Scottish Borders COUNCIL

EXECUTIVE COMMITTEE
TUESDAY, 9 JUNE, 2015

A MEETING of the EXECUTIVE COMMITTEE will be held in the COUNCIL CHAMBER, COUNCIL

HEADQUARTERS, NEWTOWN ST BOSWELLS, TD6 0SA on TUESDAY, 9 JUNE 2015 at 10.00

am

J. J. WILKINSON,
Clerk to the Council,

2 June 2015

		BUSINESS	
1.		**Apologies for Absence**	
2.		**Order of Business**	
3.		**Declarations of Interest**	
4.		**Minute.** (Pages 1 - 6) Minute of Meeting of Executive Committee of 26 May 2015 to be approved and signed by the Chairman. (Copy attached).	2 mins
5.		**Quarterly Corporate Performance Report.** (Pages 7 - 62) Consider report by Chief Executive presenting quarterly performance update. (Copy attached.)	30 mins
6.		**2014/15 Unaudited Revenue Outturn.** (Pages 63 - 88) Consider report by Chief Financial Officer providing a statement comparing final revenue outturn expenditure and income for 2014/15 with the final budget for the year and explanations for significant variances. (Copy attached.)	10 mins
7.		**Balances at 31 March 2015.** (Pages 89 - 98) Consider report by Chief Financial Officer providing an analysis of balances as at 31 March 2015. (Copy attached.)	10 mins
8.		**Capital Financial Plan 2014/15 - Final Unaudited Out-Turn.** (Pages 99 - 116) Consider report by Chief Financial Officer providing a statement comparing the final capital out-turn for 2014/15 with the final budget for the year. (Copy attached.)	10 mins

9.	**Corporate Debts - Write Offs in 2014/15.** (Pages 117 - 124) Consider report by Chief Financial Officer detailing the aggregate amounts of debt written off during 2014/15 under delegated authority. (Copy attached.)	10 mins
10.	**Initial Revenue Virements 2015/16.** (Pages 125 - 132) Consider report by Chief Financial Officer seeking approval for Revenue Budget Virements for 2015/16. (Copy attached.)	10 mins
11.	**2015-2017 Procurement & Payment Services Strategy and Policy** (Pages 133 - 154) Consider report by Chief Financial Officer introducing a refreshed Procurement & Payment Services Strategy and Policy for 2015-2017. (Copy attached.)	10 mins
12.	**Assessing Employment Status Policy and Guidelines (ESI HMRC).** (Pages 155 - 168) Consider report by Chief Financial Officer and Chief HR Officer on the Assessing Employment Status Policy and Guidelines. . (Copy attached.)	10 mins
13.	**Corporate Transformation Progress Report.** (Pages 169 - 184) Consider report by Corporate Transformation & Services Director on progress in developing and delivering the Council's Corporate Transformation Programme. (Copy attached.)	10 mins
14.	**UK Landfill Communities Fund.** (Pages 185 - 196) Consider report by Service Director Strategy and Policy recommending two projects for approval from the Landfill Communities Fund. (Copy attached.)	5 mins
15.	**Scottish Borders Loan Fund - Update.** (Pages 197 - 200) Consider report by Service Director Strategy and Policy seeking approval to extend the operation of the Scottish Borders Loan Fund. (Copy attached.)	10 mins
16.	**Scottish Borders Economic Strategy 2023 - Action Plan Refresh.** (Pages 201 - 230) Consider report by Service Director Strategy and Policy seeking approval of the updated Action Plan for the Scottish Borders Economic Strategy 2023. (Copy attached.)	15 mins
17.	**European Maritime Fisheries Fund 2014 - 2020 - Update.** (Pages 231 - 234) Consider report by Service Director Strategy and Policy providing an update to the report to Economic Development Group on 11 September 2014 on EU Local development funding. (Copy attached.)	10 mins
18.	**Local Access and Transport Strategy.** (Pages 235 - 290) Consider report by Service Director Regulatory Services on the progress made on development of a Local Access and Transport Strategy. (Copy attached.)	10 mins

19.	**Complaints Annual Performance Report.** (Pages 291 - 314)	10 mins
	Consider report by Service Director Neighbourhood Services presenting the Council's Complaints Annual Performance Report. (Copy attached.)	
20.	**Any Other Items Previously Circulated**	
21.	**Any Other Items which the Chairman Decides are Urgent**	
22.	**Items Likely To Be Taken In Private.** **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."**	
23.	**Minute.** (Pages 315 - 316) Private Minute of Meeting of Executive Committee of 26 May 2015 to be approved and signed by the Chairman. (Copy attached).	2 mins
24.	**Annual Progress Report on the sale of Surplus Property.** (Pages 317 - 326) Consider report by Service Director Commercial Services outlining the background to the disposal of council owned land and buildings. (Copy attached.)	10 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.**

Membership of Committee:- Councillors D Parker (Chairman), S Aitchison, S Bell, C Bhatia, J Brown, M J Cook, V Davidson, G Edgar, J G Mitchell, D Moffat, D Paterson, F Renton and R Smith

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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 on Tuesday, 26 May 2015 at 10.00 a.m.

Present:- Councillors, S. Aitchison (Chairman - Education Business), C. Bhatia (Chairman – Other Business), S. Bell, J. Brown, M. Cook, V. Davidson (from para 3), G. Edgar, J. Mitchell, D. Moffat, D. Paterson, F. Renton, R. Smith.

Also Present:- Councillors I. Gillespie, G. Logan, S. Scott.

Apologies:- Councillor D. Parker

In Attendance:- Depute Chief Executive – People, Chief Financial Officer, Service Director of Regulatory Services, Service Director - Children & Young People's Services, Democratic Services Team Leader, Democratic Services Officer (F. Henderson).

EDUCATION BUSINESS

Present:- Mr. G. Donald, Mr. J. Walsh, Mr. G. Jarvie, Jeanette Aitchison, Alison Ferahi

CHAIRMAN
1. Councillor Aitchison chaired the meeting for that part which considered education business.

WELCOME
2. The Chairman welcomed Mrs Jeanette Aitchison and Alison Ferahi as Parent Representatives on the Executive Committee (Education Theme) and wished them well during their term of office.

DECISION
NOTED.

EARLY LEARNING AND CHILDCARE REDESIGN
3. There had been circulated copies of a report by the Service Director Children & Young People which provided an update of the progress of the redesign of early learning and childcare (ELCC) provision across the Borders following the introduction of the Children & Young People (Scotland) Act 2014. The report explained that following the implementation of 600 hours of childcare for 3 and 4 year olds and eligible 2 year olds as set out in the Act, the Committee had received an update on the work undertaken across the Early Years Service in November 2014 and a presentation was had been given on Early Years Centres at the March meeting. In order to provide an increased level of flexibility of care and meet the needs of young children and parents, a revised model of delivery of ELCC had been developed. The model comprised a revised staffing model, proposed pilot of full year/full day care and in addition a new procurement framework for the delivery of ELCC places from private and voluntary sector providers. The new model would enhance the quality of service delivery and provide a responsive and modern service to enable the youngest children to have the best start to their learning journey. The report detailed the introduction of 600 hours of ELCC, the introduction of revised staffing model for ELCC, the development of a procurement model for arrangements with Private and Voluntary Providers and the financial implications which were explained fully in the presentation which accompanied the report. Members discussed the proposals and noted the challenges particularly in more rural areas. The importance of the Quality Improvement Framework to monitor standards of both Council and private service providers was also noted.

DECISION

AGREED to the next steps of the redesign of ELCC provision which included introducing a revised staffing model following consultation with staff, development of a pilot phase of full year/full day ELCC and establishing a new procurement framework for private and voluntary sector providers with an enhanced engagement and consultation process.

SCHOOLS ESTATES STRATEGY

4. The Chairman advised that this item had been withdrawn from the Agenda.

   DECISION
   NOTED.

EARLSTON DEVELOPMENT – COMPLEX NEEDS

5. The Chairman advised that this item had been withdrawn from the Agenda.

   DECISION
   NOTED.

ASYMMETRIC WEEK

6. With reference to paragraph 3 of the Minute of 20 January 2015, there was a presentation to update Members on the impact of introduction of the Asymmetric week.   Mrs Brady, Headteacher, Edenside Primary School was present to give the Primary School perspective. Mrs Brady reported that the move to an asymmetric week had been very positive. The Young Learners were very aware that a Friday morning was business as usual although they finished at lunch time. A Friday afternoon allowed time to meet with Teachers and Health Visitors to discuss particular issues and in Edenside Primary School there were staff meetings on a Wednesday Evening and a Friday afternoon, although not all schools were the same. Things were not perfect and there remained childcare concerns. In response to questions Mrs Brady advised that children were very adaptable and managed change more easily. A change to the days on which in-service training was being delivered would be discussed with Parent Councils and if supported, would be moved forward.

7. Mrs Burgon, Headteacher – Selkirk High and Ms Strong, Headteacher – Earlston High School were present to report on the impact of the Asymmetric week from the Secondary Schools perspective. The move had resulted in a larger choice of curriculum, opportunities for senior students to access work based learning and CPD opportunities for Staff. There remained challenges including communication with students following removal of a daily registration class, accessing activities on Friday afternoons due to transport issues and the opportunity to hold meetings during lunchtime due to the shorter break. Members noted that initial fears had been largely unfounded but some concerns were raised regarding the length of time before children leaving home early in the morning to catch a bus had to wait for the lunch break and a lack of evidence that more activities were being taken up.

   DECISION
   NOTED the presentation.

   The Education Business concluded at 11.55 a.m. and there followed a short adjournment.

OTHER PUBLIC BUSINESS

CHAIRMAN

On the resumption of the meeting and in the absence of Councillor Parker, Councillor Bhatia took the Chair for the remaining business.

8.   The Minute of meeting of the Executive Committee of 12 May 2015 had been circulated.

DECISION
APPROVED for signature by the Chairman.

ORDER OF BUSINESS
9.   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.

MANAGEMENT OF THE INDUSTRIAL AND COMMERCIAL PROPERTY ESTATE – POLICY UPDATE
10.   There had been circulated copies of a joint report by the Service Director Strategy & Policy and Service Director Commercial Services which set out the current position with respect to the management of the Council's industrial and commercial properties. The report highlighted properties which were not considered fit to let, and proposed solutions. The report went on to recommend a policy change to enable the sale of commercial properties at market value in special circumstances. The report set out the background to the establishment of the Council's commercial estate and considered occupancies and vacancies. Appendix 1 to the report detailed those properties which were either unfit or unsuitable to let for commercial purposes, the underlying reasons for this, and the future plans for them. The report further explained that an issue had also arisen in which some commercial property sales had encountered difficulty because the higher capital value to the Council of the future rental income stream of the property was considerably in excess of its market value. The report recommended introducing greater flexibility into the existing policy to enable sales to go ahead at market value in circumstances where the economic development advantages arising through disposal were objectively considered to outweigh the financial loss to the Council. The report also noted the need to plan for the long term sustainability of the estate.   Some concern was expressed by Members regarding the lack of a specific maintenance budget for commercial property and suggested that this might be considered as part of the next budget process

DECISION
(a)   NOTED the future plans for commercial buildings which were either unsuitable or unfit to let, as set out in Appendix 1 to the report.

(b)   AGREED:-

(i)   the proposed amendments to the 2010 Policy for the Sale of Council premises, to delegate to the Service Director Commercial Services, the Chief Financial Officer and Chief Officer Economic Development the power to authorise the sale of commercial buildings, let to existing tenants, at market value instead of the higher capital value of the rental income stream to the Council, where there is an over-riding economic development reason for doing so, as set out in Appendix 2 to the report.

(ii)   that consideration be given to the investment needs of the industrial and commercial property estate in the annual roll forward of future Capital Programmes, particularly with regard to the application of grant funding.

MEMBER
Councillor Bell left the meeting.

FORMALISATION OF PROCESS FOR APPOINTMENTS TO PANEL OF CURATORS AD LITEM

11.   There had been circulated copies of a report by the Service Director Regulatory Services which explained the current legal requirement placed on the Council to establish a panel of Curators ad Litem in the area and review panel membership on a regular basis and set out a proposal to adopt a formal procedure for this going forward. The report further explained that in terms of The Curators ad Litem and Reporting Officers (Panel) (Scotland) 2001 Regulations, the Council currently had in place a Panel of Curators ad Litem and were appointed following consultation with the Sheriff Principal.   The Panel required to be reviewed and updated during the period not exceeding three years. Whilst there was no requirement in legislation to have a formal procedure in place for recruitment of appointees, in order to ensure the high quality of the Panel was maintained and to have consistent processes in place, it was proposed that it was necessary for such a policy to be developed. The report set out proposals to ensure that the process was clear and open. There had been interest in how the Council fulfilled its duties under the regulations and it was proposed the Council agree to delegate authority to the Service Director Regulatory Services to determine and administer the policy detailing such matters as the recruitment and the criteria required to be met by appointees to the panel. The Council were required to meet the fees of persons appointed as Curators from that Panel by the Courts and the Budget was set annually and managed by Legal and Licensing Services, albeit that the Council had no input in the individual case by case appointments made by the court. The Service Director asked that a further recommendation be added to allow the Sheriff Principal to be formally consulted on this procedure and this was agreed.

DECISION
AGREED:-

(a)   that the Council delegate authority to the Service Director Regulatory Services to take forward the procedure in line with the process outlined in Appendix 1 to the report;

(b)   to amend the Scheme of Delegation accordingly by inserting the following "To determine and administer the policy regarding the recruitment and appointment and review of appointees to the Panel of Curators ad Litem."; and

(c)   to consult with the Sheriff Principal.

SENIOR INFORMATION RISK OWNER'S ANNUAL REPORT

12.   There had been circulated copies of a report by the Service Director Regulatory Services which provided the Executive Committee with a summary of information governance measures taken by both the Council's Information management team and the Information Governance Group in 2014/15. The report contained an assessment of the Council's compliance with the Data Protection Act 1998; a description of the Information Governance Group's activities in 2015; and a self-assessment on behalf of the Group on its effectiveness in meeting its objectives. Following reassignment of the Information management function to Regulatory Services, the Council had commenced a programme of updating and improving records management, Freedom of Information (FOI) and Data Protection processes. The Council's Information management team had identified a number of measures intended to further improve the Council's compliance with Data Protection requirements including the introduction of new policies and procedures and the development of additional training. In order both to support delivery of the Council's information management function, and to ensure that there was appropriate scrutiny of all proposed Data Protection and FOI measures, the Information Governance group had been revitalised. The Senior Information Risk Owner (SIRO) considered that at present the group was effectively meeting its objectives.

DECISION

NOTED the content of the report which addressed previous internal audit recommendations to report on compliance with the Data Protection Act as part of the Council's annual governance review and to further improve information management practices.

RETAINING WALL REPAIR AT A72 NEIDPATH CASTLE, PEEBLES

13.   There had been circulated copies of a report by the Service Director Commercial Services on the position regarding the section of roadside retaining/parapet wall which had developed a significant lean at Neidpath Castle. The report explained that early in 2015, officers were alerted that a section of the retaining/parapet wall adjacent to the A72 at Neidpath Castle had a significant lean to the vertical. The initial on site assessment concluded that the wall was in imminent danger of collapse and that this would have an impact on the adjacent carriageway, which although minimal, required the westbound lane of the A72 to be closed off on the grounds of safety. Temporary traffic lights had been in position to keep traffic off the westbound lane of the A72 in the meantime. Since that time a more detailed assessment of the location had been carried, during which no instability of the slope below the wall was observed and the appearance of the wall lean indicated that it was as a result of a structural wall failure as opposed to a slope failure. This observation was further supported in the report prepared by Consultant AECOM which was carried out for the council in February 2011. The site assessment had allowed a mass concrete retaining structure with a masonry faced parapet wall to be designed for the repair and it was anticipated that the majority of the facing stone could be recovered from the existing wall when it was taken down. The section of wall requiring repair extends to 55 linear metres and was estimated to cost £150,000 to repair. Members commented on the scheme in the following years budget to provide traffic lights at this location and asked that further investigation into the feasibility of combining the two schemes be carried out.

DECISION

AGREED, in principle that the construction work associated with the rebuilding of the wall failure on the A72 at Neidpath Castle be funded from the allocation of Emergency and Unplanned work in the current financial year's Capital Programme, subject to investigations into the feasibility of bringing forward the scheme to provide traffic lights at this location to allow the works to be carried out at the same time.

SUMMARY OF PRIVATE BUSINESS

New Kelso High School

1.   The Committee approved a report on the New Kelso High School.

The meeting concluded at 1.15 p.m.

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Quarterly Corporate Performance Report (Quarter 4, 2014/15)

Report by Chief Executive

Executive Committee

9 June 2015

1   **PURPOSE AND SUMMARY**

1.1   **This report presents a quarterly performance update for members.**

1.2   A high level summary of performance is provided at Section 4 of this report and Appendix 1 provides a more detailed presentation and explanation of each Performance Indicator (PI). Where possible, information that is collected on a *quarterly* basis is presented but this is not possible for all areas of Council business, for example, school attainment. The presentation used in Appendix 1 is consistent with what was presented to Council on 26 June 2014 and to the Executive Committee each quarter thereafter.

1.3   All information contained within this report is also made available on the SBC website using the public facing part of SBC's Performance Management software. This can 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".

2   **RECOMMENDATIONS**

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

   (a) Acknowledges and notes the performance presented within Appendix 1 and the action that is being taken within Services to improve or maintain performance;

   (b) Notes the changes proposed in Section 5 of this report.

3 BACKGROUND

3.1 SBC approved a Corporate Plan in April 2013. Against a challenging external context, the Plan presented a vision for Scottish Borders Council, underpinned by a set of values and standards and eight priorities.

3.2 In order to ensure that these eight priorities are addressed effectively, a Performance Management Framework (PMF) was also approved, covering the performance reporting arrangements for both the Council and for its work with Community Planning partners.

4 CURRENT PERFORMANCE AGAINST THE COUNCIL'S CORPORATE PRIORITIES

4.1 Under each of our corporate priorities, a range of performance information is presented within Appendix 1 and presents a mixture of PIs with targets that have been rated either Red, Amber or Green, based on whether or not targets have been achieved, and PIs that are "for information only" and give Elected Members a sense of performance trends and how well SBC is doing in terms of addressing the agreed corporate priorities.

4.2 Below is a high level summary of performance, and details of what is being done to either improve or maintain performance is provided in Appendix 1.

4.3 **Performance measures - key successes**

(a) Economic indicators (JSA claimants, employment rate, Business Gateway, and loans) continue to show a positive trend. In addition, occupancy rates in Council-owned industrial and commercial property remain high;

(b) The % of school leavers attaining in Literacy and Numeracy at both national 4 and national 5 levels has increased since 2012, and compares favourably nationally and to our "virtual comparator" (this information is now available through the online Insight tool);

(c) Social Work continues to exceed targets in relation to people receiving a service within 6 weeks of their assessment;

(d) The Welfare Benefits Service continues to ensure that people receive the benefits they are entitled to, with monetary gains slightly ahead of target;

(e) Annual crime rates are down 0.4% on 2013/14 figures, and there has been a 0.5% reduction from quarter 3 to quarter 4 this year;

(f) The total value of awards made through SBC's Community Grant Scheme is higher than quarter 3 2014/15 and ahead of quarter 4 in 2013/14. National Lottery funding in quarter 4 included a large grant of £616k to Momentum Scotland, a national charity delivering in the Borders;

(g) The number of people registered with SB Alert continues to grow along with the number of active community resilience plans, with an increase from 22 in Quarter 4 2013/14 to 30 in Quarter 4 2014/15.

(h) Of all street lighting faults reported in Quarter 4, 99.2% were repaired within seven days;

(i) The amount of household waste sent to landfill, and the associated tax has decreased over the last few quarters. Whilst both figures are slightly higher than they were in 2013/14, they are in line with projections;

(j) Council Tax collection rates continue to be high, with 96.52%

collected by the end of 2014/15;

(k)   % of working days lost by staff due to absence remains at 4% and has held steady due to improved absence management procedures;

(l)   Almost all of SBC's registered PC users are now active users of SB Learn, the Council's online learning tool;

(m)   The SBC Employment Support Service's proactive work with Council services is currently supporting students (5), those with specific support needs (6) and apprentices (22);

(n)   The Council's procurement function continued to improve again this year, as assessed by the Scottish Government, and scored higher than the average for Scottish Local Authorities (65%, against 62%).

4.4   **Performance measures- below target**

(a)   The % of planning applications determined within two months has fallen from 65% in Quarter 3 to 60% in Quarter 4. This performance indicator will be replaced with new "average time" indicators (as detailed in Para 5.1);

(b)   SBC invoice payments within 30 days is slightly below target for the 4th quarter, but is well ahead of the performance in the 4th quarter last year;

(c)   62 affordable houses were delivered during 2014/15. 87 further homes will be completed within the first quarter of 2015/16. It was envisaged that these would be completed during 2014/15 but this was not possible due to contractor performance issues, meaning that the end March deadline was missed;

(d)   There was a small drop in attendance at schools in Q4 2014/15 (93.5%) from Q3 2014/15 (93.8%), and is slightly below the same period last year (94.2%). Although exclusion incidents are up from the previous quarter, they are well below the figure for the same quarter last year;

(e)   94% of our primary schools are meeting the Scottish Government target of 2 hours Physical Education (PE) per week and, although below the Scottish Government target of 100%, shows a huge improvement since 2013/14 when it was only 78%;

(f)   The % of people 65+ that receive care at home was 28.2% for Quarter 4, well below the target of 32.0% and can be attributed to the move towards increased self-directed support (SDS). The target has been reviewed and will reduce to 27% going forward;

(g)   Children accommodated within a family rather than residential setting continues to be lower than target and is dependent on the needs of the children and the availability of suitably matched placements which is out with the direct control of SBC;

(h)   Domestic Abuse is still thought to be significantly under-reported though the number of incidents reported in the year 2014/15 is higher than that reported the previous year. The Pathway Project continues to address the needs of high risk victims;

(i)   Recycling rates have decreased to 36.03% in Quarter 3, down by 3% on the same quarter the previous year. However, this decrease was expected and is due to the removal of the garden waste service and has impacted on recycling rates at Community Recycling Centres, where there has been an increase of 3% on the same quarter last year;

(j)   The % of our roads assessed as in need of maintenance has risen from 43.5% in 2013/14 to 45.5% in 2014/15;

(k)   The Capital received by SBC for selling its fixed assets is lower than last year at £347k (compared to £591k). However, there are signs that the market is picking up;

(l)   Although slightly below our ambitious target of 100%, the % of FOIs dealt with on time continues to improve each quarter and shows a significant improvement on 2013/14;

(m)   The % of frontline complaints responded to within target times has decreased this quarter and remains below the Council's target of 100%. However the number complex complaints acknowledged within 3 days has increased to 96.3%.

4.5   The technical report at Appendix 1 provides detail against every PI for both Elected Members and for members of the public. This information can also now be accessed at http://www.scotborders.gov.uk/info/691/council_performance/1353/our_performance_as_a_council and then by clicking on "*Scottish Borders Performs*". Not only does this improve accessibility to performance information, it ensures that Scottish Borders Council responds effectively to recommendations made by Audit Scotland around public performance reporting and helps us fulfil our duty more effectively in relation to public performance reporting, as defined in the Local Government in Scotland Act 1992.

4.6   The Performance Indicators used by each service area are continuing to evolve in line with the business planning process, and PIs will be refined over the coming months and changes may be made to reflect policy and service changes. The new financial year provides a good opportunity to make any necessary changes or additions, some of which are outlined below.

5   PROPOSED CHANGES TO PERFORMANCE REPORTING GOING FORWARD

5.1   **Planning**- three new PIs relating to the Scottish Government's Planning Performance Framework will be introduced for 2015/16 performance reporting. The focus will now be on the *average time taken* to process all planning applications split into three categories:

•   Major development;

•   Local development (non-household); and

•   Householder developments.

These will replace the existing "% determined within 2 months" PI.

The "Number of planning applications received" PI will still be retained as a proxy measure for activity within the local economy.

In addition to these quarterly measures, the Planning Performance Framework, submitted annual to Scottish Government in June/July each year, also presents a range of more qualitative measures, for example around early collaboration with applicants, and sharing of good practice.

5.2   **People department**- with changes in structure and the integration of health and social care, this department is currently reviewing its performance indicators for children and young people, and adult social care (Corporate Priorities 2 and 3). In the coming months, there will be consultation and engagement with elected members on proposed PIs to better reflect the priorities of the department over the next few years.

5.3   **Complaints**- the Council's Complaints Handling Procedure (CHP) states

that we must publicise, on a quarterly basis, complaints outcomes, trends and actions taken. In addition, we must report on an annual basis 8 performance indicators defined by the Scottish Public Service Ombudsman (SPSO) and supply a copy of the report to the SPSO.

It is proposed to amend the current quarterly complaints reporting to include the Scottish Public Service Ombudsman's (SPSO) performance indicators 3, 4, 5, 6 and 8 (**in bold below**), and the situation in relation to the other Indicators is also stated in the table:

Indicator 1:Complaints received per 1000 of population	This is an annual indicator and will only be reported in the Annual Complaints Report
Indicator 2: Closed complaints	This is already included in the current reporting
Indicator 3:Complaints upheld / not upheld	
Indicator 4: Average time spent responding to complaints	
Indicator 5: Complaints closed against timescales	
Indicator 6: complaints closed that required authorised extensions	
Indicator 7: Customer satisfaction	This is still a work in progress to obtain the data. This will be included in the report as soon as the data consistently being collected
Indicator 8: What we have learned, changed or improved	This will be done through the use of case studies

5.4 **Community Benefits**- a new performance framework is being developed to support the Council's "Adding Value to Communities through Procurement" policy. A report is currently being prepared for Council in June which will ask Scottish Borders Council to fully adopt the policy and will show the value that is being added to the Borders through this approach. Benefits already include new jobs, apprenticeships and enhancements to communities across the Borders as a result of community benefit clauses being included in third party contacts, and as such, this value should be demonstrated through performance measures presented to Executive Committee on a quarterly basis going forward.

6 IMPLICATIONS

6.1 **Financial**

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

6.2 **Risk and Mitigations**

Effective performance management arrangements will ensure that services are aware of any weaknesses and can take corrective action in a timely manner therefore mitigating any risks more effectively.

6.3 **Equalities**

(a) It is recognised within the "Report of the Equalities Review Group" (SBC, 29 May 2014) that more effective performance indicators in relation to equalities need to be developed. The Corporate Equalities and Diversity Officer and the Corporate Performance and Information Manager are working to ensure that the recommendations in the Equalities Review Group report are taken forward and reflected in future reporting to the SBC Executive Committee.

(b) To start this process, all Heads of Service were recently asked to complete a self-evaluation exercise in which they evaluated their service areas performance of the Equality Duty. The information gathered has been used to inform 2015/16 business plans and the development of appropriate actions within services, and suitable performance indicators for use going forward.

6.4 **Acting Sustainably**

Economic, social and environmental impact of SBC actions can be monitored more effectively if there is effective performance reporting arrangements in place.

6.5 **Carbon Management**

There are no effects on carbon emissions as a result of this report.

6.6 **Rural Proofing**

Not applicable.

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

There are no changes to be made.

7 **CONSULTATION**

7.1 The Chief Financial Officer, the Service Director Regulatory Services as Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.

Approved by

Tracey Logan   Signature ………………………………
Chief Executive

Author(s)

Name	Designation and Contact Number
David Cressey	Service Director, Strategy and Policy, Tel: 01835 825082
Sarah Watters	Corporate Performance and Information Manager, Tel: 01835 826542

Background Papers: Scottish Borders Council Corporate Plan 2012/13-2017/18 & Annex 2: Performance Management Framework

Previous Minute Reference: Scottish Borders Council Executive, 10th March 2015

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 Sarah Watters, Scottish Borders Council Headquarters, Newtown St Boswells, Melrose, Tel 01835 826542, swatters@scotborders.gov.uk

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SCOTTISH BORDERS COUNCIL CORPORATE PRIORITIES
QUARTERLY PUBLIC PERFORMANCE REPORT: Q4 2014/15 (Jan-Mar)
HOW ARE WE DOING?

In 2013, we published our Corporate Plan, with eight priorities to work towards over a five year period. This report gives you an overview of our progress.

For each priority, a selection of performance information has been presented to let you see how we are doing.

Where possible, quarterly (Q) data has been used, but this is not possible for every area of our work, for example, educational attainment.

Some of the data presented may be subject to minor amendments as end of year figures are compiled for reporting to the Scottish Government.

KEY:

- ✅ On target
- ⚠️ Just off target
- ⬢ Off target
- ℹ️ For information
- Position in Scotland

Q1 - Apr-Jun
Q2 - Jul-Sep
Q3 - Oct-Dec
Q4 - Jan-Mar

01 ENCOURAGE sustainable economic growth

02 IMPROVE ATTAINMENT AND ACHIEVEMENT LEVELS for all our children and young people, both within and out with the formal curriculum

03 PROVIDE HIGH QUALITY SUPPORT, CARE AND PROTECTION to children, young people, adults, families and older people

04 BUILD THE CAPACITY AND RESILIENCE of our communities and voluntary sector

05 MAINTAIN AND IMPROVE our high quality environment

06 DEVELOP OUR WORKFORCE

07 DEVELOP OUR ASSETS AND RESOURCES

08 ENSURE excellent, adaptable, collaborative and accessible public services

OUR VISION

01

ENCOURAGE SUSTAINABLE ECONOMIC GROWTH
HOW ARE WE DOING?

Scottish Borders COUNCIL

Employment Rate

74.9% Scottish Borders | **70.8%** Scotland
Q3 2013/14

78.3% Scottish Borders | **72.6%** Scotland
Q3 2014/15

Businesses Supported

461
in Q4 2013/14

294
in Q4 2014/15

business gateway

% of all planning applications determined within 2 months

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
72%	74%	69%	65%	60%

Job Seekers Allowance
Working age population (16-64) claiming Job Seekers Allowance

(16-64)

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
2.6%	2.2%	2%	1.7%	1.8%

Job Seekers Allowance
Working age youth population (18-24) claiming Job Seekers Allowance

(18-24)

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
6.8%	5.9%	5.4%	4.1%	4.1%

New Business Start ups
(Business Gateway)

106
in Q4 2013/14
target 55

81
in Q4 2014/15
target 55

Funding for Businesses
Q4 2014/15

Scottish Borders Business Loan Fund pilot =
2 loans awarded in Q4 totalling £30k

Scottish Borders Business Fund (grants) =
6 grants awarded totalling £22k

% of invoices paid within 30 days

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
84%	93%	93%	94%	92%

Affordable Housing
Affordable units delivered

72
in 2013/14
target 100

62
in 2014/15
target 100

On target to deliver target of 300 affordable homes between 2013-2016

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

KEY	⬆ positive trend	⬇ negative trend	✓ on target	⚠ just off target	⬣ off target	📊 data only

Corporate Priority 1: Encourage sustainable economic growth

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
What percentage of people aged between 16-64 are in employment?	CP01-P05P What percentage of people aged between 16-64 are in employment? (74.9%, 76%, 76.6%, 77.8%, 78.3%)	78.3%	**Observations:** 57,200 people were in employment in this quarter. The overall rate is higher than Scotland (72.6%) and GB (72.4%). The Scottish Borders employment rate now sits 5.7% higher than the Scottish average. The increase over the previous quarter equates to an extra 500 people in employment. Note: One quarter lag in data.	⬆	⬆	📊	Bryan McGrath
What percentage of people aged between 16-64 are claiming Job Seeker's Allowance because they are out of work?	CP01-P10P What percentage of people aged between 16-64 are claiming Job Seeker's Allowance because they are out of work? (2.46%, 2.23%, 2.03%, 1.67%, 1.8%)	1.8%	**Observations:** The long term downward trend is still positive, as the rate remains below the Scottish average of 2.4%. The upturn in the last quarter can be ascribed to seasonal factors and does not reverse the overall trend.	⬇	⬆	✓	Bryan McGrath

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
What percentage of people aged between 18-24 are claiming Job Seeker's Allowance because they are out of work?	CP01-P11P What percentage of people aged between 18-24 are claiming Job Seeker's Allowance because they are out of work?	4.1%	**Observations:** Young people still account for a large proportion of those who are unemployed although as above, the general downward trend is extremely positive.	⬆	⬆	✅	Bryan McGrath
How many new businesses has Business Gateway help create?	CP01-P06P How many new businesses has Business Gateway help create?	81	**How are we performing:** There have been 242 new starts supported year to date (110% of year to date target) which has met and exceeded the full year target of 220. The overall number of businesses working with the Business Gateway remains strong.	⬆	⬆	✅	Bryan McGrath
How many businesses has Business Gateway supported?	CP01-P18P How many businesses has Business Gateway supported?	294	**Actions we are taking to improve/maintain performance:** As set out in the Business Gateway Improvement Plan agreed by Executive Committee on 12 May 2015 actions we are taking include advice surgeries across the area and promotional activity such as business master classes.	⬆	⬇	📈	Bryan McGrath

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many loans to local businesses did we award?	CP01-P27P How many loans to local businesses did we award?	2	**How are we performing:** The 2014/15 scheme has received 9 applications and approved 5 loans to a value of £51,600. It is forecast that this activity will create at least 28.5 jobs, safeguard at least 36 jobs and have an impact of about £287,000 GVA. **Actions we are taking to improve/maintain performance:** The loan fund is being extended until the national loan fund, Business Loans Scotland, is operational - which is expected to be in October 2015.	⬇	⬆		Bryan McGrath
How much money did those loans add up to?	CP01-P28P How much money did those loans add up to?	£30,000.00		⬆	⬆		Bryan McGrath

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many grants to local businesses did we award?	CP01-P29P How many grants to local businesses did we award?	6	**How are we performing:** The value of grants awarded shows a decrease in this quarter reflecting the limited amount of budget remaining after the first three quarters of the year. **Actions we are taking to improve/maintain performance:**	⬇	⬇	📊	Bryan McGrath
How much money did those grants add up to?	CP01-P30P How much money did those grants add up to?	£21,584.50	Business Gateway staff are all fully aware of the grant fund and where appropriate they will refer clients to the fund. In addition, the team hold regular meetings with intermediaries such as banks, accountants etc., to make them aware of the fund and encourage referrals; also include case studies in Public Relations.	⬇	⬇	📊	Bryan McGrath

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many planning applications do we receive?	CP01-P20P How many planning applications do we receive? (bar chart: Q4 2013/14 325, Q1 2014/15 346, Q2 2014/15 313, Q3 2014/15 289, Q4 2014/15 309) Quarters / Target (Quarters)	309	**How are we performing:** The number of applications received in quarter 4 was marginally higher than in the previous quarter but lower than in the same quarter in 2013/14. There remains no evidence of any significant upturn in economic activity leading to an increase in development proposals in the Borders. Performance for the quarter, when looking at the % of all planning applications determined within 2 months, was 60%, 5 percentage points lower than the previous quarter. The historical national target of 80% has been retained as an aspirational local target.	⬆	⬇	(chart icon)	Brian Frater
How quickly are planning applications dealt with?	CP01-P23qP How quickly are planning applications dealt with? (bar chart: Q4 2013/14 72%, Q1 2014/15 74%, Q2 2014/15 69%, Q3 2014/15 65%, Q4 2014/15 60%) Quarters / Target (Quarters)	60%	**Actions we are taking to improve/maintain performance:** With effect from April 2015 performance will be reported on the basis of average weeks to determine rather than % determined within two months. This better reflects the Government's new measures. Significant efforts are already underway to improve average speeds, particularly through the more efficient processing of legal agreements and application of "stop the clock" procedures where delays are attributable to the inaction of applicants. These actions have already resulted in a significant improvement in performance which will be shown in future monitoring reports.	⬇	⬇	🔴	Brian Frater

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many invoices, received by us, were paid within 30 days of receiving the invoice?	CP01-P25P How many invoices, received by us, were paid within 30 days of receiving the invoice?	92%	**How are we performing:** Overall performance for the fourth quarter of 2014/15 is slightly below the target of 93% but is well ahead of the performance in the fourth quarter of last year. **Actions we are taking to improve/maintain performance:** Improvement plan actions continue to be implemented to ensure that targets continue to be met.	⬇	⬆	🔺	Lynn Mirley
How many additional homes were provided last year that were affordable to people in the Borders, based on our wages?	CP01-P33P How many additional homes were provided last year that were affordable to people in the Borders, based on our wages?	62	**How are we performing:** Of the 62 affordable houses delivered during 2014/15, 49 are for social rent, 3 via the "open market shared equity scheme" and 10 homes for mid-market rent (via Bridge Homes, the Council's new initiative). **Actions we are taking to improve/maintain performance:** 87 further homes will be completed within the first quarter of 2015/16 (it was envisaged that these would be completed during 2014/15 but this was not possible due to contractor performance issues, meaning that the end March deadline was missed). Taking the total delivered for 13/14 (72) 14/15 (62) and this year's anticipated outturn of 176 produces 310 affordable homes over 3 years from 2013 – 2016, an overall average of 103 per year thus bringing a 3-year investment of approximately £40.3m	⬇	⬇	🔴	Cathie Fancy

02

IMPROVE ATTAINMENT AND ACHIEVEMENT LEVELS FOR ALL OUR CHILDREN AND YOUNG PEOPLE, BOTH WITHIN AND OUT WITH THE FORMAL CURRICULUM

HOW ARE WE DOING?

Scottish Borders COUNCIL

Children & Young People's Services

To improve the learning experience and opportunities for our children and young people, these are our priorities for the service moving forward:

- A revised model for the provision of early learning and childcare provision will be introduced to meet the needs of our youngest children, ensuring they have the best start to their learning journey whilst meeting the needs and expectations of parents.
- The quality of the school curriculum will be improved with increased choice and learning pathways with a continued focus on raising attainment and achievement for all children and young people.
- A broader range of learning opportunities will be delivered at the senior phase within secondary schools ensuring a focus on skills for learning, skills for life and skills for work.
- The quality of work with Looked After Children and children within the Child Protection process will be improved to ensure better outcomes and the services will be further developed for young people who have been looked after when they reach 16-25 years.
- An inclusive approach will be the focus for all services for children and young people.
- A focus on professional leadership and learning opportunities for all staff focused on Raising Attainment for All Children and Young People.
- A redesign of management roles across the service is underway to ensure that the service is fully integrated and strategic leadership is enhanced which will enable the service vision is delivered.

The online INSIGHT tool compares our performance to national performance (Scotland) as well as to a "virtual comparator" (those who are similar to us):

Attainment in Literacy and Numeracy
% school leavers achieving **National 4**
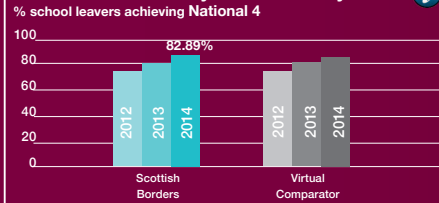
82.89%

Scottish Borders — 2012, 2013, 2014
Virtual Comparator — 2012, 2013, 2014

% school leavers achieving **National 5**

55.34%

Scottish Borders — 2012, 2013, 2014
Virtual Comparator — 2012, 2013, 2014

% school leavers in a positive destination

2009/10 2010/11 2011/12 2012/13 2013/14
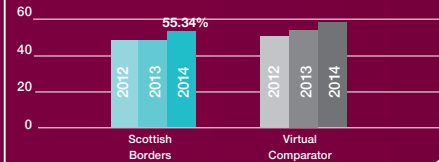
Scottish Borders
Virtual Comparator
Scotland
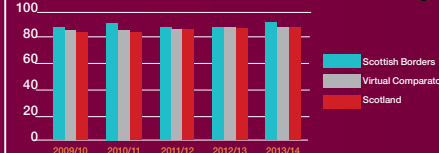
Physical Education 2014/15
% primary schools meeting target
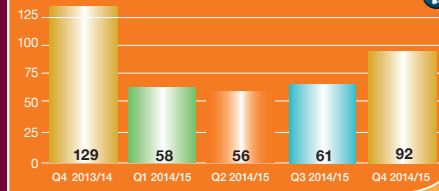
2013/14   78%
2014/15   **94%**

Number of Pupils Excluded

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
129	58	56	61	92

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Corporate Priority 2: Improve attainment and achievement levels for all our children and young people, both within and out with the formal curriculum

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
What % of our school pupils leave school and go into a positive destination e.g. employment, training, higher/further education or volunteering?		94.3%	This measure was reported to Executive in March 2015. However, the new online INSIGHT tool now allows us to compare our performance to national performance (Scotland) as well as a "virtual comparator" (those who are similar to us). % of Scottish Borders school leavers in a positive destination increased from 91.2 % in 2013 to 94.3% in 2014, above the National *and* our virtual comparator.	⬆	⬆	📊	Donna Mason
What % of our primary schools are meeting the Scottish Government target of 2 hours Physical Education per week?		94%	**How are we performing:** This much improved figure has been achieved by increased focus and awareness of the Scottish Government Target that every Primary School should provide at least 120 minutes of physical education per week to every pupil. This figure shows that 59 out of 63 Primary Schools within the Scottish Borders are managing to meet this target and is based on our own PE Audit (as opposed to the Scottish Government questionnaire) and gives a more accurate picture of provision across schools.	⬆	⬆	⚠	Jackie Swanston

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many primary and secondary school pupils were excluded?	CP02-P2SP How many primary and secondary school pupils were excluded?	92	**How are we performing?** Although there were 92 exclusions within Q4, the actual number of individuals excluded was 76 (several of the individuals who were excluded throughout the quarter were excluded on multiple occasions). There is an overall reduction in the number of pupils excluded Q4 2014/15 in comparison to Q4 2013/14. **Actions we are taking to improve/maintain performance:** Overall exclusion targets are now in place for schools which has continued to challenge and focus effort in the overall reduction of children being excluded.	⬇	⬇	📊	Jackie Swanston
What % of primary and secondary school pupils attend school?	CP02-P24P What % of primary and secondary school pupils attend school?	93.5%	**How are we performing:** There was a small drop in attendance in Q4 2014/15 from Q3 2014/15 across Primary and Secondary Schools, and is slightly below for the same period last year. **Actions we are taking to improve/maintain performance:** Schools will continue to work with parents to ensure attendance increases. At secondary school, ongoing improvements and changes to the curriculum will ensure that the needs of all young people are more effectively met, further encouraging attendance. An attendance panel is being progressed for one Secondary School pupil.	⬇	⬇	📊	Jackie Swanston

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many schools/nurseries in the Scottish Borders were inspected?	CP02-P21P How many schools/nurseries in the Scottish Borders were inspected?	2	Sprouston Primary School and Nursery were inspected in January 2015. Result of this inspection (the only inspection within the last two quarters) gave an overall good rating with a couple of satisfactory grades for the curriculum and improvement through self-evaluation. For the individual school inspection report please visit the **Education Scotland** website.	⬇	⬆	📈	Kevin McCall

SCHOOL INSPECTIONS   The table below shows the results of schools inspected in the last 12 - 18 months:

School / Nursery	Date of Report	Improvements in Performance	Learners' Experience	Meeting Learning Needs	The Curriculum	Improvement through Self Evaluation
Eddleston Primary	January 2014	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Weak
Selkirk High	March 2014	Good	Good	Good	Satisfactory	Satisfactory
Reston Primary	April 2014	Good	Good	Good	Good	Good
Nursery		Good	Good	Good	Good	Good
Wilton Primary	May 2014	Good	Good	Good	Good	Satisfactory
Nursery		Satisfactory	Satisfactory	Satisfactory	Good	Satisfactory
St Boswells Primary	June 2014	Good	Good	Good	Satisfactory	Satisfactory
West Linton Primary	August 2014	Weak	Satisfactory	Weak	Unsatisfactory	Unsatisfactory
Nursery		Satisfactory	Satisfactory	Weak	Unsatisfactory	Unsatisfactory
Sprouston Primary	January 2015	Good	Good	Good	Satisfactory	Satisfactory
Nursery		Good	Good	Good	Satisfactory	Satisfactory

03

PROVIDE HIGH QUALITY SUPPORT, CARE AND PROTECTION
TO CHILDREN, YOUNG PEOPLE, ADULTS, FAMILIES, AND OLDER PEOPLE
HOW ARE WE DOING?

Domestic Abuse
Number of reported incidents (cumulative)

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
835	230	436	683	898

% of new service users
who receive a service within 6 weeks

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
97%	95%	96%	96%	98%

% of adults (65+)
receiving long-term care & intensive homecare

2013/14
2014/15
%

Q4	29.6
Q1	31.5
Q2	29.6
Q3	28
Q4	28.2

Crimes and Offences
Number of Group 1 - 5 recorded (cumulative)

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
3,225	753	1,577	2,377	3,189

% of referrals to the Children's Reporter
via ICS compared to other agencies

2013/14
%
2014/15

Q3	20
Q4	20
Q1	31
Q2	31
Q3	18

Welfare Benefits Service
No. of people contacting

2,291
Q4 2013/14

2,361
Q4 2014/15

Value of cash seizures
and restraints through proceeds of Crime Act

£354K
Q4 2013/14

£1.392M
Q4 2014/15

Ratio of Looked After and Accommodated Children
(aged 12+)

Q4 2014/15

74%   26%

Family-based (80% target)   Residential

Welfare Benefits Service
Monetary Gain (cumulative)

£

Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
6.127m	923k	2.680m	4.491m	6.121m

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Corporate Priority 3: Provide high quality support, care and protection to children, young people, adults, families and older people

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
What % of people aged 65+ receive their care at home?	CP03-P02P What % of people aged 65+ receive their care at home?	28.2%	**How are we performing:** Small increase in the figures for Quarter 4. Various reablement and self-management approaches are in place which we would anticipate impacting on this PI. Fluctuations are expected however an overall decline in this PI is expected as we move towards increased self-directed support (SDS). **Actions we are taking to improve/maintain performance:** All new clients and clients being reviewed are being offered SDS options and therefore it is anticipated that there will be a continued decrease in this measure. A measure around SDS will be introduced in the future.	⬆	⬇	⚠	Elaine Torrance
What % of people contacting Social Work receives a service within 6 weeks of their assessment?	CP03-P28P What % of people contacting Social Work receive a service within 6 weeks of their assessment?	98%	**How are we performing:** Social Work continues to exceed targets in relation to people receiving a service within 6 weeks of their assessment. **Actions we are taking to improve/maintain performance:** Since the introduction of the panel which scrutinises the allocation of services this has resulted in much tighter application of the eligibility criteria, this is working well ensuring consistency fairness across localities.	⬆	⬆	✓	Elaine Torrance

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
What % of children (aged 12+) are accommodated with family rather than residential placements?	CP03-P06P What % of children (aged 12+) are accommodated with family rather than residential placements?	74%	**How are we performing:** There is very little change since the previous quarter. Natural variations are expected, dependent on the needs of the children and the availability of suitably matched placements. **Actions we are taking to improve/maintain performance:** All placements are monitored through the statutory Section 31 review, which is carried out as a Meeting Around the Child. This meeting looks holistically at all aspects of the child or young person, including how they are managing in their placement. The Resources team continue to develop our range of available placements, reviewing existing carers, seeking to recruit additional carers, and working with other providers. Work is ongoing with the SBC Communications team and every opportunity to increase the profile of foster caring is taken e.g. at a recent event at Earlston Primary School, involving partners.	⬆	⬆	🔺	Ann Blackie
What % of referrals to the Scottish Children's Reporter Administration are made through Integrated Children's Services?	CP03-P30P What % of referrals to the Scottish Children's Reporter Administration are made through Integrated Children's Services?	24%	**How are we performing:** An increase volume of referrals via the ICS team in comparison to other agencies has brought this target back on track. This statistic continues to fluctuate depending on the volume of referrals from other agencies. **Actions we are taking to improve/maintain performance:** We will continue to clearly communicate expectations that referrals are made jointly to ensure best practice for the child. The majority of referrals which do not come through Integrated	⬆	⬇	✅	Ann Blackie

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
			Children's Services are made directly from the Police to SCRA, reflecting immediate concerns, and this is not expected to change.				
How many people have received advice or advocacy through Welfare Benefits Service? (cumulative)	CP03-P35P How many people have received advice or advocacy through Welfare Benefits Service? (cumulative)	2,361	**How are we performing:** This % of target has reduced slightly within the last quarter but with no obvious explanation. The Q4 result is 105% of target which is a very positive result given the first two quarter results. A change in the way Dept. for Work & Pensions (DWP) has been assessing new Personal Independence Payment (PIP) claims, more recently, has impacted positively on the Welfare Benefits Service (SBS) financial gains overall.	⬆	⬆	⚠	Cathie Fancy
How much money was gained for customers of the Welfare Benefits Service? (cumulative)	CP03-P36P How much money was gained for customers of the Welfare Benefits Service? (cumulative)	£6,121,365.00	**Actions we are taking to improve/maintain performance:** The next quarter should see the introduction of the Zeacom phone system to the WBS which should help us to monitor call times, demand, abandoned calls etc. and explore any avenues for improvement. In addition we are looking at the use of the WBS website by customers and intend to develop this in order that customers may be able to gain more information and support online. We are aware from direct involvement with customers that a number of decisions have been made without a face to face assessment of the customer, which is the normal process, and in addition a number of decision makers have been recruited to help improve the timescales for decision making following assessment. There are however a number of older outstanding cases which officers continue to follow up and escalate	⬆	⬆	✅	Cathie Fancy

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
			through the complaints process where appropriate. In addition, more monitoring and administrative support around case closures within the Welfare Benefits Service has allowed a more efficient process and timely recording of gains which we plan to continue into next year. It is difficult to predict the gains for the forthcoming year as much will depend on the wider rollout of Universal Credit and the timing of the main reassessment from Disability Living Allowance to PIP which is likely to result in a number of claimants receiving a lesser award.				

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many incidents of domestic abuse are reported to Police Scotland? (cumulative)		898	**How are we performing:** Based on latest Police Scotland figures published in April 2015 there has been an 11.1% (90 incident) increase in incidents for the year ending 31st March 2015 (898 incidents) when compared to the same period in 2013/14 (808 incidents). However, quarter 4 saw 32 fewer reported incidents than in quarter 3 but compared to Quarter 4 2013/14 there have been 30 more incidents reported, which is positive. Our actions are intended to encourage reporting and for this number to be increased which is reflected in the year end results. In accordance with accepted national research, we expect there to be in the region of 1,200 victims per year in the Scottish Borders. **Actions we are taking to improve/maintain performance:** The Pathway Project continues to be delivered addressing the needs of high risk victims, in addition to providing longer term community support. Funding applications have been submitted to continue the project until March 2016, formal confirmation of funding has been received from Scottish Government with further extension approval required now from BIG Lottery Fund. The Pathway project has now commissioned an external evaluation, this has commenced with the final report expected in October 2015.	⬇	⬇	⚠	John Scott

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
			Multi-agency risk assessment (MARAC) has now been implemented, with co-ordination staff resource secured for a further year. MARAC meetings are now scheduled to take place every 4 weeks, and will review a maximum of 10 high risk cases. Over the period August to December 80 staff members have been trained in risk assessment with the aim of widening referrals to MARAC from partner agencies.

The STEPS project is now in implementation phase, with staff in position from 3rd February 2015. This project is aimed at addressing the needs of hard to reach victims where an outreach service is required. Additionally, the project will work with the partners and clients to provide safe housing options relevant to the client's needs. | | | | |
| How many crimes and offences are recorded by Police Scotland? (cumulative) | | 3,189 | **How are we performing:**
Quarter 4 saw a reduction in crime by 4 offences (0.5%) compared to the last quarter but there were 76 (10.4%) more crimes reported than in the same quarter last year. Performance in Q1 and Q2 this year was better than last year and this has resulted in a net decrease of 12 crimes (0.4%) over the twelve month period, when compared to 2013/14.

The detection rate for the year ending 31/03/2015 was 50.9% compared to 57.6% for the previous year. Overall there has been a slight reduction in reported crime but the figures show a drop in detection rates. It continues to be vandalism and malicious mischief that have seen a decrease in detections rates. This has had a significant impact on overall detection rates and unfortunately masks the good work carried out in other areas such as | ⬆ | ⬆ | ✅ | John Scott |

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
			violent crime, and minor assaults. **Actions we are taking to improve/maintain performance:** Continued delivery of the Local Policing Plan and a recent refresh of local Multi-Member Ward Plans have identified local issues and concerns in the community that will be tackled in the coming year. This includes all aspects of reported crime. Partnership work continues with a focus on preventing violence against women, reducing Antisocial Behaviour, Injury Prevention and reducing the impact of drugs and alcohol in our communities.				
How much money is seized by Police Scotland? (cumulative)	CP03-P14P How much money is seized by Police Scotland? (cumulative) £1,750,000.00 £1,500,000.00 £1,519,753.00 £1,525,415.00 £1,392,235.00 £1,250,000.00 £1,253,399.00 £1,000,000.00 £750,000.00 £500,000.00 £250,000.00 £307,229.00 £354,363.00 £0.00 Q3 2013/14 Q4 2013/14 Q1 2014/15 Q2 2014/15 Q3 2014/15 Q4 2014/15 ■ Quarters ■ Target (Quarters)	£1,392, 235.00	**Observations:** Proceeds of crime money is distributed to local areas via the "Cashback for Communities" Scheme, focused on youth diversionary activity. The delivery agent for Cashback for Communities, Inspiring Scotland, has been contacted to ask about flexibility with the programme moving forward to allow us to use money to meet local need. No response has been received to date to this communication and a follow up letter has been sent.	⬇	⬆		John Scott

04

BUILD THE CAPACITY AND RESILIENCE
OF OUR COMMUNITIES AND VOLUNTARY SECTOR
HOW ARE WE DOING?

Scottish Borders COUNCIL

Resilient Communities
Q4 2014/15

SCOTTISH BORDERS ALERT
Number of people registered
2,107
Q4 2013/14
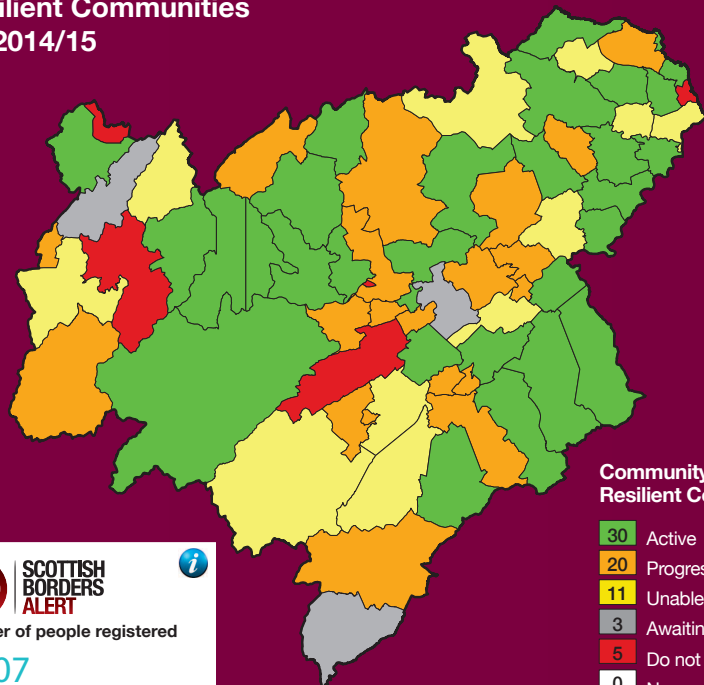
Community Council
Resilient Communities Plans

30	Active
20	Progressing
11	Unable to progress
3	Awaiting a presentation
5	Do not wish to join up
0	No contact

Community Grant Scheme
Q4 2014/15
15 awards

SBC awarded £46,671

Awards enabled projects totalling £115,726

Landfill Communities Fund
Q4 2014/15
3 awards

SBC awarded £52,122

Awards enabled projects totalling £342,491

National Lottery Funding
Q4 2014/15
8 awards
£873,778

2 awards
Over £10k
Total £824,781

6 awards
Up to £10k
Total £48,997

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Corporate Priority 4: Build the capacity and resilience of our communities and voluntary sector

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many grants did we award from the Community Grant Scheme?	CP04-P01P How many grants did we award from the Community Grant Scheme?	15	**Observations:** The Community Grant Scheme has been relatively steady throughout 14/15 with a slight dip in Q2 due to the normal summer holiday slow-down in volunteering. Applications to CGS have remained buoyant during the 4th quarter and it is expected that this number will rise in the 1st quarter of 2015/6 when new budgets become available	▬	⬆		Shona Smith
What was the value of the Community Grant Scheme grants awarded? (CP04-P02aP)	Exec - Community Grant Scheme: Grants / Total Project Value	£46,671	The *value of awards made* in quarter 4 this year is higher than in the previous year. The *total value of projects* in quarter 4 this year is higher than in the previous year. Total project cost will constantly fluctuate as CGS meets the need(s) of small community projects as well as match-funding requirements for larger scale projects.	⬇	⬆		Shona Smith
What was the total value of the projects the Community Grant Scheme money contributed to? (CP04-P02P)		£115,726		⬆	⬇		Shona Smith

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many grants did we award from the Landfill Communities Fund?	CP04-P04P How many grants did we award from the Landfill Communities Fund?	3	**Observations:** Progress of UK Landfill Communities Fund (UKLCF) applications is dependent on the progress of the wider match funding package. Application are often held until other funding is secured causing a spike in Q1 14/15 as they progress.	⬆	⬆	📈	Shona Smith
What was the value of the Landfill Communities Fund grants awarded? (CP04-P05P)	Exec - Landfill Communities Fund: Grants / Total Project Value	£52,122	The UKLCF is often the final part of a wider match funding package. Total Project Costs figure can vary significantly dependent on projects submitted for funding. Q1 includes two projects that together total £700,000 in project costs.	⬆	⬆	📈	Shona Smith
What was the total value of the projects the Landfill Communities Fund money contributed to? (CP04-P05aP)		£342,491		⬆	⬇	📈	Shona Smith

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How much National Lottery Funding (grants up to £10,000) was received in the Scottish Borders?	CP04-P07aP How much National Lottery Funding (grants up to £10,000) was received in the Scottish Borders?	£48,997		⬇	⬇	📈	Shona Smith
How much National Lottery Funding (grants over £10,000) was received in the Scottish Borders?	CP04-P07bP How much National Lottery Funding (grants over £10,000) was received in the Scottish Borders?	£824,781	**Observations up to £10k:** 14/15 Q1, Q2 and Q3 figures are skewed due to IT system difficulties at the Big Lottery Fund. **Observations over £10k:** Q4 includes one award of £616k to Momentum Scotland, a national charity delivering in the Borders. **Observations Total Value:** See over £10k observation	⬆	⬇	📈	Shona Smith
What was the total value of National Lottery Funding received in the Scottish Borders?	CP04-P07P What was the total value of National Lottery Funding received in the Scottish Borders?	£873,778.00		⬆	⬇	📈	Shona Smith

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many community council (CC) areas have an **active** "Resilient Communities" plan? (CP04-P06aP) (cumulative)	Exec - Community Resilience Plans - Active and Progressing	30					Jim Fraser
How many CC areas have a **progressing** "Resilient Communities" plan? (CP04-P06bP) (cumulative)		20	**How are we performing:** SBC is continuing to actively promote the Resilient Communities initiative and work continues in visiting those 'active' communities to ensure that they are ready to respond in emergency situations.				Jim Fraser
How many CC areas are **unable to progress** on a "Resilient Communities" plan? (CP04-P06cP) (cumulative)	Exec - Community Resilience Plans - Unable to progress, etc.	11	**Actions we are taking to improve/maintain performance:** Work is also underway to extend Resilient Communities in Galashiels and Peebles. Some communities are interested in taking Resilient Communities forward; however they are **unable to progress** because they cannot find a co-ordinator. Adverts have been placed with Berwickshire Association for Voluntary Service (BAVS) as well as Volunteer Centre Borders.				Jim Fraser
How many CC areas are **awaiting a presentation**?(CP04-P06dP) (cumulative)		3					Jim Fraser
How many CC areas have we had **no contact** (CP04-P06eP) (cumulative)		0					Jim Fraser
How many CC areas **do not wish to join up** (CP04-P06fP) (cumulative)		5					Jim Fraser

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many people have registered for SB Alert?	CP04-P08P How many people have registered for SB Alert?	2,098	**Observations:** The number of participants for SB Alert continues to grow from the previously reported figure to 2,098 and there was a number of alerts sent out over the reporting period in relation to severe weather and crime, and feedback indicates that the system is well received by those who are signed up to it. The Emergency Planning & Communications teams will continue in promoting the system and increasing the number of participants.	⬆	⬆	📈	Jim Fraser

MAINTAIN AND IMPROVE
OUR HIGH QUALITY ENVIRONMENT
HOW ARE WE DOING?

