

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE COMMITTEE held in Council Chamber, Council Headquarters, Newtown St Boswells, TD6 0SA on Tuesday, 6th November, 2018 at 10.00 am

Present:- Councillors S. Haslam (Chairman), M Rowley (Chairman – Economic Development), G. Edgar, E. Jardine, T. Miers, S. Mountford, R. Tatler and T. Weatherston

Also present:- Councillors Bell, W. McAteer, S. Marshall and N. Richards

Apologies:- Councillors S Aitchison (Vice-Chairman), C. Hamilton, G. Turnbull

In Attendance:- Executive Director (R. Dickson), Chief Officer Economic Development, Democratic Services Team Leader, Trainee Democratic Services Officer (E Graham)

ECONOMIC DEVELOPMENT BUSINESS

Present:- Mr J Clark (Borders Chamber of Commerce), Mr G Clark (Federation of Small Businesses)

1. **CHAIRMAN**

Councillor Rowley chaired the meeting for consideration of the Economic Development business.

2. **ECONOMIC DEVELOPMENT UPDATE**

- 2.1 With reference to paragraph 3 of the Minute of 17 April 2018, there had been circulated copies of a briefing note providing an update on recent Economic Development activities. The Chief Officer Economic Development, Mr McGrath, summarised the main points. With regard to business activity during the quarter, Business Gateway had assisted 129 business start-ups and 11 of these had met the new classification of “Early Stage” growth. Advisers had delivered 22 Start-up workshops and 22 Growth workshops to 418 attendees. Business Gateway was promoting services available and in total 67 Intermediary visits had been held. Further General Data Protection Regulation (GDPR) Masterclass workshops were held during the period. Business Gateway Advisers had facilitated 10 Digital Boost 1-2-1s for clients with another 10 pending, against a target of 15. The Scottish Borders Business Fund had received 17 applications between 16 March 2018 and 15 October 2018. 10 grants to the value of £33,409.56 had been approved with a forecast economic impact of £325,373.50 GVA and potential creation of 14 jobs. For the same period, the Scottish Borders Business Loan Fund approved 3 applications and approved 1 loan to the value of £20,000 with a forecast economic impact of £21,790 GVA and potential creation of 0.5 jobs.
- 2.2 Regeneration updates were set out as part of the Town Centre Regeneration Action Plan 2018/19 with the Hawick Conservation Area Regeneration Scheme (CARS) details provided at paragraph 4 below. Mr McGrath advised Members that the Selkirk CARS scheme would be completed in late Spring 2018 and related Town Centre Streetscape project and Court House stonework repairs completed over the Summer / Autumn 2018. An Economic Impact Appraisal had been undertaken as part of the final assessment for the project which highlighted a number of points that showed the impact and evidence of the identified work to justify future regeneration schemes. Selkirk BID scheme was at

implementation stage and had established a new Selkirk Business Improvement District Board with 7 town centre businesses represented. The conservation scheme in Jedburgh had just started with the first funded repair projects on site in Jedburgh with more to follow in Autumn 2018. Hawick Business Growth Project planning and development work was well underway. A planning application had been submitted for the demolition of the former Armstrong's department store building and two former church buildings in Teviot Crescent to seek approval to create a new three-storey building. The new Hawick Textiles Training Centre for Excellence aimed to tackle a critical skills shortage in textile companies. A new Centre Manager started on 5 November 2018 and progress was well underway to make a real impact for Hawick and the Scottish Borders. Hawick Marketing Project was a new initiative led by a Steering Group made up of local businesses which was a positive step forward to highlight partnership and good engagement. Three applications had been submitted at the first stage of the application process for the Scottish Government Regeneration Capital Grant Fund 2018 which was aimed to provide new and/or improved infrastructure. The deadline for the second stage was early December 2018 and notification would be given to applicants of funding recommendations by the end of February 2019. BID for Galashiels was progressing well with their final electioneering campaign to the run-up to the ballot on 29 November 2018. Tweed Valley Tourism BID had appointed 2 part-time managers and aim to progress to ballot in October 2019.

