

# SCOTTISH BORDERS COUNCIL

MINUTES of Meeting of the EXECUTIVE COMMITTEE held in Council Chamber, Council Headquarters, Newtown St Boswells, TD6 0SA on Tuesday, 14th February, 2017 at 10.00 am

-----

Present:- Councillors J. G. Mitchell (Chairman), S. Aitchison, S. Bell, J. Brown, M. J. Cook, V. M. Davidson, G. Edgar, D. Moffat, D. Paterson, F. Renton and R. Smith.

Also Present:- Councillors I. Gillespie, G. Turnbull.

Apologies:- Councillors D. Parker, C. Bhaita.

In Attendance:- Depute Chief Executive (People), Chief Financial Officer, Corporate Transformation and Services Director, Democratic Services Team Leader, Democratic Services Officer (K. Mason).

1. **CHAIRMAN**

In the absence of the Chairman the meeting was chaired by Councillor Mitchell.

2. **MINUTE**

The Minute of meeting of the Executive Committee of 31 January 2017 had been circulated.

**DECISION**

**APPROVED for signature by the Chairman.**

**MEMBER**

Councillor Davidson joined the meeting during discussion of the following item.

3. **MINUTE EXTRACT FROM SCRUTINY COMMITTEE**

There had been circulated copies of Minute Extract from Scrutiny Committee of 26 January 2017. The Chairman of Scrutiny Committee, Councillor Turnbull, in referring to the recommendations, advised that the Scrutiny Committee had heard a first class presentation from James England, South of Scotland Timber Transport Officer and David Richardson, Asset Manager, SBC on the impact of third party use on the Local Authority's road network. Councillor Turnbull asked the Executive Committee to accept the recommendations as follows:

- (a) the Leader write to the Scottish Government pressing for more funding for the road infrastructure from both Scottish Government and the Forestry Industry to both prepare the public road network for timber extraction and also rectify any resultant damage caused by timber extraction;
- (b) the Leader write to the Scottish Government to request that the current review of 'the Future of Forestry in Scotland' should include the impact and cost of timber extraction on the road network and rural communities; and
- (c) the impact of 3rd party use of the public road network - in the form of larger HGV vehicles - be kept under review on an annual basis by the appropriate Committee in the new Council following the election in May 2017.

There followed a detailed debate relating to the recommendations.

## VOTE

*Councillor Smith, seconded by Councillor Paterson, moved that the recommendations be approved with the following additional words in recommendation (b) “and in granting permission for new afforestation, due regard must be given to the capacity of rural roads to accommodate the pressures at a time of extraction in the future”.*

*Councillor Aitchison, seconded by Councillor Renton, moved as an amendment that the words in recommendation (a) “both prepare the public road network” be amended to read “to allow steps to be taken to reduce the impact on the public road network”.*

*On a show of hands Members voted as follows*

*Motion - 6 votes*

*Amendment - 3 votes*

*Accordingly the motion was approved.*

## DECISION

### DECIDED that:-

- (a) the Leader write to the Scottish Government pressing for more funding for the road infrastructure from both Scottish Government and the Forestry Industry to both prepare the public road network for timber extraction and also rectify any resultant damage caused by timber extraction;**
- (b) the Leader write to the Scottish Government to request that the current review of “the future of Forestry in Scotland” should include the impact and cost of timber extraction on the road network and rural communities, and in granting permission for new afforestation, due regard must be given to the capacity of rural roads to accommodate the pressures at a time of extraction in the future; and**
- (c) the impact of 3<sup>rd</sup> party use of the public road network – in the form of larger HGV vehicles, be kept under review on an annual basis by the appropriate Committee in the new Council following the election in May 2017.**

#### 4. **QUARTERLY CORPORATE PERFORMANCE REPORT (QUARTER 3, 2016/17)**

There had been circulated copies of a report by the Chief Executive presenting a summary of quarterly performance information for Members, with details contained within Appendix 1 to the report with Appendix 2 to the report providing details of Live Borders performance. SBC approved a Corporate Plan in April 2013, with 8 priorities that it wished to address for the Scottish Borders over a 5 year period. In order to monitor progress against the eight priorities, this review of performance information was undertaken quarterly and presented to Executive Committee. A summary of the main changes made to performance indicators was provided at Section 4 of the report, followed by a high level summary of performance in Section 5. Appendix 1 provided a more detailed presentation and explanation of each Performance Indicator (PI). Where possible, information which was collected on a quarterly basis was presented but this was not possible for all areas of Council business, for example, school attainment. The presentation used in Appendix 1 was consistent with what was presented to Council on 26 June 2014 and to the Executive Committee each quarter thereafter. All information contained within this report was also made available on the SBC website using the public facing part of SBC’s Performance Management software (Covalent).

