

# Public Document Pack



## EXECUTIVE COMMITTEE TUESDAY, 19 SEPTEMBER 2017

A MEETING of the EXECUTIVE COMMITTEE will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS, TD6 0SA on TUESDAY, 19 SEPTEMBER 2017 at 10.00 am

J. J. WILKINSON,  
Clerk to the Council,

12 September 2017

BUSINESS		
1.	<b>Apologies for Absence</b>	
2.	<b>Order of Business</b>	
3.	<b>Declarations of Interest</b>	
	<b>ECONOMIC DEVELOPMENT BUSINESS</b>	
4.	<b>Economic Development Update</b> (Pages 1 - 4)  Presentation on recent Economic Development progress by the Chief Officer Economic Development. (Briefing note attached.)	20 mins
5.	<b>Business Gateway - Annual Report and Business Plan 2017-18</b> (Pages 5 - 20)  Consider report by Executive Director. (Copy attached.)	20 mins
6.	<b>South of Scotland Enterprise Agency Update</b> (Pages 21 - 28)  Consider report by Executive Director. (Copy attached.)	20 mins
7.	<b>Selkirk Business Improvement District Proposal</b> (Pages 29 - 38)  Consider report by Executive Director. (Copy attached.)	20 mins
8.	<b>Any Other Economic Development Items Previously Circulated</b>	
9.	<b>Any Other Economic Development Items which the Chairman Decides are Urgent</b>	
	<b>Economic Development theme additional Membership of Committee:- Mr J. Clark, Mr G. Henderson</b>	

	<b>OTHER BUSINESS</b>	
10.	<b>Minute</b> (Pages 39 - 44)  Consider Minute of Meeting held on 5 September 2017. (Copy attached.)	2 mins
11.	<b>Corporate Transformation Progress Report</b> (Pages 45 - 72)  Consider Report by Executive Director. (Copy attached.)	20 mins
12.	<b>Overview of SBC's Complaints Annual Performance Report 2016/17</b> (Pages 73 - 110)  Consider report by Service Director, Customer and Communities. (Copy attached.)	20 mins
13.	<b>Any Other Items Previously Circulated</b>	
14.	<b>Any Other Items which the Chairman Decides are Urgent</b>	
15.	<b>PRIVATE BUSINESS</b>  Before proceeding with the private business, the following motion should be approved:- "That under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 7A to the aforementioned Act."	
16.	<b>Minute</b> (Pages 111 - 114)  Consider Private Minute of 5 September 2017. (Copy attached.)	2 mins

## NOTES

- 1. Timings given above are only indicative and not intended to inhibit Members' discussions.**
- 2. Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.**

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**Membership of Committee:-** Councillors S. Haslam (Chairman), S. Aitchison (Vice-Chairman), G. Edgar, C. Hamilton, E. Jardine, W. McAteer, T. Miers, S. Mountford, M. Rowley, G. Turnbull and T. Weatherston

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## EXECUTIVE COMMITTEE – 19 SEPTEMBER 2017

### Economic Development Update

#### 1. Business:

- From April to July 2017 the Business Gateway team assisted **70 business start-ups**, of which 12 have met the new classification of 'Early Stage' growth. The Advisers have delivered 26 start-up workshops and 16 Growth workshops with 378 attendees.
- Business Gateway has worked across the Scottish Borders meeting with a number of intermediaries (such as bank managers, accounts and solicitors) promoting the services for small businesses available through Business Gateway and the Council. In total 32 Intermediary visits have been held during the period.
- A new Business Gateway Manager, Rob Claridge, has been appointed on a temporary contract. He started in August 2017.
- For the period from 1 January 2017 to 22 August 2017, the **Scottish Borders Business Fund** received 33 applications and approved 23 grants valued at £74,067.16 supporting projects with a value of £153,787.58. These projects are forecast **to create 48.5 jobs** with a forecast **economic impact of £891,986 GVA**.

The **Scottish Borders Business Loan Fund** offers loans of between £1,000 and £20,000 over terms of up to three years. For the period from 1 January 2017 to 22 August 2017, the Loan Fund received 5 applications and approved 3 loans, valued at £48,711.24. These loans are forecast **to create 13 jobs** with an estimated forecast **economic impact of £192,420 GVA**.

- **Business Loans Scotland** – this new national Local Authority Loan Scheme was launched in April 2017 after a number of delays. The first loan to a Scottish Borders business has gone through at £100,000.

#### 2. Regeneration:

- **Hawick Business Growth Project:** The Council has secured £3.625million from the Scottish Government in March 2017 for the development of three key strategic sites in the town:  
**Former Armstrong's Building** – within the town centre is currently on the Buildings at Risk Register due to its dangerous condition. The Council has acquired the site and will demolish elements which are beyond repair and redevelop it as a business incubator hub providing small office units. The development is anticipated to provide up to 17 business incubator units, 613 m<sup>2</sup> net business space and potentially up to 25 FTE additional jobs.

**Galalaw Business Park** – Initially developed in 1994/95 as key employment land, the next phase of the development is being funded with the Scottish Government funding. A building of approximately 456m<sup>2</sup> will be developed to provide up to 4 industrial units. This could potentially provide up to 10 FTE jobs.

**Tower Mill, Heart of Hawick** - The top two floors of Tower Mill are currently business accommodation but have a low occupancy level. Minor alterations are proposed together with a proactive marketing campaign to attract new tenants. The proposal would make available a minimum of 11 business units (subdividing larger offices could increase this to 13); equating to 485m<sup>2</sup> of total business space. It is estimated this could support up to 20 FTE additional jobs.

- **Galashiels BIDS** - Energise Galashiels are progressing a town centre Business Improvement District (BID) for Galashiels having secured funding of £55,000 from BIDs Scotland, Scottish Borders Council and the Borders Railway Blueprint Fund. The BID aims to increase town centre footfall, promote Galashiels as a visitor destination; and provide a world class visitor experience. A project manager has been appointed and local businesses will be consulted to develop a 5 year plan. The Galashiels town centre BID has the potential of generating approximately £750,000 over the 5 year term. The funds would be managed by the BID Company to deliver the business plan. It is anticipated the project will progress to ballot in October 2018.
- **Selkirk Town Centre Streetscape works** - The next phase of ambitious plans to improve the centre of Selkirk have begun in August. The plans include safer and improved areas for bus passengers to board, better seating and pavement surfaces, improved pedestrian crossings and provision to allow Market Place to be used for events and markets. The streetscape scheme has been finalised after consultation with the Selkirk Stakeholder Group, made up of representatives from 15 different organisations across the town. The Council is funding the streetscape works at a total cost of £450,000 with Selkirk CARS providing part-funding of £100,000 for the scheme.
- **Jedburgh CARS** - Following a successful bid to Historic Environment Scotland, the Jedburgh Conservation Area Regeneration Scheme (CARS) was launched in June. The Jedburgh CARS project will support a targeted approach for conservation-based building repairs as well as a wide range of training, heritage and education activities over the next five years with a budget of £1.3m. A full time project officer has been appointed and a steering group formed with representation of community members.

### **3. Tourism & Events**

- **Midlothian Borders Tourism Action Group (MBTAG)** - This project has secured over £400k from Scottish Enterprise and the Borders Railway Blueprint to deliver tourism business-to-business activity over a two year period. The project has already delivered 6 business to business events between Midlothian and the Scottish Borders with the next one due on 20 September 2017.

- **Strategic Events support** – the Council has supported a number of national and regional events over the spring and summer of 2017 to develop and increase visitor numbers and economic impact. Grant funding support has been provided to Melrose 7s, the Brick & Steel County Rally incorporating the British Championship Rally, Tweedlove, Borders Book Festival and the Borders Heritage Festival.
- **Tour of Britain** – The Tour of Britain had a successful return to the Scottish Borders on 3 September 2017, finishing in Kelso town centre. For the first time the whole route was televised and many of the key Scottish Borders landmarks were shown during the live and highlights show. The Economic Impact report is due in October 2017.
- **Tour O the Borders** – On the same day, the Tour O' The Borders closed road sportive was held in Peebles with 2 routes around Tweeddale. The event attracted almost 2,000 amateur riders. These two high profile events help to showcase the Scottish Borders as Scotland's leading cycling destination.
- **Scottish Borders Heritage Festival.** This year Live Borders and Scottish Borders Council are delivering a large festival of events with support from Lottery, EDF Energy and Museums and Galleries Scotland for the Visit Scotland year of History, Heritage and Archaeology.
- **Steam Trains.** SRPS ran Steam trains each Sunday in August 2017 from Fife to Tweedbank. The trains were at capacity with 400 passengers on each journey. On arrival they had pre-booked excursions to Melrose, Abbotsford or Season's restaurant.

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

- **European funding** continues to be available to projects through the Scottish Borders LEADER and European Maritime Fisheries Fund 2014 – 2020 programmes. The UK and Scottish Governments have confirmed that applicants whose grant funding is agreed and contracted before the point of 'Brexit' will be able to complete their projects, even if the work is scheduled to take place after leaving the EU.
- The **LEADER Local Action Group** has approved grant funding of £1.1m so far in 2017, including 10 community, 2 farm diversification, 5 rural business development and 2 Enterprise Facilitator projects. 6 applications are expected for consideration by the Local Action Group in October 2017. The next application deadline for LEADER funding is 14 November 2017.
- The **Forth Fisheries Local Action Group** has met 3 times and has recommended 6 projects to Marine Scotland, committing £264k of funding. In total, 18 Expressions of Interest have been received, with 3 not progressing. The next FLAG committee will be 23 November 2017, with 4 projects totalling £172k under consideration.

## **5. Property & Projects:**

- **Property** - 75 general property enquiries have been received to date in 2017/18. This has resulted in 2 lease assignments and 6 new property leases which will generate £31k in annual rental income for the Council. With regard to the Council's portfolio of leased industrial units, yards and shops, the occupancy level for the first quarter of 2017/18 is **87.3%**.
- The 75 property enquiries to date include 20 enquiries about purchasing plots. Of these, 5 are at the start of detailed exploration of business requirements and the cost implications: and sales are in hand for 3 more plus 7 earlier enquiries. Sales are for plots at part EU funded sites at Coldstream, Hawick and Lauder, and other employment land in Eyemouth, Hawick, Jedburgh and Kelso.

**Bryan McGrath**, Chief Officer Economic Development, tel 01835 826525.

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**BUSINESS GATEWAY ANNUAL REPORT AND BUSINESS PLAN  
2017-18**

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**Report by Executive Director  
EXECUTIVE COMMITTEE**

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**19 September 2017**

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**1 PURPOSE AND SUMMARY**

- 1.1 This report summarises the Business Gateway service's performance in 2016/17 and seeks approval of the Business Plan for the delivery of Business Gateway services in the Scottish Borders to 31 March 2018.**
- 1.2 2016/17 saw the majority of national targets being achieved by the Business Gateway team with a particularly good performance around business growth. The strongest performance was on identification of businesses starting a growth plan, giving a strong base for future years' activities.
- 1.3 The plan for 2017/18 is to continue to use the European Regional Development Fund to deliver additional Growth activity. A new dedicated Business Gateway Manager will be appointed and the office will trade from new premises at Tower Mill, Hawick. The focus on geography will continue with an adviser being allocated to each locality and the premises agreement with Live Borders will allow a greater roll-out of workshops across the Borders. Emphasis will continue to be applied in the areas of Exporting and Innovation for local businesses.
- 1.4 In the next 12 months Business Gateway will continue to deliver against the agreed National Service Specification and will aim to achieve the outcomes set out in the ERDF operation plan. Using EU Funds, the Business Plan will enhance service delivery at the local level by aligning to the priorities in the Local Outcome Improvement Plans (LOIP) and the Scottish Borders Economic Strategy 2023.

**2 RECOMMENDATIONS**

- 2.1 **I recommend that the Executive Committee:**
  - (a) Acknowledges the strong performance and positive impact of the Business Gateway service in 2016-2017;**
  - (b) Approves the 2017-2018 Business Plan for Business Gateway in line with the national service specification, including the proposed reporting indicators in Table 2; and**
  - (c) Agrees that an annual review meeting is held in November 2017 with a range of Business Gateway customers to allow elected members to directly receive customer feedback.**

### 3 BACKGROUND

- 3.1 Business Gateway offers information, advice and guidance to people who are considering starting a business or growing their existing business. It is a national service with built-in local flexibilities. It is supported by the national Business Gateway Enquiry Service, the Business Gateway website ([www.bgateway.com](http://www.bgateway.com)) and the national Business Gateway Unit, located in COSLA.
- 3.2 The Business Gateway service is managed by lead local authorities and offers a 'one-stop shop' for business support enquiries as well as providing direct support and a conduit to other business support services provided by the Council and its partners, such as Scottish Enterprise and Skills Development Scotland.
- 3.3 The service specification for the Business Gateway service was reviewed nationally in 2016 and was approved by the Business Gateway Scotland Board November 2016. An obligation to deliver to a consistent standard and report in a consistent way is required of all lead local authorities with responsibility for Business Gateway in their area.
- 3.4 The Business Gateway service in the Scottish Borders now operates from Tower Mill in Hawick from 1 April 2017. The team of 9 consists of 7 full time and 2 part time staff, including the new Business Gateway Manager.
- 3.5 The Business Plan is updated on an annual basis. The latest Business Plan is set out in **Appendix 1**.

### 4 PERFORMANCE INDICATORS

- 4.1 The performance against key indicators and targets for 2016/17 is noted in Table 1 below. The targets for 2017/18 are set out in Section 5 of this report.

**Table 1. Business Gateway Performance figures 2016/17**

<b>Service Output Targets</b>			
	<b>Target 2016/ 17</b>	<b>Actual 2016/ 17</b>	<b>%</b>
<b>Start-up Service</b>			
Total number of start-up customers who have begun trading	<b>220</b>	<b>219</b>	<b>99%</b>
Potential High Value Start-ups (PHVSU). Businesses expected to start turning over in excess of £70k in the first year or employ at least 1 person	<b>25</b>	<b>22</b>	<b>88%</b>
High Value Start-ups (HVSU). Businesses that are actually turning over in excess of £70k in the first year or have employed someone	<b>20</b>	<b>17</b>	<b>85%</b>
Number of start-up workshops/seminars held	<b>72</b>	<b>77</b>	<b>107%</b>
Number of clients attending start-up workshops/seminars	<b>432</b>	<b>432</b>	<b>100%</b>



<b>Growth Services</b>	<b>Target 2016/ 17</b>	<b>Actual 2016/ 17</b>	<b>%</b>
Local Growth Advisory Service (LGAS) businesses expected to increase annual turnover by £100k on 3 years	<b>30</b>	<b>38</b>	<b>127%</b>
Growth Advisory Service (GAS) businesses expected to increase annual turnover by £200k in 3 years	<b>15</b>	<b>15</b>	<b>100%</b>
Growth Pipeline (GP) businesses expected to increase turnover by £400k in 3 years, approved by Scottish Enterprise	<b>6</b>	<b>4</b>	<b>67%</b>
Account Managed (AM) Businesses who meet SE criteria for acceptance on to national account management structure	<b>2</b>	<b>2</b>	<b>100%</b>
Number of workshops aimed at Growing Businesses	<b>60</b>	<b>57</b>	<b>95%</b>
Number of clients attending growing business workshops/seminars	<b>360</b>	<b>447</b>	<b>124%</b>
<b>ERDF Targets</b>			
Number of Masterclasses held	<b>10</b>	<b>2</b>	<b>20%</b>
Number of Scottish Borders Business Fund grants issued	<b>20</b>	<b>28</b>	<b>140%</b>
Increase in Employees in assisted companies	<b>40</b>	<b>50.5</b>	<b>126%</b>
Number of businesses assisted to export for the first time	<b>15</b>	<b>13</b>	<b>87%</b>

4.2 The key points to note in respect of the performance indicators in the table above are as follows:

- (a) Business Gateway continued to be ambitious with its Growth targets for 2016/17 and has met most of these targets. Start-up figures are close to target although the Higher Growth starts fell short. This target has now been changed nationally to focus on employee numbers only, rather than unrealistically high expectations on turnover.
- (b) Stronger Growth performance can be attributed to the locality based approach, which was new for 2016/17. Advisers now focus on geography rather than sector, allowing for better identification of relevant businesses in their area. The exception to this is the Growth Pipeline figure. Acceptance into this segment is controlled by Scottish Enterprise against national criteria.
- (c) The poor result shown against Masterclasses was due to funding changes. This is an ERDF target and a reduction in the eligible match

funding caused a reduction in the ERDF budget. The number of Masterclasses was reduced in order to rebalance the budget. The target has been reduced for future years.

- (d) Workshops continue to be of value and well received by businesses. It is an effective, economical way for Business Gateway to reach a larger number of businesses. Growth workshops include Digital Boost where the Borders was 3<sup>rd</sup> best performing region (by number of workshops delivered), beaten only by Edinburgh and Glasgow.
  - (e) Business Week ran in November 2016 and unfortunately there was a disappointing turnout for the events. As a result, a new approach will be introduced in 2017/18 with a Business Conference being run over one day on 26 October 2017 in Springwood Park in Kelso.
- 4.3 The geographical approach has paid dividends. This has allowed each of the advisers to get to know their area and work more closely with the business community, resulting in better identification of growing businesses we should be working with. Unfortunately there was a gap in Berwickshire from November 2016 which meant the service in that part of the area was reactive with other advisers covering. This has now been resolved and a full time adviser is covering the area.
- 4.4 Start-up figures across Scotland continue to be low against target, mainly due to the high levels of employment. Activity in Scottish Borders appears to be steadier with just short of 20 new businesses starting each month.

## **5 BUSINESS PLAN 2017/18**

- 5.1 The Business Gateway service follows a national specification. The revised Business Plan sets out the opportunities to further develop the Council's Business Gateway service delivery model. This delivers against the detailed national service specification and also provides a range of local services.
- 5.2 The Business Plan is set out in Appendix 1. It considers two main categories of business customers: Start-up and Growth (which incorporates all existing businesses).
- 5.3 In addition to providing these services, the Business Gateway service also supports: delivery of local marketing activities; participation in local and national promotional and networking events; and advisory input to future online and other services.
- 5.4 In 2017/18 the Start-up team will continue to have two advisers. Each of the advisers will be responsible for identifying clients under the new 'Early Stage Growth' (ESG) segment. ESG now looks solely at the potential for employment for a business within the first 18 months. Business development will continue and greater collaboration with Further Education establishments and careers fairs aimed at school leavers. This will help reinforce the link with the Developing the Young Workforce activities of the Council, Borders College and other partners.
- 5.5 The Growth team of five advisers have each been allocated an area of the Scottish Borders, aligning directly with the Council's "localities" approach. Their role is to get to know the businesses and business people in their area, identify those businesses that do not currently work with Business Gateway and ensure greater profile for the service. They will be the main point of contact for all existing businesses in the area and will pass on information relating to start-ups to the Start-up team.
- 5.6 The Service will continue to provide workshops and events on issues that are essential to local businesses. The range and subjects of workshops will increase, to help stimulate new enquiries from businesses. Business

Gateway will partner with other organisations to deliver workshops. For example the service will work with the Export Association to deliver a range of workshops to encourage Internationalisation in local businesses. These will be run in November 2017 in partnership with Scottish Development International. With the funding provided by ERDF a series of Masterclasses will be run aimed at larger audiences and bringing in high profile speakers to deliver high quality seminars.

- 5.7 The Business Gateway service fits within a wider range of business support services delivered by the Council. This includes provision of access to finance (loans and grants), economic intelligence, business property, industrial developments, and inward investment activities. The team will work closely with colleagues throughout the Council and help to deliver business services as part of the Economic Development team. This will involve them in continued work on the Borders Railway Blueprint projects and other projects linked to local developments.
- 5.8 Advisers will retain a specialism in certain key business subjects and sectors. This specialism will be called upon on a team basis as required by their colleagues. Business Gateway will also lead on the second phase of Digital Boost, this is now delivered regionally with each area set targets for workshop delivery and 1-to-1 consultancy. Budget is allocated directly from Scottish Government for this activity.
- 5.9 Through the ERDF funded project, Internationalisation and Innovation have been highlighted as two of the main business processes that will be improved in the Borders. The team will also look at opportunities for innovation centres and proactively encourage businesses to investigate exporting for the first time.
- 5.10 A Business Conference will be run this year. It will be on 26 October 2017 in Springwood Park, Kelso. A full day of speakers and business advice will be organised and partners will be called on to encourage the largest number of businesses to attend.
- 5.11 The service will continue its proactive approach to stimulating business and enterprise in the most disadvantaged communities, working in particular areas including Burnfoot in Hawick and Langlee in Galashiels, and with minority groups. This will contribute to the delivery of the Community Planning Partnership priority to reduce inequalities in the Scottish Borders.

5.12 **Service Output Targets**

The targets set for last year provided a good level of 'stretch' and make sense in relation to the activity levels that can be achieved in the Scottish Borders with the resources currently available. It is therefore proposed to retain these targets. The exception to this is the new segment of 'Early Stage Growth' which replaces 'Potential and High Value Starts'.

**Table 2. Business Gateway Performance Targets for 2017 – 18**

<b>Service Output Targets</b>		
<b>Start-up Service</b>	<b>Target 2017/18</b>	<b>Actual 2017/18</b>
Total number of start-up customers who have begun trading	<b>220</b>	
Early Stage Growth (ESG) businesses intending to employ within the first 18 months of trading.	<b>30</b>	
Number of start-up workshops/seminars held	<b>72</b>	
Number of clients attending start-up workshops/seminars	<b>432</b>	
<b>Growth Services</b>		
Local Growth Advisory Service (LGAS) businesses expected to increase annual turnover by £100k on 3 years	<b>30</b>	
Growth Advisory Service (GAS) businesses expected to increase annual turnover by £200k in 3 years	<b>15</b>	
Growth Pipeline (GP) businesses expected to increase turnover by £400k in 3 years, approved by Scottish Enterprise	<b>6</b>	
Account Managed (AM) Businesses who meet SE criteria for acceptance on to national account management structure	<b>2</b>	
Number of workshops aimed at Growing Businesses	<b>60</b>	
Number of clients attending growing business workshops/seminars	<b>360</b>	
<b>ERDF Targets</b>		
Number of Masterclasses held	<b>6</b>	
Number of Scottish Borders Business Fund grants issued	<b>20</b>	
Increase in Employees in assisted companies	<b>40</b>	
Number of businesses assisted to export for the first time	<b>15</b>	

5.14 The revised indicators in Table 2 simplify the measurement of delivery of the service to start-up and growth. The national targets are the same as previous years. The ERDF figures reflect those additional targets which relate to the EU ERDF funded activity.

## **6 PERFORMANCE IMPROVEMENT PLAN**

6.1 In order to continue to build on the performance of the service, a series of actions will be implemented during 2017/18 as part of a Performance Improvement Plan. These include:

- (a) Implement new Early Stage Growth activity in start-up team to ensure businesses identified and given the right level of support.
- (b) Increase activity of each Growth adviser in each locality, monitoring networking levels and intermediary visits.

- (c) Closer monitoring of targets in each locality to ensure an even spread of support across the Borders.
  - (d) Increase delivery of workshops to harder to reach areas and communities in the area.
  - (e) Improve local delivery and accountability of Digital Boost project.
  - (f) Identify businesses that would benefit from Incubation and inform them of projects that would meet their needs
  - (g) Increase number of Masterclasses delivered. Make best use of the ERDF resources to ensure inspirational speakers come to the Scottish Borders
  - (h) Run a Business Conference in October 2017 providing a wide range of seminars with partners.
- 6.2 The Committee will receive regular updates on the performance of the Business Gateway service as well as an annual review and presentation of an updated business plan each year.

## **7 IMPLICATIONS**

### **7.1 Financial**

- (a) Scottish Borders Council receives funding to deliver Business Gateway in the Scottish Borders from the Scottish Government. The additional services are funded through EU funding, matched to the funding from the Scottish Government.
- (b) The in-house delivery costs of Business Gateway (£303,027) for 2017/18) are based on the budget available within the Council's five year Financial Plan, previously agreed by the Council.

### **7.2 Risk and Mitigations**

- (a) As part of the on-going management of the Business Gateway, a risk workshop is held every quarter with support from the Council's Corporate Risk Team and actions undertaken as appropriate.
- (b) The main risks identified in the risk register relate to accessing the right type and number of businesses across the Borders and potential changes to future EU funding. The Business Plan has been updated to address these risks.

### **7.3 Equalities**

An equality impact assessment (EIA) was written with input from the Corporate Equality & Diversity Officer. A key aspect of the Economic Development Team's work is to reduce barriers to economic inequality and information on service delivery to equalities groups is monitored. Positive action will be taken by Business Gateway during 2017/18.

### **7.4 Acting Sustainably**

The Business Plan for the Business Gateway service contains a number of targeted outputs and outcomes that will deliver economic benefit. The service aims to help businesses and the economy become more diverse and sustainable in the long term. To this end the Environmental Strategy Co-Ordinator from SBC spends 1 day per week with the business advisers and identifies individual businesses that can be supported.

### **7.5 Carbon Management**

There is no net increase at a Scottish Borders level as this is the continuation of an existing service delivery. The geographic focus of the advisers reduces the number of miles undertaken by Business Gateway.

