

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTES of Meeting of the SCOTTISH
COUNCIL held in The Lesser Town Hall,
Hawick on Tuesday, 17th April, 2018 at
11.00 am

Present:- Councillors S. Haslam (Chairman), S. Aitchison (Vice-Chairman), G. Edgar, C. Hamilton, W. McAteer, T. Miers, S. Mountford, M. Rowley, G. Turnbull and T. Weatherston

Apologies:- Councillor E. Jardine; Mr J Clark (Borders Chamber of Commerce).

Also present:- Councillors S Bell, S Marshall, D Paterson, C Ramage, N Richards, S Scott.

In Attendance:- Executive Director (R Dickson), Chief Financial Officer, Chief Officer Economic Development, Democratic Services Team Leader, Democratic Services Officer (P Bolson).

ECONOMIC DEVELOPMENT BUSINESS

Present:- Mr G Clark (Federation of Small Businesses).

CHAIRMAN

Councillor Rowley chaired the meeting for consideration of the Economic Development business.

1. WELCOME AND INTRODUCTIONS

The Chairman welcomed everyone to the meeting of the Executive Committee in the Lesser Town Hall, Hawick and introduced Mr Garry Clark, the new member representing the Federation of Small Businesses.

2. SOUTH OF SCOTLAND ECONOMIC PARTNERSHIP

2.1 The Chairman then introduced Professor Russel Griggs OBE, Chairman of the South of Scotland Economic Partnership. As background, Professor Griggs explained that he was in Hawick for the second of twenty-eight meetings as part of a programme across the area to find out what people wanted and to look at how communities could be supported in taking projects forward. The twelve week consultation period in respect of the new South of Scotland Economic Agency was now in process and the powers and remit of the Agency were yet to be determined. Scottish Borders Council input to the consultation was essential to ensure that the new agency had the necessary powers to allow it to deliver what was needed. Professor Griggs advised that £10m was available to spend on new projects during 2018 and he was hopeful that further budget would be offered in 2019. In terms of representation on the newly established Board, there were members from farming and forestry business, the Third sector, education establishments and from the general public. Professor Griggs then opened up the discussion and invited Members' questions.

2.2 With reference to the assessment process for applications for funding, there was no bid process as such but all projects would be required to contribute to the work plan. Projects should not duplicate an existing provision and should focus on new, innovative development. The interface with the Borderlands Project was also discussed and it was noted that it related more to infrastructure. Discussion relating to sustainability of existing businesses followed. Members raised concerns about the vulnerability of businesses that were crucial to local communities and Professor Griggs explained that the Agency would be looking to deliver different support tailored to the needs of a specific community. He

emphasised that it was important not to talk down the South of Scotland economy and appreciate that it was different to the Central Belt. Professor Griggs also indicated that the majority of companies employed less than ten staff so succession planning was essential in going forward. It was acknowledged that a number of businesses had located in the Borders because the owner(s) wanted to live in the area for its quality of life and accepted the different economy and it was important to retain these businesses. With regard to road conditions and the promotion of heavy vehicle activity, the Executive Director explained the Council's position and said that this might be reviewed at an appropriate time. The Chairman thanked Professor Griggs for his attendance.

DECISION NOTED.

