
HAWICK ACTION PLAN – UPDATE

Report by Corporate Transformation & Services Director

SCOTTISH BORDERS COUNCIL

29 June 2016

1 PURPOSE AND SUMMARY

- 1.1 This report provides a first opportunity for Council to discuss the Initial Hawick Action Plan, published in March 2016, and agree the priority actions that should be taken forward in the first instance.**
- 1.2 Since the announcement of the closure of Hawick Knitwear at the start of the year and the subsequent Business Breakfast workshops led by the then Minister for Business, Energy and Tourism, Mr Fergus Ewing MSP, an Initial Hawick Action Plan has been prepared. This was based on the issues and opportunities for growing the economy highlighted at the workshop held in February 2016.
- 1.3 The Action Plan is structured around three key themes which came through strongly at the Business Breakfast. The first theme focuses on making Hawick a 'Great Place for Working and Investing'. The second theme focuses on making Hawick a 'Great Place for Living and Learning' and the third strategic theme focuses on making Hawick a 'Great Destination to Visit', aiming to make a Hawick a great place to visit and stay.
- 1.4 The work is being led by a partnership of Scottish Borders Council, Scottish Government, Scottish Enterprise and Skills Development Scotland. However, it is also imperative that local businesses and other local organisations in Hawick become involved in taking forward actions and activity to support the development of the town and its economy.

2 RECOMMENDATIONS

- 2.1 I recommend that Scottish Borders Council:**
 - (a) Notes the Initial Hawick Action Plan 2016 as set out in Appendix 1;**
 - (b) Agrees that the Council should support further work with businesses in Hawick over the Summer 2016 period; and**
 - (c) Asks the Corporate Transformation and Services Director to present an update report to the Committee in Autumn 2016 setting out progress, clear priorities and actions for the**

Council, and the anticipated resource requirements, including how they may be funded.

3 BACKGROUND

- 3.1 In February 2016 the then Minister for Business, Energy and Tourism, Mr Fergus Ewing MSP, hosted a Business Breakfast in Hawick to meet with local businesses and discuss what they might do in response to the sudden closure of Hawick Knitwear and the loss of approximately 180 jobs. A range of business people from Hawick and other parts of the Scottish Borders took part in the workshop sessions to consider key issues that business faced in Hawick, as well as identifying potential opportunities for growing the economy.
- 3.2 A range of ideas and potential projects were highlighted by the gathered businesses and Cllrs Parker and Bell asked Council officers to take the feedback away and to develop appropriate elements of an action plan to address the issues. Following further meetings involving Council officers and representatives from Scottish Government, Scottish Enterprise and Skills Development Scotland, an Initial Hawick Action Plan was produced and circulated to all of the businesses and other attendees of the original Business Breakfast on 23 March 2016.
- 3.3 This was the first step in sparking a locally led response to the challenges arising from the closure of Hawick Knitwear. Since then officers have also been working to take forward some of the actions in the Initial Hawick Action Plan. However, it is also imperative that local businesses and other local organisations in Hawick become involved in taking forward actions and activity to support the development of the town and its economy. The initial Hawick Action Plan is attached at Appendix 1 and represents the first step towards a joint effort by the private, public and voluntary sector to encourage new investment and new initiatives in Hawick.

4 INITIAL HAWICK ACTION PLAN

- 4.1 The Action Plan is structured around three key themes which came through strongly at the Business Breakfast in February 2016. The first theme focuses on making Hawick a 'Great Place for Working and Investing'. As part of this, the ambition is to make sure that Hawick is a 'Connected Place' ready to do business in the modern economy. This includes digital connectivity as well as the potential extension of the Borders Railway and improvements to the A7.
- 4.2 The Plan identifies the need to create an environment to encourage economic growth. There is an action to explore the benefits of an Enterprise Zone in Hawick and consider how similar benefits may be delivered through alternative approaches. It is also planned that future business property needs should be identified and then matched with currently available property. The issue of vacant industrial and commercial property will also be tackled by researching ownership, future potential uses and gap analysis. There is also the potential to develop a business incubator and innovation centre to encourage business innovation, start-ups, growth and inward investment and it is proposed to research this potential in detail.
- 4.3 The opportunity that the development of the new flood protection scheme offers is also highlighted. The plan seeks to support the current activity that is creating an innovative plan to address the flood protection of the

town.