## 7.6 Rural Proofing

Rural Proofing is not required as the proposals do not relate to a new or amended Council policy or strategy.

## 7.7 Changes to Scheme of Administration or Scheme of Delegation

No changes to the Scheme of Administration or Scheme of Delegation are required as a result of this report.

## 8 CONSULTATION

- 8.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR and the Clerk to the Council have been consulted and their comments have been incorporated into the report.

### Approved by

**Rob Dickson**  
Executive Director

Signature .....

### Author(s)

Name	Designation and Contact Number
Bryan McGrath	Chief Officer Economic Development, Chief Executives, 01835 826525
Phil McCreadie	Principal Officer – Business, Chief Executives, 01835 825605

**Background Papers:** None

**Previous Minute Reference:** Executive Committee, 1 November 2016

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Phil McCreadie can also give information on other language translations as well as providing additional copies.

Contact us at Phil McCreadie, Economic Development, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825605, email [eitranslationrequest@scotborders.gov.uk](mailto:eitranslationrequest@scotborders.gov.uk).

# **Business Gateway Business Plan**

**April 2017**

## **Purpose of Plan**

This plan is to provide information on the activity planned for Business Gateway Scottish Borders. It will be used by the Council, Senior Management team and Business Gateway team to summarise the actions for the year and to provide information to enable monitoring of performance as the year progresses.

## **1. Background**

**1.1** Activity under Business Gateway follows a National Service Specification and locally fits with the Scottish Borders Economic Strategy 2023.

**1.2** Business Gateway (BG) operates from offices at Tower Mill in Hawick and covers the whole of the Scottish Borders from these offices. The BG team comprise of 1 administrator, 2 start-up advisers (1 full time and 1 part time), 4 growth advisers (3 full time and 1 part time) and a Business Gateway Manager who also performs the role of Growth Adviser for one of the localities. In addition in the Business Gateway office space is given to the Princes Trust Regional Manager. The Business Gateway manager reports to the Principal Officer, Business in Economic Development.

**1.3** Within the team there are a number of specialists in the areas of: Tourism, Food and Drink, Renewable Energy, ICT, Social Enterprise and Finance. However, the Growth/Existing Business Advisers are split according to geography using the locality areas. Each advisers concentrates on building a presence in each of the areas and this increases the number of businesses using the Business Gateway services. Specialisms are shared between the team as each case arises.

**1.4** The BG team are integrated with Economic Development and act as the front face of this team for businesses.

**1.5** Delivery of BG services follows a National Specification with allowances for a local influence. The national specification demands provision of a Start-Up service and a Growth service. Details of how these will be delivered are below.

**1.6** In addition to the core funding provided by Scottish Borders Council the BG service has secured European Regional Development Funding for the period of 1 October 2015 (backdated from 30 March 2016) until 30 March 2019. Details of the targets and activity are also contained in this plan.

**1.7** The policy rationale for Business Gateway is that it addresses two key market failures:

1. inefficiencies in the market for information on business start-up and growth – including how to access business support; and
2. inefficiencies in the market for business support. In the markets served by Business Gateway, the level of commercially-provided advisory support from the private sector is not sufficient to address Scotland's low business birth-rate and the lack of business growth.

In addition to addressing these market failures, Business Gateway has an important role to play in promoting an entrepreneurial culture within the Scottish Borders and stimulating awareness of, and demand for, business support services (both public and private sector) among local businesses.

Thus, Business Gateway can be considered to have the following objectives:

- A. To provide high quality advice and support to new start and existing businesses;
- B. To support the creation of new and sustainable businesses; and
- C. To improve productivity and support the survival and growth of existing businesses.



## **2. Start-up Team**

**2.1** In recent years the BG team has run with one dedicated start-up adviser and each of the sector specialists have been tasked with finding start-ups from their own sector as well. In 2016 this was increased to two which allowed for a better service being provided to start-ups. This will continue and start-up businesses receive workshops and information, in addition they can now have around 30 minutes of an adviser's time. This helps us identify those businesses looking to employ people and reach Early Stage Growth (ESG).

**2.2** ESG segmentation was started in April 2017 and moves the focus away from turnover in the early years to job creation. The advisers work with clients that they identify from prospecting, workshops and general enquiries, where they identify a business who will employ they ensure that further support is given. This also allows support to be provided through ERDF funded projects as they count as a Growth business.

**2.3** The start-up team do not have any area boundaries and will cover the whole of the Scottish Borders. They will work with all start-up businesses, being passed referrals from other members of the BG team.

**2.4** Workshops will continue at the same rate as before i.e. an average of 6 workshops per calendar month. The arrangement with Live Borders allows the advisers to use their premises across the region and workshops are now being provided in additional towns on rotation. In addition Wilma Norris will also deliver the Digital Boost workshops in the region from 1 July. The provision of these in house allows a budget to be built to increase the amount of digital delivery in the region – provided this is branded as Digital Boost.

## **3. Growth Team**

**3.1** Nationally the majority of resources go into the Growth targets and support for growing businesses. This is also reflected locally with 5 people being appointed as Growth Advisers (including the Business Gateway Manager who now has one of the areas to cover). Advisers are allocated one of the Locality areas designated by the Council. The aim of this approach is to identify more businesses that we have not had contact with before and ensure that the BG service is spread across the Scottish Borders. Each of the advisers is responsible for all activity in their area and they have a number of tasks to carry out including:

- Identify and introduce themselves to all local intermediaries and potential referrers of business
- Identifying new businesses and passing them to the start-up team to progress
- Identify businesses that have not had a relationship with BG before, or have not been in touch for a while, meet with these businesses and fit them into our segmentation model highlighting opportunities for support
- Highlight problems for businesses in their area and find solutions to these problems
- Network with businesses and other professionals ensuring promotion of the BG brand and themselves as the point of contact
- Find venues for Masterclasses and other workshops and ensure suitability with their client base
- Share intelligence and best practice with other Growth Advisers at a new weekly meeting

- Ensure Growth targets are met
- Work with other members of localities team to help deliver a highly valued public service in their area.

## **4. Workshop Delivery**

**4.1** BG Scottish Borders has an excellent reputation for delivering high quality workshops and seminars. The majority of the workshops that are run are aimed at start-up businesses. This is to allow for, one to many, business advice. In addition the service will look for other workshops that can be delivered, for example exporting and innovation workshops. Masterclasses have proved popular in the past and ERDF funding allows for delivery of these. The service will aim to meet a challenging figure of 6 per year.

**4.2** In 2017 Digital Boost activity was passed to each individual region. In the Scottish Borders the decision has been made to deliver these using one of the existing BG Advisers. This will allow the funding to go further and enable additional activity to the businesses.

**4.3** The series of seminars will continue to be run across the Borders including areas with highest deprivation. We will make use of Live Borders venues in each of the localities.

## **5. European Regional Development Fund (ERDF)**

**5.1** We have secured an ERDF grant of £353k using identified match funding of £530k. The grant amount was reduced from the original grant as match funding had to be reduced. This grant covers the period to March 2019. It has enabled us to support 2 full time advisers. The 2 full time advisers are part of the Growth team and this resource allows us to provide focus across the whole of the Borders.

**5.2** Internationalisation will see closer links formed with the Exporters Association and a number of joint seminars. A target of new Exporters has been set and we will aim to encourage businesses to look at exporting for the first time or to research new countries to sell their products to. We will research the barriers to exporting from local businesses and implement projects to overcome these.

**5.3** For Innovation we will work with Scottish Enterprise to deliver their products to businesses relating to Innovation. We will research opportunities for Business Innovation Centres in the Scottish Borders and aim to have a business base that is encouraged to improve business processes and products.

**5.4** We will deliver a range of Masterclasses across the area aiming for 6 per year. These will be on business topics most relevant to our customer base. These sessions will include a high profile speaker and will be followed by a networking session. These sessions have been well attended in the past and led to new clients being identified by the advisers.

**5.5** The Expert Help scheme has been started again. This allows businesses to access funding for consultancy projects in their business. The funding is available for growth businesses and accessed via their adviser. A framework has been used to find a number of consultants that can advise across six Lots – Business Strategy, Investor Readiness, Marketing and Brand Development, HR, ICT and Innovation Support. The fund will allow 100% funding up to £2k on consultancy support.

## 6. Marketing

**6.1** Marketing is funded centrally as part of the National budget managed by COSLA but the ERDF funding gives us the opportunity to expand on this.

**6.2** Client case studies are gathered and these are used to promote the service in the press. We will consider running some radio advertising that can also give some local businesses an opportunity to promote themselves.

**6.3** We will look for other opportunities within the Council to promote our services and use our network to promote the services of other business related Teams in SBC.

**6.4** We provide a monthly column in the Border Telegraph giving business advice and providing case studies of businesses that have used our service. This has proved successful in creating leads. Similar opportunities will be sought with other local newspapers.

**6.5** Our Intermediary Visits will create new opportunities for us as we start to spread the word on how Business Gateway can help other professionals and their clients a target of 120 visits per annum is set.

**6.6** Business Gateway will continue to use Social Media to promote all services and events. This is done on a national basis but is also carried out very effectively locally. This not only demonstrates our services but is a good example to business on how free marketing can produce results.

## 7. Targets and Outputs

**7.1** The table below shows the targets that we will be aiming for over the 12 month period. These will be reported internally and nationally on a monthly basis. Those relating to ERDF will be reported on quarterly and we will feed back to Executive Committee after 6 months.

**Table 1. Business Gateway Targets 2017 – 18**

<b>Service Output Targets</b>		
<b>Start-up Service</b>	<b>Target 2017/18</b>	<b>Actual 2016/17</b>
Total number of start-up customers who have begun trading	<b>220</b>	<b>219</b>
Early Stage Growth (businesses employing people within the first 18 months)	<b>30</b>	<b>N/A</b>
Number of start-up workshops/seminars held	<b>72</b>	<b>77</b>
Number of clients attending start-up workshops/seminars	<b>432</b>	<b>432</b>
<b>Growth Services</b>		
Local Growth Advisory Service (LGAS) businesses expected to increase annual turnover by £100k on 3 years	<b>30</b>	<b>38</b>
Growth Advisory Service (GAS) businesses expected to increase annual turnover by £200k in 3 years	<b>15</b>	<b>15</b>
Growth Pipeline (GP) businesses expected to increase		

turnover by £400k in 3 years, approved by Scottish Enterprise	<b>6</b>	<b>4</b>
Account Managed (AM) Businesses who meet SE criteria for acceptance on to national account management structure	<b>2</b>	<b>2</b>
Number of workshops aimed at Growing Businesses	<b>60</b>	<b>57</b>
Number of clients attending growing business workshops/seminars	<b>360</b>	<b>447</b>
<b>ERDF Targets</b>		
Number of Masterclasses held	<b>10</b>	<b>2</b>
Number of Scottish Borders Business Fund grants issued	<b>20</b>	<b>28</b>
Increase in Employees in assisted companies	<b>40</b>	<b>50,5</b>
Number of businesses assisted to export for the first time	<b>15</b>	<b>13</b>

## 8. Business Gateway – Performance Improvement Plan – 2017/18

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Improvement Action	Responsibility	Timeline	Cost/Resource	Expected Result
1). Implement new ESG activity in start-up team to ensure businesses identified and given the right level of support	BG Manager & Start-up Advisers	April 2017	Staff Time	Better identification of growth potential clients, better monitoring of start-ups and achievement of targets.
2). Increase activity of each Growth adviser in each locality, monitoring networking levels and intermediary visits	BG Manager and Growth Advisers.	April 2017	Staff Time	Greater visibility across the Borders, better service to existing clients, identification of new prospects, closer working with intermediaries and other Council partners, increased networking across the area and achievement of growth targets.
3). Closer monitoring of targets in each locality to ensure an even spread of support across the region	BG Manager	Ongoing	Staff Time	Regular monthly meetings held with each adviser to determine activity levels and ensure targets are being achieved
4). Increase delivery of workshops to harder to reach areas and communities in the area.	BG Manager and BG Advisers	Ongoing	Staff Time plus venue hire approx. £2k per annum	Provision of a better service from BG, carrying out our wider social responsibilities as part of SBC. Discovering new businesses and individuals that we should be working with and who will contribute to our national targets.
5). Local delivery and accountability of Digital Boost project.	BG Manager	From July 17	Staff time and budget from Scottish Government	Increased number of businesses attending Digital workshops. Increased level of digital activity in businesses and better performance of those businesses.
6). Identify businesses that would benefit from Incubation and inform them of projects that would meet their needs	BG Advisers	Ongoing	Staff Time	Provision of different type of support to those businesses with good prospects of growth and employment. Link with ongoing Incubation project

<b>Improvement Action</b>	<b>Responsibility</b>	<b>Timeline</b>	<b>Cost/Resource</b>	<b>Expected Result</b>
7). Increase number of Masterclasses delivered. Use the best of the ERDF resources to ensure quality speakers come to the region	BG Manager and BG Administrator	Ongoing	£5k budget ERDF funded	Knowledge transfer to businesses across the Borders on subjects important to their business. Better informed business owners making their chance of success greater. Networking opportunities will result in potential new collaborative working between businesses.
8). Run a Business Conference in October providing a wide range of seminars with partners.	BG Manager Business Gateway team	Oct 2017	Staff time, £10k core budget	Knowledge transfer to businesses. Opportunity to promote services and skills on offer from BG. Opportunity to create closer partnerships and working relationships with other organisations. Invitation to Inward Investment businesses to show what the region has to offer



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## **SOUTH OF SCOTLAND ENTERPRISE AGENCY – UPDATE**

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### **Report by Executive Director EXECUTIVE COMMITTEE**

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**19 September 2017**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 This report updates Members on the progress of the Scottish Government's Enterprise and Skills Review. The report highlights the announcement of a new South of Scotland Enterprise Agency and the forthcoming steps in its development.**
- 1.2 As part of the outcomes from Phase 2 of the Enterprise and Skills Review, the Scottish Government has now made a crucial commitment to create a new South of Scotland Enterprise Agency covering Dumfries & Galloway and the Scottish Borders.
- 1.3 The opportunity to establish a new South of Scotland Enterprise Agency is a once in a generation opportunity that has the potential to improve the level of investment in economic growth, enterprise, skills and innovation across the Scottish Borders and the South of Scotland.
- 1.4 While subject to Parliamentary process, the aim is to ensure that the new Agency is fully operational by 1 April 2020. In view of the time required to complete the statutory processes, Scottish Government Ministers have given a commitment that an interim approach will be put in place by the end of 2017 to ensure that the South of Scotland benefits from a new approach to economic development as soon as possible.
- 1.5 The two years of interim arrangements offers the opportunity to work towards a clear economic plan for the South of Scotland, understand how best to deliver improvements through the drivers of productivity; to carry out some early projects; and to address inclusive growth factors. It is anticipated that the interim period will enable different approaches to be tested in the region and, importantly, that it allows crucial building blocks to be put in place so that the new agency operates effectively from inception.

#### **2 RECOMMENDATIONS**

- 2.1 I recommend that the Executive Committee:-**
  - (a) Agrees to strongly support the proposal by the Scottish Government to establish a new South of Scotland Enterprise Agency, recognising the positive potential it will have for the Scottish Borders and the South of Scotland;**
  - (b) Agrees to strongly support the proposal by the Scottish Government to establish Interim Arrangements by the end of**

**2017;**

- (c) Agrees that the Council should place a high priority on this work and continue to engage with the Scottish Government and other stakeholders in order to develop detailed proposals for South of Scotland Enterprise Agency and the Interim Arrangement; and**
- (d) Agrees to receive a future report as proposals develop further.**



### **3 BACKGROUND**

- 3.1 The Scottish Government has been undertaking an Enterprise and Skills Review. This is described as an end-to-end review to ensure that all of the Scottish Government's public agencies are delivering the joined-up support that our young people, universities, colleges, training providers, businesses and the workforce need. The Review is focused on Scottish Enterprise, Skills Development Scotland, Highlands & Islands Enterprise and Scottish Funding Council. Phase 1 of the review, announced in November 2016, and included the pledge to develop a new 'vehicle' for enterprise and skills services in the South of Scotland.
- 3.2 The Council has been working with its partners in the South of Scotland Alliance (Dumfries & Galloway Council and Scottish Enterprise) to influence the Scottish Government to ensure that the new 'vehicle' is set up in the most appropriate way to deliver economic benefits for the whole of the South of Scotland.

### **4 ENTERPRISE & SKILLS REVIEW PROGRESS**

- 4.1 Phase 2 of the Enterprise & Skills Review was formed around nine different work-streams, one of which was focused on the proposal for a South of Scotland Enterprise and Skills Vehicle. The work-streams were chaired by senior Scottish Government officials and attended by representatives of the national Agencies under review, as well as other stakeholders. Council officers from Scottish Borders Council and Dumfries & Galloway Council were directly involved in the South of Scotland Vehicle work stream.
- 4.2 Through the first half of 2017 there were four official meetings of the South of Scotland Vehicle work-stream. A range of consultation workshops were also conducted with businesses in Scottish Borders and Dumfries & Galloway. A workshop was also held with other stakeholders, including representatives from the local Colleges and Higher Education establishments. The positions of the Councils were set out in reports to Scottish Borders and Dumfries & Galloway Councils in December 2016 and March 2017.
- 4.3 As part of the outcomes from Phase 2 of the Enterprise and Skills Review announced at the end of June 2017, the Scottish Government has made a crucial commitment to create a new South of Scotland Enterprise Agency covering Dumfries & Galloway and the Scottish Borders. This will require primary legislation and the Scottish Government intends to introduce a Bill into the Scottish Parliament in 2018.
- 4.4 While subject to Parliamentary process, this should ensure that the new agency should be fully operational by 1 April 2020. Recognising the statutory timetable, Scottish Government Ministers have given a commitment that an interim approach will be put into place later in 2017 to ensure that the South of Scotland benefits from a new approach.
- 4.5 At its meeting on 22 December 2016, the Council agreed that the guiding principles which should underpin the establishment of the new enterprise and skills 'vehicle' for the South of Scotland be developed under the themes of: Drive Our Economy Forward; Sustaining and Growing Our Communities; and Capitalising On Our People and Resources. A similar position was also agreed by Dumfries & Galloway Council at that time.
- 4.6 The Scottish Government's vision the new South of Scotland Enterprise Agency is for a new organisation operating in the South of Scotland that

will drive inclusive growth, increase competitiveness and tackle inequality in the area through:

- Maximising the area's contribution to Scotland's inclusive growth, supporting a diverse and resilient economy
- Sustaining and growing communities – building and strengthening communities with joined up economic and community support
- Capitalising on people and resources – developing skills, promoting assets and resources and maximising the impact of investment in the area.

- 4.7 This is a very welcome outcome from the review process as these priorities closely mirror those agreed by Scottish Borders and Dumfries & Galloway Councils in December 2016 (see para 4.5). The Scottish Government is committed to ensuring that the approach is tailored to the area's challenges and opportunities, recognising its distinctiveness and not excluding it from other relevant national support. The Government also recognises that to be successful the new Agency will require a long term commitment from partners to work together to address the deep rooted challenges of the area and to ensure that all can meet their potential.

## **5 DEVELOPING THE NEW AGENCY**

- 5.1 The ambition for the new South of Scotland Enterprise Agency (SOSEA) is that it will respond to the economic needs and opportunities of the South of Scotland, supporting inclusive growth across the region. With a clear strategic vision, developed with local partner and business input, it will take forward a range of activities that drive forward the economy, sustain and grow communities and capitalise on people and resources, promoting fair work and inclusive growth in all its work.
- 5.2 The proposed new South of Scotland Enterprise Agency is expected to have its own board, similar to that of Scottish Enterprise, Skills Development Scotland and Highlands & Islands Enterprise. The chair of that Board will represent the South of Scotland on a new National Strategic Board.
- 5.3 The new National Strategic Board will become operational in October 2017. It is to be chaired by Nora Senior, chair of UK regions for global PR firm Weber Shandwick. Initially, the National Strategic Board will be focused on four key work-streams: Outlining the strategic plan; Developing the analytical unit; Governance proposals; and South of Scotland Enterprise Agency – interim approach.
- 5.4 During Phase 2, Council officers worked with Scottish Government, partners and stakeholders to scope the range of activity that needed to take place in the South of Scotland to deliver the transformational growth that is urgently required. This identified the breadth of activities that could contribute to the prosperity of the area and the range of partners that needed to be involved in delivery. Further detailed collaborative work is under way to refine those potential activities and to develop the role of SOSEA around what it needs to deliver directly and where its role is one of influence. In due course, this will help inform and shape the legislation setting out SOSEA's remit and powers. This is clearly an ongoing piece of work that is of strategic significance in ensuring SOSEA's role is as well developed as is possible.

## **6 DEVELOPING THE INTERIM ARRANGEMENTS**

- 6.1 As noted in para 4.4, the Scottish Government intends to put in place Interim Arrangements by the end of 2017. These are intended to ensure that positive progress is made in developing the South of Scotland economy even before the new South of Scotland Enterprise Agency is established. There are a number of ways in which these interim arrangements may be managed, possibly a new partnership; an interim company; or through an existing organisation. The most likely governance model would seem to be through a new partnership, although Scottish Government has not yet made a decision on this.
- 6.2 Council officers have been working through a Scottish Government core working group to ensure that the ambitions expressed by the Councils and South of Scotland Alliance in earlier phases of the Enterprise and Skills review are delivered during the interim phase, as well as in the fully established new agency. It is clear that there is strong support from Scottish Government for working to ensure that the region benefits from a new approach to economic development during this interim period. At present the core working group includes: SE, HIE, SDS, SFC, VisitScotland, COSLA, Scottish Borders Council, Dumfries & Galloway Council, Borders College, Dumfries & Galloway College and Scottish Council Development & Industry (SCDI).
- 6.3 In order to deliver the full ambition and range of activity, SOSEA will need to be fully operational. However, the two years of interim arrangements offers the opportunity to work towards a clear economic plan for the South of Scotland, understand how best to deliver improvements through the drivers of productivity; and to address inclusive growth factors. It is expected that the interim period will enable different approaches to be tested in the region and, importantly, that it allows crucial building blocks to be put in place so that the new agency operates effectively from inception. Setting the right priorities for activity during the interim period is vital as the interim arrangements will not offer all of the same benefits as the agency eventually will. Successful interim arrangements will ensure the best possible start and opportunity for the new Agency.
- 6.4 Council officers expect the interim arrangements to be ambitious and to deliver much more than just better alignment of existing services. The interim arrangements offer the opportunity to put in place new approaches that are more tailored to the needs of the area. These should bring together economic and community support. A clear plan will require to be developed that establishes strategic direction, building on the existing Economic Strategies in Scottish Borders and Dumfries & Galloway, and to expand the South of Scotland Competitiveness Strategy which was approved by the South of Scotland Alliance in 2016. The plan will have to be consistent with the national 'Strategic Plan' when that is put in place.

### **Resources to Deliver Interim Arrangements**

- 6.5 The Scottish Government's Enterprise & Skills Review makes a commitment to putting in place a lead individual as part of the interim arrangements to be instrumental in driving forward delivery of the interim approach, but also to play a role in shaping plans for the new agency to ensure that the agency is operational by 2020. This is a key role and will need to be well supported by a team from all organisations. This role will provide a key link between the interim arrangements and work to establish the agency,

ensuring they are complementary and consistent.

- 6.6 Officers understand that discussions about the financial resources necessary to support robust and effective interim arrangements are under way. There is a need to ensure that current investment and budgets are identified and aligned to deliver the best impact. Scottish Government will expect key partners to ensure that the resources they are investing in economic development in the region are used to support the agreed priorities being delivered as part of the interim arrangements. Council resources will require to be committed to this.

### **Stakeholder Engagement**

- 6.7 There continues to be engagement with a range of stakeholders. The Scottish Government has brought together a group of officers from the core stakeholders to develop the propositions for the Interim Arrangements. A workshop session has also been run by Scottish Government involving a wide range of University and College representatives, as well as business organisations.
- 6.8 The South of Scotland Enterprise Agency will take cognisance of, and work closely with, local authorities and enterprise bodies in neighbouring areas to maximise economic growth opportunities. This would include City Region Deal and Borderlands Inclusive Growth Initiative, and the new South of Scotland Agency would be ideally placed to lead delivery of relevant projects arising from this work. It will be important that the Borderlands proposition and City Region Deal are also aligned with the interim arrangements to ensure maximum benefit for the area.

## **7 IMPLICATIONS**

### **7.1 Financial**

The proposals discussed in this report are at a very early stage of development. A preliminary financial assessment of the implications of the proposals will need to be undertaken once more information is available. Detailed work on this will be a priority for officers once the Scottish Government has agreed its favoured solution. However, it is important to re-emphasise that the ambition to transform the economy of the South of Scotland will not be achieved without a significant uplift in resources and investment.

### **7.2 Risk and Mitigations**

There is a reputational risk to the Council of not ensuring that it strongly influences the development and establishment of the new South of Scotland Enterprise Agency. The opportunity to establish a new South of Scotland Enterprise Agency is a once in a generation opportunity that has the potential to improve the level of investment in economic growth, enterprise, skills and innovation. The Council is mitigating this risk by working closely with Dumfries & Galloway Council, Scottish Enterprise, Skills Development Scotland and Scottish Government officials to develop ambitious, game-changing proposals for the Interim Arrangements and the new South of Scotland Enterprise Agency.