3. ECONOMIC DEVELOPMENT UPDATE

- 3.1 With reference to paragraph 2 of the Minute of 5 December 2017, there had been circulated copies of a briefing note providing an update on recent Economic Development activities. The Chief Officer Economic Development, Mr McGrath, summarised the main points. With regard to business activity during the quarter, Business Gateway had assisted 83 business start-ups and 6 of these had met the new classification of "Early Stage" growth. Advisers have delivered 24 Start-up workshops and 20 Growth workshops to 276 attendees. Two Masterclass workshops on General Data Protection Regulations (GDPR) and Exporting had been hosted by Business Gateway with a further GDPR event scheduled to meet demand. The Scottish Borders Business Fund had received 11 applications between 15 November 2017 and 15 March 2018. 10 grants to the value of £27,997 had been approved with a forecast economic impact of £482,419 GVA and potential creation of 18.5 jobs. For the same period, the Scottish Borders Business Loan Fund approved 3 loans valued at £41,148 with a forecast economic impact of £118,052 GVA and potential creation of 4 jobs.
- 3.2 Regeneration updates were set out as part of the Town Centre Regeneration Action Plan 2018/19 under Item 7 on the Agenda. The Tweed Valley Tourism Business Improvement District (BID) had appointed a Project Manager with the aim of progressing to a ballot in October 2019. With regard to Tourism and Events, Mr McGrath advised Members that as from May 2018, a new supplier would be delivering the content for the interactive kiosks situated at stations and in towns along the Borders Railway route, bringing new investment and software with increased capacity for visitor and business information. A new Rural Tourism Infrastructure funding opportunity, managed by Visit Scotland, was launched in April 2018 and it was intended that SBC submit an expression of interest application for potential capital projects by 24th of the month. With reference to Funding, the UK and Scottish Governments have confirmed that applicants whose grant funding was agreed through the LEADER and European Maritime Fisheries Fund 2014-2020 programmes, and contracted before the point of "Brexit", would be able to complete their projects even if the work was scheduled for after leaving the EU. The LEADER Local Action Group had approved grant funding of £2.01m to date, covering a range of projects and it was anticipated that a further 7 applications would be received in May 2018. The Forth Fisheries Local Action Group had recommended 13 projects amounting to £452k to Marine Scotland. A further 3 projects totalling £67k had been recommended to Marine Scotland in March 2018. In terms of Property and Projects, Mr McGrath advised that the development of 4 workshops at the Galalaw Business Park had progressed well but had been delayed by around 3 weeks due to recent inclement weather. It was anticipated that the current project would be complete by the end of May 2018. There had been 25 new property leases issued in 2017/18, generating an annual rental income of £99.4k for SBC. The occupancy level for leased industrial units during 2017/18 was 87%. Members were advised that under the Low Carbon Economic Strategy, 4 new business referrals had been progressed during January – March 2018.
- 3.3 In response to a question on surplus property within the SBC property register, it was agreed that a report be presented to the Committee in due course. Further questions

relating to statistical data on occupancy rates and tourism were answered by officers. The Structure Fund managed by Visit Scotland included a budget of £6m for allocation across Scotland and Mr McGrath explained that consideration would be given to applications which supported existing facilities such as mountain biking.

DECISION

NOTED the update.

4. HAWICK ACTION PLAN - UPDATE

With reference to paragraph 5 of the Minute of 5 December 2017, there had been circulated copies of a report by the Executive Director providing a progress report on key activities within the Hawick Action Plan following the last meeting in December 2017. The Hawick Action Plan was structured around three key themes which had been identified and agreed by the key stakeholders for the town. The themes were: making Hawick a 'Great Place for Working and Investing'; a 'Great Place for Living and Learning'; and a 'Great Destination to Visit' and there had been progress within these themes, with priority actions identified. Completed actions and areas of progress were set out in Appendix 1 to the report and a number of key areas of progress were contained within the report. Key areas of activity included progress of work relating to industrial units at the Galalaw Business Park; design work for the former Armstrong's building as part of the Hawick Business Growth project with £3.625m of Scottish Government funding; progress on the design and consultation of Hawick Flood Protection Scheme; tourism marketing activity and new signage; feasibility study funding to progress a film initiative; and further research for a Conservation Area Regeneration Scheme. Work continued in partnership with the Scottish Government, the new South of Scotland Economic Partnership and local agencies to further develop the Hawick Action Plan and key projects identified within it. Executive Director, Mr Dickson summarised the report and highlighted some projects within the Action Plan. A Planning Application in respect of the former Armstrong's Building was due to be submitted during the Spring of 2018 and it was anticipated that up to 17 business incubator units would be provided on the redeveloped site with the potential for creation of 25 FTE jobs. As an off-shoot of the Borders Alchemy Film Project, funding had been provided to carry out a feasibility study into whether a film project to include production studios, film making and skills training for school leavers could be progressed in Hawick, promoting both the town and the wider Scottish Borders as a place of choice. Following initial research in 2017 on the feasibility and options for a townscape heritage-based scheme for Hawick town centre, and discussions between Council officers and potential funders, Scottish Borders Council was now gathering information and evidence which would be required for a potential funding application. SBC intended to progress a Conservation Area Regeneration Scheme (CARS) project with a potential application to Historical Environment Scotland in September 2018. With reference to mobile connectivity, it was noted that two Planning Applications had been submitted by EE to improve mobile 'phone coverage in two rural areas in and around Hawick.

