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EXECUTIVE COMMITTEE TUESDAY, 17 SEPTEMBER 2019

A MEETING of the EXECUTIVE COMMITTEE will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS, TD6 0SA on TUESDAY, 17 SEPTEMBER 2019 at 10.00 am

J. J. WILKINSON,
Clerk to the Council,

10 September 2019

BUSINESS		
1.	Apologies for Absence	
2.	Order of Business	
3.	Declarations of Interest	
ECONOMIC DEVELOPMENT BUSINESS		
4.	Economic Development Update (Pages 3 - 8) Presentation on recent Economic Development progress by the Chief Officer Economic Development. (Briefing note attached.)	20 mins
5.	Scottish Borders Strategic Events Plan Review (Pages 9 - 14) Consider report by Executive Director. (Copy attached.)	10 mins
6.	South of Scotland Tourism Action Plan (Pages 15 - 22) Consider report by Executive Director. (Copy attached.)	15 mins
7.	Eyemouth Harbour Trust - Extension of Funding Support (Pages 23 - 28) Consider report by Chief Financial Officer. (Copy attached.)	15 mins
	Economic Development theme additional Membership of Committee:- Mr J. Clark, Mr G. Clark	

OTHER BUSINESS		
8.	<p>Minute (Pages 29 - 38)</p> <p>Minute of meeting held on 20 August 2019 to be approved and signed by the Chairman. (Copy attached.)</p>	2 mins
9.	<p>Street Naming and Numbering - Oxton (Pages 39 - 42)</p> <p>Consider report by Service Director Customer and Communities. (Copy attached.)</p>	15 mins
10.	Any Other Items Previously Circulated	
11.	Any Other Items which the Chairman Decides are Urgent	

NOTES

1. **Timings given above are only indicative and not intended to inhibit Members' discussions.**
2. **Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.**

Membership of Committee:- Councillors S. Haslam (Chairman), S. Aitchison (Vice-Chairman), G. Edgar, C. Hamilton, E. Jardine, T. Miers, S. Mountford, M. Rowley, R. Tatler, G. Turnbull and T. Weatherston

Please direct any enquiries to Fiona Henderson Tel:- 01835 826502
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EXECUTIVE COMMITTEE – 17 September 2019

Economic Development Update

1. Business:

- From April to August 2019 the Business Gateway team assisted **83** business start-ups, of which **7** met the classification of 'Early Stage' growth. The Business Gateway Advisers have delivered **22** start-up workshops and **5** Growth workshops with **165** attendees. Growth Advisers continue to work with companies which have potential to achieve growth targets and have put **12** businesses through segmentation.
- Business Gateway continues to work across the whole of the Scottish Borders, meeting with a number of intermediaries promoting the services available through Business Gateway and the Council. In total **46** Intermediary visits have been held during the period.
- Business Gateway Advisers have facilitated **13** Digital Boost workshops with 106 attendees.
- For the period from 21 March to 5 July 2019, the **Scottish Borders Business Fund** received 6 applications and approved 6 grants valued at £19,666, supporting projects with a value of £45,469. These projects are forecast to **create 13.5 jobs** with a forecast **economic impact of £651,000 GVA**.

2. Regeneration:

- **Jedburgh CARS** – The Port House Priority Building project is progressing with funding assistance from a number of sources and is aiming to appoint a contractor by March 2020. The other Priority projects are progressing well. A reallocation of funding for Priority & General Repair projects was agreed by the Jedburgh Community Council (the defacto CARS Steering Group) and this has been forwarded to Historic Environment Scotland for endorsement. The CARS officer is assisting in the delivery of the Jedburgh Town Centre Shopfront Improvement Grant Scheme which is being delivered by the Jedburgh Community Council. Skills training and community engagement events are ongoing with successful recent events including the traditional shopfronts exhibition and coordination of a complimentary Open Windows event, bringing local artists in to display work in local shops/businesses.
- **Hawick CARS** – the formal offer (legal contract) from Historic Environment Scotland has been completed and returned. Council officers are now aiming to launch the Scheme in early October 2019. Discussions with Priority Building Owners are ongoing in order to move forward quickly once the programme is launched.

- **Hawick Business Growth Project**
 - Armstrong's Redevelopment, Hawick - The Council has acquired the site and will demolish elements which are beyond repair and redevelop it as a business incubator hub providing small office units. The development is anticipated to provide up to 17 business incubator units, 613 m² net business space and potentially up to 25 FTE additional jobs. Planning consent has been approved subject to a number of conditions. The project team anticipates that demolition will start on site shortly with the overall project due to be completed in April 2021.
 - Galalaw Business Park: This new building of 4 industrial units currently has 3 businesses in occupation. Marketing is being undertaken to find an appropriate tenant for the final unit.
 - Studies into two derelict private buildings / sites in Hawick were progressed to assist the owners in making appropriate decisions on their future. One study has been completed and discussions are being held with the owner on its future. The second site has had preliminary structural and physical investigations undertaken, with additional site investigations being planned to determine ground conditions.
- **Hawick Textiles Training Centre for Excellence**

The first cohort of unemployed trainees was completed in July 2019, 6 trainees completed the training and 4 have been offered a job in textiles businesses. The second cohort of 6 started in August 2019. Employers have now guaranteed an interview for anyone completing the 16 week course. In addition, a number of the mills are sending their existing employees on day-release to upskill and retrain.

Shima, the main knitting machine manufacturer, has adopted the Centre as their northern training centre and are currently running a 16 week programme for 8 trainees from local mills.
- **Made in Hawick** – Made in Hawick website was launched in June 2019. There are now nearly 30 local manufacturers taking part in the project. Leaflets have been distributed around the area, and further afield, and are bringing additional tourists to the town. Welcome Hosts have reported to FutureHawick that people are giving positive feedback on the project and have visited a number of the manufacturers featured in the marketing material.
- **Shopfront and property improvement grant schemes** - Five schemes have been launched in Jedburgh, Hawick, Galashiels, Eyemouth and Selkirk as part of an allocation of funding to key town centre projects by Scottish Borders Council. The schemes have been developed in partnership with business/community groups and are being funded through the Council's allocation from the Scottish Government Town Centre Fund. Locally, the schemes will be managed and administered by Selkirk BID, Energise Galashiels, Future Hawick, Jedburgh CARS and Eyemouth Community Council.

- **Scottish Government Regeneration Capital Grant Fund 2019** -The Fund is aimed at providing new and/ or improved infrastructure through capital expenditure supporting projects in 2020/ 21. Three applications for the Scottish Borders were submitted for the first of a two stage application process:
 - Eyemouth Harbour Waterfront Regeneration Project
 - Newcastleton- Enterprise Centre and Bunkhouse
 - Kirkhope Steading Work Units, Yarrow.

The Newcastleton and Eyemouth Projects have been successful in being invited to submit Stage 2 applications. The deadline for Stage 2 submissions is 11 October 2019. If successful at Stage 2, this will allow projects to proceed in 2020/21. Council Officers have been working with the project managers over the summer to further develop the regeneration projects; and will continue to liaise and support them with their Stage 2 submissions. The Kirkhope Steading project was not successful. Council Officers will continue to work with the Kirkhope Steading project team to further develop their proposal and investigate alternative funding sources.

- **Selkirk BID** – a number of key projects have been successfully developed by the Business Improvement District company, including the development of a town brand identity; new signage to complement the streetscape signage; the development of a new town website to market Selkirk more effectively; new planters and benches; and a cycle repair station. Projects planned for year 2 include developing proposals for the Haining and Halliwell's Car Park; lobbying for improved CCTV; progressing with the Selkirk Marketing campaign (developing groups and events); improving signage at entry points and brown signs; implementing the Shop Front Grant Scheme; and progressing the Pantwell renovations.
- **Tweed Valley Tourism BID** – the Council has recently confirmed its support for the Tweed Valley Tourism BID. The BID is progressing positively with consultation and engagement with local businesses in the potential BID area. The BID will progress to ballot on 14 November 2019.

3. Funding:

- **European funding** continues to be available to projects through the European Maritime Fisheries Fund 2014 – 2020 programme. The Scottish Borders LEADER Programme 2014-2020 is now fully committed. The UK and Scottish Governments have confirmed that applicants whose grant funding was agreed and contracted by end June 2019 will be able to complete their projects, even if the work is scheduled to take place after leaving the EU.
- The **Forth Fisheries Local Action Group (FLAG)** has recommended 34 projects to Marine Scotland, committing £967k of funding to date. In total, 48 Expressions of Interest have been received. The committed funds are broken down between the three Council areas - SBC £304k, Tyne & Esk £276k and Fife £387k. Marine Scotland has confirmed the UK Treasury has extended its

guarantee on funding and that all awards signed before the end of 2020 will be met. Remaining funds total £85k.

