

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, 1 November, 2016 at
10.00 am

- Present:- Councillors S. Bell (Chairman – Economic Development Business), D. Parker, (Chairman - Other Business), C. Bhatia, J. Brown, M. J. Cook, V. Davidson, G. Edgar, J. Mitchell, D. Moffat, D. Paterson, F. Renton, R. Smith.
- Also present:- Councillors I Gillespie, S. Marshall, W. McAteer, A. Nicol.
- Apologies:- Councillors S. Aitchison
- In Attendance:- Corporate Transformation and Services Director, Service Director Regulatory Services, Chief Financial Officer, Chief Officer Economic Development, Democratic Services Team Leader, Democratic Services Officer (F. Walling).

ECONOMIC DEVELOPMENT BUSINESS

Present: Mr J. Clark, Mr G. Henderson

CHAIRMAN

Councillor Bell 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 4 October 2016, there had been circulated copies of a briefing note providing an update on recent Economic Development activities. The Chief Officer Economic Development, Bryan McGrath, advised that for the period from 1 September 2016 to 31 October 2016 the Scottish Borders Business Fund received 4 applications and approved 2 grants valued at £4,198.23 supporting projects with a value of £8,396.47. These projects were forecast to create 2 jobs with an estimated economic impact of £70,078 GVA. In the same period the Scottish Borders Business Loan Fund received 1 application and approved 1 loan valued at £20,000. This loan was forecast to create 2.5 jobs with an estimated forecast economic impact of £146,245 GVA. Work on the Business Loans Scotland was nearly complete and a launch was imminent for the new £100k loan scheme.
- 1.2 In terms of Regeneration, the Borders Railway Ambassadors Pilot would conclude at the end of October. Funding was in place to deliver the Ambassadors service for 2017 with funding from the Council and £16.5k from the Borders Railway Blueprint Fund. The Council had submitted three applications for the first stage of the Scottish Government Regeneration Capital Grant Fund. The Newcastleton Hub and Community Fuel Pumps project had been invited by Scottish Government to submit a Stage 2 application. With regard to tourism support, Destination Scottish Borders were currently planning a Christmas shopping campaign in Galashiels, Selkirk, Hawick, Jedburgh, Melrose, Lauder and Kelso over two weekends in December. The Community Rail Partnership had been approached for financial support. This would be used to gather evidence for a bigger Christmas project in 2017, where there would be direct links to the Edinburgh Christmas experience. In terms of funding the LEADER Local Action Group met in October 2016

and approved grant funding for two business projects, totalling £68,650 against projects valued at £286,257. The next application deadline for LEADER funding was 30 November 2016.

DECISION

NOTED the update.

2. IMPLICATIONS OF UK REFERENDUM VOTE TO LEAVE THE EUROPEAN UNION FOR THE SCOTTISH BORDERS

2.1 There had been circulated copies of a report by the Chief Executive setting out the implications of the UK Referendum Vote to Leave the European Union for the Scottish Borders and Scottish Borders Council and outlining how issues arising from this outcome were being addressed. The main implications related to : financial issues for the agricultural sector and for rural, regional and local economic development arising as a result of losing access to EU funding streams in the longer term; lack of access to major funding for economic development that may have arisen through the Southern Scotland NUTS 2 proposal; significant number of export orientated businesses in the Scottish Borders needing continued access to the Single European Market for trade purposes; and uncertainty of the long term status of the approximately 3,500 EU nationals living in the Scottish Borders. The report explained that, since the vote, the UK Government had taken actions which had sought to mitigate some of these issues. It had announced continued support for the farming sector on the same basis as the EU Common Agricultural Policy (CAP) up to 2020. Funding commitments had also been given for EU funded structural and investment projects signed after the Autumn Statement 2016 and which would continue after the UK had left the EU. In terms of the way forward, the Council Leader had recently written to the Prime Minister to raise the concerns of Scottish Borders Council and local businesses following the Referendum Vote. The South of Scotland Alliance also met with South of Scotland MSPs on the 28 September 2016 and discussed the implications of Brexit for the economy of the South of Scotland. The Alliance intended to meet Scottish Members of the European Parliament from the main political parties to discuss the Southern Scotland NUTS 2 proposal and develop an advocacy strategy on this matter.

