

26th January, 2023

Agenda Item No. 6

Business and Employability: Service Performance Report

Report by: Gordon Mole, Head of Business & Employability

Wards Affected: All

Purpose

To present the performance scorecard for Business & Employability for 2021/22.

Recommendation(s)

Members are asked to:

1. Note the arrangements set out in **Section 1.0** to fulfil the Council's obligation to comply with Audit Scotland's 2021 SPI Direction; and,
2. Consider and review the Business & Employability performance information in **Appendix 1**, including current Challenges, Priorities and Risks. A high-level overview of Business & Employability KPIs is attached in Appendix 1, covering four lenses of performance: Local Government Benchmarking Framework (LGBF) / Plan4Fife (P4F) indicators; Customer; Resources; and Service Operations.

Resource Implications

None

Legal & Risk Implications

There are legal requirements highlighted within this report, linked to a risk of regulatory interventions if the Council does not adhere to the standards and expectations set by Audit Scotland.

Impact Assessment

An EqIA is not required because the report does not propose a change or revision to existing policies and practices.

Consultation

None required

1.0 Background

- 1.1 Audit Scotland published an update on Statutory Performance Direction in December 2021. The Council is required to report a range of information setting out:
- i. Its performance in improving local public services, provided by both (i) the council itself and (ii) by the council in conjunction with its partners and communities
 - ii. Its progress against the desired outcomes agreed with its partners and communities
 - iii. Its performance in comparison (i) over time and (ii) with other similar bodies including information drawn down from LGBF in particular and from other benchmarking activities
 - iv. Its assessment of how it is performing against its duty of Best Value, and how it plans to improve against this assessment.

Below is a Link to the Statutory Performance Indicators Direction published in Dec 2021:
[SPI Direction - December 2021 \(revised\)](#)

2.0 Performance Reporting

- 2.1 Appendix 1 to this report is presented in the form of a balanced scorecard covering the areas of LGBF/P4F, Customer, Resources and Service Operations. A current snapshot of Service Challenges is included along with a section on Risks.

List of Appendices

Appendix 1 – Business & Employability Performance Scorecard 2020-21

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Current Challenges & Priorities

CURRENT CHALLENGES

- Whilst unemployment in Fife has fallen to a record low, employment has yet to return to pre-pandemic levels and there has been a significant increase in economic inactivity. Claimant Rates in Levenmouth, Kirkcaldy and Cowdenbeath remain higher than the rest of Fife and the under-performance of the Mid-Fife economy remains a concern.
- The changing dynamics of high street retail in our key town centres continues to pose a significant challenge. Renewed local identity, drawing upon our coastline, parks, cultural and heritage assets all provide opportunities to re-purpose and revitalise our communities. A renewed focus on town-centre housing and ongoing creative investment in built heritage regeneration and public realm improvements is helping to address this issue.
- In 2022 the tourism and hospitality sector enjoyed the first full season since 2019. Figures for 2021 showed that visitor numbers to Fife had yet to return to pre-pandemic levels. Whilst the number of tourism-related businesses has grown, the sector continues to face significant pressures from staff shortages and the cost-of-living / cost-of-doing-business crisis. Major events, including golf tourism, allied to our outstanding natural and cultural assets continue to provide the platform to grow visitor numbers to Fife – but with an increased focus on promoting sustainable tourism.
- Securing positive destinations for 16-24 year olds remains a priority, as does targeted support to help those who are most disadvantaged to access and sustain fair and meaningful employment.
- Providing ongoing support for business start-ups and early survival and business growth and resilience – with a focus on digital innovation, support for alternative business models, guidance to businesses on the just transition to net zero, and emerging opportunities within the green, blue and circular economies.