### **7.3 Equalities**

It is anticipated that an Equalities Impact Assessment will be required in relation to the establishment of the new Agency in order to ensure that there are no adverse impacts due to race, disability, gender, age, sexual

orientation or religious/belief arising. It is expected that the new Agency will have inclusive economic growth as one of its key aims.

#### **7.4 Acting Sustainably**

The new Agency will have the aims of sustainable and inclusive economic growth at its core. By helping to encourage and secure additional economic activity and growth it will contribute to the sustainability of the local economy and communities.

#### **7.5 Carbon Management**

There are no direct implications for the Council's carbon emissions from this proposal. The new Agency is likely to have the transition to a Low Carbon Economy as one of its key objectives, and the Council will have a role, along with other local organisations and businesses, in contributing to that objective.

#### **7.6 Rural Proofing**

Rural Proofing is not specifically required as the proposals do not relate to an amended Council policy or strategy. However, the proposed South of Scotland Enterprise Agency has the potential to have a positive impact on the rural area. It would be sensible if the Scottish Government used some form of rural proofing methodology to ensure that the needs of rural areas are appropriately addressed during the establishment of the new Agency.

#### **7.7 Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to be made to the Scheme of Administration or Scheme of Delegation arising from this report.

### **8 CONSULTATION**

- 8.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR and the Clerk to the Council have been consulted and their comments have been included in the report.

#### **Approved by**

**Rob Dickson**  
**Executive Director**

**Signature .....**

#### **Author(s)**

Name	Designation and Contact Number
Bryan McGrath	Chief Officer Economic Development, Chief Executives – Tel 01835 826525
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#### **Background Papers:**

**Previous Minute Reference:** Scottish Borders Council, 7 March 2017

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Bryan McGrath can also give information on other language translations as well as providing additional copies.

Contact us at Bryan McGrath, Council Headquarters, Newtown St Boswells, Melrose,  
TD6 0SA Tel: 01835 826525, email [bmcgrath@scotborders.gov.uk](mailto:bmcgrath@scotborders.gov.uk)

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**SELKIRK BUSINESS IMPROVEMENT DISTRICT PROPOSAL**

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**Report by Executive Director  
EXECUTIVE COMMITTEE**

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**19 September 2017**

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**1 PURPOSE AND SUMMARY**

- 1.1 This report outlines the Business Improvement District (BID) Proposal, which has been developed by Selkirk Chamber of Trade. The report highlights the role and contribution from the Council and recommends appropriate support.**
- 1.2 Business Improvement District (BID) initiatives are promoted by the Scottish Government to support sustainable economic growth. The BID model, led by the private sector, stimulates partnership working to enable investment in improvements to the local business environment.
- 1.3 Selkirk Chamber of Trade began their BID development process with a proposal to develop a joint BID for the town centre and the Riverside area. Shortly thereafter, they opted to develop two separate BIDs, one for the town centre and one for the Riverside area. Due to a range of operational difficulties, the Steering Group has recently agreed with BIDS Scotland and Scottish Borders Council to only progress the Selkirk Town Centre BID at this stage. The Selkirk Town Centre BID ballot date is set for 30 November 2017.
- 1.4 The Selkirk Town Centre BIDS business plan has a range of projects in three themed areas including 'Flying the Flag for Selkirk', 'Helping Businesses to Thrive' and 'Improving the town's visual appearance'. The BID levy will provide an estimated £18,690 per annum and the Steering Group anticipates increasing this by a further £5,000 per annum with funding applications from other external sources. If the BID ballot is successful, the BID business plan will be implemented over a five year period.
- 1.5 Council Officers have highlighted to the Selkirk BIDs Steering Group the importance of consultation and evidence of support from the business community to ensure a positive outcome from the ballot process. The Steering Group will undertake a positive and proactive campaigning programme in the run up to the ballot date to raise further awareness of the BIDs proposal and encourage as many positive votes as possible.
- 1.6 Officers recommend that the Council supports the Selkirk Town Centre BID. Although the BID is the smallest in Scotland in terms of geographical coverage and income generated, the Proposal is an initiative being led by the local business community and will contribute to the overall regeneration of Selkirk town centre.

**2 RECOMMENDATIONS**

**2.1 I recommend that the Executive Committee:-**

- (a) Supports the Selkirk Town Centre BID and notes the intended 30 November 2017 ballot date;**
- (b) Agrees that the Council's Democratic Services team manages the BID Ballot process; and the Council's Customer Service Team provides the financial management of the BID levy at the proposed fee level of £2,500 per annum;**
- (c) Notes the financial implications of £2,405 per annum for the Council and Live Borders for their BID Levy contributions and agrees to support the BID initiatives with 'Yes' votes for their respective properties; and**
- (d) Requests that appropriate mitigating actions are taken by the BID Steering Group in relation to the risks highlighted; and that an Elected Member of the Council is represented on the BIDs Levy Board along with a Council officer for advisory support.**



### **3 BACKGROUND**

- 3.1 Business Improvement District (BID) initiatives are promoted by the Scottish Government to support sustainable economic growth. The BID model, led by the private sector, stimulates partnership working to enable investment in improvements to the local business environment, while contributing to the wider regeneration of the local community. BIDs can focus on a specific geographical area or thematic sector and have been developed in town and city centres, tourism areas and business parks.
- 3.2 There are currently 136 operating BIDs within the UK of which there are 37 across Scotland. BIDs have provided a substantial input to Scotland's growth and economic development. Following a national review in September 2016, £41.3 million has been invested as a result of the BID levy since 2008 and have leveraged in over £19.6 million of additional investment. BIDs have also added 80 directly created jobs generating a Gross Value Added (G.V.A.) of £3 million. These figures are anticipated to rise over the next five years as further BIDs come into operation.
- 3.3 A BID is established through a series of steps:
- 1) identifying the BID area;
  - 2) identifying key issues for businesses within that area;
  - 3) drafting a five year business plan with relevant actions and levy contributions;
  - 4) in-depth consultation with businesses on the business plan;
  - 5) finalising the business plan;
  - 6) a ballot to vote in favour or not to adopt the BID approach and deliver the business plan. Businesses within the proposed BID area must vote in favour of it before the BID can be established.
- 3.4 The key principle behind BIDs is that local businesses pay an additional levy on top of their normal Non-Domestic Rates (NDR) bill. Each person liable to pay the BID levy will be able to vote to support the BID or not. The interests of both large and small businesses are protected through a voting system that requires a majority for both the number of votes cast and the rateable value of votes cast. If a BID ballot is successful, the BID business plan will be implemented over a five year period. Businesses then have the choice to progress a BID for a further five years through the same ballot process.

### **4 SELKIRK BUSINESS IMPROVEMENT DISTRICTS**

- 4.1 Selkirk Chamber of Trade began their BID development process in 2014 with a proposal to develop a joint BID for the town centre and the Riverside area for the town. The aim of the proposal was to help bridge the gap between the two areas in the town and specifically for the town centre to develop the right services, retail opportunities, leisure and hospitality facilities along with activities and events to increase footfall and spend in the town. The BID was to encompass all sectors within the BID area including retail, commercial and leisure.
- 4.2 A 'Selkirk Means Business' Selkirk BIDs Steering Group was established and a project manager appointed in September 2014. Shortly thereafter, the Steering Group opted to develop two separate BIDs, one for the town centre and one for the Riverside area. Due to a range of operational difficulties, the Steering Group has recently agreed with BIDS Scotland and Scottish Borders Council to progress the Selkirk Town Centre BID only at this stage. The BID ballot date for the Selkirk Town Centre BID has been set for 30 November 2017.

- 4.3 The Steering Group intend to relaunch the Selkirk Riverside BID in early 2018 with a view to going to ballot in November 2018. The Steering Group aim to increase representation from the Selkirk Riverside area on the Group and undertake more in depth consultation with key businesses and influencers in the area.

#### **Selkirk Town Centre BID**

- 4.3 The Town Centre BID Area focuses on the core town centre and includes 86 eligible properties equating to a total floorspace of £696,100 rateable value (RV). The Steering Group has set the levy based on fees ranging from an annual levy of £195 for smaller properties (2,000 to 9,999 RV) and an annual levy of £1,105 for the largest properties in the area (50,000 to 59,999 RV). Premises which have an RV of less £2,000 have been excluded. 68 of the 86 eligible properties currently receive 100% rates relief under the Small Business Bonus Scheme and a further 14 will either have 100% relief or at least 25% relief. A breakdown of the levy contributions are summarised in Appendix 1.
- 4.4 The Steering Group anticipates the BID levy will provide an estimated £18,690 per annum – net of a deduction for the BID levy collection fee (see section 5.3). They anticipate increasing this by a further £5,000 per annum with applications to other funders such as VisitScotland, Lottery, LEADER, as well as potentially the Council's Localities Bid fund, Quality of Life Scheme and Selkirk Common Good Fund.
- 4.5 **Business Plan Activity** – The Selkirk BIDS town centre business plan highlights a range of projects in three themed areas:
- Marketing & Promotion: 'Flying the Flag for Selkirk'
  - 'Improving the town's visual appearance'
  - 'Helping Businesses to Thrive'

Projects within the Business Plan include developing a town brand, town website and social media presence; new visitor promotional literature; a range of street entertainment and events; new visitor signage; and signposting to training and business development opportunities. A part-time project manager will be recruited to develop and deliver the projects over the five year period.

- 4.6 **Business Consultation** – At the formal 98 day review process and formal submission to the Council on the 24 August 2017, a reasonable level of business consultation had progressed and there are indications from the business community that a town centre BID would be looked upon favourably. Most recent consultation and discussions indicate that 41% of those eligible to vote in the ballot are supportive of the BID and the themes identified within the business plan. 49% are potentially in favour, but require more information. Only 4 eligible persons have said they are not supportive of the proposal.
- 4.7 **Ballot Process**- For a ballot to be valid, at least 25% of the persons entitled to vote, must do so and this must represent at least 25% of the total RV of the properties. For a successful ballot, the BID Proposals must receive the support of more than half of those who vote, and also more than half of the rateable floorspace. For the town centre BID, this means that a minimum of 21 people must vote and this must represent £174,025 RV of properties.

## **5 SUPPORT FROM SCOTTISH BORDERS COUNCIL AND FINANCIAL IMPLICATIONS**

- 5.1 Officers from Scottish Borders Council and BID Scotland have provided

advisory and financial support during the BID development process.

- 5.2 **BID Ballot Process** – The Selkirk BIDS ballot date is set for 30 November 2017. It is proposed that the Council's Democratic Services team will manage the ballot process. The format for the ballot is set out in statutory instruments. The costs involved in the ballot would be an in-kind contribution from the Council towards the BID proposal.
- 5.3 **BID Levy Collection/ Financial Management** – The levy collection process is usually managed by the relevant local authority in conjunction with the collection of Non Domestic Rates. The Council's Customer Services team has been liaising with the Selkirk BIDs Steering Group and a draft Operating Agreement has been developed. This outlines the key principals and protocols for managing and delivering the service. Estimated costs to deliver this service by the Council are £20,625 in total over the five years. It is proposed that the Council will charge a fee of £2,500 per annum to recover 60% of those costs. Whilst it is important for the Council to undertake full cost recovery where possible, the reduced fee was agreed as the project is viewed as contributing to business-led town centre regeneration activity. If a positive ballot ensues, the BID will be in place for 5 years; and then subject to a further business plan / consultation process and ballot. The levy fee would be reviewed and reconsidered at that stage.
- 5.4 **Council Liabilities** - The Council is a ratepayer with properties that lie within the town centre will therefore be liable to pay the business levy. Council Officers have also provisionally agreed with Live Borders that the Council would cover any BID levy requirements for Live Borders under the Selkirk BIDs. The joint liabilities for the BID area are outlined in Appendix 2, which amounts to £2,405 per annum.
- 5.5 **Council and Live Borders Voting Rights** - As property owners in the BID Area, the Council and Live Borders will also have the opportunity to vote in the ballot. Officers recommend that the Selkirk BIDS proposals should be supported by the Council and Live Borders as the initiatives, which are being led by the private sector, will contribute to regeneration within the town centre. It is recommended that 'Yes' votes should be returned by the Council and Live Borders during the ballot process.
- 5.6 **Grant support contribution** –In terms of operational management, the BID levy collection date is proposed to commence on the 1 April 2018 if the ballot is successful. There will be a number of 'pre-operational' start-up costs for the BID company in advance of the 1 April billing date, including establishing a formal BID; recruiting a part-time project manager; liaising with the Council's Customer Services team to review and finalise the list of eligible persons/ businesses for BID payments; and progressing the initial phase for projects. As there will be no income for the BID company until after the 1 April 2018, it is recommended that the Council's Economic Development service provides one-off grant support from existing approved budgets of £5,000 to enable the 'pre-operational' start up period. This grant would be subject to a successful ballot and the development of key activities and outcomes as highlighted above.

## **6 PROGRESSING TO THE BALLOT/ FORMAL APPROVAL**

- 6.1 Within the BIDS legislation, the Council has powers in terms of vetoing the proposals if they conflict with any structure plan, local plan or development plan; conflict to a material extent with any policy formally adopted; or lead to a significantly disproportionate financial burden being imposed on any person entitled to vote. Council Officers have reviewed the BID Proposals

and business plans and there are no specific concerns in relation to a Local Authority's powers of veto.

- 6.2 Council Officers have highlighted to the Selkirk BIDs Steering Group the importance of consultation and evidence of support from the business community for the Proposal to ensure a positive outcome at the ballot process. Council officers have recommended the Steering Group undertake a positive and proactive campaigning programme in the run up to the ballot date to raise further awareness of the BIDs proposal and encourage as many positive votes as possible. There is a risk that low turnout numbers may render the ballot invalid.
- 6.3 Officers recommend that the Council supports the overall BID Proposal as the project will be led by the business community and contribute to the overall regeneration of Selkirk town centre.

## **7 RISKS AND MITIGATIONS**

- 7.1 The level of business consultation to date is outlined in Section 4.5. There is a risk that the Ballot is either not valid or not successful with a 'YES' vote. Further promotional activity and business consultation by the Project Manager and the Steering Group between now and the ballot date will help to mitigate this risk. If unsuccessful, the Selkirk BIDs Steering Group could undertake a further Ballot but this cannot be taken for a further full year; and would require further funding to be sourced for project management and campaigning.
- 7.2 Operational Efficiencies – The original BIDs Proposal with the two BID areas (Town Centre and Riverside), provided the opportunity of a potential combined budget of more than £87,000 per annum. It would have enabled operational efficiencies such as staff and admin, as well as the opportunity to maximise joint project delivery eg website development and promotion. As only the Town Centre BID is progressing at this stage, these operational efficiencies will not be realised in year 1. It would be the intention of the Steering Group to maximise these joint opportunities and efficiencies when/ if the Riverside BID progresses to ballot in November 2018.
- 7.3 Council officers have recommended to the Steering Group that the Proposal could benefit from further development, including more detail of the business plan activity; more specific outputs and outcomes; performance monitoring/ measuring success; appropriate future governance arrangements; and risk management. Appropriate, robust governance and financial management of the BIDs proposal is critical. The overall project and financial management is the responsibility of the BIDS Company, which will be established if there is a positive ballot.
- 7.4 It is important that governance processes and procedures are established to ensure appropriate transparency of funding and resources. In order to monitor the Council's financial input and contribution to the project, it is recommended that an Elected Member representative is nominated on to the Selkirk BIDs Company Boards. An appropriate Council officer should also provide advisory support and act as an observer on the Board. Financial monitoring of the BID levy collation will be provided by the Council's Customer Services team. A detailed draft Operating Agreement has been progressed and this will be finalised following the outcome of the ballot and the establishment of the new BID company.
- 7.5 Non-payment by local businesses is a risk to the BIDs in relation to cashflow and the delivery of projects. A higher level of default could have a potential impact on the delivery of projects. Officers also noted that

there had been no structured approach to risk assessment and risk management by the Steering Group. This is an omission that should be addressed by the BID company and should cover governance, financial management (including VAT status and inflation), project delivery and any other appropriate issues.

## **8 IMPLICATIONS**

### **8.1 Equalities**

A key aspect of the Council's Economic Development service work is to reduce barriers to economic inequality. The Economic Development Service will recommend to the Selkirk BIDs Steering Group and BID companies to undertake Equality Impact Assessments at the appropriate stages of project proposals.

### **8.2 Acting Sustainably**

Business Improvement District (BID) initiatives are promoted by the Scottish Government to support sustainable economic growth. The BID model, led by the private sector, enables the private and public sectors to work together and invest in improvements to the local business environment, while contributing to the wider regeneration of the local community.

### **8.3 Carbon Management**

There is no anticipated net increase in carbon emissions at a Scottish Borders level. Individual projects which are taken forward as part of the project will be assessed appropriately to minimise impacts and maximise low carbon opportunities.

### **8.4 Rural Proofing**

Rural Proofing is not required as the proposal does not relate to new or amended Council policy or strategy. Towns and town centres act as a potential hub for rural communities and it is anticipated that any actions/activities would add value to the wider rural economy rather than having a negative impact.

### **8.5 Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to be made to the Scheme of Administration or Scheme of Delegation arising from this report.

## **9 CONSULTATION**

- 9.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR and the Clerk to the Council have been consulted and their comments have been incorporated into the report.

**Approved by**

**Rob Dickson**  
**Executive Director**

**Signature .....**

### **Author(s)**

Name	Designation and Contact Number
Bryan McGrath	Chief Officer Economic Development, Chief Executives - Tel: 01835 826525

**Background Papers:** None  
**Previous Minute Reference:** None

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Bryan McGrath can also give information on other language translations as well as providing additional copies. Contact us at: Bryan McGrath [bmcgrath@scotborders.gov.uk](mailto:bmcgrath@scotborders.gov.uk) tel: 01835 826525

## Appendix 1

### Breakdown of Levy Charges

Rateable Value	Each Week	Each Month	Annual Levy	no of businesses	Total
0 to 1999					0
2000 to 9999	3.75	16.25	195	68	13260
10000 to 19999	6.25	27.1	325	13	4225
20000 to 29999	8.75	37.92	455	1	455
30000 to 39999	11.25	48.75	585	1	585
40000 to 49999	15	65	780	2	1560
50000 to 59999	21.25	92.1	1105	1	1105
60000 to 69999	25	108.33	1300	0	0
70000 to 79999	30	130	1560	0	0
80000 to 89999	37.5	162.5	1950	0	0
90000 to 99999	43.75	189.58	2275	0	0
100000 to 200000	50	216.67	2600	0	0
200001 and above	101.92	441.67	5300	0	0
				86	21190

21190  
less £2,500 (11.8%) charge for collection of levy £18690

## Appendix 2

### Selkirk BIDS / Scottish Borders Council Levy Contributions

Total for Town Centre (Scottish Borders Council & Live Borders): **£2,405**

#### Town Centre – Scottish Borders Council

Property Address		Proposed Levy
Hall	Scott's Close	£195
Municipal Buildings	High Street	£195
1	Chapel Street	£195
<b>TOTAL</b>		<b>£585</b>

#### Town Centre – Live Borders

Property Address		Proposed Levy
27	Market Place	£195
Halliwell's Museum	Market Place	£195
Library	Ettrick Terrace	£325
Victoria Hall ***	Scott's Place	£1,105
<b>TOTAL</b>		<b>£1,820</b>

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**SCOTTISH BORDERS COUNCIL  
EXECUTIVE COMMITTEE**

MINUTE of Meeting of the EXECUTIVE COMMITTEE held in the Council Chamber, Council Headquarters, Newtown St Boswells, TD6 0SA on Tuesday, 5 September, 2017 at 10.00 am

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Present:- Councillors S. Haslam (Chairman), S. Aitchison (Vice-Chairman), G. Edgar, C. Hamilton, E. Jardine, W. McAteer, T. Miers, M. Rowley, G. Turnbull and T. Weatherston

Apologies:- Councillors S. Mountford

In Attendance:- Chief Executive, Executive Director (P. Barr), Executive Director (R. Dickson), Chief Financial Officer, Service Director Assets & Infrastructure, Service Director Regulatory Services, Democratic Services Team Leader, Democratic Services Officer (F. Walling).

1. **ORDER OF BUSINESS**

The Chairman varied the order of business as shown on the agenda and the Minute reflects the order in which the items were considered at the meeting.

2. **DECLARATIONS OF INTEREST**

Councillor Weatherston declared an interest in item 16 of the agenda in terms of Section 5 of the Councillors Code of Conduct and left the Chamber during the discussion.

3. **MINUTE**

The Minute of meeting of the Executive Committee of 15 August 2017 had been circulated.

**DECISION**

**APPROVED** for signature by the Chairman.

4. **MINUTE OF TRADING OPERATIONS SUB COMMITTEE**

The Minute of the Trading Operations Sub Committee held on 14 August 2017 had been circulated.

**DECISION**

**NOTED** the Minute.

5. **AUDIT AND SCRUTINY MINUTE RECOMMENDATION**

With reference to paragraph 3 of the Executive Committee Minute of 15 August 2017, there had been circulated copies of the Audit and Scrutiny Minute of 28 August 2017. This special meeting had been arranged in response to a call-in of the decision taken by the Executive Committee, relating to a request to increase the financial contribution to the Union Chain Bridge project. Councillor Bell, Chairman of the Audit and Scrutiny Committee, summarised the discussion and findings of the Committee. He thanked the officers who had provided background detail to the project and the additional information requested. There were three main questions raised, namely whether the expenditure on the bridge was to maintain it as a strategic road asset or a historical asset; whether the approved increased expenditure was the best value for money; and whether expenditure on the bridge was a priority in comparison to other commitments within the future block

funding for roads and bridges. At the conclusion of their discussion Members were advised that the reports to the Executive Committee had identified an asset in decline requiring significant capital investment but with the ability to leverage in £6.8m for £1m of investment by the Council. After detailed discussion and consideration of the issues, Members had agreed:-

- (i) *to welcome and reinforce the increased focus on the cultural/heritage aspect of the Bridge and to see that as the priority for funding while still recognising it as a roads asset; and*
- (ii) *to recognise that while officers did not have fully worked out alternatives at this stage, there was more information available which would allow alternative schemes to be worked out should that prove necessary.*

It was agreed to recommend to the Executive Committee:

- (i) *with regard to its decision on 15 August 2017 to increase the financial commitment to the Union Chain Bridge Project by £450k, the following wording be added 'subject to the other sources of funding being available';*
- (ii) *that a report be provided to the Executive Committee in April 2018 with the outcome of the HLF application, with options and timescales for the project with an enhanced focus on historical objectives, and should the bid fail, the report would contain fully costed alternatives, recognising the historical focus for the Bridge and its use as a road asset if possible;*
- (iii) *to instruct the Service Director Assets & Infrastructure to write to Northumberland County Council confirming the governance arrangements for the project and that in future joint reports be prepared for both Councils for future decision making;*
- (iv) *that Members be given access to risk registers for capital projects, as appropriate; and*
- (v) *that Officers should be encouraged to seek other sources of funding for the Union Chain Bridge project.*

In the discussion that followed the Audit and Scrutiny Committee were congratulated for investigating the matter in a thorough manner and there was agreement to approve the recommendations in full.

## **DECISION**

**AGREED to approve the recommendations of the Audit and Scrutiny Committee as detailed above.**

### **6. QUARTERLY CORPORATE PERFORMANCE REPORT (QUARTER 1, 2017/18)**

There had been circulated copies of a report by the Chief Executive presenting a summary of SBC quarterly performance information with details contained within Appendix 1 to the report. Mrs Sarah Watters, Policy, Performance and Planning Manager, gave a presentation to Members highlighting changes made to SBC performance indicators, key successes within the period and challenges relating to the performance measures. She explained how further detail behind each performance indicator could be found within Appendix 1. A section of the covering report and Appendices 2 and 3 presented high level summaries of performance during 2016/17 for LiveBorders and case studies to demonstrate the work ongoing. Reporting performance in February and August/September of each year to the Executive Committee had been agreed within the Performance Management Framework when sport and cultural services had been transferred. Director of Business Services, Ms Linda Ross, was in attendance to provide

further information if requested. Mrs Watters confirmed that all information contained within the report and Appendices was also available on the Council's website. Members discussed the report and received answers to their questions. With regard to the decline in number of invoices paid by SBC within 30 days, following the introduction of Business World, Members were advised that an initial negative effect on performance was to be expected due to teething problems but that this should be followed by an increase in efficiency. With respect to the challenge around the increase in incidents of domestic abuse reported it was recognised that this could not be directly influenced by the Council but that the Council could work with partners in a positive way around community safety and to reduce antisocial behaviour. It was agreed to have an item on community safety for discussion at the next performance-themed meeting of the Executive Committee.