DECISION:

- (a) NOTED the progress made in taking forward key actions within the Hawick Action Plan since December 2017, as set out in Appendix 1;**
- (b) AGREED to:-**
 - (i) support further work with businesses and stakeholders in Hawick in 2018/19 as outlined in Appendix 1 to the report; and**
 - (ii) to receive a further progress report by the Executive Director on the Action Plan by the end of 2018.**

5. TOWN CENTRE REGENERATION ACTION PLAN UPDATE

With reference to paragraph 8 of the Minute of 7 March 2017, there had been circulated copies of a report by the Executive Director providing an update on the Town Centre Regeneration Action Plan. The Plan focussed on priority towns as part of the Council's agreed approach to town centre regeneration. Town centres were recognised for the important part they played in the local economy and in response to the challenges that some town centres faced, specific action plans, such as that for Hawick, had been developed. Town centres would also be an important area for the new South of Scotland Economic Partnership to consider. In 2016, a new approach to town centre regeneration was agreed by the Executive Committee and this focussed on targeting resources and support for priority towns ie those that had significant challenges. The Town Centre Regeneration Action Plan and the updated Town Centre Index were included as appendices to the report. The Action Plan focussed on projects and activities that would have a significant economic impact and benefit within the respective town centres and which could be delivered during 2018/19 and as longer term projects that would take a number of years to implement. The Action Plan also provided details of progress and completion of projects during the past year. Discussion followed and Members raised a number of questions. In response, officers advised that in addition to the priority towns previously referred to, support for smaller towns might be an area for future consideration by the South of Scotland Economic Partnership and Scottish Borders Council. With regard to information available about ownership of unoccupied town centre buildings, this was not always accessible however this would be looked at as part of the work of the Conservation Area Regeneration Scheme.

DECISION

- (a) **NOTED the completed actions and significant progress on other activity during 2017/18.**
- (b) **APPROVED the Town Centre Regeneration Action Plan 2018/2019 and the key actions, as set out in Appendix 1 to the report.**
- (c) **AGREED that the Action Plan be monitored by Council officers on a regular basis and presented to the Executive Committee for approval on an annual basis.**

6. SELKIRK TOWN CENTRE BUSINESS IMPROVEMENT DISTRICT UPDATE

With reference to paragraph 4 of the Minute of 19 September 2017, there had been circulated copies of a report by the Executive Director providing an update on the Selkirk Town Centre Business Improvement District (BID), outlining the support provided by the Council for the delivery of the BID and in terms of governance. Members were advised that the Selkirk Town Centre BID was developed following a period of business plan development and local business consultation. The Selkirk Town Centre BID Steering Group, with the formal agreement of both the Scottish Government and Scottish Borders Council, progressed to a successful formal ballot in November 2017. Governance processes were required to ensure transparency of funding and resources, including SBC's financial input and contribution to the Project, and it had been agreed by Council that an Elected Member be appointed to the Selkirk BID Board. The report being considered by the Committee today proposed that the representative should be a Member from the Selkirkshire Ward.

DECISION

- (a) **NOTED the successful, positive Selkirk Town Centre BID ballot on 30 November 2017.**
- * (b) **AGREED TO RECOMMEND to Scottish Borders Council that an Elected Member from the Selkirkshire Ward represent the Council on the Selkirk Town Centre BID Board.**

7. **HAWICK AND EAST BERWICKSHIRE MEMBER WORKING GROUPS**

There had been circulated copies of a report by the Executive Director proposing the establishment of two new Working Groups to consider the economic challenges and opportunities in Hawick and Eyemouth and East Berwickshire. The Groups would have advisory powers and would offer advice and guidance to the Executive Committee based on the analysis undertaken. Local Elected Members would form the core of the Working Groups, along with other local stakeholders, who would be involved as appropriate. Both Groups would be Chaired by Councillor Rowley, Executive Member for Business and Economic Development and other Elected Members could be co-opted to the Groups as required. During discussion, Members agreed that a young person's representative should be included as a key stakeholder and it was noted that the Working Groups would work closely with local Area Partnerships.

DECISION

- * (a) **AGREED TO RECOMMEND that:-**
- (i) **the two new Working Groups be established as soon as possible; and**
 - (ii) **business people and other local stakeholders should be co-opted onto the new Working Groups in line with local Member expectations.**
- (b) **AGREED to receive further appropriate progress reports by the Executive Director as agreed with the Chair of the Working Groups.**

MEMBER

Councillor C Hamilton left the meeting prior to consideration of the following item of business.