2.2 In the ensuing discussion Mr Henderson reported that, in research carried out since the vote, there were two additional implications not included in the report about which members of Federation of Small Businesses (FSB) were also concerned. One issue was access to seasonal workforce essential for the operation of certain businesses and also there was concern about the knock-on costs of additional work to comply with regulations for export to different countries if the UK did not remain in the single market. Senior Policy Adviser, Douglas Scott, agreed to engage with Mr Henderson to take into account these points in the strategy being taken forward. It was recognised that there were still opportunities to influence the debate over the conditions of exit from the EU and to shape the future. Members referred to the significant challenge of the negotiations. It was emphasised that the Council should co-ordinate an ongoing lobbying strategy with organisations such as FSB, Chamber of Commerce, NFU and Higher Education establishments and Members agreed to add this to the recommendations. It was also agreed that the concerns of Scottish Borders Council on the implications of the UK vote to leave the EU and how these were being addressed should be incorporated into a press release.

DECISION

(a) **NOTED the report and work already being carried out to highlight the implications for the Scottish Borders of the UK vote to leave the EU.**

(b) **AGREED that the Council:-**

- (i) **support the South of Scotland Alliance to develop an advocacy strategy focused on securing special status for the South of Scotland in relation to future regional policy, so that the economic challenges facing the area were appropriately addressed; and**
- (ii) **work with other stakeholders in creating and executing a lobbying strategy.**

3. **BUSINESS GATEWAY PROGRESS REPORT 1 APRIL - 30 SEPTEMBER 2016**

With reference to paragraph 2 of the Minute of 10 May 2016, there had been circulated copies of a report by the Corporate Transformation and Services Director presenting an update on the performance of Business Gateway in the Scottish Borders, covering the period 1 April to 30 September 2016. The report advised that Business Gateway continued to perform well as an integrated part of the Council's Economic Development service. The introduction of area-focussed Growth Advisers in April 2016 had seen an improved spread of activity across the Borders, increased acceptance by private sector intermediaries and new business enquiries from companies who had not previously accessed the service. Progress against key performance targets was detailed within the report and the Performance Improvement Plan and progress to date was set out in an Appendix to the report. It was noted that performance against target had been strong when compared to last year. Events continued to be a key part of the success of Business Gateway. Principal Officer, Phil McCreadie, advised that 7 workshops had been held across the area during the period, in Kelso, Eyemouth and Galashiels with a total of 28 attendees. These were in addition to the regular weekly workshops that were run at Ettrick Riverside, Selkirk and which continued to be well attended. Mr McCreadie reminded Members of the Scottish Borders Business Week 2016 which would run from 7 – 11 November 2016 and would involve 12 events in addition to the Borders Business Excellence Awards on Friday 11 November, run by Scottish Borders Chamber of Commerce. Members discussed the report and received answers to their questions. With regard to European Regional Development Fund (ERDF) targets recorded in the table within the report, Mr McCreadie agreed to the request to inform Members of the actual number of businesses assisted to export for the first time when this information became available. Members recognised the need to focus on assistance to businesses to export particularly in view of the implications of the UK vote to leave the EU.

DECISION

- (a) **NOTED the successful performance of the Business Gateway Service in this period and the actions planned for the future.**
- (b) **AGREED to:-**
 - (i) **continue to receive regular progress reports to monitor performance; and**
 - (ii) **request that the Business Gateway provide an annual report and update to Committee in June 2017.**

