

Economy Committee

10.00 am, Tuesday, 26 April 2016

Present:

Councillors Barrie (Convener), Munro (Vice Convener), Blacklock, Corbett, Gardner, McVey, Milligan, Mowat, Paterson, Rankin, Ritchie and Robson.

1. Order of business

The Convener agreed that the items of business be dealt with in the following order.

2. The Challenge Fund Enhanced Pipeline Social Inclusion Programme (EPSIP) Awards

2.1 Deputation – Friends of Prospect Bank

The Committee agreed to hear a deputation from Sinead Reynolds (Chair), Iulia Toch (Treasurer) and Celine Sinclair (Chief Executive, the Yard) on behalf of the Friends of Prospect Bank (FOPB) in relation to a report by the Executive Director of Place on the Challenge Fund Enhanced Pipeline Social Inclusion Programme (EPSIP) Awards. The following was highlighted:

- It was difficult for parents of children with complex care needs to find affordable and appropriate childcare. The provision of an after school club would help many parents into employment and ultimately to provide for their children.
- There were currently 670 disabled children in special schools in Edinburgh, however, there was only one after school club suitable for children with complex care needs.
- The current situation was forcing parents of children with complex care needs into a situation of economic disadvantage.
- The Yard currently supported over 2000 children and young people, had over thirty years of experience in the sector, an annual turnover of just under £1m and would be working very closely with FOPB on the after school club project.
- The Yard was advised that it could not apply for funding directly because of strict EPSIP criteria.
- One of the Council's strategic outcomes was to ensure that Edinburgh's children and young people enjoy their childhood and fulfil their potential. A key aim of the working group set up to support this was to establish and run after school

provision that was suitable for disabled children and young people. This project would be a step in the right direction towards meeting this target.

- Annual Financial Accounts for the FOPB had not been available in advance of the deadline for application to the Challenge Fund Enhanced Pipeline Social Inclusion Programme. This was due to the organisations financial year running from January to December. A copy of the most recent audited accounts to the end of December 2015 had been circulated to Committee members.
- FOPB had experience handling finances and grants, and would be capable of handing a grant from the Council towards running an after school club. The RS MacDonald Charitable Trust had agreed to provide additional funding on the proviso that work was undertaken in partnership with the Yard and that local authority funding was also secured.

The deputation asked that the Committee reconsider the recommendation not to award funding for the Friends of Prospect Bank application.

The Convener thanked the deputation for their presentation and invited them to remain for the Committee's consideration of the related report at item 2.2 below.

2.2 Report by the Executive Director of Place

A set of grant awards through the EPSIP programme was previously agreed by Committee in September 2015. Approval was sought for a further grant award focused around the childcare for "vulnerable families" priority of the EPSIP programme.

Decision

- 1) To approve the award of one externally funded Third Party Grant awards through the Culture, City Strategy and Economy's Enhanced Pipeline Social Inclusion Programme (EPSIP) to the Action Group for the amount of £28,618.
- 2) To note that the grant award to the Action Group had a focus on childcare for vulnerable families where a young person or child had a disability. The award was for two years subject to performance and continuation of the external funding stream and European funding compliance.
- 3) That relevant officers meet with representatives from Friends of Prospect Bank and the Yard to further explore the possibilities of accessing funding through the Challenge Fund Enhanced Pipeline Social Inclusion Programme (EPSIP), and report to the next meeting of the Committee. The report to include details of the criteria for EPSIP funding and the degree of flexibility the Council had in its interpretation.

(References – minute of the Economy Committee 15 September 2015 (item 13); report by the Executive Director of Place, submitted.)

Declaration of Interests

Councillors Munro and Paterson declared a non-financial interest in the foregoing item as Directors of the Capital City Partnership.

3. Minutes

Decision

To approve the minute of the Economy Committee of 20 January 2016 as a correct record.

4. Economy Committee Key Decisions Forward Plan

The Economy Committee Key Decisions Forward Plan for the period to the end of June 2016 was submitted.

Decision

To note the Economy Committee Key Decisions Forward Plan.

(Reference – Economy Committee Forward Plan, submitted.)

5. Economy Committee Rolling Actions Log

The Economy Committee Rolling Actions Log for 26 April 2016 was submitted.