- 4.4 The second theme focuses on making Hawick a 'Great Place for Living and Learning'. The plan seeks to provide a suitable environment to retain school leavers and to attract new workers into the area. All of the partners need to consider how to retain young people in, and attract them back to, the Borders and ensure they have the skills local businesses need. The need for improved digital skills for all age groups came through very strongly at the Business Breakfast and is highlighted as an action to ensure that the workforce has the skills required for the digital future. The desire to ensure local training providers are delivering the courses that businesses require is also reflected in the Action Plan.
- 4.5 The third strategic theme focuses on making Hawick a 'Great Destination to Visit' and aims to make a Hawick a great place to visit and stay. The intention is to work with local businesses to identify what the tourism offer is and then agree what the gaps are and how to fill them. The opportunity to work with local tourism operators to address the issue of a lack of hotel accommodation is also highlighted. The Action Plan details the need to work with local businesses to address the issues facing the High Street, particularly shop closures and attractiveness of the buildings.

5 IMPLEMENTING THE ACTION PLAN

- 5.1 Council officers are working with national and local partners to take forward a number of the actions in the Initial Hawick Action Plan. The current focus is around the property, flood protection, digital skills and tourism topics. The Council is working with Scottish Enterprise to identify current business property needs and how that matches with the existing available property in the town. This work will establish what types and sizes of properties are required to allow local businesses to expand, and to attract new businesses to the town.
- 5.2 Linked to this, officers are also working to identify which longstanding vacant properties in the town could most readily be redeveloped to provide opportunities for new uses. Officers have begun to research the potential to develop a new business incubator and innovation centre that could act as a hub for enterprise and business start-ups in the town. All of these actions can only be successfully taken forward if there is positive input and commitment from local businesses.
- 5.3 Work is also ongoing around the development of the Hawick Flood Protection Scheme, to deliver 1 in 75-year protection for the town. There is excellent local input from businesses and the community with a major public consultation exercise planned for August 2016 with the aim to deliver an outline design by the end of 2016. The community's support over the next twelve months is paramount to the project successfully achieving the approvals in 2017 to secure Scottish Government funding.
- 5.4 The complexity of this major project means that it will be 2018 before the detailed design work is completed. In the interim, works in response to last winter's floods are also being addressed in order to increase the resilience of the town to flooding.
- 5.5 The direct defences are phase two of a three phase strategy for Hawick. The long term improvements require upstream Natural Flood Management and compensatory storage to increase the level of protection in the town beyond the 1 in 75 year level of protection that the direct defences will

provide. This could provide a level of protection that will allow development in the town within the current flood zoning.

- 5.6 The Council will work with Borders College and Skills Development Scotland to develop a coordinated programme of digital skills training for businesses and individuals, to raise the skills base. The aim is to ensure more people have higher level digital skills and that more businesses utilise higher level digital skills. Business Gateway will run workshops for businesses to ensure they are ready for digital opportunities.
- 5.7 In relation to tourism, the Council and VisitScotland will work with local businesses to help identify what the tourism offer is, agree what the gaps are and how to fill them. This will involve collating details of attractions and experiences, both existing and in development, and other essential tourist facilities. The aim is to ensure there is a strong tourist offering available to visitors and that can be used to help promote the town and attract more visitors. A workshop with local tourism businesses, and other interested businesses will be run in September 2016 to start this process. The timing reflects the challenge that tourism businesses find in committing time during the busy summer months. An independent facilitator has been identified to run this workshop.
- 5.8 In relation to the High Street, the Council has been working with Future Hawick to support actions in the town centre, aiming to improve the attractiveness of the town centre. One of the initiatives that Future Hawick has flagged as a potential benefit to the town is the use of the Council's new powers under the Community Empowerment Act 2015 to introduce additional reliefs from non-domestic rates for businesses. Recognising the significant challenges faced by Hawick High Street in terms of footfall and vacancy rates, Council officers have been working with Future Hawick to identify how these new powers could best be used to facilitate the regeneration of the High Street. Work to build up a case for a trial Local Relief Scheme will continue over Summer 2016.
- 5.9 The actions outlined above are being taken forward by the public sector with some input from local businesses. The Council is taking positive role in helping to develop the Action Plan and securing the commitment and engagement of its Community Planning Partnership partners and the Scottish Government. However, as already highlighted, it is crucial that local businesses and other local organisations in Hawick also get practically involved in a positive way with this work. There is a clear opportunity for them to take forward further actions and activity, and to be a positive voice in support of the development of the town and its economy.
- 5.10 The ongoing challenges facing Hawick were highlighted by the recent announcement by Peter Scott Knitwear that it is considering the closure of its manufacturing operation in Hawick, with the potential loss of a further 50 jobs. There is a risk that a self-fulfilling negativity is becoming entrenched in the community. It is imperative at this time that all those with an interest in the future of Hawick work together to build a more positive image and culture of self-belief for the town. This needs to be a feature of the Action Plan.