4. **VISITSCOTLAND INFORMATION PROVISION**

- 4.1 With reference to paragraph 5 of the Minute of 3 November 2015, there had been circulated copies of a report by the Corporate Transformation and Services Director providing an update on how VisitScotland was responding to changes in the way visitors now accessed information and made holiday decisions and how this was impacting on the performance of the manned visitor information service in the Scottish Borders. The Chairman extended a welcome to Douglas Wilson, Regional Director of VisitScotland, who was in attendance. Mr McGrath highlighted the main points of the report. VisitScotland currently operated and managed five VisitScotland iCentres in the Scottish Borders, providing face to face information services, including an accommodation and

ticketing service. The VisitScotland iCentres were partially funded via an annual Minute of Agreement (MOA) between Scottish Borders Council and VisitScotland. The centres located in Jedburgh, Peebles and Hawick operated all year round while centres in Melrose and Kelso operated on a seasonal basis. The report referred to trends indicating that online usage for visitor information and booking would continue to rise. In line with this trend, Scottish Borders VisitScotland iCentres had experienced an overall decline in footfall in recent years while there had been a significant rise in website visits and digital referrals to Scottish Borders businesses. Overall, Scottish Borders VisitScotland iCentres had experienced a 12% decline in footfall between 2015/16 and 2014/15. There was also a 21.9% fall in the overall number of bookings made in the same period. The specific results and analysis were set out in an appendix to the report. Recognising the change in consumer behaviour and demand, VisitScotland was undertaking a national review of information provision and the overall customer experience, looking at the best way to ensure that information was delivered to more people in more places using the channels that visitors used the most.

- 4.2 In a discussion of the report and the visitor iCentres data provided, local Members for Hawick pointed out that the numbers visiting the iCentre in Hawick had actually increased by about 4,000 over the last 5 years and they expressed disappointment with the negative perception of the figures given within the report. It was suggested that the prominent position of the iCentre next to the Heart of Hawick complex may have contributed to the increase in visitor numbers at this location. With regard to the business membership of VisitScotland and the management of bookings Members recognised that there were a number of issues impacting on the figures. They suggested a distinction between those businesses who managed their own marketing through other prominent well-used tourist websites and those who joined VisitScotland for marketing services and booking arrangements. Mr Wilson emphasised that the key to the way forward was the way people were accessing information and that the reality was a decline in physical visitor numbers to centres. He accepted that the question of how to include and engage with the section of businesses referred to was challenging as VisitScotland may not necessarily fit their business models. It was agreed that the provision of tourist information was part of digital transformation not necessarily centred on buildings. Members indicated that they would like to see more use of 'Interactive Screens' at key outdoor locations and it was agreed that free WiFi and/or improved mobile coverage in town centres would be a significant attraction for visitors.

DECISION

AGREED:-

- (a) to invite senior managers from VisitScotland to provide a briefing for all elected Members on VisitScotland's Customer Experience Strategy and its developing approach to information provision in the Scottish Borders and the rest of Scotland; and**
- (b) to request that a further report on tourism information provision be brought to the Committee in 2017 once VisitScotland had finalised its review.**

5. SCOTTISH BORDERS COUNCIL EVENTS PLAN 2014 - 2020 - PROGRESS REPORT

- 5.1 With reference to paragraph 3 of the Economic Development Group Minute of 20 March 2014, there had been circulated copies of a report by the Corporate Transformation and Services Director presenting an update on the Scottish Borders Council's Events Plan 2014-2020. The Council successfully facilitated and supported the delivery of a wide range of regional, national and international events. This coordinated and targeted approach to promoting events in the Scottish Borders has had a significant impact on the economy, generating an estimated economic impact of £8 million per year. These events raised the profile and enhanced the reputation of the Scottish Borders, and delivered social and community benefits. The Economic Development Service currently had a budget of £100k annually to support events development in the Scottish Borders. This

did not include direct financial support to local Common Ridings and Festivals. The Events Plan 2014-2020 was included as an appendix to the report. This outlined the approach to prioritising event support activity and progress to date. Some of the key highlights since 2014 were listed. The aim was to build on the rich heritage of events currently in the Borders and to encourage new and different events that could offer a unique experience to visitors.

- 5.2 Members discussed the report and expressed views about where funding support should be directed and at what point an event should cease to be subsidised by the Council and be expected to be financially sustainable. Mr McGrath agreed to look into the provision of support for equestrian events which, it was accepted, contributed significantly to economic activity in the area and where opportunities could be currently missed. A question was raised about the lack of facilities for camping /caravanning in many areas of the Borders and that the provision of this type of facility for accommodation was a contributing factor towards the success of events, as demonstrated at Springwood Park. In response to a question about the value of in-kind support for events provided by other services across the Council, which was in addition to the £100k annual investment, the Corporate Transformation and Services Director agreed to look into this and provide an approximate figure.

