

**SCOTTISH BORDERS COUNCIL**  
**ECONOMIC DEVELOPMENT GROUP**

MINUTE of MEETING of the  
ECONOMIC DEVELOPMENT GROUP  
held in the Council Chamber, Council  
Headquarters, Newtown St Boswells on  
13 November 2014 at 10 am.

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Present:- Councillors S. Bell (Chairman), M. Ballantyne, J. Campbell, S. Scott, B. White. Mr J. Clark, Mr G. Henderson.  
Apologies:- Councillors J. Brown, V. Davidson, I Gillespie.  
In Attendance:- Service Director Strategy and Policy, Chief Officer Economic Development, Economic Development Manager (S. Smith), Democratic Services Officer (K. Mason).

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**WELCOME**

1. The Chairman welcomed Mr Gordon Henderson, Senior Development Manager, Scotland, Federation of Small Businesses to the meeting.

**MINUTE**

2. There had been circulated copies of the Economic Development Group Minute of 11 September 2014.

**DECISION**

**APPROVED and signed by the Chairman.**

**ECONOMIC DEVELOPMENT UPDATE**

3. Copies of the Economic Development Update were circulated at the meeting. The Chief Officer Economic Development, Bryan McGrath, drew attention to the main points and answered Members' questions. Members referred to the excellent business centre in Kelso and considered this was an asset to Kelso and the whole of the Scottish Borders. It was noted, when discussions took place over the difficulties students had after graduation in setting up businesses in the Borders, that a review of Council owned property and future investment would be considered by Council in 2015. In discussing Galashiels Town Centre it was noted that a Town Centre Coordinator had been recruited, clarification of issues was required to achieve success in Galashiels, therefore it was critical that a strong group be formed to progress the initiative. Members went on to discuss the Employer Recruitment Incentive – Youth Employment Scotland Scheme and in response to a question raised by the Local Member for Berwickshire, the Economic Development Manager undertook to follow up her query as to why some people were not kept on in employment.
4. Members discussed the potential for further growth of cycling development and noted that this was a significant project which would be focussed on during the next couple of years. More expert help would be required to help with events already running and to establish future events. In regard to the Selkirk Business Improvement District it was noted that a similar venture had been unsuccessful in Peebles and it was hoped for a positive response in Selkirk. A suggestion was put forward that the ballot be sent out by recorded delivery. The Chief Officer Economic Development undertook to advise Members of where the two new inward investments businesses had come from. The Economic Development Manager advised that the Herald Business Awards would be announced in December 2014.

**DECISION**

**NOTED** the update attached as detailed in Appendix 1 to this Minute.

**SCOTTISH BORDERS ECONOMIC STRATEGY 2023 – PROGRESS AND PERFORMANCE UPDATE**

5. There had been circulated copies of a report by the Service Director Strategy and Policy. The purpose of the report was to present the new performance framework for the Scottish Borders Economic Strategy 2023 which had recently been agreed by the Community Planning Strategic Board. The Economic Strategy set out the vision, strategic aims and objectives which would provide the focus for the Council's efforts to ensure sustainable economic growth for the Scottish Borders. The associated Action Plan set out in detail how the Community Planning Partnership would deliver the outcomes identified in the Economic Strategy. A new performance framework to monitor the Economic Strategy and delivery of its aims had been agreed by the Community Planning Partnership and was detailed in Appendix 1 to the report. In relation to the Action Plan, significant progress had been made in delivering many of the actions set out as detailed in Appendix 2 to the report. Some areas of activity required additional resources and additional partner focus in order to move forward.
6. Members discussed the report and received answers to their questions in respect of the new interactive visitor screens for Galashiels and Kelso town centres, and learning opportunities for young people. In noting that the GVA for the Scottish Borders continued to be below the Scottish average, a suggestion was put forward that it might be worthwhile comparing the Scottish Borders GVA figures with that of another rural economy and the Chief Officer Economic Development undertook to look at the figures for other areas. In discussing the Broadband roll out in Berwickshire, the local Member referred to questions raised by a local constituent in respect of part of Chirnside not being covered by Broadband. The Chief Officer Economic Development suggested that the constituent contact him to discuss the roll out. Further, the Economic Development Manager undertook to liaise with the local Member Kelso and District about the provision of suitable facilities for start-up businesses.

**DECISION**

- (a) **NOTED** the new performance framework and positive progress made in relation to the Economic Strategy Action Plan.
- (b) **AGREED** to receive regular progress reports on the Scottish Borders Economic Strategy 2023 and its performance framework in order to scrutinise performance.

