

EXECUTIVE COMMITTEE – 2 FEBRUARY 2016

Economic Development Update

1. Business:

- For the 3-month period from 1 October 2015 to 31 December 2015 the Business Gateway team assisted 34 business start-ups, of which 3 have the potential to be high growth. The advisers have delivered 20 start-up workshops and 34 local workshops with 496 attendees (this includes the Business month events).
- During the period a series of 4 Start-up workshops were held in Peebles and in Burnfoot with a total 62 attendees. This was in place of the surgeries that ran across the area over the summer, and as expected saw a significant increase in the numbers of attendees.
- **Scottish Borders Business Month** ran successfully from 1 October until 6 November 2015 with over 20 events across the area and ending with the Scottish Borders Chamber of Commerce Business Excellence Awards. Cllr Stuart Bell launched the month with Phil Morris, founder of Kukri Sports as the keynote speaker. There were 250 attendees at the events. Events during the month covered subject areas such as Exporting, Innovation, Business Efficiency, Employment, Skills Development and Finance. To deliver this, Business Gateway partnered with Scottish Enterprise, Skills Development Scotland, Creative Arts Business Network and private companies such as Douglas Home, RBS and Davidson Chalmers.
- Business Gateway Advisers have visited around 50 business affected by the flood in Hawick in December 2015, providing support and information as required. Follow up support is also being given with grant applications and business planning for those worse affected.
- Business Gateway advisers have also attended PACE events for staff at Burgon's in Eyemouth and Hawick Knitwear, where they met with 12 individuals looking to start new businesses.
- In 2015-16, the **Scottish Borders Business Fund** has received 34 applications and approved 27 grants to date valued at £81,058.98 supporting projects with a value of £174,195.05. These projects are forecast **to create 31 jobs and safeguard 42.5 jobs** with a forecast **economic impact of £696,756 GVA**.
- The **Scottish Borders Business Loan Fund** offers loans of between £1,000 and £20,000 over terms of up to three years. In 2015-16, the Loan Fund has so far received 10 applications and approved 5 loans valued at £90,004. These loans are forecast **to create 8.5 jobs and safeguard 26 jobs** with a forecast **economic impact of £327,412 GVA**.

- **Property** – 144 property enquiries have been received to date in 2015/16 which has resulted in 29 new property leases which will generate £143k in annual rental income. The current occupancy level is **93%** for the portfolio of industrial units, yards and shops. Three offices of four have been let at the Horsemarket Business Hub, Kelso, and one office has now been let at Waverley Chambers, Galashiels Transport Interchange. The following sales continue to be in hand: one unit (Jedburgh); plus one EU funded plot at the extension to Whitlaw Road Industrial Estate, Lauder, and one plot at the extension to Pinnaclehill, Kelso. The following sales are now progressing: one office (Jedburgh); two plots of land (Selkirk).
- **Scotland's Employer Recruitment Incentive - SERI Scheme** – The SERI Scheme has been put on hold by Scottish Government. 9 places had been secured up to that point. It is not yet clear whether this programme will continue.

2. Regeneration:

- **Galashiels Town Centre** - The Galashiels Town Centre Coordinator has progressed a number of actions:
 - **25 Shop front improvement grants** totalling £47,000 have been approved to date, supporting 27 properties.
 - The **Galashiels Town Trail Map** – popular with visitors to the town, this leaflet is almost fully distributed and a reprint is planned.
 - The Chamber of Trade '**Shoppers Map**' is progressing and is hoped to be available soon.
 - **Borders Railway Ambassadors Pilot** was very successful with positive feedback from visitors. A total of 11,115 people were assisted in the 9 weeks of the pilot. Enquires tended to be tourism (51%) and transport related (41%). Steam trains brought very high levels of demand for information as standard trains immediately prior to and post the steam train carried steam train spectators. Planning is underway to repeat the Ambassadors in 2016.
 - **Pedestrian signage** improvements are being considered by the Road User Consultation Group; these are aimed at visitors and encourage movement around the whole of the town and to Old Gala House.
- **Selkirk Business Improvement District (BIDS)** – The project is currently being reviewed after the project manager left in December 2015. The Steering Group is aiming to push the project forward with a new project manager. The timescales for the BIDS process are also being reviewed.