This could be accessed at [http://www.scotborders.gov.uk/info/691/council\\_performance/1353/our\\_performance\\_as\\_a\\_council](http://www.scotborders.gov.uk/info/691/council_performance/1353/our_performance_as_a_council) and by clicking on “Scottish Borders Performs”. Section 6 and Appendix 2 of the report presented a summary of performance during Quarters 1 and 2 of 2016/17 for

sport and culture, managed by Live Borders since April 2016. Reporting performance in February and August each year to Executive Committee was agreed within the Performance Management Framework, approved when services were transferred to Live Borders. The Depute Chief Executive – People advised on the choice of support arrangements in place for Self Directed Support. The Senior Manager Business Strategy and Resources answered Members' questions, and in response to a query he undertook to provide a full commentary on the performance indicator relating the employment rate and young people aged 18 – 24 years being out of work and claiming benefits to Councillor Bell.

#### **DECISION**

##### **AGREED to:-**

- (a) **note the changes to performance indicators outlined in Section 4 of the report;**
- (b) **to acknowledge and note the performance presented in Section 5 and within Appendix 1 and the action that was being taken within Services to improve or maintain performance; and**
- (c) **note the performance presented in Section 6 and Appendix 2 of the report in relation to sport and culture, delivered through Live Borders.**

#### **5. CORPORATE TRANSFORMATION PROGRESS REPORT**

There had been circulated copies of a report by the Corporate Transformation and Services Director on progress in developing and delivering the Council's Corporate Transformation Programme since the last update report on 15 November 2016 and setting out planned activity in the reporting period to June 2017. This was the eighth quarterly progress report since the Programme was established in February 2015. On 9 February 2017, the Council also considered a second annual progress report on Corporate Transformation which set out how it would continue to support the delivery of the Council's 8 Priorities, its Financial Strategy and significant service improvements moving forward. The current areas of work within the Programme were set out in the tracker in Appendix 1 to the report under the 8 Corporate Priorities and included a brief description of the purpose of each Programme, a summary of progress made to date (rating them Red, Amber or Green) and setting out key milestones in the next quarter. Section 4 of the report set out the key highlights over the last reporting period. Detailed performance reporting infographics for the following areas of the programme were set out in Appendices 2 to 4 to the report: (a) Children and Young People Programme; (b) Integration of Health and Social Care; and (c) Workforce Transformation. The Corporate Transformation and Services Director referred to the two amber areas which related to workforce transformation and digital transformation. The importance of fully briefing new elected Members on the importance of the Digital Strategy after the Election in May 2017 was highlighted.

#### **DECISION**

**NOTED the continued progress made in developing and delivering the Corporate Transformation programme.**

#### **6. MONITORING OF GENERAL FUND REVENUE BUDGET 2016/17**

There had been circulated copies of a report by the Chief Financial Officer providing budgetary control statements for the Council's General Fund based on actual expenditure and income to 31 December 2016 and explanations of the major variances between projected outturn expenditure/income and the current approved budget. The revenue monitoring position set out in the report was based on actual income and expenditure to 31 December 2016. The Council was projecting a balanced position to 31 March 2017 with identified pressures currently being managed within departmental budgets. This balanced position included delivery of the remaining IT contract pressure of £0.539m

(total of £2m delivered in 2016/17), covered all known Corporate Transformation pressures and reflected the earmarking of £1.441m from 2016/17 into 2017/18 to support the Financial Plan on a one-off basis. At 31 December 2016 97% of savings had been delivered, (£8.272m planned efficiency savings delivered as per the Financial Plan with £0.188m achieved by alternative, permanent measures and £3.577m delivered temporarily). The remaining 3% (£0.323m) was profiled to be achieved during the remainder of 2016/17. Further management effort during the remainder of 2016/17 needed to be placed on ensuring all savings delivered temporarily in 2016/17 could be delivered permanently in 2017/18. The £3.577m delivered temporarily in 2016/17 presented a potential financial risk in 2017/18 in light of the significant and challenging savings which required to be delivered as part of the 2017/18 Financial Plan. This risk would be mitigated by proactive management actions. Full details of pressures, risks and challenges were reported alongside the significant majority of areas of the Council's operation where approved budget plans remained on track were detailed in Appendix 1 to the report. A request was made for a private discussion on the problems relating to SWAN. The Chief Financial Officer advised that there were currently several "red line" issues that were presenting risks in respect of the ERP Project. He explained that the pre requisites for "go live" were that the council had been provided with comprehensively tested and fully functioning payroll, financial reporting (including bank reconciliation) and supplier payments modules within the new ERP system Business World. The project was still in the development phase and if outstanding issues were not resolved the project could not go live on 1 April 2017 as planned. The Chief Financial Officer undertook to bring back a briefing note on the processing of housing benefit claims.

#### **CHAIR**

Councillor Brown, Chaired the meeting for a short period during discussion of the above item.

