

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE COMMITTEE held in the Council Chamber, Council Headquarters, Newtown St Boswells on Tuesday 7 June 2016 at 10.00 am

Present:- Councillors D. Parker (Chairman), S. Bell, C. Bhatia, G. Edgar, J. G. Mitchell, D. Moffat, D. Paterson, F. Renton, R. Smith.
Also Present:- Councillors I. Gillespie, A. Nicol.
Apologies:- Councillors S. Aitchison, J. Brown, M. Cook, V. Davidson.
In Attendance:- Depute Chief Executive (People), Depute Chief Executive (Place), Chief Financial Officer, Corporate Transformation and Services Director, Clerk to the Council, Democratic Services Officer (K. Mason).

1. **MINUTE**
The Minute of meeting of the Executive Committee of 24 May 2016 had been circulated.

DECISION

APPROVED for signature by the Chairman.

2. **CORPORATE PERFORMANCE REPORT: ANNUAL SUMMARY (2015/16) and QUARTER 4, 2015/16**

With reference to paragraph 3 of the Minute the Executive Committee of 16 February 2016, there had been circulated copies of a report by the Chief Executive presenting a summary of 2015/16 performance with details contained within Appendix 1; Appendix 2 of the report providing quarterly performance information. A summary of the main changes made to performance indicators was provided at Section 4 of the report, followed by a high level summary of performance in Section 5. Appendices 1 and 2 of the report provided more detail for each Performance Indicator (PI). All information contained within the Appendices was also made available on the SBC website using the public facing part of SBC's Performance Management software (Covalent). This could be accessed at http://www.scotborders.gov.uk/info/691/council_performance/1353/our_performance_as_a_council and by clicking on "Scottish Borders Performs". The annual performance information would be used within the management commentary section of SBC's Draft Statement of Accounts, submitted to KMPG and Audit Scotland by 30 June 2016, and for any other annual performance reporting requirements. The Corporate Performance and Information Manager was in attendance to present the report and Members commented on a number of areas. The Depute Chief Executive People referred to the improvements in the level of reading and presented statistics in relation to pupils in primary 1 schools in Langlee and Burnfoot. Primary 4 pupils in the same schools also showed a significant increase in passing attainment tests. Parents were now involved in the process which allowed education to be taken home as well as in the classroom. In response to a question raised about changes in the measurement of the unemployed and the lack of a correction figure because the information had gone from a different base, a rough quantity of the difference was asked for to enable comparison of the ongoing data with the past data, and the Corporate Performance and Information Manager undertook to provide the information. She also undertook to investigate the addition of a third sector supplement as a way of encapsulating wider community funding as opposed to funding influenced by the Scottish Borders Council. Officers were complimented on the new format of the report.

DECISION

NOTED:-

- (a) the changes to performance indicators outlined in Section 4 of the report as part of a continuous improvement agenda; and**
- (b) acknowledged the performance information presented in Section 5 of the report, and within Appendices 1 and 2 of the report, and the action being taken within Services to improve or maintain performance.**

1. 2015/2016 UNAUDITED REVENUE OUTTURN

There had been circulated copies of a report by the Chief Financial Officer providing a statement comparing final revenue outturn expenditure and income for 2015/16 with the final approved budget for the year and explanations for significant variances. An unaudited outturn underspend of £1.284m was achieved in the 2015/16 revenue budget. The £1.284m underspend (0.49% of Final Approved Budget) was delivered following a number of earmarked balances approved by the Executive Committee during 2015/16. In total, these amounted to £12.720m and related to a number of 11.55 initiatives across departments and specifically included £1.906m of carry forward for Devolved School Management (DSM). A high level summary of the outturn position in each Council department was detailed in section 4 of the report. Overall, as required in the Financial Plan, savings of £7.825m were successfully delivered during 2015/16. Of these, £6.620m (85%) were delivered permanently. The remaining £1.205m (15%) of savings were achieved on a temporary basis and thus particular emphasis was being placed on permanent delivery of these savings during the early part of 2016/17. Concern was expressed in relation to the delay in migration within the SWAN project which had created a significant overspend in 2015/16 which had been offset by underspends in other areas primarily due to a hold on non-essential discretionary spend in the last quarter of the year. The Chief Financial Officer advised of sensitive position including the legal position with the contract relating to the SWAN project. Due to the delay in switchover, the Council was still paying the previous contractor for 16 sites which had not as yet migrated. As with Dumfries and Galloway Council, the intention was to put a contingent asset into the Council's accounts. Members noted the favourable outturn position and thanked the Corporate Management Team and staff for all their financial management across the Council.