Decision

- 1) To agree the closure of actions 3, 4 and 5.
- 2) To otherwise note the remaining outstanding actions.

(Reference – Rolling Actions Log 26 April 2016, submitted.)

6. Economy Committee Business Bulletin

The Economy Committee Business Bulletin for 26 April 2016 was presented.

Decision

- 1) To note the Business Bulletin.
- 2) To note that there had been 35 Foreign Direct Investment projects recorded in Edinburgh for the 12 months to December 2015 and not 20 as indicated in the Business Bulletin.

(Reference – Business Bulletin 26 April 2016, submitted.)

7. Re-Union Canal Boats Location at Fountainbridge

The Petitions Committee on 3 February 2016 considered a report by the Chief Executive outlining the petition 'Re-Union Canal Boats location at Fountainbridge'. The Committee agreed to refer the petition to the Economy Committee for consideration with a suggestion that Scottish Canals be invited to attend a future meeting of the committee to discuss the issues raised by the petition.

A representative from Scottish Canals had been invited to attend this meeting but had declined. Written submissions from Scottish Canals and the principal petitioner had been circulated to Committee members.

A response to the petition by the Executive Director of Place outlining that discussions were ongoing between Re-Union and third parties regarding their long term return to the site was submitted. The Council and EDI had proposed options to Re-Union regarding short term location while the longer term options were being developed, but these were not considered appropriate. The council and EDI would continue to engage with Re-Union in the event other sites emerged.

Decision

- 1) To note the referral from the Petitions Committee.
- 2) To note the activity which was on-going with Re-Union to secure a canalside location at Fountainbridge.
- 3) To discharge the outstanding action for the Economy Committee from the Petitions Committee in respect of this activity.
- 4) To note that the Executive Director of Place would facilitate a cross party meeting, including Re-Union, to focus on finding a solution to the issues raised by the petitioner.

(References – minute of the Petitions Committee 3 February 2016 (item 4); report by the Interim Head of Strategy and Insight; report by the Executive Director of Place, written submissions from Scottish Canals and the principal petitioner, all submitted)

Declaration of Interests

Councillor Munro declared a non-financial interest in the foregoing item as a Director of EDI.

8. Marketing Edinburgh – 'This is Edinburgh' and Annual Report

An update was provided on the implementation of the Marketing Edinburgh Business Plan as required by the Service Level Agreement between the City of Edinburgh Council (CEC) and Marketing Edinburgh for the period to 31 March 2017.

John Donnelly (Marketing Edinburgh) and Roddy Smith (Essential Edinburgh) gave a presentation on the 'This is Edinburgh' marketing campaign which covered the following areas:

- 2015/16 review
- Proposals for 2016/17 and beyond;
- Financial targets and Key Performance Indicators;
- Review of the 'This is Edinburgh' City Centre visit campaign.

Decision

- 1) To note the annual update from Marketing Edinburgh Limited and the outcomes of the 'This is Edinburgh' visit campaign.
- 2) To thank John Donnelly (Marketing Edinburgh) and Roddy Smith (Essential Edinburgh) for their presentation.
- 3) That a copy of the presentation slides (minus the video element) be circulated to Committee members.

(References – minute of the Economy Committee 28 April 2015 (item 5); report by the Executive Director of Place, submitted)

Declaration of Interests

Councillors Mowat and Munro declared a non-financial interest in the foregoing item as Directors of Marketing Edinburgh.

9. Low Carbon Jobs and Investment Framework

A final proposed framework to support jobs and investment in the low carbon sector was submitted. An action plan with measures to support job creation, investment and business growth and to consider future skills requirements across the city was also detailed. A key aim would be to ensure linkages with major strategies such as the City Region Deal.

Decision

To approve the Low Carbon Jobs and Investment Framework.

(References – minute of the Economy Committee 17 November 2015 (item 11); report by the Executive Director of Place, submitted.)

10. Post Study Work Visas

Prior to 2012, international students were entitled to apply for a Tier 1 (Post Study Work) Visa, allowing them to remain and work in the UK for two years after completion of their studies. The UK government formally announced the closure of the Tier 1 in April 2012 with no replacement scheme put in place.