Scottish Borders COUNCIL

Improving Road Safety

Number of people killed on Scottish Borders roads

2014

- Q1 0
- Q2 3
- Q3 0
- Q4 4

Number of people seriously injured on Scottish Borders roads

2014

- Q1 5
- Q2 28
- Q3 18
- Q4 10

Household Recycling Rate

39.3%
Q3 2013/14

34.7%
Q4 2013/14

34.5%
Q1 2014/15

36.9%
Q2 2014/15

36%
Q3 2014/15

Average Community Recycling Centre Recycling Rate

48%
Q3 2013/14

50.8%
Q3 2014/15

Household landfill tonnage
& associated Landfill tax costs

7,399 tonnes
£592k
Q3 2014/15

Road conditions 2014/15
% of road network that should be considered for maintenance treatment

- 30.5% A roads
- 39.2% B roads
- 42.2% C roads
- 57.3% Unclassified
- 45.5% Overall

Street lighting
% of faults repaired within 7 days

97.2% Q2 2014/15

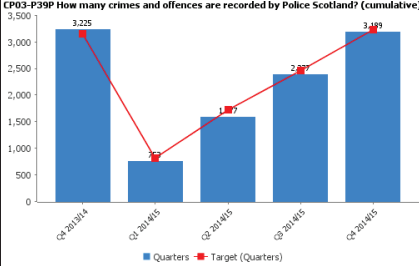**98.3%** Q3 2014/15

99.2% Q4 2014/15

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Corporate Priority 5: Maintain and improve our high quality environment

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many people are killed on our roads?	CP03-P12P How many people are killed on our roads?	4	**How are we performing:** January to March 2015 data not expected to be received from Police Scotland until July 2015.	⬇	⬇		Colin Ovens
How many people are seriously injured on our roads?	CP03-P13P How many people are seriously injured on our roads?	10	**Actions we are taking to improve/maintain performance:** Continue to work with Police Scotland and other partners and carry out analysis to identify accident cluster sites and remedial measures.	⬆	⬆		Colin Ovens

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How quickly do reported faulty street lights get repaired?	CP05-P13P How quickly do reported faulty street lights get repaired? 98.5% 97.2% 98.3%	99.2%	**How are we performing:** Of the 1,034 faults that were reported from January to March, 1,026 were fixed within 7 days. **Actions we are taking to improve/maintain performance:** We continue to roll out the Street Lighting Energy Efficiency Programme (SLEEP) that replaces existing lights with LED units thus reducing the number of faults we are dealing with. Members of the public are encouraged to report faults at www.scotborders.gov.uk/reportit	⬆	⬆	✅	Colin Ovens
How much of our household waste do we recycle?	CP05-P35P How much of our household waste do we recycle? 39.27% 34.68% 34.52% 36.86% 36.03%	36.03%	**How are we performing:** The household recycling performance has reduced by 3% compared to the same quarter the previous year. This decrease was expected and is due to the removal of the garden waste service, approved by Council in December 2013. However, it is important to note that the Council has saved £450,000 per annum through the removal of the garden waste service. *Note: One quarter lag in data.* **Actions we are taking to improve/maintain performance:** Various service improvements are being taken which will assist in increasing the household recycling rate including: • Various Community Recycling Centre upgrades. • New Kelso Community Recycling Centre Opening May 2015. • New food waste collection service being introduced from May 2015.	⬇	⬇	📊	Ross Sharp-Dent

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How much of our household waste goes to landfill?	CP05-P35bP How much of our household waste goes to landfill? (7,145 / 7,338 / 8,152 / 7,778 / 7,399)	7,399	**How are we performing:** The amount of household waste sent to landfill has increased by 254 tonnes compared to the same quarter the previous year, in line with projections associated with the removal of the garden waste service. *Note: One quarter lag in data.* **Actions we are taking to improve/maintain performance:** See above.	⬆	⬆	📈	Ross Sharp-Dent
How much does it cost to put our household waste into landfill?	CP05-P37P How much does it cost to put our household waste into landfill? (£514,421 / £528,336 / £652,160 / £622,240 / £591,920)	£591,920	**How are we performing:** The cost of sending household waste to landfill has increased by £77,499 compared to the same quarter the previous year. This is predominantly due to the annual increase in landfill tax (£72 per tonne to £80 per tonne) as set by the UK Government, but the savings of £450,000 per annum associated with the removal of the garden waste service more than compensate for this and are in line with projections. *Note: One quarter lag in data.* **Actions we are taking to improve/maintain performance:** See above.	⬆	⬇	📈	Ross Sharp-Dent

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How much of our waste do we recycle at Community Recycling Centres?	CP05-P40P How much of our waste do we recycle at Community Recycling Centres?	50.8%	**How are we performing:** The recycling performance at Community Recycling Centres has increased by nearly 3% compared to the same quarter last year. This is due to a significant increase in garden waste received compared to the same quarter last year which is directly related to the removal of the kerbside garden waste service and in line with projections. **Actions we are taking to improve/maintain performance:** See above.	⬇	⬇	📈	Ross Sharp-Dent
What condition are our roads in?	CP05-P30P What condition are our roads in?	45.5%	**How are we performing:** In the Scottish Borders there are nearly 3,000km of roads, of which 45.5% should be considered for maintenance treatment - the Scottish average is 37%. **Actions we are taking to improve/maintain performance:** Continue to report annually the backlog in maintenance and submit Project Business Cases with investment options to maintain and improve the network condition across the Scottish Borders. £0.7M additional expenditure was approved from 2014/15 and a further £1M per annum is budgeted to be invested from 2018/19 onwards. This will significantly reduce the rate of decline. Funds continue to be allocated to managing a decreasing road condition with the aim of reducing the rate of decline as much as resources allow.	⬇	⬇	🛑	Colin Ovens

DEVELOP OUR WORKFORCE
HOW ARE WE DOING?

Scottish Borders COUNCIL

All current modern apprentices with the Council, alongside Cllr Renton and Chief Executive Tracey Logan

Work opportunities scheme Q4 2014/15

5
Employability Fund Posts

5
Student Placement

6
Supported Employees within SBC

22
Current Apprentices employed within SBC

Employability Fund Posts covered

- clerical work
- project work
- parks and green space work
- nursery work
- care work

Modern Apprentice, within Human Resources

Number of SBC active e-learners (cumulative)

3,335   Q4 2014/15

SB Learn
Developing Our Workforce

Scottish Borders COUNCIL

Average % of working days lost

4% Q4 2013/14
4% Q4 2014/15

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Corporate Priority 6: Develop our workforce

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
What % of working days are lost due to absence?	CP06-P14P What % of working days are lost due to absence?	4%	**How are we performing:** We are consistently meeting our target, with only very slight variations over the last year. **Actions we are taking to improve/maintain performance:** Work continues to ensure that attendance management policy and procedure are applied consistently.	⬇	⬇	✅	Clair Hepburn
Days lost per employee for all staff	CP06-P04e Days lost per employee for all staff	9.78	**Observations** The average number of days absence is within the Council's 4% target, and actual number of days lost per employee is slightly improved on the previous year, with a positive longer term trend. HR will continue to work closely with Departments to manage attendance effectively.	⬆	⬆	📊	Clair Hepburn

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many of our employees are actively using SB Learn (our e-learning tool)? (cumulative)	CP06-P11P How many of our employees are actively using SB Learn (our e-learning tool)? (cumulative)	3,335	**How are we performing:** Almost all PC users (with a login account) are active users of SB Learn, the Council's online learning platform. However, there is still some staff who can't complete the mandatory training, as they are not yet active users. **Actions we are taking to improve/maintain performance:** All managers are encouraging their staff to register as active users during their Performance Review and Development (PRD) process	⬆	⬆	📈	Clair Hepburn
SBC staff - highest paid 5% who are women	CP06-P09 SBC staff - highest paid 5% who are women	43.08%	**Observations:** The Council continues to be committed to ensuring that all services and grades across the organisation reflect the increasingly diverse nature of the Scottish Borders. Examining the % of our highest earners who are female is just one part of this commitment and working with HR, we will develop additional measures to show how well we are mainstreaming our approach to equalities. Our Equalities Mainstreaming update report is now available at **http://www.scotborders.gov.uk/info/751/equality_diversity_and_citizenship/99/equality_and_diversity**	⬆	⬆	✅	Clair Hepburn

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many posts do we have for young people that are paid for through the Skills Development Scotland "Employability Fund"? (CP06-P31P)		5	**How are we performing:** The Council is continuing to create and support opportunities across the organisation through its Work Opportunities Scheme and significant progress continues to be made, especially around the number of apprentices employed (3 female, 19 male) and in supporting employees with particular needs. The 6 individuals currently supported are:	⬆	⬆	📈	Cathie Fancy
How many student placements do we have? (CP06-P32P)		5	- Cleaner, Waverley Care Home - Cleaner, Corporate Cleaning Services - Road crossing Assistant, Eyemouth	➖	⬆	📈	Cathie Fancy
How many supported employees do we have? (Those who have specific support needs e.g. disability and are supported by our Employment Support Service (ESS)). (CP06-P33P)	Executive - Supported Employment chart	6	- Care Assistant, Salt Greens Day Centre - Cleaner, Kinglands Primary School - Cleaner, Channelkirk Primary School *The figures shown in the graph are for Q4 only, but during 2014/15, there were a total of **10 Employability fund posts** and **28 apprentices** employed within SBC.* **Actions we are taking to improve/maintain performance:** A new student process is currently being piloted	➖	⬆	📈	Cathie Fancy
How many apprentices do we employ? (CP06-P37P)		22	where students apply through an online application for opportunities within the Council. The student opportunities advert was advertised using social media, myjobscotland website and through various universities and local colleges. Around 30 Modern Apprenticeships have been identified for the coming financial year, and mentor training sessions have now been delivered to those supporting Modern Apprentices (MAs) and will continue throughout the year.	⬇	⬆	📈	Cathie Fancy

DEVELOP OUR ASSETS AND RESOURCES
HOW ARE WE DOING?

Scottish Borders COUNCIL

Energy Consumption (kWh)

7,000,000		
6,000,000		
5,000,000		
4,000,000		
3000,000		
2,000,000		
1,000,000		
0	Q1 Q2 Q3 Q4	

Energy Consumption (£)

350,000	
300,000	
250,000	
200,000	
150,000	
100,000	
50,000	
0	Q1 Q2 Q3 Q4

Electricity **Gas**
2013/14 2013/14
2014/15 2014/15

Degree Day
2014/15 has been around 12% cooler than 2013/14.

Capital Receipts Generated
(cumulative)

800				
600				
400				
200				
0				
£792k	£172k	£225k	£235k	£347k
Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15

SBC Property Disposals

Total number of properties to be disposed of   **2014/15**

6 **9**
estimated actual

Market Value of all property to be disposed of

£683k **£347k**
estimated actual

% Council Tax
in year collection (cumulative)

2013/14

Q4	96.65
Q1	32.71
Q2	58.32
Q3	83.81
Q4	96.52

2014/15

% Occupancy Rates
of Industrial & Commercial units

90				
80				
70				
60				
90%	90%	90%	89%	91%
Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15

% Procurement
capability assessment

2010/11	28
2011/12	45
2012/13	50
2013/14	58
2014/15	65

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Corporate Priority 7: Develop our assets and resources

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How much has the Council received for selling its fixed assets (e.g. buildings), shares or debt? (cumulative)	CP07-P03P How much has the Council received for selling its fixed assets (e.g. buildings), shares or debt? (cumulative)	£347,360.00	**How are we performing:** Renewed activity in the market has seen two properties now back under offer, namely the Former Caddonfoot Primary School and Coledale Depot, Kelso. A further two sales concluded before the end of the Financial Year namely Swinton Village Hall and 7 Crown Close, Hawick. **Actions we are taking to improve/maintain performance:** Of the 18 properties actively marketed there are currently 5 properties under offer. The review of land and property assets will also bring further properties to the market over the next 3 months.	⬆	⬇	⚠	Andrew Drummond-Hunt
How many properties has the Council sold in previous years? (CP07-P10aP)	CP07-P10aP How many properties have the Council sold in previous years? (CP07-P10aP)	9	**How are we performing:** See above. **Actions we are taking to improve/maintain performance:** See above.	⬇	⬆	📊	Andrew Drummond-Hunt

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
What % of industrial & commercial properties, owned by the Council, are occupied?	CP07-P06P What % of industrial & commercial properties, owned by the Council, are occupied?	91%	**How are we performing:** The number of property enquiries has increased by nearly 20% in 2014/15 compared to 2013/14 and is above target. **Actions we are taking to improve/maintain performance:** An inward investment property promotion appeared in a stand-alone edition of 'Commercial Property' magazine, publishing date - end of March.	⬆	⬆	✅	Bryan McGrath
How much does the Council spend on electricity?	CP07-P17aP How much does the Council spend on electricity?	£303,679	**Observations:** *Quarter 4* Both gas and electricity consumption rose in Q4 compared to the same period last year, **electricity** by approximately 6%. However the cost of electricity fell by almost 3% which is due to a general reduction in energy costs. **Gas** consumption rose by 49% with an associated increase of gas costs of around 32%. *Annual changes*	⬆	⬆	📈	Andrew Drummond-Hunt

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How much does the Council spend on gas?	CP07-P18aP How much does the Council spend on gas?	£167,529	Overall **electricity** consumption fell by around 3%, resulting in a cost reduction for this energy by almost 2%, whereas **gas** consumption rose by around 28% with an associated cost increase of almost 17%.

2014/15 was around 12% cooler than the previous year which accounts for a proportion of the increased consumption, the rest likely to be down to the new Peebles High School Games Hall and the biomass switch off at the 3 PPP High Schools.

Note: these consumption figures are quarterly actuals for only the 26 SBC "Half Hourly" monitored properties, which represents over 50% of the estate as the rest of the estate is only measured once a year. However these figures can be used to determine trends.

The energy consumption figures for the whole estate will be reported in August 2015. | | | | Andrew Drummond-Hunt |
| How much electricity in kilowatt hours does the Council use? (Cumulative) | CP07-P17P How much electricity in kilowatt hours does the Council use? | 3,596,881 | **Observations:**
As above. | | | | Andrew Drummond-Hunt |

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How much gas in kilowatt hours does the Council use? (Cumulative)	CP07-P18P How much gas in kilowatt hours does the Council use?	6,104,592		⬇	⬇		Andrew Drummond-Hunt
How much Council Tax is collected in a particular year?	CP07-P07P How much Council Tax is collected in a particular year?	96.52%	**How are we performing:** Although the indicator shows a reduction in collection performance this has been caused by an increase in the Net Council Tax Debt over the financial year with a significant proportion of that increase occurring between February and March 2015. This was mainly due to a reduction in the amount of benefit awarded within the month and the ending of exemptions. **Actions we are taking to improve/maintain performance:** 2015/16 re-profiling has begun and will be monitored monthly. Any unexpected downturn in collection will be identified earlier and remedial action taken at the earliest possible point. We plan to maximise in year collection by contacting customers pre reminder, re-engineering our DWP deduction process and the implementation of the Water Direct scheme.	⬆	⬆	⚠	Jenni Craig

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How effective is the performance of the Council's procurement function?	CP07-P16P How effective is the performance of the Council's procurement function?	65%	**How are we performing:** The Council has been assessed in November 2014 as having "Improved Performance", with an overall score of 65% (and assessed as having superior performance in 3 out of the 8 areas assessed- Strategy & Objectives, Commodity/project strategies and collaboration, and People). The average Procurement Capability Assessment (PCA) score in 2014 for Scottish Local Authorities was 62%. Scottish Borders Council therefore compares favourably to this figure. Note: The assessment is changing for 2015 so direct comparisons won't be able to be made. **Actions we are taking to improve/maintain performance:** The assessment confirms that the performance of the Corporate Procurement Team continues to improve year on year. An annual action plan is developed following the PCA to ensure the appropriate consideration of any particular issues highlighted.	⬆	⬆	📈	Kathryn Dickson

08

ENSURE EXCELLENT, ADAPTABLE, COLLABORATIVE AND ACCESSIBLE PUBLIC SERVICES
HOW ARE WE DOING?

Scottish Borders COUNCIL

Interactions Q4 2014/15
logged through our Customer Relationship Management system

18,753 face to face interactions

26,937 voice interactions

Click before you call
www.scotborders.gov.uk

Complaints Q4 2014/15

5% Policy

52% Not Upheld

10
Number of Social Work complaints received

147
Number of closed complaints received (excl. Social Work)

43% Upheld

% justified Vs unjustified of all closed complaints

Stage 1 Complaints
% of stage 1 complaints responded to within 5 working days
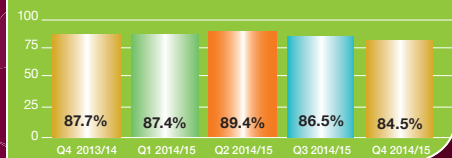
	Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
	87.7%	87.4%	89.4%	86.5%	84.5%

Stage 2 Complaints
% of stage 2 complaints acknowledged within 3 working days

2013/14
2014/15

Q4	88
Q1	93.5
Q2	97.4
Q3	83.3
Q4	96.3

%
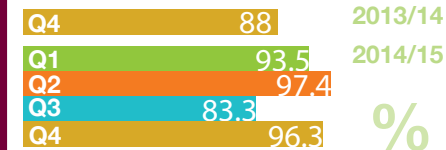
Stage 2 Complaints
% of stage 2 complaints responded to within 20 working days
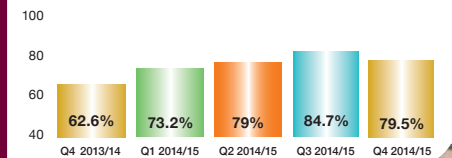
	Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
	62.6%	73.2%	79%	84.7%	79.5%

Complaint Categories (excl. Social Work)
Q4 2014/15

Bias or Discrimination	Delay in Responding	Employee Attitude	Failure to Deliver Service	Policy	Other
2	9	13	83	12	28

FOI Q4 2014/15
Freedom Of Information Requests received

303
% completed on time

97%

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

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

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many transactions (face to face and telephone) were logged as handled by Customer Services staff?	CP08-P66P How many transactions were logged as handled by Customer Services staff?	45,690	**Observations:** There has been an increase in both calls and face to face contact with our Customer Service function since quarter 3, but both are slightly lower than the same quarter last year.				Les Grant
How many people were logged as coming into our Contact Centres to deal with our Customer Services staff face to face? (CP08-P63P)	Exec - Customer Services Interactions logged on CRM	18,753	**Actions we are taking to improve/maintain performance:** Work is continuing to move customer contact from Face to Face and Telephone to other more flexible and cost effective channels.				Les Grant
How many people were logged as contacting our Contact Centres by phone? (CP08-P65P)		26,937					Les Grant

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many requests for information, under the Freedom of Information Act, did we receive?	CP08-P53P How many requests for information, under the Freedom of Information Act, did we receive?	303	**Observations:** There was another quarterly increase in Freedom of Information (FOI) requests made during the fourth quarter of 2014/15, but marginally more than this time last year.	?	?	(chart icon)	Nuala McKinlay
What percentage of requests for information received, under the Freedom of Information Act, did we complete on time?	CP08-P54P What percentage of requests for information received, under the Freedom of Information Act, did we complete on time?	97%	**How are we performing:** After a period of significant decline there was a dramatic improvement in performance across 2014/15 and performance is now higher than during 2013/14.

Actions we are taking to improve/maintain performance: New staff appointments within the Information Management Team and new procedures continue to help us deal efficiently with FOIs and similar data requests. | ↑ | ↑ | △ | Nuala McKinlay |
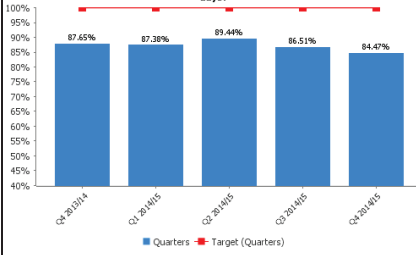
Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many complaints were received by our Social Work service?	CP08-P30P How many complaints were received by our Social Work service?	10	**Observations:** Overall decline in the number of complaints received in the last quarter of the year. In comparison to 2013/14 there has been a reduction in the number of complaints received. Overall volume remains low which make it difficult to identify trends in relation to specific events or changes.	⬆	⬆		Sylvia Mendham
How many complaints did we investigate to completion?	CP08-P10P How many complaints did we investigate to completion?	147	**Observations:** There has been a decrease of 20 complaints investigated this quarter over last quarter and a decrease of 7 against the same period last year.	⬆	⬆		Les Grant

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
How many of the complaints investigated to completion were upheld? (CP08-P11P)		43%	**How are we performing:** There has been a drop in the number of 'upheld' complaints and an increase in those categorised as 'not upheld'. **Actions we are taking to improve/maintain performance:**	⬆	⬆	📈	Les Grant
How many of the complaints investigated to completion were not upheld? (CP08-P12P)		52%	Ongoing reviews and analysis of previous quarters complaints are being used to inform and drive forward service improvements across the Council.	⬆	⬆	📈	Les Grant
How many complaints were categorised as **bias or discrimination**?		2		⬇	⬆	📈	Les Grant
How many complaints were categorised as a **delay in responding** (by the Council)?		9	**How are we performing** The reasons that customers complain remain very consistent with Failure to Deliver Service the primary reason at 56% of the total number of complaints closed.	⬆	⬆	📈	Les Grant
How many complaints were categorised as **employee attitude**?		13	**Actions we are taking to improve/maintain performance** Ongoing review of our complaints and the lessons we can learn to improve our performance are continuing.	▬	⬆	📈	Les Grant
How many complaints were categorised as our **failure to deliver a service**?		83		⬆	⬇	📈	Les Grant
How many complaints were		28		⬆	⬆	📈	Les Grant

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
categorised as "**other**"? I.e. something that cannot be categorised.							
How many complaints were categorised as "**policy**"? I.e. the way the Council has taken a decision to deal with something.		12		▬	⬆	📈	Les Grant
How many frontline complaints were responded to by us within five working days?	CP08-P58P How many frontline complaints were responded to by us within five working days? — chart showing Q4 2013/14 87.65%, Q1 2014/15 87.38%, Q2 2014/15 89.44%, Q3 2014/15 86.51%, Q4 2014/15 84.47% (Quarters, Target (Quarters))	84.47%	**How are we performing:** In Quarter 4 there were 117 Stage 1 complaints closed, of which 17 exceeded the 5 working day response target (please note this figure includes complaints where permission to extend timescales had been given). Only 1 of the 16 late cases sought to extend the response period (which is a requirement of the Complaint Handling Procedure for any complaint exceeding the 5 working day timescale at Stage 1.) **Actions we are taking to improve/maintain performance:** A revised monitoring procedure has recently been implemented within Customer Services with the aim of highlighting issues at an earlier point in the complaint process however it is too early to see how effective this is. Monitoring will continue to evaluate what further improvements can be made. Local authority benchmarking of the Scottish	⬇	⬇	🛑	Les Grant

Appendix 1: Scottish Borders Council Executive Committee – Quarterly Public Performance Report, June 2015

Short Name	Trend Chart	Current Value	Commentary	Short Term Trend	Long Term Trend	Status against Target	Managed By
			Public Services Ombudsman (SPSO) performance indications is being progressed, this will drive sharing of best practice and service improvements.				
How many complex complaints were acknowledged by us within three working days?	CP08-P59P How many complex complaints were acknowledged by us within three working days?	96.3%	**How are we performing:** In Quarter 4 there were 30 Stage 2 complaints closed. Of the 30 Stage 2 complaints, 29 were acknowledged within 3 working days (it is a requirement of the Complaint Handling Procedure to acknowledge Stage 2 complaints within 3 working days). **Actions we are taking to improve/maintain performance:** See above.	⬆	⬆	🔺	Les Grant
How many complex complaints were responded to by us within 20 working days?	CP08-P60P How many complex complaints were responded to by us within 20 working days?	79.49%	**How are we performing:** In Quarter 4 there were 30 Stage 2 complaint responses, of which 8 exceeded the 20 working day response target (Please note this figure also includes complaints where permission to extend timescales had been given). 7 of these 8 late cases sought to extend the response period (which is a requirement of the Complaint Handling Procedure, for any complaint exceeding the 20 working day timescale at Stage 2). **Actions we are taking to improve/maintain performance:** See above.	⬇	⬆	🛑	Les Grant

2014/15 UNAUDITED REVENUE OUTTURN

Report by the Chief Financial Officer

EXECUTIVE COMMITTEE

09 June 2015

1   PURPOSE AND SUMMARY

1.1   **This report provides Members with a statement comparing final revenue outturn expenditure and income for 2014/15 with the final budget for the year and explanations for significant variances.**

1.2   The revenue account for 2014/15 delivered an outturn Net Expenditure of £258.522m against a revised budget of £258.925m (after adjusting for the carry forward of earmarked balances.) An unaudited outturn underspend of £0.403m was achieved.

1.3   It is proposed that the unaudited underspend be allocated initially to the general fund unallocated reserve. The £0.403m underspend (0.16% of Final Approved Budget) was delivered following a number of earmarked balances approved by Executive during 2014/15. In total, these amount to £7.492m and relate to a number of initiatives across departments and specifically include £1.721m of carry forward for Devolved School Management.

1.4   £5.352m of balances was brought forward to 2014/15 from previous years, thus producing a net increase in balances of £2.140m during 2014/15. In addition to those above, provision has been made of £0.1m to meet the additional costs projected in 2015/16 relating to the expected COSLA residential care home uplift and new PVG arrangements for SBCares, £0.3m for the continuation of Energy Efficiency initiatives (continuation of CEEF) and £0.1m roads maintenance which is work in progress at the end of the financial year.

2   RECOMMENDATIONS

2.1   **It is recommended that the Executive:-**

a) **Notes the underspend of £0.403m as the draft unaudited final revenue outturn position for 2014/15, Appendix 1 to this report.**
b) **Notes that this draft unaudited outturn position will inform the budgetary control process and rolling quarterly financial planning process for the current and future years.**
c) **Approves the adjustments to earmarked balances noted above and in Appendix 1.**
d) **Approves, subject to conclusion of the statutory audit process, the transfer to the unallocated general fund reserve of £0.403m and provisions of £.0.5m to meet additional PVG and residential care home costs £0.1m, continuation of CEEF £0.3m and investment in Roads and Infrastructure £0.1m.**

3   BACKGROUND

3.1   On 6 February 2014, Council approved an updated Financial Strategy for the years 2014/15 - 2018/19. This was the third year in operation of an ongoing rolling five year Revenue Financial Plan, which was underpinned and delivered by the medium-term Financial Strategy. Specifically within the Financial Strategy, the key financial objectives were stated:

- freeze council tax in each year of the budget;
- set a prudent, sustainable budget in line with available resources;
- continue to invest in infrastructure through a sustainable capital programme financed by £20.8m loans charges per annum;
- provide support to an Affordable Housing Investment Programme of up to £18.8m for the delivery of 200 units; maximise income while keeping fees charged to service users at an affordable level
- continue to invest in business transformation and efficiency projects to deliver long term financial savings and service benefits, and, maintain unallocated reserves of £6.313m for 2014/15 in line with the assessed risk register.

The assessment at the end of 2014/15 is that despite financial pressures arising during the financial year, the approved strategy remains appropriate and assured.

3.2   During 2014/15 detailed Revenue Monitoring Reports were reviewed by Corporate Management Team on a monthly basis which enabled take corrective management action to be taken to address budget pressures. Where appropriate, approval was sought from Elected Members to vary budgets through self-financing budget virements.

3.3   Detailed budgetary control reports for 2014/15 were submitted for consideration by Executive members on:

- 19 August 2014 (as at the end of June)
- 11 November 2014 (as at the end of September)

- 24 February 2015 (as at the end of December)

Additionally, a further report requesting final virements and earmarked balances was made to Executive on 10 March 2015.

3.4 In addition to reporting actual expenditure / income to date, these reports projected a final outturn position compared against latest approved budget and provided explanations for material variances. Virement reports, which flowed from ongoing budgetary control, were also approved.

3.5 This report now compares the final, but unaudited, outturn for 2014/15 with final approved budgets.

4 FINAL OUTTURN STATEMENT

4.1 The revenue account for 2014/15 delivered a net underspend of £0.403m. The net expenditure position for the year was an outturn of £258.522m against a final approved budget for 2013/14 of £258.925m. The outturn includes adjustments for earmarked under spent budgets brought forward from previous years and earmarked 2014/15 budgets carried forward to 2015/16. A high level summary of the main issues affecting council departments is shown below. The detailed outturn statement for the 2014/15 revenue budget is shown in Appendix 1.

Chief Executive
Favourable variance £77k

4.2 The department achieved an underspend of £77k at the 31 March 2015, representing a variance of 0.27% of the Final Approved Budget. Savings were made as a result of a number of factors across the department, including additional private-sector leasing income, lower than anticipated occupational health and external audit costs and a number of areas of staff savings arising from managed staff turnover and delayed recruitment amounting to £146k in total. These savings and additional income however were partly offset by additional costs associated with the Borders Railway, additional printing costs and a shortfall in budgeted recharged costs to the Council's non-General funds, totalling £85k.

People Department
Adverse variance £42k

Children & Young People

4.3 At the 31 March 2015, the Children & Young People department is carrying forward £808k in respect of Devolved School Management (DSM) balances for Primary Schools and £709k in relation to Secondary Schools. The department has also carried forward £204k to meet ERVS costs in 2015/16. Following rigorous budget management during the year, in addition to DSM balances, the service delivered a planned underspend of £292k in order to offset pressures experienced across the wider People department. The main area of managed savings is within Early Years, where the phased introduction of the new Early Years and Childcare service and a reduction in planned discretionary ICT spend has resulted in savings of £237k. A similar reduction in spending within Central Schools and Community Learning and Development delivered a further £51k of savings. Remaining areas of savings within the service relate to lower than anticipated costs of long-term absences and transport, offset by additional staffing costs and increased uptake of free school meals for P1-3 children, which now sits at 76% on average across the Scottish Borders.

Adult Services

4.4 Adult Services experienced a considerable range of pressures during 2014/15, many of which have been addressed through remedial actions being identified and delivered and, going forward, by investment within the 2015/16 Financial Plan. The main service area which continues to experience significant financial pressure remains Older People, where a combination of increased demand for home and residential care services, particularly amongst clients aged 75+, continues to increase beyond levels projected and budgeted for. A further key area of pressure relates to the increasing costs of homecare and community-based care due to a combination of pressure from providers for rate/contractual increases, unbudgeted holiday pay and in particular, the increased costs of homecare resulting from retendering. The People with Physical Disabilities service also experienced pressure during 2014/15 due to a small number of additional high-tariff clients being supported by the service. The unit-cost of intensive care of this nature tends to by high due to complexity of clients' needs. Overall, the pressures across the department were substantially mitigated by managed savings within Adults with Learning Disabilities, People with Mental Health Needs and Generic Services where action plans for the delivery of in-year savings contributed £263k to meeting pressures overall, which resulted in the total overspend within the service amounting to £334k in net terms, offset in the main, by the further managed underspend within Children & Young People as outlined in 4.3 above.

Place Department
Favourable variance £462k

Commercial Services

4.5 Within the Place department, Commercial Services has delivered an underspend at 31 March 2015 of £301k. This is attributable to a number of factors including increased profitability by Fleet Management £89k, Catering and Property savings £178k and other additional income and miscellaneous cost savings within the service.

Neighbourhood Services

4.6 Due to relatively dry weather conditions during the second half of the financial year, savings of £45k were achieved from lower than projected leachate management costs. Increased income from waste collection and disposal and a reduction in the use of overtime further contributed £32k to the service total saving of £199k as did additional income from the winter maintenance of trunk roads of £26k. The remaining balance of £100k was attributable to budget allocated to the service late in the year for the maintenance of roads, which was not undertaken until early 2015/16 and for which provision has been made in the balances returned to the general fund reserve at 31 March.

Regulatory Services

4.7 A small adverse budget position at the 31 March of £38k was attributable to additional legal fees in relation to the Waste Management legal case defended during the year (£85k) and lower income from Planning Fees (£25k), offset by lower election costs £25k and additional income/miscellaneous cost savings within Regulatory Services £25k.

Other Services
Favourable variance £387k

4.8 Overall, there was a saving of £80k within Other Services at 31 March 2015. A number of virements were made to/from Other Services during the financial year in order to deal with additional costs of Corporate Transformation and ERVS, both of which ended the year with variances of (£44k) and (£66k) over budget

respectively and to offset savings in Loans Charges due to managed borrowing, and additional Commercial Rental income.

4.9   The Council also collected £307k additional Council Tax income during 2014/15, representing 0.6% more than the £51.3m budgeted level. Members will recall that additional savings have been included within the 2015/16 Financial Plan in order to recognise this increase in Council Tax income.

5   FINANCIAL PLAN SAVINGS

5.1   A summary of the delivery of all savings agreed within the 2014/15 Financial Plan is outlined in Appendix 2 to this report and can be summarised for the Council as a whole as:

SBC (Total) Efficiency Savings Progress £'000

- Profiled to be achieved by alternative, £- , 0%
- Achieved by alternative (Perm), £93 , 1%
- Achieved by alternative (Temp), £1,557 , 19%
- Delivered as per FP, £6,466 , 80%
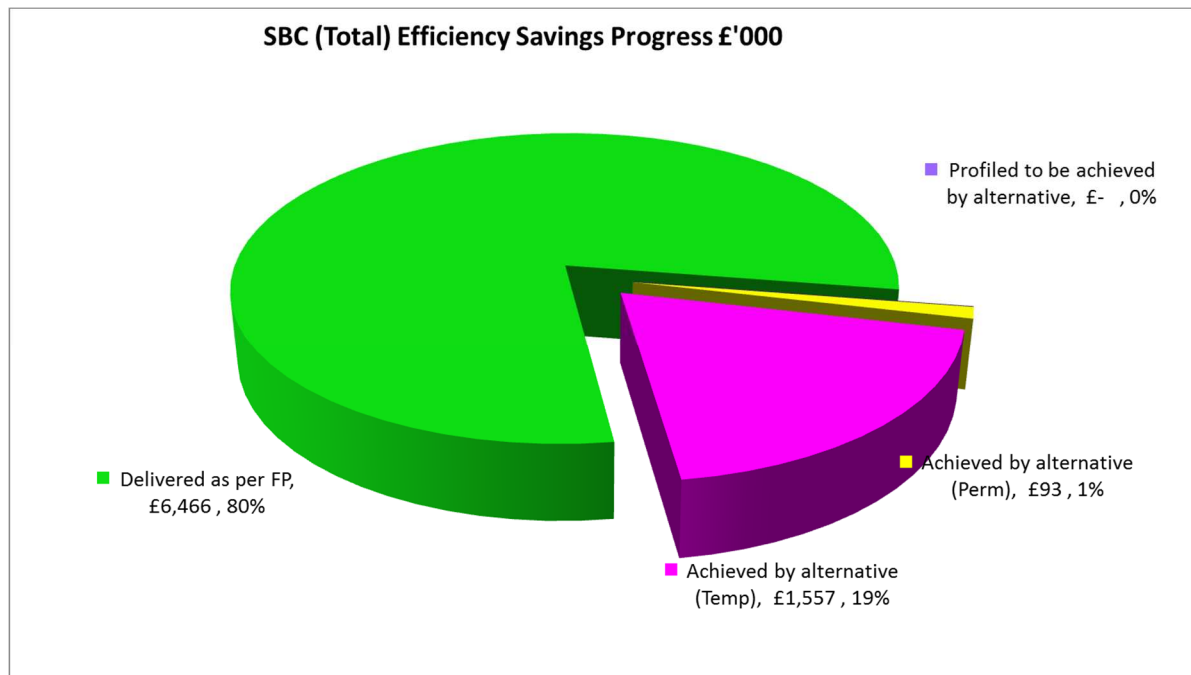
5.2   Overall, savings of £8.116m were delivered during 2014/15. Of these, £6.466m (80%) were delivered in full as intended within the Financial Plan. The remaining 20% were delivered by alternative measures although the vast majority these alternative measures were only temporary and thus a further £1.557m will require to be addressed permanently during 2015/16.

5.3   The graph above nonetheless continues to highlight the ongoing sustained improvement overall in the delivery of agreed savings and 80% full delivery in 2014/15, when compared to % levels in 2013/14 and 2012/13 of 70% and 50%, demonstrates this, testimony to the regular monthly analysis, reporting and challenge made during the financial year, although ongoing effort will be required going forward to further improve this delivery performance.

6   IMPLICATIONS

6.1   **Financial Recommendations**
There are no costs attached to any of the recommendations contained in this report its content being specifically related to reporting the Revenue Account Outturn in as at 31 March 2015.

6.2 **Risk and Mitigations**

There is a risk that the final outturn will change subject to the on-going external audit. Additionally, the recurring impact of reported pressures during the financial year and the temporary achievement of 19% of planned efficiency savings will require addressing in 2015/16.

6.3 **Equalities**

It is anticipated there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.

6.4 **Acting Sustainably**

There are no significant effects on the economy, community or environment.

6.5 **Carbon Management**

No effect on carbon emissions are anticipated from the recommendation of this report.

6.6 **Rural Proofing**

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

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

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

7 CONSULTATION

7.1 CMT, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit & Risk, the Chief Officer HR, and the Clerk to the Council have been consulted with comments received reflected in this paper

Approved by

David Robertson
Chief Financial Officer   Signature…………………………………..

Author(s)

Name	Designation and Contact Number
Paul McMenamin	Business Partner 01835 824000 x5277

Background Papers:
Previous Minute Reference:

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Contact us at Paul Mcmenamn, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA; Tel: 01835 825018.
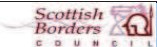
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APPENDIX 1

REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL   2014/15
SUMMARY
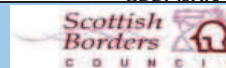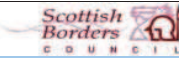
	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Earmarked Balances	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Chief Executive	28,881	28,805	77	0	77	The Chief Executive's department has generated a minor underspend of £77k as a result of a number of small service variances.
People	164,150	163,650	500	(527)	(27)	The People Department outturn of £163.6m reflects an underspend of £301k in Children & Young People, an underspend of £15k in Business Support and an overspend of £334k in Adult Services. A delay in the full roll-out of the enhanced Early Years provision, with a lower profiled uptake to date, has resulted in an underspend of £237k when compared to budget. Minor changes to manpower spend compared to previous forecasts leave a net underspend of £14k in Primary and Secondary schools after earmarking £1.517m in DSM carry forward. A cessation of non critical expenditure in the last six weeks of the financial year has generated an underspend of £38k in Central Schools, £18k in Community Learning & Development and £15k in Business Support. A combination of reduced income from client contributions against prior year (£300k) and increased demand for services above budget (£450k), offset by reduction in care package unit costs and management of staff turnover.
Place	36,275	35,808	467	0	467	The Place dept outturn of an underspend of £467k was created from a number of different budget centre underspends and generation of additional income. Most significant of these were Fleet Management £89k, Property & Facilities Management £178k, within this budget area there was a significant contribution from Catering due to lower food costs. Within Neighbourhood Services Waste has an underspend of £77k assisted by lower leachate management costs due to drier than average weather. Neighbourhoods underspent by £126k due to additional income earned from Capital Works. These savings were partially offset by higher one-off legal costs associated with a Waste court action which was successfully defended.
Loan Charges	19,376	19,330	46	0	46	Saving due to tactical deferral of borrowing.
Other	10,244	10,114	130	(96)	34	Other has generated a minor underspend of £34k as a result of a number of small budget movements.
Total	**258,925**	**257,707**	**1,219**	**(623)**	**596**	
Financed by:						
Revenue Support Grant	(175,624)	(175,624)	0	0	0	
Non-Domestic Rates	(31,013)	(31,013)	0	0	0	
Council Tax	(51,392)	(51,699)	307	0	307	Additional Council Tax collected.
Reserves:						
Earmarked Balances from 2013/14	(5,352)	(5,352)	0	0	0	
Earmarked Balances for future years	6,700	7,323	(623)	623	0	
Transfers to\from Reserves & Year-end Adj's	(2,244)	(1,744)	(500)	0	(500)	£100k provision for SB Cares PVG checks / residential care home uplift SB Cares, £300k provision for contribution to Energy Efficiency & Change Fund, £100k provision for roads maintenance.
	(258,925)	(258,109)	(816)	623	(193)	
Under/(Overspend)	(0)	(403)	403	(0)	403	

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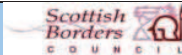
REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
CHIEF EXECUTIVE

Chief Executive	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Earmarked Balances	Variance against final adjusted Budget (£'000)	Reasons for material variances
Chief Executive	**409**	**403**	**6**	**0**	**6**	
Executive Support	**389**	**397**	**(8)**	**0**	**(8)**	
Strategy & Policy						
Strategic Policy Unit	1,129	1,130	(1)	0	(1)	
Economic Development	1,859	1,875	(16)	0	(16)	Additional costs incurred for train publicity wrap (£5k) and destination audit for the Scottish Borders as per Borders Railway Blueprint (£11k).
Housing Strategy & Services	3,377	3,329	48	0	48	Additional income received from Private Sector Leasing (PSL) properties. This is the first year of running the service in-house in addition to operating a new rent accounting system.
Democratic Services	1,388	1,383	5	0	5	
Audit & Risk	558	547	11	0	11	Underspend in employee costs due to transfer of Housing Benefit Fraud Investigation Team to Department for Work and Pensions (DWP) wef 1 March 2015.
Sub-total Strategy & Policy	**8,311**	**8,264**	**47**	**0**	**47**	
Finance	**3,885**	**3,876**	**10**	**0**	10	External audit fee less than anticipated (£10k).
Human Resources						
HR	1,443	1,393	50	0	50	Occupational Health Fee lower than anticipated £50k
HRSS	744	731	13	0	13	Staff turnover savings (£13k) - vacancies projected but not filled, and overtime less than projected.
Sub-total Human Resources	**2,187**	**2,124**	**63**	**0**	**63**	
Business Transformation						
Transformation	835	830	5	0	5	
Information Technology	5,196	5,182	14	0	14	Underspend due to delayed recruitment (£14k).
Community Services	4,777	4,772	5	0	5	
Health & Safety	372	368	4	0	4	
Emergency Planning	129	128	1	0	1	
Communications	583	601	(18)	0	(18)	Additional click and paper costs within Print Services due to significant increase in usage by departments (£18k).
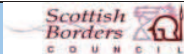
REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
CHIEF EXECUTIVE

Scottish Borders COUNCIL

Chief Executive	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Earmarked Balances	Variance against final adjusted Budget (£'000)	Reasons for material variances
Sports Trusts	2,424	2,425	(1)	0	(1)	
Sub-total Business Transformation	**14,316**	**14,306**	**10**	**0**	**10**	
Recharge to Non-General Fund	**(616)**	**(565)**	**(51)**	**0**	**(51)**	Unachievable income (£51k) due to reduced level of recharges to funds (e.g. Pension, Loans, Common Good) being lower than budget assumption.
Total - Chief Executive	**28,881**	**28,805**	**77**	**0**	**77**	

Key Highlights
Scottish Government and EU funding has been approved to fund 158 work placements for young unemployed people via the 'Youth Employment Scotland Scheme' (increased from original 50 placements). 152 job offers have been made, and 158 are expected to be approved by end March. Over 65% of these 6 month work placements have now concluded, with an estimated retention rate of around 80% of young people staying on in employment. In parallel, youth unemployment rates are falling, with the number of 18-24 year olds claiming Job Seekers Allowance in January 2015 now 320 (4.1%), down from 370 in September (4.7%). The Youth Employment Scotland Scheme ended in March 2015.
The 2014/15 business grant fund was 122% allocated for the year (£121,738). The over-commitment was funded by unclaimed grant from previous years. 44 grants have now been awarded in total to support projects with a value of over £266k. These projects are forecast to create 84.5 jobs and safeguard 118 jobs, with a forecast economic impact of £2 million Gross Value Added (GVA).
Fraud Team transferred to Department for Working Pensions (DWP) on 1 March 2015 (3 FTE).

Key Challenges
Achieving savings identified in the Financial Plan on a permanent basis proved to be challenging, but was delivered despite low staff turnover.
Demand in 2014/15 for business grants exceeded the base budget, as planned.

Key Risks
Failure to deliver the Business Transformation programme within available resources was an ongoing risk to the achievement of longer term savings. £1.4m of savings were delivered during 2014/15, 20% of which still requires permanent solutions to be delivered. Ongoing review of the transformation savings delivery plan continues.

REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
PEOPLE
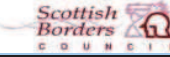
Scottish Borders COUNCIL

People	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Earmarked Balances	Variance against final adjusted Budget (£'000)	Reasons for material variances
Children & Young People						
Early Years	5,706	5,469	237	0	237	£249k underspend reported to Executive in February. £199k resulting from the phased introduction of a more flexible Early Years and Childcare service and further £50k budget made available through ceasing discretionary spend on ICT equipment. This amount has reduced by £12k to £237k as a result of higher than anticipated Contracted Private & Voluntary Nursery payments.
Primary Schools	31,568	31,297	271	(233)	38	£233k increase to DSM carry forwards was funded from underspends in schools cash budgets. £42k final underspend due to lower than anticipated long term absence costs during February and March. Total Primary DSM carry forward is £808k.
Secondary Schools	40,045	39,779	266	(294)	(28)	£294k increase to DSM carry forwards was funded across both staffing and cash budgets. £28k net overspend resulting from the approval of 2 late manpower pressures (1 relating to overlap with a departing teacher and the other attributable to the costs of accrued leave of a long term absence). Total Secondary DSM carry forward is £709k.
Central Schools	2,510	2,477	33	0	33	Further to a £12k reported underspend to the February Executive resulting from a cessation of non service critical expenditure, further savings have been made in this area during March.
Transportation	3,533	3,523	10	0	10	Small underspend in home to school transport costs following significant additional resource transferred to this service during the year to meet projected pressures.
School Meals	1,275	1,291	(16)	0	(16)	Increased uptake of free meals for P1-P3 during February & March after a slower start in January. Total uptake of free school meals provision is 76% at the end of the financial year.
Community Learning & Development	1,053	1,035	18	0	18	Underspend in line with that reported to the February Executive due to one off savings in third party payments.
Integrated Children's Services (ICS)	25,489	25,489	0	0	0	
Sub-total Children & Young People	**111,179**	**110,360**	**819**	**(527)**	**292**	
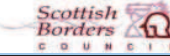
REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
PEOPLE

People	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/unders pend	
Chief Social Work Officer						
Services in the Criminal Justice System						
Gross Expenditure	1,334	1,334	0	0	0	
Income	(1,334)	(1,334)	0	0	0	
	0	**0**	**0**	**0**	**0**	
Adult Services						
Older People	23,690	24,195	(505)	0	(505)	Increased demand for homecare / residential care £450k being only partially addressed by investment of demographic growth funding, together with unbudgeted corporate pressure on holiday pay £71k, £86k additional transport costs and £81k additional Bordercare costs. Care package reductions following review (£240k) have partly mitigated these pressures.
Adults with Learning Disabilities (AWLD)	13,844	13,766	78	0	78	Managed review of care packages for a small number of additional clients has enhanced ability to contribute to offset pressures across department.
People with Physical Disabilities (PWPD)	3,081	3,174	(93)	0	(93)	As reported last month a substantial care package for an additional client agreed for during the last third of the financial year, in addition to previous pressures in care packages above budget coupled to one particular package not now being funded by NHS Borders as previously assumed.
People with Mental Health Needs	2,231	2,162	69	0	69	Efficiencies delivered through: Housing support Contract re-negotiations, staff turnover management savings and package cost reductions.
Generic Services & Staff Teams	5,293	5,177	116	0	116	Further savings on vacancy management and rigorous challenge of staff turnover.
Adult Services	**48,140**	**48,474**	**(334)**	**0**	**(334)**	
Business Support						
SW Performance & Improvement	3,174	3,181	(7)	0	(7)	
E&LL Strategic Support	1,657	1,635	22	0	22	Underspend in Disclosure costs as well as general underspends resulting from the cessation of non business critical expenditure.
Sub-total Business Support	**4,831**	**4,816**	**15**	**0**	**15**	
Total - People	**164,150**	**163,650**	**500**	**(527)**	**(27)**	

REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
PEOPLE

Key Highlights

Savings in the delivery of the Early Years Service and the cessation of non-business critical expenditure during March has resulted in Children & Young People and Business Support reporting savings of £301k and £15k respectively. These amounts vary slightly from those reported to the February Executive, details noted above.

Pressures in the Children & Young People department in Integrated Children's Services - Out of Authority Placements and also in non-devolved schools long term absence costs have been managed throughout the year.

The impact of the savings within Children and Young People offsetting the residual pressures across Adult Services has resulted in a near-breakeven position to be reported at outturn for the People Department as a whole. This position has only been achieved through rigorous challenge and management of expenditure and income across the department and masks significant ongoing issues within Older People services.

Key Challenges

Delivering savings detailed in the Financial Plan from the Children & Young People transformation program, whilst being unable to reduce teacher absolute numbers will be the key challenge for the service in 2015/16.

A number of areas of pressure within Older People and Learning / Physical Disability services reported during 2014/15 will continue into 2015/16. A combination of additional Financial Plan investment into these areas of budget in 2015/16 (£1.6m), coupled to ongoing plans for management of these pressures should in the main, address this position going forward.

Key Risks

Ongoing delivery of savings assumed in the Financial Plan in relation to the learning delivery framework & schools review is a key area of risk to the Council in 2015/16.

REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
PLACE

Place	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Earmarked Balances	Variance against final adjusted Budget (£'000)	Reasons for material variances
Commercial Services						
Infrastructure Asset Management	2,385	2,362	23	0	23	£13k additional saving in final quarter electricity, £9k manpower saving.
Pay Parking	33	33	0	0	0	
Fleet Management	(71)	(160)	89	0	89	Higher Dayworks Labour income & Material profit. Increased profit margin from vehicle hires and decreased sub-contractor costs in the final two months. Review of Business Support processes in FM and possible software upgrades to be examined to address Dayworks forecasting issues experienced.
Passenger Transport	2,076	2,050	26	0	26	Known manpower saving within Passenger Transport Management.
Design Services	137	104	33	0	33	Additional income recharges in final quarter.
Projects	104	103	1	0	1	
Trading Contribution	(655)	(606)	(49)	0	(49)	Lower than anticipated margin on contract works has impacted on SBc Contracts' profit.
Property & Facilities Management	3,639	3,461	178	0	178	Lower than anticipated food cost percentage within Catering £97k. Small increases in a number of income sources £27k. Utility savings across the office accommodation portfolio £37k and West Linton Primary School rates paid within Education £17k.
Sub-total Commercial Services	**7,648**	**7,347**	**301**	**0**	**301**	
Neighbourhood Services						
Customer Services	1,646	1,653	(7)	0	(7)	
Waste	8,141	8,064	77	0	77	Leachate is weather dependant and it has been drier than anticipated in the latter months of 2014/15 resulting in a one-off £45k underspend. Increased income for metal, bulky uplifts and tipping fees predominately relating to price negotiations and increased fees £19k. Overtime decreased following various service efficiency drives.
Safer Communities	395	392	3	0	3	
Neighbourhoods	12,834	12,708	126	0	126	Additional net trunk road income due to prolonged cold weather. An anticipated underspend of £100k prior to year end was allocated to Neighbourhoods roads to undertake road maintenance which was carried out in early 2015/16.
Sub-total Neighbourhood Services	**23,016**	**22,817**	**199**	**0**	**199**	

REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
PLACE

Scottish Borders COUNCIL

Place	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Earmarked Balances	Variance against final adjusted Budget (£'000)	Reasons for material variances
Regulatory Services						
Assessor & Electoral Registration Officer	648	613	35	0	35	Lower than anticipated Individual Electoral Registration (IER) canvassing costs £15k. Lower postage costs as a consequence of increased online registration £10k. IER funding claim settled in full.
Legal Services	527	602	(75)	0	(75)	Known additional legal fees from Waste Consultancy case (£85k), partially offset by manpower and transport savings £10k
Planning	985	1,010	(25)	0	(25)	Lower than anticipated planning fee income.
Regulatory Services	1,184	1,159	25	0	25	£10k Additional pest control income, £10k saving in food sampling costs and £5k manpower saving.
Built & Natural Heritage	928	926	2	0	2	
Sub-total Regulatory Services	**4,272**	**4,310**	**(38)**	**0**	**(38)**	
Business Support	**1,339**	**1,334**	**5**	**0**	**5**	
Total - Place	**36,275**	**35,808**	**467**	**0**	**467**	

Key Highlights
Achieved an overall Underspend of £467k with significant contributions from a number of service areas having dealt with several known in-year pressures.

Key Challenges
Embedding and further developing effective budgetary controls into key areas of the new Place service is ongoing.

Key Risks
Key risk for potential future in year pressures are centred on effectively controlling Neighbourhood services expenditure on overtime and materials in line with available budgets.
Maintaining the SBc Contracts surplus level in challenging trading conditions post The Borders Railway project work.
The Planning service is highly dependent on fee income to achieve their budget target although the current projection realistically reflects what is achievable.

REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
OTHER

Other	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Earmarked Balances	Variance against final adjusted Budget (£'000)	Reasons for material variances
Corporate Transformation						
Transformation (Projects)	319	363	(44)	0	(44)	One-off costs associated with project work to establish SB Cares & implement SW Charging Review project.
Change Fund	0	0	0	0	0	
Broadband	314	218	96	(96)	0	Issues with contractor has caused delays in roll-out resulting in increase to Earmark balance (£96k).
Sub-total Corporate Transformation	**633**	**581**	**52**	**(96)**	**(44)**	
Early Retirement/Voluntary Severance	**982**	**1,048**	**(66)**	**0**	**(66)**	One-off costs associated with changes to the Council's workforce.
Fairer Scotland	**13**	**13**	**0**	**0**	**0**	
Loan Charges	**18,179**	**18,133**	**46**	**0**	**46**	£146k saving due to tactical deferral of borrowing. Position reported follows transfer of £100k budget to increase Provision for Bad Debts.
Capital Financed from Current Revenue (CFCR)	1,197	1,197	0	0	0	
Interest on Revenue Balances IORB	**(10)**	**(20)**	**10**	**0**	**10**	Higher cash balances resulting in increased interest received (£10k).
Contribution to Property Maintenance	**2,218**	**2,218**	**0**	**0**	**0**	
Provision for Bad Debts	**225**	**225**	**0**	**0**	**0**	Provision increased from underspend in Loan Charges (£100k).
Housing Benefits						
Gross Expenditure	30,008	29,873	135	0	135	
Income	(29,241)	(29,155)	(86)	0	(86)	
	767	**718**	**49**	**0**	**49**	Higher than anticipated subsidy income received in relation to Rent Allowance claims
Discretionary Housing Payments						
Gross Expenditure	802	813	(11)	0	(11)	Higher than anticipated DHP claim Adjustments.
Income	(465)	(465)	0	0	0	
	337	**348**	**(11)**	**0**	**(11)**	
Council Tax Reduction Scheme	**5,600**	**5,550**	**50**	**0**	**50**	Reduction in benefit caseload despite various take up campaigns being carried out. This reducing caseload is line with a National Trend.