DECISION

AGREED to:-

- (a) note the content of the report and the outturn position prior to Statutory Audit;**
- (b) note that this draft unaudited outturn position would inform the budgetary control process and financial planning process for the current and future years; and**
- (c) approve the adjustments to earmarked balances as noted above and detailed in Appendix 1 to the report.**

4. BALANCES AS AT 31 MARCH 2016

There had been circulated copies of a report by the Chief Financial Officer providing an analysis of the Council's balances as at 31 March 2016. The Council's General Fund useable reserve (non-earmarked) balance was £5.638m at the end of the financial year. The 2015/16 balances were before a series of technical accounting adjustments, the effect of which were expected to be broadly neutral. Adjustments required as a result of the Statutory Audit process would be reported at the conclusion of the Audit. There were a number of areas of potential pressures identified for 2016/17 which, if not addressed during the financial year, might require the drawdown of further resources from the useable reserve.

The total of all useable balances, excluding developer contributions, at 31 March 2016 was £29.910m compared to £26.536m at 31 March 2015. It should be noted that the 2015/16 figures included £12.720m of balances earmarked for use in 2016/17 and future years (2014/15 £7.492m of balances earmarked for use in 2015/16 and future years). The Chief Financial Officer confirmed that Developer Contributions as detailed in Appendix 3 to the report were constantly monitored and applied as quickly as possible within the time period.

DECISION

NOTED:-

- (a) the revenue balances as at 31 March 2016 as detailed in Appendices 1 and 2 to the report including movement in the Allocated Reserve since the last reporting period; and**
- (b) the balance in the Capital Fund as detailed in Appendix 3 to the report.**

5. CAPITAL FINANCIAL PLAN 2015/16 – FINAL UNAUDITED OUTTURN

There had been circulated copies of a report by the Chief Financial Officer providing a statement comparing the final capital outturn for 2015/16 with the final budget for the year and identifying the main reasons for any significant variations. The final capital outturn statement for 2015/16 was included in Appendix 1 to the report and included reasons which had been identified by the Project Managers and Budget Holders for the variances to the final approved budget. This identified an outturn expenditure of £44.953m which was £2.956m below the final revised budget of £47.909m. The chart in paragraph 4.6 of the report demonstrated that there had been an increase in the cumulative net movement between 2015/16 and future financial years compared to the previous financial year. With regard to the Transport Interchange and the change in the eligible expenditure criteria for external funding and items not reaching defrayal before project financial close resulting in the total grant receivable for the project being reduced by £251k, it was noted that discussions continued with the Scottish Government regarding the funding of this project. It was also confirmed that the old bus station next to the Transport Interchange had now been demolished.

DECISION

AGREED:-

- (a) the final outturn statement detailed in Appendix 1 to the report;**
- (b) to note the adjustments to funding detailed in Appendix 1 to the report;**
- (c) to note the final block allocations detailed in Appendix 2 to the report; and**
- (d) to note that the results would inform the capital planning, monitoring and control processes for the current (and future) years.**

6. CORPORATE DEBTS WRITE OFFS IN 2015/16

There had been circulated copies of a report by the Chief Financial Officer, as required by the Financial Regulations, detailing the aggregate amounts of debt written off during 2015/16 under delegated authority. The report covered the areas of Council Tax, Non-Domestic Rates, Sundry Debtors, and Housing Benefit Overpayments. The total value of write-offs increased from £0.627m in 2014/15 to £0.679m in 2015/16. There were ongoing risks associated with the management of the Council's debts and these may lead to an increase in the level of debts that might require to be written off as irrecoverable in future years. These were identified in paragraph 6.2 of the report. The Chief Financial Officer confirmed

that the Council was happy with the service provided by Sheriff Officers, Walker Love, and answered questions relating to council tax and non-domestic rates surcharges.

DECISION

NOTED the debtor balances written off during 2015/16 under delegated authority.

7. REQUEST FOR THE REMOVAL OF A SECTION OF ROAD FROM THE COUNCIL'S LIST OF PUBLIC ROADS

There had been circulated copies of a report by the Service Director Regulatory Services seeking approval for the removal of part of the D148/4 Samieston and Upper Samieston road from the Council's List of Public Roads. The Council had been asked by the land owner if a section of the aforementioned road could be removed from the List of Public Roads. Following discussions with the various interested parties, it was proposed to remove the section of road shown on the plan attached to the report from the Council's List of Public Roads as requested.

