

# Item 4.1 - Minutes

## Economy Committee

2.00 pm, Thursday, 18 December 2014

### Present:

Councillors Ross (Convener), Munro (Vice Convener), Barrie, Corbett, Edie, Griffiths, Gardner (for items 7 to 14), Keil (substituting for Councillor Blacklock), McVey, Milligan, Paterson and Redpath (substituting for Councillor Gardner for items 1-6).

### 1. Minutes

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#### Decision

- 1) To approve the minute of the Economy Committee of 7 October 2014 as a correct record.
- 2) To approve the minute of the Policy Development and Review Sub-Committee of the Economy Committee of 7 October 2014 as a correct record.

### 2. Key Decisions Forward Plan

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The Economy Committee Key Decisions Forward Plan for the period February to June 2015 was submitted.

#### Decision

To note the Key Decisions Forward Plan.

(Reference – Economy Key Decisions Forward Plan, submitted).

### 3. Rolling Actions Log

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The Economy Committee Rolling Actions Log for 18 December 2014, including a recommendation to close action 4, was submitted.

#### Decision

To note the Rolling Actions Log and approve the closure of action 4.

(Reference – Rolling Actions Log 18 December 2014, submitted).

## **4. Business Bulletin**

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The Economy Committee Business Bulletin for 18 December 2014 was presented.

### **Decision**

To note the Business Bulletin.

(Reference – Business Bulletin 18 December 2014, submitted.)

## **5. Investing in Jobs: An Economic Framework for Leith**

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As previously requested by the Committee, an Economic Development assessment and framework for future strategy priorities in Leith Docks, and the immediate environs, was presented. The framework included an analysis of future jobs potential for Leith following uncertainty regarding jobs from the renewable energy sector. The Committee was asked to approve the Leith Economic Framework and an eight week period of consultation.

### **Decision**

- 1) To agree the Leith Economic Framework as detailed in the appendix to the Director's report.
- 2) To approve an eight week period of consultation, bringing the finalised version of the Framework to the Economy Committee on 28 April 2015.
- 3) To develop the 'Priority Areas for Council Action' into an action plan with allocated responsibilities and timescales, to fit with the timetable for the overall operational plan for the Economic Development Service.
- 4) Alongside exploration of alternative options, to continue to examine options for the Leith Docks area as a hub for renewables manufacturing.

(References – Minute of the Economy Committee 24 June 2014 (item 10); report by the Director of Economic Development, submitted).

## **6. Surplus Council Property Assets – Arrangements for declaring properties surplus and update on the Council's Capital Receipt Programme 2014-19**

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The procedures and approval mechanisms for declaring Council property assets surplus to operational requirements, including the role of the Economy Committee, were outlined. An update on the Capital Receipt Programme 2014-19 was also provided.

## **Decision**

- 1) To note the procedures and approval mechanisms for declaring Council property assets surplus to requirements.
- 2) To note the current position regarding the Capital Receipt Programme 2014-19.
- 3) To note that all strategic property decisions would be brought before the Economy Committee prior to ratification by the Finance and Resources Committee.
- 4) To refer the Director's report to the Finance and Resources Committee for information.

(Reference – report by the Acting Director of Services for Communities, submitted).

## **7. Enterprise and Innovation Update Report**

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An update was provided on the activities of the Economic Development Service focussing on the work of the Enterprise and Innovation Team. Information was included on a range of partnership activities, proposals for a new Pan-Scotland Local Authority Business Loan Fund and a business case for the provision of additional incubator space at the Creative Exchange.

## **Decision**

- 1) To note the progress of the Enterprise and Innovation team against the Economy Strategy.
- 2) To support the Council's membership of a new Pan-Scotland Local Authority Loan Fund and to note that a report would be presented to the Finance and Resources Committee on 3 February 2015.
- 3) To support proposals to expand accommodation at the Council's business incubator, Creative Exchange, by a further two rooms. Any expansion will be subject to budget prioritisation; and a report would be submitted to the Finance and Resources Committee on 15 January 2015 for approval.

(Reference - Minute of the Economy Committee 24 June 2014 (item 8); report by the Director of Economic Development, submitted).

## **8. Investing in Jobs: Economic Development Service Key Performance Indicators – July to September 2014**

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An update was provided on the performance of the Economic Development Service (EDS) in delivering the key performance indicators (KPIs) for the period July 2014 to September 2014.

The EDS was currently ahead of target on all three KPIs as measured by a range of inputs on jobs, investment and helping people into work and learning.

### **Decision**

To note the progress being made against the three KPIs between July and September 2014.

(Reference – Minute of the Economy Committee 7 October 2014 (item 6); report by the Director of Economic Development, submitted).