IMPLICATIONS

Financial

- 6.1 The actions in the Initial Hawick Action Plan require to be properly resourced if they are to be effectively delivered. Officers are working on detailed delivery plans that will assess costs and potential sources of funding as well as the staff resource required. Some of the actions will be delivered within existing schemes and have budgets and staff resource already in place. Additional funding will have to be secured from a range of sources for the majority of the projects, including through the Council's annual financial planning process. It is likely that both revenue and capital funding will be required. The Economic Development service has identified an initial £25,000 allocation to support the Action Plan and this will be used to draw down support from other partners in the first instance.

Risk and Mitigations

- 6.2 There is a reputational risk to the Council if it does not support the Initial Hawick Action Plan and help to implement the actions set out in the plan. This risk is mitigated by the positive role that the Council is taking in helping to develop the Action Plan and securing the commitment and engagement of its Community Planning Partnership (CPP) partners and the Scottish Government. The CPP's Economy and Low Carbon Theme Group will monitor progress in relation to delivery of the Action Plan. There is also a risk to the successful implementation of the Action Plan if local businesses and the community do not engage in the projects and provide positive support for the initiative. This will be mitigated by engaging businesses in workshop activity and also encouraging local organisations such as Future Hawick to positively support the plan.
- 6.3 There is a risk that the Hawick Flood Protection Scheme will receive objections to the proposals and if they cannot be cleared it would lead the project towards a Public Local Inquiry. The time involved in this process could take the project beyond the current Scottish Government Funding window, which would mean that it could be delayed until 2022 and have to compete for funding with the Grangemouth protection project. This risk is being mitigated as far as possible with public engagement sessions and community meetings in advance of the main Public Exhibition in August 2016. The information gained from this process will shape the Outline Design, prior to the approvals process.

Equalities

- 6.4 It is anticipated that an Equalities Impact Assessment would be required in relation to the individual projects as they are developed in order to ensure that there are no adverse impacts due to race, disability, gender, age, sexual orientation or religious/belief arising.

Acting Sustainably

- 6.5 The Initial Hawick Action Plan aims to make the economy of the town more sustainable by improving its connectivity, its business infrastructure, the level of local skills and the tourism offering. If it helps to secure additional economic activity and growth it will have contributed to the sustainability of the local economy and community.

Carbon Management

- 6.6 Some of the actions contained in the Initial Hawick Action Plan could have a positive impact on carbon emissions, particularly those actions that lead to the development or redevelopment of aging or vacant industrial properties.

Rural Proofing

- 6.7 The Initial Hawick Action Plan focuses on the town of Hawick but it is acknowledged that some of the actions, especially relating to digital connectivity could have a positive impact on the rural areas surrounding the town.

Changes to Scheme of Administration or Scheme of Delegation

- 6.8 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 Chief Officer HR and the Clerk to the Council have been consulted and their comments incorporated into the report.

Approved by

Rob Dickson
Corporate Transformation
and Services Director

Signature

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Background Papers: None

Previous Minute Reference: None

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