DECISION

(a) **NOTED the achievements and progress made in relation to the Scottish Borders Council Events Plan 2014-2020.**

(b) **AGREED:-**

- (i) **to approve the updated Scottish Borders Council Events Plan until 2020 to support the events sector to maximise economic impact and legacy; and**
- (ii) **the need to prioritise and target the available resources towards events with the most potential to raise the profile of the Scottish Borders and benefit the economy.**

6. SCOTTISH BORDERS CYCLE TOURISM STRATEGY

- 6.1 With reference to paragraph 11 of the Minute of 7 June 2016, there had been circulated copies of a report by the Corporate Transformation and Services Director updating Members on the consultation process and seeking approval for the Scottish Borders Cycle Tourism Strategy 2016-2021. It was explained that the overall aim for the Scottish Borders Cycle Tourism Strategy was to boost the Scottish Borders economy and accelerate the growth of cycling from an events and tourism perspective. The Scottish Borders was already a recognised destination for cycling in the UK and, in line with the Council's manifesto 'Ambitious for the Borders', the vision was to be seen as one of Britain's premier destinations for cycling by 2021. A consultation exercise, which invited views from relevant partners, stakeholders and interested groups, resulted in over 70 responses being received. The draft strategy was subsequently updated and an action plan produced. The Scottish Borders Cycle Tourism Strategy 2016-2021 was included as Annex 1 to the report with an Action Plan specifically for 2017/2018 set out in Annex 2. The report also referred to The Tour o' the Borders closed-road cycling event which was an excellent example of the type of event that could help to raise the profile of cycling in the Scottish Borders. In discussion with officers the event organisers had confirmed that the race would shift to a new date for next year, 3 September 2017. This was later than previous years and would now avoid the school holidays. It also put the event into the 'shoulder' months, which helped support a longer season for tourism businesses.

MEMBER

Councillor Edgar left the meeting during the business discussed below.

- 6.2 Members welcomed the report and Cycle Tourism Strategy. In the ensuing discussion a distinction was made between support for leisure and event cycling. Members would like to see infrastructure developed for leisure cycling and suggested where this should be carried out but the significant resource implications were recognised. It was noted that the Council had identified £57k from Economic Development which could be targeted to support cycling events activity. However a further £58k would require to be identified from Council and partner sources to deliver actions relating to additional marketing and infrastructure development. In relation to recommendation (c), Members stressed that the Council should support cycling and cycling events across all areas of the Borders.

Councillor Smith, seconded by Councillor Bhatia moved as an amendment that the following words be removed from recommendation (c): 'and to continue supporting and encouraging this cycle event and others as part of the Cycle Tourism Strategy' and that a further recommendation (d) be added as follows: Agreed 'the importance of supporting and encouraging cycle events across the Borders'. The motion was unanimously agreed.

- 6.3 In response to a question about the background to the change of date of the Tour o' the Borders, Members were advised that this decision had followed consultation with Council officers and with interested parties.

VOTE

Councillor Davidson, seconded by Councillor Renton, moved as an amendment that the first word of recommendation (c) be changed from 'support' to 'note'.

Councillor Cook, seconded by Councillor Brown, moved against this amendment.

On a show of hands Members voted as follows:

In favour of the amendment - 4 votes

Against the amendment - 6 votes

The amendment accordingly fell.

DECISION

AGREED:-

- (a) to approve the Scottish Borders Cycle Tourism Strategy 2016-2021 as set out in Annex 1 to the report;**
- (b) to approve the Action Plan for 2017/2018 as set out in Annex 2 to the report and note the actions that were already resourced and those for which resources were still to be identified;**
- (c) to support the decision to move the Tour o' the Borders closed road cycle event to 3 September 2017; and**
- (d) the importance of supporting and encouraging cycle events across the Borders.**