## **9. Edinburgh 12: Supporting Development and Regeneration**

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An update was provided on the ongoing work related to the development of twelve major gap sites across the city centre. Following the progress with the original twelve sites, approval was sought for the expansion of the development pipeline to provide a constant supply of sites and the development of a suite of council support services packaged as the Edinburgh Premium.

### **Decision**

- 1) To agree the inclusion of sites from across the city in the development pipeline
- 2) To agree the further development of the suite of services packaged as the Edinburgh Premium.
- 3) To agree the regular formal reporting on the progress of the Edinburgh 12 at the Economy Committee
- 4) To note the Office Supply and Demand in Edinburgh paper, as detailed in appendix 1 to the Director's report, as a contribution from the perspective of the commercial sector as to current and future supply and demand of office space.
- 5) To agree the preparation of similar papers on supply and demand for the hotel and student housing markets.

(Reference – Minute of the Economy Committee 19 November 2013 (item 15); report by the Director of Economic Development, submitted).

## **10. City Growth and Infrastructure Investment**

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The "City Deal" process was initiated in late 2011 as part of the UK Government's "localism" agenda.

An outline was provided of previously agreed City Deals awarded to help empower cities and regions in the United Kingdom to deliver increased economic growth. The Scottish Cities Alliance had agreed to consider the appropriateness of the City Deal model for delivering longer term investment in economic infrastructure, and an opportunity existed to develop a business case for an Edinburgh City Region fund.

## **Decision**

- 1) To note the content of the Director's report and the progress to date led by the Scottish Cities Alliance.
- 2) To authorise the Director of Economic Development to begin negotiations directly with HM Treasury and The Scottish Government over the potential operation of an Infrastructure Fund and wider City Deal.
- 3) To authorise the Director of Economic Development to act as project sponsor, liaising with colleagues from across the City Region as appropriate.
- 4) To approve the procurement of technical support of up to £25,000, and the allocation of staffing resources, to develop a business case for an Edinburgh City Deal Infrastructure Fund proposal by January 2015 (this would be with a view to securing, by the financial year end, authorisation for a fully fledged Infrastructure Fund proposal to be developed)
- 5) To agree to the establishment of an Officer's working group to develop a potential portfolio of investment projects
- 6) To agree that further reports on the development of the fund would be brought back to Committee at key stages in its development.

(Reference –report by the Director of Economic Development, submitted).

## **11. Registers Lane Delivery Group**

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The Committee was asked to approve the membership and remit of the Registers Lane Delivery Group.

### **Decision**

- 1) To approve the membership and remit of the Registers Lane Delivery Group as detailed in Appendix 1 to the Directors report.
- 2) To note that the Delivery Group would report back to Committee in August 2015 with an update on progress.

(Reference – Minute of the Economy Committee 19 August 2014 (item 5); report by the Director of Economic Development, submitted).

## **12. West End Business Improvement District (BID)**

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Businesses in the West End of Edinburgh had proposed the formation of a Business Improvement District to deliver improvements to the area using funds generated via a levy on eligible businesses in the BID area. The formation of a BID required support from a qualified majority of levy-payers. Approval was sought for proposals to hold a ballot on the creation of a West End BID between 22 January and 5 March 2015.

## **Decision**

To approve the proposal of a business improvement district in the West End of Edinburgh and the subsequent progression of this proposal to a ballot of eligible businesses.

(Reference –report by the Director of Economic Development, submitted).

## **13. Employability and Skills: Funding and Budget Pressures**

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An update was provided on budget pressures on the Employability and Skills budget in the current financial year. Significant challenges in delivering the ESF Strategic Skills Pipeline programme and building on the success of the Edinburgh Guarantee programme were highlighted.

### **Decision**

- 1) To note the Employability and Skills 2014/15 budget pressure of £192,653.
- 2) To note the internal consultation with Corporate Management Team (CMT) and other Council services on the retention of the contract income associated with the Modern Apprenticeship (MA) programme as part of the ongoing effort to mitigate the budget pressure.
- 3) To approve the proposed internal measures to reduce the deficit and to balance the budget.
- 4) To agree that a further update be provided at the February Economy Committee.

(Reference –report by the Director of Economic Development, submitted).

## **14. Taxi Fare Review – referral from Regulatory Committee**

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The Regulatory Committee on 17 November 2014 considered a report by the Acting Director of Services for Communities on the statutory review of taxi fares that had been undertaken. The Regulatory Committee had referred the Acting Director's report to this committee in regard to the changes imposed by Edinburgh Airport for picking up passengers.

### **Decision**

To note the Acting Director's report.

(Reference –report by the Head of Legal, Risk and Compliance, submitted).