8. **BORDERLANDS INCLUSIVE GROWTH DEAL - UPDATE**

With reference to paragraph 7 of the private Minute of 5 December 2018, there had been circulated copies of a report setting out progress made in taking forward the Borderlands initiative and highlighting the work to produce a Borderlands Inclusive Growth Proposition. The Borderlands Inclusive Growth Proposition had been submitted to the Secretary of State for Scotland and to the Cabinet Secretary for Economy, Jobs and Fair Work in October 2017 and it had since been agreed that the five partner Local Authorities should sign a Memorandum of Understanding (MoU) to provide a clear governance framework for the pre-Deal period. The report also advised that all partners had agreed to provide £100k of funding during this pre-Deal period and for Scottish Borders Council, this required an additional contribution of £50k in the year 2018/19. Discussion followed and officers responded to questions from Members. In response to a question the Chief Officer Economic Development explained that "inclusive growth" meant that all sections of the communities would be considered when taking this Proposition forward. In view of the importance of this project the Chairman proposed that this decision should be ratified by Council and that a further recommendation should be added with regard to the approval of the approval of the final deal.

DECISION

- (a) **NOTED the positive progress made in developing a Borderlands Inclusive Growth Deal and in discussing that with UK and Scottish Governments.**
- * (b) **AGREED TO RECOMMEND:-**
- (i) **to delegate authority to the Chief Executive, in consultation with the Leader and Executive Member for Business and Economic Development, to accept the terms of the Draft Memorandum of Understanding as set out in Appendix 2 to the report;**

- (ii) that the Council contribute a further £50,000 towards the joint pre-Deal development costs, to be allocated from existing budgets in the Economic Development service; and
- (iii) that further progress reports be presented during 2018 as the development stages of the deal proceed; and
- (iv) that Council should approve the final proposition of the Borderlands Inclusive Growth Deal prior to submission to the UK and Scottish Governments.

OTHER BUSINESS

CHAIRMAN

Councillor Haslam took the Chair for the remaining Public Business.

9. **MINUTE**

The Minute of the meeting of the Executive Committee of 13 March 2018 had been circulated.

DECISION

APPROVED for signature by the Chairman.

10. **CAPITAL PROGRAMME 2018-19 - BLOCK ALLOCATIONS**

With reference to paragraph 6 of the Minute of 14 February 2018, there had been circulated copies of a report by the Chief Financial Officer seeking approval for the proposed individual projects and programmes within the various block allocations in Capital Financial Plan 2018/19. Appendices A – Z to the report provided details of the projects and budgets approved by the Executive Committee on 14 February 2018. The report also indicated that some projects had not yet been fully identified and that once this information was available, further reports would be presented to the Committee for consideration.

DECISION

APPROVED the block allocation breakdowns as contained in Appendices A – Z to the report.

11. **TERMS OF REFERENCE - PARKING ISSUES WORKING GROUP**

There had been circulated draft Terms of Reference for the operation of the Parking Issues Working Group to ensure that the Council maximised its parking opportunities in Border towns and ensured sufficient turnover within town centres to bring economic benefits to the business located there, and where parking restrictions were in place, that these were clearly marked and enforceable. The Terms of Reference also included the Method of Approach and the Scope of the Review. It was agreed that the fully costed options should also be included in the document and this was therefore added at item 8 under the heading Scope. Membership of the Working Group comprised Councillors G Edgar (Chair), A Anderson, C Hamilton, E Jardine, C Ramage, E Robson and R Tatler, with officers in support. In response to a request for clarification, Members were advised that this was a short life Working Group and that the recommendations from the Review would be presented to the Executive Committee and to Council for consideration.

DECISION

AGREED the amended Terms of Reference for the Parking Issues Working Group subject to the inclusion of fully costed options under the heading of Scope.

12. **MEETING ARRANGEMENTS**

Members were advised that the meeting of the Executive Committee scheduled to take place at 10.00 am on 22 May 2018 would now commence at 2.00 pm to allow attendance at the Countryside Day event.

**DECISION
NOTED.**

13. **PRIVATE BUSINESS**

AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this minute on the grounds that it involved the likely disclosure of exempt information as defined in the relevant paragraphs of part 1 of schedule 7A to the Act.

CHAIRMAN

Councillor Rowley returned to the Chair for consideration of the Private Section of the Economic Development business.

SUMMARY OF PRIVATE BUSINESS

14. **PRIVATE - EYEMOUTH HARBOUR TRUST - ICE PLANT PROPOSALS**

The Executive Committee considered a report by the Executive Director on ice plant proposals by Eyemouth Harbour Trust.

The meeting concluded at 12.45 pm