

EXECUTIVE – 12 MAY 2015

Economic Development Update

1. Business:

- For the period to 31 March 2015 the **Business Gateway team worked with 670 businesses and individuals**, and assisted 225 business start-ups, of which 27 have the potential to be high growth. The advisers have delivered 84 start-up workshops and 76 local workshops with 1000 (exactly) attendees. The workshop numbers include our first series of half day business start-up outreach workshops that have allowed the team to have a visible presence across the area.
- Business Gateway is running a series of 5 Masterclass and networking events in 2015, on Marketing, Social Media, Motivation, Innovation and Sales. These are being organised in locations across the Borders, the first on 30 April has 70 attendees booked with similar numbers already signed up for the next Masterclass. The aim is to bring quality speakers to the area to provide information to businesses and an opportunity to network.
- In 2014-15, the **Scottish Borders Business Fund** received 64 applications and approved 51 grants valued at £132,300 supporting projects with a value of around £316,000. These projects are forecast **to create 98 jobs and safeguard 167 jobs** with a forecast **economic impact of £2.3 million GVA**.
- The Scottish Borders Business Loan Fund offers loans of between £1,000 and £20,000 over terms of up to three years. In 2014-15, the **Scottish Borders Business Loan Fund** received nine applications and approved six loans valued at £71,600. These loans are forecast **to create 31.5 jobs and safeguard 41 jobs** with a forecast **economic impact of £747,000 GVA**.
- **Property** – 178 property enquiries were received in 2014/15 which is an increase of nearly 20% on 2013/14. Enquiries resulted in 30 new property leases which will generate £158k in annual rental income. The current occupancy level is **91%** for the portfolio of industrial units, yards and shops. So far this year there have been 11 property enquiries and 4 new leases.
- **Employer Recruitment Incentive - Youth Employment Scotland Scheme** – The Youth Employment Scotland Scheme funded by the Scottish Government and EU funding has supported 156 placements since the Scheme was launched in October 2013 up to March 2015. The Council is currently evaluating the impact of the Scheme and considering options to extend similar support for businesses and young people.

2. Regeneration:

- **Galashiels Town Centre** – recent activity includes Retail Merchandising support to traders by John Lewis, the launch of a new shop window display in Douglas Bridge to house a countdown clock for the railway, and support being given to a

new social enterprise which plans to run a market in Channel Street. Shop front improvement grants totalling £14,300 have been approved, covering 7 properties, 2 of which are vacant. The Events Development Strategy is progressing with a second workshop planned for 30 April to work up more details for additional events in Galashiels.

- **Selkirk Business Improvement District (BIDS)** – The Steering Group is progressing their two BIDS for the town centre and the Ettrick Riverside area. The estimated revised ballot date is February 2016. The next steps in the BIDS development process involve extensive business and community engagement, the development of a robust business plan and the implementation of a formal ballot process.
- **Burnfoot Community Hub** – The construction phase continues to progress well, with over 50% of the contract having been delivered. It is on budget and at present has an anticipated completion date of September 2015. The Scottish Government Regeneration Capital Grant Fund, accessed via Scottish Borders Council, is expected to be fully expended by end of June 2015. Further work is ongoing to develop the operational delivery plan for the hub. This plan will aim to provide a vibrant and well structure programme of activity for the first 6 months of operation.
- **Newlands Community Development Trust (NCDT)** was awarded (via SBC) £245,277 from the Scottish Government Regeneration Capital Grant Fund in November 2014. The grant will fund the full costs of the Newlands Rural Business Units Project, a project which will see the conversion of the old and disused Newlands Memorial Hall into 3 rural business spaces. The grant will pay for site preparation works, external refurbishment, windows, doors, internal fit out of three spaces, new toilets, kitchen, professional and statutory fees. NCDT is currently in discussion with SBC to plan the most appropriate procurement route. Design Team and Works Contact are expected to be in place by August with a start on site by September 2015.
- **Chirnside Development Group (CDG)**: SBC has completed the first asset transfer of an operating community centre passing it into community control, via a 10 year lease. CDG has worked for a number of years to raise funds to take control of the building and its services – a large Church building in the centre of the village. CDG has now secured just under £400,000 from a variety of sources. The majority funder is the Big Lottery Fund (£250k) but the funding package includes SBC Landfill Communities Fund, SBC Community Grant Scheme, Planning Gain, Robertson Trust and Fallago Environmental Trust. The project will see the full refurbishment of the internal space, new layout, heating, toilets, community kitchen and small extension. Work started on site on 21 April.