PRIORITIES

The draft Fife Economic Strategy 2023-28 identifies six key economic priorities:

- **Supporting & Encouraging Enterprise**
- **Supporting Sustainable Business Growth & New Opportunities**
- **Promoting Place-Based Investment in Infrastructure**
- **Supporting Skills Development & Progression**
- **Promoting Fair & Inclusive Access to Work**
- **Ensuring Effective Collaboration & Delivery**

Within the context of these six priorities, the Fife Economic Strategy is also committed to:

- **Addressing the Climate Emergency** by embedding appropriate actions within economic development activity. This includes sustainable investment in our economic property portfolio, consideration of future employment land requirements and links to local development planning and transportation; business support for the just transition to net zero; and workforce development in relation to green, blue and circular economy needs and opportunities.
- **Tackling Poverty & Preventing Crisis** through support to help those most disadvantaged and furthest from the labour market to secure and sustain meaningful employment; and,
- Promoting the key principles of **Community Wealth Building**, particularly in relation to progressive procurement practices, local supply chain development, support for alternative business models, repurposing and revitalising our key town centres, and returning vacant & derelict land and buildings within our communities to productive use.

RISKS / EMERGING RISKS

- There is a significant risk of business failures as a result of the Cost-of-Living / Cost-of-Doing-Business crises, with a potential increase in unemployment and further detrimental impact to town centres.
- Energy prices and energy sustainability continue to be key drivers of these crises, exacerbated by the ongoing conflict in the Ukraine.
- On 15 Dec 2022 the Bank of England further raised interest rates from 3% to 3.5% (the ninth consecutive increase and the highest level seen for 14 years). Announcing the latest rise, the Bank indicated that it was likely to continue to increase interest rates in 2023. The Bank has previously warned the UK faces a 2-year recession with unemployment likely to double to around 6.5% by 2025.
- Economic Inactivity in Fife (ie the proportion of Fife's working aged population (aged 16-64 years) neither in employment nor actively seeking employment) for the 12 months to June 2022 was 26.9% (60,900 people). This is the highest rate ever recorded in Fife and is above the Scottish rate (22.9%) and higher than the pre-pandemic rate in Fife (23.9%). Around 30% (18,200 people) of those economically inactive in Fife cited long-term ill-health as the reason. Cowdenbeath area has the highest rate of economic inactivity in Fife.
- Figures from the Office of National Statistics (ONS) also show that Fife has fewer working households than almost any other part of the UK, with 28,170 households (23.1%) having no working-age occupants in employment last year.
- The Times 2022 League Table of Scotland's High Schools saw only one Fife school in the Top 100 (Madras College at 31). Levenmouth Academy (331) and Beath High School (332) were ranked bottom of the list of 332 schools. The rankings are based on percentage of pupils achieving the 'gold standard' of 5 Highers in 2021.
- In a letter to Scottish Government Finance Minister John Swinney, the Directors of Finance from all 32 local authorities have warned there would be "significant consequences" unless more money was allocated to local government services, with the most vulnerable members of society likely to be worst affected if tough choices have to be made on stopping or reducing public services.
- There remain uncertainties and risks in relation to the UK Government Levelling Up agenda and associated funding streams and to how well these replace former European funding streams post-EU exit.
- Officers continue to monitor developments and economic implications in relation to the Scottish Government's proposals for an independent Scotland.

KEY OUTCOMES

[Local Government Benchmarking Framework (LGBF) and Plan4Fife (P4F) Indicators]