The detrimental impact the closure of the PSWV had on the city, regional and Scottish economies, and work undertaken by the City of Edinburgh Council to lobby for the reinstatement of a PSWV scheme, was detailed.

Decision

- 1) To note the detrimental impacts to the city resulting from the removal of the Tier 1 (Post Study Work) Visa which had closed in April 2012.
- 2) To note the response, endorsed by the Convener of the Economy Committee, to the Scottish Affairs Committee and to note the progress being made by the External Relations team in lobbying for the reinstatement of Tier 1 (Post Study Work) Visa to retain and harness international talent in the city.

(Reference – report by the Executive Director of Place, submitted.)

11. Update on the New Waverley Community Fund

The Committee had previously noted the release of £100,000 of section 69 contributions towards a grant fund which aimed to support projects aimed at enhancing the New Waverley area and benefitting members of the local community. The developers of New Waverley, Artisan Real Estate Investors, had agreed to match this funding creating a fund of approximately £200,000. An update on the first wave of grants, allocated in September 2015, was provided and the release of the remaining funds for a second wave of grants was outlined.

Decision

- 1) To note the progress of the six projects funded to date.
- 2) To note the release of the remaining funds which the Council held for a second wave of grants.

(References – minute of the Economy Committee 13 February 2015 (item 16); report by the Executive Director of Place, submitted.)

12. Hotel Supply and Demand in Edinburgh

As previously requested by the Committee, an update was provided on hotel supply and demand in Edinburgh following additional consultation with the Edinburgh International Conference Centre, Scottish Development International, investors and operators.

Decision

- 1) To note the findings of the report by the Executive Director of Place.
- 2) To note that the Investor Support Team continued to provide a digital platform in the shape of an Edinburgh Hotel Prospectus app and interactive PDF which

allowed all partners to update the Prospectus with developments and anticipated future demands.

- 3) To ask officers to work with Scottish Enterprise and other partners to update hotel demand projections and improve understanding of the impact of emergent business models such as airbnb on hotel demand.

(References – minute of the Economy Committee 17 November 2015 (item 6); report by the Executive Director of Place, submitted.)

Declaration of Interests

Councillor Rankin declared a non-financial interest in the foregoing item as a Director of the Edinburgh International Conference Centre.

13. Investing in Jobs: Economic Development Service Performance Update

An update was provided on the performance of the Economic Development Service (EDS) in delivering the key performance indicators (KPIs) for the period October to December 2015.

The EDS was currently ahead of target on all three of the headline 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 Key Performance Indicators between October and December 2015.

(References – minute of the Economy Committee 17 November 2015 (item 14); report by the Executive Director of Place, submitted)

14. Resolution to consider in private

The Committee resolved, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, that the public be excluded from the meeting during consideration of the following items of business on the grounds that they involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part 1 of Schedule 7(A) of the Act.

15. Edinburgh BioQuarter – New Governance Arrangements

New partnership arrangements including governance arrangements for the Edinburgh BioQuarter were submitted. The new governance arrangements would allow the next phase of development to move ahead and allow the partners' vision for the BioQuarter to be fully realised. Approval was sought for a Heads of Terms for the Edinburgh BioQuarter Partnership.

Decision

Detailed in the Confidential Schedule, signed by the Convener, with reference to this minute.

(Reference – report by the Executive Director of Place, submitted.)

16. Register Lanes: Memorandum of Understanding

Approval was sought for the Executive Director of Place to sign a Memorandum of Understanding with the Register Lanes Partners which solidified the Council's commitment to supporting the regeneration of the area around West Register Street.

Decision

To approve the Memorandum of Understanding (MoU) and to delegate authority to the Executive Director of Place to make any minor adjustments and to sign the MoU.

(References – minute of the Economy Committee 23 June 2015 (item 13); report by the Executive Director of Place, submitted.)

17. City Strategic Investment Fund – annual report and acquisition of assets on Leith Walk

An annual update on the performance of the City Strategic Investment Fund was submitted. Approval in principle was also sought for the release of funds for the acquisition of assets at Leith Walk.

Decision

Detailed in the Confidential Schedule, signed by the Convener, with reference to this minute.

(References – minute of the Economy Committee 17 November 2015 (item 10); report by the Executive Director of Place, submitted.)