#### **DECISION**

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

- (a) to note changes to performance indicators outlined in Section 4 of the report;**
- (b) to acknowledge and note the performance summarised in Section 5 of the report and detailed within Appendices 1 and 2 and the action being taken within services to improve or maintain performance; and**
- (c) that an item on partnership working in respect of community safety be added to the next performance- themed meeting of the Executive Committee.**

#### **7. MONITORING OF GENERAL FUND REVENUE BUDGET 2017/18**

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 30 June 2017 and explanations of the major variances between projected outturn expenditure/income and the current approved budget. The report explained that the Corporate Management Team had reviewed the impact delays in system functionality may have on the delivery of Digital Transformation savings in 2017/18 and had taken a prudent approach of identifying alternative savings for up to £1m of savings in the current year. A table within the report detailed how budget pressures identified at the end of the first quarter were being addressed through reallocation of existing budgets. Appendix 3 to the report showed that, as at 30 June 2017 53% (£6.515m) of the savings had been delivered within the current year. The remaining 47% (£5.821m) were profiled to be delivered during the remainder of 2017/18. Emphasis during 2017/18 needed to be placed on delivering as many savings as possible permanently as per the Financial Plan especially considering the scale of savings required during 2017/18 (£12.336m). Full details of pressures, risks and challenges were detailed in Appendix 1 to the report. In response to a question about the expectation of delivering the £1m savings relating to Digital Transformation the Chief Executive advised that the project was on track and that she was confident that the savings identified would be delivered in full and be exceeded over time.

#### **DECISION**

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

- (a) note the corporate monitoring position projected at 30 June 2017, the underlying cost drivers and the identified areas of financial risk as reflected in Appendix 1 to the report;**
- (b) approve the virements attached as Appendix 2 to the report; and**
- (c) note the progress made in achieving Financial Plan savings in Appendix 3 to the report.**

#### **8. BALANCES AT 31 MARCH 2018**

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 2017 and advising of the projected balances at 31 March 2018. The report explained that the unaudited Council's General Fund useable reserve (non-earmarked) balance was £5.842m at 31 March 2017. This reflected an increase of £0.204m from the draft revenue outturn projected position of £5.638m presented to Members on 20 June 2017 prior to the production of the unaudited accounts. The increase was as a result of the 2016/17 revenue underspend (£0.128m) along with some minor technical adjustments (£0.076m). The projected General Fund useable reserve was projected at £5.638m at 31 March 2018 in line with the Council's Financial Risk Register. The Council's allocated reserve balance was £5.899m at 31 March 2017. The projected balance in the allocated reserve at 31<sup>st</sup> March 2018 was £1.997m. The report gave the detail behind this movement which included £1.506m released to support the 2017/18 Financial Plan which had previously been agreed by Members and £2.6m to support IT transformation also agreed by Members. The total of all useable balances, excluding developer contributions, at 31 March 2018 was projected to be £17.071m, compared to £19.705m at 31 March 2017. The projected balance on the Capital Fund of £4.408m 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. Further detail of the balances and movements within the Council's funds were included within the report and Appendices.

#### **DECISION**

##### **NOTED:-**

- (a) **the unaudited 2016/17 revenue balances at 31 March 2017;**
- (b) **the projected revenue balances as at 31 March 2018 as per Appendices 1 & 2; and**
- (c) **the projected balance in the Capital Fund as per Appendix 3.**

#### **9. MONITORING OF THE CAPITAL FINANCIAL PLAN 2017/18**

There had been circulated copies of a report by the Chief Financial Officer providing an update on the progress of the 2017/18 Capital Financial Plan and seeking approval for projected outturns, associated virements and the reallocation of funds. The monitoring tables in Appendix 1 to the report showed actual expenditure to 30 June 2017. The tables identified a projected net variance of £1.333m against the approved budget, due to additional external funding secured for a number of projects, including £0.593m additional funding from the Timber Transport Scheme and £0.689m from Scottish Government for the expansion in Early Learning and Childcare hours. Appendix 2 to the report contained a list of block allocations approved for this year and the approved and proposed projects to be allocated from them within the 2017/18 Capital Plan.

#### **DECISION**

##### **(a) AGREED:-**

- (i) **the projected outturns in Appendix 1 to the report as the revised capital budget; and**
- (ii) **to approve the virements as detailed in Appendix 3 to the report.**

##### **(b) NOTED:-**

- (i) **the budget virements previously approved by the Chief Financial Officer and Service Director Assets & Infrastructure under delegated authority detailed in Appendix 2 to the report;**
- (ii) **the block allocations detailed in Appendix 2 to the report; and**
- (iii) **the whole project costs detailed in Appendix 4 to the report.**

10. **URGENT BUSINESS**

Under Section 50B(4)(b) of the Local Government (Scotland) Act 1973, the Chairman was of the opinion that the item dealt with in the following paragraph should be considered at the meeting as a matter of urgency, in view of the need to keep Members informed.

**TOUR OF BRITAIN**

On behalf of Elected Members the Chairman expressed her thanks to Economic Development officer Katherine Pearson and her team for their work towards making Stage One of the Tour of Britain and the Tour O' The Borders a great success. She commented on the thousands of spectators enjoying the spectacle in Kelso town centre and the views projected onto big screens of the cycle race passing through the Borders' countryside.

11. **LOCAL HOUSING STRATEGY 2017-2022**

There had been circulated copies of a report by the Service Director Regulatory Services seeking approval of the Local Housing Strategy (LHS) 2017-2022 due to be submitted to the Scottish Government in September 2017. The LHS and accompanying action plan were attached as Appendices. The report explained that The Housing (Scotland) Act 2001 placed a statutory requirement on local authorities to develop a Local Housing Strategy, supported by an assessment of housing need and demand for a five year period. The strategy brought together the local authority's responses to the whole housing system including; requirements for market and affordable housing; preventing and alleviation of homelessness; meeting housing support needs; addressing housing conditions across tenures including fuel poverty and links with Climate Change. The LHS was the key planning document, providing a framework of action, investment and partnership-working to deliver the local priorities. The Group Manager, Housing Strategy and Services, highlighted the agreed vision, strategic priorities and main issues identified and gave Members clarification where requested. She advised that an update on delivery of the strategy against the plan was provided for Members on an annual basis in addition to a five-yearly update report. In response to a question about the Council being proactively involved in the identification and development of land for housing Members were advised that the key was to demonstrate best value whether this was by working with partners or by using Council-owned sites more effectively. With regard to the issue of fuel poverty it was recognised that this was exacerbated by the fact that there was no gas supply to many rural areas. The Group Manager assured Members that it was part of the strategy to try to increase the number of communities to which gas was supplied.

**DECISION**

**(a) AGREED:-**

- (i) to the submission of the LHS and the action plan to the Scottish Government in September 2017; and**
- (ii) to implementation of the LHS where there were no additional financial resource implications.**

**(b) NOTED that officers would bring back proposals relating to those actions identified as potentially having resource implications.**

12. **STRATEGIC HOUSING INVESTMENT PLAN PROGRESS FOR 2016-2017**

There had been circulated copies of a report by the Service Director Regulatory Services advising Members of the affordable housing annual completions and progress made in the delivery of the Strategic Housing Investment Plan (SHIP) projects for the period 2016-2017. Current Scottish Government Guidance required that each Council submit a SHIP every 2 years. Owing to the currently enhanced size of the National Programme this would revert to an annual submission from October 2017. The Council's current SHIP 2017-2022 was agreed by Council and submitted in November 2016 and received very positive feedback from Scottish Government Officials. Members were advised that for the

financial period 2016-2017, 127 new affordable houses were delivered against envisaged projects set out in the current SHIP. This exceeded the Council's Local Housing Strategy 2012-2017 (LHS) annual target of 103 new affordable homes and over the 5 year LHS period, brought the total number of new affordable homes, delivered in the Borders to 594 which on average was 119 units per annum.

**DECISION**

**AGREED to endorse the progress made in the delivery of affordable housing projects in 2016 – 2017.**

13. **PRIVATE BUSINESS**

**DECISION**

**AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this minute on the grounds that it involved the likely disclosure of exempt information as defined in the relevant paragraphs of part 1 of schedule 7A to the Act.**

**SUMMARY OF PRIVATE BUSINESS**

14. **MINUTE OF TRADING OPERATIONS SUB COMMITTEE**

The Private Minute of the Trading Operations Sub Committee held on 14 August 2017 was noted.

15. **41-43 HIGH STREET INNERLEITHEN. PROPOSED DISPOSAL TO EILDON HOUSING ASSOCIATION**

A report by the Service Director Regulatory Services was approved.

16. **WILTON LODGE PARK PROJECT - HAWICK CAFE AND BRIDGE DELIVERY**

Members considered and approved a report by the Service Director Assets and Infrastructure giving an update on the Wilton Lodge Park Project.

17. **MINUTE OF SOCIAL WORK COMPLAINTS REVIEW COMMITTEE**

The Minute of the meeting held on 19 July 2017 was approved.

*The meeting concluded at 11.45 am*

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**CORPORATE TRANSFORMATION  
PROGRESS REPORT - DRAFT**

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**Report by Executive Director**

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**EXECUTIVE****19 SEPTEMBER 2017**

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**1 PURPOSE AND SUMMARY**

- 1.1 This report updates the Group on progress in developing and delivering the Council's Corporate Transformation Programme in the period to end July and sets out planned activity in the reporting period to October 2017.**
- 1.2 This is the ninth quarterly progress report since the Programme was established in February 2015.
- 1.3 The Corporate Transformation Programme sets out a far-reaching programme of change to enable the Council to respond to unprecedented social, demographic and economic challenges. The Programme supports the delivery of our 8 Corporate Priorities and the delivery of the significant savings set out in our 5-year Financial Strategy. Building on the previous Business Transformation approach, the Programme – together with a range of service improvement and efficiency initiatives across all Council services – has delivered substantial change and supported the delivery of £26.7m in savings between 2013/14 and 2016/17.
- 1.4 With the Programme now having been up-and-running for over two years there is an opportunity to review and reshape the Programme. This is particularly appropriate given the recent election of a new Council with a new Administration and the need to ensure that the Programme is aligned with their priorities and ambitions. Proposals will be developed for discussion at a future Executive with a view to presenting a refocused Programme to Council in February 2018 as part of the annual report on the Programme.
- 1.5 The Programme currently comprises the 14 sub-programmes and projects set out in table 1 below.

**Table 1 – The 14 Sub-Programmes and Projects of the Corporate Transformation Programme**

1. Digital Transformation 2. Workforce Transformation 3. Children & Young People 4. Adult Services 5. Information Management 6. Alternative Service Delivery Models 7. Co-Production	8. Integration of Health & Social Care 9. Railway Programme 10. Localities 11. Waste Management 12. Transport 13. Energy Efficiency 14. Property & Assets
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- 1.6 The current areas of work within the Programme are set out in the tracker in Appendix 1 under the 8 Corporate Priorities and includes a brief description of the purpose of each Programme, a summary of progress made to date over the last period (rating them Red, Amber or Green) and sets out key milestones in the next quarter. Section 4 of this report sets out the key highlights over the last reporting period.
- 1.7 Detailed performance reporting infographics for each element of the programme are reported on a rolling schedule covering all 14 sub programmes over an annual period. In this quarterly report, the following performance reporting infographics are set out in Appendices 2 to 4:
- (a) Digital Transformation
  - (b) Property & Assets
  - (c) Energy efficiency

## **2 RECOMMENDATION**

- 2.1 **I recommend that the Executive notes the continued progress made in developing and delivering the Corporate Transformation Programme.**



### 3 BACKGROUND

- 3.1 The Corporate Transformation Programme was established in February 2015 and Council agreed that quarterly monitoring reports would be considered by the Executive Committee.
- 3.2 The Corporate Transformation Programme sets out a far-reaching programme of change to enable the Council to respond to unprecedented social, demographic and economic challenges. The Programme supports the delivery of our 8 Corporate Priorities and the delivery of the significant savings set out in our 5-year Financial Strategy. Building on the previous Business Transformation approach, the Programme – together with a range of service improvement and efficiency initiatives across all Council services – has delivered substantial change and supported the delivery of £26.7m in savings between 2013/14 and 2016/17.
- 3.3 With the Programme now having been up-and-running for over two years there is an opportunity to review and reshape the Programme. This is particularly appropriate given the recent election of a new Council with a new Administration and the need to ensure that the Programme is aligned with their priorities and ambitions. Proposals will be developed for discussion at a future Executive with a view to presenting a refocused Programme to Council in February 2018 as part of the annual report on the Programme.
- 3.4 The Programme currently comprises the 14 sub-programmes and projects set out in table 1 below.

**Table 1 – The 14 Sub-Programmes and Projects of the Corporate Transformation Programme**

1. Digital Transformation 2. Workforce Transformation 3. Children & Young People 4. Adult Services 5. Information Management 6. Alternative Service Delivery Models 7. Co-Production	8. Integration of Health & Social Care 9. Railway Programme 10. Localities 11. Waste Management 12. Transport 13. Energy Efficiency 14. Property & Assets
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- 3.5 This report forms the ninth quarterly Corporate Transformation Progress Report and sets out:
- (a) Progress to end of July 2017
- (b) Planned work in the next reporting period to October 2017
- 3.6 The current areas of work within the Programme are set out in the tracker in Appendix 1 under the 8 Corporate Priorities and includes a brief description of the purpose of each Programme, a summary of progress made over the last period (and rates that as Red, Amber or Green) and sets out key milestones in the next quarter.

### 4 PROGRESS

- 4.1 Progress continues to be made across the whole programme and is set out in the tracker at Appendix 1. Particular areas to highlight within the

reporting period include:

#### 4.2 Digital Transformation Programme

- (a) We have been working with the Future Services Reform group within the CPP on a Borders-wide shared approach to tackling Digital exclusion. We have developed an index of Digital Deprivation in the Scottish Borders that will help to focus our resources. We are looking to setup a Digital Participation network that will allow parties across the borders to co-ordinate and share best practise at officer level.
- (b) The new Business World system went live in April with core features thanks to a major effort from SBC staff along with our technology partners CGI and Agilisys. The system introduces significant changes to the way we work internally for our HR, Finance and Procurement services and introduces self-service for all staff on a wide range of business processes. We are continuing to work hard to ensure all the features of the new system are implemented and all the new processes work smoothly.
- (c) We continue to work with the Scottish Government, OFCOM and other national bodies to push to improve broadband and mobile coverage in the Scottish Borders. The Borders Community Broadband project is currently making good progress. It aims to cover the majority of rural communities west of the A68 in the Borders and into Dumfries & Galloway, which is around 2,500 dwellings and businesses. We are in close liaison with the Scottish Government Digital Directorate and the Scottish Futures Trust in looking at further ways of improving mobile phone coverage in the Scottish Borders. A project is about to commence with the Scottish Government to look at opportunities for putting masts on Council owned land and properties to extend and improve coverage.
- (d) A new major project is starting to implement a new Business Intelligence strategy. This will give SBC the ability to gain more insight from data available to us to take action, make better decisions and to reduce the effort required to produce performance reports.
- (e) Projects are well underway to further rationalise our printers, introduce new bulk printing facilities, introduce further flexible broadband facilities in our High Schools, update our election management software and to migrate the Council to Microsoft Office 365.

#### 4.3 Borders Railway Blueprint

The Borders Railway Blueprint is a partnership programme to maximise the benefits of the Borders Railway. Delivery is across three themes – Great Locations for Working and Investing, Great Communities for Living and Learning, and Great Destinations to Visit. The programme is funded

by a commitment of £10million from Scottish Government, with match funding from Scottish Enterprise, VisitScotland, Transport Scotland, ScotRail and the three Local Authorities. Recent highlights include:

- (a) Following Ministerial approval of the investment of £2.5 million of Blueprint funding for the Great Tapestry of Scotland Visitor Centre in Galashiels, the construction programme is now at 'Design Concept' RIBA stage 3, and site acquisition is in progress. Work is also starting with Live Borders and the Tapestry Trustees on the interpretation and operational plan for the visitor centre opening in 2020. A Regeneration Capital Grant Fund bid is being prepared for the £0.7million funding gap and regeneration of Galashiels town centre
- (b) Work on the Masterplans at Tweedbank and Galashiels is now at an advanced stage following public consultations. Both plans aim to deliver a vision for the future that is commercially deliverable and drives new investment in hotels, residential and commercial space. Planning officers are currently working on how best to adopt the Masterplan ideas into Planning Guidance. The detailed plans will be ready to brief Members after the summer break.
- (c) The Year 1 Evaluation report was published nationally in June 2017 by Transport Scotland on behalf of the Blueprint Partnership (copy of press report attached), highlighting the positive impact the railway has had on bringing new workers, homeowners and tourists to the area.

#### 4.4 Integration of Health & Social Care

A Transformation Programme, initially comprising 10 projects, has been developed and agreed by the June Integration Joint Board. Integration Locality Plans are currently out for consultation.

#### 4.5 Children and Young People

- (a) Business Support - The Business Support in Schools Review is nearing completion in terms of staff structures and the adoption of a Cluster Model. Staff have been placed into the new structure and remaining vacancies are now advertised. The impact of Business World will be analysed as part of the next steps in streamlining working practices.
- (b) Children & Families - Staff are now in place in the new Children & Families Social Work Structure and office accommodation and business support arrangements are being finalised.
- (c) School Estate – Statutory consultation has taken place regarding the proposal to create an intergenerational learning campus at Jedburgh.
- (d) Early Years - Following a successful trial in Philliphaugh, the

provision of 1140 nursery hours per child is being rolled out in Burnfoot, Coldstream, Eyemouth, Greenlaw, Kirkhope, Langlee and Philliphaugh from August 2017. A Delivery and Implementation Plan to roll out 1140 hours across all of our nursery settings by 2020 is nearing completion.

#### 4.6 Localities Programme

- (a) Community engagement activity took place in February & March 2017 to gather community views on what matters to them and start a conversation around publicly owned land and buildings. Nine community events and five business breakfasts were held across the Borders (over 130 attended), two surveys were published (over 250 responses), which included a separate piece of work with youth groups.
- (b) The new Scottish Borders Community Plan has been drafted with Community Planning Partner input and is out for public consultation in August and September 2017. Work is also underway in drafting five locality plans and will be taken forward in partnership with Community Planning Partners on an individual locality basis.
- (c) The new Community Plan has been developed with a new approach that has a stronger focus on specific outcomes. This in turn has led to greater engagement and more in-depth discussions with our partners.
- (d) Following the local election in May 2017 the Community Planning Partnership (CPP) has a new Chair for the Strategic Board in Cllr Rowley, whose commercial experience has already influenced the design and presentation of the new Community Plan.
- (e) Police Scotland recruited PC Gina Dickson as a Community Planning Officer in May 2017, who joined the Council's Communities & Partnership Team. Having additional partner resource embedded in a co-located team has benefited both the development of the CPP's Community Plan as well as Police Scotland's Local Police Plan for the Scottish Borders.
- (f) A Localities Programme Board, chaired by Jenni Craig, was established in April 2017 and has been meeting monthly. Three separate workstreams are currently working on:
  - Consolidating existing and developing local plans
  - Optimising internal and external investment, incl. the development of a Localities Bid Fund and a review of Grants & Funding
  - Developing and leading our corporate approach to support locality plans and local communities, incl. reviewing our corporate structure and aligning resources

#### 4.7 Property and Assets

Draft Locality Property Plans have been developed based on engagement events across the borders in February and March this year. These plans will be taken to the Locality Committees for consultation in Autumn with a view to publication – as an appendix to the wider Locality Plans – in October this year.

#### 4.8 Workforce Transformation

A fleet of 15 pool cars is being introduced for a trial period of 12 months at Council headquarters. The pool cars were delivered on the week commencing the 26<sup>th</sup> July and driver registration started in the week commencing 17<sup>th</sup> July.

#### 4.9 Energy Efficiency

Upgrades to boiler room insulation and to LED lighting is taking place across the estate. Proposals to install Solar Panels at 12 sites this autumn are being assessed. A benchmarking exercise is being undertaken across the estate to identify our least efficient properties and prioritise improvement works. Work is also being undertaken with our managed service property partners to identify energy efficiency opportunities. These opportunities, together with the priorities identified from the benchmarking exercise, will form the basis of a Non Domestic Energy Efficiency (NDEE) tender which is being drafted to take this work forward in 18/19.

#### 4.10 Detailed performance reporting infographics for each element of the programme are reported on a rolling schedule covering all 14 sub programmes over an annual period. In this quarterly report, the following performance reporting infographics are set out in Appendices 2 to 4:

- (a) Digital Transformation
- (b) Property & Assets
- (c) Energy Efficiency

### **5 COMMUNICATIONS AND ENGAGEMENT WITH STAFF AND THE UNIONS**

#### 5.1 Work continues to ensure information is shared effectively with key stakeholders. Council staff continue to be the main focus as they are key to driving forward positive change across the Council.

#### 5.2 As a result of this, Senior Managers, supported by the Corporate Management Team (CMT) are provided with accurate, regular information and essential briefings and material to keep their staff updated.

#### 5.3 As part of the above, Senior Management events are held regularly to share information and contribute to the ongoing development of the programme. Events over the late summer and autumn period are scheduled to take place on 28th August and 20th November.

#### 5.4 The Trades Unions continue to consider the most up to date tracker at their monthly meeting, and any potential staffing issues are highlighted within the tracker enabling early management and engagement with the

Unions. Specific detailed briefings on staffing related issues are also provided by individual programmes, and programme leads, as they are required.

## **6 REPORTING**

- 6.1 The Corporate Transformation Programme Tracker is provided at Appendix 1. The areas of work are aligned under the relevant corporate priorities to enable the Executive Committee and CMT to assess progress of the Programme against the Council's corporate priorities.

## **7 FINANCE**

- 7.1 The Corporate Transformation Programme is critical in achieving many of the savings in the Financial Plan. Following the approval of the 2017/18-2021/22 Financial Plan in February 2017, the level of savings to be delivered across the Transformation Programme during the year are £5.89m. Progress in the delivery of in-year savings is reported quarterly as part of the Revenue Monitoring process to Executive Committee.
- 7.2 As expected within a 5-year Financial Plan, savings in the early years of the Plan are further advanced in terms of planning and deliverability with less certainty on the specifics of delivery in the future years. Plans are progressing for the future year savings to ensure the savings targets are realistic and achievable and this will feed into the financial planning process.
- 7.3 Resource requirements associated with supporting the Corporate Transformation Programme are being funded through the Corporate Transformation budget.

## **8 IMPLICATIONS**

### **8.1 Financial**

There are no specific costs attached to any of the recommendations contained in this report outside those considered within the Council's Financial Plan. Business cases with return on investment information are being developed for the projects and activities within the programme as appropriate.

### **8.2 Risk and Mitigations**

Whilst good progress continues to be made building on the work over the past two financial years, the Corporate Transformation Programme is extremely complex. Over the next 12 months, the scale of the work and the level of change involved across the organisation will become increasingly challenging and intense bringing significant risk to the delivery of activity, savings and service benefits. To mitigate this, robust risk management is being applied both at programme level and at individual programme/project level. Each project requires to have appropriate risk registers and these are monitored on at least a monthly basis. An overall Corporate Transformation Risk Register is held and reviewed on a monthly basis. Finally the programme is a standing item on the Monthly Corporate Management Team Away Day Agenda when progress is reviewed along with delivery of the Financial Plan and monthly Performance Management data.

### **8.3 Equalities**

Equalities Impact Assessments will be carried out on the projects within the Corporate Transformation programme.

**8.4 Acting Sustainably**

The programme will support the approach of acting sustainably ensuring any effects are identified and the impact evaluated where appropriate.

**8.5 Carbon Management**

The programme will actively promote a positive impact on the Council's carbon emissions where appropriate.

**8.6 Rural Proofing**

This will be undertaken within the programme where appropriate.

**8.7 Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to be made to the Scheme of Administration or Scheme of Delegation.

**9 CONSULTATION**

- 9.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and the comments received have been incorporated into the final report.

**Approved by**

**Rob Dickson**

**Corporate Transformation & Services Director**

**Signature .....**

**Author(s)**

Name	Designation and Contact Number
Andrew Medley	Portfolio Manager – 01835 825267
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**Background Papers:** Nil

**Previous Minute Reference:** Scottish Borders Council, 9<sup>th</sup> February 2017.

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. James Lamb can also give information on other language translations as well as providing additional copies.

Contact us at James Lamb, Portfolio Manager, Programme Office, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825392 or – email [jlamb@scotborders.gov.uk](mailto:jlamb@scotborders.gov.uk).



# Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

Updated: 12/09/2017

## Appendix 1

### Priority 1: Encourage sustainable economic growth

Railway Programme		Rob Dickson
Transport Programme		Brian Frater

### Priority 2: Improve attainment & achievement levels

Children & Young People		Donna Manson
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### Priority 3: Provide high quality support, care and protection

Adult Services		Elaine Torrance
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### Priority 4: Build the capacity and resilience of our communities

Localities Programme		Jenni Craig
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### Priority 5: Maintain and improve our high quality environment

Waste Management Plan		Martin Joyce
Energy Efficiency		David Robertson





### Priority 6: Develop our workforce

Workforce Transformation		Rob Dickson / Clair Hepburn
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### Priority 7: Develop our assets and resources

Property & Assets Programme		Martin Joyce
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### Priority 8: Ensure excellent, adaptable, collaborative and accessible public services

Digital Transformation		Rob Dickson / Jenni Craig
Information Management		Brian Frater
Alternative Service Delivery Models		Philip Barr
Co-production		Elaine Torrance
Integration of Health & Social Care		Elaine Torrance

Key:




Critical issues to be reviewed by CMT

Some issues to be managed by Project Team


No issues to report

# Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

## Priority 1: Encourage sustainable economic growth


Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Rob Dickson / Sam Smith	Railway Programme	Delivery of actions to maximise the full economic and social benefits of the Borders Railway.		<b>Progress Update:</b> Status is Green because key Milestones have been achieved: <ul style="list-style-type: none"> <li>• Completion of Year 1 Borders Railway Evaluation Research and publication of results.</li> <li>• Completion of Year 2 UK &amp; International Visitor Marketing campaign and approval of Year 3.</li> <li>• Completion of Hotel Study.</li> <li>• Approval of Borders Railway BIDS Corridor (Business Improvement District) support for Galashiels and Dalkeith.</li> <li>• Implementation of Business Incubator Network feasibility study.</li> <li>• Implementation of Borders Railway Masterplanning project at Tweedbank and Galashiels.</li> <li>• Delivery of Midlothian and Borders Tourism Action Group (MBTAG) activity, including 3 industry innovation and collaboration events (102 attendees) and 1<sup>st</sup> FAM ('Industry Familiarisation') trip (43 attendees).</li> <li>• Launch of new 'More Connected' business and inward investment marketing campaign to promote the region as a great place to do businesses. This includes a refresh of the BordersRailway.co.uk website.</li> <li>• Exhibits at VisitScotland EXPO with over 50 appointments with UK and International travel trade operators, and at the Edinburgh Tourism Showcase with 14 businesses.</li> <li>• ScotRail launch of new 'Edinburgh Days Out' ticket in Midlothian and Borders, and enhanced promotion of Melrose 7s and Borders Book Festival.</li> <li>• Commercial launch of Scottish Borders City Sightseeing off bus tour by following successful 'Borders Weaver' pilot.</li> <li>• Launch of 2017 Borders Railway Steam</li> </ul>	Next period: <ul style="list-style-type: none"> <li>• Publication of the 'Borders Transport Corridors Study' including options for rail extension to Hawick and Carlisle.</li> <li>• Development of ScotRail Scenic Route and joint ticketing promotions.</li> <li>• Development of MBTAG Travel Trade Development Programme and Hospitality Training Programme.</li> <li>• Completion of Tweedbank and Galashiels Masterplans.</li> <li>• Completion of Business Incubator Network Feasibility Study.</li> <li>• Delivery of 'More Connected' Inward Investment Marketing programme.</li> <li>• Delivery of Borders Railway Blueprint Year 2 Review.</li> </ul>

## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

				<p>Train Experience by SRPS, a private charter operator, running every Sunday in August from the Fife Coast to the Scottish Borders.</p> <ul style="list-style-type: none"> <li>• Delivery of 'Meet the Supplier' Borders Railway Food &amp; Drink Showcase at the Balmoral Hotel, with 30 suppliers and 80+ buyers.</li> <li>• Consultation workshops underway for the Borders Transport Corridors Study which will consider option for rail extension to Hawick and Carlisle. This study is being carried out by Jacobs and will report in November 2017.</li> <li>• Construction programme for the new Great Tapestry of Scotland Visitor Centre in Galashiels is in place and is now at 'Design Concept' RIBA stage 3. Work is starting with Live Borders and VisitScotland on the interpretation plan for the opening/operation of the visitor centre in 2020.</li> </ul>	
<p>Page 37</p> <p>Brian Frater Timothy Stephenson</p>	Transport	Implement a better, simpler, more accessible and cost effective model of transport service provision, through a multi-agency approach.		<p><b>Progress Update:</b> Status is Amber because key milestones are to be achieved:</p> <ul style="list-style-type: none"> <li>• Continuation of the Strategic Transport Board work stream (meets 6 times/year)</li> <li>• Re-engagement of a development worker to facilitate CT growth, Hub management and hospital discharge</li> </ul>	<p>Next period:</p> <ul style="list-style-type: none"> <li>• On-going work with partners to procure transport via a central framework</li> <li>• Continuation of the Community Transport Hub, additional funding in place for further development.</li> </ul>


## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

### Priority 2: Improve attainment & achievement levels

Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Donna Manson / Janice Robertson	Children & Young People	Improve the learning experience and opportunities for our children and young people through early intervention and prevention, a sustainable school estate and more integrated and streamlined management and admin.		<p><b>Progress Update:</b> Status is Green because the following milestones have been achieved:</p> <ul style="list-style-type: none"> <li>• Business Support in Schools Review – the Review has progressed well in this period. A Cluster model has been agreed along with staff structures. Staff were informed of their position in the Structure before the school summer break, and work continues to fill vacancies to ensure that each school opens in August with Business Support staff present.</li> <li>• The redesign of the Children &amp; Families Social Work Service has delivered a structure to meet the increased demands now being placed on the service. Staff are now in place in the new structure and office accommodation and business support arrangements are being finalised.</li> <li>• School Estate Review – The new Leader Valley School in Earlston is now fully operational and this has allowed the discontinuation of the spectrum units at St. Ronan's and Wilton as planned. Statutory consultation has taken place regarding the proposal to create an intergenerational learning campus at Jedburgh.</li> <li>• Early Years – A permanent expansion of the provision of 1140 nursery hours per child is being rolled out in Burnfoot, Coldstream, Eyemouth, Greenlaw, Kirkhope, Langlee and Phillippaugh from August 2017. This follows a successful trial in Philipphaugh earlier this year. A Delivery and Implementation Plan to roll out 1140 hours across all of our nursery settings by 2020 is nearing completion.</li> </ul>	<p>Next period:</p> <ul style="list-style-type: none"> <li>• Business Support in Schools Review – All schools will have appropriate business support in accordance with the new Cluster model. Work to streamline processes will be underway, including an analysis of the impact of the introduction of Business World</li> <li>• The new structure will be complete for the Children &amp; Families Social Work Service and the service will evolve towards meeting increased demands.</li> <li>• School Estate Review – Further progress will be made towards the creation of an intergenerational learning campus in Jedburgh including the Planning Process and the outcome of the statutory consultation. Work in relation to the proposed closure of mothballed schools will be underway. The examination of the provision of Roman Catholic Schools will be advanced.</li> <li>• Early Years – The Delivery and Implementation Plan will be reported to Council and submitted to Scottish Government. An analysis of the effectiveness of the roll out in the new settings will be underway which will help to inform next steps. As part of the next phase of the expansion of Early Years a new facility is planned for St Boswells in 2018.</li> </ul>


## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

### Priority 3: Provide high quality support, care and protection

Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Elaine Torrance / Graeme McMurdo / Murray Leys	Adult Services	Deliver service change, financial savings and increased income across a range of Health and Social Care services.		<p><b>Progress Update:</b> Status is Green because:</p> <ul style="list-style-type: none"> <li>Planned 16/17 financial savings were achieved on a recurring, permanent basis for 2016/17.</li> <li>Any temporary savings have been carried forward for permanent delivery in 2017/18.</li> <li>The majority of savings for 17/18 relating solely to SBC have been achieved or planned. Plans are being developed to implement a joint Integrated (SBC &amp; Health) Transformation Savings Programme.</li> <li>Successful implementation and delivery of the joint approach is key to the achievement of the outstanding Financial Plan savings requirements.</li> </ul> <p>The combined programme will continue to utilise Social Care Fund (SCF) and Integrated Care Fund (ICF) to deliver change and to mitigate service pressures (e.g.) demographics and living wage pressures.</p>	<p>Next period:</p> <ul style="list-style-type: none"> <li>Joint SBC and Health savings and transformation programme approved by IJB.</li> </ul>



## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

### Priority 4: Provide high quality support, care and protection

Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Jenni Craig / Shona Smith	Localities Programme	Ensure SBC activity within localities is co-ordinated, via 5 locality plans containing clear actions and accountability.		<b>Progress Update:</b> Status is Amber because: <ul style="list-style-type: none"> <li>The new Community Plan is slightly behind the timetable for publication, and will still be in draft form on 1<sup>st</sup> October 2017</li> <li>Locality Plans are yet to be drafted and taken forward at a locality level with partnership involvement.</li> <li>The detail and process for the new Localities Bid Fund is yet to be finalised and approved by Council.</li> </ul>	Next period: <ul style="list-style-type: none"> <li>The new Scottish Borders Community Plan will be approved.</li> <li>An online Community Plan is in development.</li> <li>Locality Plans start to be drafted and taken forward by Community Planning Partners with local communities.</li> <li>Localities Bid Fund is launched and communities start to submit applications</li> </ul>


## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

### 5: Maintain and improve our high quality environment

Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Martin Joyce / Ross Sharp- Dent	Waste Management Plan	Create efficiency savings, reduce expenditure and provide additional income through the implementation of a strategy that is financially and environmentally sustainable.		<b>Progress Update:</b> Status is Amber because: <ul style="list-style-type: none"> <li>Finalising kerbside collection scenario modelling with Zero Waste Scotland.</li> <li>Continue to optimise kerbside collection routes.</li> <li>Work continues on development of new Waste Transfer Station (WTS)</li> <li>Work continues on the Community Recycling Centre review.</li> <li>Work continues on the Residual Waste Treatment procurement project.</li> <li>Work continues on the Trade Waste Collection review.</li> </ul>	Next period: <ul style="list-style-type: none"> <li>Zero Waste Scotland have provided initial modelling results.</li> <li>Continue to develop the Waste Transfer Station and prepare for the closure of the landfill site.</li> <li>Continue procurement process for residual waste, food waste and Dry Mixed Re-cycle.</li> </ul>
David Robertson / Jon Laws	Energy Efficiency Programme	Implement spend to save energy efficiency schemes across the Council estate.		<b>Progress Update:</b> Status is Green because: <ul style="list-style-type: none"> <li>Replacement LED lighting (Phase Two) and insulating valve covers across 11 sites using Salix Finance recycling fund is underway.</li> <li>Solar Panel Tender Part 1 surveys are underway and progressing across the estate</li> </ul>	Next period: <ul style="list-style-type: none"> <li>Plans to spend 100% of £600,000 Salix fund (£300k Salix/£300k SBC) in 17/18 are progressing and in development</li> <li>A Solar Panel Tender will be issued once the PV surveys are completed and reviewed</li> <li>A new lead EEP property officer is in post Jack Caldwell and a range of energy saving proposals are in development ranging from zero cost server room settings to 24C to NDEE which could be a future £900,000 commitment with guaranteed ROI.</li> </ul>

## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017


### Priority 6: Develop our workforce

Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Rob Dickson / Clair Hepburn / James Lamb	Workforce Transformation	Enable staff to deliver service improvements, review existing management and admin structures and deliver an employee benefit strategy. Implementation of mobile technologies to deliver more effective and efficient ways of working.		<p><b>Progress Update:</b> Status is Amber as the activity to achieve the full future years' savings are to be approved.</p> <ul style="list-style-type: none"> <li>• People Planning - First stage People Plans have been completed. The next stage of bringing together the People Planning process with the 2017/18 Financial Planning and business plans begins in Autumn.</li> <li>• Staff Benefits Scheme - the Scheme is now well established with a take up of over 45%</li> <li>• Business Travel – Following-on from the introduction of the new Business Travel Policy, a 15-car pool car fleet has been introduced for a trial 12-month period. Use of the trial fleet and its impact on business travel will be reported on a quarterly basis.</li> <li>• Change Management - Change Management introduction/taster training sessions where delivered to all Senior Managers and the Council now offers various training courses on Change Management for various levels of staff.</li> </ul>	<p>Next period:</p> <ul style="list-style-type: none"> <li>• The next phase of the People Planning process will commence as part of the 17/18 financial planning process.</li> <li>• Staff Benefits will continue to be added to</li> <li>• The trial 15-car Pool Car fleet will continue and updates will be provided in future monitoring reports</li> </ul>




## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

### Priority 7: Develop our assets and resources




Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Martin Joyce / James Lamb	Property & Assets	Pursue opportunities around estate rationalisation, taking full account of future service delivery models and school estate strategy, identifying specific targets for energy efficiencies.		<b>Progress Update:</b> Status is Amber because: <ul style="list-style-type: none"> <li>Plans for rationalising office accommodation have been delayed due to the need to find an interim accommodation solution for CGI. Implementation plans will be recalibrated and savings re-profiled.</li> <li>Plans are still being developed to deliver future years' financial savings.</li> <li>Draft Locality Property Plans have been developed based on public meetings held in March this year. It is anticipated that the draft Plans will be presented to Locality Committees in August for consultation.</li> </ul>	Next period: <ul style="list-style-type: none"> <li>Work continues to achieve current year property savings and to identify property savings in future years.</li> <li>Consultation over draft Locality Property Plans.</li> </ul>

## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017


### Priority 8: Ensure excellent, adaptable, collaborative and accessible public services

Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Rob Dickson /Jenni Craig / Stephen Roy	Digital Transformation	Use best of breed technology to make the services we offer to internal and external customers simpler and more productive. Make digital transactions so compelling that vast majority of internal and external customers will interact "digitally by default" leading to savings for SBC. Improve digital connectivity for citizens and businesses in the Borders and help them to make best use of digital technology.		<b>Progress Update:</b> Status is Amber as the projects under the programme have a number of challenges to overcome and are operating to tight timescales. <ul style="list-style-type: none"> <li>• Business World (ERP) went live in April after huge effort from all involved. The team are now working to embed new processes, bring on stream more functionality and ensure knowledge is transferred from consultants to staff. Work will continue to ensure that benefits are achieved as quickly as possible.</li> <li>• Index of Digital Deprivation across Scottish Borders produced. This will help focus Digital Participation efforts. Working with CPP partners to set up a Digital Participation Network. Looking to work with communities in Jedburgh and Newcastleton to help them develop their digital participation efforts.</li> <li>• Business Intelligence project in start-up.</li> <li>• New print strategy being implemented with new devices in non HQ sites and bulk printing facilities.</li> <li>• Office 365 and new election management software projects well underway.</li> <li>• Borders community broadband project making good progress, aiming to cover rural community projects west of the A68.</li> <li>• Project commencing with Scottish Government to look at putting masts on Council owned land and properties to extend and improve mobile coverage.</li> </ul>	Next period: <ul style="list-style-type: none"> <li>• Business World ERP - roll out of further core functionality, embed new processes into business as usual, enrich staff knowledge of system.</li> <li>• Start to realise benefits of Business World</li> <li>• Develop first area for Business Intelligence</li> <li>• Set up digital participation network with CPP partners</li> </ul>

## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Brian Frater / Nuala McKinlay	Information Management	Deliver information sharing requirements across partners.		<b>Progress Update:</b> Status is Green because: <ul style="list-style-type: none"> <li>• Stages 1-3 of the 5 stage project (including Privacy by Design and Information sharing) were completed on schedule in April 2017.</li> <li>• An Awareness session on data sharing was delivered to Project and Programme Managers and there is evidence that the guidance is being used routinely.</li> <li>• Stage 4 (Information Access) was returned to business as usual to be managed by the Information Governance Group (IGG).</li> <li>• Stage 5 (Records Management Plan) is complete and SBC's Plan has been submitted to the Keeper of Records. The Keepers interim report on the plan is expected in September.</li> <li>• The Information Asset Register is complete and training for Information Asset Owners will commence in the coming weeks.</li> <li>• The current Information Management Project is now complete and has been closed.</li> </ul>	Next period: <ul style="list-style-type: none"> <li>• A new project to implement the new General Data Protection Regulation will be initiated in September 2017.</li> </ul>
Philip Barr / Graeme McMurdo	Alternative Service Delivery Models	Review service delivery and Trust models to develop more cost effective service delivery models (e.g.) LLP's and joint ventures.		<b>Progress Update:</b> Status is Green because milestones have been achieved: <ul style="list-style-type: none"> <li>• Integrated Trust "Live Borders" went live as planned on 1<sup>st</sup> April 2016.</li> <li>• SBCares is up and running and is progressing to business plan.</li> <li>• Roads internal re-structure being progressed</li> </ul>	Next period: <ul style="list-style-type: none"> <li>• Council agreement of Roads structure</li> <li>• Scope out other areas of the Alternative Models programme</li> <li>• Establish detail on where financial savings will come from and when</li> </ul>
Elaine Torrance	Co-Production	Involvement of communities from the outset in the development, design and delivery of service.		<b>Progress Update:</b> Status is Green because the project is now complete.	

## Corporate Transformation Programme Tracker For Executive Committee as of 31 July 2017

Corporate Lead/ Project Manager	Programme/ Project	Purpose	RAG	Milestones Achieved	Milestones to be achieved
Elaine Torrance	Integration of Health & Social Care	Improved outcomes for service users and carers who will have clear access routes to services and information.		<b>Progress Update:</b> Status is Amber because: <ul style="list-style-type: none"> <li>• The June IJB agreed an initial transformation programme comprising 10 projects as follows:               <ul style="list-style-type: none"> <li>○ Community and Day Hospitals</li> <li>○ Home Care, including Enablement</li> <li>○ AHPs</li> <li>○ Dementia</li> <li>○ Mental Health</li> <li>○ Carers Strategy</li> <li>○ Alcohol &amp; Drugs Services</li> <li>○ Reimagining Day Care</li> <li>○ IT and Telehealth Care</li> <li>○ Reimaging Integrated Locality Teams</li> </ul> </li> <li>• Work is continuing to develop additional projects and one-off efficiencies that will address the £2.6m affordability gap</li> <li>• Locality Plans for consultation in June-Sept were presented to the IJB in June.</li> <li>• Work progressing to develop co-located integrated teams within localities</li> <li>• Annual Report has been agreed and will be published on the web.</li> </ul>	Next period: <ul style="list-style-type: none"> <li>• Continue to develop and implement the Transformation and Efficiencies Programme</li> <li>• Consultation on the draft Locality Plans will take place over June – September.</li> <li>• Given the clear cross-over between the Adult Services Programme and this programme, it is proposed that the two be merged under a single programme.</li> </ul>

# ENSURE EXCELLENT, ADAPTABLE, COLLABORATIVE PUBLIC SERVICES

## CORPORATE TRANSFORMATION PROGRAMME

### Digital Transformation

ICT and new technology are the foundations of SBC's future and at the heart of the Council's Corporate Transformation programme. This programme is tasked with building a "Digitally Excellent" Scottish Borders.

### Benefits

- Superfast broadband for business and personal use wherever located in Scottish Borders.
- More efficient, effective and responsive Council services
- Solid, reliable ICT provision for SBC
- Ensuring citizens and businesses have skills necessary to exploit digital services
- Attract businesses and investment to the Borders through improved connectivity



### Key Milestones

Apr-Jun '17

- Business World "go-live"
- Index of Digital Exclusion produced
- Business Intelligence project started

Jul-Sep '17

- Survey of appetite for online services
- Business World phase 2 go-live
- Way forward for online portal agreed
- Business Intelligence first business area developed

Oct-Dec '17

- ERP further development
- Business Intelligence delivered for first area
- SBC ICT infrastructure significantly upgraded including managed print for all and Office 365

Jan-Mar '18

- Core infrastructure upgrades continue
- Business Intelligence start to look at second areas
- Digital Participation Network up and running

• ICT • customer focus • online services • partnership • ICT • customer focus • online services • partnership •

### Our performance



#### CUSTOMER SERVICES: TRANSACTIONS LOGGED (2016/17)

**104,102**

telephone contacts taken

**62,692**

F2F contacts taken

Aim to reduce this further and increase digital uptake

**72.2%**

of our **Educational Benefit requests** are now **received on-line**.

**95%**

of **premises** in Scottish Borders will be **connected through Digital Scotland Superfast Broadband (DSSB) programme**

**5%**

will rely on **other mechanisms** to **provide superfast broadband**. We are **working** with **national bodies** on this

### Programme highlights

Business World ERP went live on the target date of April 2017, delivering a single modern system Replacing separate Finance, HR and Procurement systems. Core features were delivered initially and these are being built upon as we develop the system. Staff now have a single place to see HR information, submit expenses, order goods and approve orders.

Our ICT service transferred successfully to CGI in October 2016. Numerous infrastructure projects are underway to deliver the rock-solid modern ICT service in our vision.

Joint work is continuing with CGI and their 3rd party providers to ensure that the proposed solution for Digital Customer Access meets both current and future strategic objectives.

We have begun work with our CPP partners to work together to improve Digital Participation in the Scottish Borders. We have agreed with our CPP partners to form a Borders-wide Digital

Participation network to co-ordinate our efforts to ensure citizens of the borders have the access and skills to take advantage of Digital Technology. We have also produced a Digital Exclusion index to understand the areas of the Borders of greatest need.

We have undertaken a survey on our citizens appetite for online services so that we can better understand how we should deliver services in the future in such a way that no-one is excluded.

We continue to work with national bodies to push to improve broadband and mobile coverage in the Scottish Borders. The Borders Community Broadband project is currently making good progress to cover the majority of rural communities west of the A68. A project is about to commence with the Scottish Government to look at opportunities for putting masts on Council owned land and properties to extend and improve mobile coverage.

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## DEVELOP OUR ASSETS AND RESOURCES

### CORPORATE TRANSFORMATION PROGRAMME

#### Property and Assets

Work jointly with Community Planning Partners to pursue opportunities around estate rationalisation and co-location, and identify specific targets for energy efficiencies.

#### Financial Plan Savings (2017/18 to 2021/22)

**£2,139k**  
total required

**£334k**  
during 2017/18



#### Key Milestones

Apr-Jun '17

- Locality Property Plans drafted for the 5 Localities

Jul-Sep '17

- Tender period for remaining materials to complete SLEEP conversions.

Oct-Dec '17

- Consultation over the draft locality plans and completion of final drafts
- Implementation of SLEEP work programme to project completion.

Jan-Mar '18

- Publication of Locality Property Plans
- Final installations and completion of SLEEP Project

Apr-Jun '18

- Commence initial phases of Property Asset rationalisation programme activities to deliver 18/19 savings

buildings • energy efficiency • capital investment • buildings • energy efficiency • capital investment • buildings •

#### Our performance: SBC Property (2016/17)



##### PROPERTY FOOTPRINT

**298,775 m<sup>2</sup>**

operational  
(296,674m<sup>2</sup> in 15/16)

**379,849 m<sup>2</sup>**

all buildings  
(341,117m<sup>2</sup> in 15/16)

This changes on a monthly basis for a variety of reasons e.g. disposals, acquisitions, new builds and ongoing asset surveys.

##### OPERATIONAL BUILDINGS

**59.9%**

are in **satisfactory condition**  
(down from 60% in 15/16)

**83%**

are **suitable** for their **current use**  
(down from 85% in 15/16)

Minor changes to both the condition and suitability of our operational buildings are as a result of ongoing resurveys of the properties.

##### SURPLUS PROPERTIES

**£1,437,000**

capital receipts for sale of **fixed assets**  
(£847,711 in 2015/16)

**19**

properties no longer required

**7**

properties are advertised for sale

**8**

properties are currently under offer

##### STREET LIGHTING ENERGY EFFICIENCY PROGRAMME

**13,400**

LED lanterns installed as of end June 2017  
(8,400 as of end June 2016)



#### Programme Highlights

##### Property Rationalisation

A schedule of potential future property rationalisations has been established and will continue to be developed as new opportunities present themselves. In support of property rationalisation plans, the Council has engaged with partner organisations and communities to develop outline property plans for each locality. Initial engagement events were held in February and March this year and feedback used to develop the Plans. Further consultation on these will take place in Autumn.

##### Street Lighting Energy Efficiency Programme

Progress continues with the Street Lighting Energy Efficiency Programme with the project entering its final year in 2017/18.

The ongoing installation continues to reduce energy and CO2 consumption leading to a reduction in the associated electricity and carbon costs.

Included in the final year of the project are the few remaining major towns, completion of the areas previously visited to replace the illuminated signs and bollards as well as looking at solutions for the heritage lanterns that are located throughout the region.

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05

# MAINTAINING AND IMPROVING OUR HIGH QUALITY ENVIRONMENT

## CORPORATE TRANSFORMATION PROGRAMME

### Energy Efficiency

Implement 'spend to save' energy efficiency schemes across the Council Estate.

### Benefits / Financial Plan savings

**£198k**

2017/18

**£133k**

2018/19

**£103k**

2019/20

**£103k**

2020/21

**£537k**

total required



### Key Milestones

Apr-Jun '17

- Desktop benchmarking of the entire Council estate (energy & water)

Jul-Sep '17

- Options report received for Solar installations (12 sites)
- Lighting replacement Phase 4
- Energy Auditing (NDEE: Prepare)

Oct-Dec '17

- Solar Panel Tender Evaluation & Contract Award (12 sites)
- Boiler Insulations upgrades (23 sites)
- Lighting Replacement Phase 5
- NDEE Tender (NDEE: Procure)

Jan-Mar '18

- Solar Panel Installation Programme (12 sites)
- NDEE Tender Evaluation & Contract Award (NDEE: Procure)

Apr-Jun '18

- SEEP Pilot Design Work
- NDEE Programme Commencement (NDEE: Save)

buildings

energy efficiency

capital investment

buildings

energy efficiency

capital investment

buildings

### Our performance



#### SBC ENERGY CONSUMPTION

**42,052 MWh**

in 2016/17 (down from 47,099 MWh in 2015/16)

**162.71 kWh**

per m2 (down from 165.21 kWh per m2)

#### SBC TONNAGE OF CO2

**15161**

2013/14

**16451**

2015/16

**19207**

2014/15

**13085**

2016/17

#### SBC ENERGY SPEND

**£2.698m**

in 2016/17 (down from £3.185m in 2015/16)

**£10.44**

per m2 (down from £11.17 per m2)

#### SBC CARBON TAX LIABILITY

**£182k**

2013/14

**£263k**

2015/16

**£315k**

2014/15

**£211k**

2016/17

### Programme Highlights

As part of the transformation programme of works the Energy Efficiency Programme (EPP) is focussed on delivering cost effective energy reductions that represent best value for money while reducing the our energy consumption and costs as much as possible. As part of this programme last year we:

- Completed LED lighting upgrades on 19 sites
- Completed boiler room insulation upgrades at 19 sites
- Completed the upgrade of the life expired windows on our Headquarters building and a number of schools to thermally efficient double glazed units.

