

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

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 31st 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