**SCOTTISH BORDERS LOW CARBON ECONOMIC STRATEGY 2023 – PERFORMANCE FRAMEWORK AND ACTION PLAN UPDATE**

7. With reference to paragraph 12 of the Minute of Council on 31 October 2013, there had been circulated copies of a report by the Service Director Strategy and Policy presenting an update on the progress against the actions set out in the Scottish Borders Low Carbon Economic Strategy 2023. The report explained that the Scottish Borders Low Carbon Economic Strategy 2023 set out a series of strategic aims and initiatives which formed the first steps in the transition towards a low carbon economy for the Scottish Borders. The strategic aims and objectives were aligned to the priorities identified by the Community Planning Partnership and Single Outcome Agreement. The aims were to: (a) Improve business competitiveness; (b) Improve residents' quality of life; (c) Adapt our infrastructure; and (d) Increase Community

Resilience. Good progress had been made in delivering the actions set out in the Action Plan, but some areas of activity required additional partner focus, and in some instances, significant additional resources. A detailed Performance Framework was being developed to monitor progress in the delivery of the aims of the Strategy.

8. In responding to Members' questions about the confusion relating to information from businesses delivering the Home Energy Efficiency Schemes, the Environmental Strategy Co-Ordinator advised that those providing the service could make bids to the Scottish Government for funding and that the scheme was not funded by the Council. There was a need to explore how communications could be simplified and it was important to know when those carrying out home insulation schemes did not keep their appointment for statistical information. It was noted that although there were challenges there had been success at Easter Langlee. The Environmental Strategy Officer undertook to bring a report from the Contact Manager to a future meeting. Further, the Service Director Strategy and Policy undertook to circulate to Members a hard copy of a briefing paper regarding energy efficiency schemes currently in operation, including contact numbers.

**DECISION**

- (a) **NOTED the positive progress made in relation to the Low Carbon Economic Strategy Action Plan.**
- (b) **AGREED**
- (i) **the draft performance framework for the Scottish Borders Low Carbon Economic Strategy; and**
- (ii) **to receive regular progress report on the Low Carbon Economic Strategy and its performance framework in order to scrutinise performance.**

**PRIVATE BUSINESS**

9. **DECISION**  
**AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A to the Act.**

**SUMMARY OF PRIVATE BUSINESS**

**VisitScotland Information Centres – Review of Operations 2015/16**

1. Members considered a report by the Service Director Strategy and Policy which presented a review of the operation of Visitor Information Centres in the Scottish Borders and approved the recommendations.

*The meeting concluded at 11.55 a.m.*

**ECONOMIC DEVELOPMENT GROUP – 13 NOVEMBER 2014  
APPENDIX 1**

**Item – Economic Development Update**

**1. Business:**

- For the period to 31 October the **Business Gateway team worked with 404 businesses and individuals**, and assisted 115 business start ups, of which 8 have the potential to be high growth. The advisers have delivered 46 start-up workshops and 38 local workshops with 475 attendees. These workshop numbers include our first series of Saturday morning workshops which have been well received by our clients
- So far this financial year (2014/15), the **Scottish Borders Business Fund** has received 40 applications and approved 33 grants valued at £93,079 supporting projects with a value of around £203,100. These projects are forecast **to create 57.5 jobs and safeguard 82 jobs** with a forecast **economic impact of £1.3 million GVA**.
- The Scottish Borders Business Loan Fund offers loans of between £1,000 and £20,000 over terms of up to three years. As the fund is operating in conjunction with other commercial lending agencies, applicants must demonstrate that at least 25% of the total project cost is being provided from sources outside of the public sector. Three loan applications will be considered at the next panel meeting on 26 November 2014.
- **Property** – 102 property enquiries have been received so far in 2014/15 resulting in 21 new property leases which will generate £117k in annual rental income. New tenancies include 2 inward investment businesses. The current occupancy level is **90%** for the portfolio of industrial units, yards and shops.
- **Supplier Development** – Economic Development continues to assist the Council's Procurement Team and supported the Duns Primary School 'Meet the Buyer' event on Wednesday 12 November. The Business Gateway team will follow up with attendees to support them, where appropriate, in preparing to tender for the work.
- **Employer Recruitment Incentive - Youth Employment Scotland Scheme** –The Scottish Government has confirmed a further extension of the YES Scheme funded by the Scottish Government and EU funding to provide a total of 150 new jobs. All placements must commence by end of December 2014. As of early November, 145 job offers have been made. Over 50% of these 6 month placements have now concluded with an estimated retention rate of around 80% of the young people staying on in employment.
- **Scottish Borders Business Week 2014** – The inaugural Business Week ran from Monday 29 September until Friday 3 October focusing on 'growing and developing a business'. Each day had a different theme as follows:
  - Building on Your Business Success
  - Resourcing Your Business

- Successfully Marketing and Trading Online
- Developing Your Business Internationally
- Want to Become Your Own Boss

The events drew almost 300 attendees and the evaluation showed that it was very well received with 95% of respondents considering that the events met their expectations. Comments included:

- Have another one soon!
- More regular series of Breakfast Events throughout the year
- Enjoyed the input from the audience
- Really great session

Based on the feedback and the numbers attending, the Business Gateway team is intending to hold a similar event in the autumn of 2015, possibly linked to the Scottish Borders Business Excellence Awards.

