
**Please find attached the report in respect of Item No. 4
on the agenda for the above meeting**

4.	Economic Development Update (Pages 3 - 10) Consider update by Director – Resilient Communities (Copy attached.)	10 mins
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ECONOMIC DEVELOPMENT UPDATE

Report by Director - Resilient Communities

EXECUTIVE COMMITTEE

18 April 2023

1 PURPOSE AND SUMMARY

- 1.1 This report provides elected members with an update on key areas of economic development delivery affecting the Scottish Borders. It identifies the major policies and strategies that are driving regional economic development and details key pieces of work.
- 1.2 The Local Employability Partnership (LEP) was established in September 2021 to drive the employability agenda and to foster a strong collaborative approach to delivery. The importance of the LEP has been recognised by the Scottish Government to ensure that there is further integration and alignment of employability and skills provision at local level.
- 1.3 Over the last year the LEP has gained a stronger understanding of the local employability needs in the Scottish Borders supported by partners such as Skills Development Scotland (SDS), Department of Work and Pensions (DWP), South of Scotland Enterprise (SOSE), employability services, third sector, educational organisations and the NHS, and is working to deliver a more coordinated approach to service delivery.
- 1.4 Scottish Borders Council (SBC) and SOSE agreed to form a strategic partnership in relation to the delivery of the Business Gateway Service in November 2020, with the transfer of services completed in April 2021. This paper provides a regular update on delivery and confirms a general increase in Business Gateway activity over recent months.
- 1.5 The refreshed Scottish Borders Strategic Events Plan was approved in August 2022 for a five year period to 2027. The new plan is ambitious and targets support towards strategic events which have regional economic impact, are sustainable and work towards the delivery of net zero.
- 1.6 As a host venue Glentress and the Scottish Borders will have a major role during the Cycling World Championships which will see around 1,000 riders representing national teams, international cycling media, and an anticipated 20,000 spectators come to the Tweed Valley from 6 to 13 August later this year. There is an expected TV audience (across the entire World Championships) of one billion people, and the Tweed Valley will host five of the championship events.

1.7 The South of Scotland Regional Economic Partnership (REP) held its first in-person meeting on 24 March 2023. Partnership members agreed that the key areas of focus for the REP over the next two years would be housing, skills and transport as the 'grand challenges' that are central to realising the ambitions detailed in the Regional Economic Strategy.

2 RECOMMENDATIONS

2.1 I recommend that the Executive Committee:

- (a) Notes the information provided regarding current economic development delivery affecting the Scottish Borders.**
- (b) Notes where future delivery updates will be reported back to Executive.**

3 KEY AREAS OF ECONOMIC DEVELOPMENT DELIVERY

3.1 The current economic development landscape affecting the Scottish Borders combines various policies and strategies at national, regional, and local levels. An update on some of the key areas of local economic development delivery are provided below.

3.2 Local Employability Partnership

The Local Employability Partnership (LEP) was established in September 2021 to drive the employability agenda and to foster a strong collaborative approach to delivery. The importance of the LEP has been recognised by the Scottish Government as the most appropriate mechanism to ensure that there is further integration and alignment of employability and skills provision at local level.

The LEP set out a three year delivery plan 2022/23-2024/25, which focused on a transitional year during 2022/23. This supported current provision to continue to offer employability support, whilst allowing more time to gain a thorough understanding of the needs and requirements of the labour market and employability needs in the Scottish Borders.

Over the last year the LEP has gained a stronger understanding of the local employability needs in the Scottish Borders through data intelligence supported by Skills Development Scotland's Regional Skills Assessment, Department of Work and Pensions, City Regional Partnership, employability services, third sector, colleges and education.

The LEP aims to provide strong leadership and governance with a clear vision statement along with targeted priorities for the delivery of employability related interventions for the year ahead. Scottish Borders Council is currently recruiting an Employability Lead Officer to lead and co-ordinate employability services across the Scottish Borders, and the LEP are working on a refreshed vision statement and key priorities for 2023/2024.

3.3 Business Gateway

Scottish Borders Council (SBC) and SOSE agreed to form a strategic partnership for delivery of the Business Gateway service in the Scottish Borders in November 2020 and to transfer the operational delivery from SBC to SOSE in April 2021.

As part of this partnership arrangement, regular updates in the form of business start-ups and general activity will be provided to Scottish Borders Council.