7. SCOTTISH GOVERNMENT REVIEW OF ENTERPRISE & SKILLS REPORT ON PHASE 1

With reference to the recent announcement by the Scottish Government in respect of the Review of Enterprise and Skills, there had been circulated copies of the Scottish Government report on Phase 1. The Chairman welcomed the findings of the review and particularly the announcement that there would be a new vehicle created to meet the enterprise and skills needs of the South of Scotland. He expressed thanks to all the officers involved in the considerable amount of work over a long period of time advocating

the South of Scotland position now being reflected in this decision. The report outlined the background and focus of the review and summarised the key themes which had emerged. It was explained that the review had benefited from the input of the Ministerial Review Group which comprised individuals with business expertise, business organisations, colleges and universities, the National Union of Students, COSLA and the STUC. The review would be carried out in two phases and the report covered the findings of the first phase. It set out headline aims and the changes needed now to deliver on economic growth and inclusion ambitions. The Chairman highlighted the important sections of the report but stressed that the detail of how the board would operate, and the boundary of the South of Scotland area, had yet to be defined. Members noted that this development was long overdue and that detail of staffing and resource structure was still to be provided. However, they welcomed the initiative and direction of travel and recognised the opportunities that the proposal could present.

**DECISION
NOTED.**

ADJOURNEMENT

The meeting adjourned at 11.55 am and reconvened at 12.10 pm.

OTHER BUSINESS

CHAIRMAN

Councillor Parker took the Chair for the remaining business.

8. **MINUTE**

The Minute of meeting of the Executive Committee of 18 October 2016 had been circulated.

DECISION

APPROVED for signature by the Chairman.

9. **WINTER SERVICE PLAN FOR YEAR 2016/17**

There had been circulated copies of a report by the Service Director Assets and Infrastructure. The report presented a review of the performance of Scottish Borders Council's Winter Service during 2015/16, including the impact of severe storms on the roads infrastructure. The report went on to present the Council's Winter Service Plan for 2016/17 which was attached as an appendix. It was explained that the Council provided a winter service on nearly 3,000km of roads across the Scottish Borders. The winter of 2015/16 was not particularly bad in terms of snow and ice but the region did experience very wet conditions, storms and flooding that led to deterioration of the roads network and subsequent pressures on the Roads service. These pressures, in dealing with the aftermath of storms and works required through Bellwin, had meant that the resources had not been available to do a full review of the 2015/16 Plan. Therefore the Winter Service Plan for 2016/17 was similar in terms of policy, priorities, routes, call out arrangements and resource planning. It should be noted however that significant work had been done on the plan prior to 2015/16, including public consultation. Reference was also made to the approval given by the Executive Committee, on 29 September 2015, to amend the 2015/16 Winter Service Plan by defining a secondary salting route network in urban and rural areas across the Scottish Borders. It was agreed that particular issues and questions from Members about the Winter Service should be taken up with the Infrastructure Manager at a drop-in session on 16 November 2016.

DECISION

- (a) NOTED the performance of the SBC Winter Service during 2015/16 and the impact of last winter and the damage caused to the roads infrastructure as a result of severe storms.**
- (b) AGREED:-**
 - (i) to endorse the Winter Service Plan for 2016/17 as detailed in the appendix to the report; and**
 - (ii) to consider amendments to the plan for Winter 2017/18 in the Autumn of 2017.**

MEMBER

Councillor Edgar returned to the meeting during the discussion below.

10. HIGH STREET OUTDOOR TABLES AND CHAIRS - TRIAL PERMIT PROPOSAL

There had been circulated copies of a report by the Chief Officer - Roads, proposing the introduction of a 3 year trial permit system, with review after one year, to allow catering establishments across the Scottish Borders to place tables and chairs temporarily outside their premises. The report advised that the Council's Roads Network section was aware that carefully placed tables and chairs on High Streets could greatly enhance the look and feel of the area, as well as contributing to sustainable economic growth within the Scottish Borders. Currently, some establishments applied for planning permission to place tables and chairs but some did not. This led to variations in quality and could compromise public safety, especially for those who were visually impaired. It was therefore recognised that there was a need to have a consistent approach in place to make sure that tables and chairs were placed in a safe and sensible manner and were of a quality that would not be detrimental to the look and feel of High Streets. The report, based on the temporary placement of tables and chairs as well as the necessary associated temporary barriers, proposed that a 3 year permit trial was undertaken to ensure that streets were kept safe and to enhance townscapes across the Scottish Borders. Listed within the report were the terms and conditions proposed for the tables and chairs permit. In their discussion of the report Members agreed in principle that the 'café culture' in High Streets should be encouraged and that there should be consistency of approach towards the issue of tables and chairs. However there were questions raised about the detail behind the proposal and different views expressed about certain of the proposed conditions to be fulfilled in order for a permit to be issued. After a lengthy debate it was agreed to defer consideration of the introduction of the permit system to allow officers to consult with relevant businesses and interested parties and to come back with further information. With regard to a timeline for the proposal, the aim would be to enable a permit system to be put in place by summer of 2017.

