

Midlothian Economic Recovery Plan
Report by Mary Smith, Director, Education, Communities and Economy**1 Purpose of Report**

- 1.1 The purpose of this report is to seek the Council's endorsement of the Midlothian Economic Recovery Plan. A copy of the Summary Action Plan is attached as Appendix 1 to this report. A copy of the fully detailed draft Action Plan has been placed in the Member's Library.

2 Background

- 2.1 On 28 May 2013, Cabinet considered and approved a report which provided a progress update on the preparation of the Midlothian Economic Recovery Plan, focussing in particular on the Recovery Plan's internal and external consultation process which largely took place over the summer months of 2013.
- 2.2 It is intended that the Midlothian Economic Recovery Plan will be a relevant, up to date working document which can assist the Council and Midlothian Community Planning Partnership partners in driving forward sustainable economic development and growth and enable maximisation of external funding opportunities. Scottish Government has strongly encouraged all local authorities to develop an Economic Recovery Plan for their areas.
- 2.3 It is crucial that the Midlothian Economic Recovery Plan aligns closely with the Scottish Government's Economic Strategy (2011) and associated key strategic documents covering important programme areas highlighted in the Recovery Plan such as high speed broadband roll-out, tourism promotion, event development, science sector development, business support, infrastructure development and town centre regeneration.
- 2.4 Direct linkages to the Single Midlothian Plan are also critical as Economic Recovery and Growth and Employment are key priorities highlighted in the Single Midlothian Plan. These are also two of the six national priorities set by the Scottish Government to which Community Planning Partnerships are expected to give priority.
- 2.5 Internal and external stakeholder feedback, as outlined in Section 3 of this report, has been essential in shaping the recommended Programme Areas and actions/sub-actions contained in the draft Action Plan.

- 2.6 In broad terms, it is recommended that the Council and Midlothian Community Planning Partnership partners focus on the following key Programme Areas to drive forward Midlothian's economic recovery:
- Support for business (including major investors, micro business start-ups and social enterprises).
 - Infrastructure development and major projects (including Shawfair, the Waverley rail line, high speed broadband , schools / housing projects and the Zero Waste project).
 - Education, Skills and Employment (including apprenticeships and youth employment together with an aspirational education and training strategy).
 - Support for key economic sectors (including tourism, life sciences, animal biosciences, culture / heritage and rural development).
 - Place (including town centre regeneration and marketing / raising the profile of Midlothian as a great place to grow).
- 2.7 Within each Programme Area are set out a range of key actions/sub-actions, some of which will be the Council's responsibility, as lead local economic development organisation in Midlothian, to progress. In other areas, it is anticipated that the responsibility will fall on Midlothian Community Planning Partnership partners to take the lead role. This will be subject to early discussion with appropriate partners. For example, University of Edinburgh colleagues have indicated a willingness to lead on external procurement related issues. These early discussions will be developed further.
- 2.8 From a Council perspective, many of the actions/sub-actions cut across a number of Divisional Service areas. Close internal/external collaboration and partnership working will continue to be crucial in driving forward the actions/sub-actions contained in the recommended Programme Areas. It is critical that the Council and Midlothian Community Planning Partnership as a whole endorse and take "ownership" of the Midlothian Economic Recovery Plan.
- 2.9 The Action Plan provides a clear agenda to give purpose and clarity to what is required to be done, and by whom. In some Programme Areas, such as the Business Gateway and Midlothian Tourism Action Plan, work is well underway on recommended actions / sub actions. In other areas, such as high speed broadband roll-out, detailed work has only recently commenced. In essence, the Action Plan is designed to be flexible and adaptable to changing economic circumstances. It will also be subject to ongoing internal/external stakeholder review and consultation to ensure content is relevant and up to date.
- 2.10 It is relevant to note that the draft Action Plan only contains 'big ticket' issues that will make a notable difference to Midlothian's ongoing economic recovery. During the consultation process involving Midlothian's "economic levers," a number of issues were raised concerning matters such as road gritting, hedge cutting along roadways and fly-tipping. Whilst important, these are classed very much as operational matters which will be dealt with through the day to day

business of the Council and other partners. These operational matters do not form any part of the Action Plan.