4. Property & Projects:

- **Property** – 67 property enquiries have been received to date in 2019/20. This has resulted in a total of 11 new leases generating £44.3k in annual rental income for the Council, with 30 FTE existing jobs supported and the potential of 12.5 FTE new jobs created over the next five years. With regard to the Council's portfolio of leased industrial units, yards and shops, the occupancy level for the last quarter (April to June 2019) is **88%**.
- The 67 property enquiries include 20 enquiries to purchase plots. Sales discussions for serviced plots continue with growing businesses interested in developing in Coldstream, Duns, Eyemouth, Hawick, Jedburgh, Lauder and Selkirk. Plots are 'under offer' at Duns and there are two other plots now 'under offer' at Eyemouth Seafood Technology Park and Galalaw Business Park Hawick.
- A feasibility study into possible conversion and upgrading of part of St Mary's Mill, Selkirk has been undertaken by the Council's architects. This derelict factory building has the potential to provide an initial suite of 4 storage / workshop units and having communal access / loading doors and communal toilet block. This scheme is currently being reviewed and potential funding sources considered.

5. Low Carbon:

- At its meeting on 29 August 2019, the Council approved proposals to formally commit to implementing the UN Sustainable Development Goals as they relate to local government, and to rename the Sustainable Procurement Group to become the 'Sustainable Development Group', which will drive this process forward. Economic Development will be involved in this group.

6. South of Scotland Economic Partnership

The South of Scotland Economic Partnership (SOSEP) has awarded grant funding of a total of £1,045,184 to five projects to develop rural skills, community enterprises and local businesses. Rural Economy Cabinet Secretary Fergus Ewing MP announced the funding whilst on a visit to the Philiphaugh Estate near Selkirk.

- **Philiphaugh Estate, Selkirk** - £154,484 towards a project that will support the estate to diversify, employ more people, improve visitor attractions and collaborate with local businesses to showcase local produce and attract more visitors to the local area. Funding will help to support the growth of other local businesses, enabling the locally run café to expand, and the estate to collaborate with other local businesses like the Selkirk Gin Distillery, to raise their profile and sales by showcasing the best of local produce to increased numbers of visitors on site

- **ReTweed** - £19,200 over two years. This project will allow the successful Eyemouth based social enterprise to pilot a new business incubator that will help women start and grow their own business within the creative industries sector.
- **Growing Rural Skills** - £289,000 over two years. This project will build on the success of a recent dairy sector pilot in Dumfries and Galloway to expand the programme into the Scottish Borders and broaden the sectors supported to include forestry. The programme aims to develop talent pipelines for key rural industries.
- **Community Enterprise Support - £510,000 in 2019/20.** The project will pilot a place-based approach to community enterprise in the south of Scotland, aiming to increase the number of financially sustainable community enterprise projects. Initial target areas for this pilot programme, which will build business and financial skills, are Stranraer, Annan/ Langholm, Upper Nithsdale, Dumfries town centre, Hawick, Eyemouth & East Berwickshire, Galashiels and Jedburgh.
- **Building a better Galashiels - £72,500 in 2019/20.** The project aims to deliver a number of high impact town centre improvements and marketing projects in Galashiels. The project will deliver year one of the 'Building a Better Galashiels' Action Plan and capitalise on the Great Tapestry's location to attract more visitors.

Bryan McGrath, Chief Officer Economic Development, tel 01835 826525

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SCOTTISH BORDERS STRATEGIC EVENTS PLAN REVIEW

Report by Executive Director

EXECUTIVE COMMITTEE

17 September 2019

1 PURPOSE AND SUMMARY

- 1.1 The Scottish Borders Events Plan 2014-2020 outlined the vision that 'by 2020 the Scottish Borders is seen as a stage for significant events that raise the profile of the area and create sustainable economic benefits'. The current plan outlines the Council's approach for the support, development, delivery and measurement of the impact of events in the Scottish Borders.**
- 1.2 Over the last 5 years, the Council has been successful in securing and hosting the popular Tour of Britain as well as encouraging the development of a range of sporting and cultural events including the Borders Book Festival, Melrose 7s, Tweedlove/ Transcend, Enduro World Series and the Borders Art Fair. It is estimated that events generate on average over £7million per annum to the local economy in the Scottish Borders.
- 1.3 In addition to the current event calendar, there are a range of key event opportunities from 2020 onwards including themed event years, infrastructure development opportunities, cultural landmark celebrations as well as new and developing events.
- 1.4 Development of a new strategic events plan will involve a collaborative approach with stakeholder consultation to develop a strategic events plan fit for purpose. Key stakeholders, ambitious event organisers, national events, sporting/ cultural agencies and local businesses organisations will be included within the consultation process. A new strategic events plan will ensure the Scottish Borders maximises the potential visitor opportunities and economic impact for the area.

2 RECOMMENDATIONS

2.1 I recommend that the Executive Committee:

- (a) Notes the progress made in relation to the Scottish Borders Council Events Plan 2014-2020 and the economic impact of events for the Scottish Borders;**
- (b) Agrees that Council Officers lead the development of a new Strategic Events Plan for the Scottish Borders over the next four months, engaging with key partners and stakeholders;**
- (c) Requests that a draft Scottish Borders Strategic Events Plan is presented for approval in early 2020.**

3 SCOTTISH BORDERS COUNCIL'S EVENTS PLAN 2014-2020

- 3.1 The Scottish Borders Events Plan 2014-2020 outlined the vision that 'by 2020 the Scottish Borders is seen as a stage for significant events that raise the profile of the area and create sustainable economic benefits'. The current plan outlines the Council's approach for the support, development, delivery and measurement of the impact of events in the Scottish Borders.
- 3.2 The overall aim of the current events plan is to work together to develop the reputation of the Scottish Borders as an excellent host for a wider variety of events. In order to achieve this and maximise the wider tourism and economic benefits, a number of key objectives were identified:
- To support the development of events
 - To encourage effective event promotion and marketing
 - To ensure events are evaluated to understand their economic impact
- 3.3 The Council supports the development and delivery of events with advisory support; direct grant funding for marketing and infrastructure development; support to apply for and draw down funding from national sources such as EventScotland and Creative Scotland; provision of statutory and legal requirements such as licences; in-kind support with traffic management arrangements; and safety advisory support through the multi-agency Safety Advisory Group.
- 3.4 During the last 5-year period of the current events plan, the Council has been successful in securing and hosting the high profile event, Tour of Britain as well as encouraging the development of a range of sporting and cultural events including the Borders Book Festival, Melrose 7s, Tweedlove/Transcend, Enduro World Series and the Borders Art Fair. It is estimated that events generate on average over £7million per annum to the local economy in the Scottish Borders.

4 SCOTTISH BORDERS STRATEGIC EVENT PLAN REVIEW

- 4.1 It is proposed to develop a new strategic events plan for the Scottish Borders building on the strengths of the current event offering and exploiting new opportunities on the horizon. Events such as the Borders Book Festival have grown significantly from their origins and now are major events attracting visitors as well as promoting the Scottish Borders and the profile of the area to an international audience.
- 4.2 The updated plan will continue to focus on attracting high profile events to the Scottish Borders such as the Tour of Britain. Closer partnership working with the five Borderland area local authorities as part of the new Borderlands Inclusive Growth Deal, will also provide an opportunity to explore and develop new cross Border events and tourism opportunities. In addition, the creation of the new South of Scotland Enterprise Agency in 2020 will provide a focus and opportunity to develop South of Scotland events and activities maximising the strong links and synergies between the Scottish Borders and Dumfries & Galloway.

- 4.3 Alongside the opportunities of working with regional and national partners, there are also a range of key event opportunities from 2020 onwards including:
- Scottish Government's themed event years (Year of Coast & Waters in 2020 and Year of Scotland's Stories in 2022);
 - Major international cycling events being hosted in Scotland in 2023;
 - Current successful events seeking to grow and develop attracting additional visitors linked to the Borders Railway;
 - New and developing events such as Enduro World Series based in Innerleithen and Borders Art Fair in Kelso;
 - Reintroduction of the Jim Clark Rally combined with the recent opening of the new Jim Clark Museum in Duns;
 - Cultural landmark celebrations for Sir Walter Scott 250th anniversary in 2021 with benefits to Abbotsford House and Selkirk as well as links to other heritage tourism opportunities;
 - Event infrastructure development opportunities such as the new 3G pitches across the Borders and additional downhill routes at Glentress and Innerleithen.
- 4.4 The new strategic plan will focus on supporting events, which have a strong economic impact in terms of growing visitor numbers and raising the profile and reputation of the Scottish Borders. Local community events and activities including local Common Ridings continue to be an important feature of Border community life. It is envisaged that these will continue to be supported through the Council's Communities and Partnerships team.
- 4.5 Development of a new strategic plan will ensure the Scottish Borders maximises the potential visitor opportunities and economic impact for the area. The new plan will seek to develop and grow events in terms of visitor numbers to maximise spend and economic impact. The plan will also seek to maximise social and cultural opportunities along with encouraging an environmental sustainable approach for events.

