide comment exceptionally on performance against the SOA Economy success measures for the first quarter of 2012/13.

**2. RECOMMENDATIONS**

- 2.1** That Management Committee notes progress against the SOA Economy success measures for Q.1 2012/13.

**3. BACKGROUND**

- 3.1** The economy thematic scorecard incorporates a variety of success measures based both upon partner activity and also on a range of economic data sets that are intended to help the economy thematic group to monitor economic activity across the area and focus attention or direct resources accordingly.
- 3.2** The economy of Argyll & Bute is highly seasonal and many of the success measures are “annual targets. It is therefore expected that performance in Q1, may be less than 25% of the annual target, particularly for those measures dependant upon private sector input. However, overall performance to end June 2012 is considered to be satisfactory.
- 3.3** One measure which will require careful monitoring in the coming months is the HIE measure in respect of jobs in fragile areas. Issues of seasonality and challenges in the finance markets contribute to the difficult investment and growth climate in the private sector which is particularly evident in the more fragile economies.
- 3.4** Partners are reminded to update performance data timeously.
- 3.5** Overall, unemployment remains a challenge in parts of Argyll & Bute with the Dunoon and Bute Travel to Work Area having the highest unemployment in the Highlands & Islands at 4.9% (June 2012) against an average for the Highlands & Islands of 2.7% and Scottish average of 4.2%.

**4. CONCLUSION**

- 4.1** Performance against CPP / SOA Economy Success measures for

the first quarter of 2012/13 is considered to be satisfactory, and broadly on track to achieve annual targets.

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