- 2.11 In summary, the Recovery Plan is designed to be aspirational, flexible, responsive as well as both re-active and pro-active in scope as new economic recovery related initiatives come on stream, primarily from the Scottish Government through its Economic Strategy.
- 2.12 Whilst there will be challenges ahead, particularly from a financial and human resource perspective, there is a firm platform in place to build on. The Recovery Plan is not being implemented from a standing start and Midlothian has the undernoted positive attributes to build on:
- An outstanding location close to Edinburgh.
 - A willingness to collaborate and work in partnership with Edinburgh City Region Local Authorities for the benefit of Midlothian's communities.
 - Excellent relationships built up over many years with external stakeholders such as the local business community and the academic sector.
 - A world leading and developing science sector focussed on Easter Bush.
 - Inward and indigenous investment appeal through the development of projects such as the Borders rail line and Shawfair.
 - An ambitious and improving local authority over the last few years.
 - An ability as a small, geographically compact local authority to be responsive and reactive to take advantage of new economic recovery related initiatives.
- 2.13 An integral part of the Recovery Plan is its detailed Action Plan which in format largely follows the guidance set out in the Improvement Service Economic Outcomes Programme. This will assist with performance measurement for the Council and Midlothian Community Planning Partnership partners. A short "glossy" Midlothian Economic Recovery Plan report will also be prepared for internal / external marketing purposes, essentially based on the Summary Action Plan that is appended to this report.

3 Report Implications

3.1 Resource

In terms of Human Resource Implications, any work associated with the delivery of the actions / sub-actions highlighted in the draft Action Plan will be delivered, where appropriate, by the Council's Economic Development Section in close liaison with Council colleagues and appropriate Midlothian Community Planning Partnership partners.

With regard to financial resource implications, it is the intention that the scope of the work highlighted in the draft Action plan will involve the allocation of very little, if any, additional new resources. In some instances it will be necessary to seek to maximise external funding opportunities to ensure that the actions / sub-actions outlined in the Action Plan are successfully delivered within the stipulated time period.

3.2 Risk

Failure to develop an Economic Recovery Plan for Midlothian would potentially put the Council and Midlothian Community Planning Partnership partners out of step with the priorities and actions of the Scottish Government Economic Strategy and associated national strategies such as those relating to tourism and high speed broadband roll-out. This would lead to a risk of the Council and partners potentially missing out on project investment opportunities. A wide range of actions/sub-actions make up the Action Plan element of the Recovery Plan. There is a risk of some degree of delivery failure if these areas are not adequately resourced. Indeed, this resource issue has been specifically raised by Improvement Service colleagues who have provided advice and guidance throughout the preparation of the Recovery Plan.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☒ Community safety
- ☒ Adult health, care and housing
- ☒ Getting it right for every Midlothian child
- ☒ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☒ Business transformation and Best Value
- ☐ None of the above

By its very nature, the Midlothian Economic Recovery Plan cuts across all the themes contained in the Single Midlothian Plan.

3.4 Impact on Performance and Outcomes

Implementation of the wide range of actions/sub-actions contained in the Midlothian Economic Recovery Plan will positively impact on a wide range of economic development related and other Single Midlothian Plan stipulated outcomes. This includes job creation in Midlothian and business development support. A thriving and successful local economy will positively impact on the following Single Midlothian Plan related priorities:

- economic recovery and growth ; and
- employment.

3.5 Adopting a Preventative Approach

At the beginning of 2012, Midlothian Council initiated a project on the 'Future Models' of Service Delivery' which was the subject of public

engagement, seeking views on Midlothian Community Planning Partnership priorities for 2013/2014.

Economic recovery and growth and employment are two of the six national priorities where there is an expectation that each Community Planning Partnership will show how it is giving priority to demonstrating improvement in these particular areas. The other four priorities relate to:

- Early years;
- Safer and stronger communities and reducing offending;
- Health inequalities and physical activity;
- Outcomes for older people.