5 DEVELOPMENT PROCESS FOR A NEW STRATEGIC EVENTS PLAN

- 5.1 Development of the new strategic events plan will involve a collaborative approach with stakeholder consultation to develop a strategic events plan fit for purpose. It is recommended that Council Officers lead the review and develop the events plan over the next four months, engaging with key partners and stakeholders across the South of Scotland, Central Belt and North of England.
- 5.2 Key stakeholders, ambitious event organisers, national events, sporting/cultural agencies and local businesses organisations will be included within the consultation process. Consultation and engagement will include national agencies such as EventScotland, VisitScotland, Creative Scotland, sporting and cultural organisations as well as local organisations such as Scottish Borders Tourism Partnership, LiveBorders, event organisers and events infrastructure providers.

6 IMPLICATIONS

6.1 Financial

The Council's Economic Development Service will lead the development of the new Strategic Events Plan. A range of consultation and engagement events will be progressed to gain input and feedback from appropriate stakeholders and organisations. Any costs in relation to the consultation will be funded from within the Council's current Economic Development Service budget.

6.2 Risk and Mitigations

- (a) Event development is a priority in the Scottish Borders Economic Strategy 2023 and in the Scottish Borders Tourism Strategy and Action Plan. An updated strategic events plan with clear vision and purpose is critical to ensure events continue to grow and the area continues to be developed as a national and international event destination.
- (b) Increasing competition from other areas in the UK as well as abroad, requires that the public and private sector need to continue to work in partnership to ensure a range of accessible, safe and attractive events are delivered and that the Scottish Borders is promoted as a prime visitor destination.

6.3 Equalities

A key aspect of the Council's Economic Development Team's work is to reduce barriers to economic inequality and information on service delivery to equalities groups is monitored. An equality impact assessment (EIA) will be undertaken as part of the development of the new strategic events plan.

6.4 Acting Sustainably

The new strategic events plan will seek to ensure that the planning, development and delivery of events incorporate socially and environmentally responsible decision making balanced with providing economic benefit to help sustain local communities.

6.5 Carbon Management

The new strategic events plan will seek to ensure the delivery of environmentally sustainable events that meet with national and international standards.

6.6 Rural Proofing

Rural proofing, where relevant, will be undertaken as part of the development of the new strategic events plan.

6.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to the Scheme of Administration or Scheme of Delegation arising from this report.

7 CONSULTATION

- 7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR, the Clerk to the Council and Communications are being consulted and their comments have been incorporated into the final report.

Approved by

**Rob Dickson
Executive Director**

Signature

Author(s)

Name	Designation and Contact Number
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Julie Hogg	Principal Officer (Regeneration), Economic Development, Tel 01835 826527

Background Papers: None

Previous Minute Reference: None

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SOUTH OF SCOTLAND TOURISM ACTION PLAN

Report by Executive Director

EXECUTIVE COMMITTEE

17 September 2019

1 PURPOSE AND SUMMARY

- 1.1 This report updates Members on the tourism development activity of the Scottish Borders Tourism Partnership and seeks approval for support for a South of Scotland tourism action plan to deliver a 12-18 month programme of activity that paves the way for a transformational 5-year Destination Development Programme.**
- 1.2 One of the key tourism initiatives that is underway is the strengthening of the local industry body, the Scottish Borders Tourism Partnership (SBTP). It has grown over time and is currently made up of over 550 private sector companies. SBTP is wholly operated on a voluntary basis by the industry for the industry.
- 1.3 SBTP led a review of the Scottish Borders tourism proposition during 2018 and the resulting report identified the low profile of the Scottish Borders as a tourism destination and a lack of innovation in tourism product development. Following further joint work with partners in Dumfries & Galloway, an agreement has been reached to progress with a joint tourism action plan covering the South of Scotland. The tourism action plan takes the outputs from a recent workshop, and the ambitions of the local industry bodies, and merges these with actions already identified by SOSEP and VisitScotland.
- 1.4 The draft action plan is currently being tested with the industry bodies and other local partners so the actions and estimated budgets may be subject to change prior to a funding application being made to SOSEP.

2 RECOMMENDATIONS

2.1 I recommend that the Executive Committee:-

- (a) Notes the positive progress being made by the industry-led Scottish Borders Tourism Partnership;**
- (b) Agrees to support a pan-South of Scotland tourism action plan to deliver short-term tourism development activity in the Scottish Borders and South of Scotland; and**
- (c) Agrees to the allocation of £60k from existing Economic Development Service budgets to support the proposed South of Scotland tourism action plan and, in particular, the brand development work of SBTP.**

3 BACKGROUND

- 3.1 Council officers have been working with VisitScotland and other local business partners to support the tourism sector in the Scottish Borders. One of the key initiatives that is underway is the strengthening of the local industry body, the Scottish Borders Tourism Partnership.
- 3.2 Scottish Borders Tourism Partnership (SBTP) was established over ten years ago. It is the lead business association for tourism businesses in the Scottish Borders. It has grown over time and is currently made up of over 550 private sector companies. SBTP works with other organisations, including the Council, Scottish Borders Chamber of Commerce, Live Borders, VisitScotland, Scottish Enterprise, the Southern Upland Partnership, ScotRail and Border Buses, to stimulate and promote the local tourism offering.
- 3.3 Currently, SBTP is wholly operated on a voluntary basis by the industry for the industry and it has no revenue stream beyond the small membership fee that it charges. Scottish Borders Council has supported SBTP through; development of the Scottish Borders Tourism Strategy, specific project and business support, Travel Trade and EXPO attendance and partial funding for specific business-to-business projects, such as the annual conference.

4 INDUSTRY BODY SUSTAINABILITY

- 4.1 With the agreement of VisitScotland, Scottish Borders Council and their membership, SBTP led a review and evaluation of the entire Scottish Borders tourism proposition during the Summer of 2018. The resulting report identified the low profile of the Scottish Borders as a tourism destination and a lack of local innovation in tourism product development. Two clear recommendations were made: To establish a privately invested delivery company in the Scottish Borders and an overarching 'umbrella' group with Dumfries and Galloway; and to create a new 'brand' which could become the marketing and capital collateral of the delivery company and also be used beyond the Scottish Borders.
- 4.2 In addition to the delivery structure, the report also recommended the need to address the tourism product. Progress could be made by building a coherent product offer that challenges the current perception of location, image and low visibility, extends the tourist season, builds destination awareness, increases visitor numbers and demonstrates economic benefit for the area. These challenges drive the industry group's ambition to form a new delivery company that would be created and led by the industry. The overall aim is to become a financially sustainable tourism Destination Marketing and Management Organisation (DMMO), acting for the local industry.
- 4.3 In addition to this, SBTP met with Visit South West Scotland (VSWs) to set in motion the process to develop an 'umbrella' organisation that represents the best interests of both areas across the South of Scotland region. This process is ongoing and is being facilitated by the South of Scotland Economic Partnership, the two Councils and VisitScotland.

- 4.4 A facilitated workshop took place in Moffat at the end of July 2019. This involved key players from the tourism industry in the South of Scotland, notably the chair and directors from Scottish Borders Tourism Partnership and Visit South West Scotland, individuals representing a number of local marketing groups and development trusts engaged in tourism. As a result of this meeting, an agreement has been reached to progress with a joint tourism action plan covering the South of Scotland. This positive progress is being reinforced with a proposed funding package from VisitScotland, Scottish Borders and Dumfries and Galloway Councils, and the South of Scotland Economic Partnership.

5 TOURISM ACTION PLAN

- 5.1 Following the workshop in Moffat, and with a commitment from the public sector partners to support action, a joint tourism action plan is being developed which takes the outputs from the workshop, and the ambitions of both DMOs, and merges these with actions already identified by SOSEP and VisitScotland. A key outcome from the workshop was recognition that all the players are keen to see tourism develop and prosper, and that all recognise the pan-South of Scotland opportunity to do things differently.
- 5.2 Although all of the partners are active within their own areas, it was recognised that more will be gained from collaboration across the geography and between public, private and third sector partners. Combined, these form a 15-18 month programme of destination leadership, capacity building and development planning activity which collectively will pave the way for an ambitious and transformational 5-year Destination Development Programme from 2021-2026.
- 5.3 The target budget is approximately £375,000. The two Local Authorities are seeking to provide core support to their DMMOs and make a contribution to the required budget. It is hoped that this will be matched by VisitScotland, using funds available through the 'Programme for Government'. It is hoped that this package of approximately £160-180k will then be matched by SOSEP to deliver a total Tourism Action Plan programme of up to £375,000. There are eleven areas of activity that have been identified in the draft tourism action plan and these, along with estimated budgets, are set out in Appendix 1. The draft action plan is currently being tested with the DMMOs and other local partners so these headings, and the estimated budgets, may be subject to change prior to a funding application being made to SOSEP.
- 5.4 One of the key priorities of the tourism action plan for both the South of Scotland Tourism Alliance and the SBTP is to continue to progress with the '*Scotland Starts Here*' brand and app roll-out which has already been piloted through the Midlothian and Borders Action Group. The '*Scotland Starts Here*' brand requires robust development beyond the successful pilot and some of that brand development will be used for signage including 'on arrival' signage and boundary signage. The opportunities for the boundary signage are widespread, not just in the Scottish Borders, but also in Dumfries and Galloway.