P4F / LGBF KEY OUTCOME MEASURES	2018/19	2019/20	2020/21	2021/22
Employment Rate – Fife (%) (P4F)	74.0%	71.6%	71.5%	69.3%
Unemployment Rate - Fife (%) (P4F)	4.6%	4.1%	5.0%	3.7%
% of the Working Age Population in Fife claiming out-of-work benefits (LGBF)	3.6%	3.8%	6.4%	4.9%
Number of VAT/PAYE-registered enterprises in Fife	9,785	9,900	9,535	9,155
New businesses surviving at least 3 years (%) - Fife (P4F)	57.9%	60.3%	58.7%	55.5%
New businesses surviving at least 3 years (%) - Scotland (P4F)	55.6%	58.7%	58.5%	59.0%
Total Visitor Numbers to Fife (All Visitors) (STEAM*) (P4F)	2.87m	2.80m	1.14m	1.75m
Economic Impact of Tourism in Fife (All Visitors) (£m in 2021 prices) (STEAM*) (P4F)	£378m	£372m	£144m	£278m
Total FTE Employment Supported by Tourism in Fife (STEAM*) (P4F)	5,564	5,487	3,080	4,343
Median Weekly Workplace Earning – Fife (P4F)	£544.30	£558.80	£597.80	£573.50
Median Weekly Resident Earnings – Fife (P4F)	£564.60	£579.40	£610.60	£604.00
Median Weekly Earnings - Work in Scotland (P4F)	£577.00	£592.20	£620.70	£640.50
Proportion of employee jobs paid less than the Real Living Wage (%) – Fife (P4F)	18.9%	14.9%	16.8%	12.3%
% land immediately available for employment purposes in Fife (LGBF)	4.6%	4.6%	5.7%	3.3%
% residential and commercial properties receiving superfast broadband in Fife (LGBF)	95.0%	95.2%	95.3%	95.9%

*Note: STEAM is a tourism economic impact modelling tool used by most Tourism Destination areas in the UK

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P4F / LGBF KEY OUTCOME MEASURES (continued)	2018/19	2019/20	2020/21	2021/22
Retail vacancy rate (% floorspace) – Kirkcaldy (P4F)	31.1%	33.2%	35.3%	31.1%
Retail vacancy rate (% floorspace) – Leven (P4F)	18.7%	19.8%	22.6%	14.9%
Retail vacancy rate (% floorspace) – Dunfermline (P4F)	17.3%	17.3%	28.1%	29.1%
Retail vacancy rate (% floorspace) – Glenrothes (P4F)	20.8%	20.6%	26.5%	25.0%
Retail vacancy rate (% floorspace) – Cowdenbeath (P4F)	20.5%	15.2%	18.4%	16.3%
Retail vacancy rate (% floorspace) – Lochgelly (P4F)	28.6%	21.8%	20.9%	17.7%
Retail vacancy rate (% floorspace) - St Andrews (P4F)	6.1%	10.5%	11.7%	8.8%
Retail vacancy rate (% floorspace) – Cupar (P4F)	19.7%	16.8%	15.8%	10.8%

KEY OUTCOME MEASURES: COMMENTARY

Employment / Unemployment / Economic Inactivity

- Fife’s employment rate fell from 73.7% in 2019 to 68.7% in the 12 months to June 2022, meaning that more than three in ten of the region’s working age population were either unemployed or economically inactive. The highest falls in employment were seen in the Cowdenbeath, Glenrothes, and South & West Fife committee areas. In the Dunfermline and North East Fife committee areas, employment rates have returned to 2019 levels. The Kirkcaldy and Levenmouth committee areas were the only areas to see their employment rates increase to above the 2019 pre-pandemic levels.
- At a national level, it is worth noting that the employment rate for women of working age in Scotland hit a record high of 75.6% between August and September 2022 – the highest level recorded since the labour force survey began in 1992. Scotland's overall employment rate for all people of working age for the same period rose by 0.7% to match its highest ever level of almost 76%.
- The latest unemployment figures for Fife are for the 12 months to June 2022. Between 2020/21 and 2021/22, Fife’s unemployment rate fell below its pre-pandemic level to a record low as the estimated number of people who were unemployed fell by 2,100 to 6,600. Although Fife’s latest unemployment rate of 3.9% is higher than the Scottish rate of 3.4%, the gap is narrower than before the pandemic.
- Over a quarter (26.9%) of Fife’s working aged population (aged 16-64 years) was economically inactive (ie neither in employment nor actively seeking employment) in the 12 months to June 2022. Fife’s inactivity rate is higher than the Scottish rate (22.9%) and also higher than the rate in Fife before the Covid-19 pandemic (23.9%). Around 30% (18,200 people) of those who are economically inactive in Fife cited long-term ill-health as the reason. Figures for economic inactivity below the Fife level are less reliable, but suggest Cowdenbeath area has the highest rate of economic inactivity in Fife.

