

## EXECUTIVE COMMITTEE – 31 JANUARY 2017

### Economic Development Update

#### 1. Business:

- During the quarter October to December 2016 the Business Gateway team assisted **46 business start-ups**, of which 5 have the potential to be high growth. The Advisers have delivered 18 start-up workshops and 16 Growth workshops with 241 attendees.
- Business Gateway has worked across the Borders meeting with a number of intermediaries and spreading the promotion. In total 30 Intermediary visits have been held during the period.
- For the period from 1 November 2016 to 31 December 2016, the **Scottish Borders Business Fund** received 10 applications and approved 8 grants valued at £26,099 supporting projects with a value of £67,475. These projects are forecast **to create 12 jobs** with an estimated forecast **economic impact of £333,837 GVA**.

The **Scottish Borders Business Loan Fund** offers loans of between £1,000 and £20,000 over terms of up to three years. For the period from 1 November 2016 to 31 December 2016, the Loan Fund received 2 applications and approved 2 loans, valued at £40,000. These loans are forecast **to create 1 job** with an estimated forecast **economic impact of £14,706 GVA**.

- **Business Loans Scotland** – work is nearly complete on this new programme and a launch date in February 2017 is expected for the new £100,000 loan scheme.
- **Property** - Since the previous update report, there have been 4 leases approved, including a store at Meeks Yard, Eyemouth; premises at the Knowes, Kelso; a workshop at Towerdykeside, and one at Mansfield in Hawick; and an assignation of lease of a shop at Marmion road in Galashiels. In addition a potential development plot at Darnley's Close and a property in Exchange Street, Jedburgh have been declared surplus and should generate capital receipts in due course.

#### 2. Regeneration:

- **Galashiels Town Centre Coordinator Project**  
The Galashiels Town Centre Coordinator project started in December 2014, with the appointment of a town centre coordinator and the formation of a Steering Group to guide activity over the 2 year period. The project sought to capitalise on the re-opening of the Borders Railway in 2015 as well as other infrastructure improvements over previous years. The project was developed as a pilot and

was shaped to address concerns over this loss of retail footprint, the resultant increases in retail vacancies in the town and the reduced footfall. The project has successfully delivered a number of key small scale infrastructure projects, which have significantly improved the visual attractiveness of the town centre. The project was implemented timeously to support business and community activity to align with the reopening of the Borders Railway. The capacity building activity has helped to facilitate Energise Galashiels, the Chamber of Trade, local businesses and community groups to work together and move forward. This provides a stronger platform for more business development and community activity in future. The anticipated exit strategy for further business development activity via a BIDS opportunity has been established and has the potential to progress.

- **Scottish Government Regeneration Capital Grant Fund** –The Fund is aimed at providing new and/ or improved infrastructure for capital expenditure supporting community projects in 2017/18 – 2019/20. The focus for Round 4 is for projects that are capable of starting in the financial year 2017/18 and to fully utilise the grant allocated for that financial year. The Fund is assessed in two stages. The Council submitted three applications for the first stage:
  1. Great Tapestry of Scotland (GToS) Museum and Town Centre Regeneration Project, Galashiels (Scottish Borders Council)
  2. Newcastleton Hub & Community Fuel Pumps (Newcastleton & District Community Trust)
  3. Jim Clark Museum, Duns (Scottish Borders Council)
- Only the Newcastleton Hub & Community Fuel Pumps project was invited to submit a Stage 2 application by Scottish Government and this was submitted by the Stage 2 deadline of 28 November 2016. Notification will be given to all applicants of funding recommendations by the end of February 2017.

### **3. Tourism & Events**

- Tourism support: The Midlothian and Borders Tourism Action Group (MBTAG) has appointed a project manager and the project officially started on 9 January 2017. This project has secured over £400k from Scottish Enterprise and Railway Blueprint to deliver tourism business-to-business activity over a two year period. The launch of the project was on 17 January at Thirlestane Castle.

### **4. Funding:**

- **European funding** continues to be available to projects through the Scottish Borders LEADER and European Maritime Fisheries Fund 2014 – 2020 programmes. The UK and Scottish Governments have confirmed that applicants whose grant funding is agreed and contracted before the point of 'Brexit' will be able to complete their projects, even if the work is scheduled to take place after leaving the EU.
- The **LEADER Local Action Group** approved grant funding of £242k in 2016, including 4 community projects, 1 farm diversification and 2 rural business

development projects. 11 applications have been made to the Local Action Group for consideration in January 2017. The next application deadline for LEADER funding is 28 February 2017.

- The **Forth Fisheries Local Action Group** met in October 2016, and the next application deadline is 31 January 2017.
- The Council has been successful in applying to the Scottish Government for a financial allocation from the **European Social Fund**. Up to £591k grant is available for an **Employability Programme** valued at £1.4m. The Programme will be managed across Council departments and will run up to December 2018.

### **5. Low Carbon Economic Strategy**

- A new approach to managing resource efficiency support for Scottish Borders businesses has been running at Business Gateway since September 2016. Business Advisers have been able to link 12 businesses to Resource Efficient Scotland (RES) who can provide free advice on a range of resource efficiency issues and help to access financial support for projects. RES work closely with the Carbon Trust, who can offer specialist advice on a range of energy issues, including renewables. Liaison with RES is ongoing and regular updates are provided to Business Gateway on progress with referrals.
- In addition, a breakfast seminar for accountants and financial advisers will be delivered by RES and Business Gateway in early March 2017.

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