6 IMPLICATIONS

6.1 Financial

- (a) The Economic Development Service currently has an annual budget of approximately £120k to support tourism development in the Scottish Borders. Part of this budget includes payment to VisitScotland for marketing campaigns specific to the Scottish Borders as part of the annual Memorandum of Agreement (MOA). In 2019, the VisitScotland MOA was used to secure the delivery of the Tour of Britain Stage 2 start and finish. In 2020, the Council will have flexibility to use the MOA budget differently again; it is therefore recommended that £40k is allocated to delivery of the action plan. It is proposed that the tourism action plan should be a priority for support in 2020/21.
- (b) A budget of £100k is allocated for the delivery of new Boundary signage project. The tourism action plan budget includes a branding element. In the immediate short term, it is recommended that £25k of the boundary signage budget is used as match funding to help progress the branding element of the wider South of Scotland tourism action plan.

In total it is therefore recommended that across 2019/20 and 2020/21 SBC allocates £65k to support delivery of the action plan.

6.2 Risk and Mitigations

Tourism development is a priority in the Scottish Borders Economic Strategy 2023 and in the Scottish Borders Tourism Strategy and Action Plan. A committed resource is required to continue to develop the tourism sector and offer a level of support required to motivate and inspire businesses. The proposed tourism action plan is crucial in securing funding support to enable the SBTP to move towards long term sustainability and there is a risk that the industry group may fail if it is not able to successfully deliver on this new approach.

6.3 Equalities

An equality impact assessment (EIA) is not required as this report relates to the continuation of existing tourism development support. A key aspect of the Council's Economic Development Team's work is to reduce barriers to economic inequality and encourage inclusive economic growth and this will inform the detailed actions developed as part of the tourism action plan.

6.4 Acting Sustainably

Tourism development delivers a number of key outputs and outcomes that provide economic benefit and benefits to help sustain local communities. The visitor economy has a positive economic impact on towns and rural areas across the Scottish Borders.

6.5 Carbon Management

There are no direct implications for the Council's carbon emissions from this proposal.

- 6.6 **Rural Proofing**
Rural proofing is not required because this project does not change Council strategy or policy. However, the visitor economy is particularly important for the rural areas and communities of the Scottish Borders, often providing some of the limited employment opportunities in these areas.
- 6.7 **Changes to Scheme of Administration or Scheme of Delegation**
There are no changes to be made to the Scheme of Administration or the Scheme of Delegation as a result of this report.

7 CONSULTATION

- 7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR, the Clerk to the Council and Communications are being consulted and their comments will be reported at Committee.

Approved by

Rob Dickson
Executive Director

Signature

Author(s)

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Background Papers: n/a

Previous Minute Reference: **Boundary Signage paper**

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APPENDIX 1

ACTIVITY	ESTIMATED BUDGET
VSWS DMO Core Funding	£40,000
SBT DMO Core Funding	£40,000
SoS TLG Leadership Support	£25,000
Industry Engagement	£10,000
'Scotland Starts Here' Brand and App Roll Out	£25,000
Strategic SSH Marketing Campaign & Industry Toolkit	£80,000
Tourism Strategy Alignment and Development	£10,000
Asset Mapping and Gap Analysis	£25,000
Prep of Five Year Destination Development Plan (Ref TEAM Tourism recommendations)	£55,000
Business Readiness Programme (MBTAG based)	£65,000
DMO Industry Support Review	£0
	£375,000

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EYEMOUTH HARBOUR TRUST – EXTENSION OF FUNDING SUPPORT

Report by The Chief Financial Officer

EXECUTIVE COMMITTEE

17 September 2019

1. PURPOSE AND SUMMARY

- 1.1 The purpose of this report is to seek approval from Members to continue the current arrangement whereby the Council underwrites a development loan provided in the 1990's from the Public works Loans Board (PWLB) to Eyemouth Harbour Trust.**
- 1.2 The Harbour Trust is proactive in seeking to control its operating costs and in identifying new opportunities to increase income from the harbour. The support from the Council has enabled the Trust to bring forward a range of harbour improvements and development projects that have helped bring in new income and diversify the activity of the harbour.
- 1.3 The Trust acknowledges that the development and improvements they have made in the last five years would not have been possible without the Council support. However, the operating environment facing the Trust continues to present significant challenges. Should the Trust fail there is the potential to compromise the Council's financial interests as well as causing a major economic issue within Eyemouth. The Council is being asked to continue to alleviate a significant financial burden on the Trust in providing long-term stability into the future.

2. RECOMMENDATIONS

2.1 It is recommended that the Executive Committee :-

- (a) **Notes the progress made by Eyemouth Harbour Trust in developing new sources of income, controlling operating costs and recovering debts;**
- (b) **Agrees that the Council should continue its support of Eyemouth Harbour Trust by continuing to fund the Public Works Loan Board annual loan repayments of £62k for a further 10-year period; and**
- (c) **Agrees that the Chief Financial Officer continues to receive regular financial and operating reports from the Harbour Trust.**

3. BACKGROUND

- 3.1 Eyemouth Harbour Trust (the Trust) has been experiencing financial difficulties for some years, primarily due to the long-term challenges faced by the fishing industry. This has had a detrimental effect on the Trust's financial position and its long term sustainability.
- 3.2 The Council acts as guarantor for the repayment, with interest, of a £1m loan provided to the Trust by the Public Works Loan Board (PWLB) to finance an extension and upgrade to the harbour in the 1990's. The loan is for a period of 50 years commencing June 1998 and has approximately 29 years to run to maturity at a fixed interest rate of 5.75%. The terms of the loan require the Trust to repay the PWLB twice yearly instalments of principle and interest combined. Each instalment is £31k. There is a standard security in place to protect the Council.
- 3.3 Since the commencement of the loan, and despite the dedicated efforts of the Trustees, the Trust regularly struggled to make these payments. Officers from the Finance and Economic Development Services, along with local Elected Members, attend Trust meetings when possible and the financial position of the Trust is shared with officers on an 'open book' basis.
- 3.4 The Trust has previously approached the PWLB to renegotiate the loan or allow for a 'repayment holiday', but PWLB has refused this. In view of this, in March 2010 the Council agreed to provide financial assistance to the Trust and to fund the PWLB loan for a 5 year period. That initial five year period was extended in 2015 for a further 5-year period, ending in 2020. The Trustees met recently with senior officers to discuss continuation of the current arrangement.

4. THE ECONOMIC ROLE OF THE HARBOUR

- 4.1 The Trust reported a trading loss of £47.3k in its 2017 accounts and £66k in its 2018 accounts, the latest available. These figures include a significant depreciation charge due to the nature of the Trusts harbour based assets. Whilst the Trust continues to trade effectively, it remains 'squeezed' between historic debt and the need to prepare for the inevitable costs of maintaining the aging port infrastructure. The Council's continuing support in relation to the PWLB debt is crucial to allow the port to be sustained for to future generations in a sound and safe state.
- 4.2 The economic benefits of a successful and profitable harbour to Eyemouth, East Berwickshire and the wider Scottish Borders remain significant. The value of fish landings in Eyemouth, although reducing year on year, was still £2.9 million in 2014 compared to £4.3 million in 2006. Since 2014 there has been some positive progress with the value of landings increasing to £4.04 million in 2018. Income to the Harbour Trust from fish landings is still its most significant income source.
- 4.3 The fishing sector still directly employs a significant number of fishermen who are based in Eyemouth. The size of the local fleet has increased from 18 vessels in 2014 to 26 vessels in 2018. In addition to the local fleet, each year a number of visiting vessels, including scallop dredgers, utilise the port's facilities for a period over the summer and winter fishing seasons. These have been fairly stable over the period with 50 vessels in 2014 and 51 in 2018. More significant are the wider economic linkages to

the processing and local tourism industries.

- 4.4 The Council's interests in supporting Eyemouth and the local economy are clearly best served by assisting Eyemouth Harbour Trust to achieve a more solid financial base for the long term.