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- The percentage of Fife's working age population claiming out-of-work benefits in November 2022 was 3.4%, compared with 3.1% for Scotland as a whole. There were 129 more people in Fife claiming benefits compared to the previous month, but the Fife rate remains below the pre-Covid February 2020 rate (3.8%). Claimant rates in the Kirkcaldy Area (5.4%) and Levenmouth (5.2%) are consistently the highest in Fife.

Fife Business Base

- Between March 2020 (at the start of the Covid19 pandemic) and March 2022, the number of registered businesses in Fife fell by 745 (-7.5%). This compared to a decline of -2.3% in the number of businesses in Scotland as a whole. Micro businesses (employing 9 people or less) account for 87.7% of Fife's business base and saw the worst decline, with a loss of 740 enterprises over this 2-year period.

Earnings & Cost of Living

- The median weekly earnings of people living in Fife in April 2022 (£604.00) was significantly lower than the figure for Scotland as a whole (£640.00) and lower than the year before (£610.60). The Dunfermline & West Fife UK Parliamentary Constituency (UKPC) area had the highest Median Weekly Resident Earnings in Fife at £622.00, and the Glenrothes UKPC the lowest at £554.90.
- The median weekly earnings of people working in Fife (£573.50) was also significantly lower than that for Scotland as a whole (£640.50) and lower than the year before. The highest level of Median Weekly Workplace Earnings in Fife was in the Kirkcaldy & Cowdenbeath UKPC area (£634.00), and the lowest was in the NE Fife UKPC area (£512.20).
- Following on from the Making Glenrothes a Living Wage Town initiative in 2019-20, the percentage of employee jobs paid less than the real Living Wage in Fife has continued to decrease. This has partly been down to greater appreciation of key low-paid workers during the Covid19 pandemic, ongoing staff recruitment and retention pressures across all sectors, and a narrowing of the gap between the UK government living wage and the Real Living Wage in recent years. There are now 100 accredited Living Wage employers in Fife compared to 87 last year and 37 five years ago. At a national level, ONS figures show that 91% of employees in Scotland aged 18yrs+ earn at least the Real Living Wage. This is up from 85.5% in the previous year and is the highest rate in the UK.
- Figures from the Office for National Statistics (ONS) show that workers in the private sector saw their average pay rise by 6.9% between August and October 2022, compared to wage growth of just 2.7% for public sector employees. This 4.2% gap between wage growth in the public and private sector is close to a record high. Overall, the ONS figures show that regular pay grew by 6.1% in the 3 months to October 2022, but that when taking rising prices into account, wages fell in real terms by -2.7%.
- Although price rises slowed in November, the cost of living remains close to its highest level for 40 years. ONS figures show UK inflation fell to 10.7% in the year to November from 11.1% in October. Despite a recent fall in prices, the cost of petrol and diesel prices in November 2022 was still significantly higher than the same time last year. Food prices have continued to rise, with annual food inflation hitting 16.5% in Nov 2022 - the highest rate for 45 years.
- The percentage of school leavers in Fife achieving at least one SCQF Level 6 (Higher) qualification (58.7%) 2020-21 was significantly below the figure of 66.0% for Scotland as a whole. The figures for the percentage of Fife school leavers achieving a positive initial (93.9%) and follow-up (89.8%) destination are below the figures for Scotland as a whole, with the gap being seen to widen. The proportion of Fife 16-19 year olds participating in education, training or employment has improved slightly on the previous year, however participation in the Kirkcaldy area continues to be significantly and consistently lower than in other parts of Fife and there has been a significant decline in the participation rate in the Cowdenbeath area.