REVENUE OUTTURN STATEMENT
SCOTTISH BORDERS COUNCIL
OTHER

Other	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Earmarked Balances	Variance against final adjusted Budget (£'000)	Reasons for material variances
Non Domestic rates Relief	150	127	23	0	23	
Commercial Rents	(1,046)	(1,066)	20	0	20	Additional income from rent reviews, new tenancies.
Scottish Welfare Fund						
Gross Expenditure	375	372	3	0	3	
Income	0	0	0	0	0	
	375	372	3	0	3	
Total - Other	29,620	29,444	176	(96)	80	
Key Highlights						
Key Challenges						
Loan charges are dependant on progress with the Capital Plan and borrowing required throughout the year.						
Key Risks						

SBC (Total) Efficiency Savings Progress £'000

■ Profiled to be achieved by
alternative, £- , 0%

■ Delivered as per FP,
£6,478 , 80%

■ Achieved by alternative
(Perm), £93 , 1%

■ Achieved by alternative
(Temp), £1,557 , 19%
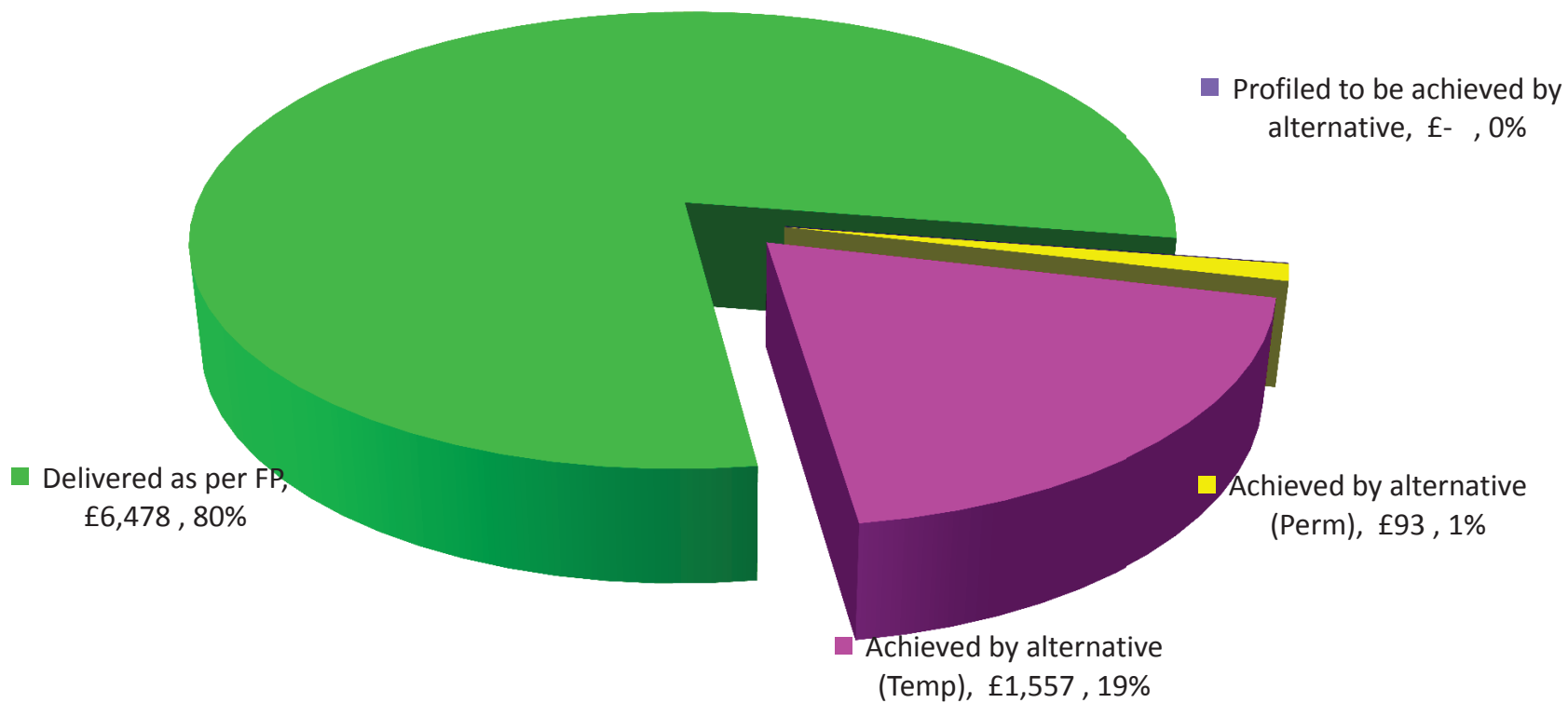
FINANCIAL PLAN EFFICIENCY PROGRESS 2014/15

	Saving £'000
Status	
Delivered as per FP	£ 6,478
Profiled to be achieved	£ -
Profiled to be achieved by alternative	£ -
Achieved by alternative (Perm)	£ 93
Achieved by alternative (Temp)	£ 1,557
Not Achieved - Risk	£ -
	8,128

Chief Executive & Other Efficiency Savings Progress £'000

Delivered as per FP
£1,152 80%

Achieved by alternative
(Temp) £281 20%
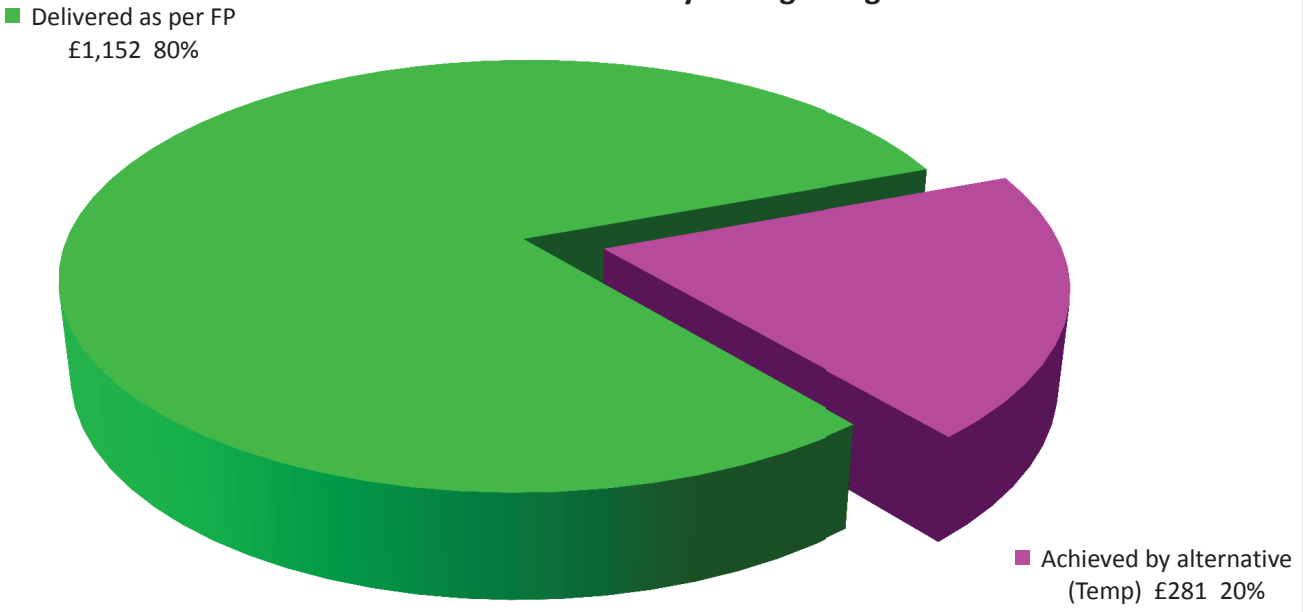
FINANCIAL PLAN EFFICIENCY PROGRESS 2014/15

CHIEF EXECUTIVE & OTHER

Savings :

	£'000	Delivered as per FP	Profiled to be achieved	Profiled to be achieved by alternative	Achieved by alternative (Perm)	Achieved by alternative (Temp)	Not Achieved - Risk	Comment	Perm/Temp	Status
Savings in Executive Support	14	14							P	
Savings in Finance	140	140							P	
Savings in HRSS	26	19				7				
Savings in Communications	19	19							P	
Adopt self insurance model for delivery of life insurance	39	39							P	
Savings in Audit & Risk Management / Health & Wellbeing	1	1							T	
Savings in HR & Workforce Planning	54	54								
Savings in Democratic Services	21	21							P	
Savings in Information Technology	153	78				75			P	
Savings in Business Transformation	85					85				
Bring private sector leasing service in-house	100	100							P	
Savings in Housing Strategy & Services	3	3								
Savings in Strategic Policy Unit	1					1				
Savings in Economic Development	1					1			P	
Terms & Conditions	91	91							P	
Savings in Housing Business Support Services	11	5				6				
Cultural Services Review	65	65								
Review of Heritage Hub budget (Heart of Hawick)	20					20		Funded temporarily from projected savings in Comm/ Services		
Community asset Transfer (CC's) (2012-13 FYE)	20					20		Saving requirement brought forward from 2013/14 as only met temporarily last year		
Arts development (Prior Yrs NOT Met Permanently)	9	3				6		Saving requirement brought forward from 2013/14 as only met temporarily last year		
Review of Comm. Serv Management (Prior Yrs NOT Met Permanently)	60					60		Saving requirement brought forward from 2013/14 as only met temporarily last year		
Reduction in Loan Charges	500	500								
	1,433	1,152	0	0	0	281	0			

Status — **Saving £'000**

Status		
Delivered as per FP	£	1,152
Profiled to be achieved	£	-
Profiled to be achieved by alternative	£	-
Achieved by alternative (Perm)	£	-
Achieved by alternative (Temp)	£	281
Not Achieved - Risk	£	-
		1,433

People Efficiency Savings Progress £'000

■ Delivered as per FP
£3,198 84%

■ Profiled to be achieved
by alternative £-   0%

■ Achieved by alternative
means (Perm) £93 3%

■ Achieved by alternative
(Temp), £255 , 7%

FINANCIAL PLAN EFFICIENCY PROGRESS 2014/15

PEOPLE

Savings :

	£'000	Delivered as per FP	Profiled to be achieved	Profiled to be achieved by alternative	Achieved by alternative (Perm)	Achieved by alternative (Temp)	Not Achieved - Risk	Comment	Perm/ Temp	Status	Saving £'000
Review Provision of Primary Education	390	390							P		
Review Provision of Secondary Education	860	816				44			P / T		
Review SJC staffing allocation model	150	150							P		
Review of Early Years	150	150							P		
Extend peripatetic janitor model	20	20							P		
Review Music Instruction	18	18							P		
Targeted efficiency saving from Outdoor Education	10	10							P		
Targeted DSM cash saving	43	43							P		
Review CPD provision	14	14							P		
Reduce Management Fee to Sports Trusts	60	60							P		
Removal of copyright budget for schools (centralised SG)	25	25							P		
Review National Grid for Learning (NGfL) staffing	25	25						Now fully achieved by way of budget allocation from ICT	P		
More efficient use of premises for evening lets (2013-14 Part Year)	14					14		Temporarily achieved by alternative in 2014-15			
More efficient use of premises for evening lets (2014-15 Full Year Effect)	55					55		Temporarily achieved by alternative in 2014-15			
Review pricing of Primary School meals	18	18						Fully achieved in 2014-15 per current monitoring			
Reduce Community Learning & Development budgets	30	30						Fully achieved in 2014-15 per current monitoring			
Reduce commissioned services from Children and Young People's Planning Partnership (CYPPP)	50	50							P		
Review cleaning arrangements in Schools	20					20		Achieved by other means 2014-15			
Charge for Privilege lifts	12	12						Achieved as part of overall transport pressure			
Savings from ERVS applications	27	15				12		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Transportation (2012-13 FYE)	75					75		£118k pressure overall, offset by available budget elsewhere in dept.			
Review delivery model for ICS short-term outreach service	35					35			T		
Review Music Instruction	27	27						Fully achieved in 2014-15 per current monitoring			
Manpower Terms & Conditions	310	310							P		
Review of all Social Work Business Support Services	109	109							P		
Review of Night Time support	59	59							P		
Review of Social Care & Health Specialist Support services	36	36							P		
Reduce cost of commissioned spend by a further 1% p.a.	125	125							P		
Reduce self-directed support price point	100					100			P		
Bring specific AWLD into local provision	50				43	7			P		
Review of home care charge taper rate	150	150							P		
Inflationary increase on Bordercare charges	4	4							P		
Use a proportion of current Care beds in a more flexible manner	120	120									
Review of care packages to include a reablement approach	362	362						Saving requirement brought forward from 2013/14 as only met temporarily last year			
Bring specific AWLD disabilities into local provision	50				50			Saving requirement brought forward from 2013/14 as only met temporarily last year			
Revise specific contract from block commitment to spot	50	50						Saving requirement brought forward from 2013/14 as only met temporarily last year			
Review of home care charge taper rate	138					138		Saving requirement brought forward from 2013/14 as only met temporarily last year			
	3,791	**3,198**	**0**	**0**	**93**	**500**	**0**				

Status legend:

Status		Saving £'000
Delivered as per FP	£	3,198
Profiled to be achieved	£	-
Profiled to be achieved by alternative	£	-
Achieved by alternative means (Perm)	£	93
Achieved by alternative means (Temp)	£	500
Not Achieved - Risk	£	-
		3,791

Place Efficiency Savings Progress £'000

Delivered as per FP
£2,128 73%

Achieved by alternative
(Temp) £776 27%

FINANCIAL PLAN EFFICIENCY PROGRESS 2014/15

PLACE

Savings :	£'000	Delivered as per FP	Profiled to be achieved	Profiled to be achieved by alternative	Achieved by alternative (Perm)	Achieved by alternative (Temp)	Not Achieved - Risk	Comment	Perm/ Temp	Status	Saving £'000
Savings in Assessors Service	26	26							P		
Estates rationalisation/savings in Property & Facilities Mgt	123	123							P		
Savings in Customer Services	45	45							P		
Savings in Legal Services	21	21							P		
Savings from rates appeals	65					65		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Estates rationalisation	42	42						Saving requirement brought forward from 2013/14 as only met temporarily last year			
Extend non-competitive action with bring bank provider - textiles	9	9						Saving requirement brought forward from 2013/14 as only met temporarily last year			
E&I transformation savings	704	467				261		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Additional income from transformation of aggregates	40					40		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Savings from rates appeals	20					20		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Review of Fees & Charges	80	80									
Terms & Conditions	128	128							P	Delivered as per FP	£ 2,128
Review of SB Wardens	200	200							P	Profiled to be achieved	£ -
Integrated Waste Strategy	500	500							P	Profiled to be achieved by alternativ	£ -
Changes to E&I Working Patterns	250	250							P	Achieved by alternative (Perm)	£ -
Review of Parks & Open Spaces	250	145				105				Achieved by alternative (Temp)	£ 776
Energy Efficient Street Lighting	66	66								Not Achieved - Risk	£ -
Review of Passenger Transport	270					270					2,904
Increase in Regulated Bus Fares	26	26									
Introduction of charges for pre-planning application advice	15					15		Temporarily achieved by alternative in 2013/14			
	2,880	2,128	0	0	0	776	0				

ITEM NO. 7

BALANCES AT 31 MARCH 2015

Report by CHIEF FINANCIAL OFFICER

EXECUTIVE COMMITTEE

09 June 2015

1   PURPOSE AND SUMMARY

1.1   **This report provides the Executive Committee with an analysis of balances as at 31 March 2015.**

1.2   The Council's General Fund useable reserve (non-earmarked) balance is £7.259m at the end of the current financial year which exceeds the target set in the Council's approved Financial Strategy for 2014/15. The total of all revenue fund balances is £17.767m, compared to £16.351m at the end of 2013/14. It should be stressed that the 2014/15 balances are before a series of technical accounting adjustments, the effect of which are expected to be broadly neutral. There are a number of areas of expected pressures identified for 2015/16, which if not addressed during the financial year, may require the drawdown of further resources from the useable reserve.

1.3   The useable balance reflects approved budgets allocated to support the Revenue Financial plan, the commitment of reserves returned from the former Lothian and Borders Police and Fire joint boards to a variety of projects and the earmarking of budgets to support Corporate Transformation, ERVS and Roads repairs and maintenance.

1.4   The total of all useable balances, excluding developer contributions, at 31 March 2015 is £26.279m, compared to £24.921m at 31 March 2014. It should be noted that the 2014/15 figures include £7.492m of balances earmarked for use in 2015/16 and future years.

2   RECOMMENDATIONS

2.1   **It is recommend that the Executive notes:-**

   (a)   the projected revenue balances as per Appendices 1 & 2.

   (b)   the current balance in the Capital Fund as per Appendix 3.

3 **ACCOUNTS AND FUNDS OPERATED BY THE COUNCIL**

3.1 Income and expenditure relating to the Council's services are accounted for and financed through the following funds (as required or permitted by statute):-

- General Fund
- Corporate Property Repairs & Renewals Fund
- Insurance Fund
- Plant & Vehicles renewals Fund
- Capital Fund

3.2 The total unaudited useable balances excluding developer contributions at 31/3/2015 is £26.280m compared to £24.921m at 31/3/2014 detailed as follows:-

BALANCES	2013/14 £000	2014/15 £000
Earmarked Balances (non DSM)	4,248	5,771
Earmarked Balances (DSM)	1,274	1,721
Allocated Reserves	4,516	3,117
Revenue (Unallocated Reserve)	6,313	7,159
Corporate Property Repairs & Renewals Fund	300	39
Insurance Fund	1,361	1,314
Plant & Vehicles Renewals Fund	5,416	5,646
Capital Fund (exc. Developer Contributions)	1,493	1,513
	24,921	**26,280**

3.3 The balances shown above are before a series of technical adjustments which are required to reflect international accounting requirements. These adjustments are expected to be broadly neutral in terms of the final balances but are excluded from this report to ensure a like-for-like comparison with the projected balances and monitoring reports which have been presented to the Executive during the year.

4 **BALANCES AT 31 MARCH 2014**

4.1 Appendix 1 summarises the projected transactions and resultant balances at 31 March 2015 on the General Fund and Appendix 2 shows the projected non-General Fund balances. The net effect is the useable General Fund balance after excluding earmarked funds at **£7.159m** at 31 March 2015.

Reflected in the General Fund useable balance is:-

- A provision for Energy Efficiency & Change Fund in 2015/16 of £300k to continue SEEF for one further year

- A provision for additional costs in 2015/16 relating to PVG checks

and the proposed COSLA Residential Care Home increase of £100k

- A provision for additional roads maintenance £100k

4.2   The Council holds an unallocated reserve balance in order to manage identified risks, smooth uneven cash flows and provide a contingency against unforeseen circumstances.

4.3   The Corporate Financial Risk Register was considered at the Council Meeting on 12 February 2015 and identifies potential risks which include failure to control budgets within approved limits, severe weather events, the economic downturn, potential contractual claims and unplanned emergencies. The accumulated financial risk in the Risk Register is assessed to be at £10.295m and the projected useable General Fund balance, at £7.159m, is sufficient to cover 69.5% of risks identified at that time. The recommended balance to be maintained on the general fund reserve will continue to be monitored through the Corporate Financial Risk Register on a regular basis.

4.4   Appendix 3 details the balances currently held in the Capital Fund. These balances are temporarily held in the Loans Fund and will attract interest at the end of the financial year. The Fund can be used for capital purposes or to repay external debt.

4.5   It should be noted that the projected balances exclude any technical adjustments which are required as part of year end accounting processes. In 2013/14 these adjustments were broadly neutral and did not materially affect the level of reserves but it is possible that adjustments relating to 2014/15 may make a material impact, positively or negatively, on the final balances.

5   **IMPLICATIONS**

5.1   **Financial**

There are no financial implications beyond those contained in the report and appendices.

5.2   **Risk and Mitigations**

Service budget pressures (as identified in the General Fund Revenue Monitoring report & outturn report) plus unexpected liabilities are the most likely sources of pressure on reserves. These risks are being managed through regular monitoring of financial activity in all funds of the Council, including regular revenue and capital budgetary control reports to the Executive. In addition the Corporate Financial Risk Register is regularly reviewed by senior Finance staff.

5.3   **Equalities**

There are no adverse equality issues arising from the report.

5.4   **Acting Sustainably**

There are no economic, social or environmental effects associated with this

report. The maintenance of appropriate balances is a fundamental aspect of sound financial planning that contributes to the financial sustainability of the council.

5.5 **Carbon Management**

There are no effects on carbon emissions associated with this report.

5.6 **Rural Proofing**

This report does not relate to a new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

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

There are no changes to the Schemes of Administration or Delegation as a result of this report.

6 CONSULTATION

6.1 The Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit & Risk, the Chief Officer HR, and the Clerk to the Council are being consulted and any comments received will be updated at the meeting.

Approved by

David Robertson

Chief Financial Officer   **Signature** …………………………………

Author(s)

Paul McMenamin	Business Partner

Background Papers:
Previous Minute Reference:

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SCOTTISH BORDERS COUNCIL

GENERAL FUND BALANCES AT 31 MARCH 2015

	GENERAL FUND £'000's	GENERAL FUND (DSM) £'000's	GENERAL FUND (EAR-MARKED) £'000's	ALLOCATED RESERVES £'000's	TOTAL £'000's
Balance at 1 April 2014	**6,756**	**1,274**	**4,246**	**4,861**	**17,137**
Projected Income (RSG, NDR, Council Tax)	258,336				**258,336**
Projected Net Revenue Expenditure	-257,707				**-257,707**
Earmarked Balances from previous year	5,352	-1,274	-4,077		**0**
Earmarked Balances to future years	-7,323	1,721	5,602		**0**
Funding allocated Financial Plan Revenue	1,200			-1200	**0**
Business Transformation	101			-101	**0**
Road repairs	50			-50	**0**
ER/VS	100			-100	**0**
Committed Project spend from returned Police & Fire reserves	793			-793	**0**
Year end adjustments - SB Cares PVG checks / residential care home uplift SB Cares	-100			100	**0**
Contribution to Energy Efficiency & Change Fund	-300			300	**0**
Provision for Roads Maintenance	-100			100	**0**
Projected Balance at 31 March 2015	**7,159**	**1,721**	**5,771**	**3,117**	**17,767**

Item No. 7 Appendix 1 - Projected Balances as at 31.03.15 (Outturn)

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SCOTTISH BORDERS COUNCIL

REVENUE FUND BALANCES AT 31 MARCH 2015

(EXCLUDING GENERAL FUND)

	CORPORATE PROPERTY REPAIRS & RENEWALS FUND £'000's	PLANT & VEHICLES RENEWAL FUND £'000's	INSURANCE FUND £'000's	TOTAL £'000's
Balance at 1 April 2014	300	5,416	1,361	**7,077**
Projected Income	2,218	2,376	1,429	**6,023**
	2,518	7,792	2,790	**13,100**
Projected Expenditure	2,479	2,146	1,477	**6,102**
Contribution to Reserves				-
Transfer to/from General Fund				-
Projected Balance at 31 March 2015	**39**	**5,646**	**1,314**	**6,999**

Item No. 7   Appendix 2 - Projected Balances as at 31-03-15 (Outturn)

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SUMMARY OF CAPITAL FUND

	Balance as at 31/03/14 £'000	Balance as at 31/03/15 £'000
DEVELOPER CONTRIBUTIONS		
Waverley Railway	847	911
Technical Services	238	144
Education & Lifelong Learning	1,226	1,533
Planning & Economic Development	0	-
Social Work - Affordable Housing	288	385
Accrued Interest	546	561
Sub Total Developer Contributions	**3,145**	**3,534**
Capital Receipts	**1,506**	**1,513**
Total	**4,651**	**5,047**

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CAPITAL FINANCIAL PLAN 2014/15 – FINAL UNAUDITED OUT-TURN

Report by Chief Financial Officer

EXECUTIVE COMMITTEE

9 June 2015

1   PURPOSE AND SUMMARY

1.1   **This report provides the Executive Committee with a statement comparing the final capital out-turn for 2014/15 with the final budget for the year, and to identify the main reasons for any significant variations.**

1.2   The final capital out-turn statement for 2014/15 is included at **Appendix 1** and includes reasons that have been identified by the Project Managers and Budget Holders for the variances to the final approved budget. This identifies an out-turn expenditure of £31.401m which is £3.360m below the final revised budget of £34.764m.

1.3   The chart in paragraph 4.6 demonstrates that there has been an increase in the cumulative net movement between 2014/15 and future financial years compared to the pervious financial year.

2   RECOMMENDATIONS

2.1   It is recommended that the Executive Committee:

(a)   **Agrees the final out-turn statement in Appendix 1;**

(b)   **Notes the adjustments to funding in Appendix 1;**

(c)   **Notes that the results will inform the capital planning, monitoring and control processes for the current (and future) years; and**

(d)   **Agree to an update report on Duns PS being brought to Committee as soon as practicable.**

3   BACKGROUND

3.1   The Council approved the original Capital Financial Plan for 2014/15 on 6 February 2014, and detailed budgetary control reports were presented to the Executive Committee in September, November, December 2014 and February 2015.

3.2   The monitoring reports contained actual expenditure to date, together with the latest budget and projected out-turn. The resultant variances were then analysed between in year variances (i.e. timing issues) and overall savings or overspends. Comments were provided for material variances. The variances at 31 March 2015 will adjust the 2014/15 budget in line with the Financial Regulations, paragraph 7.19.

3.3   The table below shows the movements in the resources of the Capital Plan since the last monitoring report to the Executive Committee on 24 February 2015:

	£000s
Capital Plan 14/15 as Approved Executive Committee 24 February 2015	**34,239**
Stow PS Accommodation Works approved Executive Committee 24 February 2015	3
Revenue funding for capital expenditure (CFCR)	522
Revised Capital Plan 2014/15	**34,764**

3.4   To complete the annual cycle of reporting this report compares the final budget for the year with the final, but as yet, unaudited, out-turn.

4   FINAL OUT-TURN STATEMENT

4.1   **Appendix 1** to this report contains the final out-turn statement for the Capital Financial Plan for 2014/15 for each of the 3 themes of the Plan with the actual expenditure to 31 March 2015. The latest approved budget includes all approvals made up to and including 31 March 2015.

4.2   The final out-turn shows a net variance of £3.363m against the current approved budget, of which the expenditure movements between financial years is £2.231m. This makes the cumulative net movement between 2014/15 and future financial years £10.147m (24.1% of total budget). See the chart in paragraph 4.6 below.

4.3   A listing of the net variances, analysed between timing movements and budget movements is shown in **Appendix 1, page 2**.

4.4   As a result of the £2.231m of net budget movement between years identified in the programme (see **Appendix 1**), the estimated borrowing element of the capital financing for 2014/15 has been reduced. This will have a short term revenue benefit for the Council due to the delay in the start the statutory capital repayments through the revenue account and any interest payments on the assumed levels of external borrowing.

4.5   Key highlights from variances in Appendix 1 are:

(a)   **Transport Interchange**

Progress towards target completion date being made and position at 31st March 2015 better than previously forecast. This has resulted

in a higher expenditure (£0.344m) in year compared to the last reported projection funded from budget brought forward from future years.

(b) **Roads (including RAMP & Winter Damage)**

The scheme at Hunters Bridge, Galashiels is being undertaken in 2015/16 and some smaller planned works could not be completed before the end of March.

(c) **Galashiels Flood Protection**

Following completion of the majority of the project, a technical budget adjustment is required to realign resulting in a residual underspend of £0.199m being allocated to Emergency and Unplanned Schemes. The timing movement of £0.342m is required to complete the outstanding works and related costs which is dependent on the railway becoming operational.

(d) **Selkirk Flood Protection**

Progress with main works has resulted in expenditure higher than previously projected, resulting in a budget being brought forward of £0.439m.

(e) **Kelso Community Recycling Centre**

The facility opened in May 2015, with an associated timing movement (£0.126m) to 2015/16 to reflect profile of actual expenditure on works.

(f) **Plant & Vehicle Replacement**

The budget movement shown is due to a reduction in the expected vehicle deliveries to be achieved in the financial year. This has been due to supplier delays nationally, however these deliveries are due in the first quarter of 2015/16. This budget is funded from the Plant & Vehicle Fund so there is no direct impact on revenue or capital budgets.

(g) **Duns Primary School and Locality Support Centre**

The enabling works and procurement have not progressed as planned, requiring budget to be moved to 2015/16 (£0.293m). The project scope and affordability of options are being reviewed by the project team and a report updating members will be brought to Committee as soon as practical.

(h) **Early Years Centres**

Programming of works to minimise disruption during term time has impacted on the expenditure timing profile by £0.109m. A number of projects, including Burnfoot and Eyemouth Primary Schools, are due to have works carried out in Summer 2015.

(i) **Early Learning and Childcare**

Identified projects have design and works spanning two financial years resulting in a timing movement of £0.101m. Several of the larger projects, including Burnfoot and Trinity Primary Schools, are due to have works carried out in Summer 2015 to minimise disruption in schools.

(j) **LUPS Strategic Business Land**

The works at Coldstream will not be completed until 2015/16 and a number of costs are still to be finalised resulting in a timing movement of £0.106m.

(k) **Kelso Townscape Heritage Initiative**

The final account for the Horsemarket Business Centre has not yet been finalised and retrospective change in EU funding has decreased the eligible costs for the project, resulting in an increase in ineligible costs to be fully funded by the Council resulting in a requirement for a timing movement (£0.030m). In relation to other elements of the programme, there is a £0.100m saving which is no longer required by the programme and has been reallocated to Emergency and Unplanned Schemes.

(l) **Wilton Lodge Park**

Cost pressures in relation to tender prices have led to a requirement for value engineering exercises which have impacted on the expenditure profile between financial years however this does not affect the overall programme budget.

4.6 **Emergency & Unplanned Schemes**

The table below provides an update on the position for Emergency & Unplanned Schemes:

	£000s
Budget per Capital Financial Plan monitoring report, Executive 24 February 2015	**3**
Allocation to Stow Primary School	(3)
Funds received from Galashiels Flood Protection	158
Funds received from Bus Systems Dev & Minor IT Projects	5
Funds received from Kelso THI	100
Allocation to Clovenfords PS	(27)
Allocation to Demolition and Site Preparation	(45)
Allocation to 31/33 High Street, Jedburgh	(2)
Out-turn Balance	**189**

It is proposed that the balance remaining of £0.189m is carried forward to increase this budget in 2015/16.

4.7 Timing movements from 2014/15 have increased compared to the immediate preceding year, as shown in the table below.

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
■Other	0.11%	1.33%	1.22%	0.21%	0.05%	0.05%	0.00%
■Chief Executive	1.87%	1.27%	1.36%	1.78%	2.38%	0.87%	-2.30%
■People	27.94%	12.35%	17.92%	12.60%	14.03%	3.75%	19.03%
■Place	18.25%	6.58%	11.60%	7.67%	18.96%	10.14%	7.37%
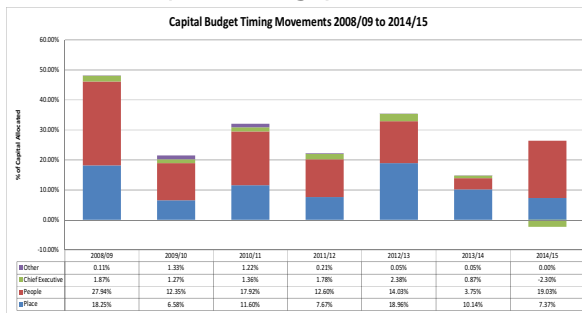
The main items which have impacted on the overall 2014/15 timing movement to future years are:

- Selkirk Flood Protection
- Duns Primary School
- Kelso High School
- Early Learning and Childcare

The circumstances for the requirement to re-profile project budgets have been reported to Committee throughout the year and, in some circumstances, been outwith the control of the Council.

5 IMPLICATIONS

5.1 Financial

There are no financial implications beyond those contained in the report and **Appendix 1**.

5.2 Risk and Mitigations

There is a small risk that the final out-turn may change as the quality assurance and external audit continues on the final accounts for 2014/15.

5.3 Equalities

It is anticipated that there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.

5.4 Acting Sustainably

There are no direct economic, social or environmental issues associated with this report.

5.5 Carbon Management

There are no direct carbon emissions impacts as a result of this monitoring report.

5.6 Rural Proofing

This report does not relate to new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

5.7 Changes to Scheme of Administration or Scheme of Delegation

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

6 CONSULTATION

6.1 The Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, the Service Director Commercial Services and the Clerk to the Council have been consulted in the preparation of this report and comments received have been incorporated into the paper.

Approved by

Chief Financial Officer   Signature ……………………………………..

Author(s)

Name	Designation and Contact Number
Kirsty Robb	Capital and Investments Manager, 01835 825349
Doreen Pringle	Senior Finance Officer - Capital, 01835 824000 Ext 5961

Background Papers: n/a
Previous Minute Reference: n/a

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APPENDIX 1

See attached documents.

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SUMMARY	2014/15				
	Final Outturn Actual to 31/03/2015	Final Approved Budget	Variance	Timing Movement Fwd (Bwd)	(Under)/ Overspend
	£000	£000	£000	£000	£000
PLACE					
Roads, Bridges, Lighting & Transport	10,015	9,958	57	97	(40)
Flood & Coast Protection	8,871	9,727	(856)	91	(947)
Neighbourhood	2,062	2,341	(279)	(278)	(1)
Property & Asset Programme	1,030	1,073	(43)	(43)	0
Fleet	1,606	2,034	(428)	(81)	(347)
Other	45	59	(14)	(14)	0
TOTAL PLACE	23,629	25,192	(1,563)	(228)	(1,335)
PEOPLE					
School Estate	2,157	2,887	(730)	(760)	30
Social Work	287	405	(118)	(115)	(3)
TOTAL PEOPLE	2,444	3,292	(848)	(875)	27
CHIEF EXECUTIVE					
Community Services	217	314	(97)	(96)	(1)
Regeneration	2,594	3,228	(634)	(628)	(6)
Business Applications	169	257	(88)	(77)	(11)
Technical IT Infrastructure	1,932	1,971	(39)	(47)	8
CE - Other	416	507	(91)	(91)	0
TOTAL CHIEF EXECUTIVE	5,328	6,277	(949)	(939)	(10)
Emergency & Unplanned Schemes	0	3	(3)	(189)	186
Total SBC Capital Programme	31,401	34,764	(3,363)	(2,231)	(1,132)

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	Timing Movement Fwd (Bwd)	(Under)/ Overspend
	£000	**£000**
PLACE		
Transport Interchange	344	
Roads (including RAMP & Winter Damage)	(103)	
Railway Black Path	(39)	
Bongate Mill Industrial Area (roads)	(12)	
Tweedbank Traffic Calming	(14)	
Kelso Town Traffic Mgt Scheme	(20)	
CCTV Renewals	(23)	
Engineering Minor Works	(27)	(36)
Galashiels Flood Protection	(342)	(947)
Selkirk Flood Protection	439	
Management of Closed Landfill Sites - Cleugh	(23)	
Improve Skip Infrastructure - Community Recycling Centres	(72)	
Kelso Community Recycling Centre	(126)	
Structural / H&S Works	(20)	
Plant & Vehicle Replacement	(25)	(325)
Other Fleet	(56)	(22)
Other minor adjustments <£20k per budget head	(109)	(5)
	(228)	(1,335)
PEOPLE		
Clovenfords PS	(7)	27
Duns Primary School	(293)	
Peebles HS Sports Facilities	(22)	
Galashiels School Review	(48)	
Langlee Primary School	(50)	
Broomlands Primary School	(50)	
School Refurbishment & Capacity Projects	(31)	
School Kitchen Improvements Programme	(49)	
Early Years Centres	(109)	
Early Learning and Childcare	(101)	
Complex Needs - Central Education Base	(24)	
Development of Extra Care Housing	(31)	
Mountview, Duns	(27)	
Other minor adjustments <£20k per budget head	(33)	
	(875)	27
CHIEF EXECUTIVE		
Sports Trusts - Plant & Services	(43)	
Chirnside Community Centre	(43)	
LUPS Strategic Business Land	(106)	
Kelso Townscape Heritage Initiative	(30)	(100)
Sunnybrae, Walkerburn	(25)	
Demolition & Site Preparation	(92)	45
Wilton Lodge Park	(292)	
Wilton Lodge Park - Museum Gallery		51
Sir Walter Scott's Courtroom Interpretation	(28)	
Sir Walter Scott Court House - Phase 2	(30)	
Eyemouth Seafood Technology Park	(35)	
Business Systems Real Time Monitoring	(47)	
Business Systems Development & Minor IT Projects	(26)	(11)
Private Sector Housing Grant - Adaptations	(36)	
Work Style Transformation/Office Accommodation	(55)	
Other minor adjustments <£20k per budget head	(50)	4
	(938)	(11)
EMERGENCY & UNPLANNED SCHEMES Galashiels Flood Protection		158
Clovenfords PS		(27)
31/33 High Street Jedburgh		(2)
Demolition and Site Preparation		(45)
Business Systems Development & Minor IT Projects		5
Kelso Townscape Heritage Initiative		100
Emergency & Unplanned Schemes	(189)	(3)
	(189)	186
	(2,230)	**(1,133)**

PLACE	2014/15				
	Final Outturn Actual to 31/03/2015	Final Approved Budget	Variance	Timing Movement Fwd (Bwd)	(Under)/ Overspend
	£000	£000	£000	£000	£000
Roads, Bridges, Lighting & Transport					
Galashiels Developments					
Inner Relief Road 4	29	29	0	0	0
Inner Relief Road 5	0	10	(10)	(10)	0	Delay in agreeing street furniture has impacted on programme timing.
Transport Interchange	3,787	3,443	344	344	0	Progress towards target completion date being made and position at 31st March better than previously forecast. A potential pressure of up to £30k in 2015/16 has been identified due to additional works outwith the building construction, work underway to mitigate this.
GIRR 1-3 Claims	0	0	0	0	0	
Roads (including RAMP & Winter Damage)	2,512	2,615	(103)	(103)	0	Timing movement to 2015/16 relating to planned patching works and Hunters Bridge, Galashiels now being undertaken in 2015/16.
Bridges Asset Management Plan	615	624	(9)	(9)	0	A timing movement for seasonal works at Carlows bridge is required into 2015/16 for landscape works to be undertaken in Spring 2015.
Lighting Asset Management Plan	321	321	0	0	0	
Energy Efficient Street Lighting	1,058	1,064	(6)	(6)	0	
Accident Investigation Prevention Schemes	54	50	4	4	0	Unanticipated additional minor works required at a number of the 2014 AIP sites, resulting in a requirement to bring forward budget into 2014/15.
Cycling, Walking & Safer Streets	177	177	0	0	0	
Railway Black Path	337	376	(39)	(39)	0	Savings achieved on the works delivered in this financial year and underspend taken forward into 2015/16 for other elements of the programme.
A72 Dirtpot Corner - Road Re-alignment	6	0	6	6	0	Timing movement from 2015/16 to cover design works.
A72 Neidpath Corner Traffic Management	1	0	1	1	0	
Bongate Mill Industrial Area (roads)	49	61	(12)	(12)	0	Timing movement is a consequence of later start date.
Tweedbank Traffic Calming	16	30	(14)	(14)	0	Programme savings on work carried out in 2014/15. Timing movement to cover additional traffic management required.
Kelso Town Traffic Mgt Scheme	804	824	(20)	(20)	0	Final account agreed, however small element of remedial works to be undertaken early in 2015/16.
CCTV Renewals	0	23	(23)	(23)	0	Timing movement due to consultation process around Kelso project.
Engineering Minor Works	180	243	(63)	(27)	(36)	Grossing down of budget required for South Myrescroft, Ancrum as projected outturn less than anticipated, fully funded through road bond. Works at Hawkslee, Newtown St Boswells (also fully funded through road bonds) not progressed as quickly as anticipated.
Festive Lights	34	38	(4)	0	(4)	Festive lighting programme now complete, small savings identified.
Innerleithen - Walkerburn Shared Access Route	35	30	5	5	0	Timing movement to cover higher than anticipated legal fees in association with the land purchase.
Total Roads, Bridges, Lighting & Transport	**10,015**	**9,958**	**57**	**97**	**(40)**	

PLACE	2014/15					
	Final Outturn Actual to 31/03/2015	Final Approved Budget	Variance	Timing Movement Fwd (Bwd)	(Under)/ Overspend	
	£000	£000	£000	£000	£000	
Flood & Coast Protection						
Galashiels Flood Protection	1,465	2,754	(1,289)	(342)	(947)	Timing movement required to address outstanding items post railway completion for outstanding works. Gross down of budget, no impact on actual Scot Government funding.
Selkirk Flood Protection	6,801	6,362	439	439	0	Expenditure has exceeded current budget, due to good progress on site therefore some of the previous timing movement will be reversed.
Hawick Flood Protection	399	400	(1)	(1)	0	
Jedburgh Flood Protection	152	150	2	2	0	
Flood Protection Works, Efficiency and Emergency Measures	54	61	(7)	(7)	0	Underspend in 2014/15 works programme timing movement to augment next years budget.
Total Flood & Coast Protection	**8,871**	**9,727**	**(856)**	**91**	**(947)**	
Neighbourhood						
Management of Closed Landfill Sites - Dunion	47	56	(9)	(9)	0	Scottish Power connections still not being delivered as anticipated. Isuue continues to be pursued.
Management of Closed Landfill Sites - Cleugh	39	62	(23)	(23)	0	Scottish Power connections still not being delivered as anticipated. Isuue continues to be pursued.
Easter Langlee Cell Provision	40	48	(8)	(8)	0	
Easter Langlee Cell 3	3	3	0	0	0	
Waste Treatment Facility	188	188	0	0	0	
Wheeled Bins	38	38	0	0	0	
Easter Langlee Cell 3 Leachate Pumping System	0	1	(1)	0	(1)	
Easter Langlee Leachate Management	97	101	(4)	(4)	0	
Improve Skip Infrastructure - Community Recycling Centres	47	119	(72)	(72)	0	Timing movement required for Eshiels CRC (£54k) to enable final phase of works to take place and and for Hawick CRC (£15k).
Community Recycling Centres - Enhancements	10	13	(3)	(3)	0	
Food Waste Collections	151	161	(10)	(10)	0	
Kelso Community Recycling Centre	849	975	(126)	(126)	0	Project completed and opened May 2015.
CCTV Community Recycling Centres	8	11	(3)	(3)	0	
District Heating Scheme	0	0	0	0	0	
Play Facilities	72	72	0	0	0	
Cemetery Land Acquisition & Development	0	13	(13)	(13)	0	Timing movement as a consequence of not being able to access land and deliver any works at Coldstream.
Haylodge Park, Peebles	23	23	0	0	0	
Drainage in Parks and Open Spaces	69	73	(4)	(4)	0	Reallocation wthin block required to cover additional drainage works at Gibson Park, Melrose which will not be completed until 2015/16.
Additional Drainage in Parks and Open Spaces	94	94	0	0	0	
Bannerfield Play Area	265	268	(3)	(3)	0	Timing movement to allow seasonal planting to be undertaken in Spring 2015/16.
Duns Play Area	22	22	0	0	0	
Total Neighbourhood	**2,062**	**2,341**	**(279)**	**(278)**	**(1)**	

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PLACE	2014/15					
	Final Outturn Actual to 31/03/2015	Final Approved Budget	Variance	Timing Movement Fwd (Bwd)	(Under)/ Overspend	
	£000	£000	£000	£000	£000	
Property & Asset Programme						
Structural / H&S Works	325	345	(20)	(20)	0	
Asbestos Management	36	50	(14)	(14)	0	Small underspends on projects within the programme with budget to be moved to augment 2015/16 programme.
Building Systems Efficiency Upgrades	100	100	0	0	0	
Electrical Infrastructure Upgrades	144	150	(6)	(6)	0	
Fixed Assets	18	20	(2)	(2)	0	
Building Thermal Efficiency Upgrades	396	397	(1)	(1)	0	
Projects Funded from Revenue Budgets	11	11	0	0	0	
Total Property & Asset Programme	**1,030**	**1,073**	**(43)**	**(43)**	**0**	
Fleet						
Plant & Vehicle Replacement	1,472	1,822	(350)	(25)	(325)	Budget reduced to reflect delivery levels achieved in 2014/15 mainly due to confirmation by a manufacturer that 24 items could not be delivered until the 1st quarter of 2015.
Other Fleet	134	212	(78)	(56)	(22)	Timing movement required to 2015/16 as plant for Kelso CRC will not now be delivered until 2015/16.
Total Fleet	**1,606**	**2,034**	**(428)**	**(81)**	**(347)**	
Place - Other						
Contaminated Land	44	58	(14)	(14)	0	Timing movement due to delay in finishing last stage of project at Greenlaw.
HQ Main Office Block	1	1	0	0	0	
Total Other	**45**	**59**	**(14)**	**(14)**	**0**	
TOTAL PLACE	**23,629**	**25,192**	**(1,563)**	**(228)**	**(1,335)**	

PEOPLE	2014/15					
	Final Outturn Actual to 31/03/2015	Final Approved Budget	Variance	Timing Movement Fwd (Bwd)	(Under)/ Overspend	
	£000	£000	£000	£000	£000	
Schools Estate						
Clovenfords PS	6	(14)	20	(7)	27	Budget movement due to reversal of funds previously released to Emergency & Unplanned Schemes. Timing movement required to carry forward budget for outstanding items.
West Linton PS	58	58	0	0	0	
Duns Primary School & Locality Support Centre	69	362	(293)	(293)	0	Procurement and enabling works not progressing as planned. Reduction in outturn resulting in a timing movement to 2015/16. Project scope under review.
Peebles HS Sports Facilities	148	170	(22)	(22)	0	Timing movement to 2015/16 due to seasonal requirement to carry out remedial drainage works.
Kelso High School	561	558	3	3	0	Accountancy issue affecting schools which receive Scottish Government revenue support being resolved nationally, currently delaying progress to financial close on project.
Galashiels School Review	2	50	(48)	(48)	0	Consultants have now been appointed and work is underway. Timing movement required.
Former Eyemouth School Site Review	0	15	(15)	(15)	0	Delay in appointing consultant has resulted in a timing movement to 2015/16.
Langlee Primary School	25	75	(50)	(50)	0	Project start up including procurement of design team has not progressed as quickly as planned, this is currently not expected to impact on the project's overall delivery.
Broomlands Primary School	25	75	(50)	(50)	0	Project start up including procurement of design team has not progressed as quickly as planned, this is currently not expected to impact on the project's overall delivery.
Stow Primary School	3	3	0	0	0	
School Health & Safety Projects	217	202	15	12	3	Budget brought forward for additional works at Peebles and Reston. Reallocation of £3k from Equality Act work for Schools (DDA).
School Refurbishment & Capacity Projects	395	426	(31)	(31)	0	Westruther school extension opened in April 2015.
School Kitchen Improvements Programme	154	203	(49)	(49)	0	Procurement has resulted in contract savings for Yetholm which will be utilised on projects in 2015/16. Free school meals P1-3 implications are still being established but completion anticipated by Jun 2015.
Early Years Centres	129	238	(109)	(109)	0	Initial works at Philphaugh (£20k) complete under budget resulting in funds available for other works in the programme in 2015/16. Burnfoot PS and Eyemouth PS revised completion dates Summer 2015 resulting in a timing movement (£89k).
Early Learning and Childcare	326	427	(101)	(101)	0	Overall programme still on track but bridging financial years. Timing movement (£101k) relating to several projects including Burnfoot PS and Trinity PS.
Projects Funded from Revenue (SE)	39	39	0	0	0	
Total School Estate	2,157	2,887	(730)	(760)	30	
Social Work						
Residential Care Home Upgrades	17	31	(14)	(14)	0	Delay in agreeing plan and scope for Saltgreens and some outstanding works at Waverley to be carried out in 2015/16.
Telecare	42	50	(8)	(8)	0	Stonefield specification to be finalised resulting in a timing movement of £8k to 2015/16.
Complex Needs - Central Education Base	52	76	(24)	(24)	0	Delay in client review of works resulting in in year reduced costs and a timing movement of £24k.
Learning Disability Day Services	16	16	0	0	0	
SEBN Facilities	49	49	0	0	0	
Equality Act Work for Schools (DDA)	0	3	(3)	0	(3)	Reallocation to School Health & Safety Block.
Development of Extra Care Housing	6	37	(31)	(31)	0	Delay in development of design ongoing resulting in timing movement.
Fire Compartments in Care Homes	26	37	(11)	(11)	0	Work at Saltgreens ongoing, requiring timing movement.
Mountview, Duns	4	31	(27)	(27)	0	Interdependencies of wider project require timing movement. Completion now scheduled for May/Jun 2015.
Projects Funded from Revenue (SW)	75	75	0	0	0	
Total Social Work	287	405	(118)	(115)	(3)	
TOTAL PEOPLE	2,444	3,292	(848)	(875)	27	

CHIEF EXECUTIVE	2014/15					
	Final Outturn Actual to 31/03/2015	Final Approved Budget	Variance	Timing Movement Fwd (Bwd)	(Under)/ Overspend	
	£000	£000	£000	£000	£000	
Community Services						
Sports Trusts - Plant & Services	60	103	(43)	(43)	0	Energy Saving Projects are awaiting installation costs from supplier and final approval from BSLT board therefore delay in completion. Tweedbank Bowling Club started, due to complete by May/Jun 2015. Overall timing movement to 2015/16.
Jim Clark Motor Museum Relocation	10	25	(15)	(15)	0	Design work ongoing with external partners resulting in timing movement.
Selkirk 2G Synthetic Pitch	44	29	15	15	0	A cost pressure has been identified requiring budget to be brought forward, project manager working to mitigate this over remainder of project life.
Peebles 3G Pitch	21	30	(9)	(9)	0	Alternative suitable options in development has delayed in progress resulted in a timing movement to 2015/16.
Jedburgh 3G Pitch	6	7	(1)	(1)	0	
Hawick 3G Pitch	32	32	0	0	0	
Tower Mill Kitchen Equipment	9	9	0	0	0	
Tower Mill Air Conditioning Equipment	12	13	(1)	0	(1)	
Chirnside Community Centre	0	43	(43)	(43)	0	Link to community project. Developer contribution held by Council and disbursement linked to overall project progress. Timing movement required to 2015/16.
Total Community Services	217	314	(97)	(96)	(1)	
Regeneration						
JPS Strategic Business Land	272	378	(106)	(106)	0	The works at Coldstream will not be completed until 2015/16 and a number of costs are still to be finalised.
Kelso Townscape Heritage Initiative	452	582	(130)	(30)	(100)	Final account between Main Contractor & QS valuation remains unsettled for Kelso Gap Site, officers are working to resolve this issue. Non eligible costs in relation to EU grant are higher than anticipated owing to retrospective changes in EU rules. Saving identified for THI element of project.
Sunnybrae, Walkerburn	11	36	(25)	(25)	0	Tender awarded, works commenced April 2015.
31/33 High Street Jedburgh	2	0	2	0	2	
Hawick 500yr Commemorative Statue	8	8	0	0	0	
Demolition & Site Preparation	303	350	(47)	(92)	45	Spend profile from main contractor at Eyemouth PS requiring timing movement to 2015/16. Savings identified from Duns Public Toilets and Scott House Demolition will be reallocated to Eyemouth HS. Urgent works on the free standing internal walls safety project in the school estate being offset by underspend in Emergency & Unplanned Schemes.
Wilton Lodge Park	760	1,052	(292)	(292)	0	Unable to progress Outdoor Classroom / Waterfall Walk this financial year due to tender over budget and value engineering being required, resulting in the requirement for a timing movement to 2015/16.
Wilton Lodge Park - Museum Gallery	51	0	51	0	51	Refurbishment of Hawick Museum Park Gallery, fully funded by external grants.
Sir Walter Scott's Courtroom Interpretation	6	34	(28)	(28)	0	Timing movement required to enable identified enhancing works to be carried out at the earliest opportunity in 2015/16.
Sir Walter Scott Court House - Phase 2	200	230	(30)	(30)	0	Timing movement to 2015/16 due to lower than anticiapted costs associated with purchase of building.
Eyemouth Seafood Technology Park	438	473	(35)	(35)	0	Timing movement to 2015/16 to accommodate landscape works.
Economic Development & Regeneration	81	85	(4)	0	(4)	
Great Tapestry of Scotland	9	0	9	9	0	
Central Borders Business Park	1	0	1	1	0	
Total Regeneration	2,594	3,228	(634)	(628)	(6)	

Scottish Borders Council
Capital Financial Plan 2014/15 to 2016/17

FINANCIAL YEAR ENDING 31st MARCH 2015

CHIEF EXECUTIVE	2014/15					
	Final Outturn Actual to 31/03/2015	Final Approved Budget	Variance	Timing Movement Fwd (Bwd)	(Under)/ Overspend	
	£000	£000	£000	£000	£000	
Business Applications						
Integrated HR/Payroll System	0	2	(2)	(2)	0	Deadline for final implementation 30 June 2015 (due to the SB Cares and Year End requirements in the first months of the new year).
Business Systems Real Time Monitoring	27	74	(47)	(47)	0	Change in project scope will result in project being completed in 2015/16.
Rent Management & Accounting System	8	10	(2)	(2)	0	Rescheduled completion 1st quarter 2015/16.
Business Systems Development & Minor IT Projects	133	170	(37)	(26)	(11)	Timing movement for completion of Boardroom AV, E&I Domestic Abuse MIS and Lagan Upgrade projects. Reallocation of £6k to PSN Server Log Monitoring.
BI Projects Funded from Revenue Budgets	1	1	0	0	0	
Total Business Applications	169	257	(88)	(77)	(11)	
Technical IT Infrastructure						
Corporate IT Equipment Fund	431	415	16	0	16	Overspend offset by underspend
IT Disaster Recovery Programme	59	74	(15)	0	(15)	
Unified Communications	6	20	(14)	(14)	0	Revised completion date August 2015 due to availability of resources and other priorities.
Infrastructure & Microsoft Refresh	3	5	(2)	(2)	0	
Replacement of Curricular Networks	896	900	(4)	(4)	0	
Financial Systems Infrastructure Development	4	16	(12)	(12)	0	Timing movement to 2015/16 due to availability of resources and other priorities.
Triple Wi-Fi Provision	150	157	(7)	(7)	0	Completion Apr/May 2015.
Additional Server Storage for Data Growth	25	26	(1)	(1)	0	
PSN Server Log Monitoring	51	45	6	0	6	Requirement for a Server upgrade not included in original cost estimate to be funded from Business Systems Development & Minor IT Projects.
Security Software	22	22	0	0	0	
Peoples Network Upgrade	189	195	(6)	(7)	1	Project slightly behind schedule, due to complete 2015/16.
Projects funded from revenue (IT)	96	96	0	0	0	
Total Technical IT Infrastructure	1,932	1,971	(39)	(47)	8	
Other						
Private Sector Housing Grant - Adaptations	319	355	(36)	(36)	0	Project (£45k) dropped out due to lack of homeowner match funding, unable to then finalise other projects within financial year resulting in timing movement to 2015/16.
Reston Station Contribution	0	0	0	0	0	
Borders Railway Stations	0	0	0	0	0	
Work Style Transformation/Office Accommodation	81	136	(55)	(55)	0	Timing movement (£55k) due to delay in SBC/NHS office moves to Earlston and dependency on NHS.
Projects Funded from Revenue Budgets (1)	16	16	0	0	0	
Total	416	507	(91)	(91)	0	
TOTAL CHIEF EXECUTIVE	5,328	6,277	(949)	(939)	(10)	

Estimated Funding	2014/15				
	Final Outturn Actual to 31/03/2015	Final Approved Budget	Variance	Timing Movement Fwd (Bwd)	(Under)/ Overspend
	£000	£000	£000	£000	£000
Capital Fund/Capital Receipts	357	357	0	0	0
Police & Fire Reserves	390	391	(1)	(1)	0
CFCR	543	623	(80)	(131)	51
Developer Contributions	126	232	(106)	(70)	(36)
General Capital Grant from Scottish Govt.	9,677	9,677	0	0	0
Specific Capital Grants from Scottish Govt.	8,035	14,433	(6,398)	(5,618)	(780)
Other Grants and Contributions	2,800	2,707	93	93	0
Plant & Vehicle Replacement Fund	1,469	1,821	(352)	(27)	(325)
Borrowing	8,004	4,523	3,481	3,524	(43)
Total Estimated Funding	**31,401**	**34,764**	**(3,363)**	**(2,230)**	**(1,133)**

Small timing movement to 2015/16 for Drainage in Parks and Open Spaces.

Timing movement for Bannerfield Play Area (£3k),Early Years Centres (£109k) and Sir Walter Scott's Courtroom Interpretation (£19k) to 2015/16. Gross up of budget required for capital expenditure fully funded by Revenue contributions.

Timing movement in Engineering Minor Works funded by road bonds (£27k) and Chirnside Community Centre (£43k). Gross down of road bond contribution (£36k). Actual Developer Contributions applied to projects in year lower than projection requiring virement between Developer Contributions and Borrowing.

Timing movement for Galashiels FPS (£306k), Eyemouth School Review (£15k) and Early Learning and Childcare (£101k). Gross down of budget for Galashiels FPS (£758k) and Other Fleet (£22k). The final funding reconciiation has identified a need for

Timing movement for Kelso THI (£20k) and Wilton Lodge Park (£210k), offset by forward timing movement for Transport Interchange (£323k). The final funding reconciiation has identified a need for virements between borrowing and other funding sources.

Timing movement to 2015/16 for Kelso CRC plant (£28k). Reduction in fund contribution to match in year expenditure in 2014/15 (£300k). Gross up and carry forward of contribution to P&V Education (Libraries) Fund received in 2014/15 (£25k).

Wthin PLACE there are timing movements to future years for Roads, Bridges, Lighting and Transport (£215k), Flood & Coast Protection (£42k), Neighbourhood (£275k), Property and Asset Programme (£43k), Fleet (£28k) and Place - Other (£14k). These are partly offset by forward timing movements for Roads, Bridges, Lighting and Transport (£21k) and Flood & Coast Protection (£88k).