5. BUSINESS DEVELOPMENT ACTIVITY

- 5.1 During the past 5 years, the Trust has been able to develop initiatives with a view to sustaining long term viability for the harbour. These initiatives have only been made possible by the support from the Council in relation to the PWLB repayments.
- 5.2 The Trust has been proactive and positive about its business development over the last five years. It has focused on improving and managing its cash-flow in a more business-like way; controlling its costs and expenditure more closely; working with creditors and debtors more closely; and identifying and investing in new sources of income. The role of the Trust's Business Manager and the team that has been developed by the Trust has been crucial in this approach. The Trustees themselves have also shown leadership and have been proactive and forward thinking in their decision making.
- 5.3 One element of this positive approach has been a range of improvements to the harbour infrastructure through delivery of several development projects, including:

- An upgrade of the ice making facility in support of the local fishing fleet
- Installation of railings along a public walkway to prevent falls into the River Eye
- A replacement bridge over the River Eye – upgrading an essential pedestrian link between the two sides of the town
- Upgrade of the CCTV around the harbour, improving security and safety
- Installation of a solar array on the harbour building, providing an income stream and cutting energy costs.

None of this would have been possible without the technical and financial support of the Council.

- 5.4 The Trust has also put significant resources into planning and marketing activity to raise the profile of the harbour in the offshore wind industry. As a direct result of that project, Eyemouth continues to be considered as a potential 'operations and maintenance' base for the "Neart na Gaoithe" proposed offshore wind farm in the Firth of Forth. This would offer a key diversification opportunity for the harbour and local businesses and could bring significant economic benefits to the area. The Harbour Trust has been key in taking this work forward.
- 5.5 The Trust has been positive in working with the local community and supporting the work undertaken to develop a vision for Eyemouth. In order to develop its team, and to provide work opportunities for local young people, the Trust has also taken on two Modern Apprentices who are getting experience of working in an office and the day to day running of an active harbour.

- 5.6 The Trust has worked with other local partners to initiate a tourism related marketing campaign 'Visit Berwickshire Coast', which aims to increase footfall and visitor spend in the East Berwickshire area. Part of that has been the Trust's efforts to attract cruise ships to Eyemouth and the Scottish Borders. Since 2014, there have been 4 cruise calls to the harbour, bringing an additional 640 visitors into the area through the port's gateway.
- 5.7 Despite the positive progress the Trust has made in recent years in diversifying sources of income and controlling costs, the short term future remains challenging, with ongoing trading deficits forecast. If the Council was to withdraw support for the PWLB liability at this time, it is estimated that the harbour would once again be in a financial crisis within 2 years based on current financial forecasts.

6 IMPLICATIONS

6.1 Financial

- (a) The Executive Committee on 24 March 2015 agreed to underwrite the 50 year loan from the Public Works Loans Board for a 5-year period. This arrangement is now coming to an end and the Trust has asked the Council to continue to underwrite the loan from the Council's revenue budget.
- (b) This arrangement avoids the need to reassign the PWLB loan and the associated legal complexities. It is recommended that an extension of the agreement to make repayments on behalf of the Trust for a further 10-year period is put in place. This will provide improved long-term financial certainty which may enable the Trust to recover to a more sustainable financial position. This will be dependent on the on-going changes in the fisheries sector and the related value of landings at Eyemouth.
- (c) The costs to the Council of the proposal would be a recurring £62k per annum from 2020/21 onwards subject to review after 5 years. The funding is provided via existing Economic Development Service budget.

6.2 Risk and Mitigations

- (a) The key risk in relation to this issue is that the Council acts as guarantor for the repayment, with interest, of a £1 million loan provided to the Trust by the PWLB. If the Trust cannot meet repayments then the Council will have to repay the whole amount, or make long term repayments. If the Trust was to be wound up, it is likely that the responsibility for operating the Harbour would fall to the Council. It remains the case that closure of the Harbour would have a major economic impact on Eyemouth from both a fishing and tourism perspective, so that the Council would have to ensure its continued operation.

- (b) The nature of these risks indicates that the Council should continue to support the Trust as fully as possible and thereby agree to meet the PWLB repayments (£62k p.a.) for a period of 5 years. Even with this support the Trust faces very difficult trading conditions and will continue to require to work hard to control costs, to increase its income wherever possible, and to control its cash flow very closely.
- (c) The approach recommended will reduce the risk of the Council having to take over and run the Harbour, which would expose it to the costs above, plus a significant annual expenditure burden in operating the Harbour, and the additional risks of owning/operating a Harbour site.

6.3 Equalities

An equality impact assessment (EIA) is not required as this report relates to the continuation of existing marine economy support. A key aspect of the Council’s Economic Development Team’s work is to reduce barriers to economic inequality and encourage inclusive economic growth. Maintaining the economic viability of Eyemouth Harbour contributes to inclusive growth opportunities in East Berwickshire.

6.4 Acting Sustainably

The marine economy delivers a number of key outputs and outcomes that provide economic benefit and benefits to help sustain local communities. Eyemouth Harbour has a positive economic impact on the town and surrounding rural areas in East Berwickshire.

6.5 Carbon Management

There are no direct implications for the Council’s carbon emissions from this proposal.

6.6 Rural Proofing

Rural proofing is not required because this project does not change Council strategy or policy. However, the marine economy is important for the rural communities of East Berwickshire, often providing some of the limited employment opportunities in the area.

6.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to the Scheme of Administration or the Scheme of Delegation as a result of this report.

8 CONSULTATION

- 8.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR, the Clerk to the Council and Communications are being consulted and their comments will be reported at Committee.

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

Name	Designation and Contact Number
Bryan McGrath	Chief Officer Economic Development Tel. 01835 826525
David Robertson	Chief Financial Officer Tel. 01835 825012

Background Papers: None

Previous Minute Reference: Executive Committee, 24 March 2015

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

Contact us at David Robertson, Chief Financial Officer, Scottish Borders Council, Council Headquarters, Newtown St Boswells, and Melrose, TD6 0SA.

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**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, 20 August 2019 at 10.00 am

- Present:- Councillors S. Haslam (Chairman), G. Edgar, C. Hamilton, E. Jardine, T. Miers, S. Mountford, M. Rowley, R. Tatler, G. Turnbull, T. Weatherston.
- Apologies:- Councillors S. Aitchison.
- Also present:- Councillors A. Anderson, H. Anderson, S. Bell, J. Fullarton, W. McAteer, N. Richards, H. Scott.
- In Attendance:- Chief Executive, Executive Director (R. Dickson), Service Director Customer & Communities, Chief Financial Officer, Neighbourhood Operations Manager, Democratic Services Team Leader, Democratic Services Officer (F. Henderson)

1. **MINUTE**

There had been circulated copies of the Minute of the meeting of 18 June 2019.

DECISION

APPROVED for signature by the Chairman.

2. **WINTER SERVICE UPDATE**

- 2.1 With reference to paragraph 5 of the Minute of 4 December 2019, there had been circulated copies of an update report by the Service Director Assets and Infrastructure on the findings of a comprehensive Winter Services Provision review which had been undertaken at the start of the calendar year and related to the prioritisation and implementation, where appropriate, of the recommendations proposed in the review.
- 2.2 The report explained that SBC provided a winter service on nearly 3,000 km of roads across the Scottish Borders and an annual Winter Plan was prepared to outline the steps that would be taken to ensure that the roads network was safe, within available resources. As part of the proposal and the need to provide previously identified savings from the winter service an Independent review of the Council's winter service provision was undertaken comparing the Council's arrangements with that of peer Authorities. The Winter Services Provision Investigation Report had been received in a final draft form and a summary was attached as Appendix A to the report. The report discussed the findings and recommendations from that report and made further recommendations on the veracity of these along with suggested timing for their introduction or the trialling and/or further investigation of them. Financial analysis of the proposals remained ongoing due to the complexity. Adoption of some of the recommendations required amendment to the existing Winter Service Plan that the Council operated, and the SBC Winter Service Plan 2019/20, incorporating those changes was presented at Appendix B to the report. The report detailed the general findings from the Winter Service Provision Investigation and Peer Review and detailed the review of the recommendations from the Winter Service provision investigation report. Members discussed each of the 15 recommendations in turn and approved all with the exception of recommendation 8. Recommendation 8 proposed that footway treatment operations would in future only be undertaken during standard day hours (7:30 to 15:30 Monday to Friday) except in extreme weather events.

Members expressed concern in relation to this proposal as there had been many complaints received previously about gritting of footpaths from people walking to work and as many of the Council's schools were increasingly becoming community schools they were open to the public at weekends. The Neighbourhood Operations Manager, Mr Hedley advised that this approach had been informally trailed in some areas during the previous winter and there was the option to pre-treat footpaths the day before. With regard to complaints he advised the footpaths had not been gritted as the forecast had not highlighted changing weather conditions. Once primary routes had been treated local intelligence was used to direct resources and it was hoped to make more use of the resilient communities network. Assurances were given that there would be no change to the way that severe weather events were dealt with. Members still had misgivings regarding these changes and requested a further report specifically dealing with footpaths with detailed information on the impact of these proposals.

DECISION

(a) NOTED the findings of the Winter Service Provision Investigation report.