CUSTOMER

Performance Indicator	2018/19	2019/20	2020/21	2021/22	Q1 2022/23	Q2 2022/23
Number of new business start-ups supported by Business Gateway Fife	550	615	518	603	127	250
% new businesses surviving at least 3 years - Fife (P4F)	57.9%	60.3%	58.7%	55.5%	N/A	N/A
% new businesses surviving at least 3 years - Scotland (P4F)	55.6%	58.7%	58.5%	59.0%	N/A	N/A
Number of businesses supported by FC Economic Development activities	979	1,105	4,974	963	N/A	N/A
Number of participants progressing from FC funded/operated employability programmes into employment	1,158	865	457	1,455	N/A	N/A
Modern Apprenticeship starts – Fife	1,820	1,794	1,205	1,756	268	958
Foundation Apprenticeship starts - Fife	167	204	238	TBC	N/A	N/A
Graduate Apprenticeship starts – Fife	72	83	78	70	N/A	N/A

COMMENTARY ON CUSTOMER MEASURES

Business Start-Ups & Early Survival

- During 2021-22 Business Gateway Fife, alongside Fife Council Economic Development, provided advice, signposting and support to over 600 local start-up businesses. This is the highest number for the year across all Scottish local authority areas. In total, almost 3,000 businesses in Fife received advisory support.
- A soft launch of the new Culture of Enterprise (CoE) 'Race to Zero' interactive simulation game based on economy, energy & social management was held with a P7 transition pupils at St Columbus RC High School in June and is being showcased to all Fife high schools from autumn 2022.
- 45 senior phase pupils have participated in a CoE Windfarm Project that included 3 days on site to construct a working windfarm. The project was funded by DYW Fife and Interreg RIGHT as a pilot project for scoping future delivery options, including a geothermal energy project delivered in schools.
(Note: DYW= Developing the Young Workforce Initiative; Interreg RIGHT= EU-funded Right Skills for the Right Future Project)

Employability

- Fife Council-funded / operated employability programmes supported 1,455 people into employment during 2021/22 – the highest annual figure ever recorded in Fife.
- The 20th Fife Business Diversity Awards took place in Dec 2022 to recognise and celebrate achievements of adults and young people overcoming multiple barriers to employment in Fife.
- DYW Careers & Pathways events with Fife high schools take place between Nov 2022 and Feb 2023.
- The new Chair of Opportunities Fife Partnership (OFP) will take up the role in Feb 2023. Dorothee Leslie (Fife College) will take over from previous chair Gordon MacDougall (SDS) who retired in July.

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- No One Left Behind (NOLB) activity commissioned in April 2022 is progressing well. Delivery partners are on track to meet and exceed target registrations ahead of schedule and job outcome performance is strong.
- An approach for funding from Fife's UK SPF People & Skills allocation was approved by the OFP in Oct 2022 to expand / add value to provision commissioned under NOLB, specifically to support inactive adults and vulnerable young people (16-18) who have left school to a negative / unknown destination.

Skills Development

- Fife College has been named the Enterprising College of the Year at the Young Enterprise Scotland Bridge 2 Business Awards 2022. Hundreds of school pupils from across the region Fife visited Fife College during April to take part in the Big Ideas Roadshow aimed at providing insights into working in digital industries. The College also launched a free 3-week 'Preparing for Higher Education' course aimed at helping prepare school leavers and older learners starting a course at college or university.
- The number of Modern Apprenticeship (MA) starts in Fife steadily increased throughout 2021/22, as Covid restrictions were lifted and the economy continued to strengthen. Start figures for the year were 97.9% of what they had been in 2019/20 and Fife saw a greater growth in MA starts than Scotland as a whole (+45.7% compared with +36.2%). In 2021/22, 14.8% of Fife's 16-24 year olds in employment were Modern Apprenticeships; a higher proportion than the previous year (12.0%) and higher than the figure of 8.5% for Scotland.
- MA starts continued to grow in 2022/23 and by 30 September Fife had 958 MA starts, 100 more than the same point in 2019/20. At the end of Q2 2022/23, 75.1% of Fife's MA leavers had completed their training, a higher achievement rate than that for Scotland as a whole (72.4%) and 4.0 percentage points higher than the same point last year (71.1%).
- As part of the Edinburgh City Region Integrated Regional Employability & Skills (IRES) Programme, a Net Zero Accelerator Hub proposal has been developed by West Lothian College, Borders College, Fife College and the University of Edinburgh. This would support skills training linked specifically to retrofitting in order to support the push towards our carbon neutral targets. Each local authority is looking to make funds available from their UK Shared Prosperity Fund (UK SPF) allocation in 2023-24 and 2024-25 to support the activity, with Borders College investing in pilot activity during 2022-23 to kick off delivery and provide a basis for other local authority partners to build on in future years. University of Edinburgh is also looking to attract inward investment from elsewhere to support the capital elements of the proposal.