- 2.3 Mr McGrath reported that Scottish Borders Council had been successful in their application to the VisitScotland Rural Tourism Infrastructure Fund for improvements to the Eildon Hill upland pathways. Work was planned for new visitor welcome signage for both Galashiels and Selkirk Town Centres. The Council had supported a number of strategic events over the Spring and Summer of 2018 to develop and increase visitor numbers and economic impact. European Funding was available through the Scottish Borders LEADER and European Maritime Fisheries Fund 2014-2020 programmes. Applicants whose grant funding was agreed and contracted by June 2019 would be able to complete their projects.
- 2.4 Property enquiries received to date were 99 and had resulted in 21 new leases which would generate £73.7k in annual rental income for the Council. Occupancy levels for the last quarter (July to September 2018) were 87%. In response to a question on the cost of disposal of the properties, Mr McGrath responded that he would provide this information for the Committee. It was noted that although it had previously been agreed to refresh the Scottish Borders Economic Strategy 2023 it was now considered that it was no longer appropriate to carry out a full revision of the strategy due to the extensive work and significant uncertainties around the economic impact of Brexit. However, it was proposed to update the action plan. An updated action plan would be submitted to the Executive Committee at their meeting on 29 January 2019.
- 2.5 Mr Dickson and Mr McGrath answered Members questions on a number of matters. With regard to the dangerous building in Jedburgh it was noted that the Council were working with partners to resolve the issue and a meeting had been held with Ward Members to discuss the way forward. With regard to the timescales around the works in Hawick Members were advised that this was in the planning process and once approved the timeline to deliver would be finalised. A "Made in Hawick" Project Manager had been appointed and met with a number of businesses to develop a website and social media around the campaign. In response to a question on progress with the proposed distillery in Jedburgh, Mr Dickson advised he would obtain an update for Members. Concerns were expressed that the CARS Scheme in Selkirk still had a number of minor works outstanding and it was agreed they would be taken back to the Project Manager for completion in advance of the official opening. With regard to progress on the Great Tapestry of Scotland Building it was reported that work was progressing positively and within the next 2 weeks the tender would be awarded for the construction work.

DECISION

NOTED the update.

3. BUSINESS GATEWAY ANNUAL REPORT AND SERVICE UPDATE 2018-2019

3.1 With reference to paragraph 2 of the Minute of Executive Committee dated 19 September 2017, there had been circulated copies of a report by the Executive Director which summarised the Business Gateway service's performance in 2017/18 and provided details of the targets set for 2018/19. Business Gateway offered information, advice and guidance to people who were considering starting a business or growing their existing business. It was a national service with built-in local flexibilities. 2017/18 had seen a good performance on start-up and the lower end growth targets. Account Management targets were also again met, although some difficulties were encountered in the mid-range growth targets. The new classification of Early Stage Growth allowed additional support to new businesses employing staff. The plan for 2018/19 was to continue to use the European Regional Development Fund to deliver Growth activity. This funding paid for 2 additional advisers and allowed for consultants to be funded assisting businesses with development projects. The focus on geography continued with advisers being allocated by locality. Emphasis continued to be applied in the areas of Exporting and Innovation for local businesses. In the next 12 months, Business Gateway would continue to deliver against the agreed National Service Specification and would aim to achieve the outcomes set out in the ERDF operation plan. In order to continue to build on the quality performance of the service, a series of actions would be implemented during 2018/19 as part of a Performance Improvement Plan.

3.2 The start-up service provided by the team continued to be well received from those thinking of starting a business in the Scottish Borders. In 2018/19, the Start-up and Growth teams would continue to have dedicated advisers. Workshops and events held had allowed the Business Gateway service to be delivered to a wide audience of businesses. In order to continue to build on the quality performance of the service, a series of actions would be implemented during 2018/19, as part of a Performance Improvement Plan. These were shown in Appendix 1 of the report. Mr McCreadie answered Members questions and noted the request to expand on the export figures and on any barriers. The workshops held included the export association explaining the benefits of exporting to address the issues and that tourism could also be classed as exporting. There was no common theme on why businesses did not develop in the area although there were difficulties working in a rural environment. In response to a question on whether we had a suitable workforce it was noted that the new Textile Centre in Hawick, work with Borders College and Skills Development Scotland were designed to address this.

