

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE
COMMITTEE held in the Council Chamber,
Council Headquarters, Newtown St Boswells,
TD6 0SA on Tuesday, 19 September 2017 at
10.00 am

Present:- Councillors S. Aitchison (from para1.1), G. Edgar, S. Haslam, E. Jardine, W. McAteer, T. Miers, S. Mountford, M. Rowley, G. Turnbull, T. Weatherston.
Also present:- Councillor Heather Anderson.
Absent:- Councillor C. Hamilton.
In Attendance:- Executive Director (R. Dickson), Chief Financial Officer, Democratic Services Team Leader, Democratic Services Officer (F. Henderson).

ECONOMIC DEVELOPMENT BUSINESS

Present: Mr J. Clark (Chamber of Commerce), Mr G. Henderson (Federation of Small Businesses).

CHAIRMAN

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

1. ECONOMIC DEVELOPMENT UPDATE

1.1 With reference to paragraph 1 of the Minute of 31 January 2017, there had been circulated copies of a briefing note providing an update on recent Economic Development activities and the Executive Director summarised the main points. With regard to business activity during the quarter, the Business Gateway team had assisted 70 business start-ups, of which 12 had met the new classification of 'Early Stage' growth. The advisers had delivered 26 start-up workshops and 16 Growth workshops with 378 attendees. Business Gateway had worked across the Scottish Borders meeting with a number of intermediaries (such as bank managers, accounts and solicitors) promoting the services for small businesses available through Business Gateway and the Council. A new Business Gateway Manager, Rob Claridge had been appointed in August 2017 on a temporary contract. For the period 1 January 2017 to 22 August 2017, the Scottish Borders Business Fund received 33 applications and approved 23 grants valued at £74,067.16 supporting projects with a value of £153,787.58. These projects were forecast to create 48.5 jobs with a forecast economic impact of £891,986 GVA. Business Loans Scotland, a new national Local Authority Loan Scheme was launched in April 2017 after a number of delays and the first loan to a Scottish Borders business had gone through at £100,000.

1.2 In terms of Regeneration the Council had secured £3.625million from the Scottish Government in March 2017 for the development of three key strategic sites in Hawick as part of the Hawick Business Growth Project - Former Armstrong's Building; Galalaw Business Park and Tower Mill, Heart of Hawick. Energise Galashiels were progressing a town centre Business Improvement District (BID) for Galashiels having secured funding of £55,000 from BIDs Scotland, Scottish Borders Council and the Borders Railway Blueprint Fund. The BID aimed to increase town centre footfall, promote Galashiels as a visitor destination and provide a world class visitor experience. A project manager had been appointed and local businesses would be consulted to develop a 5 year plan. The Galashiels town centre BID had the potential of generating approximately £750,000 over

the 5 year term, which would be managed by the BID Company to deliver the business plan. It was anticipated the project would progress to ballot in October 2018. In terms of Tourism and Events, SRPS ran Steam trains each Sunday in August 2017 from Fife to Tweedbank. On arrival they had pre-booked excursions to Melrose, Abbotsford or Season's restaurant. The trains were at capacity with 400 passengers on each journey and it was anticipated that there would be no subsidy required and this would grow in the future. European funding continued to be available to projects through the Scottish Borders LEADER and European Maritime Fisheries Fund 2014 – 2020 programmes. The UK and Scottish Governments had confirmed that applicants whose grant funding was agreed and contracted before the point of 'Brexit' would be able to complete their projects, even if the work was scheduled to take place after leaving the EU. Councillors congratulated the Team on attracting the Tour of Britain once more through the Borders. The television coverage had been very good for tourism and had attracted large crowds. Information on occupancy levels compared to last year was requested together with information regarding occupancy levels at the Business Hub in Kelso. In relation to the former Armstrong's Building an update was requested and information about Leader Funding would be circulated to the Committee.

DECISION

- (a) NOTED the update.**
- (b) AGREED that the Chief Officer Economic Development:-**
 - (i) provide an analysis of the location of the 46 business start-ups assisted by the Business Gateway in the last quarter;**
 - (ii) review the presentation of the data in the Town Centre Matrix and Town Centre Index document in the light of Members' comments above; and**
 - (iii) provide the update information as requested above.**

MEMBER

Councillor Aitchison joined the meeting during consideration of the above item.

