

EXECUTIVE COMMITTEE

16 March 2021

1 PURPOSE AND SUMMARY

- 1.1 This report provides an update on an economic development opportunity to allow business expansion at Galalaw Industrial Estate, Hawick in collaboration with South of Scotland Enterprise.**
- 1.2 During 2020, Officers from a range of services within the Council have collaborated with colleagues from South of Scotland Enterprise (SOSE) to identify a development opportunity that will allow business expansion within the Galalaw Industrial Estate in Hawick.
- 1.3 The Council has the ability to accept £250k of funding from SOSE to allow for the design and implementation of road infrastructure to allow for future development at Galalaw.

2 RECOMMENDATIONS

2.1 It is recommended that the Executive Committee:-

- (a) Note the contents of the report**
 - (b) Accepts the offer of £250k grant funding from South of Scotland Enterprise to allow for business expansion at Galalaw Industrial Estate in Hawick.**
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3 BACKGROUND

- 3.1 Galalaw Industrial Estate comprises an area of development land to the north of Hawick. The area has been included as development land within the local planning process for a number of years.
- 3.2 While there has been investment in terms of the creation of both retail and industrial services within the overall estate, parts of the land use zoning remain undeveloped.
- 3.3 Since its creation in April 2020, Officers have worked with SOSE colleagues to investigate a range of investment opportunities to allow for business or industrial expansion within the overall Galalaw Industrial Estate.

4. SOUTH OF SCOTLAND ENTERPRISE FUNDING UPDATE

- 4.1 The Proposed Local Development Plan 2020 includes for business and industrial use zoning at site BHAWI002 covering some 6.6Ha. At the present time, this zone has not been developed on. The Council is also not in full control of all of the land.
- 4.2 Early concept work has identified that the most appropriate way to open up and access the BHAWI002 land is by way of a development road that joins the existing main Galalaw access road. The access road would then rise up to the north allowing development plots to be created in a variety of shapes and sizes dictated by business and industrial demand.
- 4.3 A proposal has been developed where an enabling works contract would see some 80 – 100m of new access road formed with services. This relatively short length of access road would release the first 1 or 2 development plots within the overall BHAWI002 land use zone.
- 4.4 Using permitted development rights available to the Council, it is proposed that the access road is commenced during March 2021. The works would be completed during the summer period of 2021 allowing for the formation of the first development plots to commence.

5 FUNDING

- 5.1 The discussions with SOSE has identified that £250k of funding is available to cover the cost of this initial road access. Subject to Executive approval, the Council will receive this grant and apply it to the costs of the road infrastructure. There will be no funding required from the Council.
- 5.2 Officers are aware that SOSE is focusing on the provision of business infrastructure as part of its work programme. In collaboration with SOSE, discussions will continue in 2021/22 financial year to identify other suitable business or industrial development opportunities that will help deliver much needed business space in Hawick.

6 DEVELOPMENT OPPORTUNITES & ASSET MANAGEMENT

- 6.1 Council officers will work with SOSE in terms of the marketing and disposal of the first of the development plots on a serviced site arrangement.
- 6.2 It would be intention that the access road is adopted in the fullness of time so that it becomes part of the road network. Discussions have taken place with colleagues from Regulatory Services and these will continue as the work progresses to ensure that the road infrastructure is capable of being adopted.

7 IMPLICATIONS

7.1 Financial

- (a) The £250k cost of access road works will be funded by South of Scotland Enterprise in terms of a grant.
- (b) Discussions will continue in 2021/22 between SOSE and Council Officers to identify and implement additional projects in order to deliver an investment on the same scale as the original £3M business infrastructure proposal.

7.2 Risk and Mitigations

- (a) The Council owns the land associated with the access road to enable the release of the first 1 or 2 development plots. Further discussions will be required during 2021/22 to investigate the ability to secure all of the land covered by land use zone BHAWI002. A further report on this will be presented to Council at the appropriate future point.
- (b) The Council is in control of the design and construction of the access road and the technical/construction risk will be managed within the £250k grant funding.

7.3 Equalities

- (a) An Integrated Impact Assessment has not been carried out on this report.
- (b) It is anticipated that there are no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals in this report.

7.4 Acting Sustainably

Officers will ensure that the construction of the access road is undertaken in as sustainable way as possible with particular emphasis on the working methodology to the ensure that materials within the site are able to the re-used wherever possible..

7.5 Carbon Management

Officers will ensure that the construction works minimises the use of carbon.

7.6 Rural Proofing

This report does not relate to new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

7.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

8 CONSULTATION

8.1 The Executive Director (Finance & Regulatory), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR & Communications, the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

Approved by

Rob Dickson, Executive Director Corporate Improvement & Economy
Signature

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Background Papers: Report to Scottish Borders Council Nil
Previous Minute Reference: Nil

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