DECISION

AGREED to the removal of part of the D148/4 Samieston and Upper Samieston Road, as shown between points A and D on the plan attached to the report, from the Council's List of Public Roads subject to there being no substantive representations made against the proposal.

8. REQUEST FOR THE INCLUSION OF A ROAD IN THE COUNCIL'S LIST OF PUBLIC ROADS

There had been circulated copies of a report by the Service Director Regulatory Services seeking approval for the causeway, serving Allanbrae and other properties, in Allanton to be added to the Council's List of Public Roads. The causeway, which served a number of properties at the northern end of Allanton - shown red on the plan in Annexe A to the report - was originally private with a vehicular right of access over the causeway for the properties along this section. In October 1964, the residents along the causeway entered into an agreement with Berwickshire County Council whereby the residents along this private road would fully fund the upgrading of the road to a standard suitable for adoption, after which Berwickshire County Council would add the road to their List of Public Roads. Upon receipt of the financial contribution, Berwickshire County Council carried out the agreed works. However it was unclear from the limited correspondence on record whether the road was formally added to the List of Public Roads at that time. There was currently no record of this road on the Council's List of Public Roads.

DECISION

AGREED to the inclusion of the causeway in question on the Council's List of Public Roads.

9. CORPORATE TRANSFORMATION PROGRESS REPORT

With reference to paragraph 7 of the Minute of 16 February 2016, there had been circulated copies of a report by the Corporate Transformation and Services Director on progress in developing and delivering the Council's Corporate Transformation Programme since the last update report and setting out planned activity in the reporting period to August 2016. This was the fifth quarterly progress report since the Programme was established in February 2015. The current areas of work within the Programme were set out in the tracker in Appendix 1 under the 8 Corporate Priorities and included a brief description of the purpose of each, a summary of progress made to date (rating them Red, Amber or Green) and setting out key milestones in the next quarter. Section 4 of the report set out the key highlights over the last reporting period. The Corporate Transformation and Services Director highlighted the key points in the report and answered questions in regard to projects relating to children and young people, digital connectivity and the waste plan.

DECISION

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

10. BROADBAND IMPROVEMENTS UPDATE

With reference to paragraph 6 of the Minute of 2 February 2016, there had been circulated copies of a report by the Corporate Transformation and Services Director providing a further update on the progress which had been made in delivering improved broadband services in the Scottish Borders. Digital connectivity was critical to the economic development and competitiveness of the Scottish Borders. Scottish Borders Council had contributed significantly to the roll-out of the Scottish Government's Digital Scotland Superfast Broadband (DSSB) programme, providing £8.4M over two years to help extend the roll-out as far as possible in the Scottish Borders. More than 70 new superfast broadband cabinets had been installed as part of the roll-out, connecting over 19,500 premises in the Scottish Borders. The roll-out would continue until the end of 2017, aiming to serve approximately 94% of all the premises in the area. The Scottish Government had also put in place the Community Broadband Scotland (CBS) programme to support those communities and locations where the DSSB roll-out would not reach. Although good progress was being made with the DSSB programme, there was a range of challenging issues still to be addressed in relation to providing superfast broadband services across the Scottish Borders. These issues presented a significant impediment to allowing everyone access to better broadband services in an equitable way. The Corporate Transformation and Services Director highlighted the key points in the report. Members expressed concern that despite making a significant financial contribution of £8.4m to the current roll-out of the Scottish Government's DSSB programme, the service being delivered within areas was inconsistent and depended on a property's distance from the connection cabinet. If the cable to a property was longer than 1.2km, then there would likely be no increase in broadband capability. While a list of such affected properties had been requested, they could only be identified if people signed up to superfast broadband to allow a check to be made on connectivity and download levels/speeds. A whole postcode area could be marked as 'live' with superfast broadband if just one property was connected. While there were very complex technical issues associated with the infrastructure, the nature of potential solutions was also changing with the dynamics involved. Discussions were continuing with Scottish Government and the providers. In relation to the recommendation detailed in paragraph 2.1(b) of the report, the Chairman undertook to let Members have sight of the letter to the Scottish Government before it was sent and advised the letter would also be copied to local parliamentarians.