2. BUSINESS GATEWAY – ANNUAL REPORT AND BUSINESS PLAN 2017-18

With reference to paragraph 3 of the Minute of Executive dated 1 November 2016, there had been circulated copies of a report by the Executive Director which summarised the Business Gateway service's performance in 2016/17 and sought approval of the Business Plan for the delivery of Business Gateway Services in the Scottish Borders to 31 March 2018. 2016/17 saw the majority of national targets being achieved by the Business Gateway team with a particularly good performance around business growth. The strongest performance was on identification of businesses starting a growth plan, giving a strong base for future years' activities. The plan for 2017/18 was to continue to use the European Regional Development Fund to deliver additional Growth activity. A new dedicated Business Gateway Manager would be appointed and the office would trade from new premises at Tower Mill, Hawick. The focus on geography would continue with an adviser being allocated to each locality and the premises agreement with Live Borders would allow a greater roll-out of workshops across the Borders. Emphasis would continue to be applied in the areas of Exporting and Innovation for local businesses. In the next 12 months Business Gateway would continue to deliver against the agreed National Service Specification and would aim to achieve the outcomes set out in the ERDF operation plan. Using EU Funds, the Business Plan would enhance service delivery at the local level by aligning to the priorities in the Local Outcome Improvement Plans (LOIP) and the Scottish Borders Economic Strategy 2023. Mr McCreadie answered Members questions and noted the request to look at the collection of local data regarding the number of new businesses who were still trading after 3 years now that this information was not being collected nationally.

**DECISION
AGREED:-**

- (a) to acknowledge the strong performance and positive impact of the Business Gateway service in 2016-2017;**
- (b) to approve the 2017-2018 Business Plan for Business Gateway in line with the national service specification, including the proposed reporting indicators in Table 2; and**
- (c) that an annual review meeting be held in November 2017 with a range of Business Gateway customers to allow elected members to directly receive customer feedback.**

3. **SOUTH OF SCOTLAND ENTERPRISE AGENCY - UPDATE** With reference to paragraph 9 of the Executive Minute of 7 March 2017, there had been circulated copies of a report by the Executive Director which updated Members on the progress of the Scottish Government's Enterprise and Skills Review. The report highlighted the announcement of a new South of Scotland Enterprise Agency and the forthcoming steps in its development. The report explained that as part of the outcomes from Phase 2 of the Enterprise and Skills Review, the Scottish Government had now made a crucial commitment to create a new South of Scotland Enterprise Agency covering Dumfries & Galloway and the Scottish Borders. The opportunity to establish a new South of Scotland Enterprise Agency was a once in a generation opportunity that had the potential to improve the level of investment in economic growth, enterprise, skills and innovation across the Scottish Borders and the South of Scotland. While subject to Parliamentary process, the aim was to ensure that the new Agency was fully operational by 1 April 2020. In view of the time required to complete the statutory processes, Scottish Government Ministers had given a commitment that an interim approach would be put in place by the end of 2017 to ensure that the South of Scotland benefits from a new approach to economic development as soon as possible. The two years of interim arrangements offered the opportunity to work towards a clear economic plan for the South of Scotland, understand how best to deliver improvements through the drivers of productivity; to carry out some early projects; and to address inclusive growth factors. It was anticipated that the interim period would enable different approaches to be tested in the region and, importantly, that it allowed crucial building blocks to be put in place so that the new agency operated effectively from inception. Members welcomed developments.

**DECISION
AGREED:-**

- (a) to support strongly the proposal by the Scottish Government to establish a new South of Scotland Enterprise Agency, recognising the positive potential it would have for the Scottish Borders and the South of Scotland;**
- (b) to support strongly the proposal by the Scottish Government to establish Interim Arrangements by the end of 2017;**
- (c) that the Council should place a high priority on this work and continue to engage with the Scottish Government and other stakeholders in order to develop detailed proposals for South of Scotland Enterprise Agency and the Interim Arrangement; and**
- (d) to receive a future report as proposals developed further.**

4. **SELKIRK BUSINESS IMPROVEMENT DISTRICT PROPOSAL**

There had been circulated copies of a report by the Executive Director which outlined the Business Improvement District (BID) Proposal, developed by Selkirk Chamber of Trade. The report highlighted the role and contribution from the Council and recommended appropriate support. Business Improvement District (BID) initiatives were promoted by the Scottish Government to support sustainable economic growth. The BID model, led by the private sector, stimulated partnership working to enable investment in improvements to the local business environment. Selkirk Chamber of Trade began their BID development process with a proposal to develop a joint BID for the town centre and the Riverside area. Shortly thereafter, they opted to develop two separate BIDs, one for the town centre and one for the Riverside area. Due to a range of operational difficulties, the Steering Group had recently agreed with BIDS Scotland and Scottish Borders Council to only progress the Selkirk Town Centre BID at this stage. The Selkirk Town Centre BID ballot date was set for 30 November 2017. The Selkirk Town Centre BIDS business plan had a range of projects in three themed areas including 'Flying the Flag for Selkirk', 'Helping Businesses to Thrive' and 'Improving the town's visual appearance'. The BID levy would provide an estimated £18,690 per annum and the Steering Group anticipated increasing this by a further £5,000 per annum with funding applications from other external sources. If the BID ballot was successful, the BID business plan would be implemented over a five year period. Members asked for an update report in due course.