The Business Gateway outputs from quarter four of financial year 2022/23, have been provided in Table 1 and demonstrates a consistent demand for Business Gateway services, with strong enquiry numbers helping to build a strong pipeline for moving forward into next year.

Table 1 – Business Gateway Outputs – Quarter Four 2022/23

Output Targets 2021/22		Outputs 2021/22	Targets 2022/23	Actual Q1 Outputs	Actual Q2 Outputs	Actual Q3 Outputs	Actual Q4 Outputs	Total 2022/23 Outputs
Start-up Service	Current Position							
Total number of start-up customers who have begun trading	Building a post-covid recovery pipeline of start-up business	154	150	51	56	58	52	217
Start-up with Employees	Building a post-covid recovery pipeline of business who are employing staff	25	20	5	0	8	6	19
Number of business Start-up enquiries	New target introduced to demonstrate demand for individuals exploring business start-up	520	300	100	141	97	112	450
Number of Start-up workshops / seminars held	Currently BG workshop programme is being delivered by BG National. Local workshops will recommence following end of Covid restrictions. Currently we do not anticipate face-to-face workshops before year end.	30	35	19	20	16	11	66
Number of clients attending start-up workshops/seminars	This target reflects the estimated number of attendees from Scottish Borders at national workshops/seminars, which forms part of our pipeline	515	250	110	88	180	147	525
Number of Clients receiving Digital Boost 1-2-1 consultancy	This target focuses on the number of clients from Scottish Borders receiving digital boost support	34	20	0	1	3	16	20

3.4 Events and Tourism

The refreshed Scottish Borders Strategic Events Plan was approved in August 2022 for a five year period to 2027. The new plan is ambitious and proposes to target support towards strategic events which have regional economic impact, are sustainable and work towards the delivery of net zero. Events must also inspire and support our communities and businesses and primarily portray the Scottish Borders as a dynamic event destination.

The operational plan was created to provide recommendations for strategic event support and appropriate use of council resources in order to deliver the strategic events plan. Two new staff members have recently been recruited to assist in the delivery of this plan supporting cycling and the UCI CWC event and developing the wider events portfolio.

The National Event Strategy “Scotland the Perfect Stage” which set out the Government’s vision for events and highlighted the range of benefits that a strong portfolio of events can deliver for Scotland is now under review. The strategy will be updated extending its term to the end of 2035.

As part of the vision to create a dynamic event destination the council is continuing to support event development and we are currently working towards some of the milestones recommended in the operational plan.

Event Support Schemes

Two event support schemes were launched at the beginning of April 2023:

The Community Festivals and Small Grant Scheme is for local events which do not already receive funding from the Local Festival Grant Scheme. This new one-off fund for 2023 allows events to apply for between £3,000 and £5,000. This will enable events such as the recently created Wild Writes Festival in Peebles, Hawick Reivers, Innerleithen Music Festival and new small start-up local events to receive seed funding.

The Council Community Cycling Scheme Grant Fund is to create a lasting benefit from the UCI Cycling World Championships. The new grant scheme aims to support the delivery of local community cycling events and activities which encourage and inspire new and existing cyclists, reach and engage new audiences to participate in cycling activity, and encourage cycling within under-represented groups, including children and young people, girls and women. Grants of between £3,000 and £15,000 will be available to community groups, organisations and event businesses.

In addition, the Cycling fund can be used to connect and add value to existing cycling initiatives, programmes, events and infrastructure to promote and celebrate the 2023 UCI Cycling World Championships and the power of the bike.

Events Portfolio

The council continues to support and work with event organisers to strengthen the events portfolio in the region. The council successfully supports events across various council services in varying capacities and will continue to do so linked to the new Events Strategy. Although some events receive financial support many do not, below are some of the key events from 2022 / 2023:

- The Jim Clark Rally
- The Melrose 7's
- The Borders Book Festival
- Enduro World Series
- The Tour of Britain (Hawick and Duns)
- The Tour Series (Galashiels)
- Floors Castle Concerts
- Dodie 5 Ride
- Border Counties Rally
- TweedLove
- Sir Jackie Stewart Classic Motoring Festival
- Scott Fest
- Borders Art Fair
- The Tour o the Borders

Scottish Borders Council has directly funded seven events in region during 2022/23, with the total economic impact estimated to be worth in the region of £10.5 million to the area.

The Council has recently hosted two successful workshops for event organisers, raising the profile of events and covering varying topics from marketing, UCI CWC opportunities, the Safety Advisory Process (SAG) and most recently Event Sustainability and the transition to net zero.

