

## EXECUTIVE COMMITTEE – 3 NOVEMBER 2015

### Economic Development Update

#### 1. Business:

- For the 2-month period from 1 August 2015 to 30 September 2015 the **Business Gateway team worked with 98 businesses and individuals**, and assisted 37 business start-ups, of which 15 have the potential to be high growth. The advisers have delivered 6 start-up workshops and 10 local workshops with 95 attendees.
- Each month from April to September the advisers ran half-day **outreach surgeries** in Hawick, Kelso, Duns, Eyemouth, Galashiels and Peebles. This increased our presence in each of these towns but attendee numbers were low. From 27 half days the advisers spoke with only 16 clients. The decision has been made not to continue these sessions. Instead Business Gateway will be running additional start-up seminars each month in a different town in the area.
- Business Gateway ran a series of **5 Masterclass and networking events** in 2015, on Marketing, Social Media, Motivation, Innovation and Sales. They were held in locations across the Borders. There were nearly 400 attendees at the 5 events. Feedback from the Masterclasses has been excellent and we intend to continue these in 2016.
- **Scottish Borders Business Month** is running from 1 October until 6 November 2015 with over 20 events scheduled across the area and ending with the Scottish Borders Chamber of Commerce Business Excellence Awards. Cllr Stuart Bell launched the month with Phil Morris, founder of Kukri Sports as the keynote speaker. There were 70 attendees at that event which got the month off to a strong start. Events during the month have covered subject areas such as Exporting, Innovation, Business Efficiency, Employment, Skills Development and Finance. To deliver this, Business Gateway has partnered with Scottish Enterprise, Skills Development Scotland, Creative Arts Business Network and private companies such as Douglas Home, RBS and Davidson Chalmers.
- In 2015-16, the **Scottish Borders Business Fund** has received 21 applications and approved 19 grants to date valued at £56,712 supporting projects with a value of £138,020. These projects are forecast **to create 23 jobs and safeguard 38.5 jobs** with a forecast **economic impact of £583,000 GVA**.
- The **Scottish Borders Business Loan Fund** offers loans of between £1,000 and £20,000 over terms of up to three years. In 2015-16, the **Scottish Borders Business Loan Fund** has so far received 5 applications and approved 3 loans valued at £42,500. These loans are forecast **to create 5 jobs and safeguard 20.5 jobs** with a forecast **economic impact of £242,000 GVA**.
- **Property** – 99 property enquiries have been received to date in 2015/16 which has resulted in 20 new property leases which will generate £88k in annual rental income. The current occupancy level is **93%** for the portfolio of industrial units,

yards and shops. The following sales are in hand: four units (Duns, Eyemouth and Jedburgh); plus one EU funded plot at the extension to Whitlaw Road Industrial Estate, Lauder, and one plot at the extension to Pinnaclehill, Kelso.

- **Scotland's Employer Recruitment Incentive - SERI Scheme** – The SERI Scheme funded by the Scottish Government via Skills Development Scotland will offer 33 placements in the Scottish Borders until March 2016. The support takes the form of grants to local businesses to take on a young unemployed person for an apprenticeship opportunity. The funding covers 50% of wage costs for a full 12 months. The wage element of SERI Scheme is fully funded by the Scottish Government. The Council is funding the contractor support, provided by Barnardo's Works.

## **2. Regeneration:**

- **Galashiels Town Centre** - The Galashiels Town Centre Coordinator has progressed a number of actions:
  - **22 Shop front improvement grants** totalling £41,950 have been approved to date, supporting 24 properties. Works to buildings are now beginning to make a difference to the town centre.
  - The **Galashiels Town Trail Map** - is now in use and available to visitors in the Transport Interchange. Support is being given to the Chamber of Trade in developing a 'Shoppers Map'.
  - **Borders Railway Ambassadors** have been successfully operating at The Galashiels Transport Interchange and the Tweedbank terminus on steam train days and Fridays to Sundays.
  - A successful **Doors Open Day** as part of the Heritage Festival was held in the town the week after the opening of the railway.
- **Selkirk Business Improvement District (BIDS)** – The project is currently being reviewed as the project manager has recently resigned. The Steering Group is currently undertaking a recruitment process for a new contractor/ project manager. Timescales for the BIDS development will be reviewed accordingly but the timescale for the ballot may be delayed.
- **Scottish Government Regeneration Capital Grant Fund (SGRCGF)**  
The Communities and Partnership Team are currently managing the following SGRCGF awards/applications:

**SGRCGF Round 1:** The Burnfoot Community Hub capital phase is now complete and the SGRCGF award of £585k has been fully drawn down from the Scottish Government. The Hub Manager, Café and Caretaking staff are all in place with the building opened to the public on 5 October 2015. The next three years will see the delivery of the revenue stages of the Business Plan and the delivery of a range of new, income generating services.

**SGRCGF Round 2:** The Newlands Rural Business Hub is progressing. Procurement of the design team is complete and they are currently awaiting planning and Building Warrant. They expect to commence tendering for the works contract by end of October 2015 and be on site by November.

**SGRCGF Round 3:** The Crook Inn project was successful at Stage 1 of Round 3 and have been invited to submit a Stage 2 submission for £1m. The deadline was 30 October 2015, with a decision expected in March 2016.