SERVICE OPERATIONS

Performance Indicator	2018/19	2019/20	2020/21	2021/22	Q1 2022/23	Q2 2022/23
Jobs created / safeguarded through inward investment supported by FC	130	219	50	1,539	470	6
No. of businesses supported by FC Economic Development activities	979	1,105	4,974	963	N/A	N/A
No. of Fife businesses registered with the Supplier Development Programme	692	845	923	1,007	N/A	N/A
No. of Fife businesses participating in the Supplier Development Programme	139	74	55	53	N/A	N/A

COMMENTARY ON SERVICE OPERATIONS

Business Support & Supplier Chain Development

- At the height of the Covid-19 pandemic, Fife Council administered 10,241 grants, totalling over £106m to Fife businesses from the Scottish Government's Coronavirus Business Support Schemes.
- The Fife Council Business Property Portfolio of around 400 units is currently 93% let.
- In 2021/22, the Supplier Development Programme helped 663 Fife businesses improve their tendering skills, 219 more than the previous year, with a healthy balance of 39.7% of Fife Council procurement contracts being awarded to Fife businesses in 2021-22.
- Fife Council Economic Development business services are actively promoted on the national government business support website findbusinesssupport.gov.scot - providing businesses with a one-door approach for all support services across Fife and Scotland.
- The 2022 Fife Business Awards took place at The Old Course Hotel, St Andrews in May, with 400 people in attendance to celebrate the 24 finalists.
- The 'Fit For Defence' supplier development programme launched in Nov 2022.
- The 13th Fife Business Week took place 7-11 Nov 2022 with around 30 events for Fife businesses.
- A new Net Zero Transition Fund offers a non-repayable grant of up to £3,000 for businesses in Fife.
- A third window of the £34m Scottish Industrial Energy Transformation Fund is now open to businesses.

Town Centres & Built Heritage Regeneration

- Dunfermline was successful in being granted city status as part of the Queen's Platinum Jubilee celebrations in 2022, the award officially marked by a visit by King Charles & the Queen in October.
- The new Maygate Exchange in Dunfermline opened on 31 Oct 2022 with all five office units let.
- Phase1 works are underway at St Margaret's House, Dunfermline. This marks the start of the process of securing the long-term future of the building.
- Work is ongoing on the Inverkeithing built heritage programme, with the contract to restore and refurbish the Grade A listed Town House building now on site.

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- The Buckhaven Area Heritage Regeneration proposal has been invited to progress a Round 1 application to both Historic Environment Scotland and the National Lottery Heritage Fund.
- Fife Council has agreed a lease renunciation and external funding to facilitate the demolition/clearance of the Kirkcaldy Centre (formerly The Postings shopping centre).
- Work on Kirkcaldy Waterfront Ph2 Improvements is underway with completion expected by Sept 2023.
- £2.75 million has been approved for eight town centre place-based investment projects to be taken forward in 2022-23. These include St Margaret's House in Dunfermline, a Leven place-making project between the new railway station and existing bus station and site enabling for a major project in Kirkcaldy. Work is also ongoing on the heritage-led £3 million Inverkeithing Regeneration programme, with work underway on the Grade A-listed Town House.
- The Scotland Loves Local Gift Card (Fife) is continuing for a further year to encourage support for local businesses linked to the community wealth building and anti-poverty workstreams.
- A report by Place Informatics suggests Glenrothes is one of the best performing towns in Scotland, with footfall in July 2022 showing only a -1% decline on 2019 figures compared to a UK average of -9%.