Within PEOPLE there are timing movements to future years for School Estate (£502k) and Social Work (£115k).

Within CHIEF EXECUTIVE there are timing movements to future years for Community Services (£68k), Regeneration (£389k), Business Applications (£77k), Technical IT Infrastructure (£47k) and Other (£91k). These are partly offset by forward timing movements for Community Services (£15k) and Regeneration (£10k).

The remaining balance in Emergency & Unplanned Schemes (£189k) is being carried forward to 2015/16. The final funding reconciiation has identified a need for virements between borrowing and other funding sources.

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CORPORATE DEBTS – WRITE OFFS IN 2014/15

Report by Chief Financial Officer

Executive

9th June 2015

1   PURPOSE AND SUMMARY

1.1   **As required by the Financial Regulations, this report details the aggregate amounts of debt written off during 2014/15 under delegated authority.**

1.2   The report covers the areas of Council Tax, Non-Domestic Rates, Sundry Debtors, and Housing Benefit Overpayments.

1.3   The total value of write-offs increased from £0.576m in 2013/14 to £0.627m in 2014/15.

1.4   2014/15 write-offs have remained at similar levels to the previous year, probably reflecting the levelling-off in economic conditions. There are however, ongoing risks associated with the management of the council's debts and these may lead to an increase in the level of debts that may require to be written off as irrecoverable in future years. These have been identified in paragraph 6.2.

2   RECOMMENDATIONS

2.1   **It is recommended that the Executive:**

(a) Note the debtor balances written off during 2014/15 under delegated authority.

3   BACKGROUND

3.1   Financial Regulations give the Chief Financial Officer authority to write-off individual irrecoverable debts up to £100,000. Any debt in excess of £100,000 may only be written off as irrecoverable following approval by the Executive. No write-offs have fallen into this category in 2014-15.

3.2   Financial Regulations also require that the Chief Financial Officer shall report to the Executive annually on the aggregate amounts written off under delegated authority and this report fulfils that remit for financial year 2014/15.

4   LEVEL OF WRITE OFFS

4.1   The total net amounts which were written off during 2013/14 are as follows:-

Income Stream	Net amount written off (£'000) 2012/13	Net amount written off (£'000) 2013/14	Net amount written off (£'000) 2014/15
Council Tax	538.5	224.3	239.9
Non Domestic Rates	135.3	70.4	14.5
Sundry Debts	442.5	265.7	357.2
Housing Benefits Overpayments	31.5	15.4	16.0
Total	**1,147.8**	**575.8**	**627.6**

4.2   The 'write-offs' are net of any amount 'written back on'. This occurs where a debt has been written off and subsequent information is received, such as a new forwarding address, which would enable the Council to again pursue a debt previously considered irrecoverable. In these circumstances, the write-off will be reversed by a write-on and the debtor will then be pursued for the debt.

4.3   In all cases, a debt will only be written off when:-

- It is uneconomic to pursue;

- The Debtor becomes insolvent;

- All options of recovery have been exhausted, which includes the use of the Council's legal team, and the Sheriff Officers 'Walker Love';

- After a professional assessment of the debt concludes that recovery is unlikely. For example, if Sheriff Officers advise that there are no assets, or the debtor has left the area and cannot be traced;

The amount of debt currently owed to the Council and in particular, aged debt deemed to be low, medium and high risk, can be demonstrated as per the chart below, where £93k is deemed to be both aged and with the high risk of non-collection.

£

- Aged Debt High Risk — 780,078
- Aged Debt Low Risk — 92,951
- Aged Debt Medium Risk — 561,932
- Current Debt — 2,340,796
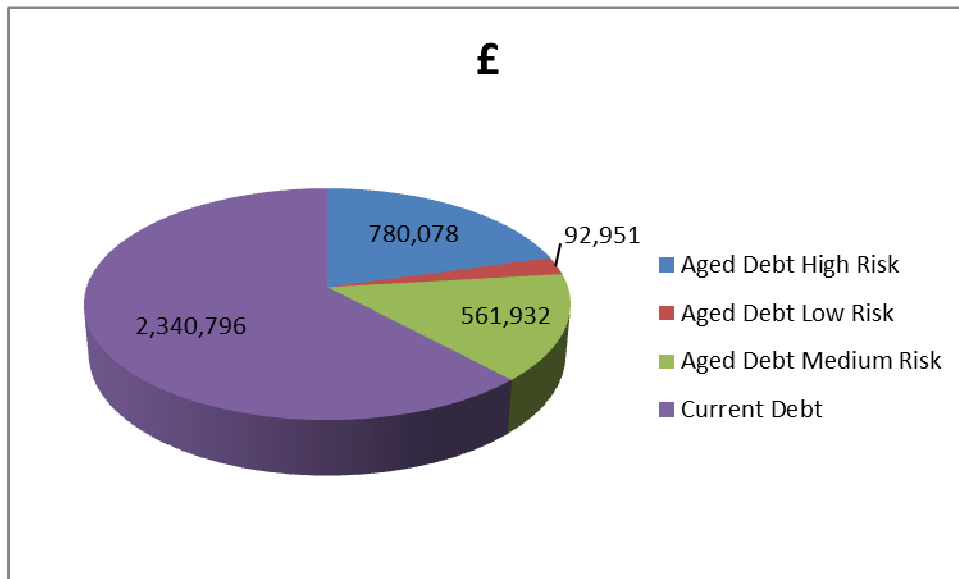
4.4   Council Tax collections have seen a reduction in their in-year collections from 96.61% in 2013/14 to 96.52% in 2014/15. The highest value of write-offs for Council Tax and NDR in 2014/15 is in the Insolvency category, where no dividend has been received within 1 year of an insolvency event.

4.5   During 2014/15 the Sundry Debts billed in year totalled £25.1m, down from £30.6m in 2013/14. Reductions of £2m for Border Railway, £1m for NHS and £2m for Residential Care billing accounted for the bulk of this reduction. Collections of 81.6% of the total billed were achieved, against an average of 78.5% across Scotland in 2013/14, continuing the improved collection rates since the 72.1% achieved in 2009/10. Total overdue debt has reduced to £1.8m, a fall from the 31 March 2014 figure of £2.4m, with a significant reduction in the sundry debt outstanding over 90 days figure, from 24.2% of the overall debt in 2013/14 to 19.6% in 2014/15, reflecting the increased emphasis on managing older debt. Figures for Scotland are not yet available for the last financial year, but this compares to a Scottish average in 2013/14 of 38.3%. The five year trend of debtors outstanding over 90 days compared to the Scottish average being:-
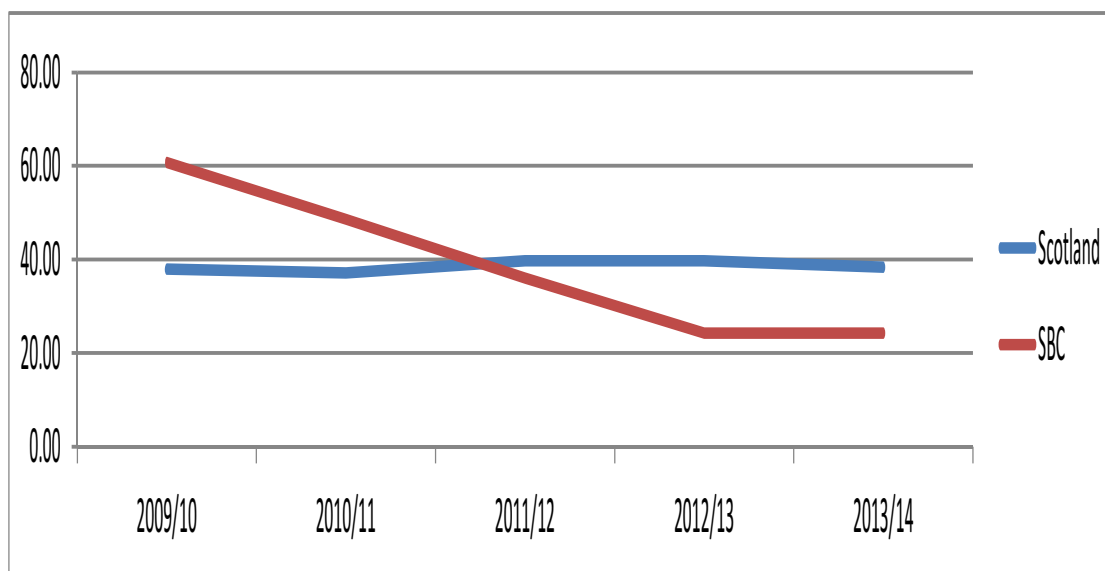
4.6 During the 2014/15 financial year, the amount of sundry debt write-offs has increased by 34.4% and is expected to increase in future years, due to the highly-probable requirement to write off significant debt (£25k+), in two specific cases, as part-settlement of legal action outcomes. Council Tax write-offs increased by 6.3% and Non-Domestic rates write-offs reduced by 79.3% when compared to the previous year. The reduction in the Non-Domestic Rates write offs in 2014/15 is a result of a reduction in the amount of insolvencies within the year and due to administrative issues with the allocation and processing of information received from the Sheriff Officer. This is in hand and is expected to increase write offs back to levels experienced in previous years (average of last 5 years being £49,101)

5   ANALYSIS OF WRITE OFFS

Council Tax

5.1 In the following table the Council Tax debts which have been written off have been categorised by reason:-

Reason for Write Off	Council Tax – net amounts written off 2013 (£)	No. of transactions	Council Tax – net amounts written off 2014 (£)	No. of transactions
Small balance (less than £10)	596	378	526	372
Surcharges	24,715	541	23,909	634
Deceased	32,852	135	41,988	208

No Forwarding Address	30,951	159	35,238	171
No Effects	0	0	395	1
Insolvency	133,775	375	136,297	419
Miscellaneous	2,559	51	1588	96
Total	**225,448**	**1639**	**239,941**	**1901**

Non Domestic Rates

5.2 In the following table the Non Domestic Rates debts which have been written off have been categorised by the reason for the write off:-

Reason for Write Off	Non Domestic Rates – net amounts written off 2013 (£)	No. of transactions	Non Domestic Rates – net amounts written off 2014 (£)	No. of transactions
Small balance (less than £10)	2	2	7	5
Surcharges	7,195	23	428	7
Deceased	0	0	0	0
No Forwarding Address	0	0	0	0
No Effects	671	1	0	0
Insolvency	63,898	27	14,116	12
Miscellaneous	15	2	0	0
Total	**70,439**	**55**	**14,551**	**24**

5.3 The total amount of Sundry Debts written off in 2014/15 is shown in the table by individual services. Comparative write offs which have already been approved is provided for the two previous financial years:-

Service	Net amount written off		
	2012/13 (£)	2013/14	2014/15
Education	4,684	7,063	29,183
Corporate Resources	22,337	32,526	38,250
Social Work	86,039	164,171	206,016
Environment & Infrastructure	329,504	61,957	83,717
Total	**442,564**	**265,717**	**357,168**

IMPLICATIONS

6   **Financial**

6.1 An annual budget provision for sundry bad debts of £125k and £716k for Council Tax is maintained, which is regularly reviewed and if necessary will

be revised in future. The final outturn for 2014/15 made a further provision of £100k for sundry debtors in anticipation of the level of write-offs in 2015/16. These write-offs will be charged to the related provisions.

6.2 Risk and Mitigations

It is expected that the level of debts written off in 2015/16 will increase, compared to 2014/15 due to heightened risk factors for some large sundry debt accounts. Performance in this area continues to be closely monitored and management action, including the approved policy on debt recovery and supporting procedures, are in place to minimise the risk. It should be noted that In Sundry Debtors, there is £481,325 of outstanding debt assessed as carrying the risk of requiring write-off and it is expected that a significant part of this may be irrecoverable and require future write-off.

6.3 Equalities

There are no direct equalities implications from this report.

6.4 Acting Sustainably

There are no environmental implications directly associated with this report.

6.5 Carbon Management

There is no impact on the Council's carbon emissions.

6.6 Rural Proofing

There are no changes in policy or strategy in relation to rural areas.

6.7 Changes to Scheme of Administration or Scheme of Delegation

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

7 CONSULTATION

7.1 The Service Director for Neighbourhood Services, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit & Risk, the Chief Officer HR, and the Clerk to the Council are being consulted and any comments received will be updated at the meeting.

Approved by

David Robertson

Chief Financial Officer   Signature ………………………………

Author(s)

Name	Designation and Contact Number
Suzy Douglas	Business Partner 01835 824000 x5881
Philip Brand	Credit Control Team Leader 01835 826785
Katrina Wilkinson	Revenues Lead

Background Papers:
Previous Minute Reference:

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

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INITIAL REVENUE VIREMENTS 2015/16

Report by CHIEF FINANCIAL OFFICER

EXECUTIVE

09 JUNE 2015

1   PURPOSE AND SUMMARY

1.1   **To seek approval for Revenue Budget Virements for 2015/16.**

1.2   The first Revenue Monitoring report to Executive will be made on 18 August 2015, based on monitoring analysis to the 30 June 2015. In addition, Revenue Management reports will be made to the Council's Corporate Management Team on a monthly basis.

1.3   Initial monitoring work undertaken during the new financial year so far has identified the requirement move resources between certain budget heads and to allocate and devolve resources to service areas.

1.4   No virements are proposed as a result of the identification and addressing of any projected pressure or saving in 2015/16 thus far. Similarly, no proposals are made to earmark any 2015/16 resources for future years, given this early stage in the financial year.

2   RECOMMENDATIONS

2.1   **It is recommend that the Executive:-**

(a)   approves the virements in Appendix 1

3   IMPLICATIONS

3.1 **Financial**

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

3.2 **Risk and Mitigations**

There are identified risks attached to any of the recommendations contained in this report.

3.3 **Equalities**

(a) It is anticipated there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.

3.4 **Acting Sustainably**

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

3.5 **Carbon Management**

(a) There are no effects on carbon emissions.

4   CONSULTATION

4.1 Directors and their relevant staff have been involved in and agreed the compilation of the final virements. The Corporate Management Team has agreed the proposals for addressing the projected pressures.

4.2 The Head of Corporate Governance, the Head of Audit and Risk, the HR Manager, the Clerk to the Council, the Head of Strategic Policy are being consulted and any comments will be reported to the meeting.

Approved by David Robertson

Chief Financial Officer   **Signature** …………………………………

Author(s)

Name	Designation and Contact Number
Paul McMenamin	Business Partner

Background Papers:
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. Finance can also give information on other language translations as well as providing additional copies.

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e-mail – paul.mcmenamin@scotborders.gov.uk

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Budget Virement Requirement　　**People**　　　　　**No. of Virements　3**

1 Virement is required from

Department	People	2015/16	2016/17	2017/18
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	(1,059,774)	0	0

To

Department	People	2015/16	2016/17	2017/18
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	609,902	0	0

Service	Secondary Schools	£	£	£
Budget Head	Employee Costs	449,872	0	0

	Total	1,059,774	0	0

Because　To devolve Phase II year 2 of Deprivation Allocation as per the "Tackling Deprivation and Low Aspiration in Borders Schools" report to Primary and Secondary Schools. This will cover the 2015-16 financial year.

2 Virement is required from

Department	People	2015/16	2016/17	2017/18
Service	Central Schools	£	£	£
Budget Head	Employee Costs	(72,569)	0	0

To

Department	People	2015/16	2016/17	2017/18
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	36,087	0	0

Service	Secondary Schools	£	£	£
Budget Head	Employee Costs	31,510	0	0

Service	Integrated Children's Services	£	£	£
Budget Head	Employee Costs	4,972	0	0

	Total	72,569	0	0

Because　To devolve budgets to Primary Schools, Secondary Schools and Integrated Children's Services for Teachers Continuing Professional Development (CPD) .

3 Virement is required from

Department	People	£	£	£
Service	Central Schools	£	£	£
Budget Head	Employee Costs	(104,928)	0	0

To

Department	People	2015/16	2016/17	2017/18
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	49,444	0	0

Service	Secondary Schools	£	£	£
Budget Head	Employee Costs	55,484	0	0

	Total	104,928	0	0

Because　To devolve budgets to Primary Schools and Secondary Schools to reflect probationer teacher funding for 2014/15 summer academic term.

1

Budget Virement Requirement   **Other**   **No. of Virements   1**

1 Virement is required from

		2015/16	2016/17	2017/18
Department	Other	2015/16	2016/17	2017/18
Service	Discretionary Housing Payments	£	£	£
Budget Head	Supplies & Services	(137,000)		

To

		2015/16	2016/17	2017/18
Department	Neighbourhoods	2015/16	2016/17	2017/18
Service	Customer Services	£	£	£
Budget Head	Employee Costs	131,000		
Service	Customer Services	£	£	£
Budget Head	Supplies & Services	6,000		
	Total	0	0	0

Because   To transfer budget to Customer Servies to allow staffing levels related to the Welfare Reform project to remain constant in 2015/16 and also to cover the cost of the Welfare Reform system licence.

Budget Virement Requirement   **Financed by**   **No. of Virements   3**

1 Virement is required from

		2015/16	2016/17	2017/18
Department	Financed by			
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(43,845)	0	0

To

		2015/16	2016/17	2017/18
Department	People			
Service	Central Schools	£	£	£
Budget Head	Employee Costs	43,845	0	0

Because	To create income and expenditure budgets to reflect known funding for 2014/15 Probationer Teachers, including provision for Preference Waiver Payments to Probationer Teachers for the summer academic term.

2 Virement is required from

		2015/16	2016/17	2017/18
Department	Financed by			
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(16,000)	0	0

To

		2015/16	2016/17	2017/18
Department	People			
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	16,000	0	0

Because	To allocate additional Revenue Support Grant funding to support Quality Assurance & Moderation.

3 Virement is required from

		2015/16	2016/17	2017/18
Department	Financed by			
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(155,000)	0	0

To

		2015/16	2016/17	2017/18
Department	People			
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	155,000	0	0

Because	To allocate additional Revenue Support Grant funding to support Quality Assurance & Moderation.

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ITEM NO. 11

2015-2017 PROCUREMENT & PAYMENT SERVICES STRATEGY AND POLICY

Report by Chief Financial Officer

Executive Committee

9 June 2015

1   PURPOSE AND SUMMARY

1.1   This report introduces a refreshed Procurement & Payment Services Strategy and Policy for 2015-2017.

1.2   The Council spends approximately £120million each year on goods, services and works with suppliers. The 2015-2017 Strategy and Policy (the Strategy) sets out how this expenditure will be managed and details the strategic objectives it aims to deliver.

1.3   The Strategy has four key areas of ambition and vision (noted below) which link directly to the existing Ambitious for the Borders Agenda, the Corporate Plan and the Community Planning Partnership priorities by:

(a)   adding value to all that we do;

(b)   maximising the delivery of responsible procurement;

(c)   reducing the cost of sourcing through to settlement; and

(d)   harnessing these opportunities to drive local economic growth.

2   RECOMMENDATION

2.1   It is recommended that the Executive Committee:

(a)   Approves the refreshed 2015-2017 Procurement & Payment Services Strategy and Policy as attached to this report.

3 BACKGROUND

3.1 The Strategy lays out the approach to supporting corporate activity including a set of key deliverables and associated performance measures.

3.2 The existing Strategy covered the period 2012-2015.

3.3 Since the inception of the original procurement strategy corporate procurement and finance payment operations have merged creating a single service with responsibility for the entire procurement to payment (P2P) cycle.

3.4 New Scottish Government and European Directive legislation and associated regulation is due to implemented by April 2016.

3.5 This refresh of the existing Strategy allows for consideration and appropriate application of the new regulations once finalised and ensures the continued provision of high quality support through delivery of an efficient, effective and innovative procurement and payment service.

4 CONTEXT

4.1 The Council spends over £120million across capital and revenue expenditure each year on the procurement of goods, services and works with suppliers.

4.2 During 2013/14 the number of transactions managed through Payment Services included:

(a) Maintenance of 6700 supplier records;

(b) 59,000 purchase orders raised through Council systems; and

(c) 55,631 supplier payments processed.

4.3 An effective procurement and payment service is essential to ensure best value and the service has a vital role to play in supporting forecasted efficiency targets. The existing Strategy has already delivered substantial progress including:

(a) Supporting the local economy through spend of £41.3million with local suppliers;

(b) Contract efficiencies of £3.6million during the period 2012-2014;

(c) Implementation of an improvement programme resulting in a strong increase identified through the annual Procurement Capability Assessment – our score rising from 50% in 2012 to 65% in 2014; and

(d) 96% of all supplier invoices paid within 30 days (March 2015).

4.4 The overall ambition and vision of the refreshed Strategy is to ensure the continuation of this progress by:

(a) Adding value to all that we do;

(b) Maximising the delivery of responsible procurement;

(c) Reducing the cost of sourcing through to settlement; and

(d) Harnessing these opportunities to drive local economic growth.

5 LOCAL DIMENSION

5.1 The economic benefits that can be derived from responsible procurement are considerable, and as part of ongoing activity, a key deliverable is to

continue to improve communication, advice and guidance to support local business, SMEs and third sector organisations access to appropriate procurement opportunities.

5.2 The 'Adding Value to Communities through Procurement' policy (agreed by Council for a 12 month pilot in June 2014) is delivering additional local economic, social and environmental benefits including employment opportunities and enhanced community engagement. A separate report is being presented to Council in June 2015 as an update to this work and will include the detail of these benefits.

5.3 The Procurement and Payment Service works closely with Economic Development through the Supplier Development Programme and Business Gateway to encourage local businesses to compete for Council opportunities.

5.4 Ensuring our payment terms of 30 days are passed through the supply chain will be a fundamental part of the proposed Sustainable Procurement Charter and included as a standard clause in all contract terms and conditions.

6 STRATEGY

6.1 The refreshed Strategy reaffirms the continued focus on supporting the delivery of efficiency savings across Council services by building on achievements to date.

6.2 The specific areas of ambition and vision aim to support Council priorities and address the next phase of the national public sector procurement reform programme.

6.3 All procurement and payment service activity is underpinned by the Scottish Government value for money triangle of cost, quality and sustainability creating the opportunity to add value and deliver local economic benefit in full support of the wider Council agenda.

7 KEY DELIVERABLES

7.1 Key deliverables have been developed which are fully aligned with the four key ambition and vision areas.

7.2 These deliverables include:

(a) Accessing efficiency savings;

(b) Creating a new Supplier Information Hub on the Corporate website;

(c) Development of a new Sustainable Procurement Charter;

(d) Partnership working with key suppliers; and

(e) Consideration of level of potential spend with local suppliers.

7.3 Each deliverable will be supported by a detailed action plan and associated timeline which will be incorporated into the Finance Business Plan.

8 POLICY

8.1 The Procurement and Payment Services Policy is provided as Appendix 1 of the Strategy document. This policy has been comprehensively reviewed. There is no change to the underlying principles.

9 IMPLICATIONS

9.1 Financial

(a) There is no additional cost attached to the recommendation contained in this report.

(b) As previously noted £3.6million of procurement efficiencies have been achieved through procurement activities during 2012-2014. Further benefits can be delivered through an effective service and this refreshed Strategy will support the delivery of future planned savings.

9.2 Risk and Mitigations

In preparing this report, any risk associated with the approval of the Strategy has been considered and no specific concerns need to be addressed.

9.3 Equalities

An Equalities Impact Assessment has been carried out on the original Strategy and it is anticipated that there are no adverse equality implications through this refreshed document.

9.4 Acting Sustainably

This Strategy makes provision for sustainable procurement and embeds it within each procurement exercise.

9.5 Carbon Management

This Strategy makes provision for carbon management.

9.6 Rural Proofing

This Strategy makes provision for the local dimension and rural proofing.

9.7 Changes to Scheme of Administration or Scheme of Delegation

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

10 CONSULTATION

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

Approved by

David Robertson   Signature …………………………………
Chief Financial Officer

Author(s)

Name	Designation and Contact Number
Kathryn Dickson	Procurement & Payment Services Manager, 01835 826646

Background Papers:
Previous Minute Reference:

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

Contact: Kathryn Dickson, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, email: Kathryn.dickson@scotborders.gov.uk

PROCUREMENT & PAYMENT SERVICES STRATEGY & POLICY 2015 – 2017

Scottish Model of Procurement
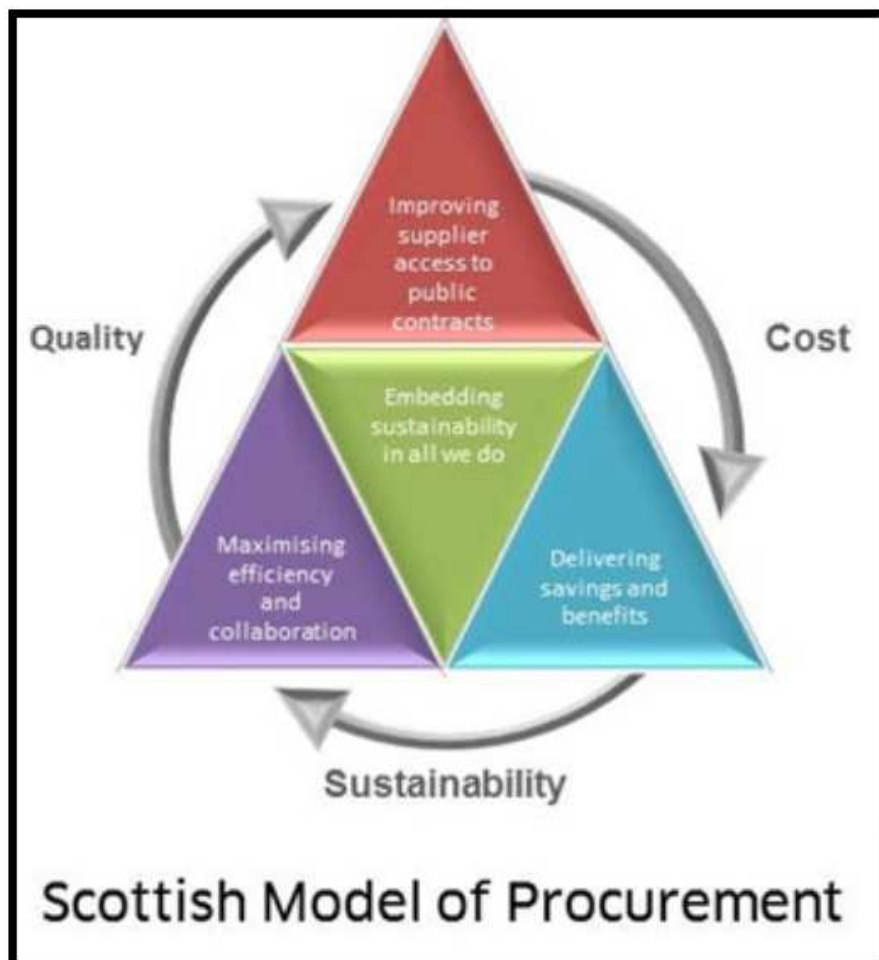
Contents

Foreword – Deputy Leader (Finance)

The drive for efficiency is transforming the world of public sector procurement at an incredible pace. As new legislation supporting this change is planned for early 2016, this revised strategy updates and refreshes the existing strategy and aims to ensure the delivery of best value through the way we procure goods, services and works and crucially that the overall approach supports the ambitions of this Council.

This strategy will ensure that our procurement is as easy as possible for our local businesses to deal with and wherever possible maximises the benefits to the local economy and our strategic partners. It will ensure that the overall policy and related procedures consider procurement as an asset and recognises these potential additional benefits where at all possible. The value for money triangle on the front cover of this document sums up the Scottish Model of Procurement applied here at Scottish Borders Council to make sure all our procurement considers the best balance of cost, quality and sustainability.

Sustainable and responsible procurement is essential to achieving Council priorities and so this strategy includes an objective to develop a Sustainable Procurement Charter for Contractors, Suppliers and Service Providers. This new charter will include a number of basic principles for working with the Council, such as health and safety requirements, a requirement for prompt payment within the supply chain along with other important social and environmental considerations.

This refreshed strategy and policy document therefore sets out how these benefits will be taken forward along with the objectives it aims to deliver.

Councillor John Mitchell
June 2015

Procurement & Payment Services Strategy 2015-2017

1.   Introduction

1.1   With significant legislative change planned for the first quarter of 2016, this strategy is an update to the existing document (2012-2015) and will underpin activity through to March 2017. The aim is to build on and develop the achievements to date and to further optimise the potential opportunities our external spend generates.

1.2   The transposition and implementation of the revised EU Directives 2014 and the associated commencement of the Procurement Reform (Scotland) Act 2014 will require a new approach to the development of Procurement and Payment Services Policy and Strategy from 2017. Statutory guidance is due to be produced confirming these requirements and it is intended to apply the guidance once available.

1.3   The key purpose of this document is to set out how Procurement and Payment Services will support the direction of expenditure with third parties in terms of the Scottish Government Value for Money triangle of cost, quality and sustainability and to create the opportunity to add value, delivering social and economic benefit in full support of the wider corporate agenda.

2.   Ambition and Vision

2.1   The key ambition of the Procurement & Payment Service is to support the delivery of the organisations strategic objectives. The diagram below details the strands of ambition and vision linked to the organisations key priorities :

Ambitious for the Borders	Corporate Plan Priorities	Community Planning Partnership Priorities	Procurement & Payment Services Strategy Aims	
Promoting Economic Development **Investing in Children & Young People**	**Encouraging sustainable economic growth**	**Grow our economy**	**Harness opportunities to drive local economic growth**	**The addition of value to all that we do**
	Improving attainment and achievement levels for all our children and young people, both within and out with the formal curriculum	**Reduce Inequalities**	**Maximise the delivery of responsible procurement**	
	Providing high quality support, care and protection to children, young people, adults, families, and older people			
Improving Quality of Life	**Building the capacity and resilience of our communities and voluntary sector**			
	Maintaining and improving our high quality environment	**Maximise the Impact of the Low Carbon Agenda**	**Reduce the cost of sourcing through to settlement**	
	Developing our workforce			
	Develop our assets and resources			
	Ensure excellent, adaptable, collaborative and accessible public services			

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2.2   A key objectives matrix has been developed to support delivery of these strategic themes and is provided on page 6. Reporting performance is crucial – appropriate key performance indicators are noted at page 7.

2.3   The Financial Plan for 2015/16 through to 2016/17 includes the delivery of at least £100,000 through cashable savings and we will target additional benefits to support the management of cost pressures. These savings will be achieved through accessing efficiencies available through collaborative contracts, enhanced commercial activity, a review of contract management and supplier relationship approaches. Regular updates of work towards this target will be included in the Procurement and Payment Services reporting dashboard which will be developed as one of the key deliverables noted in section 7 of this strategy document.

3.   Context

3.1   During 2013/14 and across both capital and revenue expenditure, Scottish Borders Council spent around £120million with third parties on goods, services and works.

The table below provides a high level analysis (over the lifetime of the previous strategy) of the portion of this spend specifically addressed each financial year. These figures include our use of collaborative contracts available via Procurement Scotland, Scotland Excel, and local contracts awarded in the periods stated. This information is included the COSLA efficiency statement prepared annually.

Financial Year	Annualised Contract Award Value	Related Efficiencies
2012/13	£13,703,943	**£2,195,424**
2013/14	£16,404,723	**£1,455,959**

4.   Scope

4.1   Since the inception of the original procurement strategy, Corporate Procurement and Payment Services have merged to create a single service that has responsibility for the entire Procurement to Payment cycle (P2P) and so this policy and strategy applies (as appropriate) to all Council external expenditure and subsequent payment mechanisms with the exception of expenditure by Council owned entities which have their own arrangements in place.

5.   2012-2015 Review

5.1   Over the last 3 years, the Council has made substantial progress throughout Procurement and Payment service activities including:

- **Supporting the local economy through spending £41.3million per annum with local suppliers**
- **A strong increase in the annual Procurement Capability Assessment – rising from 50% in 2012 to 65% in 2014**
- **123 contracts completed or in progress during the review period**
- **96% of all invoices paid within 30 days (as at March 2015)**
- **A highly commended award through the Government Opportunities Excellence in Procurement (Go Awards) for a new and ground breaking approach to Social Care procurement**
- **Featuring as a positive case study in the 2013 Federation of Small Business report "Local Procurement, Making the most of Small Business**
- **Developing a new policy "Adding Value to Communities through Procurement" to access**

> **additional economic, social and environmental benefits through our procurement activities**
> - **Good progress in responding to the complex national and regional public sector procurement reform agenda**
> - **Facilitation of Procurement and Payment Services best practice across the Council**
> - **The provision of training and development (to national competency levels) within the team**
> - **Upholding the Council's commitment to the Supplier Charter**
> - **Supported in capacity building of local organisations through local supplier events and the opportunity of training through the supplier development programme**

We will build on these achievements, ensuring that this refresh of the Procurement and Payment Service Policy and Strategy sets the direction to do so.

6.   Creating and Enabling Value

6.1 With around £120 million spent every year with external suppliers, the Council's activities, tasks and processes operate in a category management model which is designed to:

- Categorise areas of spend to achieve Best Value – getting the best balance of quality and price for our purchases;
- Ensure compliance with complex European Union Procurement Legislation;
- Ensure that the Council acts properly and purchases in a sustainable way whilst observing its corporate social responsibilities;
- Protect public spending – ensuring taxpayers' money is spent properly, ensuring integrity and accountability;
- Reduce bureaucracy – making the process standard, simpler, more transparent and ensuring consistency in procurement decision-making;
- Ensure the Council has continuity of supply through supporting a mixed economy of provision and developing markets, particularly local/rural markets and Small and Medium Sized Enterprises (SMEs) and Third Sector organisations, and working collaboratively with other public sector organisations, and accessing national contracts, where required; and
- Support us in progressing towards the Scottish Governments Best Practice Indicators for procurement and payment services.

Effective Procurement and Payment Services will contribute to the wider efficiency savings targets of the Council and support the key strategies and goals and help to deliver the corporate priorities and themes including early intervention, a focus on preventative spend and rural proofing the Borders economy.

To the extent permitted by law, this strategy will be used as a lever to support delivery of wider Council objectives such as Thinking Local First, Equality and Diversity and Sustainable Procurement, through for example, the Adding Value to Communities through Procurement Policy which is an integral part of the overall approach.

This Procurement and Payment Services Strategy and Policy sets out a framework for SBC which supports the Council's Single Outcome Agreement (SOA) and in addition reflects the complex national and regional public sector procurement reform agenda, whilst also complementing the Council's standing orders, financial regulations and also facilitating Procurement and Payment Services Best Practice.

7. Key Deliverables

2015-17 Vision	The overall ambition and vision for the Procurement & Payment Service is to develop an approach that enables: • the addition of value to all that we do; • maximising the delivery of responsible procurement; • reducing the costs of sourcing through to settlement for both suppliers and council; and • harnessing those opportunities to drive economic growth.			
Aim	**A – Add Value**	**B – Responsible Procurement**	**C – Reduce Costs**	**D – Economic Benefit**
Key Deliverables	Review current P2P process to ensure an efficient approach and best practice to include: • Purchase Cards • Proactis opportunities • No Purchase Order No Payment • Supplier Approval Process	Develop a Sustainable Procurement Charter for Contractors to include: • Prompt payment through supply chain • Equalities • Statement on Living Wage • Environment • Information Security	Promote, encourage and implement P2P electronic engagement with suppliers	Full spend analysis will be undertaken to consider potential maximum value for local spend
	Develop Procurement and Payment Services dashboard to include savings and other efficiency information	Through an awareness raising process, ensure all key stakeholders are aware of forthcoming legislative change	Establish partnership working with key suppliers	Further develop relationships with local supplier/membership organisations
	Maximise opportunities to work effectively with Finance Business Partners	Increase our collaboration with other organisations	Enhance delivery planning process to work with all stakeholders to identify opportunities	Measure and report on the 'Adding Value to Communities through Procurement Policy'
	Create new Supplier Hub on Council website to improve support		Further develop benefit tracking mechanism	Support local business through closer working relationship with Economic Development
	Increase usage of corporate contracts		Undertake Contract and Supply Chain Management review	
	Stakeholder satisfaction survey undertaken			
Implementation	**Each deliverable will have a nominated owner, specific action plan and associated timeline**			

8.   Key Performance Indicators

The performance of the Procurement and Payment Service is measured through a mixture of Scottish Government Best Practice Indicators applied across the entire public sector and our own performance measures which reflect those matters most important to Scottish Borders Council. The table and explanations below cover some of the key measures and the Council's performance against them.

Measure	Current Performance 2014-15		Benchmark/ Target	Frequency
Procurement Capability Assessment Score		65%	Average PCA score (62% - 2014)	Annual
Procurement spend with contracted suppliers		78%	75%	Annual
Procurement spend with local suppliers		36%	Dependant on contracts requiring tendering in any one financial year	Annual
Percentage of contracts awarded to micro, small and medium sized enterprises (SMEs) - based on data for contracts requiring formal advertising on Public Contracts Scotland web portal	**All Micro, Small and Medium Enterprises** **Scottish Micro and SMEs** **Borders based Micro and SMEs**	**74%** **66%** **47%**	Dependant on contracts requiring tendering in any one financial year	Annual
Invoices paid within 30 days of receipt		96%	93%	Monthly
Invoices paid by electronic means		96%	95%	Monthly

Procurement Capability Assessment Score

This is a national measure applied to all local authorities in Scotland and refers to an annual Procurement Capability Assessment (CPA) carried out by Scotland Excel on behalf of the Scottish Government. The assessment covers a range of key areas (for example, procurement strategy, processes, resources, operations and performance) and measures them against a set of common criteria. Thus determining where best practice exists, where there are gaps sector wide and where improvements and efficiencies can be made. Scottish Borders' score of 65 in November 2014 is a significant increase on the previous year's score of 58. Each year following the PCA, the team produce an improvement plan which seeks to implement best practice and increase the effectiveness of the Procurement and Payment Service. The assessment is currently under review with a new approach being proposed and due for implementation 2015/16.

Procurement spend with contracted suppliers (%)

This measure indicates the level of Council spend covered by a contract. Best practice requires that this figure is as high as possible. Scottish Borders Council seek to maintain a figure of 75% or greater in order to ensure that the Council is achieving best value.

Procurement spend with local businesses (%)

This is a measure showing the percentage of expenditure with local suppliers. The Council is a member of the Supplier Development Programme which provides free advice and training to local micro and SME suppliers and alongside this, the Procurement and Payment Service is continually reviewing its processes to ensure that local suppliers are not disadvantaged when bidding for contracts.   This figure will vary year to year depending on the types of services that the Council purchases and whether these requirements meet the strengths of the local supply base.

Contracts awarded to Micro and SMEs (Small and Medium Enterprises) (%)

This is a measure showing the percentage of contracts awarded to micro and SME sized suppliers, this figure is further split to show the percentage included of Scottish and locally based suppliers.

Invoices paid within 30 days (%)

This is a national measure for which there is a sector wide target of 93%. The Council has shown a marked improvement in this area and is now matching the national target.

Invoices paid by electronic means (%)

This measure identifies the proportion of invoices received by the Council which have been paid electronically as this method offers the most effective saving on time and cost.

Appendix 1 - Procurement and Payment Services Policy

In support of Best Value and recognising the requirements of the Single Outcome Agreement, the following policy is in place:

P1. Vision	
1.1	The vision for procurement is to provide a high quality, fit-for-purpose Procurement and Payment Service which will provide best value for the Council and to support the Council in the delivery of its corporate aims and objectives.
P2. Policy Principles	
2.1	Procurement principles have been established that aim to support the Council's core values and corporate objectives, contributing to the wider efficiency savings targets.
P3. Delivering Key Objectives	
3.1	Effective procurement will support the key strategies and goals of the Council and help to deliver its corporate aims and objectives. Leading by example, procurement will be used as a lever to support wider Council objectives and corporate social responsibility such as Thinking Local First, Equality and Diversity, Sustainability, Carbon Management, Community Benefits and local economic regeneration.
P4. Best Value/ Procurement Choices	
4.1	Best value is the main driver in the Council's procurement decision making process. It requires the Council to demonstrate economy, efficiency and effectiveness in all its activities and effective procurement will be a key factor in helping to reach these goals. Best Value requires the Council to think radically and re-shape, not only, the way it specifies requirements and undertakes procurement but how it purchases and delivers goods, services and works.
4.2	Decisions about procurement will consider the full range of options available, including partnerships, joint purchasing, internal and external provision. Quality of service and risk will be judged along with cost.
4.3	The strategic importance and complexity of required outcomes will mainly govern the choice of the procurement route to follow. Clearly, the procurement of low-value goods and services, purchased from a National framework agreement arranged by Procurement Scotland, Scotland Excel or other collaborative routes will bring benefits in collaborative buying power. Options appraisals for more complex activity will raise questions of whether services should be provided internally or externally. With service user consultation, where appropriate, the final decision should always be considered in light of what is likely to provide Best Value for the local community.
4.4	Procurement and Payment Services will engage with Services to develop annual procurement delivery plans, with the aim of finding the right solution and suppliers who will deliver to the required quality standards. The procurement delivery plan process will coincide with the annual financial planning cycle, on a 3 year rolling plan, and will be agreed and approved for delivery each year by the Chief Financial Officer and Department Service Directors and other relevant budget holders.
4.5	We will continue to develop the systems that support us in tracking our achievements against Scottish Governments national best practice indicators.

P5. The Local Dimension and Rural Proofing	
5.1	To support economic regeneration the need to think locally is well recognised. The Council introduced a Rural Proofing policy in 2008 to ensure that the needs of people living and working in our rural areas are fully taken into account in the development of all new and refreshed Council policies and strategies. This needs to be considered as early as possible in the project planning cycle and provide more information to citizens, service users and local businesses and Third Sector organisations about contracts that affect them. For example, what is contained in national, regional and local contracts and what levels of performance and volume demand is expected from businesses in a specific supply market. SBCs project activity and committee papers already consider rural proofing as an integral part of the internal project approval process.
5.2	SBC will publish all formal tenders on Public Contracts Scotland (PCS), and further develop the use of quick quotes facility in PCS, to ensure that all local organisations have access to Council tender opportunities and can bid for them on a level playing field. We will also publish the details of successful contractors which may allow local organisations to develop relationships and/or subcontract opportunities, in line with their own business plans. SBC will also hold specific supplier events where there are changes to the way we contract.
5.3	SBC is committed to the Supplier Charter. For reference, this is attached to this document at Appendix 2.
P6. Developing Procurement Capability	
6.1	The Scottish Government places great importance on procurement at a national level. The Procurement Capability Assessment (PCA) is an important tool, introduced by the Scottish Government, as a way of helping public sector organisations look at and improve how they carry out their procurement activities. The procurement capability of Scottish public sector organisations has been assessed through the Procurement Capability Assessment (PCA) programme since 2009, however with significant legislative changes taking place in procurement, the assessment process is being updated to reflect this.
6.2	A project - called 'Assessment Regime for 2015' - has been approved by the Procurement Reform Delivery Group (PRDG). The project team, comprising of representatives from each of the sectors, will deliver these changes and will be consulting with their respective sectors over the next eight months. It is anticipated that the new assessment regime will be implemented during 2015.
P7. Management and Control of Contracts	
7.1	Management and control of contracts is retained within each Department. Procurement and Payment Services will lead departments through an annual procurement planning process which will result in a Procurement Delivery Plan. Departments shall ensure that all contracts are adequately managed and monitored with a view to achieving successful service delivery on time, within budget, and in accordance with the specification.
7.2	Procurement and Payment Services will maintain the contracts register, identifying key suppliers and work with departments to develop a supplier relationship management process which supports the business in performance appraisal and management.
7.3	SBC will also work with Departments to improve procurement knowledge across the wider council to ensure best value decisions are always a consideration, particularly during project initiation stages.
P8. Professional Standards and Good Practice	
8.1	There is growing interest and awareness, from suppliers in other EU countries, in relation to bidding for public sector contracts in Scotland, particularly with the introduction of the Scottish Governments Single Point of Enquiry. Therefore, whilst it is recognised that flexibility is needed when considering procurement options, procurement remains subject to a range of national and EU regulations, in addition to Scottish Government Policy and recommendations, Guidance on the Procurement of Care and Support Services, as well as the Council's own standing orders and financial regulations. These documents set out thresholds and tender requirements and define the role and responsibilities of Procurement and Payment Services.

8.2	A quick reference guide of Tender Thresholds and responsibilities, which summarises the requirements of the key documents, is provided within Appendix 1 on page 14. It also provides information on minimum tender timescales. There is no maximum and the Council will endeavour, within the context or business need and timescales, to provide suppliers with enough time to prepare tender documentation. It should be noted that the summary on page 14 is no substitution for reading the governance documents in full. In addition to the governance documents there are a range of Council policies which will directly impact on the procurement process. In particular Council policies on health and safety, equal opportunities, the environment, freedom of information and data protection will form an integral part of the decision-making process depending on the requirements of the commission being tendered.
8.3	Over recent years, SBC has been able to develop core knowledge within Procurement and Payment Services through achievement of professional development and training for the whole team. SBC will work with Service Departments to share that knowledge and improve procurement practice across the wider council.

P9. Supplier Payments

9.1	When the Council enters into a formal contract the terms and conditions are stated in the tender documents or are negotiated with the successful company. These terms of payment will generally be based on our standard terms for the payment of invoices which is 30 days from receipt of an acceptable invoice for goods or services performed. It is the Council's policy to make payment by BACS transfer.

P10. e-Procurement

10.1	The procure-to-pay process is a critical component of the Council's ordering and payment cycle and must be developed further to ensure an efficient approach. The Council uses the Proactis e-procurement system and this has enabled, and will further enable, the Council to improve the cost-effectiveness of the purchase to pay process for the procurement of goods, services and works, especially low-value items where the cost of the transaction can often outweigh the value of the product. Payment Services use Proactis to improve compliance of on-line ordering and for the application of approval mechanisms for all areas of spend. We will achieve this through the development of delivery plans, embedding e-Procurement into our standard tender documentation and through the development and implementation of a robust Supplier Approval process.

P11. Collaborative Purchasing

11.1	The Council will use its procurement power where practical in order to obtain economies of scale and secure value for money. This will take several different formats: • Ensuring a level playing field for local businesses; • Joining National Contracts tendered by the Scottish Procurement and Commercial Directorate at Scottish Government, where these offer best value; • Maximising best value in continued Scotland Excel membership, joining national contracts tendered by them; • Use of opportunities where the procurement of similar products and services across the Council departments can be aggregated to obtain economies of scale; • Aggregation of spend on goods and services with, and the offer of procurement expertise and advice to, other councils and public sector bodies where this will help to deliver improved value for money, for example, NHS Borders, Borders College and other Local Authorities; • Strengthening relationships with other Local Authorities.

P12. Corporate Social Responsibility (CSR) in Procurement

12.1	The Procurement delivery planning process will fully consider how Corporate Social Responsibility consequences, for example equalities, ethical procurement including Fair Trade, non-discrimination, governance, prompt payment, supporting local SMEs and sustainable procurement, can be developed and achieved within 3rd party contracts with suppliers. Tender documentation will fully consider how CSR can be embedded and evaluated within 3rd party contracts with suppliers, where it is applicable.

P13. Small and Medium Size Enterprises (SMEs)*	
13.1	The Council's procurement activities can have a positive impact on local economic regeneration. It is important that the Council has a process for ensuring that local organisations, including the Third Sector, are made aware of how to tender for Council contracts and what quality and cost considerations the Council must observe in the delivery of its services. In this way local organisations should be able to compete, and be judged on merit, along with all other tenderers. While there are some legislative constraints that prevent the Council from preferring only local suppliers we will ensure that our tender evaluation processes reflect the local dimension as far as possible. In order to meet these objectives, the Council will engage with a Supplier Development Programme (SDP). The SDP is a partnership venture between the Economic Development departments of most Local Authorities and comprises various media communications and events to support development of capacity within organisations to allow them to compete for Council business. The Council will also deliver local events to continue to raise awareness or where we are tendering for contracts that local organisations may be interested in bidding for. *It should be noted that for the purposes of this strategy the general, and widely recognised, term "SME" is being used to describe smaller suppliers. However, SBC acknowledges that many suppliers local to the Borders are micro businesses (organisations with fewer than 10 employees).
P14. Sustainable Procurement	
14.1	Sustainable Procurement or 'Procuring the Future' can be defined as a process whereby organisations meet their needs for goods, services, works in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment. Leading by example, within our community, the Council may have a direct impact in reducing its carbon footprint and this approach includes tendering locally to reduce the carbon impact of transport mileage on our environment. This can only have a positive effect on the Councils reputation in implementing good practice. This approach supports the DEFRA Government Buying Standards. This focus should ensure that SBC's approach to sustainable procurement will achieve: • lasting value for money; • the avoidance and/or reduction in environmental damage; • delivery of social and economic benefits locally; • lower emissions and air pollution levels from more sustainable transportation usage; • less waste going to landfill.
14.2	Focusing public spending on sustainable goods, services and works is also an important catalyst for local job creation, sustainable innovation and market development. In committing to sustainable procurement SBC recognises that implementing this approach may increase costs.
P15. Carbon Management	
15.1	The Council recognises that climate change may have far reaching effects on the economy, the community and the environment. With the introduction of the Climate Change (Scotland) Act 2009, the Council's Carbon Management Board has a key role and commitment to ensuring that the Councils carbon footprint is the smallest possible, minimising SBCs impact on the environment. The procurement delivery planning process will consider how carbon management can be developed and achieved within 3rd party contracts with suppliers and, through sustainable procurement, tender documentation will fully consider how the carbon management can be embedded and evaluated within 3rd party contracts with suppliers, where it is applicable. For example, require suppliers to include details in their tender regarding transport distances and fuel emissions in order that the council can seek to minimise the number of delivery miles associated with its contracts.

P16. Adding Value to Communities through Procurement Policy	
16.1	Community Benefits are a means of developing clauses that may provide opportunities to bring a social and local economy dimension to tender activity. The Council, through its core activity already provides community benefits. The new Adding Value to Communities through Procurement Policy deals specifically with those aspects of Community benefits, in line with the Scottish Government definition, that can be derived from the contracts that SBC enters into with 3rd party suppliers for goods, services and works, where clauses can be included in tenders for project objectives directly linked to a social and local economic dimension.
16.2	The procurement delivery planning process will raise awareness across the Council of community benefits and fully consider how community benefit clauses can be developed and achieved within 3rd party contracts with suppliers.
P17. Equality	
17.1	In recognition of "Scottish Borders Councils Single Equality Scheme 2011-2015" procurement will, within the extent permitted by the European Union procurement legislation, embed equality into 3rd party contracts with suppliers where equality has a direct bearing on the goods, services and works being tendered. Accordingly, this may include a requirement to seek evidence to support the suppliers' own Corporate Social Responsibility strategies to be included in those firms' Expressions of Interest and Tenders.
P18. Fair Trade	
18.1	Fair Trade is a partnership between consumers in the West and producers in developing countries. Its aim is to ensure producers are paid a fair price for their output. Procurement and Payment Services will, within the extent permitted by the European Union procurement legislation, embed Fair Trade into 3rd party contracts with suppliers where it has a direct bearing on the goods, services and works being tendered. Accordingly, this may include a requirement to seek evidence to support the suppliers' own Fair Trade strategies to be included in those firms' Expressions of Interest and Tenders.

P19 Scottish Borders Council Thresholds			
Estimated Value	**Tender Route**	**Advertising Requirements**	**Minimum Timescales**
*Any type of purchase transaction for any value where personal data is involved (or might be involved) must be brought to the attention of the Corporate Procurement Service before seeking contact with any possible external provider.			
GOODS & SERVICES			
0 to £5,000	Officers will proceed in a manner they consider most efficient to their service and the Council.	1 - 2 weeks	
£5,000 to £20,000	Minimum of 3 Hard Copy Quotes or via PCS Quick Quotes	As above	Recommend Minimum 2 weeks
£20,000 to £35,000	3 Quotes via PCS* Quick Quotes	PCS	Recommend minimum 2 weeks
£35,000 to £172,514	Formal Tender Process	PCS	3 - 8 weeks
£172,514 and above	Formal Tender Process	PCS & OJEU**	6 - 12 weeks
WORKS			
0 to £5,000	Officers will proceed in a manner they consider most efficient to their service and the Council.	1 - 2 weeks	
£5,000 to £250,000	Minimum of 3 Hard Copy Quotes or via PCS Quick Quotes	Direct to contractors or PCS Quick Quote	2 – 8 weeks
£250,000 to £500,000	5 Quotes via PCS* Quick Quotes (one of which must be out with the Borders Area).	PCS	2 – 8 weeks
£500,000 to £4,322,012	Formal Tender Process	PCS	2 – 4 months
£4.322,012 and above	Formal Tender Process	PCS & OJEU**	4 – 6 months

1. These values are based on EU thresholds applicable from 1st January 2014. Next review due 1st January 2016.
2. Unless you are confident of the market and prices, if the value of activity is near to the maximum in any value range, or you expect that bids may be in excess of the maximum, it is recommended that you use the next process up.
3. Depending on the complexity of the work and any evaluation requirements you may wish to contact Procurement to discuss approach.
4. Timescales may increase or decrease depending on the complexity of the scope. These may be longer if not considered at the planning stage of project.
5. PCS – Public Contracts Scotland / OJEU – Official Journal of the European Union.

P20 Suppliers' Charter

Joint statement between Public Sector Procurement and Businesses to facilitate access to public sector procurement opportunities.

Both public sector procurement and business accept that effective procurement practices are an important factor in ensuring a varied and competitive marketplace and creating opportunities for Small and Medium Enterprises (SMEs), as well as ensuring Best Value/ Value for Money for the public sector. We recognise the need, where practical, to simplify and standardise processes and to ensure consistency in order to provide a fair and open approach to tendering. With these aims in mind:

Public Sector procurement organisations will:

- Consult with the business community to identify and reduce barriers to business;

- Facilitate understanding of public sector procurement policy and legislation by relevant stakeholders;

- Ensure that the approach to individual contracts, including large contracts and framework agreements, is supported by a sound business case;

- Keep the tender process as simple as possible, but consistent with achieving Best Value/value for money, to help minimise costs to suppliers;

- Unless there are compelling business reasons to the contrary ensure that adequate and appropriate publicity is given to contract opportunities that fall below the OJEU threshold limits or are otherwise exempt from the public procurement directives. (Compelling reasons may, for example, include the factor that the proposed firm is by recent experience (within 3 months) the best value for money supplier and would be likely to remain so in another competition);

- Commit to using the core questionnaire for routine procurements with addition of bespoke additions on a case by case basis. Authorities will be expected to follow this format and, as closely as possible, wording for routine open procedure procurements;

- Offer meaningful feedback to suppliers on the evaluation of their proposal at the end of the tendering process;

- Publish guidance for the business community on tendering for opportunities;

- Support training for procurement staff to develop consistency in the use of best practice procurement activity.

Businesses and their representative organisations will:

- Provide feedback from suppliers and their respective associations, on tender processes and perceived barriers to business. Representative organisations will act as a guide to their members in cases of complaint and help them to distinguish the appropriate course of action;

- Recognise duties under EU and UK law surrounding public procurement activity;

- Encourage members of business organisations to adhere to this Charter;

- Support public sector websites as a means of accessing contract opportunities;

- Make effective use of their skills and resources in bidding for and providing public sector goods and services;

- Support the use of the core questionnaire in the tendering process and the scope for debriefing;

- Encourage understanding of the principles of good business practice by appropriate means (e.g. dissemination of information and awareness raising seminars);

- Work with your customers to deliver value for money throughout the life of the contract.

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Assessing Employment Status Policy and Guidelines (ESI HMRC)

Report by Chief Financial Officer and Chief HR Officer

Executive Committee

9th June 2015

1   **PURPOSE AND SUMMARY**

1.1   **The Assessing Employment Status Policy and associated procedural guidelines have been developed in response to an HMRC review during 2014.**

1.2   The objective of the Policy is to achieve best practice and compliance, ensuring that all self-employed individuals engaged by the Council are appropriately assessed as per HMRC guidelines.

1.3   The review determined a number of incorrect employment status determinations. As a result additional income tax and national insurance contributions will be sought from the Council, additionally a monetary penalty is likely to be applied (the value of which is yet to be determined).

2   **RECOMMENDATIONS**

2.1   **It is recommended that the Executive Committee:**

   (a)   Approves the attached Assessing Employment status Policy and Guidelines.

3   BACKGROUND

3.1   It is a legal requirement for the Council to ensure the correct employment status is determined when someone is engaged to carry out a specific piece of work (e.g. a one off piece of work rather than full-time employment).

3.2   It is important to correctly determine an individual's employment status to ensure the correct tax and National Insurance contributions (NICs) are deducted and subsequently paid to HMRC.

3.3   Whether someone is employed or self-employed is dependent on the specific terms and conditions of the relevant engagement.

3.4   These terms can be input to an online tool provided by HMRC to confirm the appropriate status of the individual.

3.5   HMRC review an organisation's approach to assessment to ensure compliance with the Employment Status regulations.

3.6   Following a compliance review by HMRC the Council's assessment method has been reconsidered and the existing replaced with comprehensive guidance. This new policy and associated procedures will apply to all staff that engage or employ individuals who are not agency staff appointments.

4   2014 HMRC REVIEW OF THE COUNCIL

4.1   An HMRC review during 2014 identified deficiencies in the procedures used when engaging self-employed individuals and the absence of any formal policy on the assessment approach.

4.2   HMRC considered the employment status of a sample of 12 individuals (Appendix 1 provides details of the types of roles these individuals held) and following a detailed review identified that seven of these individuals had been incorrectly assessed as self-employed rather than employees.

4.3   HMRC have considered the facts and representations provided and have advised that the Council did not correctly apply PAYE and Class 1 National Insurance (NI) contribution deductions in relation to the incorrectly assessed individuals. External advisors (BDO UK) have supported the Council throughout the compliance review.