(b) AGREED:-

- (i) to approve the proposed amendments to the Winter Service Plan 2019/20 with the exception of Recommendation 8 relating to reducing the hours when footway treatment would be undertaken; and**
- (ii) that a further report detailing the consequences of this proposal together with detailed information with regard to those routes which would be affected be presented to the next meeting of Executive.**

3. COMMUNITY PURCHASE AND MAINTENANCE OF SOLAR POWERED SPEED INDICATOR SIGNS AND VARIABLE MESSAGE SIGNS

There had been circulated copies a report by the Service Director Assets and Infrastructure which proposed allowing communities to purchase and erect their own solar powered indicator signs for 30mph and 40mph stretches of roads. The report explained that feedback from communities where similar speed indicator signs had already been installed had been positive and there were a number of communities who had requested these signs beyond the normal parameters the Council could justify installation. The efficacy of these signs as traffic calming features was not definite. However, many Local Authorities allowed installation due to the perceived 'comfort' they provided to communities. Members welcomed the proposal. The Traffic and Road Safety Team Leader advised that a bid had been made to Transport Scotland for a pilot scheme in Eddleston to test which was the best speed calming measure.

DECISION

AGREED to allow community organisations to purchase and erect solar powered electronic speed indicator signs subject to the following conditions:

- (a) Council Officers would approve the location of the signs which would be on 30mph and 40mph stretches of road only;**
- (b) The signs (to standard BS12966) to be installed by an approved contractor;**
- (c) Appropriate maintenance of the signs to be arranged;**
- (d) Appropriate insurance for the signs to be arranged;**
- (e) End of life disposal of the sign to be arranged at the appropriate time;**
- (f) The cost, purchase, installation, insurance, maintenance and end of life disposal of the signs to be borne by the community organisation; and**
- (g) The Council reserved the right to remove and retain a sign for the community organisation to collect and repair or to dispose of if it was not maintained.**

4. **MONITORING OF THE GENERAL FUND REVENUE BUDGET 2019/20**

There had been circulated copies of a report by the Chief Financial Officer providing the budgetary control statements for the Council's General Fund based on actual expenditure and income to 30 June 2019 and providing explanations of the major variances identified between projected outturn expenditure/income and the current approved budget. The report explained that after the first quarter of 2019/20 the Council was projecting a balanced outturn position whilst acknowledging significant financial risk of over £0.7m specifically within the Joint Learning Disability Service in H&SC. The Service was focusing on urgent management action on containing expenditure within budget and maximising income wherever possible. An updated position would be presented to the Executive Committee with the second quarter financial reporting papers. In addition, there were a number of further areas of risk and emerging pressures which had been identified that require ongoing management. The report further explained that the revenue monitoring process had been redeveloped over the first quarter 2019/20 in line with rolling out new reporting and forecasting functionality within Business World. The month 3 monitoring report represented the second cycle in which month-end forecasting tools were automatically emailed out to all budget managers directly from Business World. Whilst further progress had been made in engaging and training of managers, there were a number of areas where further work was still required to ensure universal ownership and engagement in the monitoring process and the robustness and accuracy of projections. Continuing to make steps forward during the second quarter would mean all managers would complete expenditure and income forecasts for their area of budget responsibility. Real time financial reporting with drill-down functionality to individual transaction level within Business World was also now available to Budget Managers. This additional financial information assisted Managers with the process of effective budget management. Training and support continued to be provided by Financial Services staff. As shown in Appendix 4, as at 30 June 2019 47% (£6.426m) of the savings required by the approved budget had been delivered within the current year. A further 46% (£6.156m) was profiled to be delivered during the remainder of 2019/20 and the remaining 7% (£0.982m) had temporary in-year mitigations to deliver alternative savings. Emphasis during the remainder of 2019/20 needed to be placed on delivering all outstanding savings permanently per the 2019/20 Financial Plan, including those for which only temporary solutions have been found. This was particularly important given the scale of the full year savings required (£13.564m), including those brought forward from 2018/19 requiring permanent solutions and the requirement to deliver ambitious savings plans in future financial years within the Financial Plan. Full details of pressures, risks and challenges and the significant majority of areas of the Council's operation where budget plans remained on track were detailed in Appendix 1 to the report. The Health and Social Care function were experiencing pressures in the Joint Learning Disability budget which, if remedial action was to be taken, would result in expenditure exceeding budget by £0.7m. The service had identified financial risks of £0.7m, relating to increased care costs and clients transitioning from Children's Services (£400k) and income pressures including delays in billing (£300k). The service was undertaking an urgent review of all projected costs and income including a review of the assessment and billing process with a view to mitigating the risks and ensuring the service could operate within existing budgets. Members noted the position and expressed concern regarding the funding of health and social care which was only going to become more difficult.

DECISION

(a) AGREED:-

- (i) the virements as detailed in Appendix 2 to the report; and**
- (ii) to continue to actively promote a culture of sound financial management across the Council, and that budget affordability be fully considered in service delivery decisions in order to ensure the ongoing financial sustainability of the Council.**

(b) NOTED:-

(i) the projected corporate monitoring position reported at 30 June 2019, the pressures identified, the underlying cost drivers of this position and the identified areas of financial risk as reflected in Appendix 1;

(ii) the progress made in achieving Financial Plan savings in Appendix 4.

5. BALANCES AT 31 MARCH 2019

There had been circulated copies of a report by the Chief Financial Officer providing an analysis of the Council's balances as at 31 March 2019 and details of the projected balances at 31 March 2020. The report explained that the unaudited Council's General Fund useable reserve (non-earmarked) balance was £6.315m at 31 March 2019. The projected General Fund useable reserve was projected to remain at £6.315m at the 31st March 2020 in line with the Council's Financial Strategy. The total of all useable balances, excluding developer contributions, at 31 March 2020 was projected to be £22.251m, compared to £27.799m at 31 March 2019. As the financial year progressed, earmarked balances to be carried forward to 2020/21 would increase. The projected balance on the Capital Fund of £7.166m would be affected by any further capital receipts, developer contributions, interest credited and any expenditure authorised to be financed from the Fund during the remainder of the financial year.

DECISION

NOTED:-

(a) the unaudited 2018/19 revenue balances at 31 March 2019;

(b) the projected revenue balances as at 31 March 2020 as contained in Appendices 1 & 2 to the report; and

(c) the projected balance in the Capital Fund as contained in Appendix 3 to the report.

6. MONITORING OF THE CAPITAL FINANCIAL PLAN 2019/20

There had been circulated copies of a report by the Chief Financial Officer providing an update on the progress of the 2019/20 Capital Financial Plan and seeking approval for variations and the reallocation of funds. The monitoring tables in Appendix 1 to the report detailed actual expenditure to 30 June 2019. Key issues identified in these tables were summarised within the main report. The tables identified a projected net variance of £0.077m against the approved budget. The net in year budget decrease of £0.077m was primarily due to £2.602m additional external funding secured to fund projects, including the Strategic Timber Transport Scheme where the Council had been awarded an additional £0.699m for roads investment, Scottish Government Town Centre Fund £1.412m and Scottish Rugby Union funding towards the costs of the Melrose 3G Pitch totalling £0.400m. This was offset by net budget timing movements to future years of £1.620m, the most significant of which were Hawick Flood Protection £1.200m and ICT Transformation £1.249m which had required budgets to be brought forward to 2019/20. This was offset by adjustments to the Asset Rationalisation £1.164m and Hawick Regeneration Blocks £1.897m with project timing movements now requiring budget to be deferred to 2020/21. The final significant adjustment was associated with the Digital Learning Transformation following optimisation of the funding model for the Inspire Learning Programme (£1.059m). Appendix 2 contained a list of the block allocations approved for this year and the various approved and proposed projects to be allocated from them within the 2019/20 Capital Plan. Appendix 3 contained a list of estimated whole project capital costs for single projects which would not be completed in the current financial year.

DECISION

(a) **AGREED** the projected outturns in Appendix 1 to the report as the revised capital budget and approved the virements required.

(b) **NOTED:-**

- (i) **the budget virements previously approved by the Chief Financial Officer and Service Director Assets and Infrastructure detailed in Appendix 2 under delegated authority;**
- (ii) **the list of block allocations detailed in Appendix 2 to the report; and**
- (iii) **the list of whole project costs detailed in Appendix 3 of the report.**

7. ANNUAL PROCUREMENT REPORT

There had been circulated copies of a report by the Chief Financial Officer presenting the Annual Procurement Report (APR), as required by the Procurement Reform (Scotland) Act 2014. A copy of the APR for the period 2018/2019, developed in the format required by Scottish Government guidance, was attached to this report as Appendix 1. The report explained that organisations required to prepare a procurement strategy must also publish an annual procurement report. These documents were now part of the reporting landscape for public sector organisations to support increased transparency and visibility of public expenditure, and to embed sustainable procurement into public sector procurement. The purpose was to demonstrate to stakeholders that procurement spend was being used to best effect to achieve better public services, social, economic and environmental outcomes in the area and a range of local and national policies. The key ambition of the Procurement Strategy was to support the Borders local market and economy. During the 2018/19, and through delivering on the strategic objectives, the level of local spend continued to increase with £75.9m (45.2%) of the £168m Council spend (with third parties) being with businesses operating in the geographical boundaries of the Scottish Borders. Following approval, the report had to be submitted to the Scottish Government and, as a minimum, published on the internet. Members welcomed the progress being made. The glossary of terms was helpful and the report provided better transparency.