#### **DECISION**

**(a) AGREED the virements detailed in Appendices 2 and 3 to the report.**

**(b) NOTED:-**

- (i) the projected corporate monitoring position projected at 31 December 2016, the underlying cost drivers and the identified areas of financial risk as reflected in Appendix 1 to the report; and**
- (ii) the progress made in achieving Financial Plan savings as detailed in Appendix 4 to the report and the ongoing action to ensure delivery of 2016/17 Financial Plan savings on a permanent basis.**

#### **7. PROJECTED BALANCES AT 31 MARCH 2017**

There had been circulated copies of a report by the Chief Financial Officer providing an analysis of the Council's balances as at 31 March 2016 and advising Members of the projected balances at 31 March 2017. The unaudited Council's General Fund useable reserve (non-earmarked) balance was £7.082m at 31 March 2016. The monitoring position reported to the Executive Committee in both August and November 2016 reflected a balance of £5.638m in line with the approved Financial Strategy. The projected balance as at 31 March 2017 remained £5.638m assuming a balanced outturn position was delivered in 2016/17. The Council's allocated reserve balance was £3.360m at 31 March 2016 and was projected to be £6.215m at 31 March 2017 which was £0.714m more than reported to the November Executive Committee as a result of: (a) an allocation of £0.539m towards IT transformation; (b) an allocation of £0.200m to add to the Winter Maintenance reserve (now named Adverse Weather); and (c) a draw down of £0.025m from the ER/VS reserve fund 2016/17 commitments. The total of all useable balances, excluding developer contributions, at 31 March 2017 was projected to be £23.298m, compared to £31.163m at 31 March 2016. The difference related almost entirely to movements in earmarking between the two years. The projected balance on

the Capital Fund of £0.791m would be affected by any further capital receipts, developer contributions, interest credited and any expenditure authorised to be financed from the Fund during the remainder of the financial year.

#### **DECISION**

##### **AGREED to:-**

- (a) note the projected revenue balances as at 31 March 2017 as detailed in Appendices 1 & 2 to the report; and**
- (b) note the projected balance in the Capital Fund as detailed in Appendix 3 to the report;**

#### **8. MONITORING OF THE CAPITAL FINANCIAL PLAN 2016/17**

There had been circulated copies of a report by the Chief Financial Officer providing an update on the progress of the 2016/17 Capital Financial Plan and seeking approval for projected outturns and associated virements, and the reallocation of funds. The monitoring tables detailed in Appendix 1 to the report advised on actual expenditure to 31 December 2016. Key issues identified in these tables were summarised within the main report. The tables identified a projected net variance of £3.006m against the approved budget. The net in-year budget increase of £0.544m was primarily due to an increase in the projection for the Plant and Vehicle Replacement of £0.366m, fully funded from the P&V Fund with the remainder being additional external funding secured for a number of projects. The net budget timing movements to future years amounted to £3.535m, the most significant of which were £0.790m for Roads and Bridges, £0.225m for Wilton Lodge Park, £0.500m for Energy Efficiency Works and £0.463m for School Refurbishment and Capacity. Appendix 3 to the report contained a summarised list of timing and budget movements within the 2016/17 Capital Plan. Appendix 2 to the report contained a list of the block allocations approved for this year and the various approved and proposed projects to be allocated from them within the 2016/17 Capital Plan. Appendix 4 to the report contained a list of estimated whole project capital costs for single projects which would not be completed in the current financial year. The Service Director Assets and Infrastructure undertook to liaise with Councillor Bell regarding the funding to be spent in the current financial year on the shared access route from Innerleithen to Walkerburn .

#### **DECISION**

##### **AGREED:-**

- (a) the projected outturns in Appendix 1 to the report as the revised capital budget; and approved the virements as detailed in Appendix 3 to the report;**
- (b) the budget virements previously approved by the Chief Financial Officer and Service Director Assets & Infrastructure detailed in Appendix 2 to the report under delegated authority;**
- (c) the list of block allocations detailed in Appendix 2 to the report; and**
- (d) the list of whole project costs detailed in Appendix 4 to the report.**

#### **9. CARE HOMES FOR OLDER PEOPLE IN THE SCOTTISH BORDERS - REPORT ON PROGRESS**

There had been circulated copies of a report by the Chief Social Work Officer presenting an update on work undertaken following an initial report, presented to Social Work and Housing Committee on June 5 2014, which provided an overview on the quality of care homes in the Borders. A Member/Officer Working Group was formed and subsequently drafted a set of formal recommendations detailed in the 'Improving the Quality of Older Peoples Care Homes – Action Plan. This was presented to Executive on 21 April 2015 and it was agreed an update report would be provided. Appendix 1 to the report outlined

specific progress made to the Action Plan, whilst also highlighting any ongoing issues that continued to affect the overall quality of Care Home provision.

**DECISION**

**AGREED to note the progress and improvements made on the action plan.**

*The meeting concluded at 11.50 am*