4.4   Following this outcome, additional tax and class 1 NI contributions will be sought by HMRC in relation to tax years 2008/09 to 2013/14. The gross amount calculated (excluding interest and prior to off-setting any taxes already paid by the individuals concerned) is £49,728.28.

4.5   In addition, the Council is likely to be liable to a monetary penalty as well as interest. The value of the penalty and the interest has yet to be determined by HMRC.

4.6   The development and adoption of appropriate policy and process will demonstrate the Council's compliance with HMRC legal regulations and may mitigate the extent of the penalty.

5   ASSESSING EMPLOYMENT STATUS POLICY AND GUIDELINES

5.1   In order to address the deficiencies identified by the HMRC review and to mitigate against any future incorrect employment status assessments, the Assessing Employment Status Policy and Guidelines (the Policy) contained in Appendix 2a has been developed. Appendix 2b clearly lays out the process journey to determine employment status.

5.2   The objective of the Policy is to achieve compliance and best practice, ensuring that all individuals engaged by the Council are properly assessed through an employment status procedure which considers the HMRC Employment Status Indicator (ESI) guidelines as set out on their website at www.hmrc.gov.uk/employment-status.

5.3   The Policy requires ownership of the ESI process to be with Procurement & Payment Services (PPS).

5.4   The Policy states that no Council Officer may engage any self-employed individual without the correct procedure being followed.

5.5   Procurement and Payment Services will undertake a review and report to the Chief Executive, Depute Chief Executives and Service Directors any existing individuals who require assessment to mitigate any risk to the Council if audited by HMRC.

5.6   The rollout of the policy will be via a series of presentations to Departmental and Service Management Teams. Following these presentations, template materials will be available through the Council Intranet and a SB Learn module will be provided as support to all employing (engaging) Council Officers.

5.7   The HR Shared Services Team will ensure that all relevant Council Officers have access to the ESI training module. Compliance will be monitored by Procurement and Payment and Payment Services by measuring the total number of completed SB Learn trainees as a percentage of the relevant Council Officer target audience.

6   IMPLICATIONS

6.1   Financial

The introduction of a robust corporate policy and procedure to ensure compliance will mitigate any future additional costs to the Council resulting from the wrong treatment of an individual's employment status.

6.2   Risk and Mitigations

The risk of the Council being non-compliant with HMRC legislation will be mitigated by implementation of the proposed policy and procedures.

6.3   Equalities

An Equalities Impact Assessment has been carried out on this proposal and no adverse equality implications have been identified.

6.4   Acting Sustainably

This policy makes provision for sustainability by being fully compliant with HMRC legislation.

6.5   Carbon Management

This policy has no adverse impact on carbon management.

6.6   Rural Proofing

This policy will have no adverse effect on the local dimension or rural proofing.

6.7   Changes to Scheme of Administration or Scheme of Delegation

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

7 CONSULTATION

7.1 The Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been be consulted and comments received have been incorporated into the final report.

7.2 The Policy and Guidelines have been developed by the Procurement and Payment Services Team in collaboration with Human Resources and have been reviewed and agreed by Legal Services.

Approved by

David Robertson   Signature ………………………………
Chief Financial Officer

Clair Hepburn   Signature ………………………………
Chief Officer HR

Author(s)

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

Contact us at Kathryn Dickson, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, email: Kathryn.dickson@scotborders.gov.uk

Role	SBC Assessment	HMRC Assessment
Projectionist 1	Self-employed	n/a (minimal impact)
Correctly Assessed		
Projectionist 3	Self-employed	Self-employed
Learning Disability Service Client Reviews	Self-employed	Self-employed
Review of Night Time Support	Self-employed	Self-employed
Ski Instructor 2	Self-employed	Self-employed
Incorrectly Assessed		
Projectionist 2	Self-employed	Employed
Temporary Clerical Assistant	Self-employed	Employed
Future Leaders Development Programme	Self-employed	Employed
Art Tutor	Self-employed	Employed
Woodwork Tutor	Self-employed	Employed
Social Care Project Consultant	Self-employed	Employed
Ski Instructor 1	Self-employed	Employed

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![Scottish Borders Council logo]

Assessing Employment Status Policy and Guidelines (ESI HMRC)	Document ID:	Appendix 2a
	Version:	1.4
	Last Update:	May 2015

POLICY PURPOSE/BACKGROUND

A Her Majesty's Revenue & Custom's (HMRC) review, in 2014, highlighted weaknesses in Corporate Policy and associated procedures. Scottish Borders Council (SBC) frequently employs self-employed individuals.

The objective of this policy is to achieve best practice and compliance i.e. ensuring that all self-employed individuals, completing work for the Council, have been assessed through an employment status procedure (ESI) as per HMRC guidelines: www.hmrc.gov.uk/employment-status

POLICY

1) Employment Status Overview

1.1) The determination of a worker's employment status is the responsibility of the employer (Council Officer or equivalent Managerial post) and not the individual being employed. An individual may claim to be self-employed but Procurement & Payment Services (PPS) will do a number of checks to determine if this status is correct or in fact the person is engaged as an employee.

1.2) Determination of employment status will conclude whether the payment to the individual should be made via Pay As You Earn (PAYE) for employees, so deducting tax and national insurance contributions or by payment of an invoice for self-employed workers, whereby the payments of tax and national insurance contributions are the responsibility of the individual.

1.3) The consequences of determining incorrectly that an individual is self-employed are that:

a) Individuals who believe that they should be treated as an employee may seek to assert their rights, by making claims to employment tribunals.
b) The Council will become liable for all contributions that should have been made via PAYE plus interest if appropriate.
c) A penalty charge may be made by HMRC if it is deemed that there was a deliberate intent to avoid paying employer tax and National Insurance contributions.
d) The Council may be in breach of the Pension Act 2008 Auto-enrolment Regulations.
e) The Pension Regulator may issue penalty charges for failure to comply with the Pensions Act 2008.

2)   Definitions

"Self-Employed"- an individual is likely to be classed as self-employed if they:

- have the final say in how their business is run.
- agree to do a job for a fixed price regardless of how long it may take.
- risk their own money in the business if they fail to deliver the service.
- are responsible for the losses as well as profits of their business.
- provide the main items of equipment needed to do their job and not just the small tools.
- are free to hire other people on their own terms to do the work they have taken on and pay them at their own expense. (If the worker has a right to send a substitute in his/her place this would indicate self-employment).
- are responsible for correcting unsatisfactory work in their own time and at their own expense, whilst incurring overheads such as premises and equipment costs.
- offer services to numerous organisations i.e. not exclusively to the one organisation.
- can decide what work to do, how and when to do it and where to provide the services.

"Employed" - an individual is likely to be classed as employed if:

- they do the work themselves and can be told how, when and where the work is to be carried out and be moved from one task to another.
- they have a set amount of hours.
- they are paid by the hour, week or month.
- they are seen as part of the organisation.
- there is a mutual obligation for the organisation to offer regular work and the worker to accept it.
- the service department provides all the major tools or equipment to do the job.

3)   Self Employed or Employee? - Determining Status

3.1)   A person's employment status will depend upon which of the above definitions the contractual arrangements and working terms and conditions most closely meet.

3.2)   A self-employed worker/contractor will:

a)   Have health and safety protection.
b)   Have protection against discrimination.
c)   Be issued with a standard contract for the provision of services which should not include terms which indicate employment such as sickness, holidays, discipline and grievance etc.
d)   Not be referred to as an employee.
e)   Be paid a fee, not a salary/wage.
f)   Public liability insurance.

3.3)   An employee will:

a)   Have a range of employment rights determined in a contract of employment.
b)   Be paid a salary/wage through Payroll.
c)   Be entitled to contractual enrolment in a pension scheme and subject to automatic enrolment if they opt out and meet the qualifying criteria.

3.4) Further guidance can be can be found on the HMRC web site at: www.hmrc.gov.uk/employers. The site also has an Employment Status Indicator (**ESI**) tool. After completing the questionnaire an indication will be made to whether the individual is likely to be self-employed or an employee. ESI is an essential tool which will provide a general guide as to whether the status of non-employees is correct at present. Please however be aware that the output is not guaranteed and the onus is still on the employer to determine employment status. This can be found at: www.hmrc.gov.uk/calcs/esi.htm.

4)   Employment Status Procedure

4.1) Before a contract for service is issued, Council Officers must request that Procurement & Payment Services check the employment status of the individual. To do this the Council Officer should submit an "Employment Status Form – Part 1" to PPS. It is important that the check is carried out even if the individual has declared themselves as self-employed. The onus is always on the Council to determine this.

4.2) If the individual is employed in more than one job then the same exercise has to be undertaken for each job or each establishment i.e. an individual may work in 3 different locations on the same basis but each location must make an assessment of the employment status of the person. A person may be self-employed in one job but an employee in another (e.g. a self-employed tradesman may also work as a janitor in a school as an employee).

4.3) If a worker is not paid through the PAYE system, and is eligible for auto-enrolment to a pension scheme there will be practicalities to be overcome as to how pension contributions can be made to an appropriate scheme and how the Pension Act can be complied with.

4.4) The Council will seek an HMRC "view" of the employment status of all their current self-employed workers. Procurement & Payment Services will visit the HMRC website and use the Employment Status Indicator (**ESI**) Tool to assess each individual contract. If there is any doubt then the individual should be classed as an employee regardless of what the individual claims their status is.

4.5) Procurement & Payment Services (PPS) can be contacted for general advice based on the information and questionnaire provided and will give an opinion on whether a payment should be processed through PAYE or not. If any doubt arises the PAYE process should be used.

4.6) The above process will be documented and the form retained by PPS as a Register of Employment Status for potential HMRC inspection.

4.7) A journey map documenting the Employment Status process is detailed in the document Appendix 2b. Further details of the process can also be seen in the SBC HR Policies, Procedures and Guidelines (Engaging the Services of Business Management Consultants).

FREQUENTLY ASKED QUESTIONS ABOUT EMPLOYMENT STATUS

a) It is easier for us to take on workers as self-employed. If HMRC agree, why can't we choose?

Engaging workers on a self-employed basis can have a number of attractive features for both parties, but whether someone is an SBC employee or is self-employed depends on the particular working arrangements and not upon the preferences of the people involved. The tax rules for self-employed people are designed to reflect the financial risks taken by people genuinely in business on their own account and should only be applied to those people.

b) If there is no written contract between SBC and the person we take on, does that mean he or she is self-employed?

No. Workers sometimes claim that they are self-employed because they do not have a contract with the person for whom they work. What this usually means is that they do not have a written contract, but if they have agreed to work in return for payment, a contract must exist – either a contract of service (employment) or a contract for services (self-employment). It can be written, spoken, implied or a combination of all three.

The contract is an important factor in considering employment status and is particularly valuable to the worker because it determines their rights and obligations.

c) If the terms of the engagement change part way through the contract, what should we do?

If the change results in a worker becoming employed, you should tell HMRC and begin to deduct tax and NICs from his or her earnings. If you fail to do so, your department could be held liable for the deductions which should have been made, and you may also be liable for interest and a penalty from HMRC. If the change results in a worker becoming self-employed, he or she will be responsible for their own tax and NICs.

d) An employee who took his apprenticeship with SBC now wants to do the same work for us but on a self-employed basis. Can we agree to this?

It is not the worker's choice. The terms, conditions and facts under which he or she is engaged should determine the employment status of the worker.

e) SBC took on a worker on a casual basis whom we genuinely regarded as self-employed, but we have subsequently made this a permanent arrangement on terms and conditions that suggest they are an employee. What should we do?

You must start to operate PAYE when you next make a payment. If the worker has been paid for past periods of engagements on terms and conditions amounting to employment you could be liable for the PAYE tax and NICs you should have deducted, so it is important that you make regular reviews of the status of your individual workers to avoid this happening.

f) Are there categories of worker where specific rules apply?

The same tests apply to all. It is important that you consider the status of your entire workforce, including Council Officers, Estimators, Site Supervisors and professional staff, as well as manual workers. However, if a worker is supplied by an agency and it is not solely on an introductory basis, special rules might apply with the result that the agency has an obligation to operate PAYE and account for Class 1 NICs.

g) Does working for one employer for a long period point towards employment?

This is certainly a factor to consider in the overall picture (just as a series of short-term engagements with many different contractors may point towards self-employment), but it is only one factor. It is important to pay close attention to the status of long-term workers because of the PAYE and NICs liability which may accumulate if you do not operate PAYE when you should.

h) What happens if an employment tribunal finds that a subcontractor, who had been treated as self-employed, was in fact an employee?

Employment tribunal decisions are not binding on HM Revenue & Customs, but they usually take into account similar factors. So the decision is likely to be the same when considering an employee for tax purposes. If a case was brought to HMRC's attention, HMRC's policy on collecting unpaid tax and NICs in these circumstances would apply.

Still not sure?

Contact Procurement & Payment Services (PPS).

After establishing the relevant facts, HMRC can give you a written opinion about a worker's particular employment status for tax and National Insurance contributions purposes. If you do not agree, HMRC will reconsider it in the light of any additional information you can provide.

If HMRC still cannot agree, you have the right to appeal.

http://www.hmrc.gov.uk/employment-status/index.htm

Version Number	Nature of Major Amendment	Date of Change	Author of Change
PPS006	Starting Points - Report for Assessing Employment Status which has created this Policy.	03/12/2014	JP

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Vendor Approval Process asks "Has an Employment Status Assessment been completed"?

Council Officer has a requirement to identify whether an individual has Self-Employed or Employed status (with the exception of agency staff appointments)

Procurement & Payment Services
Corporate Finance
Finance Chief Executives

Employment Status (ESI HMRC) Process Journey

Council Officer completes Part 1 of SBC Employment Status form (PPS012b) and returns this to Procurement & Payment Services (PPS)

If any employment concerns arise during any part of the assessment process then these should be raised with HRSS

PPS complete an initial assessment using the HMRC ESI tool confirming self-employed or employee status.

Employee Status Identified

Self Employed Status Identified

PPS inform initiating Council Officer and HRSS that Employee Status has been identified

Self-Employment status is determined and Part 2 (PPS012c) of SBC Employment Status form is sent to individual for completion and return to PPS

Council Officer decides whether Employee engagement of the individual is still valid and considers HRSS protocol requirements*

Part 2 (PPS012c) return is reviewed by PPS and compares with Part 1 following use of HMRC ESI tool

No Engagement

Engagement

NO

YES

Council Officer informs PPS that the engagement of the individual will not be progressed

Council Officer engages with HRSS to discuss recruitment options

PPS informs initiating Council Officer who reviews variances

Council Officer decides whether Self Employed engagement of the individual is still valid

No Engagement

Engagement

PPS inform HRSS of Council Officer decision

HRSS inform PPS of recruitment outcome

Council Officer informs PPS that the engagement of the individual will not be progressed

Council Officer agrees contract for provision of services with individual, retains contract document and informs PPS

Status Forms retained by Procurement and Payment Services for potential HMRC inspection

Further information available via Her Majesty's Revenue and Customs (HMRC) website (enter ESI)

Scottish Borders COUNCIL

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CORPORATE TRANSFORMATION PROGRESS REPORT

Report by Corporate Transformation & Services Director

EXECUTIVE COMMITTEE

9 JUNE 2015

1 PURPOSE AND SUMMARY

1.1 **This report updates the Executive Committee on progress in developing and delivering the Council's Corporate Transformation Programme since the report to Council on 12 February 2015 and sets out planned activity in the reporting period to August.**

1.2 In February, Council agreed to establish a Corporate Transformation Programme for the Council which:

(a)   Is based around the four cross-cutting themes as set out in the Financial Strategy 2015–16

    (i)   Making Best Use of our People
    (ii)   Working with our Partners
    (iii)   Looking after the Borders
    (iv)   Business Process Transformation

(b)   Builds on the former Business Transformation Programme

(c)   Supports Member, Corporate and Partnership priorities

1.3 Council agreed that quarterly monitoring reports would be considered by the Executive.

1.4 This report forms the first quarterly performance report and sets out:

(a)   Progress since February

(b)   Planned work in the next reporting period to August this year

1.5 Initially, 21 strands of work were identified through a series of workshops and away days with Corporate Management Team. These pieces of work included 8 projects and programmes that were already being progressed as part of the former Business Transformation Programme. The 21 programmes and projects have since been honed-down to 19 strands as work has progressed in scoping the Programme. These 19 pieces of work are set out in Appendix 1 which includes a brief description of the purpose of each and summarises progress made to date.

1.6   The main areas of progress since February include:

(a)   **Localities** – the pilot localities approach was approved by the Executive in March and a Lead Officer is being appointed.

(b)   **Railway Programme** – A new Programme Manager was appointed in April. Progress includes promotion of both the railway itself as well as the opportunities for both business and tourism growth. The project is an exemplar of partnership working across the public sector in the city-region area and at a National Level. Appendix 2 sets out a full update.

(c)   **Culture Trust** – All work at the moment is focused on the feasibility of an Integrated Culture and Sport Trust with BSLT. The feasibility report is due to be presented to BSLT at the end of September and Council in October. An update report will be considered at Council on 25 June 2015.

(d)   **Street Lighting** – Continuing roll-out of lanterns (some 1500 in the reporting period) which continue to make savings in terms of energy, carbon and maintenance reductions.

(e)   **SB Cares** – SB Care was established as an arm's-length company in April and is now operational. The Chair of the Board has been appointed and recruitment for the remaining Non-Executive Director posts is underway.

(f)   **Scoping of Briefs** for new pieces of work – Scoping of the new programmes and projects has started. Leads for each have been identified from Corporate Management Team as have Project Managers for the development of the briefs. It is anticipated that the scoping work will be completed in the next reporting period and, once complete, this will enable the development of more detailed plans for the phasing and resourcing of the Corporate Transformation Programme.

(g)   **Children & Young People** – Consultation has started on a new departmental Management Structure and a new Business Support Structure. Resource to support the programme has been identified and permission to consult on a new delivery model for Early Learning and Childcare has been approved.

(h)   **Energy Efficiency Project** - A project team has now been convened to examine options for energy efficiency projects across the Council which will deliver long-term revenue benefits.

2   RECOMMENDATIONS

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

3   BACKGROUND

3.1   In February, Council agreed to establish a Corporate Transformation Programme for the Council which:

(a)   Is based around the four cross-cutting themes as set out in the Financial Strategy 2015–16:

(i)   Making Best Use of our People
(ii)   Working with our Partners
(iii)   Looking after the Borders
(iv)   Business Process Transformation

(b)   Builds on the former Business Transformation Programme.

(c)   Supports Member, Corporate and Partnership priorities.

3.2   Council agreed that quarterly monitoring reports would be considered by the Executive.

3.3   This report forms the first quarterly performance report and sets out:

(a)   Progress since February(and rates that as Red Amber or Green)

(b)   Planned work in the next reporting period to August this year

3.4   Initially, 21 strands of work were identified through a series of workshops and away days with Corporate Management Team. These pieces of work included the following 8 projects and programmes that were already being progressed as part of the former Business Transformation Programme:

1. Children & Young People's Services
2. Adult Services
3. Alternative Models of Service Delivery – including the Culture Trust and SB Cares
4. Integration of Health and Social Care
5. The Railway Programme
6. Waste Management
7. Transport
8. Street Lighting

The 21 programmes and projects have since been honed-down to 19 strands as work has progressed in scoping the Programme. These 19 pieces of work are set out in Appendix 1 which includes a brief description of the purpose of each, summarises progress made to date (and rates that as Red Amber or Green) and sets out key milestones in the next quarter.

4   PROGRESS

4.1   The main areas of progress within this reporting period are set out below.

4.2   **Localities Programme**

After approval of a pilot Localities approach (Cheviot) at Executive in March, a Lead Officer David Mallin has been appointed and started work with SBC on 2 June, he will work within the Communities and Partnerships Team, but will have a direct report to the Depute Chief Executive, People (Programme lead). Prior to the Lead Officer starting, a range of data and information across SBC is being collated about the Cheviot area. Once in post, the Lead Officer will meet with Members in the Cheviot area, SBC officers operating on a locality basis, as well as key community representatives. An engagement plan will be produced and work will commence on developing an action plan for the area, which not only develops solutions to problems but also seeks to identify and address opportunities. The lead officer will work with the Area Forum to develop its role to oversee the action plan, holding statutory and community stakeholders to account for delivery of actions within the plan.

4.3   **Railways Programme**

A new Programme Manager was appointed in April. The main areas of progress in the reporting period are:

(a)   Web designers are on course to complete the Borders Railway Prospectus website together with an interactive map of development sites by the end of June. A hard copy version will also be produced by that date. A launch of the Prospectus, which will include a short video being developed by the web designers, is anticipated to take place in Edinburgh in July.

(b)   A branded train promoting the Borders Railway was launched by the Cabinet Secretary at Waverley Station in March 2015, which is travelling between the seven Scottish cities to promote the new line.

(c)   Borders Railway had a successful presence at VisitScotland Expo in April, meeting buyers from the UK and International travel trade who are interested in developing Borders Railway tour itineraries for 2016 and 2017.

(d)   Tourism businesses from Midlothian and Scottish Borders attended the Edinburgh Tourism Showcase in May alongside the Borders Railway project team to promote new 'business to business' opportunities, and a joint area tourism partnership event is being held at the National Mining Museum in May to launch the VisitScotland Borders Railway tourism business 'toolkit'.

(e)   Plans are underway to showcase the Great Tapestry of Scotland at five locations along the railway corridor, and the 'Development Framework' and design framework for the Central Borders Business Park at Tweedbank has been completed.

The project is an exemplar of partnership working across the public sector in the city-region area and at a National Level. Appendix 2 sets out a full update.

4.4   Culture Trust

(a)   All work at the moment is focused on the feasibility of an Integrated Culture and Sport Trust with BSLT. A separate project has been set up to carry out the feasibility exercise jointly with BSLT. Project called "Integrated Trust Feasibility".

(b)   The feasibility report is due to be presented to BSLT in late September and Council in October. It took longer to agree joint work with BSLT than anticipated. The Project Team are confident they can make up the lost time.

(c)   A Joint Officer Working Group, which is also the project board, has been established. This has Rob Dickson and Ewan Jackson (BSLT) as Joint Project Executives.

(d)   An update report will be considered at Council on 25 June 2015.

4.5   Street Lighting

Following approval, 2600 lanterns across various borders towns including Hawick and Newcastleton have been replaced with an energy efficient LED replacement in the first year of the project. Around 1500 lanterns were replaced between January 2015 and May 2015 and work will continue throughout 2015/16 to bring the total for the first two years of the project to 5600 installations. The replacement programme continues to deliver savings in the form of energy, carbon and maintenance reductions while still maintaining the lighting requirements for the night time environment. Specific programme details can be found on the SBC web site along with information surrounding the project and a selection of frequently asked questions.

4.6   SB Cares

(a)   SB Cares LLP (Limited Liability Partnership) launched on 1st April 2015 and is delivering Homecare, Residential Care, Extra Care Housing, Day Services, Hawick Community Support services, Bordercare alarms and Borders Ability Equipment Store services. A detailed partnership agreement and service contract are in place and the service level agreements with SBC support services are being finalised.

(b)   All services requiring registration with Care Inspectorate (CI) were either registered or are operating with the consent of the CI, pending full registration. Approximately 800 staff TUPE transferred from SBC to SB Cares and a further nine staff were seconded. A comprehensive communications plan was delivered ensuring all stakeholders were fully informed of the impact of change. A new finance system was procured and installed and SB Cares branding and website is in place.

(c)   The project delivered on time, within budget and within defined scope. All of the benefits defined in the Business Case (including financial) will be subject to ongoing monitoring and reporting.

4.7   **Scoping**

Work has progressed on developing the scopes for those new projects or programmes under the Corporate Transformation Programme. Project Leads from CMT have been identified along with the project managers that will be involved in the development of the briefs. It is planned to complete these briefs within the next reporting period – i.e. by the August Executive. The full list of the Programmes and Projects that comprise the Corporate Transformation are set out in Appendix 1 of this report along with a brief outline of their purpose and status.

4.8   **Children & Young People**

(a)   Consultation on a new departmental management structure has begun with Trade Unions and staff. This will align responsibilities to departmental priorities and will be implemented in August 2015.

(b)   A high level plan for delivering Business Support to the People Department has been approved by senior management within the department and is currently being communicated to staff and Trade Unions.

(c)   The Early Learning and Childcare paper approved at Executive on 26th May 2015 gave permission to begin consultation on a new delivery model with stakeholders. This will replace existing staffing arrangements and fulfil the Council's obligations under the Children & Young People's Act 2014.

(d)   Resources to deliver the ambitious Transformation Programme the department has designed have been identified and posts will be filled over the forthcoming period.

4.9   **Energy & Efficiency**

(a)   A project team has now been convened to examine options for energy efficiency projects across the Council which will deliver long-term revenue benefits. The programme will feature a number of projects which will be delivered in line with revenue and capital resource availability.

(b)   The team has agreed to pursue, as a priority, a number of building energy usage and thermal retention programmes including energy efficient lighting, boiler optimisation, insulation cladding and the replacement of current all-electric heating systems in a number of primary schools.

(c)   The Team has initially agreed to identify the top 10 schools where energy improvements are required to drive down costs, improve building comfort and reduce the Council's carbon footprint.

(d)   It has also been agreed that officer led discussions will be taken forward with regard to the current biomass provision in the three high schools with a view to properly reconfiguring these systems to deliver longer-term financial benefits.

(e) Officers are now examining the financial implications of replacing the remaining 6,000 sodium street lights not included in the 13,000 light replacement programme already approved by members in the 10 year CIP. This project will be brought back as a proposal for investment as part of the roll forward of the CIP.

(f) In addition, the Team has held an early discussion with regard to exploring the opportunities for locating solar panels on the nine high schools and the main HQ block, including the Old School site, and has considered recommending the Council undertaking a feasibility study to examine the potential offered by council owned sites to house solar panels in appropriate south-facing locations.

(g) This programme of work will require significant officer time and will have major financial implications for the Council, both in revenue and capital terms.

(h) A plan detailing the resource requirements of this transformation project is currently being compiled and any unfunded financial implications will require to be considered as part of the roll forward of the revenue and capital budget processes.

5 COMMUNICATIONS AND ENGAGEMENT WITH THE UNIONS

5.1 A communications Strategy for the Corporate Transformation Programme is currently being developed for consideration by Corporate Management Team (CMT) in June. In the meantime, a draft staff briefing note has been prepared and, once approved by CMT, this will be issued to staff in June.

5.2 There is a need to better coordinate the reporting of issues flowing from the Corporate Transformation programme to the Trade Unions. To assist in doing this, the project tracker, which will highlight potential staffing issues, will be shared with the Unions on a monthly basis enabling timely management and engagement with Trade Unions.

6 REPORTING

6.1 The summary tracker provided at Appendix 1 will form the basis of future quarterly highlight reports to the Executive. Over the next reporting period the presentational format will be looked at again to ensure that it is consistent with other monitoring reports received by the Executive.

6.2 Progress with the Programme will be on a bi-monthly basis to CMT using the summary tracker. Any projects which have a "red" status will be looked at in more detail at that point. It is anticipated that this approach, together with performance monitoring, will enable CMT to assess the progress of the Programme against corporate priorities and Community Planning Partnership activity.

7 FINANCE

7.1 As part of the financial monitoring of the Corporate Transformation Programme an assessment is made of current progress in planning the delivery of savings proposals included in the Financial Plan. Programmes of work being supported through the Corporate Transformation programme are now allocating all savings targets to specific projects.

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. There is a requirement to focus on the achievability and progress of planning the delivery of all savings within the Plan to ensure future plans continue to be set on a realistic and achievable basis.

7.3 Staffing implications associated with supporting the Corporate Transformation Programme are being funded through the Corporate Transformation budget where appropriate provision has been made within the revenue 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 will be developed for the projects and activities within the programme as appropriate.

8.2   Risk and Mitigations

A formal risk management approach will be applied consistently and appropriately across the programme.

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.

9 CONSULTATION

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

Approved by

Rob Dickson   Signature ....
Corporate Transformation & Services Director

Author(s)

Name	Designation and Contact Number
James Lamb	Portfolio Manager

Background Papers: Nil
Previous Minute Reference: Scottish Borders Council, 12th February 2015.

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.

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CORPORATE TRANSFORMATION PROGRAMME HIGH LEVEL DELIVERY

	Corporate Lead / *Project Manager*	Programme/Project	Purpose	R A G	Milestones achieved- THIS PERIOD to 31 May — Comments	Milestones to be achieved - NEXT PERIOD to 31 August — Comments
1	Rob Dickson	Workforce Transformation	Enable staff to deliver service improvements, review existing management and admin structures and deliver a reward and benefit strategy.	🟧	Initial Meeting held on 14th May to define scope of programme. Proposed that Workstyle Transformation (see 17 below) is incorporated as a component of this programme. Rewards and Benefits Strategy - Final stages of appointing provider. Extranet solution will also form part of the provider package. Intended to roll out car scheme from mid July and technology in September 2015.	Programme Brief to be completed.
2	Donna Manson / *Lizzie Turner*	Children & Young People	Improve the learning experience and opportunities for our children and young people through early intervention and prevention, an sustainable school estate and more integrated and streamlined management & admin.	🟩	Trade Unions consulted on Management and top level Business Support Structures. PM posts advertised and interviews arranged. Two Online Payment Launch events completed. School Estate Lead Officer appointed. Permission to proceed with Early Years staffing model approved by Executive.	Staff Consultation on Management and First level Business Support started. PM posts to be appointed. Online Payments Phase 2 training to be completed. Staff consultation on Early Years Review to have began. Reclassification of School Estate to be complete.
3	Elaine Torrance / *Graeme McMurdo*	Adult Services	Deliver service change and financial savings across a range of Adult services, including SB Cares, reviewed charging and focus on a reablement approach to care.	🟧	Progress made on plans to achieve financial plan income and capital project delivery. Full plans required to achieve 2015/16 financial savings.	Full plans agreed on the detail of how 2015/16 savings will be achieved in full.
4	Nile Istephan	Joint Delivery / Co-location	Actively pursue opportunities for co-location with our partners and opportunities for joint working.		Mapping exercise is being undertaken by the group which will map out assets and locations in the Hawick area, to better understand and share the pattern of assets ownership and future intention, in order that opportunities for effective disposal, sharing, maintenance and efficient use can be identified.	To be discussed at CPP Joint Delivery Team June 2015
5	Brian Frater	Data / Information Sharing	Deliver information sharing requirements across partners.		Programme currently being scoped to identify scale of task. Discrete projects being identified and prioritised.	Scoping and prioritisation to be completed.
6	Philip Barr	Alternative Models for Service Delivery	Review service delivery and Trust models to develop more cost effective service delivery models (e.g.) LLP's and joint ventures.	🟧	Work progressing well with BSLT on benefits, disbenefits and risks around integrated Culture and Sport Trust feasibility.	Provide progress report to Council in June on integrated Culture and Sport Trust feasibility.
7	Jeanette McDiarmid	Co-production	Involvement of communities from the outset in the development, design and delivery of service.		Not due to commence until September 2015.	
8	Susan Manion / *James Lamb*	Integration of Health and Social Care	Improved outcomes for service users and carers who will have clear access routes to services and information.	🟩	Scheme submitted to Scottish Government. First Draft of Strategic Plan Published. Second Draft in preparation. Stakeholder engagement sessions underway. Strategic Planning Group established.	Second draft of strategic plan to Council and NHS Board on 25 June 2015 and published for consultation on 1 July 2015. Stakeholder events are being organised for late August, early September 2015. Revised scheme of integration to be drafted and submitted over the Summer.
9	Rob Dickson / *Sam Smith*	Railway Programme	Delivery of actions to maximise the full economic and social benefits of the Borders Railway.	🟩	Leadership Group meeting every 4-6 weeks; draft 'Action Plan' and project schedule in place. Programme Manager appointed, start date 1 April 2015. The Council's financial contribution to current projects approved on 2 April 2015.	Project 'Approval Paper' and grant procudures in place by June 2015. Communications Plan in place by July 2015. Risk Workshop with Leadership Group by August 2015.
10	Jeanette McDiarmid / *Sarah Watters*	Localities Programme	Ensure SBC activity within localities is co-ordinated, via 5 locality plans containing clear actions and accountability.	🟩	Approval of approach at Executive 24th March COMPLETE Recruitment to Lead Officer post (preferred candidate selected) 11th May COMPLETE Establishment of SBC Co-ordination group 14th May COMPLETE	Appointment of Lead Officer 29th May Information/data pack for Lead Officer 5th June Development of stakeholder engagement plan 31st July
11	Jenni Craig	Waste Strategy	Create efficiency savings, reduce expenditure and provide additional income through the implementation of a strategy that is financially and environmentally sustainable.	🟧	The termination of the long term Waste Treatment Contract requires the Waste Strategy to be revisited. As a result the scope of the programme is likely to be impacted as well as potential savings.	Work progressing in relation to IWMS review approach and options appraisal. Paper brought to CMT in May and subsequently taken to Council in June 2015 if acceptable.
12	David Cressey	Digital Connectivity	Maximise community and town access to digital connectivity / broadband and mobile telephony.	🟧	Meeting held with key managers and notes distributed for comment. Brief will be drafted and a further meeting arranged.	Project Brief to be Completed

13	Andrew Drummond-Hunt/ *Andrew Medley*	Transport	Implement a better, simpler, more accessible and cost effective model of transport service provision, through a multi-agency approach.		Joint CPP Transport Procurement Framework in Place - April 2015. Strategic Transport Services Manager Appointed. SESTRAN funding secured to establish "Community Transport Hub", remaining matched funding bid into the Integrated Care Fund (ICF), decision awaited. Bus and Borders Railway connectivity current baseline position and proposals to improve connectivity completed and considered by CMT.		Joint Framework contract management arrangements finalised with partners and implemented. First contracts tendered throgh framework. SBC/CPP Transport Services structure finalised and impemented. Commence "Community Transport Hub" implementation subject to gaining ICF funding. Bus and Borders Railway connectivity - Gain Elected Member agreement on way forward and proposals to improve connectivity in line with the Railway "Blueprint". Implement proposals. Integrated Transport in Berwickshire - Hold first stakeholder/community event in Berwickshire High School to identify transport solutions that improve transport and access to services in the Berwickshire Area.
14	David Robertson	Energy Efficiency	Implement spend to save energy efficiency schemes across the Council estate.		A project team has now been convened to examine options for energy efficiency projects across the Council which will deliver long-term revenue benefits.		A costed project plan will be developed to advance energy efficiency projects.
15	Jenni Craig	Customer First	Continued roll out and development of modern customer services across the Council.		An early draft has been completed and discussed. Further work is required to develop further and meeting held in May 2015.		Project Brief to be Completed
16	Andrew Drummond-Hunt/ *Graeme McMurdo*	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.		Meeting held with Transformation Group on 20th May 2015 to discuss Property & Asset savings targets. Full plans to meet financial targets need to be discussed and agreed.		Update on the detailed plans to meet the Transformation delivery timescales and savings targets.
17	Clair Hepburn	Workstyle Transformation	Implementation of mobile technologies to deliver more effective and efficient ways of working.		Initial Meeting on 14th May. Proposed that this workstream is incorporated within Workforce Transformation (see 1 above)		Completion of Programme Brief.
18	David Robertson	Business Process Re-engineering	Agreed approach to process improvement applied across a range of service areas.		Initial meeting has been held and proposal presented to Finance Management Team (FMT) regarding process modelling project.		
19	Rob Dickson	IT	IT underpins the majority of the corporate transformation areas and implementation of the ICT strategy will support the delivery of financial savings.		Further work on Staff engagement ongoing. Skills Review of all ICT staff commenced. Project Plan being developed. Ongoing discussion with Trade Unions.		Update to Council 25 June. Completion of staff Workshops and commencement of detailed business case re ECC's Preffered Bidder.

Financial Plan Saving include (T) savings only. 'Below the line' (S) savings are excluded

Electric vehicles now included under 'Property & Assets'

Street Lighting now included under 'Property & Assets'

Key:

Critical issues to be reviewed by CMT

Some issues to be managed by Project Team

No issues to report

Borders Railway Blueprint: Programme Update – May 2015

(From Leadership Group Report, 29 May 2015)

<u>Purpose</u>
To provide an update on the work on the Borders Railway Blueprint in the period since 17 April 2015, updating on project progress under each key theme.

Great Places for Working & Investing – Progress

- **Central Borders Business Park – Phase 1 & 2**
  The 'Development Framework' and design vision, led by Scottish Borders Council and funded by SBC and Scottish Enterprise, was completed in April 2015.   Phase 1 of the development, led by SE, got outline business case approval on 13th May. Further work is now underway by SE and SBC on:
  - Consultation with land/property owners
  - Impact on development site of reservation of space for additional station car parking
  - Confirmation of extent of road adoption on station access route
  - Confirmation of boundaries of Network Rail ownership following contract completion
  - Impact of route safeguarding south of Tweedbank station on Phase 1 development site.

  Project approval for the Phase 1 investment in new business space is expected in September 2015.

- **Borders Railway Prospectus**
  Web designers are on course to complete the Prospectus website together with an interactive map of development sites by the end of June 2015. This is funded by Scottish Borders, Midlothian and Edinburgh City Councils. A hard copy version will also be produced by that date. A launch of the Prospectus, which will include a short video being developed by the web designers, is anticipated to take place in Edinburgh in July.

- **Borders Railway Inward Investment Response**
  Discussions have taken place with Edinburgh City Council's Invest Edinburgh team on the resources needed to proactively promote investment in the Railway corridor. Advice and support has been offered, along with support for the organisation of the Prospectus launch event. SDI input has also been offered facilitated by SE. The next step is to agree a single point of contact and dedicated staff resource needed in time for the Prospectus launch.

- **Borders Railway Investment Fund**
  Assets are being transferred from regional loan funds to the new 'Scottish Local Authorities Business Loan Fund' which will deliver a planned £1million finance mechanism to support the Borders Railway Blueprint, levering in ERDF and a contribution from the Scottish Government.   This is expected to be available in October 2015, and interim options for business loans and grants are available.

Great Places for Living & Learning – Progress

- **Housing Land/ Development**
  Scottish Government facilitated a meeting with senior planners in March 2015 to discuss the strategic role of the railway in creating a new 'development corridor' for Scotland, and the role of the Borders Railway in stimulating housing development in Midlothian and Scottish Borders. Local Authorities have since done some detailed work on the development status of housing sites along the corridor, with a view to working in partnership with SG on the housing/ planning/ place agenda in due course.

- **Integrated Transport at Station Hubs**
A meeting has been held with key transport contacts in Scottish Borders, Midlothian and Edinburgh City Councils to discuss integration of bus and rail scheduling, the physical connections from stations, and the planned provision for taxis, car hire, and bike hire facilities. Key gaps and opportunities have identified to be progressed in time for opening in September.

- **Develop walk/ cycle paths into wider network**
Plans are being progressed between Councils to jointly deliver 'active travel projects' and touch screen visitor information and signage at key stations. TS has confirmed Smarter Choices funding can be matched via the Railway Blueprint (Financial Deal).

- **Scope out Potential Feasibility Work for Extending the Line**
Scottish Borders Council and Transport Scotland are currently finalising the scope of the work required which will be based on Scottish Transport Appraisal Guidance (STAG) principles. A working group is being established to help take the project forward.

Great Destinations to Visit - Progress

- **Great Tapestry of Scotland – Pre-opening**
Meetings have been held with the GTS team and plans are being progress to showcase the Tapestry at five locations along the Railway corridor in time for the opening celebrations in September.

- **Great Tapestry of Scotland – Permanent Home**
Following completion of the Feasibility Stage Proposals, Scottish Borders Council has commenced with the next stage of the design process. The Council has engaged a number of design consultants including:

  - Architectural Services: Page & Park

  - Civil & Structural Services: Goodson Associates

  - Landscape Architectural Services: Harrison Stevens

Site surveys are underway including topographical, ecology, geophysical, site investigation and ground investigation.

- **Tourism Train Market Assessment**
A Tourism Train Market Assessment has been commissioned by Scottish Enterprise, working with Transport Scotland and VisitScotland. This work aims to identify lessons for the Borders Railway tourism train experience from elsewhere, and to review opportunities for the Borders route and how economic impact can be maximised. The work is being carried out by BTS, who are consulting with Abellio/Scotrail, tour operators, private sector and key stakeholders. An interim report will be produced by 19th June.

- **Tourism Destination Audit**
The Tourism Destination Audit for Scottish Borders and Midlothian has now been completed and both LAs are in receipt of the final document. The Audit findings were presented at a Borders Railway tourism event held in Midlothian on 28th May, attended by tourism businesses from Scottish Borders and Midlothian. It identifies almost 30 themed tourism business development opportunities linked to the Borders Railway. The audit findings will form the basis for the Business Opportunities Guide to be developed by Business Gateway.

- **Borders Railway Tourism Development Programme**
Using the findings of the Destination Audit, Business Gateway with support from Scottish Enterprise, is working up a plan for the development of a 'Business Opportunities Guide'. This would then linked to innovation workshops, 1:1 and cluster business support to help support the private sector to develop new products and services. It is expected this will require investment from partners and Blueprint Funding.

- **Hop on/ Hop off Bus Services**
  Plans in progress to deliver a hop on/ hop off bus in Scottish Borders in time for the opening weekend, to coincide with the six week Steam Train Experience pilot.

- **Marketing Programme**
  Following commitment of Blueprint Funding by Scottish Government and Local Authorities, a news release announcing the VisitScotland led Marketing Programme was issued on 28th May. Landing Pages for Visitscotland.com/bordersrailway will be live from the July 2015. Other progress:
  - A 'Borders Railway Industry Toolkit' was launched on the 28th May 2015 at Newbattle Abbey - this offers marketing and branding guidance, and suggested itineraries for 1 day, 4 day and 6 day food and drinks trails using the railway as main source of transport.
  - 700 French Travel trade briefed last week on new Borders Railway.
  - Creative brief being crafted for media agency using iconic images for Midltohian, Scottish Borders and Edinburgh as backdrop.
  - Activity on Outdoor advertising, press and radio will start in August 2015.
  - Accommodation Partners and Food & Drink partners have been sourced for the media fam trip in and around the opening weekend.
  - Scotlanders group press visit to Borders will take place 11th- 14th June.
  - Working with Borders Book Festival on maximising media opportunities with accredited media-interviews/ media hosting etc.

- **Train Wrap**
  The Train Wrap was launched in March at a Ministerial event in Waverley Station, to 'communicate to rail travellers the key leisure and tourism assets of each of the three Council areas – the attraction, the appeal, the coming together and the increased connectivity and accessibility of the new Borders Railway line.' The wrapped train has generated significant interest on social media, and is currently travelling between the seven Scottish cities. Marketing Edinburgh on behalf of the three Local Authorities is developing a PR plan to build media activity and interest in the lead up to the opening celebrations.

- **Borders Railway Expo**
  Plans are taking shape for Borders Railway 'Expo' activities to increase the impact of the two day opening celebrations. This is moving away from a single 'showcase' event towards a programme of activity in different locations at different times, including:
  - VisitScotland led FAM visits and press trips
  - A Local Authority led 'showcase' of local food & drink and products at Waverley Station
  - Attendance at VisitScotland Expo in Aberdeen in April, with an aim to have a significant Borders Railway presence in Edinburgh in 2016
  - A mini-launch event for potential investors and agents linked to the launch of the Borders Railway Prospectus
  - SCDI event.

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UK LANDFILL COMMUNITIES FUND

Report by Service Director Strategy and Policy

EXECUTIVE COMMITTEE

9 JUNE 2015

1   PURPOSE AND SUMMARY

1.1   **This report recommends two projects for approval from the Landfill Communities Fund (UK LCF) for the funding period to the end March 2015.**

1.2   The following projects are recommended for approval:

	Applicant	Project	Award request (incl. fees)
1	BCCF Environmental	Rock UK Adventure Centres Ltd – Newcastleton Bike Skills & Pump Track	£28,847.08
2	BCCF Environmental	Kirkhope Parish Hall – Hall Extension	£16,265

1.4   The confirmed UK LCF balance to 31 March 2015 is £45,112.08 and the projects now recommended for approval total £45,112.08. No balance remains in the UKLCF.

1.5   This report sees the end of Scotland's involvement in the UKLCF. Scotland now has the powers to collect and manage Scottish Landfill Tax (SLfT) and to operate a Scottish Landfill Communities Fund (SLCF) scheme which commenced on 1April 2015.

2   RECOMMENDATIONS

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

(a)   approves a grant of £28,847.08 to BCCF Environmental (Rock UK Adventure Centres Ltd – Newcastleton Bike Skills & Pump Track);

(b)   approves a grant of £16,265 to BCCF Environmental (Kirkhope Parish Hall – Hall Extension);

(c)   notes the end of Scotland's involvement in the UKLCF.

3 BACKGROUND AND THE NEW SCOTTISH LANDFILL COMMUNITIES FUND

3.1 Tax on landfill waste was introduced in 1996 as a means to reduce the amount of landfill waste and to promote a shift to more environmentally sustainable methods of waste management. The tax credit scheme enables operators of landfill sites (the Council) to contribute money to enrolled Environmental Bodies (such as BCCF Environmental) to carry out projects that meet the environmental objects contained in the Landfill Tax Regulations.

3.2 The UK Government saw the UK LCF as a way for Landfill Operators and Environmental Bodies to work in partnership to create significant environmental benefits and jobs, to promote sustainable waste management and/or to undertake projects which improve the lives of communities living near landfill sites.

3.3 Landfill Operators can contribute up to 5.1% of their landfill tax liability to Environmental Bodies and reclaim 90% of this contribution as a tax credit. The Council contributes the remaining 10% contribution from identified budgets within the Place Directorate - Neighbourhood Services. The UK LCF budget is notified quarterly based on waste tonnage returns submitted by Place Directorate - Neighbourhood Services to the Chief Executive's Department – Financial Services. The returns and budget figures within this report include the Council's 10% contribution.

3.4 As a condition of the UK LCF, enrolled Environmental Bodies submitting applications must firstly obtain the approval of ENTRUST for the works associated with individual projects. This is to ensure compliance with all the conditions of the National Scheme and to confirm eligibility of the projects being recommended for funding. (ENTRUST is the Regulatory Body of the UK Landfill Tax Credit Scheme).

3.5 Members should note that the Revenue Scotland and Tax Powers Act 2014 was given Royal Assent in September 2014. This, together with the Landfill (Scotland) Act 2014, gives Scotland the framework to collect and manage Scottish Landfill Tax (SLfT) and to operate a Scottish Landfill Communities Fund (SLCF) scheme.

3.6 The SLCF will continue to allow landfill operators (the Council) to contribute a capped proportion of their tax liability to be used for environmental and community projects. This rate is expected to be 10% higher than the UK LCF rate at introduction (UK LCF rate currently 5.6%). The SLCF will be regulated by SEPA (rather than ENTRUST).

3.7 This report therefore sees the end of Scotland's involvement in the UKLCF and the two applications recommended in this report, if approved, will result in no unallocated funds remaining in the UK scheme. Appendix 1 provides Members with details of all awards made under the UKLCF.

3.8 A two year UKLCF transitions period will run from 1 April 2015 to 31 March 2017 during which time the Council will continue to monitor all project awards to ensure full spend of allocated funds has been achieved by 31March 2017, or where necessary reallocated to other projects.

3.9 The SLCF processes are still being developed. In addition to the regulator changing from ENTRUST to SEPA we expect the Approved Body for the Scottish Borders to be BCCF Environmental, subject to SEPA approval. A SLCF budget is expected to available for distribution later in 2015.

4   UK LCF APPLICATIONS

4.1   Two ENTRUST approved projects are awaiting a decision on their UK LCF applications and a budget of £45,112.08 is confirmed.

4.2   **Project 1**

Applicant:	BCCF Environmental
Project:	Rock UK Adventure Centres Ltd – Newcastleton Bike Skills & Pump Track
ENTRUST No:	711138.086
Project Costs:	£89,739.67
LCF Request:	£28,847.08

(a)   Rock UK is a Scottish charity that aims to positively impact the lives of young people through participation in outdoor adventurous activities. Whithaugh Park, a residential centre in the Scottish Borders, works with 10,000 people each year in partnership with organisations such as the Princes Trust, Mencap, Downs Syndrome Scotland, School and Uniformed groups. The centre is an important resource for the rural village of Newcastleton. Its sports hall and swimming pool are used on a weekly basis by the local community, and Rock UK works regularly with the local primary school. Whithaugh Park holds a Learning Outside the Classroom (LOTC) Quality Badge and AALA license (Adventure Activities Licensing Authority).

(b)   The project will build a new bike skills area and pump track. The track will consist of multiple loops of varying grades, with a series of progressive challenges and will provide a fun introduction for beginner cyclists and development opportunities for the experienced rider. The project will be open 365 days a year and be completely free to use by the local community. The track will also be available to use by Rock UK's 10, 000 residential guests each year, either independently (free of charge), or within a coached skills session, delivered by Rock UK instructors. A simple 3-sided wooden shelter of approximately 25sq. mtrs. will be sited at the access point for use by all riders and spectators and will include picnic benches.

(c)   With Rock UK overseeing and maintaining the track it will become a sustainable and safe asset for the local community. The skills area and related development programmes will increase participation by women, young people and families, and build the confidence and skills they need to explore the wider forest trails.

(d)   The Active Schools coordinator intends to use the space as part of PE provision and "Bike Ability" Awards. It will springboard bike courses within the community, starting with a weekly youth group, which will explore potential affiliation to Scottish Cycling. Local events, such as the Newcastleton Cycling Festival, will use the area for fun days and children's races. Local bike shop, Bike7, will use the facility for their regular 'ride-out' and demo-days. Rock UK will introduce a Mountain Bike specific residential package, and employ a bike-specific Senior Instructor to develop this.

(e)   The total project cost is £89,739.67. Match funding will come from sportscotland Active Place (£43,940) secured and own funds (£16,952.59) secured. £26,986.57 is requested from the UK LCF plus £1,860.51 BCCF Environmental and ENTRUST fees. The project contributes to Corporate Priorities 1, 2, 4, 5 and 7.

4.3   **Project 2**

Applicant:	BCCF Environmental
Project:	Kirkhope Parish Hall– Hall Extension
ENTRUST No:	711138.084
Project Costs:	£23,000
LCF Request:	£16,265

(a)   Kirkhope Parish Hall is the social centre for the Lower Ettrick Valley and is used by an increasing number of community groups and people including WRI, Craft Group, Country Dancing, Yarrow Farmers, Junior Sports Groups, Indoor Bowling to name but a few. The Hall us also used weekly by the local primary school as a gymnasium and it is the support centre for the Community Resilience Plan.

(b)   The Hall Trustees have previously fundraised and delivered 2 phases of development. Phase 1 upgraded the heating, low energy lighting and insulation to walls and roof. Phase 2 replaced the flat roof area, improved internal ceilings and further insulation. Phase 3, the subject of this application, will build a small extension to deal with the pressure on storage space. Services such as the school gymnasium use and the resilient communities plan require significant storage space for equipment in addition to the growing needs of the many other users. The project will build a small extension of 5metres x 3 metres. It will be rendered in keeping with the existing building and the roof will incorporate full insulation finished by zinc. Planning and Building Warrant are in place.

(c)   The total project cost is £23,000. Match funding will come from own funds (£6,735) secured. £15,130.30 is requested from the UK LCF plus £1,134.70 BCCF Environmental and ENTRUST fees. The project contributes to Corporate Priorities 4, 5 and 7.

5   IMPLICATIONS

5.1   **Financial**

(a)   A budget of £45,112.08 is identified and available.

(b)   Approval of the recommendations in this report total £45,112.08 and no balance will remain in the UKLCF.

(c)   Members should note that this total includes a project underspend of £2,179.83 from the previously approved project BCCF Environmental – Birgham Village Hall ENTRUST 711138/051.

5.2 **Risk and Mitigations**

There is a risk that if Executive does not approve the project recommendations, the projects may be delayed or may not be able to proceed, match funding may be lost and the benefits in their communities will not be realised. This is mitigated through ensuring the projects are ENTRUST approved, both have sound project planning and match funding has been secured. All have been assessed and recommended for funding by the UK LCF Working Group.

5.3 **Equalities**

There are no apparent equality impacts on the Council. The UK LCF is operated by Customs and Excise and regulated by ENTRUST. The applicant, BCCF Environmental, is responsible for ensuring that funded projects are fully compliant with Landfill Tax Regulations, including equality of access. SBC holds BCCF Environmental Equal Opportunities Policy.

5.4 **Acting Sustainably**

(a)   Both projects impact positively on the built heritage or local environment.

(b)   Project 1 will increase and improve access to the natural environment.

(c)   Project 2 is targeted on the flexibility of the building overall and maximising its use as community space.

5.5 **Carbon Management**

N/A

5.6 **Rural Proofing**

N/A

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

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

6   CONSULTATION

6.1   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 their comments have been incorporated into the final report.

Approved by

David Cressey   Signature …………………………………….
Service Director Strategy & Policy

Author(s)

Name	Designation and Contact Number
Jean Robertson	Funding and Project Officer 01835 826543

Background Papers: Appendix 1 – List of Projects Awarded UKLCF from 1997.