**The Herald Business Awards** – four businesses from the Scottish Borders have been short listed for these national awards, which will be announced in December. The businesses are as follows:

- A Hume, Kelso;
- Scotlight, Innerleithen;
- The Orde Food Group, Kelso; and
- Glenrath Farm, Tweeddale

Three of these businesses are working with the Business Gateway team and the other, Glenrath Farm, is account managed by Scottish Enterprise.

## **2. Regeneration:**

- **Selkirk Town Centre Regeneration Hub** – The former Cross Keys is now being leased from the Council by Selkirk Regeneration Company offering a local regeneration hub to promote various projects for the town including Selkirk CARS, Selkirk BIDS, Selkirk Flood Protection Scheme and Selkirk Community Action Plan, as well as acting as a meeting/ community space.
- **Selkirk Business Improvement District (BIDS)** – Selkirk Chamber of Trade has appointed their Development Co-ordinator, David Thomas, to take forward their BIDS initiative. Mr Thomas was previously the Jedburgh Town Project Co-ordinator funded by a LEADER project. 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. The project is part financed by Scottish Government and Scottish Borders Council.
- **Kelso Townscape Heritage Initiative (THI)** – the THI scheme is in its final year and ends in March 2015. 49 building repairs/ grants have been awarded and completed on site, with a further 7 currently on site or due to complete very shortly.
- **Kelso Traffic Management and Public Real Enhancements** - the major enhancement work to the centre of Kelso was completed in October. A formal

opening event was organised by FutureKelso and the Kelso Elected Members at the end of October to celebrate the achievements of the town centre project including major streetspace work, public realm enhancements, improved pedestrianised areas and public artworks.

- **Horsemarket Business Centre, Kelso** is now complete. The business hub has been marketed through the Council's Estate services and one tenant is now leasing two offices in the first floor. The building will also incorporate touch screen visitor information, which is scheduled to be in situ in 2015. The Horsemarket Business Centre was officially opened on 30 October 2014 and acknowledged the funders, European Funding, Heritage Lottery Fund and Scottish Borders Council.
- Completion of these three major projects in **Kelso town centre** is a significant achievement and has had a major impact on the appearance and vitality of the town centre. The coordinated activity is testament to all the Council's staff involved as well as the input and guidance from the local community, in particular FutureKelso and Kelso's Elected members over the seven year planning and implementation period. It is estimated that the direct impact is £3.8 million to the local economy, with local businesses securing and completing the design and construction works. Local contractors have also directly benefited from training opportunities and support, particularly in building conservation skills.
- **Galashiels Town Centre Coordinator** – The Coordinator has been recruited and will start in post on 1 December 2014. The post will run for a two year period to support and deliver projects and activities which add value to the town centre and complement the major project investment activity, linked to the Borders Railway investment. The Town Centre Co-ordinator will also liaise and link with the recently formed **Galashiels 2020 Group** established by various local businesses and interest groups in the town.
- **Burnfoot Community Futures** – following a procurement process, the main contractor for the £2.1 million Burnfoot Community Hub project has recently been appointed - local firm, M J Ballantynes Builders from Kelso. Works are scheduled to commence on site this month. The Council continues to support the project in terms of grant management, monitoring reports, grant draw down and compliance.

### **3. Tourism & Events**

- **Tourism support -**
  - The **Scottish Borders Tourism and Events Industry Conference 2014** organised by VisitScotland, Scottish Borders Council and the Scottish Borders Tourism Partnership is taking place at the Cross Keys Hotel on 18 November. The event is an opportunity to hear how businesses are planning to take advantage of the 2015 Year of Food and Drink, and the Borders Railway tourism development opportunities.
  - The first interactive **Visitor Information Screen** will be installed in Kelso week commencing 10 November. Delegates at the Area Tourism Partnership conference will have the opportunity to work with the screen provider 'Advanced Display Solutions' to look at options for using the new technology to suit their own businesses.