The 2023 UCI Cycling World Championships

As a host venue Glentress and the Scottish Borders has a major role to play, Glentress will see around 1,000 riders representing national teams, international cycling media and an anticipated 20,000 spectators come to the Tweed Valley from 6 to 13 August 2023, which includes an estimated peak of 8-10,000 on the Saturday. There is an expected TV audience

(across the entire World Championships) of one billion. The Tweed Valley will host five of the championship events.

Tourism Strategy

The development of a new South of Scotland Tourism Strategy and an aligned action plan is currently underway and included in the partnership approach are Scottish Borders Council, Dumfries and Galloway Council, SOSE, South of Scotland Destination Alliance (SSDA) and VisitScotland.

The partners are currently exploring resources to help deliver the strategy documents and it is hoped that a draft document will be made available for review before the end of the calendar year.

To support this activity, the Council has recruited two new Events Officers (1.5FTE), and is currently recruiting a Tourism Officer to support tourism partnership activity across the Scottish Borders.

3.5 Regional Economic Partnership

The South of Scotland Regional Economic Partnership (REP) held its first in-person meeting on 24 March 2023. A key objective of this session was for partners to get to know each other better and to develop closer working relationships. The meeting opened with an update from the Scottish Government on regional policy and the increasing importance of Regional Economic Partnerships across Scotland. There were then two workshops challenging members to consider where the Partnership should focus collaboration over the next two years and how members can work together to make progress against regional priority issues.

Partnership members agreed that the key areas of focus for the REP over the next two years would be housing, skills and transport and these areas were described as the 'grand challenges' that are central to realising the ambitions in the Regional Economic Strategy. Other key issues such as a just transition to net Zero, community wealth building and attracting investment to the south were seen as key threads running through all of the three 'grand challenges'.

There was strong consensus about promoting the region – to live, to work, to learn, to invest and building on where we are doing it well for example South of Scotland Destination Alliance – but recognition that doing so must be timed carefully. Members recognised that it would be useful to consider how to maximise the use of the Convention of the South of Scotland to help make progress in key areas. There was a commitment to further in-person meetings and a desire for members to be actively involved between full REP meetings.

REP members are currently providing feedback on an emerging way forward and timeline which includes the establishment of 'Task and Finish' sub groups to make progress on key issues and report back to the wider REP.

4 IMPLICATIONS

4.1 Financial

Each programme of work noted in the paper is being delivered within approved budgets. This is a descriptive report and therefore detailed analysis of each project has not been provided.

4.2 Risk and Mitigations

Each programme of work noted in the paper has their own particular issues in relation to risk and potential mitigation and will be reported on individually. This is a descriptive report and therefore detailed analysis of each project has not been provided in this instance.

4.3 Integrated Impact Assessment

Each programme of work noted in the paper has their own particular issues in relation to potential impact assessment and will be reported on individually. However, a key aspect of Scottish Borders Council's work in relation to Economic Development is to reduce barriers to inequality and help to promote sustainable, inclusive economic growth.

4.4 Sustainable Development Goals

The intention is for each of the programmes of work noted in the paper to provide socially and environmentally responsible decision making, balanced with delivering economic benefits to help sustain local communities and where applicable driving local supply chains and the circular economy.

4.5 Climate Change

The intention is for each of the programmes of work noted in the paper to provide socially and environmentally responsible decision making processes and to have sustainability as a core theme.

4.6 Rural Proofing

This report provides an update on a number of programmes of work that will have a positive impact on all areas of the Scottish Borders.

4.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

4.8 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to the scheme of administration or the scheme of delegation proposed in this report.

5 CONSULTATION

- 5.1 The Acting Chief Financial Officer, the Interim Chief Officer Corporate Governance (and Monitoring Officer), the Chief Officer Audit and Risk, the Director of People Performance & Change, the Clerk to the Council and Corporate Communications have yet to be consulted on this report. Comments received on the day will be incorporated into the final version of the report.

Approved by

Samantha Smith

Chief Officer Economic Development

Author(s)

Name	Designation and Contact Number
Alasdair Scott	Employability Lead Officer – Economic Development
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Background Papers:

Previous Minute Reference: Economic Development Update, 13 September 2022

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Graeme Johnstone can also give information on other language translations as well as providing additional copies.

Contact us at: gjohnstone@scotborders.gov.uk