Previous Minute Reference: Executive 13 May 2014

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

Contact us at Jean Robertson, Scottish Borders Council Headquarters, Newtown St Boswells, Melrose TD6 0SA 01835 826543 jjrobertson@scotborders.gov.uk

LIST OF PROJECTS AWARDED UK LANDFILL FUNDING (since introduction in 1997)

YEAR	MONTH & DATE OF APPROVAL	SUBJECT	ENTRUST NO.	AMOUNT OF AWARD £
1997	October 22nd	Borders Juniper Restoration Project Phase I Borders Forest Trust	181038.001	£10,289
1997	October 22nd	Home Composting Scottish Borders Enterprise	811038.002	£30,000
1997	October 22nd	Land Reclamation for a Com. Woodland at Eshiels	181038.004	£8,000
1997	October 22nd	Waste Management Research Assistant	811038.003	£30,000
1998	September 15th	Borders Juniper Restoration Project Phase II Borders Forest Trust	181038.001	£6,000
1998	September 15th	Home Composting Scottish Borders Enterprise	811028.002	£25,000
1998	September 15th	Lennel House, Italian Gardens, Coldstream Scottish Conservation Project Trust	508053.015	£38,000
1998	October 21st	Eyemouth Marine Centre – Beneath the Waves: Eyemouth Marine Centre	374043.001	£16,052
1999	October 4th	Boders Railway Environ. Impact Study Scottish Borders Enterprise	811038.006	£40,000
1999	October 4th	Plora Wood Dyke Scheme The Woodland Trust	701346.087	£2,500
1999	October 4th	Rivers Network – Phase II Scottish Borders Enterprise	811038.001	£15,000
1999	October 4th	Woodschool Project – Phase II Scottish Borders Enterprise	811038.005	£23,000
2000	January 17th	Philiphaugh Heritage Project Tweed Forum	866038.003	£9,900
2000	October 9th	Waste into Nutrients SISTech	856038.004	£32,000
2000	October 9th	Scottish Borders Wool Project Berwickshire CC Forum Environ. Group	711138.001	£15,000
2000	October 17th	Bridging the Borders Tweed Forum	866038.01	£30,000
2000	November 1st	Cycle Route, Haughhead, Innerleithen SISTech	856038.005	£78,919.12
2001	March 27th	Essential Remedial Works St Mary of Wedale Church, Stow	621038.001	£9,900
2001	March 27th	Melrose Scaurs Tweed Forum	866038.005	£1,100
2001	April 24th	Duns Tennis Club Berwickshire CC Forum Environ. Group	711138.003	£15,800
2001	July 10th	Environmental Placement Programme Midlothian Enterprise Trust/Business	372243.005	£4,500
2001	July 10th	Trumontium Interpretation Project Ph II Tweed Forum	866038.006	£9,600
2001	September 17th	Berwickshire Shredder Berwickshire CC Forum Environ. Group	711138.004	£2,010
2001	October 17th	Restoration of the Crystal Well, Maxton Tweed Forum	866038.007	£9,300
2001	October 17th	Riding for the Disabled, Hestavinir Group Hestavinir Group	722217.001	£48,000
2001	October 17th	Stow Bridge Tweed Forum	866038.002	£5,000

YEAR	Month & Date of approval	Subject	Entrust No.	Amount of Award £
2001	October 17th	The Appointment of Scottish Development Officer The Recycling Advisory Group (Scotland)	716043.006	£2,000
2002	May 1s	Ayton Bowling Club Path Berwickshire CC Forum Environ. Group	711138.006	£5,800
2002	May 1st	Borders Recyclers Guide SISTech	856038.010	£5,000
2002	May 1st	Carolside Bridge & Earlston Circular Walk Tweed Forum	866038.009	£15,000
2002	May 1st	Gunsgreen House Dovecot Berwickshire CC Forum Environ. Group	711138.009	£31,153
2002	May 1st	Invasives of the Tweed Phase I Tweed Forum	866038.008	£10,000
2002	May 1st	Renovation of Cuddy Bridge Tweed Forum	866038.012	£7,000
2002	May 1st	St Abbs Putting Green Berwickshire CC Forum Environ. Group	711138.007	£3,200
2002	May 1st	Whitsome Kirk Path Berwickshire CC Forum Environ. Group	711138.005	£9,900
2002	July 30th	Environmental Placement Programme 2002 Midlothian Enterprise Trust/Business	372243.005	£4,500
2003	February 5th	Bridging the Border Tweed Forum	866038.001	£8,000
2003	February 5th	Consolidaton of Cessford Castle Tweed Forum	866038.010	£10,000
2003	February 5th	Consolidation of Dryhope Tower Tweed Forum	866038.011	£15,000
2003	Februar 5th	European Rivers Network Tweed Forum	866038.002	£18,000
2003	February 5th	Home Basics (Tweeddale) Ltd SISTech	856038.011	£18,725
2003	February 5th	Melrose Scaurs and Cauld Tweed Forum	866038.005	£16,500
2003	February 5th	Repairs to Church Fabric & Boundary Wall St Mary of Wedale Church, Stow & Heriot	621038.033	£2,310
2003	February 5th	Tweed Catchment Management Plan Tweed Forum	866038.004	£8,000
2003	February 5th	Whitsome Recreation Area Berwickshire CC Forum Environ. Group	711138.010	£9,200
2003	March 26th	Borders Organic Gardeners At Woodside Nursery by Jedburgh	856038.014	£16,050
2003	March 26th	Environmental Fieldworker Berwickshire CC Forum Environ. Group	711138.008	£21,253
2003	March 26th	Recycling of Plastics from Household Waste Scheme in the Scottish Borders SISTech	856038.013	£12,300
2003	March 26th	Sustainable Gardening Berwickshire CC Forum Environ. Group	711138.011	£19,300
2003	May 31st	School Grounds for the Future The Borders Forest Trust	181038.002	£8,000
2003	March 28th December 10th	Eyemouth Golf Club Berwickshire CC Forum Environ. Group	711138.013	£35,700

LIST OF PROJECTS AWARDED UK LANDFILL FUNDING (since introduction in 1997)

YEAR	Month & Date of approval	Subject	Entrust No.	Amount of Award £
2003	December 11th	Eyemouth Museum Clock Tower Berwickshire CC Forum Enviro., Group	71138.014	£4,970
2004	January 7th	Selkirk Toll Banking SISTech	856038.012	£23,500
2004	March 30th	Calfward Path, Lauder Berwickshire CC Forum Environ. Group	711138.017	£7,664
2004	September	Provision of Disabled Facilities & Access at Stow Church St Mary of Wedale Church, Stow	621038.005	£7,944
2004	September	Tweed Invasives Phase II Tweed Forum	866038.013	£10,000
2005	February 17th	Tweed Invasives Phase III Tweed Forum	866038.013	£5,000
2005	February 17th	Foulden Parish Hall Berwickshire CC Forum Environ. Group	711138.018	£21,500
2005	March 29th	Whitsome Arc Project Berwickshire Community Council's Forum Environmental Group	711138.019	£4,000 (FS) £32,000 (B) £26,750 (B)
2005	April 2005	Hutton Village Hall Berwickshire Community Council's Forum Environmental Group	71138.020	£32,100
2005	March 14th	Redpath Village Hall Refurbishment	711138.021	£3,703
2007	March 28th	Coldingham Public Hall Refurbishment	711138.022	£16,060
2006	March 28th	Heiton Public Hall Refurbishment	711138.023	£26,882
2006	March 28th	Creating the Lamancha Hub	290823.001	£20,000
2006	December 19th	Eddleston Village Hall Refurbishment	711138.025	£32,100
2006	December 19th	Bedrule Village Hall Refurbishment	711138.026	£18,700
2007	March 28th	Lanton Village Hall Refurbishment	711138.028	£7,282
2007	March 28th	Melrose Parish Church	711138.029	£21,506
2008	March 12th	Border Wetlands for Biodiversity	866038.015	£15,000
2008	March 12th	West Linton Pathways Path Network	711138.030	£5,310
2009	February 20th	Eyemouth Congregational Church	711138.033	£32,250
2009	March 31st	Cardrona Play Park	711138.032	£21,500
2009	August 11th	Eyemouth Congregational Church	711138.033	£20,000
2009	August 11th	Melrose Waverly Tennis Club	711138.036	£20,352
2010	February 16th	St Boswells Tennis Club	711138.05	£26,019.30
2010	March 30th	Greenlaw Sports Pavilion	711138.038	£32,250

YEAR	Month & Date of approval	Subject	Entrust No.	Amount of Award £
2010	April 5th	Newlands Community Development Trust	711138.043	£38,099
2010	April 5th	Duns Tennis Club Floodlights	711138.037	£6,884
2010	April 5th	Peebles St Andrews Leckie Church	711138.044	£10,750
2010	April 5th	Coldingham Public Hall Luckenbooth	711138.045	£8,690
2010	May 11th	Ayton Community Hall Restoration	711138.039	£14,594
2010	August 24th	Peebles Old Parish Church Ability Access	711138.040	£14,988
2010	August 24th	Peebles St Peters Church Restoration & Repair	711138.041	£13,975
2010	August 24th	Hawick Baptish Church Eco-refurb of Well	711138.042	£32,760
2011	June 28th	Melrose Football Club Changing Rooms	711138.048	£14,888
2011	June 28th	St Ronan's Bowling Club Ground Refurb	711138.046	£9,933
2011	June 28th	Earlston Bowling club Refurbishment	711138.047	£11,069
2011	November 15th	Selkirk Parish Church & Hall Refurbishment	705161.001	£7,596
2011	November 15th	Bowden Pant Well Restoration	711138.049	£16,125
2011	November 15th	Hawick Baptish Church Phase 3 Refurb	711138.042	£11,287.50
2011	November 15th	Fatlips Castle Refurbishment	866038.16	£25,500
2012	March 20th	Hawick Golf Club Drainage Project	711138.053	£28,278
2012	March 20th	Morebattle Village Hall	711138.052	£10,497
2012	March 20th	Lauder Golf Club Clubhouse Extension	711138.050	£30,745
2012	September 22nd	Jedburgh Bowling Club New Clubhouse	711138.031	£32,250
2012	September 22nd	Earlston Paths Group Jubilees Path	711138.18	£18,421
2013	February 19th	Flodden 500 Selkirk Memorial Garden	711138.060	£17,417
2013	February 19th	Selkirk Play Park Project	711138.059	£37,625
2013	March 28th	Midlem Village Hall Amenity Land	711138.057	£9,138
2013	May 21st	Yetholm Churcn Refurbishment Phase I	711138.058	£21,500
2013	May 21st	Eyemouth Golf Club Machine Shed	711138.061	£26,229
2013	October 22nd	Eyemouth Museum – Auld Kirk Tower Repair	711138.062	£11,247
2013	October 22nd	Mapa Scotland Restoration of Great Polish Map	711138.067	£16,029.12

LIST OF PROJECTS AWARDED UK LANDFILL FUNDING (since introduction in 1997)

YEAR	Month & Date of approval	Subject	Entrust No.	Amount of Award £
2013	October 22nd	Ettrick Forest Sport & Recreation Club Sports Ground Renovation	711138.063	£25,304
2013	December 3rd	Coldstream Football Club Home Park Improvements	711138.064	£18,872
2013	December 3rd	Tweedbank Allotment Society Allotments	711138.069	£5,316
2014	February 18th	Burnfoot Community Futures Hub	711138.070	£37,625
2014	May 13th	Fountainahll Village Hall Refurbishment	711138.071	£16,188
2014	May 13th	Birgham Village Hall Outdoor Space	711138.051	£16,364
2014	May 13th	Duns Tennis Club New Clubhouse & Court Resurfacing	711138.078	£26,893
2014	May 13th	Chirnside Development Group Centre Refurbishment	711138.073	£32,250
2014	May 13th	Newlands Community Development Trust Grounds Machinery	711138.076	£7,762
2014	August 19th	St Andrew;s Episcopal Chuch West End Extension	711138.074	£21,670
2014	October 21st	Bill McLaren Park Ltd New Tennis Courts	711138.079	£16,125
2014	October 21st	Whitsome Village Hall Grounds Phase I	711138.077	£17,361
2014	October 21st	St Boswells Village Hall Phase III	711138.066	£16,125
2014	March 10th	Liddesdale Heritage Association Carbon Reduction Project	711138.082	£9,675
2014	March 10th	Smith Memorial Hall refurbishment	711138.083	£14,195
2014	March 10th	Earlston Community Development Trust Adventure Play Park	71138.075	£27,451
2015	April	Southdean Village Hall Extension	711138.081	£32,250
2015	April	Innerleithen Pipe Band Refurbishment	711138.087	£14,278

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Scottish Borders Loan Fund – Update

Report by Service Director Strategy & Policy

EXECUTIVE COMMITTEE

9 June 2015

1 **PURPOSE AND SUMMARY**

   1.1 **This report seeks approval to extend the operation of the Scottish Borders Loan Fund until the proposed national Scottish Local Authorities Business Loan Fund, Business Loans Scotland, becomes operational.**

   1.2 At its meeting on 3 February 2015 the Executive Committee agreed to close the Scottish Borders Loan Fund on 31 March 2015 as it would be replaced by the proposed national loan fund on the 1 April 2015. However, the new national loan fund has been delayed due to the Scottish Government experiencing difficulties with its planned timescales for the provision of European Funds to support public sector financial instruments. It is now expected that the new fund will not be operational until October 2015.

   1.3 This delay means that local small businesses are at a disadvantage in relation to funding their growth ambitions and the resultant economic impacts will be lost or delayed. Extending the operation of the Scottish Borders Loan Fund will provide a facility for small businesses to raise finance until the new fund is operational.

   1.4 In addition, the Borders Railway Blueprint Action Plan sets out an ambition to establish a Railway Investment Fund, during the summer of 2015, to support businesses seeking to exploit opportunities created by the arrival of the Borders Railway. The intention is that the Railway Investment Fund will be managed through Business Loans Scotland and extending the Scottish Borders Loan Fund will allow the Council to meet this commitment until Business Loans Scotland is operational.

2 **RECOMMENDATIONS**

   I recommend that the Executive Committee agrees to extend the operation of the existing Scottish Borders Loan Fund until the proposed national Scottish Local Authorities Loan Fund, Business Loans Scotland, becomes operational.

3 Background

3.1 At its meeting on 3 February 2015 the Executive Committee agreed that the Council should join the Scottish Local Authority Business Loan Fund, now known as Business Loans Scotland (BLS). As this was due to be operational on 1 April 2015; it was agreed to close the Council's Scottish Borders Loan Fund (SBLF) on 31 March 2015.

3.2 Unfortunately, the Scottish Government has been unable to meet its original timescales in relation to providing European Funding to support public sector financial instruments, such as Business Loans Scotland. This means that the operational start date of Business Loans Scotland has been delayed and is now expected to be 1 October 2015.

3.3 This delay and the closure of both Scottish Borders Loan Fund and the Scottish Enterprise run South of Scotland Loan Fund means that small businesses in the Scottish Borders are disadvantaged in relation to seeking finance to grow and the resultant economic benefits will be lost or delayed.

3.4 This delay also means the Council will have difficulty in meeting its ambitions in respect of the proposed Railway Investment Fund, noted in the Borders Railway Blueprint Action Plan. This Fund is intended to provide support to businesses to exploit the opportunities presented by the opening of the Borders Railway, the details of which are still being discussed with the Scottish Government and Scottish Enterprise. The Fund is due to be launched during the summer and is going to be managed through Business Loans Scotland. By extending the Scottish Borders Loan Fund the Council will be able to address applications for Railway Investment Fund support until Business Loans Scotland is in operation.

4 The Scottish Borders Loan Fund

4.1 In order to provide support to local businesses and offset the impacts of the delay in establishing Business Loans Scotland, it proposed that the Scottish Borders Loan Fund (SBLF) is extended. The extension should cover the period until the new BLS scheme is in place.

4.2 SBLF was established in November 2012 with a dedicated Balance Sheet provision of £300,000, providing interest free loans up to the value of £20,000. In the period to 31 March 2015 it has supported 12 applications to a value of £132,000, leaving £168,000 available for further loans.

4.3 The extension of SBLF will allow the Council to continue to provide Scottish Borders businesses with more flexible and easier access to loan finance to sustain and grow their business and increase employment opportunities, until Business Loans Scotland becomes operational. SBLF complements other business support activities that the Council and partners provide.

5 IMPLICATIONS

5.1 **Financial**

(a) It is proposed that Scottish Borders Loan Fund pilot is extended until Business Loans Scotland becomes operational, utilising the uncommitted funds of £168,000.

(b) The costs of administering the funds are met from within the Council's existing budget, utilising staff within Economic Development, Business Gateway and Finance teams. Any additional costs are covered by the one-off administration fee of 5% which is charged for each loan.

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5.2 **Risk and Mitigations**

(a) There is a risk that there may be defaults on the loans made by SBLF. It should be noted that to date there have been no defaults and this reflects well on the steps taken to minimise this risk, which includes due diligence, accompanying business advice and business and market intelligence undertaken by Business Gateway. In addition the risk is further mitigated by the decision making being made by a funding panel consisting of officers from the Economic Development and Finance Teams.

(b) There is a risk that businesses will not apply for loans. This will be mitigated through promotion by Business Gateway advisers, officers within Economic Development and Scottish Enterprise.

(c) In providing financial support, the Council must be aware of State Aid regulations designed to prevent distortion of competition in a market place. This is mitigated by officer's knowledge of the regulations and the current state aid "de minimis" exemption of 200,000 Euros. It is also mitigated by a check with applicants about any other public sector support.

5.3 **Equalities**

An Equality Impact Assessment (EIA) is not required as this involves a continuation of the SBLF activities. A key aspect of the Council's Economic Development Team's work is to reduce barriers to economic inequality and information on service delivery to equalities groups is monitored and this will continue during the pilot extension.

5.4 **Acting Sustainably**

The activities of SBLF fit alongside the Business Plan for Economic Development and the Business Gateway service which both contain a number of targeted outputs and outcomes that will deliver economic benefit: these relate to the number of businesses assisted, start-up, growth and local service priorities as defined by the Council.

5.5 **Carbon Management**

There is no net increase at a Scottish Borders level as this is the continuation of an existing service delivery, replacing the Scottish Borders Business Loan Fund.

5.6 **Rural Proofing**

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

5.7 **Changes to the 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.

6 **CONSULTATION**

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

Approved by

Service Director Strategy & Policy   Signature …………………………………….

Author(s)

Name	Designation and Contact Number
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Background Papers: None
Previous Minute Reference: Executive Committee, 3 February 2015

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SCOTTISH BORDERS ECONOMIC STRATEGY 2023 – ACTION PLAN REFRESH

Report by Service Director Strategy & Policy

EXECUTIVE COMMITTEE

9 June 2015

1   PURPOSE AND SUMMARY

1.1   **This report seeks approval of the updated Action Plan for the Scottish Borders Economic Strategy 2023, which was originally agreed in May 2013.**

1.2   The Economic Strategy sets out the vision, strategic aims and objectives that will provide the focus for our efforts to ensure sustainable economic growth for the Scottish Borders. The associated Action Plan sets out in detail how the Community Planning Partnership will deliver the outcomes identified in the Economic Strategy.

1.3   The Action Plan has now been updated and refreshed to reflect the progress that has been made in delivering actions. It also includes new actions that respond to the changing economic demands of the area and the ongoing opportunities that arise. The refreshed Action Plan is set out in Appendix 1.

2   RECOMMENDATIONS

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

(a)   Notes the positive progress made in relation to the actions in the Economic Strategy Action Plan; and

(b)   Agrees the refreshed Action Plan for the Scottish Borders Economic Strategy 2023, as set out in Appendix 1.

3   ECONOMIC STRATEGY 2023 - BACKGROUND

3.1   The Economic Strategy was prepared in order to set direction for the activity of the Community Planning Partners. It was agreed by Community Planning Partners at the Strategic Board in June 2013. The Strategy consists of three documents, an Economic Profile, an Economic Strategy document and an Action Plan. The Economy & Low Carbon Project Team agreed to refresh the Action Plan as it is now almost two years old. The refreshed version of the Action Plan is set out in Appendix 1.

3.2   The Strategy sets out the vision, strategic aims and objectives that will provide the focus for our efforts to ensure sustainable economic growth for the Scottish Borders. The agreed vision is:

"By 2023 the Scottish Borders will be amongst the best performing and most productive rural economies in Scotland. By supporting existing businesses and encouraging higher value economic activity, our quality of life will increase. The Borders will become a location of choice for growing businesses and for people to live and work."

3.3   The four strategic aims are derived from the analysis in the Economic Profile and reflect the particular opportunities and challenges that the economy of the Scottish Borders faces. The four strategic aims are: 1. Creating the conditions for businesses to compete; 2. Building on our assets; 3. Developing the workforce of the future; 4. Providing leadership.

4   ACTION PLAN – PROGRESS UPDATE

4.1   The Action Plan acknowledges the need to demonstrate ambition and aspiration whilst at the same time recognising the resource constraints in the public sector, now and in the future. The original Action Plan set out those actions which had resources and were part of planned activity by CPP partners and those actions which were part of a 'Project Pipeline' where resources had still to be identified. Since the Strategy was published in June 2013, good progress has been made on the 'resourced' actions and many of the 'Project Pipeline' actions have also been positively progressed.

4.2   Overall, good progress has been made in relation to the resourced actions. Examples include the first 'live' fibre cabinets for the Superfast Broadband project which will continue to roll-out over the next four years. The completion of employment sites at Lauder and Duns is welcome after a number of technical delays. The activity of partners and communities around Homecoming 2014 has also been very positive. In relation to people and skills the fall in the 18-24 unemployment rate is also positive for the area.

4.3   Good progress is also being made on the Borders Railway Blueprint projects, where a significant range of actions are being delivered in the run up to the opening of the Railway in September 2015. Significant additional financial resources have been identified, particularly for tourism related initiatives and new business property. More focus and effort is being targeted at 'Developing the Young Workforce' in order to help prepare young people more effectively for the world of work. Finally, although the Superfast Broadband programme will cover approximately 94% of premises in the area, more work is required to address connectivity for the remaining premises in the most rural and remote areas. Linked to this, mobile phone connectivity remains an issue in many parts of the Borders and the positive progress being made with UK and Scottish Government may only address relatively small areas.

4.4 Working together through the Economy and Low Carbon Theme Team, partners have focused on the Action Plan and delivered well, especially considering the limited resources available for some of the actions. For example, the work that the Council and Scottish Enterprise undertook during 2014/15 to develop a programme of strategic economic development interventions for the South of Scotland has been successful in drawing additional resources into the area for some key projects. The progress made with the 'Borders Guarantee' will be further enhanced with the work that the Learning and Skills Partnership is currently developing to ensure that schools, businesses and the College respond positively to the challenges set by 'Developing the Young Workforce'.

5 IMPLICATIONS

5.1 Financial

(a) The Council's revenue and capital financial plans include resources that will contribute to achievement of some of the objectives of the Scottish Borders Economic Strategy 2023, for example, transition to a Low Carbon Economy and South of Scotland Next Generation Broadband. The refreshed Action Plan (Appendix 1) has been laid out to highlight which projects are currently resourced (those highlighted by a tint) and which are currently in the 'Project Pipeline' (no tint) and are not currently funded. The projects covered by the green tint have been successfully completed.

(b) It is only possible to provide broad cost estimates for some of the projects that are in the Project Pipeline. The Council, and its Community Planning Partners, will need to decide which of the actions identified in the Project Pipeline will be of a high enough priority to justify targeting resources towards them. The financial implications of the Action Plan will require to be considered alongside other priorities and be reflected in future capital and revenue plans in line with available resources. It should be noted that limitations on future public spending may place significant constraints on the delivery of the Action Plan. In view of this it is expected that the Action Plan will require to be reviewed and updated regularly to allow it to reflect shifting priorities and resources.

5.2 Risk and Mitigations

There is a risk to the Council of not ensuring there is an up to date Economic Strategy in place for the Scottish Borders because it helps to guide the activity of the Council and its Community Planning Partners. It also provides a strong basis for future lobbying and funding bids to various external sources. This risk is mitigated by approving, and regularly reviewing the Action Plan and Strategy.

5.3 Equalities

An updated Equality Impact Assessment (EIA) is required for the Action Plan to take into account the new actions that have been proposed.

5.4 Acting Sustainably

The Scottish Borders Economic Strategy 2023 has sustainable economic growth at its core. It also highlights the development of a Low Carbon Economic Strategy as one of its Objectives, supporting one of the key Scottish Government targets over the long term. As a key strategy for the Scottish Borders the document was considered in relation to the Strategic Environmental Assessment regulations.

5.5 Carbon Management

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

5.6 Rural Proofing

Rural Proofing is not required as the proposals do not relate to an amended Council policy or strategy. The Scottish Borders Economic Strategy 2023 will not have an adverse impact on the rural area.

5.7 Changes to the Scheme of Administration or Scheme of Delegation

There are no changes to be made to the scheme of delegation.

6 CONSULTATION

6.1 The Chief Financial Officer, the Service Director Regulatory Services as Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the report.

Approved by

David Cressey
Service Director Strategy & Policy   **Signature** …………………………………..

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Background Papers: None
Previous Minute Reference: Scottish Borders Council, 30 May 2013

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Scottish Borders Economic Strategy - Updated Action Plan – May 2015

A. Creating the conditions for business to compete

Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
1. DESIRED OUTCOME – Business Start-Up and Growth is encouraged & supported					
Business Gateway Start Up Service (**Underway**)	£141,000 (annual average) 2 FTE advisers (Revenue)	Business Gateway	660 start up businesses are trading 3 year survival rate 65% of these businesses	2015/16 to 2017/18	
Business Gateway / Scottish Enterprise Growth Advisory Services	£141,000 (annual average) 7 FTE advisers Additional ERDF investment (Revenue)	Business Gateway Scottish Enterprise	100 businesses assisted Innovation Exporting Key sectors	2015/16 to 2017/18	Increased focus on growth and key sectors – entry threshold to growth service lowered from t/o growth of £200k over 3 years to £100k over 3 years
Scottish Enterprise Account Management Services (**Underway**)	Account Managers	Scottish Enterprise	Turnover growth of the current portfolio Increase in Account Managed portfolio	2015/16 to 2017/18	74 Companies are currently account managed
Business Support & Business Gateway Local Services (**Underway**)	£300,000 pilot loan fund £100,000 business grant fund (annual) Additional ERDF	Business Gateway SBC Economic Development	35 target loans and grants per annum – number and leverage 100 'expert help' assists	2015/16 to 2017/18	Local Advisory Services includes business support through advice for loans & grants, Expert Help and specialist advisers on ICT/e-commerce; HR and

Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
	investment (Revenue)				Access to Finance
Scottish Enterprise – Enterprise and Innovation / SDI support interventions	SE Topic Specialists	Scottish Enterprise	Deployment of SE support products & services to: Acc. Man. Businesses Wider business base	2015/16 to 2017/18	SE / SDI suite of product interventions – available BG or Acc Man businesses with potential for growth
Deliver the South of Scotland Business Competitiveness Project (**Underway**)	£600,000 (3 years) including ERDF investment (Revenue)	SBC Economic Development Business Gateway	200 businesses assisted 63 FTE jobs created in assisted businesses	2013/14 to September 2015	Project focuses on tourism, food & drink, rural businesses and renewables It will be replaced by a new EDRF investment from October 2015.
Supplier Development Programme – improve SME capacity to compete for any public sector contracts (**Underway**)	£5,000 (annual) (Revenue)	SBC Economic Development SBC Procurement	5 'meet the buyer' events per annum Increase in number of small businesses tendering for public sector contracts	2015/16 to 2017/18	Linked to Community Benefits Policy implementation – advice and support for businesses, including digital procurement.
<mark>NEW ACTION</mark> – Deliver Business Gateway ERDF intervention to add scale to local BG Services	£1.05 million from ERDF over 5 years	Business Gateway	Number of 'growth' businesses assisted	October 2015 – December 2020	Additional funds from EU for accelerating local business growth – including key sectors focus.

Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
NEW ACTION – Increase Internationalisation and Exporting Support for growth companies.	Existing BG Advisers and SDI Adviser	Scottish Enterprise Business Gateway	Increase the number of proactive exporters in the Scottish Borders by 25%	2015/16 to 2017/18	Work with Scottish Enterprise to promote and enhance the international / export focus of Scottish Borders' businesses
NEW ACTION – Join the new National Local Authority Loan Fund and launch it to local businesses (including 'Borders Railway Investment Fund').	Match Funding (from SE South of Scotland Loan Fund) + ERDF	SBC Economic Development Scottish Enterprise Business Gateway	Number of loans to businesses Leverage achieved – 1:3	2015/16 to 2017/18	The formation of a national Local Authority Loan Fund enables a strategic intervention from EU ERDF that increases the amount of loan funding available.
NEW ACTION – Establish a new Rural Enterprise and Small Business Scheme, as part of the LEADER Programme, to support farm business diversification and small rural business innovation projects.	EU + Scottish Government Funding Part of LEADER Programme 2014 - 2020	LEADER Local Action Group SBC Economic Development	No. of businesses assisted Innovation	2015 to 2020	Funds will be managed and administered through the LEADER process instead of directly by Scottish Government.
2. DESIRED OUTCOME – There is a supply of immediately available land and premises for business expansion and inward investment					
Ensure Local Development Plan has adequate supply of employment land (**Underway**)	No direct cost	SBC Plans & Research	Ha. of available employment land	2015/16 to 2017/18	Local Development Plan at final approval stage – public inquiry Spring 2015.

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Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
Deliver the Borders Strategic Employment Land Project (Coldstream, Lauder, Duns & Hawick) (**Underway**)	£2.9m including ERDF investment (Capital)	SBC Economic Development	Ha of serviced sites	Due for completion June 2015.	
Marketing of Scottish Borders Employment Land sites - existing property portfolio and serviced land sites. (**Now Resourced**)	£5,000 (Revenue)	SBC Economic Development	No. of Enquiries % Occupancy Rate	2015/16 to 2016/17	Linked to Inward Investment activity.
Develop 'Central Borders Business Park' (land acquisition and phased development / phased refurbishment). (**Now Resourced**)	Market dependent (Capital)	Private sector SBC Economic Development Scottish Enterprise	Ha serviced sites	2015/16 to 2022/23	*Linked to maximising Borders Railway benefits - Borders Railway Blueprint project.*
Facilitate development of Eyemouth 'Seafood Technology Park' (**Now Resourced**)	Market dependent (Capital)	Private sector SBC Economic Development SBC Estates	Ha serviced sites	2013/14 to June 2015	*Linked to Eyemouth Harbour Road master plan.*

Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
Project Pipeline – Resources Required					
Caerlee Mill Redevelopment	Market dependent (Capital)	SBC Economic Development SBC Built & Natural Heritage Historic Scotland	Occupancy Rates No. of Jobs created	2013/14 to 2015/16	*Consider the need for this action now that the site has been purchased and planning application is being determined.*
NEW ACTION – Strategic Employment Land Phase II – Initiate a programme to identify and develop key sites for future servicing / development.	Staff time Funding for feasibility studies	SBC Economic Development SBC Plans & Research Scottish Enterprise	Number of potential sites Area of potential sites	2016-2018	*Linked to need for new employment land in Galashiels, Peebles and Selkirk.*
NEW ACTION – Identify opportunities in Town Centres for new business premises / Business Incubators. Scope out extent of demand, options, costs – consider conversion versus new build costs, look at potential of co-location with other CPP services.	Staff time Funding for feasibility studies	SBC Economic Development SBC Plans & Research	Number of potential sites Floorspace of potential sites	2016 + 2017	*Potential for small offices in town centres in an incubator space format. Reuse town centre buildings and provide support for micro business.* *Focus on Hawick and Galashiels initially.*
3. DESIRED OUTCOME - Businesses have cost effective access to key infrastructure					
Rollout of Digital Scotland Superfast Broadband in Scottish Borders. **(Underway)**	£8.4m additional SBC investment (Capital)	Scottish Government South of Scotland Alliance SBC Economic	93%+ premises passed 100% basic access	2014/15 to December 2017	**CPP Priority Programme.** *Due for completion in late 2017. Coverage of 93.6% is expected.*

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Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
		Development Community Broadband Scotland			
Lobby for improvement of Mobile telecoms coverage – 3G and 4G access. Link to tourism as well as emergency/safety. (**Underway**)	Feasibility/ demand stimulation required (Revenue)	SBC MPs/MSPs Private sector	100% 3G coverage Significant 4G coverage	2013/14 to 2015/16	*SoSA lobbying on this issue. Linked to MIP and programmes controlled by UK Government.*
Support the re-opening of Reston Station to enhance development of Eastern Berwickshire. (**Underway**)	Scottish Government (Scottish Stations Fund) 2014/15 (Capital)	Network Rail SBC East Lothian Council	New station open to passengers	*2015/16 to 2017/18*	*Business Case submitted to Transport Scotland and project included in Rail Franchise as a costed option.*
<mark>NEW ACTION</mark> – Building on the National Digital Engagement Programme, deliver demand stimulation and digital inclusion programmes to maximise the adoption of the new broadband infrastructure.	Utilise the national programme resources in the Scottish Borders	SBC Economic Development Digital Scotland Team CREATE Team Business Gateway	Number of businesses using Superfast Number of 'new user' households connected	2015 - 2017	*Need to consider digital inclusion as well as business take-up.*
<mark>NEW ACTION</mark> – Work with partners to identify solutions that will provide Superfast Broadband access for the final 6% of premises - the most rural areas.	Staff time	South of Scotland Alliance Community Broadband Scotland	Increase in coverage beyond 93.6%	2016 - 2018	*Need for activity to ensure that areas missed out by Superfast Roll-out also see improved connectivity.*

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Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
Project Pipeline – Resources Required					
Lobby for improvement of key Roads Infrastructure – A1 / A68 / A7	Options appraisal required (Capital)	Scottish Government SBC E&I	Km of road upgraded	2013/14 to 2015/16	*Linked to Roads Asset Management Plan & new Transport Strategy.* *SBBF lobbying priority.*
4. DESIRED OUTCOME – Activity is increased in key local sectors including textiles, tourism, food & drink					
Promote and market 7stanes and 'Cycle Scottish Borders' product **(Underway)**	£80k (Revenue)	7stanes CIC Recreational Cycling Group	No. of marketing campaigns No. of additional visitors % increase in average stay % increase in revenue	2013/14 to 2015/16, then self-sustaining	*EU projects complete – exit strategies being developed.*
Creative Sector Support Programme **(Now Resourced)**	£75k per annum (Revenue)	SBC Arts Development Business Gateway (Business Advisors) Creative Scotland	Programme delivered No. of businesses assisted	2013/14 to 2015/16	
Project Pipeline – Resources Required					
NEW ACTION – Work with partners and local business representatives to develop Local Sector Action Plans; including textiles, tourism, food & drink, and renewables.	Existing Resources in Business Gateway, SBC Economic Development	SBC Economic Development Scottish Enterprise Skills Development Scotland	Number of sectors with plans – order of priority: • Renewables; • Construction • Textiles	2015/16 – 2016/17	*Specific plans tailored to our local key sectors.* *Need to ensure SE and SDS activity is aligned to these, as well as Business Gateway.*

Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
NEW ACTION – Investigate whether there is demand and need for a Borders Construction Industry Forum.	Staff time	Scottish Enterprise SBC Economic Development SBC Housing Strategy	Revived Industry Forum in place Number of private sector members	2015/16 – 2016/17	*A revived Construction Industry Forum could play a key role in relation to the growth of the construction sector.*
REMOVE - Develop Scottish Borders Textiles Enterprise Initiative.	£100k (Revenue)	Scottish Government Scottish Enterprise SBC Economic Development	Net additional investment in textile companies New markets entered	2013/14 to 2015/16	*The idea of an Enterprise Zone for textiles businesses has proved impractical to deliver. It is proposed to replace this action with a Textiles Sector Action Plan and to promote Regional Selective Assistance funding through Scottish Enterprise.* *Input will also be made to the update of the national textile strategy.*
5. DESIRED OUTCOME - Recreational, retail and cultural opportunities are maximised					
Events Support Programme including supporting events under the national Year of Food & Drink 2015 (**Underway**)	£100,000 per annum (Revenue)	SBC Economic Development SBC SAG EventScotland	No. of National & International events No. of Event Attendances	2013/14 to 2015/16	*Baseline/ economic impact evaluation per event.* *New Events Action Plan in place (approved 2014).*

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Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
COMPLETE - Homecoming 2014.	£80,000 (Revenue)	Event organisers VisitScotland/ EventScotland SBC Economic Development	3 homecoming projects delivered Marketing activity No. of Event Attendances	2013/14 to 2014/15	Baseline/ economic impact per event. *Final 2014 evaluation info still to be received?*
Tourism marketing & promotion and information (**Underway**)	£115,000 (Revenue) Additional ERDF	VisitScotland Area Tourism Partnership SBC Economic Development	ROI of Campaigns Purchased Through VisitScotland ROI for Visitor Information Centres	2015/6	STEAM 2012 baseline.
Borders Railway Marketing Programme (with links to Walter Scott and Abbotsford House) (**Underway**)	(Revenue)	Area Tourism Partnership VisitScotland SBC Economic Development Scottish Government	Marketing campaigns Additional visitors per annum to key attractions	2015/16 to 2017/18	*Borders Railway Blueprint project.*
COMPLETE - Textiles tourism trail	No additional cost	Private Sector Textile cluster SBC Economic Development VisitScotland	Increased footfall in textile attractions	2013/14 to 2014/15	Footfall in town centres Tourist volume/ value

Action	Resource	Who	3-year Target/ Measure	Timescale	Notes
Project Pipeline – Resources Required					
<mark>NEW ACTION</mark> – Initiate the development of a Scottish Borders cycling strategy in order to make the Scottish Borders a 'Cycling Hub'.	Staff time	Area Tourism Partnership VisitScotland SBC Economic Development Cycling organisations	Strategy agreed Actions implemented	2015/16 to 2017/18	*Strategy to align infrastructure, events, tourism development, schools/club activity, sports performance and safer routes to schools.*
<mark>NEW ACTION</mark> – Work with key partners to develop the Scottish Borders Walking Product. Build on themes in the new Access and Transport Strategy.	Staff time Revenue Capital	Area Tourism Partnership VisitScotland SBC Economic Development Walking organisations	Strategy agreed Actions implemented	2016/17 to 2017/18	
6. DESIRED OUCTOME – New business and enterprise is attracted to the Borders					
Project Pipeline – Resources Required					
Inward Investment Programme - building on "Our Scottish Borders" and "Best move of your life" campaigns	£75,000 (Revenue)	SBC Economic Development Scottish Enterprise/ SDI	Website traffic Enquiries Jobs supported by Inward Investment Projects	2014/15 to 2016/17	Linked to maximising Borders Railway benefits Potential for collaboration with E.Lothian/ W.Lothian and Edinburgh City – invest in 'City Region'.

B. Building on our assets

Action	Resource	Who	3-year Target Measure	Timescale	Notes
1. DESIRED OUTCOME – The economic development potential of the Borders Railway is maximised					
Implement Borders Railway Blueprint and Local Workplan to maximise the Economic opportunities of the Borders Railway. Key projects include: - Borders Business Park - Tourism Destination Audit - Great Tapestry of Scotland - Steam Train Experience - Borders Railway Tourism Development Programme - Borders Railway Prospectus and Inward Investment Delivery - Borders Railway Opening Celebrations - Hop on/ Hop off bus services & tour operators services - Train Wrap **(Underway)**	Use existing staff resource to support this priority area. Scottish Government £10M commitment for Railway Corridor. SBC Capital Programme	SBC Economic Development Business Gateway SE (Commercial property) Borders College, BCIF (Training) Scottish Borders Tourism Partnership	From Action Plan	2013/14-2015/16	**CPP Priority Programme**

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Action	Resource	Who	3-year Target Measure	Timescale	Notes
Deliver Transport Interchange and Galashiels Inner- Relief Road projects (**Underway)**	£3.7m+ Including ERDF investment (Capital)	SBC E&I	Sq m of business space Number of businesses assisted	2015	Linked to maximising Borders Railway benefits. Due for completion June 2015.
2. DESIRED OUTCOME – FE/HE links with business are developed at the Scottish Borders Campus					
Build new business relationships with Heriot-Watt University locally and at main Riccarton Campus.	No additional resource	SBC Economic Development	Regular communication between HWU and CPP	2015/16	*Aiming to strengthen innovation and R&D links to local businesses.*
<mark>NEW ACTION</mark> — Establish a new industry led 'Invest in Young People' Regional Body to meet the requirements of 'Developing the Young Workforce'	Staff time Potential Scottish Government funding for 3 years	SBC Economic Development Borders Business Forum Borders College	New industry-led body in place Number of businesses represented	2015/16	
<mark>NEW ACTION</mark> – Investigate the feasibility of a Business Conference facility at the Borders Campus, Galashiels	Staff time Revenue	HWU Borders College VisitScotland	Number of new events Number of additional visitors	2015/16 – 2016/17	*Heriot Watt is interested in how to use the assets in Galashiels, with potential for conference business using the new student accommodation out of term time.*

Action	Resource	Who	3-year Target Measure	Timescale	Notes
3. DESIRD OUTCOME – Vibrant Town Centres					
Deliver Selkirk CARS town centre regeneration project **(Underway)**	£1.2million including Historic Scotland investment (Capital)	SBC Built & Natural Heritage SBC Economic Development Selkirk Regeneration Company	No. property grants issued Public realm improvement project No of local business/ Heritage learning & participation initiatives/ Private sector leverage	2017	*Ongoing - linked to new Selkirk BIDS.*
<u>**COMPLETE**</u> - Deliver Kelso Town Centre Business Hub	£800,000 including ERDF investment (Capital)	SBC Built & Natural Heritage SBC Economic Development Future Kelso	Sq m of business space No. of businesses assisted Occupancy Footfall Visitor Numbers	2015	
<u>**COMPLETE**</u> - Review Town Centre Retail Policy	No additional cost	SBC Forward Plans	Policy updated to encourage retail and non-retail uses Increased investment in town centres Increased town centre footfall	2013/14	Linked to new Local Development Plan
<mark>**NEW ACTION**</mark> – Deliver regeneration actions in Galashiels Town Centre through a 2 year pilot project – Galashiels Town Centre	Town Centre Coordinator	SBC Economic Development Private sector	No. property grants issued No of new/ added value events No of local business /	2014/15 – 2016/17	*Measure by footfall, vacancy levels, Linked to wider towns approach/ localities* *Linked to Borders Railway*

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Action	Resource	Who	3-year Target Measure	Timescale	Notes
Coordinator (**Underway**)			marketing initiatives delivered Private sector leverage Capacity building : No of new volunteers/ C of Trade reps		*Economic Opportunities.*
NEW ACTION – Support Future Hawick and other community-led groups to deliver actions in Hawick Town Centre. (**Underway**)	Staff time £30,000	SBC Economic Development Future Hawick	Number of new projects delivered Number of businesses assisted	2015/16	*Specific support for Hawick Town Centre in response to shop closures and falling footfall.*
NEW ACTION – Explore options for a cost effective solution to provide Town Centre Wi-Fi in the main towns in the Borders.	Staff time £7,000	SBC Economic Development SBC IT	New solution identified	2015/16	*Pilot Wi-Fi initiatives in Hawick and Jedburgh now complete.*
NEW ACTION – Investigate opportunities to develop a business advice initiative for independent traders/small shopkeepers.	Staff time	SBC Economic Development	No. of businesses assisted	2016/17	*Consider options for providing specific advice for small/independent retailers to support town centres.*
NEW ACTION – Deliver Selkirk Town Centre – Streetscape Works to improve the attractiveness of the town centre.	£450,000 Allocation in Capital Programme	SBC Economic Development	Area of improved public realm	2016 - 2018	*Linked to Sir Walter Scott Courthouse Project and Selkirk CARS*

Action	Resource	Who	3-year Target Measure	Timescale	Notes
NEW ACTION – Deliver Phase 1 repair works and develop a funding package to deliver Selkirk Courthouse Project, Phase 2.	Phase 1 allocation of £95K Phase 2 allocation of £450,000	SBC Economic Development	Phase 1 repairs completed Phase 2 funding package achieved	Phase 1 – 2015-17 Phase 2 – 2015-17	*Phase 1 is for external stonework repairs.* *Phase 2 is for the major regeneration project – a*
4. DESIRED OUTCOME – Rural land-use is integrated					
Undertake Scottish Government pilot Regional Land Use Strategy (**Underway**)	£215,000 Scottish Govt grant (Revenue)	SBC Built and Natural Heritage Tweed Forum A Working Countryside	Plan in place	2013/14 – 2015/16	Baseline needed – Government measures
Project Pipeline – Resources Required					
Deliver Innerleithen Aim Up Bike Park Project	£5.5m (Capital)	AIM Up (Management) FCS SBC Economic Development Scottish Enterprise VisitScotland Potential Lottery and SRDP investment SportScotland	Bike Park development Marketing actions Visitor Numbers	2015/16	*New feasibility study under way to assess current business plan. Funding package still to be identified and achieved.*

Action	Resource	Who	3-year Target Measure	Timescale	Notes
NEW ACTION – Encourage continued trail development in forests and linking routes in the Tweed Valley to support continued growth of mountain biking in the area.		Scottish Government Forestry Commission Scotland Scottish Enterprise SBC Economic Development	Number of additional trails Additional maintenance undertaken Increase in number of visitors	2015/16 – 2017/18	*Need new trails to maintain the interest in the area and attract new cyclists.*
NEW ACTION – Support the development of a Tweed Valley Resort including Glentress Master Plan.	Staff time	Forestry Commission Scotland Scottish Enterprise SBC Economic Development	Number of bedspaces in new accommodation Increase in number of visitors	2015/16 – 2017/18	*How can we ensure the continued growth of mountain biking in the Tweed Valley?*
NEW ACTION – Design and deliver an Innerleithen to Galashiels off-road cycle route (using former railway line).	Staff time Revenue Capital	SBC Network Team SUSTRANS Cycling organisations	Km. of new cycle track Increase in number of users	2016/17 – 2017/18	*Build on the success of the Peebles to Innerleithen cycle track (multi-use) to link to the Railway and add to the cycling offer.* *Key cycling infrastructure project.*
5. DESIRED OUTCOME – A framework is provided for communities to contribute to economic growth					
COMPLETE - Deliver 2007-2013 LEADER Programme	£4.5 million EAFRD investment (Revenue)	SBC Economic Development A Working Countryside	70 local rural development projects supported	2014/15- 2015/16	Local development strategy Programme evaluation

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Action	Resource	Who	3-year Target Measure	Timescale	Notes
Deliver Fisheries Local Action Group (EFF Axis 4 funding) Programme (**Underway**)	£800,000 Including EFF investment (Revenue)	Fisheries Local Action Group (FLAG) Private sector	No of projects supported in Berwickshire Coast	2013/14 to 2015	Strategic focus on Tourism, Food & Drink and Renewables
COMPLETE - Develop Newtown St Boswells Development Framework	No additional cost	SBC Plans & Research	Supplementary Planning Guidance in place	2013/14-2015/15	Linked to redeveloped Auction Mart site
COMPLETE - Develop Eyemouth Harbour Development Framework	The actions identified as part of the Framework will require additional resources	SBC Plans & Research	Supplementary Planning Guidance in place	2013/14-2015/15	Linked to development of Eyemouth Seafood Technology Park
Localities Approach to be piloted for 1 year (**Underway**)	Revenue budget to support a coordinator role	CPP partners Localities/ town regeneration organisations	Delivery of Action Plans for each key centre – following Eyemouth pilot Retail footfall Town Centre vacancy rate	2013/14 – 2013/14	**CPP Priority Programme**
Project Pipeline – Resources Required					
NEW ACTION – Deliver the new Scottish Borders LEADER Programme 2014 -2020	EAFRD investment Project match funding required (Revenue)	LEADER Local Action Group SBC Economic Development	New Programme approved by Scottish Government Number of rural development projects supported Leverage	2015 – 2020	

Action	Resource	Who	3-year Target Measure	Timescale	Notes
NEW ACTION - Deliver the new Scottish Borders and East Lothian EMFF FLAG Programme 2014 -2020	EMFF investment Project match funding required	Fisheries Local Action Group SBC Economic Development	New programme approved by Scottish Government Number of coastal development projects supported Leverage	2015 – 2020	*Fisheries Programme for East Berwickshire and East Lothian – process underway.*

C. Developing the workforce of the future

Action	Resource	Who	3-year Target Measure	Timescale	Notes
1. DESIRED OUTCOME – Increase young people and other job seekers are supported into employment					
NEW ACTION – Develop a Scottish Borders Programme of action to deliver the 'Developing the Young Workforce' agenda. (**Underway**)	Scottish Government funding available	Learning & Skills Partnership SBC Borders College Skills Development Scotland Businesses	Improved work experience activity for young people Young people better prepared for work Businesses more satisfied with young workforce	2015/16 – 2017/18	*Programme will include a range of actions that will be agreed by the Learning & Skills Partnership.*
NEW ACTION – Support a range of employability projects utilising the European Social Fund (ESF) funding that is available for the Scottish Borders. (**Underway**)	ESF funding Revenue Potential 3rd Sector Match Funding	SBC Employment Support Service SBC Economic Development 3rd Sector Partners	Unemployed people participating in Employability & Skills Programmes Unemployed People Assisted into Employment Social exclusion issues addressed	2015 to 2020	*Potential to access over £3M over the Programme period, if match funding and suitable projects can be identified.*
Develop Employability Support Pipeline (**Underway**)	No additional cost (Supported by national Employability Fund)	Skills Development Scotland Job Centre Plus FE/HI Institutions SBC ELL	Unemployed People Participating in Employability & Skills Programmes Unemployed People Assisted into Employment	2014/15	*Youth Employment Action Plan with employability pipeline in place.* *Targets to reduce 18-24 unemployment rate.*

Action	Resource	Who	3-year Target Measure	Timescale	Notes
Prepare school leavers for world of work, linked to Curriculum for Excellence (**Underway)**	Additional costs (Revenue)	SBC ELL Skills Development Scotland	Increased levels of youth employment Increased proportion of 'positive' leaver destinations (current target 90%)	2014/15- 2015/16	*Young people leaving school are 'ready for work' and local employers invest in them* *Explore Academy model developed in East & Mid Lothian*
'Scottish Borders Guarantee' – apprenticeships, internships and graduate placements for young people (**Underway)**	£100,000 (Revenue)	CPP partners Job Centre Plus Skills Development Scotland FE/HI Institutions	Unemployed People Participating in Employability & Skills Programmes Unemployed People Assisted into Employment	2014/15- 2015/16	*Baseline existing public sector led apprenticeships/ placements etc*
Deliver 'Youth Employment Scotland' funded local employment recruitment incentive (**COMPLETE)**	£250,000 including ESF/ Scottish Government funding	SBC Economic Development Business Gateway	Unemployed People Assisted into Employment (150 work placements target)	2014/15 – 2015/16	*To complement existing SDS and JCP employer recruitment incentives*
Project Pipeline – Resources Required					
<mark>NEW ACTION</mark> – Use the Regional Skills Assessment to inform partnership decisions about skills and learning provision.	Staff time	Skills Development Scotland SBC Economic Development Borders College Invest in Youth Group	Clearer understanding of gaps and potential future demand	2015/16	*Agree how newly published Regional Skills Assessment will be used by the Partnership.*

Action	Resource	Who	3-year Target Measure	Timescale	Notes
REMOVE - Develop a Local Skills Plan – with effective links between skills supply and demand	No additional cost	Borders Learning and Skills Partnership SDS	There is a clear plan outlining demand for skills	2013/14- 2014/15	*Superseded by the Regional Skills Assessment.*
Improve access to learning and skills opportunities for young people in the Eyemouth/East Berwickshire area	Additional costs (Revenue)	Borders Learning and Skills Partnership Skills Development Scotland FE Institutions	Increased access to appropriate vocational skills	2013/14- 2015/16	
NEW ACTION – Community Planning Partners to use 'Community Benefit' clauses in their procurement to help secure training and employability benefits, particularly for young people.	Potential additional costs (Revenue)	Community Planning Partnership	Increased access to appropriate vocational skills	2015/6 – 2017/18	*Some partners are using community benefit clauses in their procurement processes that will deliver employability related outcomes.*
2. DESIRED OUTCOME – Employers are supported to address skills deficiencies in response to current and future need					
Engage with employers to identify workforce development training needs in key sectors – land based industries, textiles, tourism, food and drink, and engineering and manufacturing sectors **(linked to Sector Skills Plans and the Regional Skills Assessment)**	£250,000 (Revenue)	Skills Development Scotland Sector Skills Councils Borders College Business Gateway Job Centre Plus	Sectoral programmes developed (new and existing) - Scottish Qualifications Framework-accredited Informed by Textiles Pilot Modern Apprenticeship (MA) evaluation	2014/15- 2015/16	*Key sectors can recruit, retain and develop employees* *Key sectors are seen as a career of choice from learners* *There is a match between FE/ HE supply and employer and learner demand*

Action	Resource	Who	3-year Target Measure	Timescale	Notes
3. DESIRED OUTCOME – Talented and entrepreneurial people who place high value on access and quality of life are attracted to the Borders					
4. DESIRED OUTCOME – New entrepreneurial and business skills are developed					
These outcomes are delivered by Business Gateway and Inward Investment Actions.					

D. Providing leadership

Action	Resource	Who	3-year Target Measure	Timescale	Notes
1. DESIRED OUTCOME – Transition to a low carbon economy is encouraged and supported					
COMPLETE - Develop a Low Carbon Economic Strategy for the Scottish Borders	No additional cost	SBC Economic Development CPP Partners	Approved Low Carbon Economic Strategy	2013/14	
Project Pipeline – Resources Required					
NEW ACTION – Deliver the actions set out in the Low Carbon Economic Strategy. (**Underway**)		SBC Economic Development CPP Partners Businesses Households Communities	Performance targets set out in the LCES Performance Framework	2015/16 – 2017/18	*Actions around energy efficiency and renewable energy will be captured in the Low Carbon Economic Strategy Action Plan.*
REMOVE - Energy efficiency skills development programme for businesses	£50,000 (Revenue)	SBC Economic Development Private sector Borders College SDS	Number of businesses assisted Increase in Profitability	2014/15- 2015/16	*Actions to increase skills to develop the low carbon economy are now set out in the LCES Action Plan.*
REMOVE - Development of renewable energy demonstration projects. Focus on farm scale renewables in the first instance	£tbc (Capital)	SBC Economic Development Borders College Private sector	Increase in renewables sector GVA	2014/15- 2015/16	*Actions to increase awareness and skills for the low carbon economy are now set out in the LCES Action Plan.*

Action	Resource	Who	3-year Target Measure	Timescale	Notes
2. DESIRED OUTCOME – The case for the Scottish Borders is promoted at Scottish, UK and EU levels					
<u>**COMPLETE -**</u> Scottish Borders Business Forum is established formed by the business organisations, reflecting business leadership and priorities.	£2,000 (Revenue)	Chambers of Commerce/ Federation of Small Businesses / Sector Groups SBC Economic Development	Delivery and support of a functioning business forum	2014/15	The Scottish Borders is recognised as having a coordinated and collaborative Business Forum that is well supported by businesses
<u>**COMPLETE**</u> - Lobby for special assistance at NUTS3 level to overcome the disadvantage in attracting investment	No additional cost	MPs MSPs	Regional Selective Assistance status	2014/15- 2015/16	The Scottish Borders can offer greater incentives for inward investment
Lobby to ensure representation of the area in Scotland and Europe (**Underway**)	No additional cost	MPs, MSPs South of Scotland Alliance SBC SBC Economic Development Scottish Enterprise	External funding leverage for economic development	2014/15- 2015/16	The Scottish Borders continues to punch above its weight in accessing external funding and support for development of its economy
<mark>**NEW ACTION**</mark> – Make effective use of the new Assisted Area Status designation. (**Underway**)	Staff time Regional Selective Assistance programme run by Scottish Enterprise	Scottish Enterprise SBC Economic Development	Number of RSA grants made to businesses Value of RSA grants made to businesses	2015/16 – 2017/18	*Working together to ensure that more businesses take advantage of Regional Selective Assistance.*

Action	Resource	Who	3-year Target Measure	Timescale	Notes
NEW ACTION – Lobby for a realignment of NUTS2 boundaries with the South of Scotland Alliance. (**Underway**)	Staff time	South of Scotland Alliance Scottish Government	Change in designation after 2016	2015/16	*SoSA activity under way to develop a new Southern Scotland NUTS2 area.*
NEW ACTION – Engage with City-Region partners to investigate the potential for a 'City Deal' for the region. (**Underway**)	Staff time Capital Budget allocations	SBC Economic Development City Region Partners	City Deal secured for Edinburgh and South East Scotland Region Number of major projects funded in Scottish Borders	2015/16	*Potential for a 'City Deal' is currently being explored.*
NEW ACTION – Work with partners in the 'Borderlands' Anglo/Scottish cross border initiative to lobby for major projects and identify opportunities for joint working. (**Underway**)	Staff time Potential project funding - capital / revenue	SBC Strategy & Policy SBC Economic Development	Level of additional resources secured Number of major projects funded in Scottish Borders	2015/16	*Support for the new cross-borders relationships that are being built up with Cumbria and Northumberland, as well as Dumfries & Galloway.*
NEW ACTION – Establish the scope for a feasibility study of the potential extension of the Borders Railway to Carlisle.	Staff time Potential project funding - capital / revenue	SBC Plans & Research	Scope established	2015/16 – 2016/17	*Needs input / support from Dumfries & Galloway and Carlisle City.*

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Action	Resource	Who	3-year Target Measure	Timescale	Notes
3. DESIRED OUTCOME – Budgets and activities are coordinated with collaboration across CPP					
Project Pipeline – Resources Required					
The Scottish Borders develops a case internally and externally for match funding for priority projects to be funded under new 2014-2020 EU Programmes (**Underway**)	£5m match fund (Revenue & Capital)	CPP – agencies Private sector	£ Leverage	2014/15 – 2015/16	Match funding for key projects and programmes
Provide regular communication on developments in the Scottish Borders for a range of key stakeholder groups (**Underway**)	No additional cost	SBC Economic Development SBC Communications team	Participation and buy in to Economic Strategy from all relevant stakeholders	Ongoing	
4. DESIRED OUTCOME – Spending by Community Planning Partners has a positive impact on the economy					
Public sector procurement reform	No additional cost	CPP agencies (Procurement sections): SBC NHS Borders College	% contracts delivered by local companies	2014/15- 2015/16	Baseline - 38% SBC spending via local suppliers

EUROPEAN MARITIME FISHERIES FUND 2014 -2020 - UPDATE

Report by Service Director Strategy & Policy

EXECUTIVE COMMITTEE

09 June 2015

1   PURPOSE AND SUMMARY

1.1   This report provides an update to the report to Economic Development Group on 11 September 2014 on EU local development funding for the period 2014 – 2020, and in particular to activity and progress in securing an allocation of European Maritime Fisheries Fund (EMFF) for the Scottish Borders.

1.2   The Scottish Borders Fisheries Local Action Group (FLAG), which will be responsible for EMFF local development funding decisions, developed a proposal in 2014 to merge with the East Lothian FLAG in recognition of the strong links between these local fishing areas.

1.3   The Scottish Government has subsequently proposed a more regionalised approach to Fisheries Local Action Groups (FLAGs). This is a change of approach and there is a risk that it will result in a delay to the launch and implementation of the local development funding programme. The fishing sector and the local authorities are concerned that this delay will have an adverse effect on programme delivery.

2   RECOMMENDATIONS

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

  a) **Notes the delay in the introduction of European Maritime Fisheries Funding 2014 – 2020 local development funding.**

  b) **Requests clarification from the Scottish Government on its revised proposals for 'regionalising' Fisheries Local Action Groups in Scotland, given that Local Action Groups are predicated on coherence between areas in terms of their geography, commercial relationships and fishing practices.**

  c) **Asks the Chief Executive to write to the Scottish Government, formally raising the Council's concern about the delay in implementing EMFF local development funding in East Berwickshire.**

3   Background – European Maritime Fisheries Fund 2014 – 2020

3.1   A single Local Development Strategy to support Scottish Borders' bids for local development funding from two European funds 2014 – 2020 has been approved in principle by the Scottish Government. One fund, the European Agricultural Fund for Rural Development, will support the LEADER Programme, while the other fund, the European Maritime Fisheries Fund (EMFF), will support the sea fishing industry and activity in fishing communities in the Berwickshire Coast area.

3.2   Both funds allocate approximately 5% of their total programme budget to Community-Led Local Development programmes. These programmes are managed by 'Local Action Groups' which determine and implement the strategy and make decisions on local investments. The funds are targeted at support for the development and diversification of rural and fisheries economies at the local level.

3.3   The 2011 – 2013 Eyemouth and East Berwickshire European Fisheries Fund - Fisheries Local Action Group (EFF - FLAG) programme is coming to an end and final project claims are due in June 2015. Progress towards the approval of a new programme has been delayed by Scottish Government following a change of approach concerning the future FLAG areas.

4   EMFF 'Regionalisation'

4.1   There are natural links between the fishing communities of East Berwickshire and East Lothian, so the Scottish Borders Local Development Strategy proposed to set up a joint Fisheries Local Action Group that would cover both areas for the new 2014 – 2020 funding period. It was understood that this joint approach fitted with the Scottish Government's plans for EMFF 2014 – 2020; funding allocations would be made against each area's Local Development Strategy separately and then managed by a joint FLAG.   Staffing and other costs would be shared across both Council areas.

4.2   Marine Scotland, the relevant Scottish Government Directorate, has subsequently indicated that it wants Fisheries Local Action Groups across Scotland to take a more regional approach. It has proposed the mergers of a number of FLAGs. Marine Scotland staff proposed that the joint Scottish Borders and East Lothian area should be expanded to include Fife. This would mean that three different Council areas would be included in the joint FLAG for the 2014 - 2020 programme.

4.3   Officers from the three local authorities met and advised Marine Scotland that the linkages across the Firth of Forth were not strong and that there would be practical difficulties in managing a Fisheries Local Action Group, and arranging local meetings, across such a wide geographic area. Marine Scotland has responded that it still intends to follow the regional approach, although there has not yet been a formal announcement of the new proposals or any clear information on how they may work in practice.

4.4   The three areas have developed separate Local Development Strategies to support their bids for Rural (LEADER) and Fisheries (EMFF) funds. This means that the priorities of the three strategies may not fully align, raising the prospect that the FLAG would be asked to apply different criteria to applications from different areas.