Strategic Investment

- Fife's ten-year £50m Industrial Innovation Investment programme (i3), being delivered as part of the Edinburgh & SE Scotland City Region Deal's innovation theme, is providing much-needed serviced employment land and new industrial, office and business space across the Kingdom. The programme aims to create 1,000 new skilled permanent jobs and almost 600 short-term construction jobs. Recent progress has seen the completion of 7 single-story business units at Dunnikier Business Park in Kirkcaldy and 8 new units at West Way in the Hillend & Donibristle Industrial Estate, Dalgety Bay. Ground remediation works have been completed at Lochgelly Industrial Park. Planning permission has also been granted for the construction of 10 new business units at Fife Interchange North, next to Amazon's fulfilment centre, with completion expected in summer 2024.
- Almost £715k has been allocated from the £10m Levenmouth Reconnected Programme fund towards the £3m development of 7 new employment units at Levenmouth Business Park.
- A major £300k internal refurbishment of Iona House at John Smith Business Park (JSBP), Kirkcaldy has been completed in advance of the arrival of new tenants in Nov 2022.
- Proposals to develop a global centre of excellence aimed at transforming large-scale manufacturing through innovation and skills development was launched at Babcock International in Rosyth in April 2022. The Arrol Gibb Innovation Campus (AGIC) will serve a range of small to medium-sized enterprises in the marine, nuclear and energy-transition sectors, offering access to the latest industrial techniques and technology, industrial and office space, innovation advice and skills development. AGIC is a collaboration between Babcock International, the University of Edinburgh, the University of Strathclyde, Fife College, Fife Council and Scottish Enterprise and Skills Development Scotland. Officially opened in May 2022, the first facility on the new campus is FASTBLADE, the world's first test facility that uses regenerative hydraulic technology to offer high-quality, low-cost fatigue testing of lightweight composite structures for research and product development.
- In July, the University of St Andrews unveiled its new one-megawatt solar photovoltaic farm at the Eden Campus development in Guardbridge that forms part of the Tay Cities Region Deal Programme. Development of the solar array was backed by a Scottish Funding Council loan and supported by vacant & derelict land funding from the Scottish Government and Fife Council.

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- A visionary bid for a Forth Green Freeport for Scotland which will re-industrialise the area and create large scale economic development has been confirmed by the UK and Scottish governments for delivery by a public and private sector consortium led by Forth Ports Limited. The bid has the potential to generate 50,000 new green jobs and act as a catalyst for new green technologies and renewable energy manufacturing, unlocking £6 billion of private and public investment for Scotland. The bid encompasses three key ports on the Forth (Grangemouth, Leith and Rosyth); industrial facilities and logistics centres along the north and south shores of the Firth of Forth; and Edinburgh Airport. Led by Forth Ports, the bid consortium includes: Babcock International, Edinburgh Airport; Falkirk Council; Fife Council; INEOS; Scarborough Muir Group; and City of Edinburgh Council.
- A report on next steps recommendations for Fife's Digital Connectivity was considered by Cabinet Committee on 17 Nov 2022.
- Fife Council successfully submitted its Shared Prosperity Fund Investment Plan covering £13.428m allocation of UK government SPF funding for the period 2022/23 to 2024/25.
- Fife Council has also submitted five bids to Round 2 of the UK Government Levelling Up Fund, comprising four (UKPC) place-based bids and a Fife-wide transportation bid. A UK Government decision on successful projects is still awaited and is anticipated shortly.
- Figures from Amazon's 2022 Economic Impact Hub show the company has invested over £1.9bn in Eastern Scotland since 2010. This has led to the production of goods and services that have contributed an estimated £2bn to the region's GDP over that period, the creation of 2,500 full and part-time jobs in Scotland and support for around 1,000 small businesses in west/central Scotland to sell on Amazon.
- Independent research carried out by Oxford Economics shows that between March 2021 and March 2022, Babcock International contributed (directly and indirectly) £370m to GDP in Scotland and £3.3bn to the UK as a whole. Babcock supports around 6,300 jobs in Scotland, including 1,700 at Rosyth.