3. Tourism & Events

- **Tourism support –**
 - Tourism and Leisure Solutions were awarded the contract to deliver the Tourism Destination Audit for Midlothian and the Scottish Borders. The final report will be delivered on 8 May.

- Officers met with 2 bus operators, Rabbies and Austin Travel, to discuss plans to support the STEAM train experience pilot from September for 6 weeks.
- A meeting with World Host trainers “People 1st” took place in April. Scottish Borders Tourism businesses will discuss becoming World Host accredited and options for subsidy through Skills Development Scotland at their meeting on 3 June. There were also discussions around using the World Host ambassadorial scheme to support volunteers from Energise Galashiels for a ‘welcome host’ project.
- Signage: Newcastleton Fingerposts (x2) for 7stanes, cycling and walk trails are now in place along the riverside in the village for the start of the season. The Jedburgh Visitor Information boards have been agreed by the group and are now in production ready for installation at the end of May. Two community councils in Jedburgh are looking at the signage on the Carter Bar. They are aiming to update the existing historic panel and adding a visitor information panel with the support of Economic Development.
- Estates officers received a note of interest for the development of Wilton Lodge Caravan Park in Hawick. An informal meeting with developers has been held.
- **Borders Railway Opening Celebrations Committee** – Two day celebration event progressing well, (4 & 5 September. VIP day and Golden Ticket Saturday. Platform 2 secured at Waverley Station for 8 days throughout September for a food & drink/ arts & crafts fair/ performance & culture, with VisitScotland Pod to provide destination marketing. The showcase will promote Scottish Borders, Midlothian and Edinburgh. Local events developed by communities around the opening are being supported. Economic Development are supporting Golden Ticket day, including welcome receptions.
- **Event support –**
 - Cycling event support is continuing, with the growth in the number of events planned to continue. The cycle scottish borders website and related social media is supported through this. Support for cycling events in the Borders from EventScotland National fund is £53k for 2015. Potential AIMUp development and existing events (Tour o’ the Borders / Tweelove etc.) and products (7 Stanes) demonstrate the possible requirement for an ambitious cycling strategy for the Scottish Borders addressing infrastructure, events, promotion, transport, tourism and cycle friendly business support.
 - Melrose 7’s has been successful in obtaining ‘beacon funding’ from EventScotland to assist in promoting the event over the next three years and developing plans around the Borders Railway transport links.

Item No 5

- The Borders Book Festival is receiving ongoing support with the event receiving business planning and event development assistance, which will be ongoing due to financial pressure in the festival.
- Galashiels Event Development support – linked to the Borders Railway and town centre regeneration activity, a consultant is now working with the '**Galashiels Events Group**' a sub group of Galashiels 2020.
- The SAG (Safety Advisory Group) continues to support regional events. There are currently 33 events participating in the process for 2015. All of the Common Riding Festivals are now attending and working on event plans etc.

4. Funding:

- Volunteers for the new LEADER Local Action Group are currently being recruited. The recruitment process for a new LEADER Coordinator will commence shortly, and it is likely that the Programme will now be launched in autumn 2015. It is considered unlikely that the Government's new IT system for LEADER applications and implementation will be fully functional until the end of 2015, putting the first round of LEADER applications back to early 2016.
- Scottish Government plans for the launch of the European Maritime Fisheries Fund (EMFF) 2014 – 2020 have been delayed. Marine Scotland is now considering implementing local development funding on a regional basis. It is unclear at present what impact this may have on the level of funds allocated to each area.
- The Council has the opportunity to access funding from the **European Social Fund (ESF)** to support a local 'Employability Pipeline', youth employment and poverty and social inclusion activities. An initial bid will be submitted in May 2015, although the scale of the bid will be dependent on the availability of future match-funding.

5. Property & Projects:

- **Strategic Employment Land Project: Coldstream** – Tenders for the final phase of the project were returned on 9 February and the contract was accepted on 19 February. Work on the site started on 9 March and completion expected by June 2015.
- **Gunsgreenhill Industrial Estate Extension (Seafood Technology Park) Eyemouth** – The physical contract works are completed, with only grass seeding to be commenced. Final completion is expected by June 2015.

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