4.5   The strength of the FLAG approach is based on the local knowledge of its membership. The Fisheries Local Action Group partners give their time on a voluntary basis and they make funding decisions for the benefit of their

communities. A regional FLAG would dilute this local knowledge and representatives would potentially be asked to make decisions about projects in communities that they had never or rarely visited.

4.6   Additionally, it is not clear how effective project development and support for applicants would be if provided across a wider area. There are two likely options for the management of a regional FLAG across three local authority areas. Firstly, one local authority, acting as lead partner, takes responsibility for managing the programme, and employs the key staff. In the second option, Marine Scotland would take the lead role and employ the personnel required to support the FLAG.

4.7   In the event that one local authority acts as lead partner, it is likely that Scottish Borders Council would take this role if, as expected, East Berwickshire has a larger funding allocation than other areas in the regional group.

4.8   Although there could clearly be a loss of local input and influence in relation to the new Programme, the key issue is the delay that these changes are likely to bring to the approval and commencement of the new EMFF Programme. The previous fisheries programme provided support to a range of projects in the coastal area, and officers are concerned that the delay in opening the new Programme may in turn cause delays for potential projects in East Berwickshire. Officers consider that this issue is now significant enough for the Council to write formally to Scottish Government and express concern about the delay.

5   IMPLICATIONS

5.1   **Financial**

It is unlikely that there will be any additional costs to the Council attached to any of the recommendations contained in this report. There may be financial implications for projects in the area if the programme is delayed, which may result in a reduced programme impact.

5.2   **Risk and Mitigations**

The delay in programme implementation will cause a loss of momentum and continuity in the delivery of FLAG local development activity, and potentially disillusionment in the target audience for these development funds. The delay in starting the Programme will require implementation to be carried out in a restricted period, which may have an adverse effect on the range and quality of projects brought forward by applicants. A formal letter of concern to Scottish Government may help mitigate these delays and demonstrates to the Government the importance that the Council attaches to the EMFF Programme for the East Berwickshire area.

5.3   **Equalities**

An Equalities Impact Assessment will be carried out on the Local Development Strategy. EU programmes are required to support equalities and diversity.

5.4   **Acting Sustainably**

The EMFF local development programme supports sustainable economic growth, social inclusion and the development of additional employment opportunities. The Local Development Strategy is clear that project sustainability is an important factor in the project

assessment and approval procedure.

5.5 **Carbon Management**

There are no direct implications for the Council's carbon emissions from this proposal. It is likely that some of the projects that are delivered as part of the Programme will be related to low carbon innovation and improvements.

5.6 **Rural Proofing**

Rural proofing is not required because this project does not change Council strategy or policy. The Scottish Borders EMFF programme will be open to all communities in its defined area, and will have a positive impact on the coastal zone of the Scottish Borders. The delay in programme implementation may have financial implications for applicants, which may result in a reduced programme impact.

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

There are no changes to be made.

6 CONSULTATION

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

Approved by

David Cressey   Signature .………………………………

Service Director Strategy & Policy

Author(s)

Name	Designation and Contact Number
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Hugh Williams	Principal Officer – Rural Development, 01835 826773

Background Papers: None

Previous Minute Reference: Economic Development Group
-   Future of EU Funding, 11 September 2014

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

Contact us at Economic Development, Strategy & Policy, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 0300 100 1800

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ITEM NO. 18

LOCAL ACCESS AND TRANSPORT STRATEGY

Report by Service Director Regulatory Services

EXECUTIVE

9 June 2015

1   PURPOSE AND SUMMARY

1.1   **To advise members of the progress that has been made on the development of a Local Access and Transport Strategy for the Scottish Borders.**

1.2   The development of a Local Access and Transport Strategy (LATS) is a key document for the Scottish Borders, providing a focus for transport issues throughout the local authority area and beyond, whilst detailing key projects and longer term aspirations.

1.3   The publication of the previous Local Transport Strategy for the Scottish Borders was in 2008 and was designed to have approximately a three to five year working life and incorporating elements of a longer term transport related vision for the area.

1.4   An important aspect in the preparation of this strategy document is the incorporation of countryside access alongside transport which it is felt will offer a more comprehensive and meaningful document.

1.5   The Main Issues Report (MIR) provides the basis for consultation and asks a number of specific questions that will help mould our overall approach. A copy of the proposed draft MIR document is provided in **Appendix A.**

1.6   It is anticipated that the MIR will be available for consultation over a twelve week period.

2   RECOMMENDATIONS

2.1   **It is recommended that the Executive:**

   a)   **Notes the progress made in the development of a Local Access and Transport Strategy for the Scottish Borders; and**

   b)   **Approves the Main Issues Report to be issued for consultation.**

3   BACKGROUND

3.1   Following the publication of the Scottish Integrated Transport White Paper in July 1988, the first Local Transport Strategy (LTS) document for the Scottish Borders was produced in 2001, covering a five year period. The second LTS document for the Scottish Borders was produced in 2008.

3.2   The LTS is informed by both the National and Regional Transport Strategy documents, produced by Scottish Government and the South East Transport Partnership (SEStran) respectively. The first National Transport Strategy (NTS) document was published in 2007. At the present time Scottish Government is considering a refresh of the NTS and SEStran has recently agreed a revised regional strategy document for the south east of Scotland.

3.3   The LTS also has strong planning related linkages with the Strategic Development Plan (SDP) and the Local Development Plan (LDP) produced by SESplan and Scottish Borders Council respectively.

4   MAIN ISSUES REPORT

4.1   The MIR identifies a number of key transport and access related issues that will form the basis for consultation with the general public and a wide range of interested groups and statutory consultees.

4.2   The MIR has been developed by a working group of Council Officers and was submitted to the Development Plan Working Group in November 2014 and subsequently in April 2015 where members were offered the opportunity to provide comments and to suggest amendments to the document.

5   NEXT STEPS

5.1   It is anticipated that the MIR will be available for consultation over a twelve week period during which there will be a number of events to help publicise and explain the proposed strategy in more detail and to encourage public participation.

5.2   Following the consultation period a report will be brought back to committee to consider the public response and to agree the proposed strategy approach.

5.3   It is expected that a draft Local Access and Transport Strategy (LATS) document will be finalised in the Spring of 2016.

6 IMPLICATIONS

6.1 Financial

The direct cost implications to the Council with regard to the document will be in relation to the printing and publishing of the final document. However the LATS will have an impact on how transport proposals are subsequently delivered in the Scottish Borders.

6.2 Risk and Mitigations

The report sets out the need for and progress that has been made on the development of a Local Access and Transport Strategy (LATS) which will have an impact on how transport proposals are subsequently delivered in the Scottish Borders. It also describes the recommended approval of the Main Issues Report to be issued for consultation which will enable the Council to consult with appropriate stakeholders in compliance with regulations and guidance and ensuring that the LATS is up-to-date and relevant.

6.3 Equalities

There are no adverse impacts due to race, disability, gender, age, sexual orientation or religion/belief arising from this report.

6.4 Acting Sustainably

One of the key strands of the strategy is the promotion of sustainable transport and the promotion of non-motorised modes such as walking and cycling.

6.5 Carbon Management

There are no significant carbon emission impacts as a result of this report. However, a Strategic Environmental Assessment (SEA) will be carried out as part of the main strategy development.

6.6 Rural Proofing

The LATS is designed to help identify strategies and potential schemes that could help improve accessibility and social inclusion for the area and could help to initiate the development of tourism and economic related opportunities for the whole of the Scottish Borders.

6.7 Changes to Scheme of Administration or Scheme of Delegation

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

7 CONSULTATION

7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council are being consulted and any comments received will be incorporated into the report.

7.2 The Chief Executive, Depute Chief Executive Place, Corporate Transformation & Services Director, Service Director Neighbourhood Services and Service Director Commercial Services have been consulted and any comments received have been incorporated into the report.

Approved by

Director of Regulatory Services   Signature …………………………

Author(s)

Name	Designation and Contact Number
Graeme Johnstone	Strategic Transportation Officer 01835 825138

Background Papers:

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. Jacqueline Whitelaw can also give information on other language translations as well as providing additional copies.

Contact us at Jacqueline Whitelaw, Environment and Infrastructure, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825431, Fax 01835 825071, email e&itranslationrequest@scotborders.gov.uk.

APPENDIX A

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1.0 Introduction

1.1   The development of a Local Access and Transport Strategy (LATS) for the Scottish Borders is a key document for the Local Authority area, setting out what we consider to be the key transport and access issues affecting the Scottish Borders, along with the Council's proposed approach to these issues.

1.2   The document will also provide linkages to other key strategy documents such as the Strategic Development Plan for Edinburgh and the South East of Scotland (SESplan), the Regional Transport Strategy, promoted by the South East Scotland Transport Partnership (SEStran) and the Local Development Plan for the Scottish Borders (LDP).

1.3   The publication of the previous Local Transport Strategy document for the Scottish Borders was in 2008.

1.4   An important new aspect in the preparation of this new document is the incorporation of access alongside transport. It was felt that there were a number of synergies between these two disciplines and a joint approach to the development of a strategy document would provide a number of benefits.

1.5   The Council also considers that there are strong linkages between strategic transport planning and development planning, with transport and accessibility being an important consideration in relation to future development. The key aspects:

- Providing accessible and sustainable development
- Promoting town centres
- Providing green networks around towns
- Ensuring that development does not adversely impact on the transport network
- Identifying requirements for developer contributions to help mitigate against any adverse impact on the transport network from development.

1.6   This Main Issues Report (MIR) provides the basis for consultation on the Local Access and Transport Strategy. It provides what we consider to be the key transport and access related issues that currently affect the Scottish Borders and asks a number of specific questions that will help mould our approach.

1.7   It is anticipated that the MIR will be available for consultation over a twelve week period during which there will be a number of events to publicise and explain the proposed strategy in more detail and to encourage public participation.

1.8   Following consultation, there will be a report to Council to consider the public response and to agree the proposed strategy approach.

2.0 Existing Context

The Scottish Borders

2.1   Introduction

2.1.1 The Scottish Borders Council area is the 6th largest Local Authority in Scotland in terms of land mass and has a total population of around 114,000 based on the data collected in the 2011 census.

2.1.2 The Scottish Borders is a rural Local Authority where 30% of the population lives in settlements of under 500 people or in small hamlets. The largest town is Hawick with a 2011 Census population of 14,029, followed by Galashiels with 12,604 – although, if neighbouring Tweedbank were included, Galashiels would be the largest town in Scottish Borders with a population of 14,705. The only other towns with a population of over 5,000 people are Peebles, Kelso and Selkirk.

2.1.3 The low densities of population in the area make long journeys necessary in order to reach centres with educational, medical, shopping and leisure facilities, with the Scottish Government classifying a third of our area as being remote rural in nature. The area has one of the longest lengths of road in Scotland with approximately 1,900 miles of adopted routes.
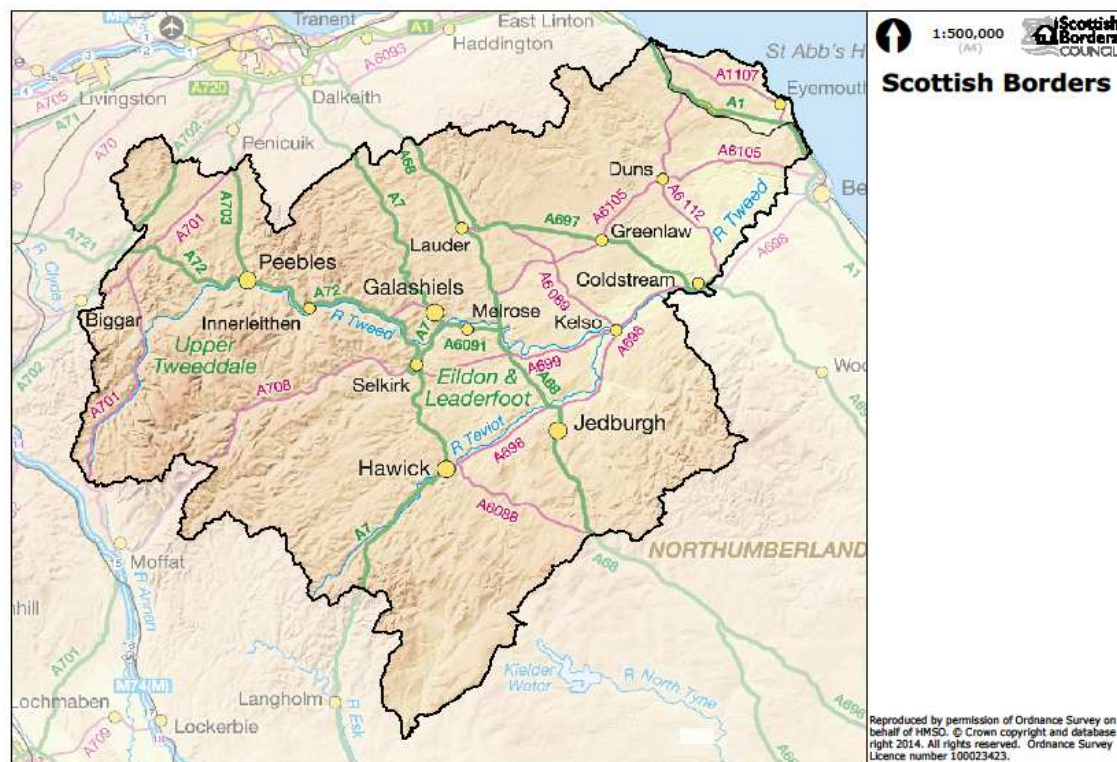
Figure 2.1 – Location Plan

2.2 Age Profile

2.2.1 The National Records of Scotland project a slight increase in population for the Scottish Borders between 2012 and 2027 and then a slight decline and a return to 2012 population levels by 2037. These projections along with a comparison with the whole of Scotland are shown in Figure 2.2 below.

Population Projections for the Scottish Borders (2012-based) and % change compared to Scotland

	2012	2017	2022	2027	2032	2037
Scottish Borders Population	113,710	114,334	115,062	115,337	114,881	113,725
% Change - Scottish Borders		0.5%	0.6%	0.2%	-0.4%	-1.0%
% Change - Scotland		1.8%	2.1%	1.9%	1.6%	1.2%
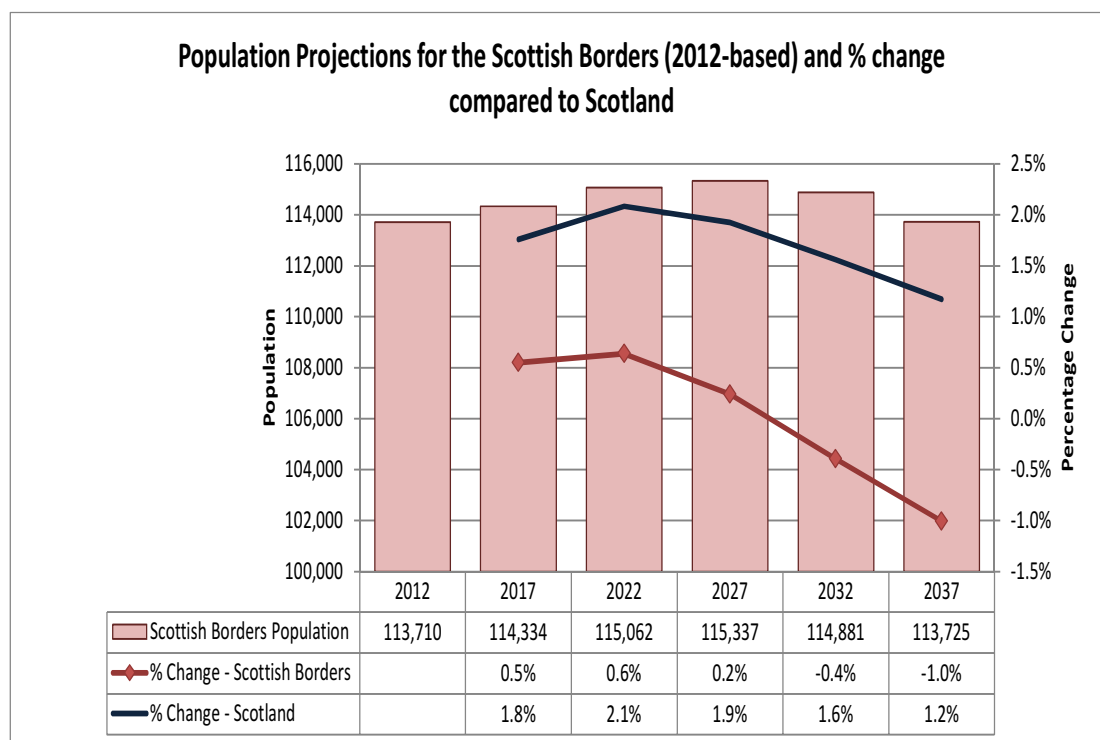
Figure 2.2 – Population Projections

2.2.2 The proportion of pensioners in the Scottish Borders is projected to increase substantially between 2012 and 2037, particularly the proportion of people aged 75 or older which is set to increase by over 95%. There is also projected to be a significant increase in the numbers of people aged 65 to 74. However, the number of people aged under 65 is expected to decrease, with the working age population (16-64) projected to decline by over 13,500 or 20%.

2.2.3 This demographic profile has significant implications on the delivery of services into the future, especially in relation to the provision of care, on our future workforce and on economic development.

2.3 Economy

2.3.1 It can be noted that the Scottish Borders has a smaller proportion of people of working age compared to Scotland and this is likely to continue.

Also average earnings[1] are lower in the Scottish Borders, being consistently below the Scottish average. Since 2001, wages for people working in the Borders have increased by only 5%, compared to an increase of almost 38% at the Scottish level.

2.3.2 Compared to Scotland, there is a higher reliance in employment terms on wholesale/retail, manufacturing, health and public sector activity, and lower than average levels of employment in financial, professional and business support service sectors. We also have a higher proportion of employment in managerial and senior occupations, indicative of the reliance, in employment terms, on the public sector for employment for both the Scottish Borders and Scotland as a whole.

2.3.3 The demography of the Scottish Borders shows we have proportionately less young adults and more people over 65 than the rest of Scotland. This identifies a common challenge for rural areas with higher levels of out-migration of young people and an increasingly ageing population.

2.3.4 The key challenge to try and reverse out-migration is to try and make the Scottish Borders a more attractive place to live and work and importantly offer alternative options to stay in the area; locate to the area; and raise the value of employment on offer.

2.3.5 Transport and increasingly digital connectivity are vital to the future development of the Scottish Borders and a key element of potential economic opportunities in the future will be the opening of Borders Rail services in September 2015.

2.3.6 Additional economic information and analysis can be found on the Scottish Borders Council website[2].

2.4   Environment

2.4.1 The quality of the natural and built environment is one of the areas key assets. There are many outstanding landscape and conservation areas throughout the region and air and noise quality is generally good. However, it must be noted that the rural nature of the Scottish Borders will continue to make access to services and amenities a challenge.

2.4.2 There is an increased emphasis on climate change adaptation by the UK and Scottish Governments and in particular, this relates to climate change and the avoidance of flood risk. The Climate Change (Scotland) Act 2009, details the proposed targets of a 42% reduction in greenhouse gas emissions by 2020, and for 80% by 2050.

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[1] The average weekly wage in the Scottish Borders Council is £456, compared to £519 for the whole of Scotland – Office for National Statistics
[2] http://www.scotborders.gov.uk/info/230/advice_and_support_for_businesses/130/economic_i nformation_and_analysis

2.4.3 The primary focus of the MIR and also the Development Plan process is to ensure that the right type of development is directed to the right location, with an emphasis on the promotion of public and sustainable transport, although it must be noted that the economic resilience of the Scottish Borders will continue to be dependent on road transportation.

2.4.4 Strategic Environmental Assessment (SEA) is a requirement for public plans and strategies which seeks to assess the impact that a strategy will have on the local environment.

2.4.5 The idea is that the SEA should run in parallel with the appropriate plan or strategy from the initiation of the project, thereby giving more credence to environmental issues.

2.4.6 There are a number of organisations that have an influence on transport strategy and delivery in the south east of Scotland. A number of the key organisation are detailed below.

2.5   South of Scotland Transport Partnership (SEStran)

2.5.1 SEStran is one of seven Regional Transport Partnerships in Scotland, set up under the Transport (Scotland) Act 2005. SEStran contains eight constituent council areas – City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian (Figure 2.3).

Figure 2.3 – Plan Showing SEStran Authorities

2.5.2 A key requirement under the Act is for Regional Transport Partnerships to develop a statutory Regional Transport Strategy (RTS) to provide a strategic framework for transport management and investment throughout the Partnership area over a 10-15 year period. The first SEStran RTS was published and approved by the Scottish Government in 2008.

2.5.3 Since the establishment of the Regional Transport Partnerships, their role has moved away from direct funding and implementation of transport measures to a more strategic and co-ordinating function working in partnership with the Scottish Government, Local Authorities and other stakeholders. The purpose of the RTS is to set a policy framework that will guide effective transport provision over the wider city region by marshalling resources, including for cross-boundary measures, by promoting connectivity requirements essential to the whole regional economy and by supporting the transport functions of the constituent Local Authorities.

2.5.4 SEStran has recently drafted a second Regional Transport Strategy with the help of all eight constituent Authorities and this document is due to be published in 2015. The RTS has a direct effect on the content of the Local Access and Transport Strategy.

2.5.5 Additional information on the role of SEStran can be found on their website[3].

2.6   SESplan

2.6.1 The South East Scotland Strategic Development Plan Authority (SESplan), is a partnership of six Member Authorities comprising the City of Edinburgh, East Lothian, Midlothian, Fife, Scottish Borders and West Lothian, working together on strategic development planning matters.

2.6.2 SESplan's key role is to prepare and maintain an up to date Strategic Development Plan (SDP) for the South East Scotland area. This process involves engaging key stakeholders and the wider community. The first SDP was approved by Scottish Ministers in June 2013.

2.7   Strategic Transport Board

2.7.1 Following a strategic review of sustainable social transport carried out in late 2013, the Scottish Borders Community Planning Partnership agreed to the formation of a Strategic Transport Board (STB) to oversee a programme of transport improvement across all partners and to lead on the development of more integrated community and transport provision in the Borders. The STB was established in May 2014 with an overall focus on improving

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[3] http://www.sestran.gov.uk/

outcomes for all communities and individuals through more joined-up, more efficient and sustainable transport services. Its work includes:

- Helping to determining longer-term plans for Borders-wide community & passenger transport services;
- Co-ordinating transport commissioning in the area;
- Overseeing joint efficiency and improvement projects in the Borders; and
- Improving community capacity and resilience in transport provision and supporting the development of the Community Transport sector in the Borders.

2.8   South of Scotland Alliance

2.8.1   The South of Scotland Alliance is a partnership formed between Dumfries and Galloway Council, Scottish Borders Council and Scottish Enterprise. This forum has been developed to look specifically at the main economic challenges facing businesses and communities in the south of Scotland and develop proposals that will impact on key areas such as transport and telecommunications.

2.9   Borderlands

2.9.1   The Borderlands Report[4] explores the potential of greater collaboration between the south of Scotland and the north of England and highlights the potential opportunities such as a joint approach to economic development, policy coordination and strategic transport proposals between Scottish Borders Council, Dumfries and Galloway Council, Cumbria County Council and Northumberland County Council.

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[4] http://www.northeastcouncils.gov.uk/curo/downloaddoc.asp?id=589

3.0 Vision for the Scottish Borders

3.1 Vision Statement

3.1.1 The vision and aims of the Local Access and Transport Strategy set the direction of the Strategy and are aimed at delivering the key outcomes.

3.1.2 The Vision is that our transport, communications and access networks will provide opportunities for sustainable economic development, improved social services and increased health and well-being. There will be high quality digital connectivity available to all communities, a good quality road network serving key markets, a public transport network providing access to employment areas and services and an access network surrounding all of our towns.

Question – Do you agree with the Vision for the LATS?
Do you have any alternative proposals?

3.2 Key Aims of the Strategy

3.2.1 The key aims of the Strategy are:

- The improvement of strategic routes to market;
- To help promote and develop the newly constructed Borders Rail Service;
- The development of a strategic cycling and walking network throughout the Scottish Borders;
- The promotion of improvements to the public transport network;
- To help provide a more integrated and connected transport network in the Scottish Borders;
- To help promote and deliver more vibrant town centres;
- To deliver a safer and better maintained road network;
- To help promote low carbon transport and measures to help reduce the need to travel such as digital connectivity;
- The provision of a network of charging points for electric vehicles.

Question – Do you agree with the main aims for the LATS. Do you have any other alternative proposals?

Taking Forward The Local Access and Transport Strategy

4.0 The Key Issues No.1 – The Route to Markets – Rail, Road, Air and Sea

4.1 Making the Scottish Borders more accessible and permeable, thereby improving our links with the rest of the UK and ensuring that the area is open for business. Potential major infrastructure improvements for our area could include the following elements.

4.2 RAIL PROJECTS
- The Borders Rail Project is due to be operational in September 2015 and will terminate in the Central Borders. Scottish Borders Council has an aspiration to extend the Borders Rail Project to Hawick and potentially Carlisle in the future;

- The delivery of a local rail service to serve Eastern Berwickshire from Edinburgh and Berwick-upon-Tweed with a new station facility at Reston is seen as a vital component in revitalising this part of our region. Scottish Borders Council along with East Lothian Council and SEStran are currently working with the Scottish Government and Network Rail to help develop this opportunity.

4.3 ROAD PROJECTS
- Scottish Borders Council has been lobbying for strategic improvements to road infrastructure such as the complete dualling of the A1 between Edinburgh and Newcastle and the delivery of an A7 Selkirk Bypass for a number of years. Other selected improvements to the Trunk Road Network such as potential improvements on the A68 (Pathhead and Oxton) and the A7 south of Galashiels are also priorities.

- The key strategic road network that travels through the Scottish Borders, primarily runs from north to south. The Council has gradually improved the east to west linkages throughout the region, but further improvements are required to roads such as the A72 in Tweeddale and selected improvements on the A6105 in Berwickshire. Other key road infrastructure improvement projects include a new proposed road bridge for Peebles and a potential new road configuration at Tweedbank which may include the provision of a new road bridge at Lowood.

4.4 ACCESS TO AIRPORTS
- Improved cross-boundary links to Edinburgh, Newcastle and possibly Carlisle Airports would help ensure that the area is well connected to the UK and other world markets and would also help to encourage business and potential employment to our area.

4.5 ACCESS TO PORTS

- Scottish Borders Council will be working with partners to deliver improved linkages to ports such as Rosyth, Newcastle and Stranraer/Cairnryan. There could also be potential opportunities to develop Eyemouth in terms of off-shore renewables and as a port destination for leisure craft.

Question – What key projects should we be prioritising to help deliver the maximum benefits to the Scottish Borders?

Best Practice

A1 Road Improvements in Northumberland
The UK Government recently announced improvements to the A1 north of Newcastle towards the Border with Scotland. The package of improvements included 13 miles of dual carriageway, 2.5 miles of climbing lane and selected junction improvement schemes adjacent to the towns of Morpeth and Alnwick.

https://www.gov.uk/government/news/patrick-mcloughlin-visits-a1-north-of-newcastle

A96 Dualling – Inverness to Aberdeen
The Scottish Government has provided a commitment to upgrade the 99 mile corridor between Inverness to Aberdeen to dual carriageway by 2030. The plan is to promote this route as a development corridor between these two key cities to help encourage economic growth and improve access and journey time reliability.

http://www.transportscotland.gov.uk/project/a96-dualling-inverness-aberdeen

A9 Dualling – Perth to Inverness
The Scottish Government has committed to upgrade 80 miles of single carriageway between Perth and Inverness to dual carriageway by 2025. The scheme has been designed to encourage economic growth on the transport corridor, enhance access for tourism related activity and to improve the existing accident record

http://www.transportscotland.gov.uk/project/a9-dualling-perth-inverness

Reopening of Laurencekirk Station – Aberdeenshire
The Scottish Government re-opened Laurencekirk Station which is located on the East Coast Mainline between Dundee and Aberdeen in 2009 following a well organised public campaign to re-establish passenger services at a station that was closed as part of the Beeching cuts during the 1960's. The estimated annual station user figures were 36,000 at the time of opening. Recent data from the Office of Rail Regulation indicates that usage figures were approximately 136,000 in the year 2013/14.

http://www.transportscotland.gov.uk/news/Laurencekirk-re-opening-signals-new-era-commuters

Discussion Points

Extension of Borders Rail beyond Tweedbank
Scottish Borders Council would like to see the future extension of the Borders Rail Line to Hawick and Carlisle and is proposing to work with the Scottish Government to initiate feasibility work that will look at extending the line south to Cumbria.

A1 Dual Carriageway between Edinburgh and Newcastle
The A1 between Edinburgh and Newcastle has been identified by Scottish Government as a key development corridor between Scotland and England. Scottish Borders Council has been a member of the A1 Working Group for a number of years alongside other Local Authority partners such as East Lothian Council, City of Edinburgh Council and Northumberland County Council with a view to upgrading the route to full dual carriageway status and encouraging opportunities that arise from improved road access. The UK Government has recently announced improvement work on the English side of the Border which brings into focus potential improvements for the Scottish section of the route.

A7 Selkirk Bypass
The development of a Selkirk bypass would provide the opportunity to improve the town centre environment, enhance road linkages within the Central Borders and speed up journey times from Hawick northwards. A route for a new bypass is safeguarded within the Local Development Plan. However, as the A7 south of Galashiels is classified as Trunk Road, a commitment from the Scottish Government would be required to promote the project. Until this commitment is received, the uncertainty is a significant constraint to the planning of longer term development in Selkirk and associated environmental improvements.

East West Linkages
There are three Strategic Development Areas in the central, western and eastern parts of the Scottish Borders which are highlighted in the Local Development Plan. These areas could benefit from improved east to west linkages including key road infrastructure improvements on specific road corridors such as the A72 in Tweeddale and the A6105 in Berwickshire.

The Route to Markets

Edinburgh

Eyemouth

Reston

Duns

West Linton

Lauder

Coldstream

Peebles

Earlston

Walkerburn

Galashiels

Innerleithen

Melrose

Kelso

Newtown St Boswells

Selkirk

Jedburgh

Hawick

Newcastle

Newcastleton

Carlisle

Scottish Borders COUNCIL

1:500,000 (A4)

Legend:

- Access to Airports
- Access to the Scottish Borders
- Major Towns
- Reston (Station)
- East Coast Main Line
- Borders Railway
- Borders Railway (Aspirational)
- Trunk Roads
- Other Major Roads
- Strategic Green Networks
- Strategic Development Area

14
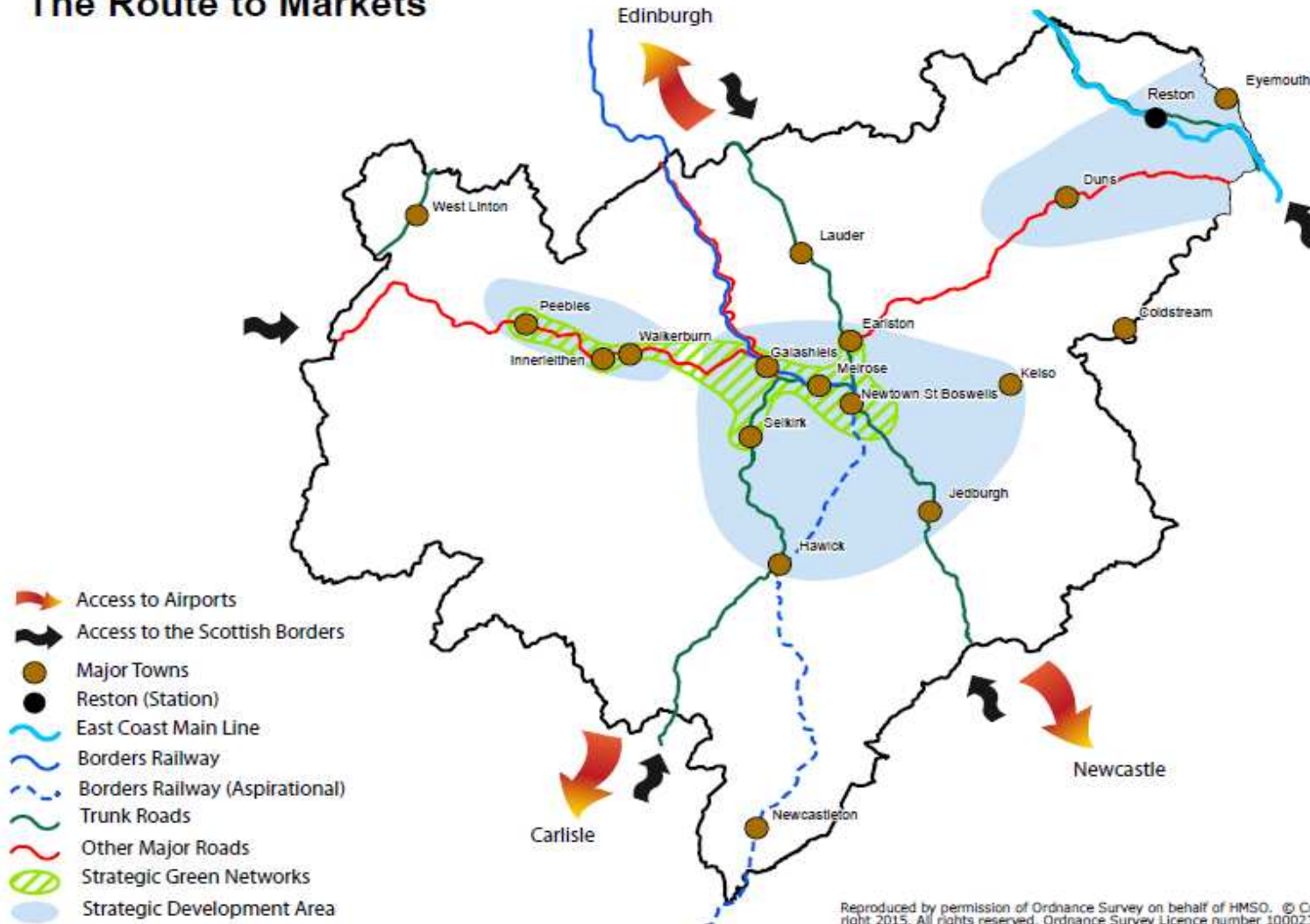
5.0   The Key Issues No.2 - Public and Integrated Transport;

5.1   Integrated transport relates to how the various modes of transport work together to provide a better service for the general public. This can include trying to ensure that buses are synchronised with trains to help ensure seamless travel or it could mean linking our town centres with good walking and cycle routes or providing good levels of signage for all travel users.

5.2   Borders Rail

5.2.1   The new rail service to the central Borders is due to be operational in September 2015 which will offer opportunities to provide co-ordinated bus and rail services in Galashiels, Tweedbank and Stow and provide potential connections for towns such as Hawick, Kelso and Selkirk.

5.2.2   Scottish Borders Council will work closely with the rail and bus industries to try and encourage more seamless journeys and will also seek to develop more economic and tourist related opportunities that may be initiated by the return of rail services to the Scottish Borders.

5.2.3   One of the key aspects of the new rail service to the Central Borders is the provision and promotion of good access to the new stations, especially in relation to walking and cycling. There will also be opportunities for bus and taxi operators to deliver a more integrated and connected service, especially in the Galashiels and Tweedbank areas with buses and taxis meeting trains, providing people with opportunities for onward travel.

5.2.4   Scottish Borders Council also would wish to see the delivery of an extended rail service to Hawick and potentially Carlisle in the future and the Council is looking to work with partners, including the Scottish Government to initiate this rail feasibility work in the near future.

Question – What should we be doing to try and encourage more economic and tourist related activity as a result of Borders Rail?

Question – What do you think are the positive and negative aspects associated with developing a relatively short extension of Borders Rail to Hawick and a longer extension to Carlisle?

5.3   Edinburgh – Berwick Local Rail Service

5.3.1   Scottish Borders Council has been promoting the introduction of a new local rail service in Berwickshire which would include the re-opening of new stations at East Linton in East Lothian and Reston in the Scottish Borders as part of the new ScotRail Franchise.

5.3.2   The Scottish Government has recently included the potential for a new

rail service between Edinburgh and Berwick-upon-Tweed serving Eastern Berwickshire within the new ScotRail Franchise. Scottish Borders Council and East Lothian Council have recently made a joint application to the Scottish Government to provide new stations at East Linton and Reston. This could have a significant effect on Berwickshire, offering opportunities for development, employment, tourism and education throughout the area. In addition, consideration would also be given to the provision of connecting bus/shared taxi services at Reston with surrounding communities such as Ayton, Chirnside, Coldingham, Duns and Eyemouth. Consideration would also be given to developing walking and cycling access provision to the station.

Question – If the bid to develop a new local rail service between Edinburgh and Berwick is successful, what can we do to help ensure the long term viability of the service?

5.4   Ticketing

5.4.1   Integrated ticketing for bus and rail travel is important when people are transferring between types of transport such as the bus departing shortly after the train arrives and vice versa. However, public transport is by and large an un-nationalised commercial business in the UK and therefore it is sometimes difficult to guarantee seamless travel in this country.

5.4.2   The National Concessionary Travel Scheme was introduced in 2006 and provides free bus travel for Scottish residents who are either disabled or who are over 60 years of age. The scheme allows residents free bus travel anywhere in Scotland and on cross-border bus services to Berwick-upon-Tweed and Carlisle. There is currently no free travel on the national train network, although there are discounts available for regular travellers, concessions, young people and off-peak travel.

5.4.3   The Scottish Government provides additional information on integrated transport on the Transport Scotland website.[5]

Question – What potential improvements to ticketing provision would you like to see implemented within the Scottish Borders?

5.5   Information

5.5.1   The provision of relevant information is a key element in the successful promotion of all aspects of transport delivery. From basic sign posting in our towns and villages and paper-based timetable information for bus users to Smart-Phone Apps and Real-Time Information, which tells us when the bus will arrive, there are a large number of aspects that contribute to delivering good information to the travel user. We are hoping to introduce Real-Time Information at key points in the Scottish Borders in the future.

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[5] http://www.transportscotland.gov.uk/public-transport/smart-and-integrated-ticketing

5.6 Bus Services

5.6.1 Bus services are an essential part of the Council's transport strategy and the provision of these services throughout the Borders is one of the Council's main priorities.

5.6.2 The general public expect efficient, direct and comfortable services that take them to their destination quickly and for a reasonable cost. However, it must be noted that the dispersed nature of the towns and villages in the Scottish Borders, along with the popularity/necessity of the private car makes the provision of regular, viable bus services throughout our area difficult to achieve.

5.6.3 There is a strategic network of bus services that run between the majority of the main towns and villages in the Scottish Borders. The majority of these services are provided by private bus companies, although most routes operate with subsidies provided by Scottish Borders Council. There are a small number of entirely commercial routes in the Scottish Borders such as the X62 between Galashiels, Peebles and Edinburgh, which don't require subsidy.

5.6.4 More and more services in the Scottish Borders are operating with newer vehicles and the majority of these vehicles have low floor access which is very important to a whole range of bus users. National legislation dictates that by 2017, midi-buses and full sized buses providing local bus services in the UK will require to be accessible to wheelchair users.

5.6.5 From previous consultation work it is clear that the general public require more direct and quicker journeys in good quality and comfortable vehicles and importantly they want competitive fares and good information.

5.7 Taxis

5.7.1 Taxis and Private Hire Cars are an important part of an integrated transport system and can be used to fill the gaps in public transport routes. They are also especially useful late at night, when most other forms of public transport are unavailable. A number of vehicles are also equipped with facilities to help disabled and elderly passengers.

5.7.2 The majority of larger settlements in the Borders such as Galashiels and Hawick have designated facilities for taxis and private hire cars. In other

towns and villages there are usually informal arrangements in place, the majority of which are acceptable to the local community. However, the location of taxi ranks and volume of taxi operators in some towns can cause tension between other transport users and businesses and residents.

Question- What possible improvements are required for taxi provision within the Scottish Borders?

5.8 Community Transport

5.8.1 Community Transport (CT) services can be an important part of an integrated transport system especially where there is no access to a wider public transport network. This is particularly relevant in remote rural areas where the flexibility offered by demand responsive CT services can provide an effective form of public transport which feeds into the main bus and rail system.

5.8.2 The main CT service providers in the Borders are the "Wheels" organisations, British Red Cross and Royal Voluntary Service. It is recognised that the CT sector needs to be further supported and developed in order to provide an enhanced and better co-ordinated sector. This is essential in improving social transport locally and should make it better placed to meet the needs of remote communities, thereby playing a fuller part in an integrated transport system in the Borders.

5.9 Galashiels Transport Interchange

5.9.1 A new high quality transport interchange building is currently being built in Galashiels. This new facility will help provide waiting facilities for bus and rail passengers and offer opportunities to deliver a full range of travel information. The new building will also offer bike storage for passengers and real time information for trains and buses. The Transport Interchange is due to be completed in the summer of 2015.

5.10 Real Time Information

5.10.1 SEStran has recently developed a real time information network for the bus network on the key transport corridors throughout south east Scotland and an accompanying "App" for smart phones and tablets (SEStran Bus). It is hoped that within time there will be a number of signs on the key bus routes in the Scottish Borders. Currently there are three real time information signs in our area (Galashiels, Selkirk and Hawick).

Best Practice

Smart Ticketing
The Scottish Government is currently looking at a national smart ticket scheme called "E-Purse", which will allow people to purchase tickets on a number of different modes of transport with one smart card which would be very useful in the promotion of integrated travel throughout Scotland.

Lincolnshire – Interconnect Project
The County's intention was to provide a better more direct service for their residents. The Council provided high frequency direct services on the primary routes and then provided a secondary network that fed into the primary routes. Other improvements included the provision of high quality accessible vehicles, improved bus stances and an agreement between operators to offer a shared ticketing arrangement.

This project has proven to be very successful in Lincolnshire with increased patronage and a reduction in social exclusion throughout the Council area.

Discussion Points

Integrated Transport Provision in Galashiels and Tweedbank
With the recent appointment of Abellio as the new ScotRail Franchise Operator and the construction of the Galashiels Transport Interchange, there is an opportunity to develop a more integrated approach to public transport provision by linking buses to the new rail service, especially in the Galashiels/Tweedbank area. However, this approach will require co-operation between the bus and rail operators. There are also opportunities to develop cycling and walking links between the new stations and to discuss the potential capacity for cyclists on rolling stock with the new rail operator.

Strategic Network
What balance should be taken on the key strategic routes between providing quicker journeys and serving more communities?

Areas of Employment
Should the Council consider offering more services to the key areas of employment as well as the key settlements within the Scottish Borders?

Customer Information
Easily accessible and clear customer information will be critical in the promotion of the new rail service and the proposed bus connections throughout the Central Borders. This information will need to be provided in a combination of electronic and written media.
It is expected that a range of travel related information will be available at the Galashiels Transport Interchange.

Taxi Facilities at Tweedbank
Taxi provision at the Borders Rail Stations will be a key and integral part of the transport offering at Stow, Galashiels and Tweedbank. **(Possible question on Taxi provision**)

6.0 The Key Issues No.3 – Promotion of Walking, Cycling and Horse Riding

6.1 Strategic network of routes

6.1.1 Walking and cycling are fundamental parts of any integrated transport system, offering a wide range of benefits including cheap flexible transport, increased health benefits and pollution-free travel.

6.1.2 Walking, cycling and horse riding are key components in the Scottish Borders tourist portfolio and the area is becoming very popular for activity related holidays and short breaks.

6.1.3 The area is well served with a large number of quiet minor roads which are ideally suited to cycling and these roads provide the majority of links within our existing cycling network. However, some roads are becoming less attractive for cycling because of increasing traffic flows and excessive speeds, especially when considering safer routes for younger children. In addition, approximately 90% of the Scottish Borders population live within 5 miles of a town or village with a population of over 1,000 people, therefore cycling and walking could be a realistic proposition for commuting as well as leisure trips.

6.1.4 Scottish Borders Council has recently developed an off-road route on the former railway line between Peebles and Innerleithen which has proven to be very popular with over 70,000 people using the path on an annual basis. Subsequently, a number of communities throughout the Scottish Borders have indicated a desire to see a strategic network of routes that would help to connect local towns and villages together.

6.1.5 There is also an argument to suggest that we should be trying to link strategic cycling and walking routes to key points in our areas such as railway stations, key areas of economic activity and tourist destinations to help maximise any economic benefits.

Question – Where should the priorities for an improved off-road shared access network between towns and villages in the Scottish Borders be located? routes?

6.2 Provision of a specific network within our larger towns

6.2.1 As well as promoting a strategic off-road network of routes between our towns and villages, we should also consider developing networks of good quality local walking and cycling routes within our larger settlements to help encourage healthier lifestyles and also to try and reduce the number of vehicles on our public roads. These local routes should ideally be connected to the strategic off-road network thereby creating an integrated network.

6.3 Quieter Road Networks

6.3.1 Scottish Local Authorities such as Clackmananshire[6], Stirling and Perth and Kinross have successfully introduced a number of quieter roads in their areas. These roads are carefully selected, providing links between walking and cycling networks and most have reduced speed limits and voluntary restrictions on larger vehicles. This could be something that Scottish Borders Council may potentially consider.

Question – If the Council was to consider introducing a section of quieter road in the Scottish Borders as a pilot project, where should this pilot project be located network?

6.4 Safer Routes to School

6.4.1 Scottish Borders Council promotes sustainable travel-to-school options for children in our area by developing school travel plans and initiatives such as new footpaths and encouraging children to walk and cycle to school where it is appropriate to do so. At the present time 63 of the 65 primary schools in the Scottish Borders and all of the high schools have a travel plan in place.

6.4.2 The reasons for encouraging children to walk to school are numerous and include:
- Exercise can help lower obesity levels;
- Independent travel can be beneficial for a child's personal development;
- The environment and road safety issues in our towns and villages can be improved by reducing the localised congestion and pollution produced by the dropping-off and picking-up of children at peak periods.

Question – What other measures might encourage walking and cycling to school?

6.5 Travel Planning

6.5.1 Travel planning is the process of encouraging more sustainable forms of transport such as walking and cycling, especially in relation to the journey to work. A small number of larger employers in the Scottish Borders such as Tesco, Asda and Marks and Spencers have travel plans in place as part of the Council's planning requirements. The key reasons for promoting a travel plan are:
- A healthier workforce;
- Reduced levels of congestion at peak times; and
- Improved air quality.

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[6] http://www.clacksweb.org.uk/transport/friendlyroads/

Question – If you believe travel planning should be a priority, how should the Council promote travel plans more vigorously with employers?

6.6 Equestrian

6.6.1 Horse riding is an important part of life in the Scottish Borders and therefore should be protected and enhanced where possible. Equine tourism is also becoming more popular and is an expanding market bringing more people to the area and generating income. There are a number of promoted routes in the Borders that can accommodate horse riders and a number of these routes use the road network or shared access paths which can lead to an element of conflict with vehicles and other users.

Question – Should the Council consider the promotion of further promoted routes for horse riders and if so where should these routes be located?

Proposed Shared Access Network
for the Scottish Borders

1:500,000 (A4)

Reston (Station)
Proposed Shared Access Network
Strategic Green Network
Strategic Development Area
Trunk Roads
A Roads

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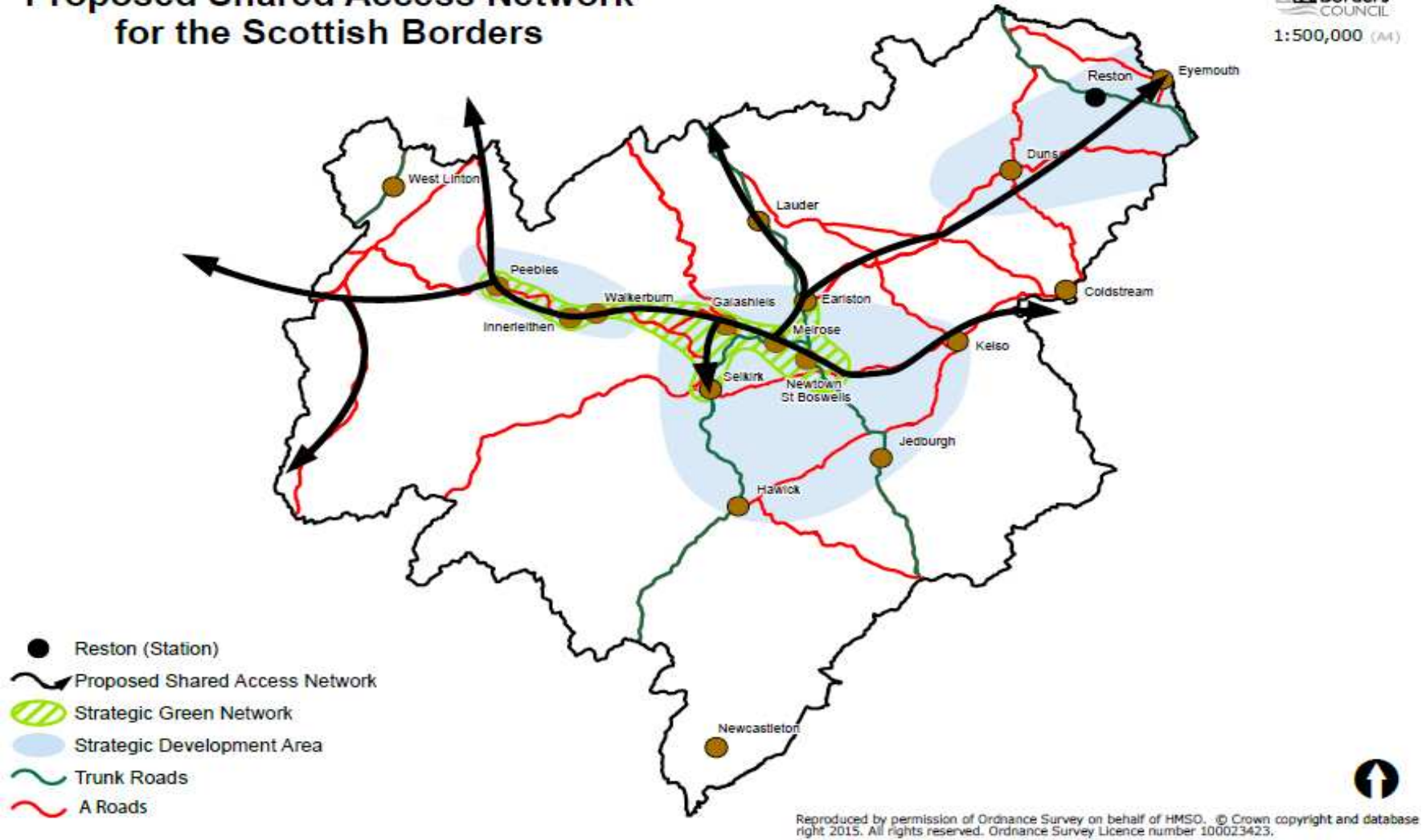
6.7   Countryside Access

6.7.1 The Land Reform (Scotland) Act 2003 radically altered the nature of access rights within Scotland and there are now three categories of access:
- Core paths provide the basic framework of legally recognised promoted and signposted paths;
- The wider network consists of other formal and informal paths and tracks;
- A general right of responsible access in the open countryside which is not restricted to paths and this is termed "rights of responsible access".

6.7.2 It should also be noted that public Rights of Way can exist within the first two categories and that all of the paths are classified as shared paths to be used by non-motorised means such as walkers, cyclists and horse riders.

6.7.3 The current countryside path network within the Scottish Borders is well developed and extends to around 3000km, of which over 1100 km are Core Paths. In addition, the network also includes 256 bridges and 7000 items of wooden "furniture".

6.7.4 These paths can be categorised into the following hierarchy:
- Scotland's National Trail[7] is an informal trail of 764km throughout the length of Scotland, with the first 122km located in the Scottish Borders;
- The Great Trails[8] is a national brand hosted through Scottish Natural Heritage and six out of the thirty four trails lie within the Scottish Borders. These longer distance routes include the Borders Abbey Way; St Cuthbert's Way; Southern Upland Way and the Berwickshire Coastal Path, Cross Borders Drove Road and the Roman and Reivers Way.

6.8   Path Maintenance

6.8.1 There has been a significant investment in path development and promotion over the past 15 years providing a key tourism asset as well as important infrastructure for local communities.

6.8.2 It should be noted that the vast majority of the paths are on private land and co-operation with landowners and farmers is crucial and for the most part positive.   Other key stakeholders of land include the National Trust for Scotland and Borders Forest Trust. Of key significance in the Borders is the role of the Forestry Commission estates, for a range of access benefits and some well developed hotspots for mountain biking.

6.8.3 The current position, is that the Council intends by 2016/17 to reach a "plateau" in terms of the scale of the network and whilst there will always be monitoring and review in light of changing circumstances, this is intended to

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[7] http://www.scottishnationaltrail.org.uk/

[8] http://www.scotlandsgreattrails.org.uk/

be a fine tuning exercise as the budget and resources are finite. This is likely to require the majority of any additional networks to be maintained locally, noting that it is unlikely that the staffing and budgets available are to increase in the current climate so increasingly it is about efficiency and hard choices.

Question – Should the Council only concentrate on the key access routes within the Scottish Borders in terms of development, promotion and maintenance?

Question – How do communities feel about taking responsibility for managing a proportion of the local network?

6.9   Use of the network

6.9.1 The networks have largely been derived around settlements and selected long distance routes for tourism.   Explicit in their development has been linkages to and interpretation of key heritage assets within the Borders. There are 57 heritage sites ranging from a solitary board to a major site such as Lindean or Coldingham Bay. The Tweed Rivers Heritage Project (1999-2006) was a major focus of integrated enhancement and this also included an extensive public art programme to enhance the visitor experience. More recently the network has been promoted to link with investment in major attractions, with the Paths Around Abbotsford booklet, one of a series of promotional publications.

6.9.2 More recently the health benefits of outdoor access have been detailed in "Let's Get Scotland Walking" The National Walking Strategy 2014[9] which highlights functional (transport), recreational and health and well being benefits.

Question – How should the Council promote walking in the Scottish Borders?

6.9.3 In 2015, the Borders will be once more directly connected to the railway network from Edinburgh with three stations at Stow, Galashiels and Tweedbank and potentially Reston in the future. It is important to ensure that the networks are integrated with the stations and opportunities are afforded to give choices to walking and cycling. On a strategic level, there could be an opportunitiy to create a "Golden Triangle" with links to the rail stations at Tweedbank, Dunbar and Berwick–upon–Tweed to try and maximise the economic benefits of providing links between three of Scotland's Great Trails. In the longer term, a link to New Lanark would allow access to the Clyde Walkway and the west coast of Scotland. [10]

Question – Should we provide more of a focus / prioritise developing more information for cycling / walking routes linked to key tourist attractions?

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[9] http://www.scotland.gov.uk/Resource/0045/00452622.pdf

[10] http://www.scotlandsgreattrails.org.uk/southern%20trails.html

6.9.4 The shared use of paths can create maintenance issues, arising from the nature of the use by certain groups, the intensity of use and the nature of the path. In addition, there can be perceived conflict between user groups (walkers, cyclists, mountain bikers and horse-riders). Fortunately in the Borders, the scale of the network and low population densities, does mean that these issues are generally localised. However, there are emerging issues of maintenance and crucially conflicts with land management objectives through the increasing use of the network for commercial and charity events and this will need monitoring and review.

6.9.5 The Core Path Plan also defines 21 "access points for water recreation" and have equal protection under the 2003 Act. They represent launch or landing points, formal or otherwise, where canoe clubs and/or others have been used to access inland waterways.

Question – Are there any other aspects of Countryside Access that need to be addressed?

Best Practice

Quieter Roads
A selected number of Scottish Local Authorities such as Clackmananshire, Stirling and Perth and Kinross have successfully introduced a number of quieter roads in their areas. These roads are carefully selected, providing links between walking and cycling networks and most have reduced speed limits and introduced voluntary restrictions on larger vehicles.
http://www.clacksweb.org.uk/transport/friendlyroads/

The Camel Trail
The Camel trail in Cornwall is an 18 mile off-road multi-use path which travels between Padstow, Bodmin and Wenfordbridge,offering a largely traffic -free and virtually level trail that follows the route of a former rail line. The Camel Trail is considered to be one of the most successful recreational routes in the country with approximately 400,000 annual users bringing in an estimated economic benefit of £3million per annum for the local area.
http://www.cornwall.gov.uk/environment-and-planning/countryside/cycle-routes-and-trails/the-camel-trail/?altTemplate=_Standard

Paths Around Towns
The Scottish Borders benefits from a decision to develop a comprehensive set of local paths around each settlement with a population in excess of 1000. The Paths Around Towns series now covers eleven settlements in the Scottish Borders with a further five planned for Chirnside, Newtown St Boswells/St Boswells, Lauder, Earlston and West Linton finishing the series. These networks provide opportunities for healthy living and also promote tourism throughout the Local Authority area.
http://www.scotborders.gov.uk/info/1504/walking_cycling_and_horse_riding/164/paths_around_towns_and_town_trails

Cycle Scottish Borders Website
Scottish Borders Council has recently developed a website that promotes recreational cycling in the Scottish Borders. The website contains a whole range of route information that has been designed to help sell cycling in the Scottish Borders.
http://www.cyclescottishborders.com/

Walk-it Programme
Walk-it is the Paths to Health project that is run throughout Scotland. The aim is to help people become more physically active through providing low level and friendly led walks. Council employee Denise Carmichael was awarded a Paths for All award in 2013.
http://www.scotborders.gov.uk/info/1504/walking_cycling_and_horse_riding/311/walking_for_health/3

Discussion Points

Sections of Quieter Roads – Pilot Project
There could be a possibility of undertaking a pilot project to promote a section of quieter road in the Scottish Borders at a selected location that would be specifically linked to the development of a strategic shared access network for the Scottish Borders. It should be noted that consultation with the local community and appropriate levels of support would be required before Scottish Borders Council would consider taking this proposal forward.