DECISION

AGREED to approve the submission of the Annual Procurement Report 2018/19, as contained in the appendix to the report to the Scottish Government and its publication on the Council's website.

8. TWEED VALLEY TOURISM BUSINESS IMPROVEMENT DISTRICT PROPOSAL

There had been circulated copies of a report which outlined the Tweed Valley Tourism Business Improvement District (BID) proposal, which had been developed by a local business group, Tweed Valley Tourist Consortium (TVTC). The report highlighted the role of the Council and its contribution and recommended appropriate support. The report explained that the Tweed Valley BID Steering Group had developed an exciting vision for the future of tourism in the Tweed Valley. The BID business plan had a clear objective of growing a strong, sustainable tourism industry in the Tweed Valley. The Steering Group had engaged with a wide range of businesses during the consultation process and understood the ambitions of local businesses to develop and grow. The key aims of the Tweed Valley Tourism BID were to develop the Tweed Valley into a world-class activity destination; ensure the long-term sustainability of tourism in the area; improve the visitor experience; increase the number of visitors; give visitors more reasons to stay longer and spend more and Help create local jobs. The BID levy would provide an estimated income of £350,000 over 5 years to deliver a range of tourism development and marketing activity, potentially supplemented by other external funding opportunities.

**DECISION
AGREED:-**

- (a) to support the Tweed Valley Tourism BID and noted the intended ballot date of 14 November 2019;
- (b) that the Council's Democratic Services Team manage the BID Ballot process and the Council's Customer Service Team provide the financial management of the BID levy on the basis of full cost recovery;
- (c) to note the financial implications of £280 per annum for the Council for their BID Levy contributions and agreed to support the BID initiative with a 'Yes' vote for the Council's respective property; and
- (d) that a local Elected Member be nominated to represent the Council on the BID Levy Board, along with a Council officer for advisory support.

9. EYEMOUTH – PRIORITY ACTIONS FOR REGENERATION

There had been circulated copies of a report by the Executive Director which provided an update on the priority regeneration actions identified for Eyemouth and East Berwickshire. The report also sought approval to commit funding already allocated in the Council's Capital programme to progress specific priority projects in support of the economic regeneration of Eyemouth. The report explained that the Council's Executive previously agreed to focus economic regeneration activity on key towns, including Eyemouth, based on the Town Centre Resilience Index. To support the regeneration of Eyemouth, an allocation of £799,000 of capital funding had been approved within the Council's Financial Plan and a grant of £100,000 towards the installation of an ice plant at the harbour to support the fishing fleet was approved by the Executive Committee in April 2018 leaving an unallocated balance of £699,000. In 2018, the Council established an Eyemouth and East Berwickshire Economic Regeneration Group as an informal sub group of the Executive. An Eyemouth and East Berwickshire Economic Regeneration Action Plan had been drafted for the area with input from representatives from the sub-group. A range of priority activity areas had been identified to support the regeneration of Eyemouth and these were outlined in the report. Based on the priority areas identified, a number of indicative allocations were recommended from the Council's capital programme. These had been reviewed and agreed as recommendations by the Eyemouth and East Berwickshire Economic Regeneration Group.

DECISION

- (a) **NOTED** the priority regeneration actions identified for Eyemouth and East Berwickshire by the Eyemouth and East Berwickshire Economic Regeneration Group.
- (b) **AGREED** to approve the recommended project funding breakdown set out in Section 6.1 for the £699k capital funding that was allocated to Eyemouth in the Council's Financial Plan, in order to progress priority projects to support the regeneration of Eyemouth.

10. OUR PLAN AND YOUR PART IN IT: SBC'S CORPORATE PERFORMANCE AND IMPROVEMENT REPORT QUARTER 1 2019/20

- 10.1 There had been circulated copies of a report by the Service Director Customer & Communities which presented a high level summary of Scottish Borders Council's Quarter 1 2019/20 performance information with more detail contained within Appendices 1a and 1b attached to the report. The report included reporting on the progress of change and improvement projects across SBC within the four corporate themes. The report explained that in order to monitor progress against the four themes, a review of performance and context information would be undertaken quarterly and presented to Executive Committee

as well as an annual summary in June each year. Section 4 of the report referenced examples of Change and Improvement projects, with further information contained in Appendix 1a. These projects were monitored on a weekly basis by Corporate Management Team (CMT) and through the SBC Financial Plan and associated monitoring. A summary of any additions or changes made to SBC performance indicators was provided at Section 5 of the report, followed by a high level summary of performance in Section 6. To reflect the significant investment made by SBC, an overview of the work and impact of Police Scotland's Community Action Team was provided at Section 7 with Appendix 2. During Quarter 1 2019/20, SBC had continued to drive forward a range of innovative approaches including:

- The in-depth review of services, under the Fit for 2024 programme has commenced;
- A milestone in the roll-out of the Inspire Learning approach was reached, with the issue of iPad's to all secondary school teachers;
- The latest round of the Localities Bid Fund will see local projects benefit from over £300k of funding.

In response to a question on the poor rate of recycling it was noted that work was being undertaken by Communications and that the new waste contract should also help increase rates. With regard to the increase in complaint figures members were advised that a review of the more complex complaints was being undertaken and this was a priority for the DCA Project. Further information with regard to the Business Gateway Figures would be provided. With regard to the second CAT team it was noted that the Sergeant and 4 of the officer would be in place by the end of September with full staffing by the end of the year.

DECISION

NOTED:-

- (a) the progress update relating to Change and Improvement Projects, referenced in Section 4 and detailed further in Appendix 1a;**
- (b) the changes to performance indicators outlined in Section 5 of the report; and**
- (c) the performance summarised in Sections 6 and 7, and detailed within Appendices 1a, 1b and 2 and the action that was being taken within services to improve or maintain performance.**

- 10.2 Members moved on to consider the performance information presented for Live Borders activities in Quarters 3 & 4 2018/19). The report explained during 2018, Live Borders developed a new strategic plan for the period 2018 – 2023 which was approved by their Board in February 2018. The Strategy contained a new vision ("*Everyone living in, working in, and visiting the Borders will be healthier, happier and stronger*") and 6 strategic goals that are aligned to the outcomes specified in the contract:
- i. Expand levels of participation
 - ii. Grow earned income
 - iii. Develop plural funding streams
 - iv. Build on reputation for great customer service
 - v. Create a sustainable charity
 - vi. Nurture staff to be proud of what they do

The table contained in the report showed how the Strategic Plan goals would assist Live Borders in working towards the 6 outcomes in the contract with SBC. A range of Key Strategic Indicators (KSI) had been developed under the 6 strategic goals, along with a range of financial measures presented in Appendix 1 to the report. Ewan Jackson, Chief Executive and Linda Ross, Director of Business Development were present to answer Member's questions.

**DECISION
NOTED:-**

- (a) the changes that had been made to Live Borders' performance reporting; and**
- (b) Live Borders' performance and the action being taken to maintain and improve performance.**

11. LOCAL HOUSING STRATEGY 2017-22 YEAR 2 PROGRESS

There had been circulated copies of a report by the Service Director Regulatory Services which provided an overview on the Annual Progress report setting out what had been achieved in the delivery of year two of the Local Housing Strategy, a copy of which was appended to the report, and sought the Committee's endorsement to submit to Scottish Government. The report explained that the Housing (Scotland) Act 2001 placed a statutory requirement on local authorities to develop a Local Housing Strategy, supported by an assessment of housing need and demand. The Strategy set out the strategic direction for housing investment and service delivery in the Scottish Borders for 2017-22 and was informed and developed through extensive research and consultation with partners and the wider community. The LHS was approved by Scottish Borders Council and submitted to the Scottish Government in September 2017. The Council and its partners had made good progress since the LHS was formally approved by Council. Work in 2018/19 included the delivery of 192 new affordable homes, the submission of a very ambitious Strategic Housing Investment Plan underpinned by up to £162m of investment, development of a new Rapid Re-Housing Transition Plan, the establishment of a new Homelessness and Health Strategic Partnership and a Borders Home Energy Forum, the development of a new Housing Needs Action Plan for Young People, a draft Affordable Warmth Strategy and 94 major adaptations being completed, are just some of the main achievements over the last year. Members welcomed the good work being carried out

DECISION

- (a) NOTED the progress made in delivering on the Strategic actions as set out in the appended Annual Update Report and Monitoring and Evaluation Matrix.**
- (b) APPROVED the submission of the Annual Report and Matrix to the Scottish Government.**

12. AFFORDABLE WARMTH AND HOME ENERGY EFFICIENCY STRATEGY

There had been circulated copies of a report by the Services Director, Regulatory Services which sought endorsement of the Affordable Warmth and Home Energy Efficiency Strategy, which had been developed to support Local Housing Strategy Priority 2: More people live in good quality energy efficient homes. The report explained that the Housing (Scotland) Act 2001 placed a statutory duty on Local Authorities to develop Local Housing Strategies that aim to ensure that, "so far as reasonably practicable, persons do not live in fuel poverty." This obligation related to housing in all tenures. The Local Housing Strategy (LHS) 2017-2022 was the Council's key strategic document for planning and delivering initiatives to reduce fuel poverty and improve home energy efficiency. Priority 2 of the LHS is that "More people live in good quality, energy efficient homes". The new LHS 2017-22 identified a need to develop a new Fuel Poverty and Home Energy Efficiency strategy to support the delivery of actions under LHS priority 2, in particular those which address the following policy issues:

- National fuel poverty target (2016) and links to energy efficiency
- Housing's contribution to climate change; and
- Meeting the Energy Efficiency Standards for Social Housing (ESSH).