DECISION

AGREED:-

- (a) to note the progress made on delivering the Digital Scotland Superfast Broadband Programme as set out in Appendix 1 to the report;**
- (b) to express concern over the range of issues affecting the delivery of superfast broadband in the rural areas of the Scottish Borders and that a letter setting out these concerns and seeking clarification be sent to the Scottish Government and copied to local Parliamentarians;**
- (c) that a draft of the letter be issued to Members prior to being sent to Scottish Government;**
- (d) to note the work being done with Community Broadband Scotland to tackle gaps in superfast broadband provision across the South of Scotland; and**

- (e) **to ask the Corporate Transformation and Services Director to prepare a report on the contribution that the new CGI contract could make to the overall improvement of digital connectivity in the Scottish Borders.**

11. **SCOTTISH BORDERS CYCLE TOURISM STRATEGY – DRAFT FOR CONSULTATION**

There had been circulated copies of a report by the Corporate Transformation and Services Director seeking approval for a consultation exercise for the Draft Scottish Borders Cycle Tourism Strategy 2016-2021. The Scottish Borders had a long-established and substantial leisure cycling offer as well as world-class mountain biking. It had been agreed that a strategy for cycle tourism in the Scottish Borders should be developed to provide a strategic framework for the development of cycling in the area. The Draft Scottish Borders Cycle Tourism Strategy was set out in Appendix 1 to the report. It detailed the product strengths, the challenges and the ambitions of using cycling as a means to deliver economic benefit for the Scottish Borders economy. It also highlighted key issues that needed to be addressed to achieve that. The document would be used as the focus for a consultation exercise ensuring that all relevant partners, stakeholders and interested groups were fully involved in finalising the strategy. An Action Plan would also be produced as part of the consultation process. The Chief Officer Economic Development was in attendance and answered Members' questions. A request was made that Newcastleton Business Forum be added to the list of stakeholders to enable them to be included in the initial consultation process. Although Members were in favour of encouraging cycling, concern was expressed about the safety of cyclists using certain "A" roads and that they should be encouraged to use "B" roads and where appropriate cycle paths. The Chief Officer Economic Development agreed that safety was an important issue but the big attraction of roads in the Scottish Borders was that they were quieter than roads in other areas; he confirmed that a safety and awareness campaign needed to be put in place without making tourism cycling off putting.

DECISION

AGREED:-

- (a) **to note the Draft Scottish Borders Cycle Tourism Strategy 2016-2021 as set out in Appendix 1 to the report;**
- (b) **that a consultation exercise built around the Draft Strategy should be undertaken over the Summer period; and**
- (c) **to ask the Corporate Transformation and Services Director to present a report to the Committee following completion of the consultation process.**

12. **SYNTHETIC 3G PITCH PROGRAMME**

With reference to paragraph 7 of the Minute of 24 May 2016, there had been circulated copies of a report by the Corporate Transformation and Services Director seeking agreement on the way forward for the Council's 3G Synthetic Pitch Programme in the light of the Executive Committee decision on 24 May 2016 to withdraw the Planning Application for the proposed 3G pitch at Victoria Park in Peebles. Given the position relating to Peebles it was now recommended that Jedburgh was brought forward to 2017/18 and Peebles was slipped to 2018/19 pending further public consultation prior to a further decision in respect of how a 3G pitch could be progressed in Peebles. With regard to the 3G pitch in Peebles, the Chairman would write to the six Tweeddale Members to advise that the Corporate Transformation and Services Director would take forward the scope, timescale and consultation process in consultation with them. Councillor Bell submitted that the consultation must follow the best practice outlined in the Council's "Community Engagement Toolkit (2015)".

**DECISION
AGREED:-**

- (a) that the Jedburgh pitch be brought forward for delivery in 2017/18 and the Peebles pitch be slipped for delivery in 2018/19;**
- (b) that the additional funding requirements for the Jedburgh 3G pitch be considered as part of the six month review of the Council's Capital programme;**
- (c) to approve a timing movement from 2018/19 to 2016/17 to the value of £60,000 to allow design works to commence in respect of the Jedburgh 3G pitch.; and**
- (d) that the Corporate Transformation and Services Director take forward the scope, timing and consultation process for the Peebles 3G pitch, in consultation with the six Tweeddale Members.**

The meeting concluded at 11.55 a.m.