- **Borders Railway Opening Celebrations Committee** - plans are progressing led by Transport Scotland, VisitScotland, Network Rail and the three local authorities for an ambitious event with national and international impact to celebrate the opening of the Borders Railway in September 2015. This includes a commitment to 'wrap' a train to promote Scottish Borders, Midlothian and Edinburgh.
- Work is continuing on the **Borders Railway Marketing Campaign** in partnership with VisitScotland. Key new messages are being linked into the current Scottish Borders campaign, which will lead into a dedicated Borders Railway campaign in 2015.
- **Newcastleton Signage** - work has begun with a new fingerpost installed in Douglas Square. This marks the start of a programme to enhance and replace the existing signage and to identify gaps in visitor information in and around the town.
- The Council's Tourism Officer has also been working with a number of community projects, including Jedburgh Town Centre signage, Carter Bar signage, Wilton Lodge Park investment opportunity and HLF project, Hawick online and Scottish Borders Food and Drink Network.
- **Event support –**
  - The annual **Scottish Borders Walking Festival** took place from 31 August – 6 September in Jedburgh/ Denholm. A three year programme has been approved for Galashiels (2015); Coldstream (2016) and Peebles (2017).
  - A promotional leaflet was produced for the Scottish Borders section of **The Scottish National Trail** from Kirk Yetholm to Carllops (76 miles).
  - A Safety Advisory Workshop (SAG) was held in October for event organisers and was extremely well attended. It was organised through the Council's Emergency Planning team and involved all the emergency services. There are currently 33 events participating in the Safety Advisory Group process for 2015.
  - A **new cycling development and event support** project which will continue to strengthen the cycling 'product' within the area will be started in Autumn 2014. This aims to boost the economy and accelerate the growth of cycling events and tourism.
  - **Galashiels Event Development support** – linked to the Borders Railway and town centre regeneration activity, a consultant has been appointed through the recently formed 'Galashiels Events Group' to look at current events and future planning for the next 3 – 5 years.
  - EventScotland have received one application from the Scottish Borders in their October national funding round for the Waterloo Penielheugh 200 event.
  - Jim Clark Rally - following discussions with Police Scotland and other stakeholders investigations into the 2014 event are still ongoing and not yet concluded. The event which requires detailed planning has therefore been cancelled for 2015 until a time when the investigation and recommendations have been completed.
  - Key dates in November include:

- Mountain Biking Conference – 11-12 November 2014
- Tourism and Events Industry Conference – 18 November 2014

**4. Funding:**

- The current EU **LEADER Programme (2007-2013)** is now closed and all projects are complete. Final project claims have been submitted and are being processed, and a programme of final monitoring visits is being concluded. £3.07m grant funding has been paid to projects at 07/11/14, 95% of the total commitment £3.24m. Scottish Borders LEADER maintained its 'green' status following the Managing Authority's annual audit visit.
- European Fisheries Fund Axis 4 **Fisheries Local Action Group (FLAG) 2007-2013** local development funding programme is now closed. The completion deadline for projects is 30 June 2015. Two (of 15) projects are not able to proceed, resulting in a final commitment of £632k to 13 projects against a total budget availability of £720k. In addition, support was provided to applicants to EFF Axes 1 and 2 resulting in £18k EU support to fishing vessels and an offer of £216k EU grant funding to a local shellfish processor (both sums co-financed by Scottish Government).
- The Local Development Strategy and draft business plan for Scottish Borders **LEADER and European Maritime Fisheries Funds (EMFF) 2014 – 2020** was submitted to Scottish Government at the end of September 2014. Feedback is expected by the end of November, and an indicative allocation of LEADER funds in December 2014. Fisheries allocations will be announced in 2015. The new programmes will be subject to revised Service Level Agreements to be agreed with the Scottish Government.



**5. Property & Projects:**

**Strategic Employment Land Project:**

- **Coldstream** – Tendering for the remaining works is at an advanced stage with completion expected in April/May 2015.
- **Gunsgreenhill Industrial Estate extension (Seafood Technology Park) Eyemouth** – The contract is at an advanced stage with the bulk of the earthworks completed. The project is due to be complete in December 2014.

**6. Low Carbon:**

- A **renewable energy exhibition** was held as part of Business Gateway Business Week. The event took place on 30 September 2014 at Springwood Hall, Kelso. 34 exhibitors were present, offering advice to local businesses on the range of technologies available, with the aim of encouraging an increase in uptake. 80 visitors attended the event.
- A group of **Registered Social Landlords** senior managers has been formed to consider joint initiatives to tackle energy efficiency within their properties, and the potential for renewable energy installations. An additional role for the group is to engage with Borders College and Skills Development Scotland to support training provision and accreditation for local businesses, which can then allow them to bid for installation and maintenance contracts with the RSLs.