The Affordable Warmth and Home Energy Efficiency Strategy covered the period 2019-23. The vision was that 'more people live in energy efficient and affordably warm homes'.

DECISION

- (a) **AGREED to endorse the Strategy and the implementation of the Action Plan where there were no additional financial resource implications.**
- (b) **NOTED that officers would bring back proposals relating to those actions identified as potentially having resource implications.**

13. **IMPLEMENT THE USE OF MISSING SHARES TO ENABLE COMMON REPAIR**

There had been circulated copies of a report by the Service Director Regulatory Services which sought approval to implement the missing share power under section 50 of the Housing (Scotland) Act 2006 to enable essential common repairs to proceed. The Chief Planning Officer reported that there was a serious disrepair problem re-emerging within our built environment. Scotland's private housing stock was deteriorating because of the lack of regular and on-going maintenance and repair. The Scottish House condition survey reported that almost 60% of dwellings in the Scottish Borders had disrepair to 'critical elements' of their fabric, two thirds of which were in need of urgent attention (Scottish Government 2019). These covered building elements critical to ensuring weather tightness, structural stability and preventing the deterioration of the property. Scottish Borders Councils Scheme of Assistance promoted the Scottish Government principle that homeowners had the primary responsibility for maintaining and repairing their own homes. It was proposed to implement the scheme as a pilot project over a 2 year period, targeted on Hawick Conservation Area, which would supplement the approved Conservation Area Regeneration Scheme. The Council would seek to recover missing share payments including associated administrative expenses and interest. It was proposed to carry out a review at the conclusion of the pilot scheme to inform the potential for the Missing Shares Scheme being rolled out to the private sector throughout the Borders. Members welcomed the proposal but requested that an earlier update be provided as there was a desire to extend this more quickly than was suggested in the report. The Chief Planning Officer suggested that he could provide a progress report at the end of the financial year and this was accepted.

DECISION

AGREED;-

- (a) **the pilot project to implement the use of Missing Shares to enable essential repairs to proceed in Hawick, and**
- (b) **that a report be brought back to the Executive Committee at the end of financial year 2019/20 on the progress to allow consideration of a wider rollout of the project throughout the Borders.**

14. **ANNUAL TAXI FARES REVIEW**

With reference to paragraph 9 of the Minute of 16 April 2019, there had been circulated copies of a report by the Service Director of Regulatory Services. The report advised Members of the recent public consultation undertaken in connection with the statutory review of the current scale of charges for taxi fares. The report explained that The Council as Licensing Authority was required in terms of Section 17 of the Civic Government (Scotland) Act 1982 ("the Act") to review the scales for fares and other charges in connection with the hire of a taxi at intervals not exceeding 18 months of the last review. The report presented in April recommended an increase in current taxi rates of 3.7% and that rate was determined by the application of the Council's established process/formula. Following agreement the Council had undertaken a public consultation on the newly proposed rates, details of which contained in the report. Members were

disappointed with the response to the consultation and some members felt that there should be no increase.

VOTE

Councillor Weatherston, seconded by Councillor Mountford, moved that the recommendations contained in the report be approved.

Councillor Jardine, seconded by Councillor Tatler, moved as an amendment that the current charges remain in place.

On a show of hands members voted as follows:-

Motion – 5 votes

Amendment – 2 votes

The Motion was accordingly carried

While agreeing the increase in fares it was noted that the fares structure was more complex than in other local authority areas. The Passenger Transport Manager advised that as reviews were carried out every 18 months this would give him time to engage with Taxi Operators on this matter. He also highlighted that there was no Taxi Officers Association which made engagement more difficult.

DECISION

(a) NOTED the responses received.

(b) AGREED that:-

- (i) the proposed increase of 3.7% remained appropriate; and**
- (ii) the fare structure be considered as part of the next review.**

The meeting concluded at 12.30 p.m.

STREET NAMING AND NUMBERING - OXTON

Report by Service Director Customer and Communities

EXECUTIVE COMMITTEE

17 September 2019

1 PURPOSE AND SUMMARY

- 1.1 This report proposes that the Executive Committee agree the naming of a new street in Oxton as the Developer, Local Members and Community cannot reach agreement on the preferred name.
- 1.2 In terms of section 97 of the Civic Government (Scotland) Act 1982 the Council have responsibility for the naming and numbering of streets. This process is undertaken by staff in the Democratic Services Section and involves consulting with the local Members, community councillors and developers. Names of streets are usually agreed by consensus so the involvement of the Executive Committee is not required. However, in this case agreement cannot be reached so in terms of the Scheme of Administration the Executive Committee are being asked to make the final decision.
- 1.3 The developer has proposed "The Larches" as his preferred street name as he feels this best reflects the type of dwellinghouses he is constructing and the local Members and the community prefer "The Sidings" given the proximity of the development to the former railway line.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee agree the new street name for this development in Oxton as either "The Larches" or "The Sidings".**

3 BACKGROUND

- 3.1 The Council's power to name and number the roads in its area stems from section 97 of the Civic Government (Scotland) Act 1982 which states that "a local authority may, in relation to any road in their area, give such name to it as they think fit and give each of the premises in it such distinguishing number as they think fit; alter that number when necessary; and require the owner of each of the premises, by notice served on him, to affix or paint that number on his premises so that it is readily legible from the nearest part of the public place giving access to the premises".
- 3.2 This function is carried out by staff in the Democratic Services Section within the Customer and Communities Department.
- 3.3 When a developer is constructing a new development they contact the Council to undertake the process to name the new street. The normal practice is for the local Members and the relevant Community Council to be consulted on the naming of the street. The developer can make a suggestion and this will be part of the consultation process. In the majority of cases consensus is reached and the street is named. Where consensus cannot be reached the final decision lies with the Executive Committee.

4 NEW DEVELOPMENT IN OXTON

- 4.1 In July the developer of a new 5 dwellinghouse development in Oxton got in touch with the Council regarding the allocation of a name and numbering for the aforesaid development. The developer proposed that this new development be named 1-5 The Larches.
- 4.2 Contact was made with the three local Members to obtain their views on the proposed name of "The Larches". Oxton and Channelkirk Community Council is currently in abeyance so it was not possible to contact them directly. However, there was contact between the local Members and some former members of the Community Council to try and ascertain public opinion in the village. It was at this point that the suggestion of "The Sidings" was proposed as the site was located close to the former railway line and was accessed from Station Road. This name had been proposed by the community previously and there had been some consultation with residents via social media.
- 4.3 The developer of the site does not accept that this is a suitable name for his development and considers that "The Larches" would be a more appropriate name for the type of development proposed which comprises 5 large detached dwellinghouses.
- 4.4 Where agreement cannot be reached between the Local Members, local community and the developer then the Scheme of Administration requires the Executive Committee to make the final decision.

5 IMPLICATIONS

5.1 Financial

There are no financial implications related to this decision.

5.2 Risk and Mitigations

The report fully describes all the elements of risk that have been identified in relation to this project and no specific additional concerns need to be addressed

5.3 Equalities

This proposal has no adverse impact in terms of equalities.

5.4 Acting Sustainably

There are no economic, social or environmental effects related to this proposal

5.5 Carbon Management

There is no impact on the Council’s carbon emissions related to this matter.

5.6 Changes to Scheme of Administration or Scheme of Delegation

No changes are required to the Scheme of Administration or the Scheme of Delegation as a result of this proposal

6 CONSULTATION

6.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR and the Clerk to the Council have been consulted and any comments received will be incorporated into the final report.

Approved by

Jenni Craig **Signature**
Service Director Customer and Communities

Author(s)

Name	Designation and Contact Number
Louise McGeoch	Democratic Services Team Leader

Background Papers: correspondence with the various parties

Previous Minute Reference: Nil

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

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