#### What's coming up:

- We will be working hard with our new buildings to ensure they are run as efficiently as possible
- We will actively engage with new building projects at design concept stage to ensure our new building stock is as efficient as possible
- We are upgrading boiler room insulation at a further 23 sites
- We are undertaking LED lighting projects at a further 13 sites
- We are assessing proposals to install Solar Panels at 12 of our sites
- We are undertaking a benchmarking process on our entire estate to prioritise our most inefficient properties for future work
- We are working closely with our managed services partners to identify and implement efficiency opportunities

PROGRAMME LEAD: [david.robertson@scotborders.gov.uk](mailto:david.robertson@scotborders.gov.uk)

PROGRAMME CO-ORDINATOR: [jlaws@scotborders.gov.uk](mailto:jlaws@scotborders.gov.uk)

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## OVERVIEW OF SBC'S COMPLAINTS ANNUAL PERFORMANCE REPORT 2016/17

### Report by Service Director, Customer and Communities EXECUTIVE COMMITTEE

19 September 2017

#### 1 PURPOSE AND SUMMARY

- 1.1 **This report presents a summary of Scottish Borders Council's "Complaints Annual Performance Report for 2016-17", which is presented as an Appendix to this report. It provides a summary of the eight performance indicators that the Scottish Public Services Ombudsman (SPSO) requires all Local Authorities to report against each year, with the details provided in the Appendix.**
- 1.2 In 2013 SBC implemented a revised Complaints Handling Procedure that defines what a complaint is (*any expression of dissatisfaction about our action or lack of action, or about the standard of service provided by us or on our behalf*), how a complaint will be handled, and the timescales to resolve any complaint received.
- 1.3 SBC's Complaints Handling Procedure is aligned to the requirement of the SPSO and an annual report, against eight indicators defined by the SPSO, is a requirement of all Councils. This allows the SPSO to assess the effectiveness of Councils' Complaint Handling Procedures (CHP), ensures an ongoing focus on improving the way complaints are handled, and ensures that all councils learn from the complaints they received, and can learn from best practice through a network of complaint handling practitioners, Local Authority Complaints Handling Network (LACHN).
- 1.3 The **Appendix** presents SBC's annual report for the financial year 2016/17 and allows Elected Members, the SPSO and the general public to see not only how many complaints have been received, but how effectively these complaints are being dealt with, trends over time and how SBC compares to other similar local authorities and the national average.
- 1.4 During 2016/17, SBC received 759 complaints, of which 563 were defined as valid, and shows little change from 2015/16 when 564 valid complaints were received. This equates to 4.9 complaints per 1000 Borders population and compares favourably to Scotland, where there were 14.3 complaints per 1000 population during 2016/17.
- 1.5 2016/17 saw an increase in complaints being received online (336, compared to 209 in 2015/16) but has also led to an increase in invalid complaints, which indicates that online guidance may need to be reviewed.

- 1.6 In relation to timescales set by the SPSO, Scottish Borders Council continues to perform well against the Scottish averages and similar Scottish Local Authorities in relation to the 8 SPSO performance indicators. However, resolving more complaints at frontline will remain a priority during 2017/18, and will be a key part of SBC's customer strategy which is currently being developed.

## **2 RECOMMENDATIONS**

2.1 **I recommend that the Committee:-**

- (a) Notes the performance of handling complaints for the period 1 April 2016 to 31 March 2017;**
- (b) Endorses the identified actions to:**
  - i. Improve frontline responses and reduce the number of complaints that are escalated to Stage 2;**
  - ii. Improve online guidance to assist customers to better distinguish between a request for service and a complaint;**
  - iii. Continue to engage with LACHN who are working to improve performance across all Local Authorities, and to produce meaningful benchmarking data;**
  - iv. Ensure the developing Customer Strategy reflects improved complaints handling.**
- (c) Approves the annual report (the Appendix) to be submitted to the SPSO and published on SBC's website.**

### 3 BACKGROUND

- 3.1 The Public Services Reform (Scotland) Act 2010 gave the SPSO the authority to lead the development of a complaints handling procedure to be used across the public sector.
- 3.2 In May 2012, the SPSO issued guidance on the handling of complaints, 'Local Authority Model Complaints Handling Procedure', and in November 2012 Scottish Borders Council approved a 'Complaints Handling Procedure' (CHP) based on this guidance which then became publicly available and fully implemented during 2013.
- 3.3 In August 2014, the SPSO issued guidance stating that the annual performance of Local Authorities handling of complaints should be formally presented in an annual report across eight specified key performance indicators. It was later confirmed that this report should be published.
- 3.4 Elected Members are kept aware of key SPSO indicators on a quarterly basis through Scottish Borders Council's Corporate Performance reporting to Executive Committee. This covers not only the quarterly data, but also examples of action being taken within services to maintain or improve performance, with case studies demonstrating how SBC is learning from complaints. This information is also reported publicly on a quarterly basis.
- 3.5 In November 2015, Scottish Borders Council agreed with the SPSO that the SPSO decisions, recommendations and subsequent actions would be reported in the Complaints Annual Performance Report.
- 3.6 This is the fourth SBC Complaints Annual Performance Report and covers performance for the 2016-17 financial year.

### 4 OVERVIEW OF COMPLAINTS ANNUAL PERFORMANCE REPORT 2016/17

- 4.1 The "Complaints Annual Performance Report 2016/17" (**Appendix**) is the way in which the Council complies with its statutory responsibility stemming from the Public Services Reform (Scotland) Act 2010.
- 4.2 The performance indicators in the report relate to 'Valid' complaints that were either opened or closed within financial year 2016-17. These indicators are based on the eight key performance indicators developed by the SPSO in conjunction with all 32 Scottish Local Authorities:
  1. Complaints received per 1,000 of population
  2. Closed complaints
  3. Complaints upheld / not upheld
  4. Average time spent responding to complaints
  5. Complaint closed against timescales
  6. Complaints that were granted authorised extensions
  7. Customer Satisfaction
  8. What we have learnt, changed or improved
- 4.3 By way of context, complaints made to Scottish Borders Council about its services accounted for a very small proportion (0.4% or 759 of 189,075) of all the customer interactions recorded in the Council's Customer Relationship Management system in 2016/17. There was an 11% increase in all complaints received (valid and invalid) compared to 2015/16 (684), but only 2% more than in 2014/15 (742).

- 4.4 2016/17 saw an increase in the number of complaints received online. Between 2015/16 and 2016/17 there was a 61% increase in number of complaints received online.
- 4.5 Although overall, slightly more complaints were received in 2016/17 compared to 2015/16, the number that was classified as 'Valid' was similar; 563 compared to 564 last year. The increased proportion (8%) of 'Invalid' complaints for 2016/17 may be due to the increase in complaints made through the online channel. Customers may have submitted complaints using the online option that are actually requests for service and not complaints.
- 4.6 The objective of the CHP is to resolve customer dissatisfaction as close to the point of service delivery and as soon as possible. The majority of 'Valid' complaints go through the "Stage 1" process where the complaint should be closed within 5 working days. However, if the complaint is complex, needing detailed investigation or Escalated from Stage 1, it is considered a "Stage 2" complaint, where the complaint should be closed within 20 working days. If, after Stage 2, the customer is not satisfied with the response to their complaint, they are referred to the SPSO.
- 4.7 How the Council handled the "valid" complaints it received and closed in 2016/17 can be summarised as follows:
- a) The number of valid complaints received in 2016/17 (563) and 2015/16 (564) has remained static at 4.9 complaints per 1,000 population;
  - b) The proportion of closed complaints that were handled at Stage 1 decreased from 86% in 2015/16 to 79% in 2016/17. This decrease is counter to the SPSO goal of closing complaints at the first point of contact (i.e. more quickly). It also costs more to handle complaints at Stage 2 compared to handling at Stage 1;
  - c) Over the past three years, the proportion of Stage 1 complaints that were "Not Upheld" had increased;
  - d) The average time taken to respond to complaints has remained consistent over the past three years and for all stages;
  - e) The proportion of SBC's complaints closed against timescales for Stage 1 and Stage 2 has been consistent. However, the proportion of SBC's complaints closed against timescales for those Escalated from Stage 1 has fluctuated from year to year and is partly due to small numbers;
  - f) The proportion of SBC's Stage 1 closed complaints that have been granted an *authorised* extension has remained consistent at 3%. The proportion of SBC's Escalated from Stage 1 closed complaints that were granted an *authorised* extension has decreased from 30% in 2014/15 to 12% in 2016/17;
  - g) Of those people that completed the "Complaint Handling Customer Satisfaction Survey" in 2016/17, 57% were either very or fairly satisfied with how their complaint was handled by the Council compared to 20% who were very or fairly dissatisfied;
  - h) Over the year the Council received over 125 unsolicited compliments for the services provided. These compliments related to areas such as kerb-side waste and recycling, road and drainage, community recycling centres, and customer services;

- i) There were several examples of how a complaint has helped the Council to learn, change and improve.
- 4.8 The Complaints Annual Performance Report 2016/17 also contains benchmarking information, comparing SBC to the performance for Scotland and its Family Group (similar Scottish Local Authorities). The highlights include:
  - a) In 2016/17 SBC received less complaints per 1,000 people than the Family Group average of 5.6 and the Scottish average of 15.3;
  - b) SBC closes proportionally more complaints at Stage 1 (79.4%) compared to the Family Group (76.2%) but less compared to Scotland (88.4%). Compared to both the Family Group and Scotland, SBC had more complaints Escalated from Stage 1 in 2016/17;
  - c) A lower proportion of Stage 1 and Stage 2 complaints made to SBC were upheld compared to those complaints made to the Scottish Local Authority sector. Specifically, less than 40% of the Stage 1 complaints to SBC were upheld compared to 71% for Scotland. The proportion of Escalated complaints that were upheld for the Scottish Borders was similar to the level for Scotland;
  - d) SBC's response time for the three stages was quicker compared to both the Family Group and Scotland;
  - e) SBC's proportion of Stage 1 complaints closed within timescales was higher compared to the Family Group and Scotland. However, the proportion of complaints that were Escalated from Stage 1 to Stage 2 that were closed within the timescale was above the level for the Family Group but below the level for Scotland;
  - f) The proportion of Stage 1 closed complaints that were granted an extension for SBC was below the proportion for the Family Group and Scotland.
- 4.9 If, after fully investigating a complaint, the complainant is still dissatisfied with the decision or the way in which their complaint has been dealt with, the customer can ask the SPSO to look at the complaint. In 2016/17 the SPSO received 20 complaints about Scottish Borders Council. This is equal to 1.3% of all complaints received by the SPSO in relation to the Local Authority sector. Of the 19 SPSO closed complaints in 2016/17, 2 (11%) were upheld compared to 5 in 2015/16.
- 4.10 Live Borders now has a Complaints Handling Procedure that aligns with SBC's, with full recording starting from Q3 of 2016/17. SBC Customer Services is liaising with Live Borders to ensure that the way complaints are handled is consistent and this information can confidently be used in SBC's annual report to the SPSO. A summary of Live Borders performance is also included in the Appendix.
- 4.11 The next steps to improve the complaint handling of the Council, and those who deliver services on its behalf, include:
  - Improve online guidance to assist customers to be better able to distinguish between a request for service and a complaint;
  - Improve frontline responses and reduce the number of complaints that are escalated to Stage 2;
  - Continue to engage with LACHN who are working to improve performance across the board, and to produce meaningful

- benchmarking data;
- Ensure the developing refreshed Customer Strategy reflects improved complaints handling;
- Continue work to determine the format that will be required for reporting Social Work related Complaints in 2017/18;
- Further integrate Live Borders complaints handling performance into the report for 2017/18;
- Implement the agreed Internal Audit recommendations, arising from recent assurance work, that are designed to improve consistency in complaint handling practices across the Council and to demonstrate learning from complaints.

## **5 IMPLICATIONS**

### **5.1 Financial**

There are no costs attached to any of the recommendations contained in this report.

### **5.2 Risk and Mitigations**

- (a) Submitting and publishing the Appendix satisfies the requirements as set down by the Scottish Public Services Ombudsman (SPSO) in respect of complaints handling performance monitoring and reporting. Approval of the report, its submission to SPSO and publication of the report will mitigate the risk of non-compliance with required practice.
- (b) The aforementioned Internal Audit assurance work, reported to the Audit and Scrutiny Committee on 28 June 2017, is designed to improve internal control and governance arrangements, specifically as a contribution to the Council's corporate management of risk.

### **5.3 Equalities**

- (a) There are no adverse equality/diversity implications.
- (b) The complaints handling procedure may help the Council to identify and address any equality / diversity issues raised by customers.

### **5.4 Acting Sustainably**

- (a) There are no economic, social or environmental implications.

### **5.5 Carbon Management**

- (a) There are no effects on carbon emissions.

### **5.6 Rural Proofing**

- (a) This is not a new or amended policy or strategy.

### **5.7 Changes to Scheme of Administration or Scheme of Delegation**

- (a) There are no changes to the Scheme of Administration or Scheme of Delegation required.

## **6 CONSULTATION**

- 6.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.



- 6.2 A number of other staff has also been consulted including Corporate Management Team and the Complaints Officers.

**Approved by**

**Jenni Craig**

**Service Director, Customer and Communities Signature .....**

**Author(s)**

Name	Designation and Contact Number
Sarah Watters	Policy, Performance and Planning

**Background Papers:** n/a

**Previous Minute Reference:** n/a

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Sarah Watters can also give information on other language translations as well as providing additional copies.

Contact us at [swatters@scotborders.gov.uk](mailto:swatters@scotborders.gov.uk) , Tel 01835 826542

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# complaints annual performance report

SCOTTISH BORDERS COUNCIL  
2016/17



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# SCOTTISH BORDERS COUNCIL COMPLAINTS ANNUAL PERFORMANCE REPORT 2016/17

## FOREWORD

*“putting our customers  
at the heart of what we do”*



I am pleased to present Scottish Borders Council's fourth annual Complaints Performance Report, which gives details on customer complaints received by the Council between 1 April 2016 and 31 March 2017. This report reflects the information collected throughout the year, which is considered regularly during management meetings and presented to the Council's Executive Committee quarterly.

The report provides information based on 8 key performance indicators which every Local Authority in Scotland reports on, the details of which are submitted to and collated by the Scottish Public Services Ombudsman (SPSO) annually. This year, we have also included information about how we compare to other Local Authorities similar to us, as we are always keen to benchmark and learn from others.

It is always disappointing to hear our services have fallen below the standards expected by our customers, but this feedback provides us with the opportunity to continuously review and, where necessary, make improvements to our service to ensure they meet the needs of the residents of the Scottish Borders. We will therefore continue to monitor trends and patterns in complaints, to help us identify areas where improvements can still be made, and which may result in changes in the way we serve our customers.

**Tracey Logan**  
Chief Executive  
Scottish Borders Council

# SCOTTISH BORDERS COUNCIL COMPLAINTS ANNUAL PERFORMANCE REPORT 2016/17

## INTRODUCTION

Scottish Borders Council (SBC) defines a complaint as:

*“Any expression of dissatisfaction about our action or lack of action, or about the standard of service provided by us or on our behalf.”*

The Council’s **Complaints Handling Procedure** (CHP) sets out how SBC handles the complaints received including the timescales to resolve any complaint.

This report presents how SBC performs based on eight key performance indicators developed by the **Scottish Public Services Ombudsman** (SPSO) in conjunction with all 32 Scottish Local Authorities.

In addition to SBC’s performance for 2016/17, the report also shows the Council’s performance for 2014/15 and 2015/16, with details in Appendix 1, as well as benchmarking information comparing Scottish Borders Council to other similar Local Authorities and Scotland for 2016/17<sup>1</sup>.

Appendix 2 of this report is an overview of the complaints that have been escalated by customers to the SPSO because they feel their complaint was not resolved through the Council’s CHP.

Appendix 3 of this report is an overview of the complaints received by **LiveBorders** in 2016/17; the integrated trust that now delivers sport and cultural service on behalf of SBC.

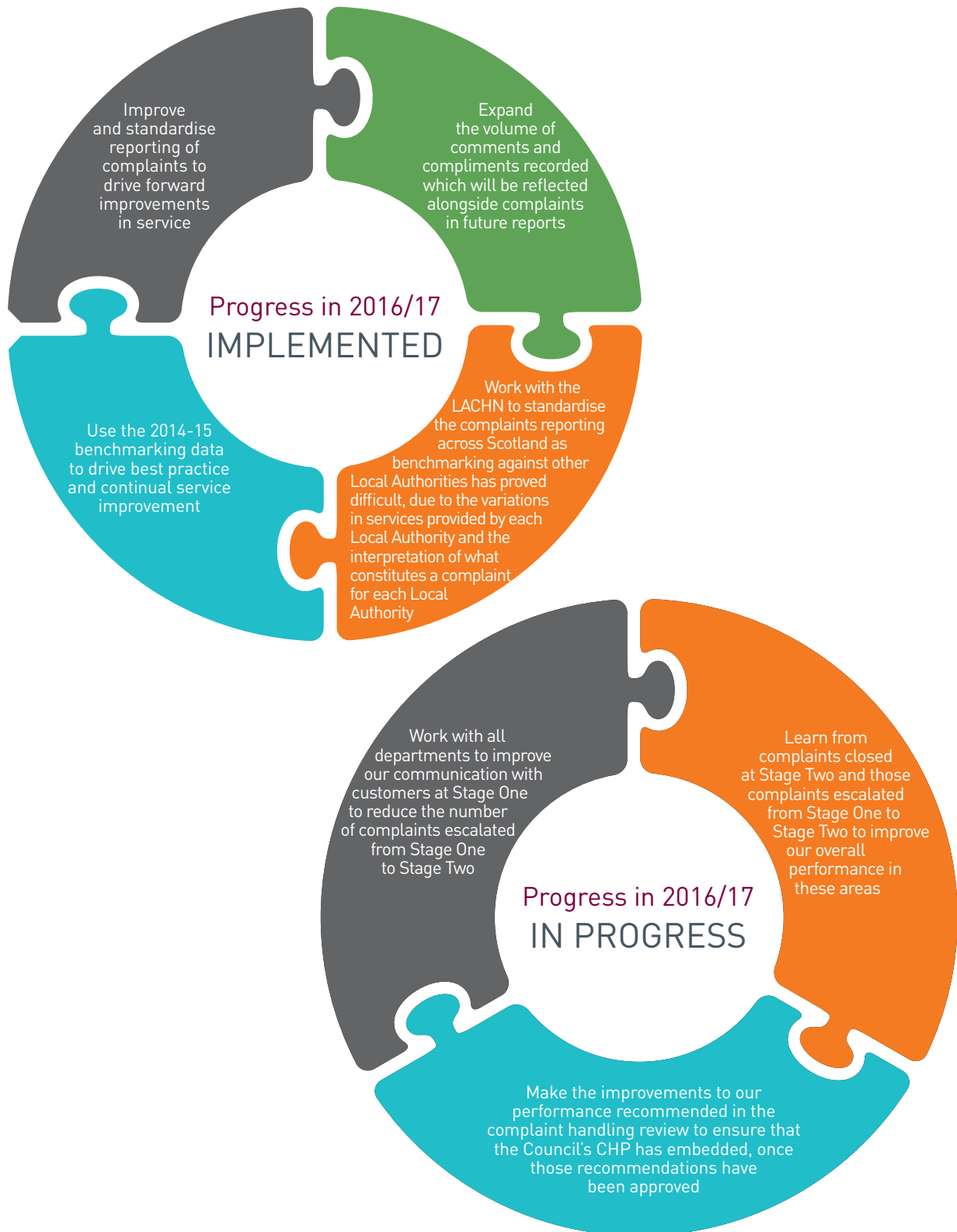
The table below shows the “Next Steps” identified in the 2015/16 Complaints Annual Performance Report along with the progress made.

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<sup>1</sup> SBC is in a Family Group that comprises of rural Scottish Local Authorities, these are: Aberdeenshire, Argyll & Bute, Dumfries & Galloway, Eilean Siar, Highland, Orkney Islands, Scottish Borders, and Shetland Islands. Note the figures for the Family Group and Scotland are provisional and accurate at time of publication (September 2017).

The diagrams below shows the “Next Steps” identified in the 2015/16 Complaints Annual Performance Report along with the progress made.

## THE NEXT STEPS FROM 2015/16



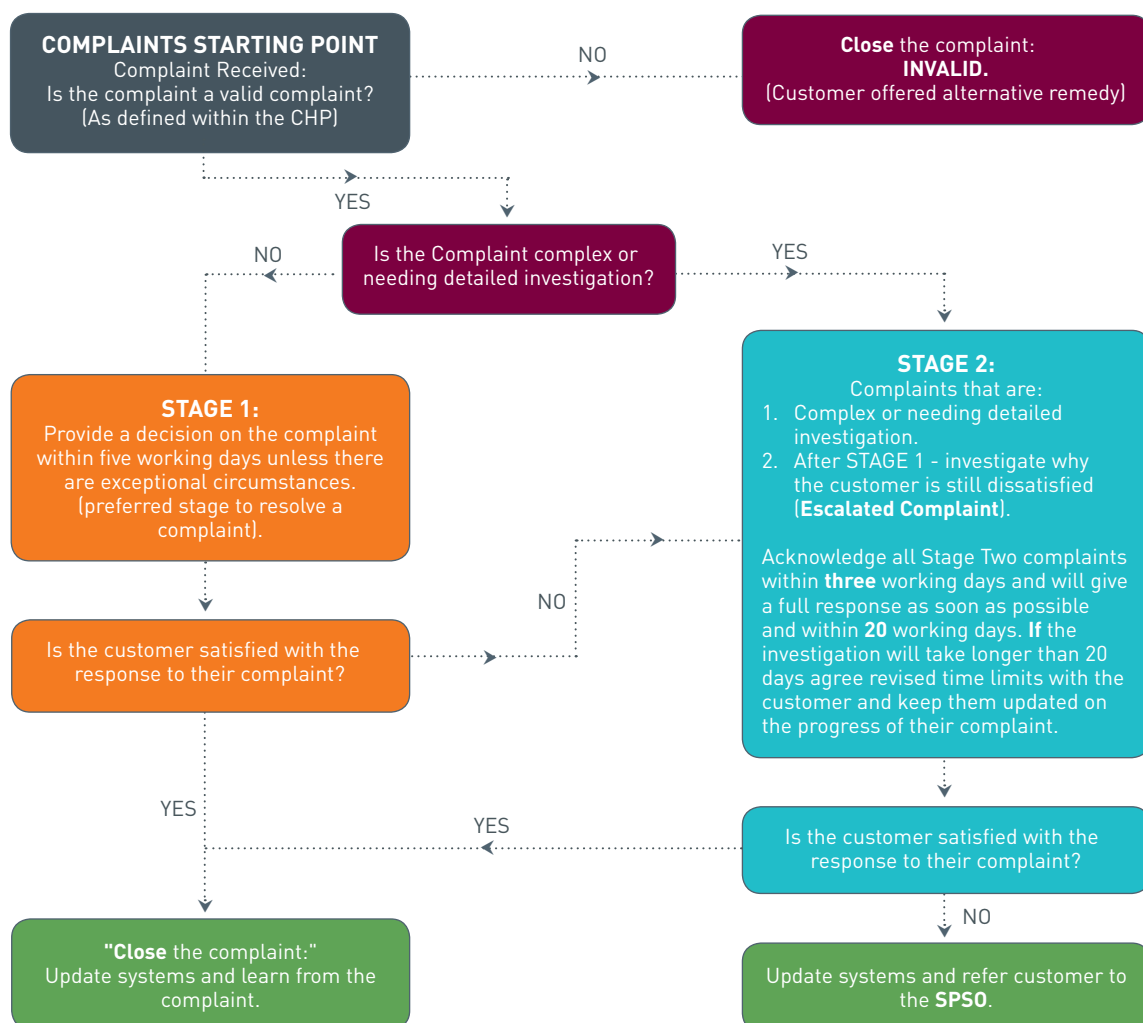
<sup>2</sup> Local Authority Complaints Handling Network

# SCOTTISH BORDERS COUNCIL COMPLAINTS ANNUAL PERFORMANCE REPORT 2016/17

## COMPLAINT HANDLING PROCEDURE (CHP)

All complaints are valued by Scottish Borders Council and we strive to use them to help us improved our services. The objective of the CHP is to resolve customer dissatisfaction as close to the point of service delivery and as soon as possible at Stage One. Figure 1 is a flow chart of SBC's CHP. Complaints may be received online, in person, by telephone or letter.