DECISION

AGREED:-

(a) **to acknowledge the strong performance and positive impact of the Business Gateway service in 2017-2018;**

(b) **to approve the 2018-2019 targets for Business Gateway in line with the national service specification, including the proposed reporting indicators in Table 2 within the report; and**

(c) **the Improvement Plan set out in Appendix 1 to the report.**

4. HAWICK CONSERVATION AREA REGENERATION SCHEME (CARS)

There had been circulated copies of a report by the Executive Director to update the Committee on the progress of the development of a potential Hawick Conservation Area Regeneration Scheme (CARS) and to seek formal approval for a funding bid to Historic Environment Scotland (HES). Hawick town centre had declined in recent years with a significant reduction in footfall and a noticeable cluster of vacancies at the southern end of the High Street. There were a number of prominent buildings including the former Liberal Club which had deteriorated and required major external repair works. A heritage focused

regeneration proposal had been developed for Hawick following the model used for other successful heritage based town centre initiatives delivered in Kelso and Selkirk and currently in Jedburgh. The proposal would seek to begin to reverse the decline by conserving and enhancing key properties within the Hawick Conservation Area and act as a catalyst for wider regeneration in the town. Historic Environment Scotland announced Round 8 of their CARS Scheme in early Summer with a deadline of 15 November 2018. Council officers had been developing a proposal for Hawick CARS in consultation with Members as well as representatives of the Community Council, FutureHawick and Hawick Archaeology Society. The proposal included a five year programme of works from 2019/20 – 2023/24 with a total Programme budget of £1,935,000 and a Common Fund budget of £1,577,000 from the public sector. The funding application was scheduled to be submitted to Historic Environment Scotland by the required deadline of 15 November 2018 and the report sought formal approval of the submission and match funding from the Council. It was further proposed that recommendation (a) be amended to change the word “to” to “at least” in terms of the funding amount and this was agreed. Members welcomed the scheme and noted that initial discussions with property owners had been mainly positive.

DECISION

AGREED:-

- (a) to approve the proposed bid for a Hawick Conservation Area Regeneration Scheme on the basis of match funding contributions from the Council of at least £157,700 from the existing Revenue budget; and**
- (b) the funding bid be submitted to Historic Environment Scotland’s CARS Programme by the 15 November 2018 deadline.**

5. SOUTH OF SCOTLAND ENTERPRISE AGENCY - UPDATE

5.1 With reference to paragraph 7 of the Minute of Scottish Borders Council dated 31 May 2018, there had been circulated copies of a report by the Executive Director to update Members on the progress being made by the South of Scotland Economic Partnership in consulting across the South of Scotland and delivering its Work Plan. The report also provided an update on the development of the new South of Scotland Enterprise Agency. In order to prepare for the South of Scotland Enterprise Agency, the Scottish Government had set up the South of Scotland Economic Partnership (SoSEP) as an interim solution to ensure that the South of Scotland benefitted from a new approach to economic development as soon as possible. The South of Scotland Enterprise Bill had been introduced in the Scottish Parliament on 24 October 2018 with the aim of ensuring that the new Agency is operational by 1 April 2020, subject to Parliamentary approval. The Partnership had been working towards fulfilling its three purposes: to develop and deliver a clear and prioritised work programme, piloting new approaches to benefit the South; delivering a strong programme of engagement with stakeholders across the South of Scotland, to influence and inform the proposals for the new Agency; and finally influencing the design of the new Agency, offering views to the Scottish Government on options for the structure and functions of the new Agency, ensuring the Agency was responsive to, and informed by, the needs of the region. Good progress had been made across all of these activities.

5.2 The shape of the initial work plan had been considered in March this year and focussed on the public sector partners to date. The Partnership had established a process and clear criteria for assessing the development of proposals and Appendix 1 of the report summarised the projects supported. A lot of activity had taken place to deliver a strong programme of engagement with stakeholders across South of Scotland by holding a series of events across the Region. Twenty six engagement events took place during the period from April to June 2018. A formal report recording and assessing the outcome of the events had been published and was publicly available on line <http://www.sosep.co.uk/stakeholder.html>. This was a valuable supplement to the analysis

of the Scottish Government's written consultation with a copy of the consultation attached as Appendix 2 to the report. This highlighted the key messages and strengths that needed to be captured on an ongoing basis. Government focussed on the number of stages in the legislative process for the Bill and Scottish Parliament was to begin at Stage 1, where a lead Committee would be appointed to scrutinise the Bill. Councillor Rowley, along with relevant officers, would attend the Committee. Mr Dickson reported that a discussion took place on 24 August 2018 and the outcome from the consultation had been positive. In view of the significant amount of activity under way Members agreed that Professor Russel Griggs attend the next Economic Development themed Executive Committee. Members welcomed the wide range of projects that included all sizes of business and agreed that community ownership of the agency was vital to future success. In response to a question on the involvement of Community Planning Partners it was noted that this would form part of the legislation.