Development of a Strategic Off-Road Network for Walking and Cycling
The development of an off-road network for shared access has a number of key benefits:
- It would deliver economic and tourism related benefits for the area;
- It would Increase the opportunities for active travel throughout the Scottish Borders;
- It would help provide additional health benefits associated with more people taking exercise;
- It would offer more opportunities for children to cycle and walk on safer traffic free routes.

Maintenance of Paths – Investment in Countryside Access
The path network that Scottish Borders Council currently maintains is extensive and it is unlikely that this size of network can be maintained in the short to medium term with the level of funding currently available. The issue of local communities looking after path networks needs to be explored in more detail.

Should there be an investment in Walking web/apps to complement the recent investment in cycling?
The cycling website (Cycle Scottish Borders) has proven to be successful. Is there an opportunity to develop the website to incorporate walking as well?

Development of Links Between Rail Stations
The provision of specific and improved shared access linkages between rail stations is one of the key aspects associated with helping the development of tourism and economic related opportunities in the Scottish Borders.

The Safeguarding of Former Railway Lines
There is a network of former railway routes throughout the Scottish Borders, estimated to be over 125 miles in length which have the potential to be used as safer walking, cycling and horse riding routes. There is a policy within the Local Development Plan to safeguard these routes for recreational purposes and there is an argument to suggest that this policy direction should be followed in the Local Access and Transport Strategy.

7.0   The Key Issues No. 4 – Roads Maintenance

7.1   The Road Network

7.1.1 The road network in the Scottish Borders is considered to be a significantly valuable asset for an area that currently is totally dependant on road transportation. Ensuring that this asset is well maintained is considered to be an important part of any sustainable transport strategy. There are approximately 1,900 miles of Council maintained roads and over 1,250 bridges throughout the Scottish Borders.

7.1.2 The term "road" covers a wide variety of assets such as carriageway, footway, footpaths, kerbs, drainage, signs, lines, street lighting, bridges, safety fences, etc.   At an estimated gross replacement value of £3bn, the roads infrastructure is the Council's most valuable asset.

7.1.3 It is clear that our roads are increasingly fragile and less resilient to damage from wear and tear, ageing, increasing traffic and severe weather. This regularly results in visible defects like potholes, damaged road signs, defective street lights and in extreme cases, damage to bridges.

7.1.4 Managing our roads is now a critical challenge for Scottish Borders Council, with an ageing network and understandably high public expectations for safer, reliable and more comfortable travel. At the same time, available resources are reducing, with less funding available and increased pressure on all council services. Scottish Borders Council currently lies in the bottom quarter of the 32 local authorities in Scotland in terms of the current condition of our overall road network.

7.1.5 The road network is critically important to the economic vitality of the area and helps support a large number of businesses and commercial activity. It is essential that we have a good quality road network in the Scottish Borders to provide routes to internal and external markets and to help attract inward investment to our area.

7.2   Household Survey

7.2.1 Roads are vital to the economic, social and environmental well being of our area. They provide access for business and communities, as well as contribute to the area's local character and to the public's quality of life.

7.2.2 The most recent household survey showed a reduction in the satisfaction levels for the road network in the Scottish Borders, with 28% of respondents satisfied with the condition of rural roads in our area, down 24% since 2010.   Regarding the condition of roads in towns, 40% of respondents were satisfied, down 12% since 2010.
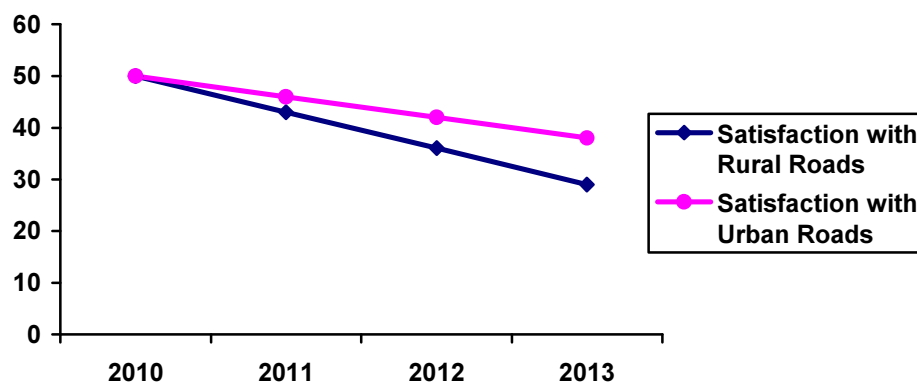
Figure 7.1 – Results of Roads Satisfaction Surveys in the Scottish Borders

7.3   Road Asset Management Plan[11]

7.3.1   The Council Executive approved a Roads Asset Management Plan in April of this year which will help direct funding to the most appropriate locations throughout the Scottish Borders.

7.3.2   Asset Management is a collection of processes designed to ensure that assets are maintained as efficiently and effectively as possible within the available budget, through an inspect, prepare, prioritise and implement cycle. A strategic Roads Asset Management Plan defines the strategy, policies and operational standards for managing and maintaining the Council's roads asset.

7.3.3   It is the ambition of the Council to be in the upper quarter of Scottish Local Authorities in terms of the condition of our road network and associated infrastructure, but to achieve this ambition will require significant investment.

Question – The road infrastructure in the Scottish Borders is a very valuable asset. How do we ensure that this asset is suitably maintained and enhanced accordingly?

7.3.4   Additional information on road maintenance can be found on the Transport Scotland website[12]

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[11] http://www.transportscotland.gov.uk/consultations/j235740-00.htm

[12] http://www.transportscotland.gov.uk/consultations/j10351-00.htm

7.4 Traffic Modelling

The Council has developed a Central Borders Traffic Model to help determine the impact that new development in the Central Borders will have on transport infrastructure. As a consequence, developers of residential sites in excess of 25 dwelling units in the Central Borders will have to contribute towards the cost of proposed transport infrastructure improvements.

Best Practice

Blackpool Council – Project 30
Blackpool Council has undertaken a major four-year project ('Project 30') to address the backlog of maintenance on its highways and footways and to generate significant savings over the medium to long term. A significant outcome for Blackpool Council has been the ability to approve an investment of £30M in remedial works to bring the highway network into a condition that is fit for purpose and which will potentially save the Council an estimated £100m over the next 25 years.

Edinburgh, Lothians, Borders and Fife – Shared Services
Local authorities are all facing the same challenge of constrained budgets and roads services that are experiencing a reduction in staff numbers, loss of expertise and limited specialised equipment required to meet public expectations. The ability of local authorities to work together is therefore considered an essential requirement to deliver efficiencies and ensure the sustainability of roads services for Scotland's communities. Developing formal sharing practices in roads services strongly aligns with the Scottish Government's shared services agenda and response to the recommendations contained within the Christie Report.

The Edinburgh, Lothians, Borders and Fife Forum (ELBF) has been meeting for some time to discuss issues of best practice and potential sharing arrangements in a number of disciplines, including road maintenance.

To maintain momentum and development of work already undertaken, the ELBFF joined the Governance First Project in April 2014 to explore more formal governance options that would allow the participating Authorities to benefit from collaboration from a legally secure and accountable body.

Discussion Points

Maintenance Hierarchy
Should Scottish Borders Council concentrate funding on the key strategic road network (A and B class roads) in the Scottish Borders?

Future Funding and Management of the Road Network
In national terms, it is estimated that approximately £2 billion would be required to clear the maintenance backlog for the whole of Scotland, noting that this figure is split between Local Authority roads and the trunk road network.

Evidence suggests that the existing short term reactive approach that is currently adopted by Local Authorities throughout Scotland is inefficient and research has shown that reactive repairs can be four times more costly than planned preventative treatments. What approach should Scottish Borders Council take in relation to upgrading the local road network and a reducing the existing maintenance backlog?

8.0   The Key Issues No.5 – Forestry

8.1   Forestry in The Scottish Borders

8.1.1 Almost a fifth of the Scottish Borders is covered in forestry and the majority of this crop has reached or is approaching economic maturity. The transportation of timber from source to the point of processing can produce a number of social and environmental issues. However, timber harvesting is an important element of the Borders economy and timber transportation on the public road network is part of the harvesting process.

8.1.2 However, it should also be acknowledged that large timber vehicles can have an impact on existing roads, especially the minor roads which invariably link the forests to strategic road infrastructure. They can also have an effect on our small rural communities and therefore the management of this industry is a key issue for the more rural areas of the Scottish Borders.

8.2   Scottish Borders Timber Transport Forum[13]

8.2.1 Scottish Borders Council is a member of the Scottish Borders Timber Transport Forum and part funds, along with other Local Authorities and the forestry industry, a dedicated Timber Transport Officer to provide a direct link between the operators and the local communities.

8.2.2 The idea behind the development of the group was to try and identify a set of agreed rules for the transport firms and operators, including the production of an agreed routes map which is a network of roads throughout our area that are more suitable for timber transportation than others. This is a voluntary protocol that operators agree to implement to help restrict the number of timber related movements on routes that are less suitable for timber vehicles. More information on the agreed routes for timber transport throughout the Scottish Borders can be found on the Timber Transport Forum website[14]

Question – What other measures could be put in place to help improve and minimise the impact of forestry transportation in the Scottish Borders?

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[13] http://www.timbertransportforum.org.uk/Default.aspx?pid=1

[14] http://timbertransportforum.gaist.co.uk/#/PublicMainPage

Best Practice

The Timber Transport Forum
The Timber Transport Forum was established in February 2000 to provide a mechanism for sharing ideas and best practice on timber haulage issues. A network of eleven Regional Timber Transport Groups - seven in Scotland, three in England and one covering Wales, help enable specific operational solutions to be found through Local Authorities working in collaboration with the forest industry. The Forum brings together representatives of the Regional Timber Transport Groups from England, Scotland and Wales; local government; central government agencies and the timber industry. Scottish Borders Council is a member of the Scottish Borders Regional Timber Transport Group.

Timber Transport Officer
The Timber Transport Groups of Dumfries & Galloway, Scottish Borders and Ayrshire have a dedicated Timber Transport Officer who acts as the liaison between the forestry industry, the public sector and the general public. They also facilitate the process of bidding into national funding and administering timber transport projects.

Good Practice Guide
The Timber Transport Forum has produced a good practice guide for all of the partners that are involved in the timber haulage industry. A link to this document is provided below.

http://www.timbertransportforum.org.uk/Upload/Documents/22_GoodPracticeGuide2012.pdf

Discussion Points

The Rural Road Network
One of the key issues associated with timber extraction in the Scottish Borders is the impact of HGV traffic on local communities. The nature of the forestry industry means that the extraction of the timber to market normally has to take place on an inadequate minor road network, normally using roads that were not designed to take heavy vehicles and thereby presenting maintenance related problems to Scottish Borders Council.

Timber Transport Management Plans
There are a number of routes in the Scottish Borders which are recognised as being key to timber extraction but which are not up to Agreed Routes standard. Consultation with the Local Authority is required and it may be necessary to develop a management plan which can agree issues such as the number of loads per day, timing of loads and allowable tonnage etc. before the route can be used. An example of a route management plan in the Scottish Borders is on the B709 north of Innerleithen.

9.0   The Key Issues No.6 – Road safety

9.1   Approach Taken By Scottish Borders Council

9.1.1 Scottish Borders Council has a statutory duty to carry out traffic related accident studies in relation to the roads within the Scottish Borders and to try and take appropriate measures to help prevent such accidents. The three key elements of road safety development in the Scottish Borders are:

- The three "E"s of Enforcement, Education and Engineering;

- Scottish Borders Road Safety Working Group;

- Road Safety Strategy.

9.1.2 In June 2009 the Scottish Government set revised targets for accident reduction across a number of key headings. The base figures taken for these targets is the average accident figures between 2004 – 08 and the proposed target reduction is by the year 2020 with interim targets set for 2015.

9.2   Enforcement

9.2.1 Accident and casualty reporting is initially undertaken by the police and the statistics are passed to Local Authorities for validation. It should be noted that only injury accidents are recorded and notified by the Police and the accident figures quoted include those that occur on the trunk road network which is controlled by the Scottish Government.

9.3   Education

9.3.1 In common with almost every area in Scotland, young drivers make up a disproportionate amount of those involved in injury accidents, with road users under 26 making up a third of all casualties recorded. In addition young drivers make up a quarter of all fatal and serious casualties involving car occupants. Locally we continue to target new and future drivers through various education initiatives at schools and more recently the Scottish Borders has been leading the country with its funding of Advanced Driver courses for young drivers[15]. Nationally more stringent tests, graduated licences and night-time curfews are some of the areas that remain under active consideration.

9.3.2 Motorcyclists have also been a particular concern for the Scottish Borders for a number of years as they are attracted in large numbers to the area; in part by the nature of the roads and the challenge that they can present. There have been ten motorcycle fatalities in the area in the last five

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[15] http://www.road-safety.org.uk/driving/young-drivers/young-driver-interventions/interventions/police_areas/lothian-and-borders/

years and many more serious casualties which continue to be dominated by those over the age of thirty five. One area we have been attempting to address motorcycle accidents through is the "Around the Corner Campaign" which originated in the Lothian and Borders and has gone on to win national acclaim including a Prince Michael International Road Safety Award.

9.4 Engineering

9.4.1 The Council undertakes the engineering aspects associated with accident prevention on the local road network throughout the Scottish Borders and will continue to direct limited resources to locations where accidents are occurring. An annual allocation of £50,000 is currently available to spend on accident investigation prevention schemes in the Scottish Borders.

9.5 Scottish Borders Road Safety Working Group

9.5.1 The Scottish Borders Road Safety Working Group is the overarching body looking at road safety and vehicle accident prevention in our area. The Working Group is multi-partnership with representatives drawn from the Police, Fire and Rescue, RoSPA, Trunk Road Operating Company AMEY (formerly BEAR) and Lothian and Borders Safety Camera Partnership, in addition to the Council Departments of Place and People.

9.6 Progress

9.6.1 The long–term trend for the Scottish Borders is positive in that all categories of accident (fatal, serious and slight) are showing a reduction and that the rate of that reduction for fatal and slight accidents is in line with or better than the national targets that have been set.
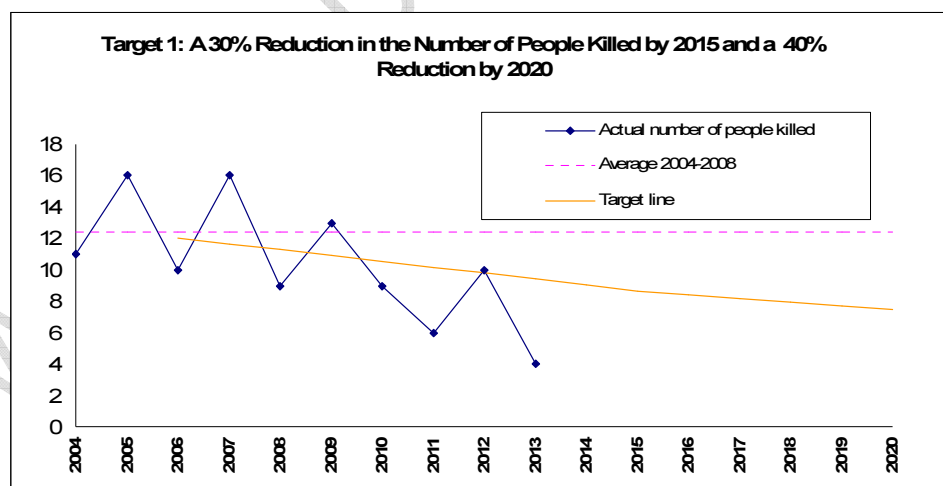
Figure 9.1 – Number of People Killed In The Scottish Borders Between 2004 and 2013

Target 2: A 43% Reduction in the Number of People Seriously Injured by 2015 and a 55% Reduction by 2020
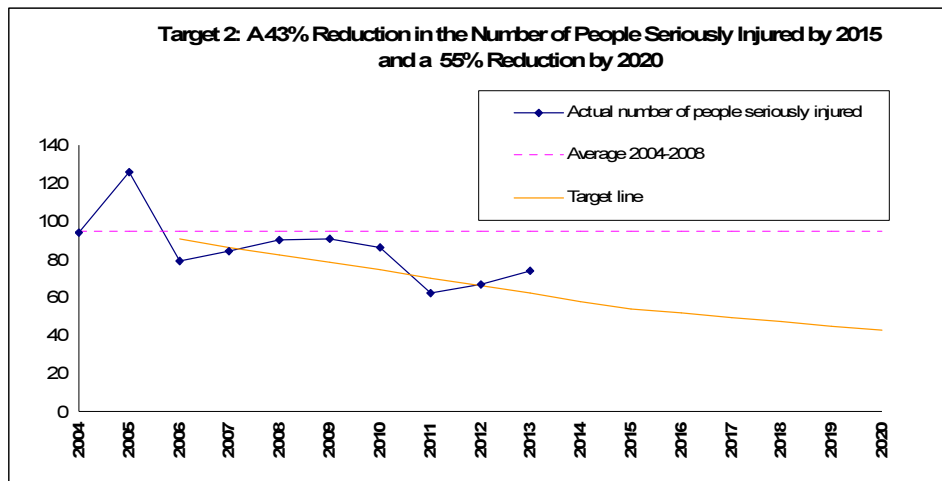
Figure 9.2 – Number of people seriously Injured In The Scottish Borders between 2004 and 2013

Target 5: A 10% Reduction in the Number of People Slightly Injured Rate by 2020
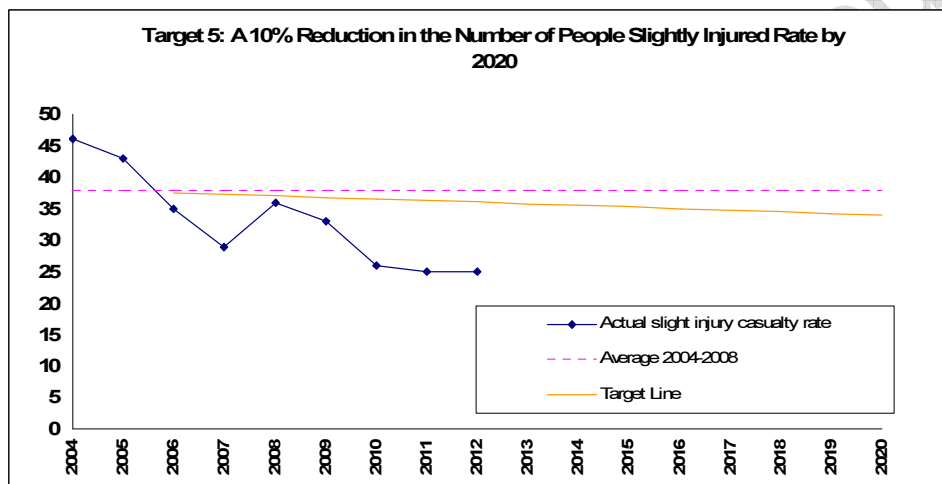
Figure 9.3 – Number of People Slightly Injured in the Scottish Borders between 2004 and 2013

For more information on Road Safety please refer to Road Safety Scotland[16]

Question – How effective are existing prevention methods in the Scottish Borders?

Question – What other road safety initiatives would you like to see Scottish Borders Council initiate?

Question – If the Council was to consider more 20mph zones in the Scottish Borders, where should there new zones be located?

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[16] http://www.road-safety.org.uk/

Best Practice

Around The Corner Campaign

Around the Corner is a proactive motorcycle campaign that was initially launched in the Scottish Borders and was designed to help reduce the number of collisions and casualties involving motorcyclists on selected routes. The Police use their own motorcyclists to interact with the biking community and inform them of the dangers of rural motorcycling. This unique initiative has played a significant part in reducing the number of motorcyclists killed and seriously injured in the Scottish Borders and is now being launched as the first Scottish National Motorcycle campaign.

A link to the website is provided below:

http://www.aroundthecorner.org.uk/

Advanced Driver Courses For Young Drivers

In common with almost every area in Scotland, young drivers make up a disproportionate amount of those involved in injury accidents, with road users under 26 making up a third of all casualties recorded. In addition young drivers make up a quarter of all fatal and serious casualties involving car occupants.

Locally we continue to target new and future drivers through various education initiatives at schools and more recently the Scottish Borders has been leading the country with its funding of Advanced Driver courses for young drivers. Nationally more stringent tests, graduated licences and night-time curfews are some of the areas that remain under active consideration.

Discussion Points

Vulnerable Groups

There are a number of road users that continue to be of particular concern to Scottish Borders Council. These vulnerable groups include pedestrians, cyclists, motorcyclists and young drivers. The Council will be prioritising projects that make an impact in relation to these more vulnerable groups.

Existing Budgets

Taking all the aforesaid statistics into account it is suggested that the Council continues to concentrate its Accident Investigation and Prevention resources on locations identified through the moving cursor programme that identifies where accidents are occurring. At the present time, the annual budget for road safety improvements is approximately 50k per annum.

Safety Cameras

The Lothian and Borders Safety Camera Partnership was set up in 2003 to help reduce collisions on the road network. The key aims were to:

- Reduce the number of people killed and injured on the Lothian and Borders roads;
- Help raise public awareness of the issues and dangers of inappropriate speed;
- Make speeding as socially unacceptable as drink driving; and
- Change long-term driver behaviour in relation to speeding and red light running.

The Partnership is made up of Police Scotland, the City of Edinburgh Council, Scottish Borders Council, West Lothian Council, East Lothian Council, Midlothian Council, Transport Scotland, NHS Lothian, NHS Borders, Lothian and Borders Fire and Rescue Service and the Scottish Ambulance Service.

Safety cameras are normally placed at areas where there is a history of collisions and speeding.

20mph zones

The Council has implemented a number and variety of 20mph speed limit zones predominantly around schools. The aim of this initiative is to try and improve road safety conditions in our streets and encourage more of our children to walk and cycle to school. Should we be encouraging more 20mph zones throughout our towns and villages?

Other Issues

Nationally more stringent driving tests, graduated licences and night-time curfews are some of the areas that remain under active consideration to help improve road safety.

10 The Key Issues No.7 – Parking

10.1 Parking Management

10.1.1 Parking management is an essential part of an integrated transport strategy, helping to control the amount of vehicles in our towns and villages, ensuring that shoppers and visitors can access local facilities and providing enforcement for dangerous and indiscriminate parking.

10.1.2 Disabled Parking and the use of "Blue Badges" continues to be a key issue in the Scottish Borders. New laws were recently passed by the Scottish Government which gives Local Authorities the powers to confiscate and cancel blue badges if they are being misused.

10.1.3 There are currently 245,000 legitimate blue badge holders in Scotland, and Holyrood's Local Government Committee said misuse of the blue badge scheme was having a "major impact" on the lives of people who rely on disabled parking spaces. In addition, research by Transport Scotland said that 83% of legitimate badge holders had encountered misuse. The new legislation will come into force next year.

10.1.4 The promotion of more sustainable forms of transport in the Scottish Borders such as cycling, developing our tourist offering and making our town centres more vibrant, requires secure and safe cycle parking in our towns and villages and needs to be debated.

10.1.5 Scottish Borders Council has delivered a programme of cycle parking provision in the majority of our settlements. However, are the current levels of parking adequate and are they in the right place to help encourage more people to cycle in our area and to visit our town centres?

10.1.6 For more information on parking please refer to the Scottish Borders Council web site[17]

10.1.7 On-street enforcement in the main towns and villages of the Scottish Borders is currently provided by Police Scotland. However, there has been a policy shift recently (February 2014) with Police Scotland making the decision to withdraw the role of Traffic Wardens across the whole of Scotland. Police Scotland is currently in the process of implementing that decision.

10.1.8 The withdrawal of the traffic warden service and a failure to adequately enforce on-street parking law in cases of illegal or indiscriminate parking of vehicles will adversely affect many communities in the Council area. Police Scotland have however consistently advised that "where parking

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[17] http://www.scotborders.gov.uk/info/1265/parking_and_car_parks

is dangerous or causes significant obstruction they will task Police Officers to resolve the issue using the appropriate enforcement measure such as parking tickets.

Question – Have you noticed a difference in parking behaviour locally since the removal of traffic wardens – please expand on your answer?

Question – Is the current level of cycle parking in your town or village adequate? Is it safe and secure? What other facilities would you like to see which might encourage you to cycle?

Question – Are there adequate levels of disabled parking (off-street and on-street) in our towns and villages?

Question –What additional measures should the Council be doing to improve the parking in our town centres?

Best Practice

Ring-Go – Cashless Parking
Ring-go is an electronic application for mobile phones or tablets that allows you to pay for parking without putting money in a meter. The City of Edinburgh Council has embraced this technology and you can also use Ring-Go in selected towns within the Scottish Borders (Galashiels, Hawick, Melrose and Peebles).

Discussion Points

Town Centre Parking
Should we look again at town centre parking charges in selected locations to help encourage turnover for shopkeepers? Should we consider reviewing the parking strategies for our key settlements, including the possibility of introducing electronic systems which indicate the number of free spaces in the busier locations?

Parking Enforcement
Scottish Borders Council is currently discussing how to deliver parking enforcement to the towns and villages of the Scottish Borders, following the decision by Police Scotland to remove the traffic warden service. One option is to go down the route of decriminalised parking enforcement which would probably consist of a private company employed by the Council undertaking the duties of the traffic wardens. However, this option would be expensive for the Council to implement.

HGV Parking
Do we have enough parking for heavy goods vehicles and are they located in the right places?

Cycle Parking
Should we provide more cycle parking in our towns and villages?

11 The Key Issues No.8 – Reduction in Travel/Low Carbon/Road Traffic Reduction

11.1 Electric Vehicles

11.1.1 The Scottish Borders is seen to be an attractive area in terms of having a good work-life balance and has a hardworking and skilled workforce. A balance needs to be struck between encouraging increasing levels of business related traffic attracted by a growing and diversifying economy and the problems caused by localised congestion and levels of pollution.

11.1.2 One of the key areas of development in relation to climate change is the introduction of a network of charging points for electric vehicles. The Scottish Government is delivering a network of public 'rapid charger' charging points for electric vehicles (EV) across Scotland, which will provide charging for EV drivers. The charging scheme will also connect with points in Northumberland.

11.1.3 The £2.6million scheme, which includes £750,000 from Transport Scotland, will deliver charging points within every 50 miles on trunk roads and it is envisaged that an integrated network will join electric vehicles with public transport. Charging points will also be available at leisure facilities, in Local Authority controlled car parks and at ferry terminals for travel to and from the islands.

11.1.4 In the Scottish Borders we currently have a growing network of charging points that are located throughout the area and are currently free to use. For more information on electric vehicles and charging provision, please refer to the Scottish Borders Council website[18]

11.2 Digital Connectivity

11.2.1 The development of a superfast broadband network for rural areas which encourages working from home and the development of local businesses is a key issue for the Scottish Borders. The provision of an upgraded network could encourage more businesses to our area and could enhance the productivity and opportunities for existing employers.

More information on the Superfast Broadband Programme can be found at the Digital Scotland Website[19]

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[18] http://www.scotborders.gov.uk/electricvehicles

[19] http://www.digitalscotland.org/superfast-broadband/

11.3   Flexible Working

11.3.1   Flexible working practices can deliver opportunities for employers and employees, including key aspects such as the introduction of a work-life balance for employees, especially in the area of child care and the reduction of commuting in peak hour travel, potential for reduced parking provision and office accommodation.

Scottish Borders Electric Vehicle Charge Points
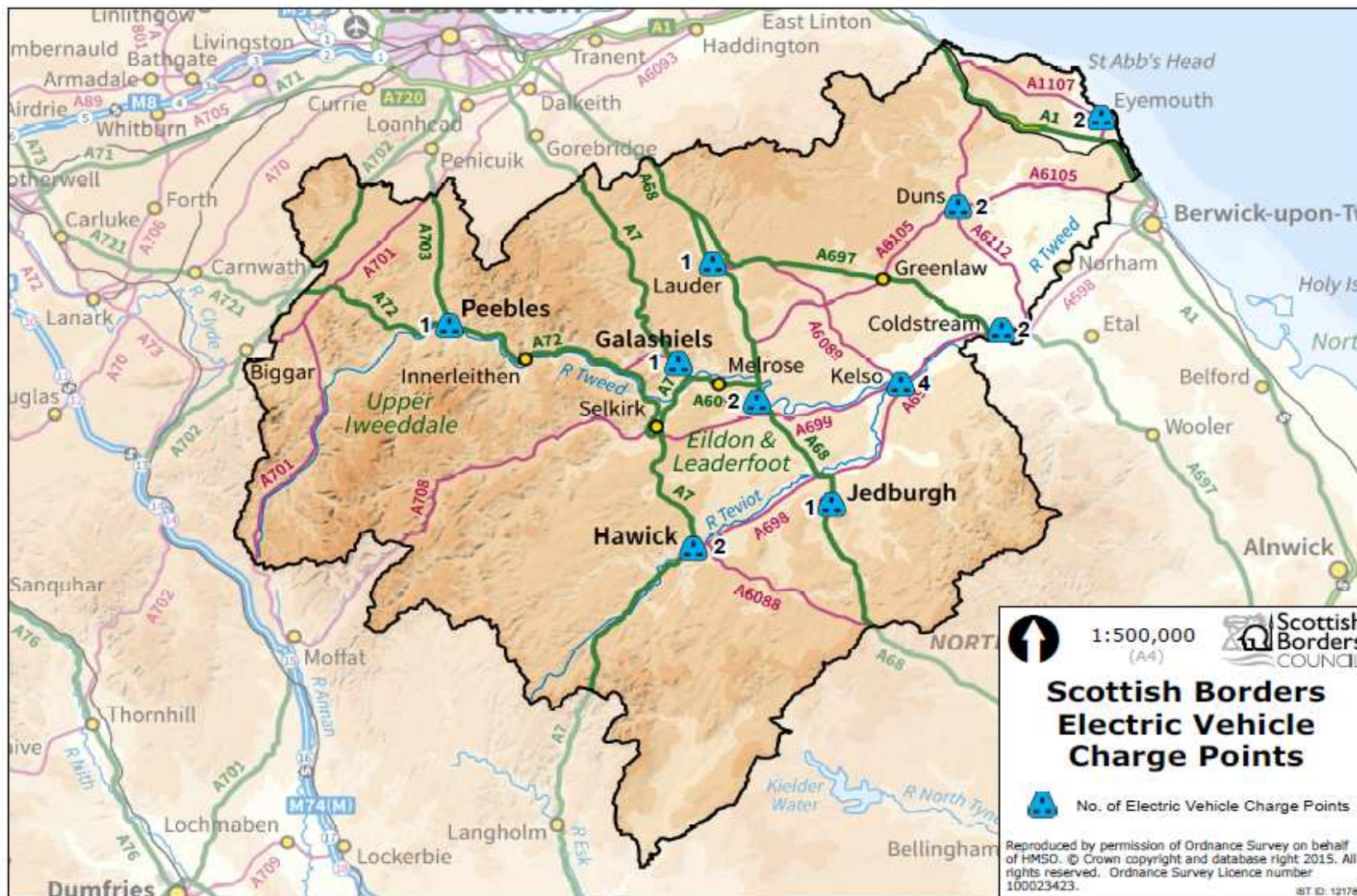
11.4   Climate Change Act (Scotland) 2009

11.4.1   The Climate Change Act (Scotland) 2009 sets a target of reducing greenhouse gas emissions by 80% by 2050. In order to achieve this target both culture and behaviour change is needed in addition to the use of new technologies and reduced carbon activities. Within Scottish Borders Council a carbon management plan is currently being developed to help address the targets proposed within the Climate Change Act and these proposals include flexible working, car sharing and the promotion of sustainable transport modes.

Question – What is your opinion on the provision of a network of charging points for electric vehicles throughout the Scottish Borders?

Question – What would be required to encourage you to work from home on a more regular basis?

Best Practice

Digital Connectivity
As previously noted in this document The Digital Scotland Superfast Broadband Programme is currently upgrading the existing network to provide superfast broadband to 85% of premises in Scotland by the end of 2015/16 and 95% by the end of 2017/18.

Electric/Hybrid Vehicles
Scottish Borders Council has helped develop a network of electric vehicle charging points throughout the local authority area and has also purchased a number of electric and hybrid vehicles as part of the Council fleet to help reduce the effect on the environment.

Edinburgh Hybrid Buses
Lothian Buses has recently purchased a number of single deck hybrid buses as part of its fleet of over 700 vehicles. The Volvo vehicles offer enhance fuel consumption and a much smoother operation for city journeys.

http://lothianbuses.com/our-community/environment/hybrid-buses

Hydrogen Bus Project - Aberdeen
Aberdeen City Council has invested in ten hydrogen fuel cell operated buses which are considered to be the world's largest fleet of this type of vehicle, along-with a hydrogen refuelling station. The buses are operated by First Group and Stagecoach and only emit water vapour, thereby reducing carbon emissions and air pollution.

http://aberdeeninvestlivevisit.co.uk/Invest/Aberdeens-Economy/City-Projects/H2-Aberdeen/Hydrogen-Bus/Hydrogen-Bus-Project.aspx

Discussion Points

Mobile Phone Coverage
A recent Scottish Government report has highlighted the challenge facing the Scottish Borders in relation to 2G or 3G phone signal coverage. For example, the B709 north of Innerleithen has no signal for 90% of its length. Scottish Borders Council continues to argue that enhanced phone coverage is vital for rural areas such as the Scottish Borders in order to develop more opportunities for business development and flexible working.

Alternative Fuels
Should Scottish Borders Council along with public transport operators be investigating new fuels such as Hydrogen?

Flexible Working
Scottish Borders Council's 2011 Travel to Work Survey asked if people thought they could carry out their job more flexibly and if they did so at the moment. The results indicated that over 50% of respondents thought that they could do their job effectively from a hot-desk. A clear majority 63.7% thought they may be able to carry out their job effectively from home compared to the 26% that currently do. Nearly 32% thought they may be able to carry out their job effectively 'on the move' if they had the right technology, with just over 10% currently carrying out their job 'on the move'.

List of Suggested Questions

Question 1 - Do you agree with the Vision for the LATS and do you have any alternative proposals?

Question 2 – Do you agree with the main aims for the LATS. Do you have any other alternative proposals?

Question 3 – What key projects should we be prioritising to help deliver the maximum benefits to the Scottish Borders?

Question 4 – What should we be doing to try and encourage more economic and tourist related activity as a result of Borders Rail?

Question 5 – What do you think are the positive and negative aspects associated with developing a relatively short extension of Borders Rail to Hawick and a longer extension to Carlisle?

Question 6 – If the bid to develop a new local rail service between Edinburgh and Berwick is successful, what can we do to help ensure the long term viability of the service?

Question 7 – What potential improvements to ticketing provision would you like to see implemented within the Scottish Borders?

Question 8 – Are there any aspects of information provision that require immediate improvement

Question 9 – What are the positives and negative aspects of our existing bus services?

Question 10 – What would attract you to use the bus more often?

Question 11- What possible improvements are required for taxi provision within the Scottish Borders?

Question 12 – Where should the priorities for an improved off-road shared access network between towns and villages in the Scottish Borders be located?

Question13 – If the Council was to consider introducing a section of quieter road in the Scottish Borders as a pilot project, where should this pilot project be located network?

Question 14 – What other measures might encourage walking and cycling to school?

Question15 – If you believe travel planning should be a priority, how should the Council promote travel plans more vigorously with employers?

Question 16 – Should the Council consider the promotion of further promoted routes for horse riders and if so where should these routes be located?

Question 17 – Should the Council only concentrate on the key access routes within the Scottish Borders in terms of development, promotion and maintenance?

Question 18 – How do communities feel about taking responsibility for managing a proportion of the local network?

Question 19 – How should the Council promote walking in the Scottish Borders?

Question 20 – Should we provide more of a focus / prioritise developing more information for cycling / walking routes linked to key tourist attractions?

Question 21 – Are there any other aspects of Countryside Access that need to be addressed?

Question 22 – The road infrastructure in the Scottish Borders is a very valuable asset. How do we ensure that this asset is suitably maintained and enhanced accordingly?

Question 23 – What other measures could be put in place to help improve and minimise the impact of forestry transportation in the Scottish Borders?

Question 24 – How effective are existing prevention methods in the Scottish Borders?

Question 25 – What other road safety initiatives would you like to see Scottish Borders Council initiate?

Question 26 – If the Council was to consider more 20mph zones in the Scottish Borders, where should there new zones be located?

Question 27 – Have you noticed a difference in parking behaviour locally since the removal of traffic wardens – please expand on your answer?

Question 28 – Is the current level of cycle parking in your town or village adequate? Is it safe and secure? What other facilities would you like to see which might encourage you to cycle?

Question 29 – Are there adequate levels of disabled parking (off-street and on-street) in our towns and villages?

Question 30 – What additional measures should the Council be doing to improve the parking in our town centres?

Question 31 – What is your opinion on the provision of a network of charging points for electric vehicles throughout the Scottish Borders?

Question 32 – What would be required to encourage you to work from home on a more regular basis?

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COMPLAINTS ANNUAL PERFORMANCE REPORT

Report by Service Director Neighbourhood Services

EXECUTIVE COMMITTEE

9 June 2015

1   PURPOSE AND SUMMARY

1.1 **This report presents the Council's Complaints Annual Performance Report in a format guided by the Scottish Public Services Ombudsman (SPSO), who requires the annual report to be submitted to the SPSO and for the Council to publish the report.**

1.2 The SPSO requires all Scottish Local Authorities to present their annual performance on complaints in a publicly available annual report.

1.3 Scottish Borders Council's Complaints Annual Performance Report for complaints handled in 2014-15 is drafted to reflect the good practice as agreed with the SPSO.

1.4 A number of areas for improvement in complaint handling are committed to in the annual report, notably:
- The eight SPSO Performance Indicators are included in the Council's performance management framework;
- The Council works with the SPSO and other Local Authorities to develop benchmarking of complaints performance indicators;
- Work to enhance service delivery and improve complaint response times.

2   RECOMMENDATIONS

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

(a) **notes the performance of handling complaints for the period 1 April 2014 to 31 March 2015;**

(b) **endorses the identified improvement actions including the continued provision of statistics to the Complaint Handlers Network outlined in 4.9 throughout 2015-16;**

(c) **note the intention to review data collected from the complaints handling surveys outlined in 4.11, the results to be made available in the 2015-16 Complaints Annual Performance Report;**

(d) **note the commitment to benchmarking outlined in 4.12**

(e) **approves the annual report to be submitted to the SPSO and for the Council to publish the report**

3   BACKGROUND

3.1   The Public Services Reform (Scotland) Act 2010 gave the Scottish Public Services Ombudsman (SPSO) the authority to lead the development of a model of complaints handling procedures across the public sector.

3.2   In May 2012, the SPSO issued guidance to the handling of complaints, 'Local Authority Model Complaints Handling Procedure'.

3.3   In November 2012, Scottish Borders Council approved a 'Complaints Handling Procedure' (CHP) that centred on the guidance detailed by the SPSO. Scottish Borders Council's CHP was then used to train staff and was also made publicly available.

3.4   In August 2014, the SPSO issued guidance stating that the annual performance of Local Authorities handling complaints be formally presented in an annual report across eight specified key performance indicators. It was later confirmed that this report should be published.

3.5   Scottish Borders Council's first Complaints Annual Performance report was published in January 2015. This is the second such report and covers 2014-15 performance.

4   COMPARISONS

4.1   Scottish Borders Council's Annual Complaints Performance Report (Appendix 1) has been drafted to reflect previously agreed good practice and details the complaints handled by Scottish Borders Council between 1 April 2014 and 31 March 2015.

4.2   A set of comparative tables comparing 2014-15 performance against 2013-14 performance is attached at appendix 2.

4.3   The total number of complaints received excluding those classed as invalid increased by 62 in 2014-15 to 619, representing an 11% increase. The total number of complaints recorded excludes those classified as invalid based on current guidance from the SPSO. Where the basis of that information differed in the 2013/14 report additional figures have been provided for both years to allow comparisons to be made.

4.4   There were various changes in the ways customers complained resulting in a 3.3% channel shift from face to face and letter to electronic and telephony methods of making complaints.

4.5   Indicator 1 – The total number of complaints received per thousand of the population. The population of the Scottish Borders increased in 2014-15 to a mid-year estimated figure of 114,030 and the number of complaints to 619. This measure indicates the average number of Scottish Borders residents registering a complaint about our services. It shows a significant movement in the figure from 2013/14 from an average of 1 in 204 to 1 in 184 however this is in part due to invalid complaints now being excluded from the 2014/15 calculation. In the absence of national benchmarking statistics it is not possible to draw any conclusions on relative performance.

4.6   Indicator 2 – Complaints closed at Stage One and Stage Two as a percentage of all complaints closed reports on complaints received between

1 April 2014 and 31 March 2015 and closed within the same period. Table 4 of appendix 2 indicates an improving performance in dealing with complaints at Stage One despite an increased number of complaints compared to 2013/14. This has also contributed to a reduction in the number of complaints being dealt with directly at Stage Two. There has been an increase in complaints overall and an increase of 1.3% in the number of complaints escalated to Stage Two.

4.7 Indicator 3 – The number of complaints upheld/not upheld at each stage as a percentage of complaints closed in full at each stage indicates an increase in the number of complaints upheld at Stage One of 3% in 2014-15 against an increase of 3% in the number of complaints received in the year and handled at that stage. There has also been a reduction of 9.6% in the number of complaints upheld at Stage Two against a 3.2% reduction in the number of complaints handled at that stage. Overall, there has been a 6.6% reduction in the total number of complaints upheld

4.8 Indicator 4 – This measures average time spent in working days for a full response to complaints at each stage and shows that while the average time spent responding to a complaint at all stages has marginally increased it still remains well within the timescales set of 5 and 20 working days at Stage One and Stage Two respectively.

4.9 Indicator 5 – This measures the number and percentage of complaints at each stage which were closed in full within set timescales of 5 and 20 working days and indicates that performance in responding to complaints within our timescales has fallen. The percentage of complaints closed at Stage One within the timescales fell by 3.3%, although the total number of complaints handled at this stage increased by 75 (3%). The percentage of complaints closed at Stage Two within the timescales fell by 8.2%, but there was also a fall of 3 cases in the total number of complaints handled at Stage Two. Improvements in this area will be achieved by reviewing the guidance, providing additional coaching and training to individual staff, providing monthly statistics and reviewing individual departmental and team processes.

4.10 Indicator 6 – This details the number and percentage of complaints at each stage where an extension to the 5 or 20 working day timeline has been authorised. Analysis shows that there is an increase in the number of complaints granted an extension evenly spread between departments. Improvement is required by all departments in this area therefore these cases will be reviewed individually for potential lessons to be learned.

4.11 Indicator 7 - This indicator covers measurement of customer satisfaction with the complaints service provided. The Councils revised complaints handling survey is being rolled out from April 2015 and results from that will be included in the next Complaints Annual Performance Report for 2015-16.

4.12 Indicator 8 – Includes information outlining the changes or improvements to the services or procedures made as a result of the considerations of complaints. In addition as part of a national approach to benchmarking the Councils annual complaint indicators were submitted to Aberdeen City Council for collation and analysis. The outcomes of this analysis are not yet available to allow a comparison of the Councils performance across Scotland however this will be reviewed as soon as it is available and on an ongoing basis.

5 IMPLICATIONS

5.1 Financial

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

5.2 Risk and Mitigations

This report 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

5.3 Equalities

Data began being collected in April 2015 in order to evaluate possible adverse equality implications. Analysis of this information will be available in the 2015-16 Complaints Annual Performance Report.

5.4 Acting Sustainably

There are no economic, social or environmental implications.

5.5 Carbon Management

There are no effects on carbon emissions.

5.6 Rural Proofing

This is not a new or amended policy or strategy.

5.7 Changes to Scheme of Administration or Scheme of Delegation

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 Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.

6.2   Others consulted –

- Corporate Transformation and Services Director
- Complaints Officer Education & Lifelong Learning
- Complaints Officer Place
- Complaints Officers Social Work
- Complaints Officer Chief Executive

Approved by

Jenni Craig   **Signature** ……………………………………
Service Director Neighbourhood Services

Author

Name	Designation and Contact Number
Claire Tracy	Locality Team Leader – Lead Officer Customer Services, 01835 824000 ext 8408

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. Claire Tracy can also give information on other language translations as well as providing additional copies.

Contact us at Claire Tracy, Locality Team Leader – Lead Officer Customer Services, Scottish Borders Council, Newtown St Boswells, MELROSE, TD6 0SA. Tel 01835 824000 ext. 8408, Email customerservices@scotborders.gov.uk

Appendix 1

Appendix 2

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complaints annual performance report

SCOTTISH BORDERS COUNCIL
2014/15

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COMPLAINTS ANNUAL PERFORMANCE REPORT 2014/15

INTRODUCTION

"putting our customers at the heart of what we do"

I'm pleased to present Scottish Borders Council's second annual Complaints Performance Report providing information on customer complaints received by the Council between 1 April 2014 and 31 March 2015. This report summarises the detailed information considered throughout the year during management team meetings and which is then presented at the Council Executive committee.

We pride ourselves in providing high quality services to our communities, but also on our ability to respond quickly and effectively when, occasionally, we get things wrong. The actions we take to record, analyse and respond to complaints underpin our commitment to put things right when we fall short of customer's expectations or of our own standards, but also in improving how we deliver our services in the future.

Although this is now the second year we have followed Scottish Council's standardised Complaints Handling Procedure, we continue to revise and reshape, where we are able, the ways in which we administer the procedure and in particular how Council officers engage practically with members of the public to handle their concerns and issues.

Whilst we will continually work to refine and improve the procedure, most importantly we will ensure we continue to listen to our customers in order to understand where we have gone wrong and not only correct the error, but make changes to reduce or prevent such mistakes happening again.

Tracey Logan
Chief Executive
Scottish Borders Council

SCOTTISH BORDERS COUNCIL
COMPLAINTS ANNUAL PERFORMANCE REPORT 2014/15

SUMMARY

BACKGROUND

The statistics gathered in this report are based on eight key performance indicators devised by the Scottish Public Services Ombudsman (SPSO) in conjunction with all 32 Scottish Local Authorities. All complaints detailed on the report are handled under the Council's Complaints Handling Procedure (CHP) which complies with the SPSO model for Public Services complaints handling.

2014-15 is the second year of handling complaints under the revised complaints handling model and this report reflects on our performance in 2014-15.

It should be noted that the 2013-14 report was submitted in January 2015, therefore some of the recommended improvements have not been fully implemented, and where implemented may not have had time to embed and be fully reflected in the 2014-15 performance.

Ongoing CHP training, together with bespoke training, support and guidance is continuing to assist our services to handle complaints more confidently and effectively. Procedures are in place to provide that all complaints that are likely to take longer than the agreed timescales have an extension agreed by the customer and authorised by the appropriate Service Director. Individual departmental complaints handling processes

are being reviewed by the Customer Services Manager. Complaint reports are provided for senior management monthly, quarterly and annually. The reports are reviewed by management, and also presented quarterly to the Council's Executive Committee, where further information is provided as required.

Regular Complaint Handler meetings are held to highlight issues surrounding complaints. Work is being undertaken as part of these meetings to establish a formal procedure for reviewing complaints and implementing any actions to prevent reoccurrences. These meetings are also used to share best practice so that lessons learned are disseminated across the Council.

SCOTTISH BORDERS COUNCIL
COMPLAINTS ANNUAL PERFORMANCE REPORT 2014/15

COMPLAINTS HANDLING PROCEDURE (CHP)

We regard 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. We value all complaints and use the information from them to help us improve our services.

Stage One – We aim to resolve complaints quickly and close to where we provide the service. We will give a decision at Stage One in five working days or less, unless there are exceptional circumstances.

Stage Two – If customers are dissatisfied with our response at Stage One they can escalate their complaint to Stage Two. We also handle complaints immediately via Stage Two if they are complex and require a detailed investigation. We will acknowledge all Stage Two complaints within three working days and will give a full response as soon as possible and within 20 working days. If the investigation will take longer than 20 days we will agree revised time limits with the customer and keep them updated on the progress of their complaint.

Where a customer is dissatisfied with the Councils decision regarding a Stage Two complaint, they may then contact the Scottish Public Services Ombudsman (SPSO) to ask him to consider it.

The statistics in this report do not include complaints that have been closed as invalid. The types of complaints closed as being invalid include:

- routine first time requests for a service
- requests for compensation
- requests for information or an explanation of policy or practice
- Insurance Claims

SCOTTISH BORDERS COUNCIL
COMPLAINTS ANNUAL PERFORMANCE REPORT 2014/15

HOW CUSTOMERS COMPLAINED

Customers can complain to or comment about the Council in a range of ways, including:

- In person at any of our Library Contact Centres or Contact Centres;
- By phoning 0300 100 1800
- On-line
- By letter
- By email

DURING 2014-15, we received 742 complaints from customer who chose the following ways to contact us with a complaint. 123 were subsequently classed as invalid but are included here to fully detail the preferred contact methods.

81 in person
272 by telephone
231 online
68 by letter
90 by email

742
Total number of complaints received

12.1% by email
10.9% in person
9.2% by letter
36.7% by telephone
31.1% online

INDICATOR 1
COMPLAINTS RECEIVED PER 1,000 OF POPULATION

This indicator records the total number of complaints received by Scottish Borders Council in the period 1 April 2014 to 31 March 2015. This is the sum of the number of complaints received at Stage One and the number of complaints received directly at Stage Two divided by the estimated population size. This does not include complaints closed as invalid.

The population of Scottish Borders is estimated at 114,030 (mid year population estimate).

In 2014-15 Scottish Borders Council handled 619 complaints from customers, meaning that an average of 5.43 complaints were received per 1,000 residents.

This indicates that on average 1 in every 184 Scottish Borders residents have registered a complaint about our services.

INDICATOR 2
CLOSED COMPLAINTS

This indicator provides information on the number of complaints closed at Stage One, Stage Two and after escalation as a percentage of all complaints closed.

Escalated complaints are those which had been resolved at Stage One however the customer is not satisfied with that conclusion and requests the same issue to be considered again.

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.

504 complaints were closed at Stage One.
This represents 81.4% of all complaints closed.

115 complaints were closed at Stage Two.
This represents 18.6% of all complaints closed.

23 complaints were closed after escalation (from Stage One to Stage Two). This represents 3.7% of all complaints closed.

Although a complaint is received between 1 April 2014 and 31 March 2015, it may not be possible to close the complaint within this period therefore on occasions the figures in Indicator 1 and Indicator 2 may differ.

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 complaints procedures were introduced.

OUTCOME OF STAGE ONE COMPLAINTS
248 complaints were upheld at Stage One, representing 49.2% of complaints closed at Stage One
256 complaints were not upheld at Stage One, representing 50.8% of complaints closed at Stage One

OUTCOME OF STAGE TWO COMPLAINTS
34 complaints were upheld at Stage Two, representing 29.6% of complaints closed at Stage Two
81 complaints were not upheld at Stage Two, representing 70.4% of complaints closed at Stage Two

OUTCOME OF ESCALATED COMPLAINTS
11 complaints were upheld after escalation, representing 47.8% of complaints closed after escalation
12 complaints were not upheld after escalation, representing 52.2% of complaints closed after escalation.

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 17.3 working days.

ESCALATED COMPLAINTS
We aim to respond to escalated complaints within 20 working days.
The average time to respond to escalated complaints was 17.5 working days.

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.

438 complaints were closed at Stage One within 5 working days, representing 86.9% of all Stage One complaints.

89 complaints were closed at Stage Two within 20 working days, representing 77.4% of all Stage Two complaints.

14 escalated complaints were closed within 20 working days, representing 60.9% of all complaints that were escalated from Stage One to Stage Two.

INDICATOR 6
COMPLAINTS THAT REQUIRED
AUTHORISED EXTENSIONS

This indicator reports the number and percentages of complaints at each stage where an extension to the 5 or 20 working day timeline was authorised.

13 complaints closed at Stage One were granted an extension, representing 2.58% of Stage One complaints.

20 complaints closed at Stage Two were granted an extension, representing 17.4% of Stage Two complaints.

7 complaints closed after being escalated from Stage One to Stage Two were granted an extension, representing 30.4% of escalated complaints.

INDICATOR 7
CUSTOMER SATISFACTION

Scottish Borders Council has developed a complaints handling survey, including questions about Equality and Diversity. The intention is to gather feedback from customers on how their complaint has been handled, how they felt they were treated by staff during the complaint process and to ensure that all our customers are being given the same opportunities and access to Council services.

The gathering of this information began in April 2015 and we are therefore not in a position to report on customer satisfaction on complaint handling. However, it is our intention from April 2015 to regularly collate and report on this feedback.

Statistics on customers who have complained to the SPSO about the Council will not be available from the SPSO until approximately September 2015 therefore these cannot be included in this report.

INDICATOR 8
WHAT WE HAVE LEARNT, CHANGED OR IMPROVED

We provide our services with monthly reports on complaints relevant to their area, which they can use to help drive improvement. More 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

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.

COMPLAINT 1

A complaint was received regarding a letter issued to a customer removing their entitlement to Single Occupancy Discount on their Council Tax account.

The customer had been receiving a 25% Single Occupancy Discount, but in 2013 it was established that they had not been entitled to this discount for the previous three years. The discount was ended and a letter issued to advise the date the discount had ended.

In January 2015 the customer applied for Second Adult Rebate as the person residing with them was on a low income. They requested the backdating of the rebate to the date the Single Occupancy Discount had been ended but were advised the rebate could only be backdated for 3 months from the date of application.

The customer complained that if the letter they had received had given the details of Second Adult Rebate, they would have applied for it at that time. On reviewing the wording of the standard letter, it was found that it did not signpost customers to the rebate. As a result information on Second Adult Rebate is now included in that standard letter.

COMPLAINT 2

A customer had arranged with their telephone provider to block all incoming calls on their home phone that had a withheld number to avoid unsolicited calls.

The customer complained because he had regular contact with a department within Scottish Borders Council, and often had to rely on the department calling him back. As all Scottish Borders Council numbers are withheld this was proving very inconvenient for the customer.

After investigation, it was found that staff members were not aware that a code could be entered before dialing a customer's telephone number that would release the number of the person making the call, and that call could then be made to the phone number which did not accept withheld numbers.

This information has now been publicised widely on internal newsletters and websites to ensure that all staff members are aware of the code.

SCOTTISH BORDERS COUNCIL
COMPLAINTS ANNUAL PERFORMANCE REPORT 2014/15

NEXT STEPS

WE WILL:

- continue to work to embed the eight SPSO indicators into the Council's performance management framework and public performance reporting.
- continue to work with other Local Authorities and the Scottish Public Services Ombudsman (SPSO) to develop the benchmarking of complaints performance indicators across Scotland.
- utilise benchmarking to drive the sharing of best practice and continual service improvement.
- work to identify further improvements services can make to enhance service delivery and improve complaint responses.
- finalise the development of an online complaints training package which will provide staff with an understanding of what a complaint is, how to handle a complaint and the timescales to be met.
- continue to review and improve administrative processes corporately to ensure complaint handling consistency is improved.

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.

Scottish Borders COUNCIL

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Scottish Borders Council SPSO Performance Indicators 2013/14 and 2014/15 comparison

Number of Complaints Received By Year	No. including invalid complaints	No. excluding invalid complaints
2013/14	696	557
2014/15	742	619

Table 1

How Customers Complained (including invalid complaints)	2013/14		2014/15		Variance	
	No.	% of Total	No.	% of Total	No.	%
In Person	85	12.2%	81	10.9%	-4	-1.3%
By Telephone	231	33.2%	272	36.7%	+41	+3.5%
Online	221	31.8%	231	31.1%	+10	-0.7%
By Letter	78	11.2%	68	9.2%	-10	-2.0%
By email	81	11.6%	90	12.1%	+9	+0.5%

Table 2

Indicator 1: Complaints received per 1000 of Population (excluding invalid complaints)	2013/14	2014/15	Variance
Population Total	113,710	114,030	+320
Complaints per 1000 residents	4.9	5.4	+0.5

Table 3

Indicator 2: Closed Complaints	2013/14		2014/15		Variance	
	No.	% of Total	No.	% of Total	No.	%
Stage one	429	78.4%	504	81.4%	+75	+3.0%
Stage two	118	21.6%	115	18.6%	-3	-3.0%
Escalated from Stage one	13	2.4%	23	3.7%	+10	+1.3%

Table 4

Indicator 3: Complaints Upheld/Not Upheld	2013/14		2014-15		Variance	
	No.	% of Total	No.	% of Total	No.	%
Stage one - upheld	198	46.2%	248	49.2%	+50	+3.0%
Stage one - not upheld	231	53.8%	256	50.8%	+25	-3.0%
Stage two - upheld	46	39.0%	34	29.6%	-12	-9.4%
Stage two - not upheld	72	61.0%	81	70.4%	+9	+9.4%
Escalated from Stage one - upheld	6	46.2%	11	47.8%	+5	+1.6%
Escalated from Stage one - not upheld	7	53.8%	12	52.2%	+5	-1.6%

Table 5

Indicator 4: Average Time Spent Responding to Complaints (in days)	2013/14	2014/15	Variance
Stage one	3.8	3.9	+0.1
Stage two	17	17.3	+0.3
Escalated from Stage one	15.6	17.5	+1.9

Table 6

Indicator 5: Complaints Closed Against Timescales	2013/14		2014/15		Variance	
	No.	% of Total	No.	% of Total	No.	%
Stage one	387	90.2%	438	86.9%	+51	-3.3%
Stage two	101	85.6%	89	77.4%	-12	-8.2%
Escalated from Stage one	11	84.6%	14	60.9%	+3	-23.7%

Table 7

Indicator 6: Complaints Requiring Authorised Extensions	2013/14		2014/15		Variance	
	No.	% of Total	No.	% of Total	No.	%
Stage one	8	1.9%	13	2.58%	+5	+0.68%
Stage two	5	4.2%	20	17.4%	+15	+13.2%
Escalated from Stage one	2	15.4%	7	30.4%	+5	+15.0%

Table 8

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