Accordingly, from a preventative approach perspective, having a vibrant and successful local economy will positively impact on most, if not all, of the national priorities. This will be evidenced through the undernoted outcomes which link in with the Improvement Service Economic Outcomes Programme:

- More business start ups.
- Improved take up of economic sites.
- More /better jobs.
- More inward investment.
- Better educational attainment.
- More positive destinations for young people.
- More visitors.
- Improved infrastructure.
- More apprenticeships.
- Quicker journey times.
- Improved access to high speed broadband.

Other aspects which are just as important but less tangible include:

- A thriving culture of ambition and excellence.
- A business friendly environment.
- A vibrant business community.
- Excellent links between academia at all levels and the Midlothian business sector.
- Engaged and empowered communities.
- Confidence.

3.6 Involving Communities and Other Stakeholders

Sustainable Growth thematic group members of the Midlothian Community Planning Partnership have been fully involved in work, to date, on the development of the Midlothian Economic Recovery Plan. In addition, there has also been dialogue with the Midlothian Community Planning Partnership Board and the Improving Opportunities in Midlothian thematic group. Discussions on economic recovery and growth and employment were also held at the Midlothian

Community Planning Partnership planning day in Loanhead on 5 September 2013.

The Midlothian Economic Recovery Plan draft Action Plan was also discussed at the undernoted Midlothian Community Planning Partnership meetings:

- Sustainable Growth thematic group – 25 October 2013.
- Community Planning Working Group – 31 October 2013.
- Midlothian Community Planning Partnership Board meeting – 14 November 2013.

A detailed programme of consultations with key economic stakeholders in Midlothian was also undertaken. The consultation programme commenced on 27 March 2013 with a consultation session involving trade association representatives held at the Bush Estate. In addition, the following economic lever stakeholder consultation sessions were held:

- Landowners - 7 May 2013.
- Farmers - 11 June 2013.
- Academics - 28 June 2013.
- Developers and House-builders - 21 August 2013.
- Major employers - 30 August 2013.

During the consultation programme a number of key themes emerged. These included:

- Support for the business sector.
- Advice / guidance on procurement related issues.
- Early warning notifications of, for example, road closures.
- Broadband coverage.

Many, if not all, of the key themes raised are being dealt with through the day to day operational business of the Council. However, it is important that the Council and its Community Planning Partners listen to the concerns raised by the business community and endeavour to tailor service provision to meet their needs.

The draft Action Plan was also circulated, for comment, to all those individuals who attended the consultation sessions. Active consideration is also being given to holding a formal launch of the Action Plan at a suitable date in summer 2014.

Throughout the development of the Midlothian Economic Recovery Plan, close liaison has also been maintained with staff from the Improvement Service, which provides support to Scottish Local Government and its partners to deliver better outcomes for communities.

This liaison work has focused heavily on the Economic Outcomes Programme, which is a Programme developed by the Improvement

Service, Scottish Local Authorities Economic Development Group and the Scottish Government. The purpose of the Programme is to provide support to Local Authorities and partners to embed the key messages of the Scottish Local Authorities Economic Development Improvement Guide which was previously launched by the Enterprise Minister, Fergus Ewing MSP.

The Programme works with economic development teams, Elected Members and Community planning partnership partners across Scotland to strengthen the impact Local Authority led economic development activity has on the local and national economy. Drawing on the Guide, the Programme works with relevant officers to identify practical improvement actions to strengthen delivery and economic impact and embed a joined up, corporate approach to economic development covering the following areas:

- One to one support.
- Training.
- Peer review networks.
- Access to best practice.
- Self assessment techniques.

Staff from the Improvement Service were in attendance at the Sustainable Growth thematic group meeting on 25 October 2013 and Council officers intend making as much use as possible of the services on offer through the Programme to assist with the delivery of the Midlothian Economic Recovery Plan.

3.7 Ensuring Equalities

A full Equalities Impact Assessment (EIA) has been undertaken and is attached to this report as appendix 2. This builds on the recent work undertaken by Council officers in close liaison with NHS Lothian colleagues on the potential equalities benefits of the Recovery Plan.