### 3. Tourism & Events

#### • **Tourism support –**

- Abbotsford House and local transport operators engaged with the **Steam Train** operator to deliver a local package for the duration of the six week pilot. All Steam-Train journeys were sold out, including the addition of extra carriages. 'Selkirk Means Business' group also successfully organised a link to the steam trains to encourage visitors to experience Selkirk.
- **Border Weaver service** - Supporting the opening of the railway, two hop-on hop-off buses are available seven days a week for visitors between, Galashiels, Abbotsford, Tweedbank, Gattonside, Darnick, Melrose, Dryburgh, St Boswells and Bowden. The weekend service is a new contract and will only operate until the end of November 2015 and then start up again in March 2016.
- **Data is currently being gathered** on increased footfall during normal rail service and Steam-train days in Galashiels and at Abbotsford House and Tweedbank/Melrose Area. In addition, details of the origin of visitors have also been recorded by the Tourism Ambassadors. Initial reports are that Abbotsford and a number of Galashiels businesses have seen a marked increase in footfall which has been reflected in sales. A full report will be developed once the Ambassadors have finished.
- Economic Development officers have been working with Business Gateway on the new **Borders Railway Tourism Business Opportunities Guide** which is due to be launched on 28 October 2015. This document will be available to all businesses in the Scottish Borders as a download and in print.
- Five new **interactive visitor information screens** are scheduled to be installed. These will be at Stow, Abbotsford, Melrose, Hawick and Tweedbank. These will all be in place by March 2016. These are in addition to the Kelso, and Gala TI screens.

#### • **Event support –**

- The **Borders Railway opening celebration programme** ran successfully with Golden Ticket day on Saturday, 5 September 2015 being a resounding local success and the official royal opening on 9 September providing major media coverage and an international profile for the opening of the new railway. All the UK nationals covered the opening, while there were TV stations from Australia, France and America among others at Tweedbank. The PR and feedback since then has been mainly positive, with continuing public interest and very high usage figures for the new services.

- **Borders Railway Waverley Market** – Duration - 8 days.  
This was coordinated by Scottish Borders, Midlothian and City of Edinburgh Councils. There was a notable presence from Borders producers; food and drink and crafts. The objective was to highlight and sell Scottish Borders produce. Traders included Whitmuir, Tempest Brewery and Thistly Cross Cider. There was also a strong business contingent with Floors Castle / Traquair / Born in the Borders and the County Hotel amongst those being present. The market show cased over three weekends to tie in with the steam train experience.
- **Sunday 6 Sept – first public service day.**  
The trains were busy all day, with Scotrail running strengthened services. The Railway Ambassadors played a key role offering information and support to visitors and travellers. The Border Weaver was part of the support service that the Council facilitated, carrying passengers in on a loop route. A guide for businesses had been circulated to businesses to highlight the potential for additional customers on the key railway opening days.
- The **Tour of Britain** passed through the Scottish Borders on 8 & 9 September 2015. The Stage Finish on 8 September was successfully held at Floors Castle, Kelso. The Tour of Britain debrief and economic impact reports are due in December 2015.
- The **Scottish Borders Walking Festival** started 6 September and was based in and around Galashiels. Participants were encouraged to arrive by train. Tickets for the event sold out quickly this year. A total of 487 walk places were filled by 205 different individual walkers.
- **Tweedlove /Enduro World Series** was successful and the Enduro World Series (EWS) attracted 612 competitors. In 2016 the organiser is creating a new event 'Tweedlove International Enduro' which will be run without the EWS governing body's involvement.
- **Selkirk MTB Marathon** reported an economic impact of £69k and the average number of visitor attendance as 1.82 (there were 639 participants).

#### **4. Funding:**

- The LEADER Local Action Group is preparing to launch the new **LEADER Programme**. A Facilitator has been appointed and a LEADER Coordinator is being recruited, both to be based in the Economic Development team. The Programme is now open to 'Expressions of Interest' and formal application deadlines should be announced in December 2015. The launch programme will include a public event and a series of funding workshops which will be delivered in rural communities in 2016.
- The new **Scottish Borders, East Lothian and Fife Fisheries Local Action Group** is still awaiting an announcement of the value of funding allocated to Fisheries Local Action Groups in Scotland. The new Group will be the decision-

making body for local European Maritime Fisheries Fund (EMFF) applications, in line with the joint Local Development Strategy for EU rural and fisheries local development funding.

#### **5. Low Carbon Economic Strategy**

- **Domestic Heat Pump Training** - Economic Development has been working in partnership with Borders College and Skills Development Scotland to deliver a 4 day BPEC training course covering the installation and maintenance of both air and ground source heat pump systems. The course costs include both registration with the awarding body, certification and training materials which are required to assist in the delivery of the course. The courses will be run on the Friday/Saturdays of 20/21 and 27/28 November 2015 at the Borders College Hawick Campus. Up to 50% of the costs for businesses can be supported by the Low Carbon Skills Fund, accessed through Skills Development Scotland.
- **Business Gateway to support resource efficiency in local businesses** – a new partnership approach between Business Gateway and Resource Efficient Scotland has been agreed in principle. This will provide a more proactive and streamlined process to increase the uptake of low carbon advice and support.

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