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## **SCOTTISH BORDERS ECONOMIC STRATEGY 2023 – ACTION PLAN REFRESH**

**Report by Service Director Strategy & Policy**

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### **EXECUTIVE COMMITTEE**

**9 June 2015**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 **This report seeks approval of the updated Action Plan for the Scottish Borders Economic Strategy 2023, which was originally agreed in May 2013.**
- 1.2 The Economic Strategy sets out the vision, strategic aims and objectives that will provide the focus for our efforts to ensure sustainable economic growth for the Scottish Borders. The associated Action Plan sets out in detail how the Community Planning Partnership will deliver the outcomes identified in the Economic Strategy.
- 1.3 The Action Plan has now been updated and refreshed to reflect the progress that has been made in delivering actions. It also includes new actions that respond to the changing economic demands of the area and the ongoing opportunities that arise. The refreshed Action Plan is set out in Appendix 1.

#### **2 RECOMMENDATIONS**

- 2.1 **I recommend that the Executive Committee:**
  - (a) **Notes the positive progress made in relation to the actions in the Economic Strategy Action Plan; and**
  - (b) **Agrees the refreshed Action Plan for the Scottish Borders Economic Strategy 2023, as set out in Appendix 1.**

### **3 ECONOMIC STRATEGY 2023 - BACKGROUND**

- 3.1 The Economic Strategy was prepared in order to set direction for the activity of the Community Planning Partners. It was agreed by Community Planning Partners at the Strategic Board in June 2013. The Strategy consists of three documents, an Economic Profile, an Economic Strategy document and an Action Plan. The Economy & Low Carbon Project Team agreed to refresh the Action Plan as it is now almost two years old. The refreshed version of the Action Plan is set out in Appendix 1.
- 3.2 The Strategy sets out the vision, strategic aims and objectives that will provide the focus for our efforts to ensure sustainable economic growth for the Scottish Borders. The agreed vision is:
- “By 2023 the Scottish Borders will be amongst the best performing and most productive rural economies in Scotland. By supporting existing businesses and encouraging higher value economic activity, our quality of life will increase. The Borders will become a location of choice for growing businesses and for people to live and work.”
- 3.3 The four strategic aims are derived from the analysis in the Economic Profile and reflect the particular opportunities and challenges that the economy of the Scottish Borders faces. The four strategic aims are: 1. Creating the conditions for businesses to compete; 2. Building on our assets; 3. Developing the workforce of the future; 4. Providing leadership.

### **4 ACTION PLAN – PROGRESS UPDATE**

- 4.1 The Action Plan acknowledges the need to demonstrate ambition and aspiration whilst at the same time recognising the resource constraints in the public sector, now and in the future. The original Action Plan set out those actions which had resources and were part of planned activity by CPP partners and those actions which were part of a 'Project Pipeline' where resources had still to be identified. Since the Strategy was published in June 2013, good progress has been made on the 'resourced' actions and many of the 'Project Pipeline' actions have also been positively progressed.
- 4.2 Overall, good progress has been made in relation to the resourced actions. Examples include the first 'live' fibre cabinets for the Superfast Broadband project which will continue to roll-out over the next four years. The completion of employment sites at Lauder and Duns is welcome after a number of technical delays. The activity of partners and communities around Homecoming 2014 has also been very positive. In relation to people and skills the fall in the 18-24 unemployment rate is also positive for the area.
- 4.3 Good progress is also being made on the Borders Railway Blueprint projects, where a significant range of actions are being delivered in the run up to the opening of the Railway in September 2015. Significant additional financial resources have been identified, particularly for tourism related initiatives and new business property. More focus and effort is being targeted at 'Developing the Young Workforce' in order to help prepare young people more effectively for the world of work. Finally, although the Superfast Broadband programme will cover approximately 94% of premises in the area, more work is required to address connectivity for the remaining premises in the most rural and remote areas. Linked to this, mobile phone connectivity remains an issue in many parts of the Borders and the positive progress being made with UK and Scottish Government may only address relatively small areas.

- 4.4 Working together through the Economy and Low Carbon Theme Team, partners have focused on the Action Plan and delivered well, especially considering the limited resources available for some of the actions. For example, the work that the Council and Scottish Enterprise undertook during 2014/15 to develop a programme of strategic economic development interventions for the South of Scotland has been successful in drawing additional resources into the area for some key projects. The progress made with the 'Borders Guarantee' will be further enhanced with the work that the Learning and Skills Partnership is currently developing to ensure that schools, businesses and the College respond positively to the challenges set by 'Developing the Young Workforce'.

## **5 IMPLICATIONS**

### **5.1 Financial**

- (a) The Council's revenue and capital financial plans include resources that will contribute to achievement of some of the objectives of the Scottish Borders Economic Strategy 2023, for example, transition to a Low Carbon Economy and South of Scotland Next Generation Broadband. The refreshed Action Plan (Appendix 1) has been laid out to highlight which projects are currently resourced (those highlighted by a tint) and which are currently in the 'Project Pipeline' (no tint) and are not currently funded. The projects covered by the green tint have been successfully completed.
- (b) It is only possible to provide broad cost estimates for some of the projects that are in the Project Pipeline. The Council, and its Community Planning Partners, will need to decide which of the actions identified in the Project Pipeline will be of a high enough priority to justify targeting resources towards them. The financial implications of the Action Plan will require to be considered alongside other priorities and be reflected in future capital and revenue plans in line with available resources. It should be noted that limitations on future public spending may place significant constraints on the delivery of the Action Plan. In view of this it is expected that the Action Plan will require to be reviewed and updated regularly to allow it to reflect shifting priorities and resources.

### **5.2 Risk and Mitigations**

There is a risk to the Council of not ensuring there is an up to date Economic Strategy in place for the Scottish Borders because it helps to guide the activity of the Council and its Community Planning Partners. It also provides a strong basis for future lobbying and funding bids to various external sources. This risk is mitigated by approving, and regularly reviewing the Action Plan and Strategy.

### **5.3 Equalities**

An updated Equality Impact Assessment (EIA) is required for the Action Plan to take into account the new actions that have been proposed.

### **5.4 Acting Sustainably**

The Scottish Borders Economic Strategy 2023 has sustainable economic growth at its core. It also highlights the development of a Low Carbon Economic Strategy as one of its Objectives, supporting one of the key Scottish Government targets over the long term. As a key strategy for the Scottish Borders the document was considered in relation to the Strategic Environmental Assessment regulations.

**5.5 Carbon Management**

There are no direct implications for the Council’s carbon emissions from this proposal. The Strategy does highlight the transition to a Low Carbon Economy as one of its objectives, and the Council will have a role, along with other local organisations and businesses in contributing to that objective.

**5.6 Rural Proofing**

Rural Proofing is not required as the proposals do not relate to an amended Council policy or strategy. The Scottish Borders Economic Strategy 2023 will not have an adverse impact on the rural area.

**5.7 Changes to the Scheme of Administration or Scheme of Delegation**

There are no changes to be made to the scheme of delegation.

**6 CONSULTATION**

6.1 The Chief Financial Officer, the Service Director Regulatory Services as Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the report.

**Approved by**

**David Cressey**  
**Service Director Strategy & Policy**

**Signature .....**

**Author(s)**

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**Background Papers:** None

**Previous Minute Reference:** Scottish Borders Council, 30 May 2013

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

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