DECISION

AGREED:-

- (a) to defer, for further information, consideration of the introduction of a trial permit system, to allow tables and chairs to be placed outside catering establishments; and**
- (b) to request the Chief Officer - Roads to carry out a consultation in respect of the proposed permit system with interested parties to include:**
 - (i) those businesses who had been identified as having placed tables and chairs outside their establishment when weather allowed;**
 - (ii) Community Councils; and**

(iii) Local Access Panels.

- (c) to request the Chief Officer - Roads to include, in his report to a future meeting, the findings of the consultation, information on the implications to businesses of the proposed permit system and policies operated by other Local Authorities in this regard.**

MEMBERS

Councillors Davidson and Renton left the meeting during the discussion below.

11. UNAUTHORISED SIGNS AND OBSTRUCTIONS WITHIN THE ROAD BOUNDARY

There had been circulated copies of a report by the Chief Officer - Roads, presenting three options to revise the existing policy to allow officers to deal with unauthorised signs, banners, posters, sandwich boards and other obstructions frequently found in and around towns in the Scottish Borders. It was explained that Scottish Borders Council had statutory duties under the Roads (Scotland) Act 1984 and under the Town and Country Planning (Control of Advertising) (Scotland) Regulations 1984 to ensure that roads remain unobstructed, safe and free from unauthorised signage. A policy was developed and approved by the Executive on 16 October 2007. In addition, as property owner, the Council had common law rights to regulate whether any items could be attached to or deposited on its own property. For reference, Appendix 1 to the report contained information on relevant generic definitions currently applicable and Appendix 2 the Policy/Guidance on Unauthorised Signs and Obstructions within the Road Boundary. Despite a policy being in place, the Council received frequent complaints, relating to road safety and aesthetic issues, from members of the public concerning signs and banners erected on footways and road sides. The vast majority of these signs and barriers were contrary to the relevant legislation in place and as such a review of the policy was proposed. One option would be a policy devised to completely ban all unauthorised signs, banners, posters and other obstructions. Another option to ignore the issue unless complaints were received was not considered an appropriate way forward. The recommended option was to develop a revised policy that would better define what items such as advertising banners, trader's goods and sandwich boards may or may not be tolerated, ensuring that the whole community could benefit both socially and economically. Members discussed at length the terms of the recommended option which were listed within the report. There was general agreement that there should be a coherent policy approach to the control of unauthorised signs and obstructions. However, differing views were expressed as to whether this should be the prescriptive approach favoured in the report or whether there should be some flexibility for the application of discretion and the approach be one of guidance rather than policy. In respect of commercial advertising, Members recognised the need to balance the pressures on businesses to advertise with concerns relating to road and pedestrian safety. It was accepted that revision of the policy was being brought forward to Members to consider in response to complaints from the public. In conclusion it was agreed that further information about the practical application of the proposed option was required before a decision could be made.

DECISION

AGREED:-

- (a) to defer, for further information, consideration of the policy revision regarding unauthorised signs and obstructions within the road boundary; and**
- (b) to request the Chief Officer Roads to provide a report to a future meeting with information about the practical application of the recommended option for policy revision including a worked-up example of application of the proposed policy in a particular location.**

12. **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 paragraph 6 and 9 of part 1 of schedule 7a to the act.

13. **MINUTE**

The Committee approved the Private Minute of 18 October 2016.

The meeting concluded at 1.20 pm