FIGURE 1: COMPLAINTS HANDLING PROCEDURE





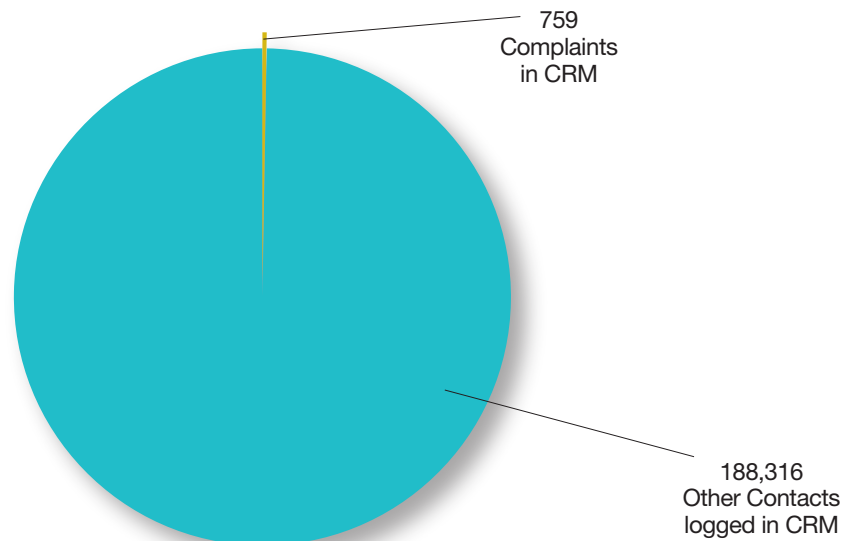
## SCOTTISH BORDERS COUNCIL COMPLAINTS ANNUAL PERFORMANCE REPORT 2016/17

### COMPLAINTS RECEIVED IN 2016/17

The complaints received by SBC account for a very small proportion of the interactions logged in the Council's Customer Relationship Management (CRM) system. In 2016/17 Scottish Borders Council received **759** complaints, equal to **0.4%** of the 189,075 interactions logged through the CRM.

2016/17 saw an **11%** increase in complaints received compared to 2015/16 (684), but only **2%** more than in 2014/15 (742).

FIGURE 2: CUSTOMER INTERACTIONS WITH SBC IN 2016/17



Figures 3 and 4 show the complaints SBC receives by the channel. Figure 3 shows the proportion of complaints received by channel for 2016/17 and Figure 4 shows the change in numbers of complaints received by channel for 2014/15, 2015/16 and 2016/17.

In 2016/17 online was the most common channel used to log a complaint (**44%**), followed by telephone (**31%**). This amounted to a significant increase (**61%**) in the number of complaints received online, compared to 2015/16. Other channels either the same or reduced.

FIGURE 3: CHANNEL USED FOR COMPLAINTS, 2016/17

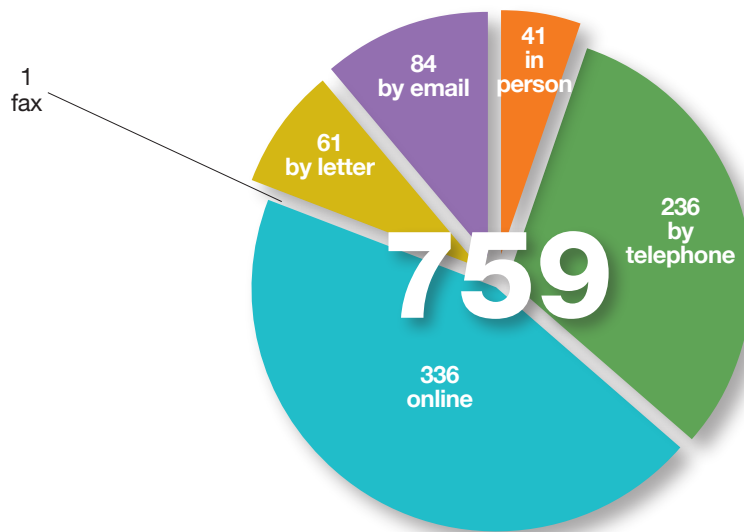
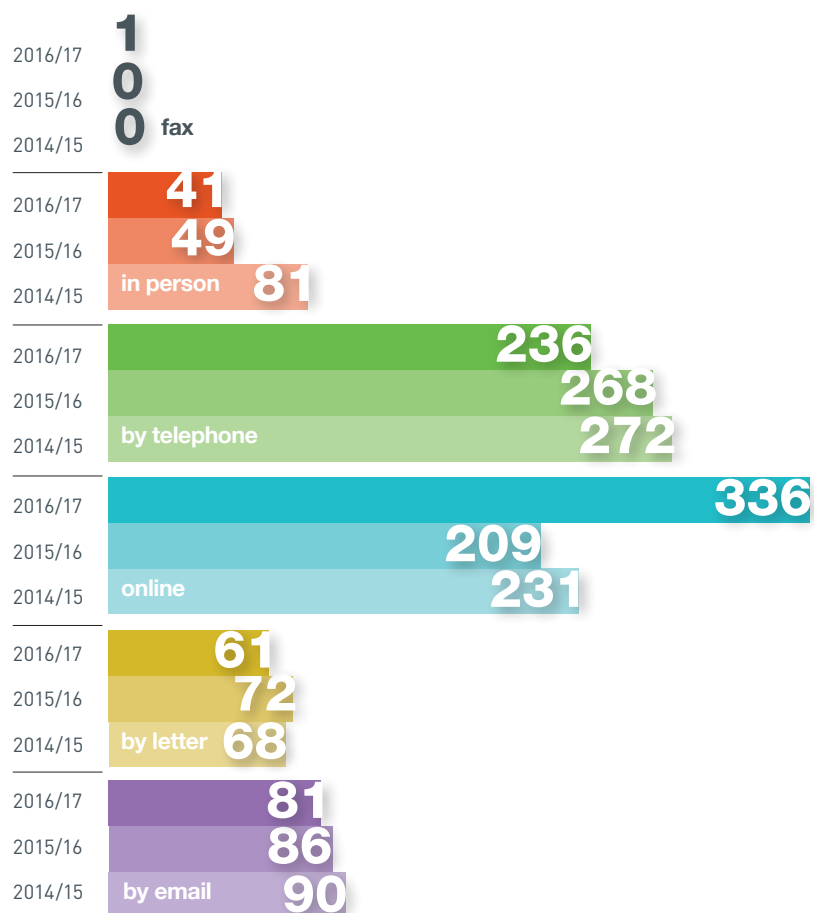
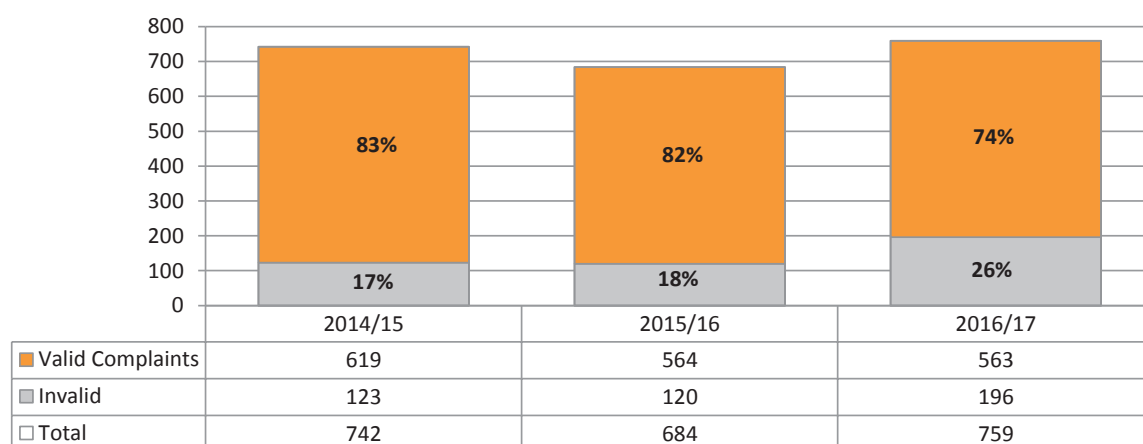


FIGURE 4: COMPLAINTS RECEIVED BY CHANNEL



Although slightly more complaints were received in 2016/17 compared to 2015/16 the number that were classified as 'Valid' was similar; 563 and 564 respectively. Figure 5 shows the total number of complaints received for 2014/15, 2015/16 and 2016/17 and the proportion that were classified as valid or invalid complaints. The increased proportion (8%) of 'Invalid' complaints for 2016/17 may be due to the increase in complaints made through the online channel. Customers may have submitted complaints using the online option that are actually requests for service and not complaints.

**FIGURE 5: COMPLAINTS RECEIVED BY YEAR AND % VALID**



When complaints are classified as 'Invalid' customers are offered an alternative remedy, appropriate to their request.

**The types of complaints closed as being invalid include:**

- routine first time requests for a service
- service is not provided by Scottish Borders Council
- requests for compensation
- requests for information or an explanation of policy or practice
- insurance claims

**The performance indicators in this report relate to 'Valid' complaints that were either opened or closed within a financial year.** These indicators are based on the eight key performance indicators developed by the SPSO in conjunction with all 32 Scottish Local Authorities:

1. Complaints received per 1,000 of population
2. Closed complaints
3. Complaints upheld / not upheld
4. Average time spent responding to complaints
5. Complaint closed against timescales
6. Complaints that were granted authorised extensions
7. Customer Satisfaction
8. What we have learnt, changed or improved

**Appendix 1** contains a stage by stage analysis for indicators 2 to 6 for 2016/17 compared to 2014/15 and 2015/16.

## INDICATOR 1

### COMPLAINTS RECEIVED PER 1,000 OF POPULATION

This indicator records the total number of valid complaints received by Scottish Borders Council during the financial year (April to March) as a rate per 1,000 population.

In 2016/17 SBC received 759 complaints of which 196 were closed as invalid. The remaining **563** were handled as valid complaints.

#### TOTAL POPULATION

The population of Scottish Borders is estimated at **114,030** (NRS, Mid-Year Population Estimate 2015)

#### OUTCOME OF COMPLAINTS HANDLED

SBC handled **563** valid complaints from customers, meaning that an average of **4.9** valid complaints were received per 1,000

#### RATIO

This indicates that, on average **1** in every **203** Scottish Borders residents have registered a complaint about our services

#### COMPLAINTS RECEIVED PER 1000 OF POPULATION

	2014/15	2015/16	2016/17	Variance: 2016/17 less 2014/15
Population total	114,030	114,030	<b>114,030</b>	0
Total number of valid complaints	619	564	<b>563</b>	-56
Complaints per 1000 population	5.4	4.9	<b>4.9</b>	-0.5

The population in the Scottish Borders has been relatively static over the last 3 years. The number of valid complaints received in 2016/17 (563) and 2015/16 (564) has remained static. This has resulted in very little movement in the complaints per 1,000 population figures.

Benchmarking 2016/17	Scottish Borders	Family Group	Scotland
Complaints per 1000 population	4.9	5.6	14.3

In 2016/17 SBC received 4.9 complaints per 1,000 people this was less than the Family Group average of 5.6 and Scottish average of 14.3. The difference between Scotland and SBC's Family Group may relate to the rural nature of the family group.

## INDICATOR 2

### CLOSED COMPLAINTS

Closed complaints are those complaints that have been closed within the financial year (April to March) regardless of when they were raised. The number of closed complaints will differ from the number of complaints received. This is because some of the closed complaints for 2016/17 will have been received in 2015/16 and there may be complaints received in 2016/17 that are still going through the 'Complaints Handling Procedure' after 31 March.

The term '**closed**' refers to a complaint that has had a response sent to the customer and at the time, no further action was required.

**Escalated** complaints are those complaints which have been resolved at Stage One; however the customer was not satisfied with the response they received and have requested the same issue be considered again at Stage Two, Investigation Stage.

#### STAGE ONE COMPLAINTS

450 complaints closed at Stage One, representing 79% of all complaints closed

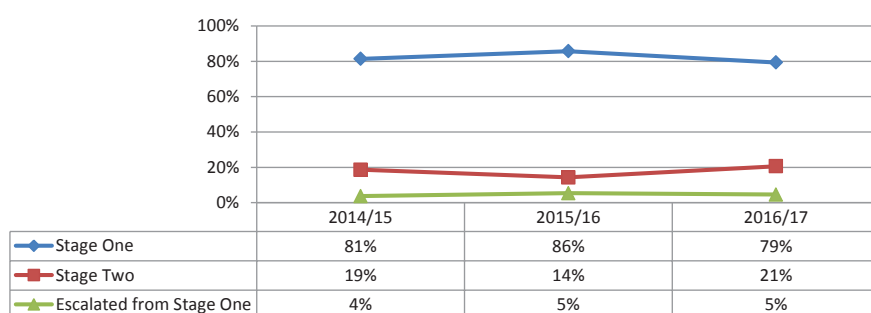
#### STAGE TWO COMPLAINTS

117 complaints were closed at Stage Two, representing 21% of all complaints closed

#### ESCALATED COMPLAINTS

26 complaints were closed after escalation from Stage One, representing 5% of all complaints closed

FIGURE 6: CLOSED COMPLAINTS BY STAGE



The proportion of complaints closed at Stage One decreased from 86% in 2015/16 to 79% in 2016/17. This decrease is counter to the SPSO goal of closing complaints at the first point of contact (more quickly). It also costs more to handle complaints at Stage Two compared to handling at Stage One.

2016/17	Scottish Borders	Family Group	Scotland
Stage One	79.4%	76.2%	88.4%
Stage Two	20.6%	23.3%	10.1%
Escalated from Stage One	4.6%	3.4%	1.9%

SBC closes proportionally more complaints at Stage One (79.4%) compared to the Family Group (76.2%) but less compared to Scotland (88.4%). Compared to both the Family Group and Scotland, SBC had more complaints Escalated from Stage One in 2016/17, indicating that SBC had a higher proportion of customers who were unhappy with the response they received at Stage One.

## INDICATOR 3

### COMPLAINTS UPHELD/ NOT UPHELD

There is a requirement for a formal outcome to be recorded for each complaint. Scottish Borders Council made the decision not to have a “partially upheld” outcome when the CHP guidance was introduced by the SPSO. Therefore at SBC complaints are either recorded as upheld or not upheld.

#### STAGE ONE COMPLAINTS

180 complaints were upheld at Stage One, representing 40% of complaints closed at Stage One  
270 complaints were not upheld at Stage One, representing 60% of complaints closed at Stage One

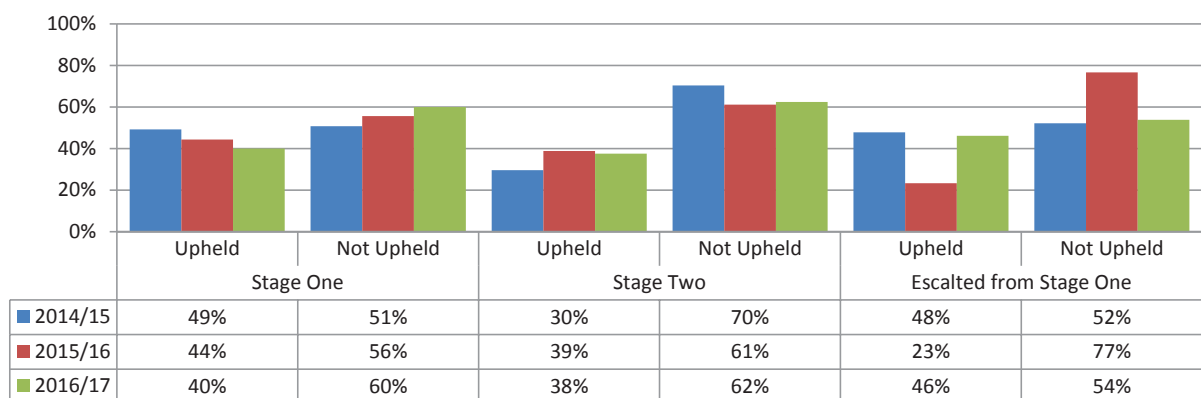
#### STAGE TWO COMPLAINTS

44 complaints were upheld at Stage Two, representing 38% of complaints closed at Stage Two  
73 complaints were not upheld at Stage Two, representing 62% of complaints closed at Stage Two

#### ESCALATED COMPLAINTS

12 complaints were upheld after escalation, representing 46% of complaints closed after escalation  
14 complaints were not upheld after escalation, representing 54% of complaints closed after escalation

FIGURE 7: COMPLAINTS UPHELD / NOT UPHELD BY STAGE



Over the past three years the proportion of Stage One complaints that were “Not Upheld” has increased.

<b>2016/17</b>	<b>Scottish Borders</b>	<b>Family Group</b>	<b>Scotland</b>
Stage One - upheld <sup>3</sup>	40.0%	44.6%	70.0%
Stage One - not upheld	60.0%	54.6%	26.2%
Stage Two - upheld	37.6%	39.2%	59.3%
Stage Two - not upheld	62.4%	65.3%	36.8%
Escalated from Stage One - upheld	46.2%	36.8%	45.5%
Escalated from Stage One - not upheld	53.8%	55.2%	53.2%

In 2016/17 a lower proportion of Stage One and Stage Two complaints made to SBC were upheld compared to those complaints made to the Family Group and Scotland. Specifically, 40% of the Stage One complaints to SBC were upheld compared to 70% for Scotland and 45% for the Family Group. It is unclear why there is such a difference between SBC, the Family Group and the figures for Scotland. The proportion of Escalated complaints that were upheld for the Scottish Borders was similar to the level for Scotland and the Family Group. Any fluctuations in the figures for the Escalated complaints could be due to the small numbers of complaints (12 upheld & 14 not upheld) where one or two complaints has a bigger impact on changing the percentages.

<sup>3</sup> The % upheld include those complaints that were wholly or partially upheld. The proportion of those upheld and proportion not upheld may not add to 100% because some local authorities may have other reasons for closing a complaints e.g. Policy.

## INDICATOR 4

### AVERAGE TIME SPENT RESPONDING TO COMPLAINTS

The average time spent in working days for a full response to complaints at each stage.

#### STAGE ONE COMPLAINTS

We aim to respond to and close Stage One complaints within 5 working days. The average time to respond to a complaint at Stage One was 3.9 working days

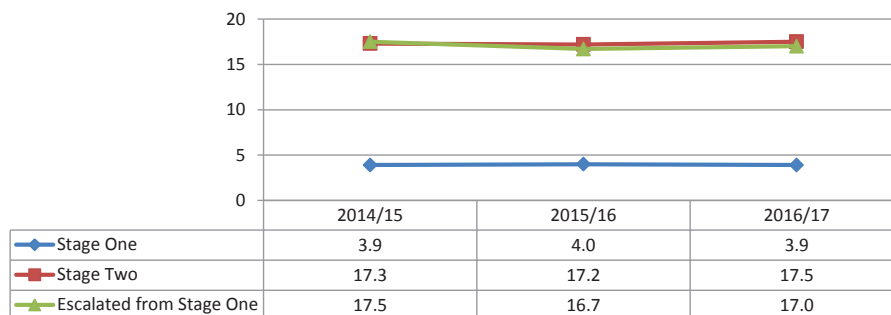
#### STAGE TWO COMPLAINTS

We aim to respond to and close Stage Two complaints within 20 working days. The average time to respond to a complaint at Stage Two was 17.5 working days

#### ESCALATED COMPLAINTS

We aim to respond to escalated complaints within 20 working days. The average time to respond to escalated complaints was 17.0 working days

**FIGURE 8: AVERAGE TIME (DAYS) RESPONDING TO COMPLAINTS BY STAGE**



The average time taken to respond to complaints has remained consistent for all stages over the past three years.

2016/17	Scottish Borders	Family Group	Scotland
Stage One	3.9	12.7	7.5
Stage Two	17.5	17.3	19.5
Escalated from Stage One	17.0	17.1	19.4

For 2016/17 the average time spent, in working days, for a full response to complaints at each stage for the Scottish Borders was within the respective targets of 5 and 20 days. SBC's response time for Stage One was quicker than both the Family Group and Scotland and on a par for Stage 2 and Escalated complaints. Even though SBC has good performance in this area in comparison with the target timescales, the Family Group and Scotland averages, this is an area where we continuously strive to improve and provide the customer with responses as quickly as practicable.



## INDICATOR 5

### COMPLAINTS CLOSED AGAINST TIMESCALES

This indicator reports the number and percentage of complaints at each stage which were closed in full within the set timescales of 5 and 20 working days. These include cases where an extension to the timescales has been authorised.

#### STAGE ONE COMPLAINTS

391 complaints were closed at Stage One within 5 working days, representing 87% of all Stage One complaints

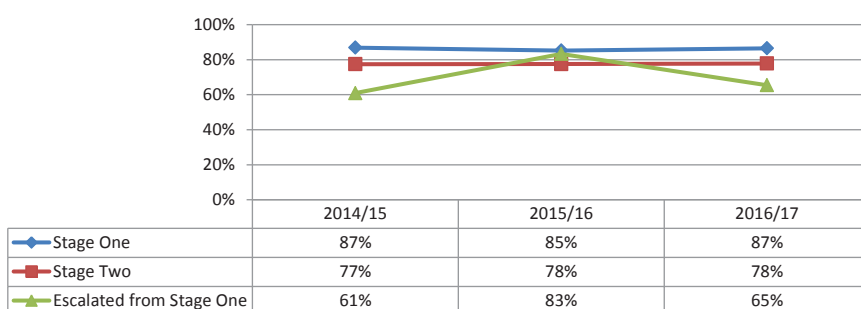
#### STAGE TWO COMPLAINTS

91 complaints were closed at Stage Two within 20 working days, representing 78% of all Stage Two complaints

#### ESCALATED COMPLAINTS

17 escalated complaints were closed within 20 working days, representing 66% of all complaints that were escalated from Stage One to Stage Two

FIGURE 9: % OF COMPLAINTS CLOSED AGAINST TIMESCALES BY STAGE



The proportion of SBC's complaints closed against timescales for Stage One and Stage Two has been consistent. However, the proportion of SBC's complaints Escalated from Stage One that were closed against timescales has fluctuated.

2016/17	Scottish Borders	Family Group	Scotland
Stage One	86.7%	60.6%	71.1%
Stage Two	77.8%	77.5%	69.1%
Escalated from Stage One	65.4%	59.8	74.8%

In 2016/17 SBC's proportion of Stage One complaints closed within timescales was higher compared to the Family Group and Scotland. However, of the proportion of complaints that were Escalated from Stage One to Stage Two that were closed within the timescale was below the level for Scotland. There are a relatively low number of complaints (17) that contribute to this figure and this means one or two late complaints has a larger impact on the percentage, but complaints also tend to be more complicated when they are Escalated. At this stage more time and care needs to be taken to ensure the complaints are investigated properly. On occasion this means the complaint response does not meet the prescribed timescale.

## INDICATOR 6

### COMPLAINTS THAT WERE GRANTED AUTHORISED EXTENSIONS

This indicator reports the number and percentage of complaints at each stage which were closed in full within the set timescales of 5 and 20 working days. These include cases where an extension to the timescales has been authorised.

#### STAGE ONE COMPLAINTS

14 complaints closed at Stage One were granted an extension, representing 3% of Stage One complaints

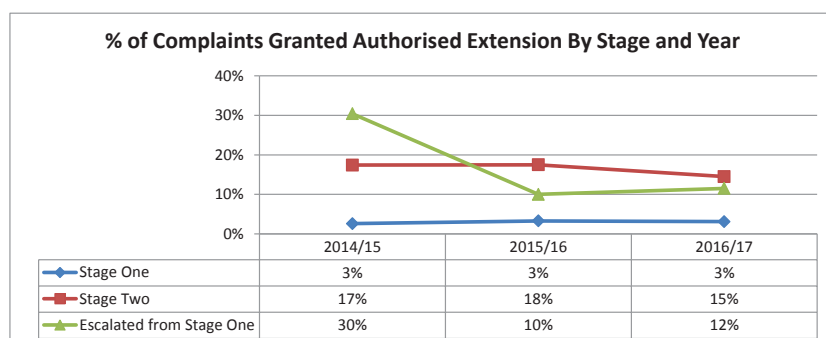
#### STAGE TWO COMPLAINTS

17 complaints closed at Stage Two were granted an extension, representing 15% of Stage Two complaints

#### ESCALATED COMPLAINTS

3 complaints closed after being escalated from Stage One to Stage Two were granted an extension, representing 12% of escalated complaints

FIGURE 10: % OF COMPLAINTS GRANTED AUTHORISED EXTENSION BY STAGE



The proportion of SBC's Stage One closed complaints that have been granted an authorised extension has remained consistent at 3%. The proportion of SBC's complaints Escalated from Stage One to Stage Two that were granted an authorised extension has decreased from 30% in 2014/15 to 12% in 2016/17.