DECISION

AGREED:-

- (a) **to Support the Selkirk Town Centre BID and note the intended 30 November 2017 ballot date;**
- (b) **that the Council's Democratic Services team manages the BID Ballot process; and the Council's Customer Service Team provide the financial management of the BID levy at the proposed fee level of £2,500 per annum;**
- (c) **to note the financial implications of £2,405 per annum for the Council and Live Borders for their BID Levy contributions;**
- (d) **to support the BID initiatives with 'Yes' votes for Council and Live Borders properties; and**
- (e) **to request that appropriate mitigating actions were taken by the BID Steering Group in relation to the risks highlighted; and that an Elected Member of the Council be represented on the BIDs Levy Board along with a Council officer for advisory support.**
- (f) **that a progress report be presented in due course.**

ADJOURNEMENT

The meeting adjourned at 11.35 a.m. and reconvened at 11.45 a.m.

OTHER BUSINESS

CHAIRMAN

Councillor Haslam took the Chair for the remaining business.

5. MINUTE

The Minute of meeting of the Executive Committee of 5 September 2017 had been circulated.

DECISION

APPROVED for signature by the Chairman.

6. CORPORATE TRANSFORMATION PROGRESS REPORT

There had been circulated copies of a report by the Executive Director which updated the Group on progress in developing and delivering the Council's Corporate Transformation Programme in the period to end July and set out planned activity in the reporting period to October 2017. This was the ninth quarterly progress report since the Programme was established in February 2015. The Corporate Transformation Programme set out a far-reaching programme of change to enable the Council to respond to unprecedented social, demographic and economic challenges. The Programme supported the delivery of the 8 Corporate Priorities and the delivery of the significant savings set out in the 5-year Financial Strategy. Building on the previous Business Transformation approach, the Programme – together with a range of service improvement and efficiency initiatives across all Council services – had delivered substantial change and supported the delivery of £26.7m in savings between 2013/14 and 2016/17. With the Programme now having been up-and-running for over two years there was an opportunity to review and reshape the Programme, particularly given the recent election of a new Council with a new Administration and the need to ensure that the Programme was aligned with their priorities and ambitions. Proposals would be developed for discussion at a future Executive with a view to presenting a refocused Programme to Council in February 2018 as part of the annual report on the Programme. The report detailed the background and the sub-programmes and projects of the Corporate Transformation Programme. Mr Dickson answered Members questions and advised that the appendix to the report relating the Year 1 Evaluation of the Railway had been omitted and would be circulated to Members following the meeting.

DECISION

NOTED the continued progress made in developing and delivering the corporate Transformation Programme.

7. OVERVIEW OF SBC'S COMPLAINTS ANNUAL PERFORMANCE REPORT 2016/17

With reference to paragraph 14 of the Minute of the Executive held on 14 August 2016, there had been circulated copies of a report by the Service Director, Customer and Communities which presented a summary of Scottish Borders Council's Complaints Annual Performance Report 2016-17 contained in Appendix 1 of the report, and provided a summary of the eight performance indicators that the Scottish Public Services Ombudsman (SPSO) required all Local Authorities to report against each year. A summary of the main changes to performance in 2016-17 was provided in Section 4 of the report and included an overall increase in the number of complaints received online. Between 2015/16 and 2016/17 there was a 61% increase in the number of complaints received online. Although there was a slight increase in the complaints received the number classed as 'Valid' was similar; 563 compared to 564 last year. The increase (8%) of 'invalid' complaints for 2016/17 may be due to the increase in complaints made through the online channel and customers may have submitted complaints using the online portion that were actually requests for service and not complaints. In relation to timescales set by the SPSO, Scottish Borders Council continued to perform well against the Scottish averages and similar Scottish Local Authorities in relation to the 8 SPSO performance Indicators. However, resolving more complaints at frontline would remain a priority during 2017/18, and would be a key part of SBC's customer strategy which was currently being developed. In response to Members receiving complaints about the 0300 telephone number, Mrs Craig undertook to investigate this.

DECISION

(a) NOTED the performance of handling complaints for the period 1 April 2016 to 31 March 2017.

(b) ENDORSED the identified actions to:

- (i) **Improve frontline responses and reduce the number of complaints that are escalated to Stage 2;**
 - (ii) **Improve online guidance to assist customers to better distinguish between a request for service and a complaint;**
 - (iii) **Continue to engage with LACHN who are working to improve performance across all Local Authorities, and to produce meaningful benchmarking data; and**
 - (iv) **Ensure the developing Customer Strategy reflects improved complaints handling.**
- (c) **APPROVED the annual report, as contained in the appendix to the report, to be submitted to the SPSO and published on SBC's website.**

8. **PRIVATE BUSINESS
DECISION**

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.

SUMMARY OF PRIVATE BUSINESS

9. **MINUTE**

The private section of the Minute of 5 September 2017 was approved.

The meeting concluded at 11.45 am