3.8 Supporting Sustainable Development

There are no sustainability issues at this stage although appropriate Strategic Environmental Assessment (SEA) clearance will be required. Appropriate steps are being undertaken to secure this clearance. It should be noted that many of the strategic documents that the MERP has links to already have formal SEA clearance in place.

3.9 IT Issues

There are no IT issues arising from this report.

4 Recommendations

It is recommended that Council:

- I. notes the extensive consultation process undertaken in preparing the Midlothian Economic Recovery Plan;
- II. approves the content of the Midlothian Economic Recovery Plan, including its Action Plan;
- III. notes the work that has already been undertaken in delivering some of the actions contained in the Midlothian Economic Recovery Plan Action Plan;
- IV. agrees that a Midlothian Economic Recovery Plan launch event be organised and held on a suitable date in summer 2014; and
- V. agrees that regular performance progress reports be prepared for the Council and the Midlothian Community Planning Partnership in terms of the implementation and delivery of the actions and contained in the draft Midlothian Economic Recovery Plan Action Plan.

Date 11 March 2014

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DRAFT

**MIDLOTHIAN ECONOMIC
RECOVERY PLAN**

March 2014

The Midlothian Economic Recovery Plan (hereinafter referred to as MERP or “The Plan”) provides a strategic vision for Midlothian Council area based on a detailed analysis of the state of the Midlothian economy and highlights its importance to the Edinburgh City Region and wider Scottish economies. The MERP acknowledges ongoing challenging conditions facing the Scottish economy and acknowledges that these difficult conditions are likely to provide for much of the early part of the period covered by the Plan.

It is intended that the MERP will be a relevant, up to date working document which can assist the Council and Midlothian Community Planning Partnership partners in driving forward sustainable economic development and growth to enable the maximisation of external funding opportunities.

The Action Plan only contains ‘big ticket’ issues that it is deemed will make a difference to Midlothian’s ongoing economic recovery. These issues were teased out from a lengthy consultation process throughout 2013 involving a wide range of internal and external stakeholders.

The result of the consultation has been the development of the undernoted Programme Areas:

- Support for Business
- Infrastructure Development and Major Projects
- Education, Skills and Employment.
- Support for Key Economic Sectors.
- A Sense of Place

Contained within each Programme Area are a series of actions, where it is anticipated that focussed activity will make a difference to the Midlothian Economy. In turn, these issues closely align to key strategic documents such as the Scottish Government Economic Strategy (2011) and associated key strategic documents covering important topic areas such as business support, science park development and positive destinations.

A full copy of the MERP Action Plan and performance reporting template will be available on the Council’s website. This provides details on partners involved in preparing and driving forward the MERP together with anticipated timescales for the delivery actions.

In summary, this Action Plan is designed to be aspirational, flexible and responsive as well as both reactive and pro-active as new economic recovery related initiatives come on stream primarily from the Scottish Government through its Economic Strategy.

MIDLOTHIAN ECONOMIC RECOVERY PLAN
SUMMARY ACTION PLAN

Programme Area: Support for Business

1. Procurement

Development of Midlothian Community Planning Partnership Procurement Programme

Procurement within the Council

- Hold a local supplier procurement engagement event.
- Develop local supplier procurement engagement policy.
- Develop local business procurement policy targeted at Small & Medium Sized Enterprises.
- Develop community benefit policy and guidance for inclusion in all Council tender documentation.
- Establishment of Internal Council working group to oversee above named action area.

Procurement outwith the Council

- Understand and aim to maximise the collaborative procurement throughout Scotland.
- Develop community benefit clauses in Midlothian based non Council public works contracts.
- Establishment of external working group to oversee above named action area.
- Organise a joint Meet the Buyer procurement related event in Midlothian.

2. Business Gateway and Business Gateway Plus

- Delivery of Business Gateway contract in Midlothian in an endeavour to bring business support services closer to the user and deepen engagement with local businesses.
- Offering wide range of advice and services to new and established businesses, including social enterprises.
- Organisation of local workshops covering topics such as sources of business finance, employment and international trade.
- Delivery of Business Gateway Plus in Midlothian – partnership programme which will use the delivery infrastructure and management capacity of the Business Gateway with the aims being to support early stage growth of firms and to provide consultancy support to SMEs as they seek to respond to the current challenging business environment.