3. Tourism & Events

• Tourism support –

- Tourism officers from Edinburgh, Midlothian and the Scottish Borders are exhibiting at VisitScotland EXPO in April 2016. Three spaces have been booked for the Borders Railway and the appointments diary is currently being listed for international buyers. Itineraries are being developed for use by Tour Operators.
- A dedicated Business Gateway advisor for the Borders Railway has been appointed and is working closely with the tourism officer, ScotRail and tourism business networks in both Midlothian and the Scottish Borders.
- The year of “Innovation, architecture and Design” has just begun. The Council will be supporting the 2016 design awards, followed by a “10 best buildings” of the last 100 years project. The launch is due to be in February 2016 hosted by Abbotsford House.
- New visitor information signage has been installed on the Canongate in Jedburgh.
- 7stanes Community Interest Company (CIC) will cease trading on 31 March 2016. From 1 April 2016 the future promotion of the 7stanes trails will be managed by Forest Enterprise Scotland (FES). Despite considerable efforts the Company has been unable to generate sufficient revenue to make it viable in the long term. FES has the resources and expertise to provide full marketing support to the project and a new marketing strategy is currently being developed. FES will provide details on all the trails, including updates on riding conditions, on their website. The website will also include free downloadable trail maps, ensuring that visitors have access to all the information they need for each of the trails.

• Event support –

- The following events have provided feedback on their economic impacts (EI) during 2015;

Tour of Britain - estimated EI £307,000

Enduro World Series, Tweedlove – estimated EI £594,612

Borders Book Festival - estimated EI £1,362,300

Selkirk MTB Marathon - estimated EI £69,210

Tour ‘o’ the Borders - estimated EI £732,398

Club Lotus - estimated EI £216,500

4. Funding:

- The **LEADER Programme** is open to 'Expressions of Interest' and the Programme Coordinator and Facilitator are now working with potential applicants. The Local Action Group is expecting the Scottish Government to publish application forms and guidelines in February 2016, and to launch an online application portal in April 2016. The Scottish Borders LEADER launch programme will include a series of funding workshops planned to take place in rural communities during 2016.
- The new **Scottish Borders, East Lothian and Fife Fisheries Local Action Group**, known as the **Forth FLAG**, is still awaiting an announcement of the value of funding allocated to Fisheries Local Action Groups in Scotland. The new Group, which is the decision-making body for European Maritime Fisheries Fund (EMFF) local development applications, met for the first time on 13 January 2016. It is proposed to employ an EMFF Programme Coordinator, based in Eyemouth, to work across the three areas supporting the development of projects and applications.
- The Scottish Borders is the pilot area for the launch of '**Pub is The Hub**' in Scotland. Since 2001 Pub is The Hub has worked with over 500 rural licensees in England and Wales, helping them to diversify their businesses through offering a range of additional services including retail shops, lunch clubs, library services and post offices. The Scottish pilot was launched on 20 January 2016 at The Lodge at Carfraemill, where the Scottish Government announced a £30,000 grants fund to support publicans' investment in diversification projects. Pub is The Hub's Scottish adviser will work closely with the Business Gateway service, and grant recommendations will be considered by a sub-group of the LEADER Local Action Group.

5. Low Carbon Economic Strategy

- **Domestic Heat Pump Training** – The Economic Development team worked closely with Borders College and Skills Development Scotland to deliver a 4 day BPEC training course covering the installation and maintenance of both air and ground source heat pump systems in November 2015. 5 individuals successfully completed the course. Partners are to meet in February to agree next steps and potential future course provision which can support Low Carbon skills development for Borders businesses.
- **Langlee District Heating Project** – The Council has engaged a consultant to identify potential district heating options for Scottish Borders Housing Association, Waverley Housing and Council properties in the Langlee area of Galashiels. This work builds on the Heat and Power Plan which was produced as part of the Easter Langlee waste project. This will be a pre-feasibility study which can be used by the partners to access external funding to undertake a full technical and financial feasibility assessment of the preferred options for both Housing Association properties and the new Langlee Primary School.

- **Climate Resilient Communities** – this joint project between the Council and Dundee University is fully funded by the Joseph Rowntree Foundation. The project aims to engage communities in discussions around climate change vulnerability and to develop methods of increasing the resilience of climate disadvantaged groups. The project is working in Peebles, Hawick and Newcastleton and has focussed initially on flood vulnerability, especially relevant following the flood events in late 2015. The project runs until May 2016.

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