Tourism

- In July 2022, Fife hosted one of the biggest events in the region's history as The Open returned to St Andrews for its milestone 150th event. A record-breaking 290,000 fans attended the Championships, and the event showcased Fife to a global TV audience.
- Fife College has delivered the first of six new World Host training cohorts running through to Mar 2023.
- A new Scottish Government Tourism & Hospitality Industry Leadership Group has been established
- A final report for the Strategic Tourism Infrastructure Development Plan is due at the end of 2022.
- A sustainable tourism action plan has been developed and a working group will be formed early 2023.
- A multi-agency hospitality & careers day is taking place in Jan 2023, with 6 Fife high schools taking part.
- The new 'Welcome to Fife' QR code was launched in June with local tourist associations and businesses
- Research by VisitScotland as part of the 'Scotland is Calling' campaign asked holiday-goers from across the UK how they felt about their adventures in Scotland, looking to pinpoint the emotions felt most in each region. The survey revealed that 'happiness' was the strongest emotion felt by those taking a break in Scotland, and that Fife was the region tourists feel happiest in, accounting for 30% of the national vote, a considerable marker of the success of Fife's destination marketing.

Performance Indicator	2018/19	2019/20	2020/21	2021/2 2	Q1 2022/2 3	Q2 2022/2 3
Business & Employability: Average WDL per FTE	N/A	N/A	N/A	8.65	9.38	9.56
Business & Employability: Long Term WDL per FTE	N/A	N/A	N/A	6.99	7.27	7.12
Business & Employability: Workforce who are Female (%)	47%	49%	50.30%	45.10%	N/A	N/A
Business & Employability: Workforce who are Full-time (%)	83.40%	81.50%	80.70%	76%	N/A	N/A
Business & Employability Workforce who are Permanent Employees (%)	71.80%	65.60%	65.20%	77.70%	N/A	N/A
Business & Employability: Employees aged 24 and under (%)	5.50%	3.80%	4.30%	13.70%	N/A	N/A
Business & Employability: Employees aged 29 and under (%)	10.50%	9.60%	9.90%	22.30%	N/A	N/A
Business & Employability: Employees aged 55 and over (%)	28.20%	32.50%	32.90%	31.40%	N/A	N/A
Business & Employability: No. of Voluntary Redundancies (FTEs)	2	0	0	0	N/A	N/A
Business & Employability: No. of WYI Bids	0	3	0	0	N/A	N/A
Business & Employability: No. of WYI Programme new starts	0	1	0	0	N/A	N/A

COMMENTARY ON RESOURCES

For 2023/2024, the service will continue to develop succession planning measures to account for the age demographic of the workforce and ensure a pipeline for new entrants into professions within the service. Over the reporting period, the service has seen changes at Service Manager level, with new Service Managers appointed for Economic Development and Employability, with a further vacancy following the retirement of the Service Manager for Economy, Tourism and Town Centres being appointed to in early 2023. Below this level, there have been a number of management and supervisory changes, largely drawn from existing service staff being promoted to these posts.

The table below provides information on Business & Employability workforce data by Budgeted (FTE) for the current year and the last 3 years.

Budgeted (FTE) April 2019	Budgeted (FTE) April 2020	Budgeted (FTE) April 2021	Budgeted (FTE) April 2022	Difference in FTE 2021-2022
156.87	156.84	160.35	171.66	11.31

Following a period of stability in staff numbers during the pandemic, the service has seen an increased number of posts linked to external funding (predominantly in Employability for Scottish Government funding through No One Left Behind and investment from the Council in Covid recovery funding. The service has a relatively high proportion of temporary funded posts linked to external funding.

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