3. UK Assisted Area Map

- Submission of Midlothian's area of economic opportunity to Scottish Borders Council as part of case submission to Scottish Government.
- Respond to further and final consultation on draft Scottish Assisted Area map.
- Commence preparatory work to be ready to effectively market Midlothian's areas of economic opportunity.

Programme area: Infrastructure Development and Major Projects

1. Broadband and Mobile Coverage

Roll out of high speed broadband provision in Midlothian as part of the Scottish Government's Digital Scotland Superfast Broadband initiative.

- Information seminar organised for Elected Members (to assist with priority area identification / setting).
- Information seminars organised for key economic sector groupings (to assist with priority area identification / setting).

Active participation in Scottish Government's Community Broadband Scotland initiative.

- Explore the feasibility of the implementation of the Community Broadband initiative in the parts of Midlothian (circa 1.9%) not covered by the Superfast Broadband Initiative.
- Explore the possible purchase of feasibility studies highlighting the area(s) contained within the circa 1.9% figure.

2. Transportation / Infrastructure Requirements at the Bush Estate / Easter Bush

- Progress through the Midlothian Local Development Plan process, the proposal for the construction of a link road to the A702 to improve accessibility for the Bush as part of a wider A701 improvement scheme.
- Collation of schedule of likely current and future infrastructure requirements in the Bush Estate / Easter Bush area. This will include regional transportation, roads, electricity, gas, sewage and water infrastructure capacity and provision.
- Preparation of a draft Action Programme for delivery of the transport and other infrastructure required to enable development to happen. The Action Programme will be finalised as the MLDP Proposed Plan moves to adoption and will be updated at regular intervals.

3. Sheriffhall Roundabout

Lobby the Scottish Government in respect of the A720 Sheriffhall roundabout grade separation.

4. Shawfair

Develop 500 acres of agricultural land to provide: 4,000 new homes, 30 acres of commercial development, a supermarket, new schools, roads, and a railway station on the reopened Waverley Line.

5. Zero Waste Project

- Continued Partnership with City of Edinburgh Council to deliver economies of scale and value for money in collaborative procurement of waste treatment infrastructure
- Opening up of a large land-locked brownfield site at Millerhill Marshalling Yards for redevelopment, including opportunities for new businesses within a Zero Waste PARC, by provision of a new road and utilities.
- Provision of a state of the art anaerobic digestion plant at Millerhill Marshalling Yards in partnership with Alauna Renewable Energy, providing:
 - local job opportunities;
 - sub-contractor work in the area;
 - low carbon renewable electricity and a low grade heat available for local use; and
 - a digestate material for use as a fertiliser on arable farmland locally.
- Provision of state of the art residual waste reception and treatment facilities at Millerhill Marshalling Yards in partnership with a successful bidder, providing;
 - local job opportunities;
 - sub-contractor work in the area;
 - recyclable material; and
- a refuse derived fuel used, potentially at Millerhill, to produce renewable electricity and high grade heat that could supply a district heating network.

Providing project information through organised educational visits and via the joint Councils web-site: www.zerowastefuture.com

6. 'Shovel-ready' Infrastructure Projects

- In anticipation of the creation of a National Infrastructure Investment Fund, finalisation of listing of potential Midlothian based shovel ready infrastructure and submission of listing to Scottish Government.

7. Borders Rail Line

- Maximisation of the socio-economic benefits offered through the construction of the Borders Rail Line.

Programme Area: Education, Skills and Employment

1. *Deliver the Opportunities for All and Youth Employment action plans.*

- Increasing sustainable positive destinations for school leavers.
- Widening vocational curriculum in schools / progression to Further Education.
- Early identification of and support to vulnerable pupils.
- Further developing skills for learning, life and work for all children and young people.

2. *Deliver the Midlothian Employment Action Network (MEAN) and Midlothian Adult Learning partnership (MALP) annual plans.*

- Engaging employers through a shared gateway.
- Increasing skills and qualifications in the working age population.