DECISION

(a) NOTED:-

- (i) the progress made in securing funding for key South of Scotland and Scottish Borders projects, as set out in Appendix 1 to the report; and**
- (ii) the findings of the Scottish Government's South of Scotland Enterprise Agency consultation, as set out in Appendix 2 to the report.**

(b) AGREED:-

- (i) that officers continue to work jointly with Dumfries & Galloway Council, and other partners, to deliver key actions in the SoSEP Work Plan;**
- (ii) that Councillor Rowley, Executive Member for Business and Economic Development, should represent the Council at Parliamentary Committees relating to the South of Scotland Enterprise Bill, as appropriate;**
- (iii) to invite Professor Russel Griggs, Chair of the South of Scotland Economic Partnership, to update the Committee in January 2019; and**
- (iv) to receive further reports on the South of Scotland Economic Partnership and the new Agency as work progressed.**

6. RESPONSE TO HISTORIC ENVIRONMENT SCOTLAND'S DRAFT CORPORATE PLAN CONSULTATION

There had been circulated copies of a report by the Executive Director to agree a formal Scottish Borders Council response to Historic Environment Scotland's (HES) Draft Corporate Plan, published on 31 August 2018. The Consultation proposed a new Corporate Plan for HES, to run from 2019-2022. The Council had a significant role in preserving the historic environment in the Scottish Borders and promoting economic prosperity. HES proposed five outcomes, in relation to the social, environmental, economic, cultural, and organisation facets of its work. The Consultation was appended to the report as Appendix A and a Scottish Borders Council response had been prepared and was appended to the Report as Appendix B. The Consultation ended on 2 November 2018. Through agreement with HES, a copy of the draft response had been lodged with the understanding that a finalised version be submitted, subject to Member consideration, immediately after the Executive Committee meeting on 6 November 2018. The Council's response considered a number of key points including how we would engage with Historic Scotland and promote the borders economically.

DECISION

APPROVED the draft Consultation Response appended to the Report as contained in Appendix B to the report.

7. **MINUTE**

There had been circulated copies of the Minute of the meeting of the Executive Committee held on 16 October 2018.

DECISION

AGREED that the Minute be approved and signed by the Chairman.

8. **CENTENARY FIELDS INITIATIVE**

8.1 There had been circulated copies of a report by the Service Director Assets & Infrastructure setting out the aims of the Centenary Fields initiative to commemorate World War 1, recommending 3 sites for nomination as a Centenary Field: Wilton Lodge Park, Hawick; Lower Green, West Linton; and Duns Park, Duns. Centenary Fields (CF) was a partnership programme led by Fields in Trust and the Royal British Legion to commemorate World War 1 through protecting green spaces. It had been launched by HRH The Earl of Strathearn in 2014 to mark the centenary of World War 1 and would close in 2018. CF aimed to protect at least one site (containing WW1 war memorial(s), and used for active recreation/sport/play) in each local authority area across the UK which met specific criteria relating to ownership, accessibility, land use, management and wartime heritage. This was aimed at creating a long-lasting legacy of WW1, protecting and promoting green space for recreation, increasing physical activity, promoting social cohesion and improving the environment. Upon a successful application to Fields in Trust for Centenary Field status, sites were subject to a Minute of Agreement, similar to those which were in place on all King George V Playing Fields. This safeguarded the sites for recreational use as protected green space.

8.2 Following a regional appraisal and in consultation with communities and Fields in Trust, three sites had been identified in the Scottish Borders as potentially appropriate - Wilton Lodge Park, Hawick, Lower Green at West Linton and Duns Park. Upon designation, a commemorative plaque (supplied by CF) would be installed. The site name would not change and there were no funds associated with CF status. Designation as a Centenary Field would not only protect the historic and conservation value of these sites, but would also strengthen the case to attract external funding. The management of these sites would be retained by the local authority. The report proposed that Area Partnerships for the relevant areas should also be consulted and it was agreed that the recommendation be amended to reflect this. If the outcome of this consultation was favourable then the sites would be formally nominated.

DECISION

APPROVED the nomination of Wilton Lodge Park, Duns Park and Lower Green, West Linton for Fields in Trust Centenary Field status, subject to consultation with the relevant Area Partnerships.

The meeting concluded at 11.30 am