2016/17	Scottish Borders	Family Group	Scotland
Stage One	3.1%	31.5%	4.5%
Stage Two	14.5%	63.6%	16.3%
Escalated from Stage One	11.5%	10.3%	13.5%

The proportion of closed complaints at all Stages that were granted an extension for SBC was below the proportion for Scotland. There is an anomaly in the data from one of the other Local Authorities in the Family Group, which has skewed the data, and it is therefore not appropriate to benchmark with the Family Group for this indicator.

## INDICATOR 7 CUSTOMER SATISFACTION

Scottish Borders Council runs a Complaint Handling Customer Satisfaction Survey on an ongoing basis. Customers are contacted approximately one week after their complaint was closed inviting them to provide feedback on their experience.

**The survey asks the customer to state how satisfied or dissatisfied they were with:**

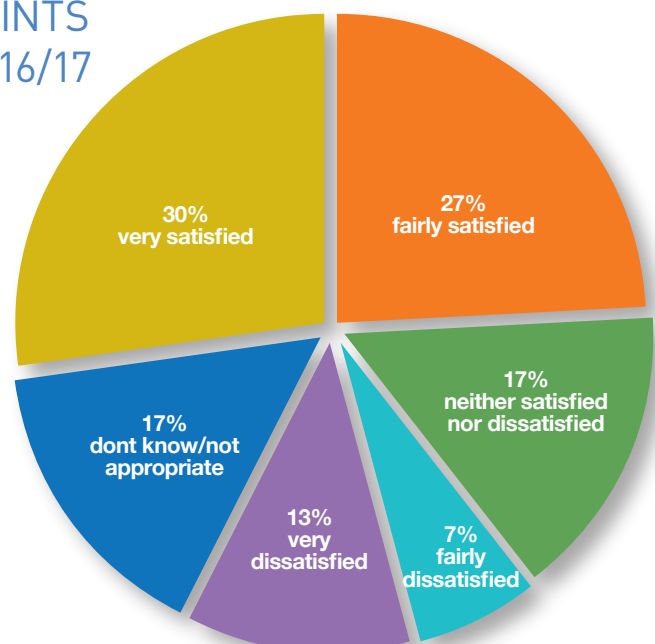
- Being able to deal with someone who could help you with your complaint?
- That someone took responsibility for your complaint?
- Being given information that was easy to understand?
- Being given all the information you needed?
- Being treated fairly?
- Being kept up to date on the progress of your complaint?
- How well the staff did their job?
- The time taken to deal with your complaint from start to finish?
- The final outcome?

Not all customers who made a complaint were invited to take part in the survey. There are a number of reasons for this including: the sensitive nature of some complaints, some customers may have received an invitation for a previous closed complaint, the customer has indicated they do not want a survey, or the complaint has been made anonymously. Over the year 563 complaints were closed, and 145 survey invitations were sent, representing 26% of the closed complaints.

Of the 145 invitations that were issued, only 26 were returned giving a return rate of only 18%.

As the number of people that have completed the survey is very low, it is difficult to get a full picture of how satisfied our customers are with how their complaint was handled. Of those that responded, the overall outcomes show that 57% of respondents were either very or fairly satisfied compared to 20% who were very or fairly dissatisfied.

**FIGURE 11: OVERALL COMPLAINTS  
CUSTOMER SATISFACTION, 2016/17**



## COMPLIMENTS FROM 2016/17

Over the year the Council received over 125 unsolicited compliments for the services provided. These compliments include: kerb-side waste and recycling, road and drainage, community recycling centres, and customer services.

### EXAMPLES INCLUDE:

*"...she was very polite, humorous and friendly and made his experience a delight."*

*"Thank you for the speedy response to the broken drain cover."*

*"We completed the Borders Abbeys Way and wanted to compliment whoever is responsible for it."*

*Customer complimented the new SBC website. He advised that he thought it was much easier to navigate and understand.*

*"Many thanks for your welcome initiative; your actions have restored my faith in SBC. Looking after an elderly parent is not easy and I greatly appreciate your willingness to quickly investigate and resolve this straightforward issue."*

*".... was very professional, and drafted a letter explaining everything succinctly and to the point. He listened intently to (the customer)".*

*"The service at the Eshiels Site has improved radically over the last few months."*

*"Please accept and pass on my thanks for the thorough and very professional job which was completed a few days after my request. Great Service!"*

*(Customer) has just moved to the Borders and she is delighted she can come to see someone from the Council face to face.*

*Customer stating how happy she is with the new Food waste collection service- it means her kitchen bin is odour free and can be put out less often as the decaying food is kept separate.*

## INDICATOR 8

### WHAT WE HAVE LEARNT, CHANGED OR IMPROVED

Formal complaint reports are provided to the Corporate Management Team on a monthly basis and complaints performance information is provided to Elected Members on a quarterly basis through our Corporate Public Performance report.

[www.scotborders.gov.uk/performance](http://www.scotborders.gov.uk/performance)

We take all complaints seriously, and the information gathered from them is invaluable in helping to continually improve our services. Since the introduction of the Complaints Handling Procedure, many changes have been made to services as a result of complaints and some examples of case studies are detailed in this section.

The following case studies are a sample of some lessons that have been learned as a result of customers complaining about service standards falling below expected levels.

#### CASE STUDY 1

##### **Young children leaving schools alone**

In February 2017, a 5 year old pupil told a supply teacher that she was allowed to walk home on her own and did not need to wait for her mother to collect her, so was let out a different door from pupils' whose parents collect them. When Pupil B's mother, who was waiting for her in the playground, realised all the children had left, she began to panic.

Fortunately, Pupil B was found safely waiting outside the door to her house, but the incident raised the fact that the school had no policy regarding letting young children leave the school on their own. A written protocol has now been shared with parents, and has also been included in the school handbook and is part of the induction for new staff.

#### CASE STUDY 2

##### **Stray Dogs**

Customer C's dog escaped from her garden in August 2016 and was picked up by SBC as a "stray". Fortunately, Customer C was reunited with her dog, but complained that there was insufficient information available on the Council's website regarding stray dogs. She also complained that her dog was microchipped and the Council had not scanned the dog and contacted her.

As a result of Customer C's complaint, the Council's website has been updated with more information including who to contact and how much it costs to reclaim dogs, as well as information and posters distributed to local veterinary surgeries, police stations and kennels.

Although kennels that house stray dogs do routinely scan them for microchips and contact details, many owners, including Customer C, forget to keep details up to date. The Council also periodically runs campaigns to remind customers to update details.

## CASE STUDY 3

### **Road Signage**

A customer complained after driving a stretch of road near Jedburgh. They were stopped by road operatives laying hot tar and advised that they could not continue their journey and should follow the diversion signs. The customer explained there was no road closed or diversion signs erected with the operative unable to help. The complaint was investigated and it was found that advance warning signage should have been put in place prior to works commencing. Further process improvements implemented will ensure that appropriate signage is erected prior to any road works commencing with additional consultation undertaken with local residents and businesses where necessary ahead of planned road works.

## CASE STUDY 4

### **Improving Our Correspondence**

A complaint was made after two family members received a letter from the Council in connection with their recently deceased mother's care and Council Tax. Both letters contained significant errors that caused distress to the family (one letter incorrectly designated the relationship between the deceased and the recipient; the other referred to an incorrect address). The process was reviewed and as a result led our Customer Services staff to change the Council Tax letters so that the standard template does not include any reference to a relationship between the deceased and the recipient. A further procedure was put in place to ensure Council Tax letters are checked more robustly before being sent.

## CASE STUDY 5

### **School Transport**

A customer complained about the school transport route allocated for her daughter. Pick-up and drop off points were on a busy main road which is especially hazardous in the darker winter months. The route was reviewed and an alternative found, with drop off and pick up points further away, but not on a main road. An apology was made to the customer that this had not been previously considered, and alternatives will now be offered, when possible and practical, where pick up and drop off points are on main roads.

## CASE STUDY 6

### **Memorial Trees in Council-owned Parks**

Customer D purchased a memorial tree and plaque for her daughter and had them placed in Park E. On visiting, Customer D realised that the plaque was missing, as was a neighbouring memorial tree. Work was being done to the park but it was unclear as to whether the plaque had been removed as part of the works, or whether it had been stolen.

Following a dissatisfactory response to Customer D's enquiries, she complained that there had been no consultation regarding the plans for the park with those who had memorial trees in the park, and felt that the plans were sketchy at best, causing avoidable distress.

As a result of this complaint, Customer D was invited to meet with an officer to discuss a new site for her daughter's memorial tree and plaque and the park renovation project team will investigate whether there are any records kept for those who were given permission to plant memorial trees.

## CONCLUSIONS

Overall we continue to perform well against our Family Group and Scottish average performance indicators.

Complaints made to Scottish Borders Council about its services accounted for a very small proportion (0.4%) of all the customer interactions recorded in the Council's Customer Relationship Management system in 2016-17.

Even though the proportion of complaint received is small, each and every complaint received is valued and through the use of the Complaint Handling Procedure the Council strives to ensure all complaints are treated fairly and as quickly as possible.

For the first time, Scottish Borders Council is now receiving more complaints on-line (44%) than through any other channel, supporting the drive for channel shift. However the increase in invalid complaints suggests we need to review the information offered on-line to support the customer in differentiating between a service request and a complaint so it is clear to them which is the most appropriate contact type for the issue they wish to raise with the Council.

The majority of complaints (79.4%) closed by Scottish Borders Council were handled at Stage One. This is a declining trend as 85.7% were handled at Stage One in 2015-16. This decrease is counter to one of the Council's key principles of the Complaint Handling Procedure which is to 'seek early resolution, resolving complaints at the earliest opportunity and as close to the point of service delivery as possible.' What this declining trend means is that fewer complaints are receiving an early resolution and are taking longer to resolve as the Council has 20 working days to respond to a Stage Two complaint. It also means that in essence complaints handled at Stage Two are costing the Council more to process because more time is spent on handling a complaint at this stage and more senior staff become involved in the sign off process. More importantly it represents a reduction in the quality of our service to the customer.

While acknowledging numbers are small, Scottish Borders Council had a higher percentage of complaints escalated from Stage One to Stage Two and upheld at Stage Two than either our Family Group or the Scottish local authorities as a whole. This may indicate that whilst we outperform other Councils at Stage One our investigatory work and responses at this stage are an area where further improvement is possible and Scottish Borders Council is committed to the continuation of work to improve this area. It is our hope that this improvement work will reduce the instances where our customers remain dissatisfied with the outcome at Stage One and ask for further investigation. It is also recognised that the numbers responding to the Complaint Handling Satisfaction Survey were very low making it difficult to draw meaningful conclusions from the data, however of those that responded the majority were satisfied with the way we dealt with their complaint. The survey questions have been updated to assist us in understanding where the process can go wrong and will be used to drive improvements. Work is on-going to achieve a better return rate.

During 2016/17 the Council recorded over 125 unsolicited compliments across the range of services provided. These compliments have been shared with staff where possible, to highlight the good work being done.

Over the year the Council has taken the opportunity to learn from the complaints it has received and where appropriate made changes to policy and practice to improve our service to our customers. Even though the number of complaints received in the year is very small when looked at in the context of the number of customer interactions handled, they are an important measure of how our customers think we are performing, and as such, are a valuable tool in the continuous efforts being made to improve our service levels.

# SCOTTISH BORDERS COUNCIL COMPLAINTS ANNUAL PERFORMANCE REPORT 2016/17

## NEXT STEPS

SBC is currently developing a refreshed Customer Strategy. Although a key focus of the strategy will be on providing more customer friendly digital channels, it will also focus on ensuring that customer care is a key part of all employees' jobs. Dealing with customers in a considerate, informative and polite way is a key way to avoid complaints, but when there is cause to complain, the Customer Strategy and associated training will ensure that all employees are aware of our CHP.

**There are two specific improvement actions that will be taken forward over the next year and these are:**

- 1) We will improve our guidance on-line to assist customers when making a complaint so they are better able to differentiating between a service request and a complaint.
- 2) We will work to improve frontline (Stage One) responses and thereby reduce the number of complaints that are escalated to Stage Two.

In addition we will continue to engage with the Local Authority Complaints Handling Network (LACHN) who are working to produce meaningful benchmarking data for the sector and are working to improve complaints handling performance across Scotland.

In April 2017 the Social Work Model Complaints Handling Procedure was implemented at Scottish Borders Council for all Social Work related complaints. Work is ongoing to determine the format that will be required for reporting Social Work and SB Cares complaints figures. The 2017/18 Complaints Annual Report will also further incorporate Live Borders Complaints performance.



# APPENDIX 1

## STAGE ANALYSIS FOR INDICATORS 2 - 6

### STAGE ONE

#### STAGE 1 COMPLAINTS

	2014/15		2015/16		2016/17		Variance 2016/17 less 2014/15	
	No.	%	No.	%	No.	%	No.	%
Indicator 2: Closed Complaints (% of all closed)	504	81.4%	480	85.7%	<b>450</b>	<b>79.4%</b>	-54	-2.0%
Indicator 3: Complaints Upheld (% of Stage 1)	248	49.2%	213	44.4%	<b>180</b>	<b>40.0%</b>	-68	-9.2%
Indicator 3: Complaints NOT Upheld(% of Stage 1)	256	50.8%	267	55.6%	<b>270</b>	<b>60.0%</b>	14	9.2%
Indicator 4: Average Time Spent Responding to Complaints (Days)	3.9		4.0		<b>3.9</b>		0.0	
Indicator 5: Complaints Closed Against Timescales (% of Stage 1)	438	86.9%	409	85.2%	<b>391</b>	<b>86.7%</b>	-47	-0.4%
Indicator 6: Complaints That Were Granted Authorised Extensions (% of Stage 1)	13	2.6%	16	3.3%	<b>14</b>	<b>3.1%</b>	1	0.5%

Between 2015/16 and 2016/17 the proportion of complaints closed at Stage One has decreased from 85.7% to 79.4%. This decrease is counter to the SPSO goal of closing complaints at the first point of contact (more quickly). It also costs more to handle complaints at Stage Two compared to handling at Stage One.

Over the three years the proportion of Stage One complaints that were upheld has decreased from 49.2% to 40.0%.

For Indicator 4, 5 and 6 the results for Stage One complaints have remained consistent.

## STAGE TWO

### STAGE 2 COMPLAINTS

	2014/15		2015/16		2016/17		Variance 2016/17 less 2014/15	
	No.	%	No.	%	No.	%	No.	%
Indicator 2: Closed Complaints (% of all closed)	115	18.6%	80	14.3%	<b>117</b>	<b>20.6%</b>	2	2.0%
Indicator 3: Complaints Upheld (% of Stage 2)	34	29.6%	31	38.8%	<b>44</b>	<b>37.6%</b>	10	8.0%
Indicator 3: Complaints NOT Upheld(% of Stage 2)	81	70.4%	49	61.2%	<b>73</b>	<b>62.4%</b>	-8	-8.0%
Indicator 4: Average Time Spent Responding to Complaints	17.3		17.2		<b>17.5</b>		0.2	
Indicator 5: Complaints Closed Against Timescales (% of Stage 2)	89	77.4%	62	77.5%	<b>91</b>	<b>77.8%</b>	2	0.4%
Indicator 6: Complaints That Were Granted Authorised Extensions (% of Stage 2)	20	17.4%	14	17.5%	<b>17</b>	<b>14.5%</b>	-3	-2.9%

Between 2015/16 and 2016/17 the proportion of complaints closed at Stage Two has increased from 14.3% to 20.6%. This increase is counter to the SPSO goal of closing complaints at the first point of contact (more quickly). It also costs more to handle complaints at Stage Two compared to handling at Stage One.

Over the three years the proportion of Stage Two complaints that were upheld has increased from 29.6% to 37.6%.

For Indicator 4 and 5 the results for Stage One complaints have remained consistent. The number of Stage Two complaints that were granted authorised extension has decreased.

## ESCALATED FROM STAGE ONE

### ESCALATED COMPLAINTS

	2014/15		2015/16		2016/17		Variance 2016/17 less 2014/15	
	No.	%	No.	%	No.	%	No.	%
Indicator 2: Closed Complaints (% of all closed)	23	3.7%	30	5.4%	<b>26</b>	<b>4.6%</b>	3	0.9%
Indicator 3: Complaints Upheld (% of Escalated)	11	47.8%	7	23.3%	<b>12</b>	<b>46.2%</b>	1	-1.6%
Indicator 3: Complaints NOT Upheld (% of Escalated)	12	52.2%	23	76.7%	<b>14</b>	<b>53.8%</b>	2	1.6%
Indicator 4: Average Time Spent Responding to Complaints	17.5		16.7		<b>17.0</b>		-0.5	
Indicator 5: Complaints Closed Against Timescales (% of Escalated)	14	60.9%	25	83.3%	<b>17</b>	<b>65.4%</b>	3	4.5%
Indicator 6: Complaints That Were Granted Authorised Extensions (% of Escalated)	7	30.4%	3	10.0%	<b>3</b>	<b>11.5%</b>	-4	-18.9%

Between 2015/16 and 2016/17 the proportion of complaints that have Escalated from Stage One has remained consistent.

Over the three years the proportion of Escalated complaints that were upheld has fluctuated as has the proportion that were closed against timescales.

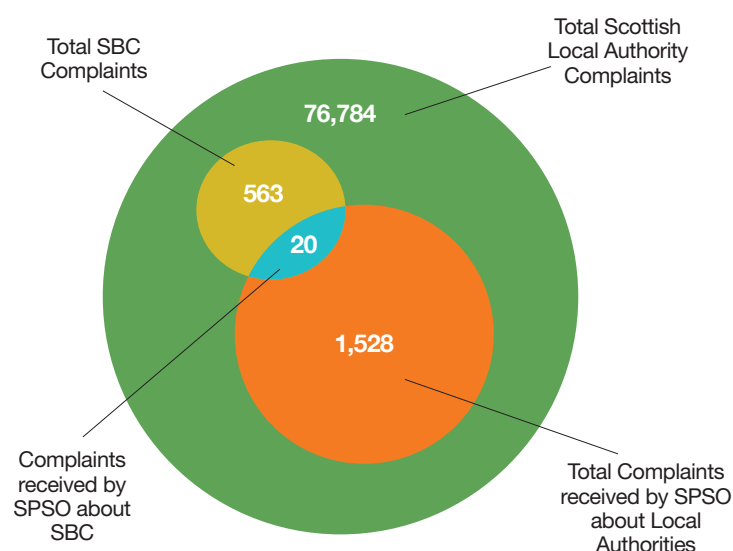
The number of Escalated complaints that were granted authorised extension has decreased.

## APPENDIX 2

### SPSO LEARNING AND IMPROVEMENT

If after we have fully investigated a complaint, the complainant is still dissatisfied with our decision or the way in which we have dealt with their complaint, the customer can ask the SPSO to look at the complaint.

In 2016/17 the SPSO received 20 complaints about Scottish Borders Council. This is equal to 1.3% of all complaints received by the SPSO in relation to the Local Authority Sector. The numbers of complaints that go to the SPSO are a very small proportion of all the complaints made about Scottish Local Authorities; this is illustrated by figure 7.



The 20 SPSO complaints represent a 39% reduction compared to the 33 received for 2015/16.

SPSO Received Complaints /Year	2014/15	2015/16	2016/17
SPSO Received Complaints about SBC	33	33	20
SBC Complaints as % all for Scottish Local Authority sector	1.8%	1.9%	1.3%
% Change to previous year		0.0%	-39.4%

In 2016/17 the SPSO closed 19 complaints related to Scottish Borders Council of which 13 (68%) were considered to be 'Fit for SPSO' compared to 27% for 2015/16 and 12% for 2014/15. In 2016/17 2 of the 13 complaints about Scottish Borders Council to the SPSO were 'Upheld / Partially Upheld' compared to 5 in 2015/16 and 1 in 2014/15. The table below shows the results of the closed SPSO complaints related to Scottish Borders Council and how SBC compares to Scotland for the Local Authority Sector.

SPSO Closed Complaints for SBC / Year	2014/15			2015/16			2016/17		
	SBC Count	SBC %	Sector %	SBC Count	SBC %	Sector %	SBC Count	SBC %	Sector %
Closed	<b>34</b>			<b>33</b>			<b>19</b>		
<b>Stage SPSO Complaint Closed</b>									
Advice	21	62%	46%	7	21%	19%	3	16%	38%
Early Resolution 1	3	9%	16%	12	36%	32%		0%	0%
Early Resolution 2	3	9%	4%	1	3%	5%	11	58%	28%
Investigation 1	1	3%	5%	4	12%	6%		0%	0%
Investigation 2	0	0%	0%	0	0%	0%	2	11%	8%
Premature	6	18%	29%	9	27%	38%	3	16%	26%
<b>SPSO Decision</b>									
Fit for SPSO	4	12%	9%	9	27%	11%	13	68%	8%
Upheld / Partially Upheld	<b>1</b>	<b>3%</b>	<b>4%</b>	<b>5</b>	<b>15%</b>	<b>6%</b>	<b>2</b>	<b>11%</b>	<b>5%</b>

Case studies for the two 'Upheld / Partially Upheld' Scottish Borders complaints, are detailed below and all resulting recommended actions have been undertaken.

### CASE STUDY 1

Mrs C raised a number of concerns relating to the planning situation at an adjoining farm. In particular, she complained that the council had failed to ensure all planning conditions attached to planning consent for the erection of four houses were enforceable. She also complained that the council failed to follow planning procedures in relation to a planning application for a replacement shed on land owned by the farm and that incorrect information was contained in the officer's report for another planning application for the same site.

The SPSO took independent advice from a planning adviser, whose advice, that the planning condition did not meet the standards of precision and reasonableness, was accepted by the SPSO. The SPSO upheld this part of Mrs C's complaint and recommended that a full and unreserved apology be issued to Mrs C. The SPSO also found that while the officer's report lacked detail, there was no evidence that the council had failed to follow planning procedure, and they therefore did not uphold this part of Mrs C's complaint.

SBC also accepted that the officer's report had contained some drafting errors, and while the SPSO were mindful that a site visit had been carried out during which the planning officer would have seen the actual position when assessing the planning application, the SPSO found that the errors should have been corrected prior to determination of the planning application. The SPSO upheld this part of Mrs C's complaint.

### CASE STUDY 2

Ms C complained to us about the council's handling of an application made by a neighbour for consent to carry out works to trees on Ms C's property which were subject to a tree preservation order (TPO). In particular, Ms C complained that the council failed to carry out a proper assessment of the trees, failed to ensure the trees in question were identified in the permission given by the council and failed to ensure the application for consent met the requirements of the TPO.

The SPSO took independent advice from a planning adviser. While the SPSO were satisfied that in considering the request for permission to carry out work to trees on Ms C's property, that were overhanging the neighbouring property, the council acted in line with legislation. The SPSO were concerned about the adequacy of record-keeping and the lack of a publicly available register of applications submitted.

The SPSO were also concerned that the council had failed to refer to the works approved in the decision to the application and that they had failed to ensure the applicant had provided a plan or map sufficient to identify the trees on which permission to work was being sought. We therefore upheld Mrs C's complaint.

## APPENDIX 3

# LIVE BORDERS COMPLAINTS



## COMPLAINTS REPORTING

Live Borders now has a Complaints Handling Procedure that aligns with SBC's. Live Borders has presented, for Q1, 2, 3 and 4 the volume of all complaints received, presented in the table below:

### COMPLAINTS 16/17

	Q1	Q2	Q3	Q4	2016/17
Price	7	0	8	1	16
Booking/access/info	25	20	14	19	78
Quality	2	10	2	13	27
Staff attitude	1	2	1	0	4
Other	2	1	2	3	8
<b>Total</b>	<b>37</b>	<b>33</b>	<b>27</b>	<b>36</b>	<b>133</b>
Comments	25	24	15	0	64
Compliments	2	3	3	0	8

From midway through Q3 2016/17, Live Borders started recording the response times to all valid complaints. Quarter 4 is the only quarter with a complete set of data so only this has been reported.

### DURING Q4

- 32 out of 36 complaints were closed at Stage 1 (within 5 working days). 14 were upheld, 2 were still "open"
- 2 out of 36 were closed at Stage 2. Both were upheld
- 33 out of 36 were closed within the required time scales, with authorised extensions given to the other 3.

### Of the 18 upheld issues covered included:

- Cancellation of class
- Cleanliness at pool
- Content of classes
- Quality of equipment

Responses are provided to all complainants and appropriate action taken. The majority relate to sport and the Area Managers have met with staff and are providing support and training to deal with issues at source and reduce the number of complaints received.

### As a result of the complaints received in 2016/17 Live Borders are taken the following action:

- Taking steps to improve the website to make it as easy as possible to navigate
- Considering publishing a forward refurbishment plan
- Improve on staff training to ensure they are well briefed, vigilant and enabled to help customers

Starting for 2017/18 Live Borders has implemented a customer complaint handling satisfaction survey to gain additional feedback from its customers.

SBC Customer Services is liaising with Live Borders to ensure that this happens and we can confidently use this information in SBC's annual report to the SPSO.

You can get this document on audio CD, in large print, and various other formats by contacting us at the address below. In addition, contact the address below for information on language translations, additional copies, or to arrange for an officer to meet with you to explain any areas of the publication that you would like clarified.

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