Programme Area: Support for Key Economic Sectors

1. Tourism

- Deliver the priorities and actions contained in the Midlothian Tourism Action Plan 2013/15. This relates to key activity areas including food and drink development, events development and promotion and tourism skills development.
- Implementation of the Midlothian element of the Waverley Rail Line Tourism Marketing Programme.
- Taking account of the strategy emerging through the MLDP Proposed Plan, preparation of a portfolio of potential hotel development sites / planning briefs in Midlothian for circulation to interested parties.

2. Life Sciences / Animal Biosciences

- Deliver the priorities and actions contained in the Bush Framework Masterplan. This relates to key activity areas including branding / marketing, the physical environment transportation and utilities.
- Explore opportunities to develop a Tax Incremental Finance (TIF) scheme focussed on the Bush Estate / Easter Bush area.
- Provision of project governance/secretariat support for the Bush Development Board and associated workstreams arising from Board meetings.
- Establishment of the Bush Estate Business Improvement District.
- Preparation of business case to the Scottish Government (Hydro Nation Forum) to secure the development of the Hydro Nation Centre (for Life Sciences and Water) in Midlothian.

3. House building

- Work with house builders to support economic growth and community benefits, such as training opportunities and local business supplier opportunities.

Programme Area: A Sense of Place

1. Penicuik Town Centre

- Establishment of Business Improvement District steering group.

2. Dalkeith Town Centre

- Progress the Dalkeith Townscape Heritage Initiative / Conservation Area Regeneration Scheme (CARS) to completion.

3. Gorebridge Town Centre

- Progress the Gorebridge Conservation Area Regeneration Scheme (CARS) to completion.

4. Midlothian Town Centres

- Explore potential opportunities to promote economic development / regeneration activity in Midlothian's town centres, particularly any opportunities which might arise through the Scottish Government commissioned national review of town centres and forthcoming action plan for town centres.

5. Marketing of Midlothian

- Launch of 'Midlothian: A Great Place to Grow' marketing campaign.
- Development and implementation of a programme to market Midlothian's public and private sector owned economic sites.

6. Development Planning

- Continue with preparation of South East Scotland Strategic Development Plan No. 2.

- Report on results of the MLDP Main Issues Report and move on to preparation of the Proposed Plan.

7. LEADER Programme 2014-20

- Preparation and submission of business case to the Scottish Government for the operation of the leader Programme in Midlothian and East Lothian over the 2014/2020 timeframe. Subject to Cabinet approval, Midlothian Council to assume responsibility for lead role in terms of delivery of the new Programme.
- Preparation of tender for evaluation of current Tyne-Esk Leader programme and lead in work for commencement of new Programme.

8. EU Programmes 2014-2020

- Ensure effective Midlothian input to Strategic Delivery Partnerships to maximise potential European funding available to Midlothian in the following key topic areas :
 1. Competitiveness, innovation and jobs.
 2. Environmental protection, low carbon economy and resource efficiency.
 3. Local development and social inclusion.

Declaration Box

Instructions: This box must be completed by the author of the report. The box will be copied and saved by the Council Secretariat who will delete it from the report prior to photocopying the agenda.

Title of Report: Midlothian Economic Recovery Plan

Meeting Presented to: Midlothian Council 25/03/2014

Author of Report: John Beveridge

I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat (Check boxes to confirm):-

- ☒ *All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Integrated Service Support.*
- ☒ *All risk implications have been addressed.*
- ☒ *All other report implications have been addressed.*
- ☒ *My Director has endorsed the report for submission to the Council Secretariat.*

For Cabinet reports, please advise the Council Secretariat if the report has an education interest. This will allow the report to be located on the Cabinet agenda among the items in which the Religious Representatives are entitled to participate.

Likewise, please advise the Council Secretariat if any report for Midlothian Council has an education interest. The Religious Representatives are currently entitled to attend meetings of the Council in a non-voting observer capacity, but with the right to speak (but not vote) on any education matter under consideration, subject always to observing the authority of the Chair.