

SCOTTISH BORDERS COUNCIL
EXECUTIVE COMMITTEE

MINUTE of MEETING of the
EXECUTIVE COMMITTEE held in the
Council Chamber, Council
Headquarters, Newtown St. Boswells
on Tuesday, 29 September 2015 at
10.00 a.m.

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

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

Apology:- Councillor Moffat.

In Attendance:- Chief Executive, Chief Financial Officer, Corporate Transformation and Services Director, Clerk to the Council, Democratic Services Officer (K. Mason).

1. **MINUTE**

The Minute of meeting of the Executive Committee of 15 September 2015 had been circulated.

DECISION

APPROVED for signature by the Chairman.

2. **SUPPORT FOR THE BORDERS ECONOMY AND THE COUNCIL'S CORPORATE TRANSFORMATION PROGRAMME - PROPOSED ADDITIONAL INVESTMENT**

There had been circulated copies of a report by the Chief Executive seeking approval for additional investment to support the Scottish Borders economy and the Council's Corporate Transformation Programme. The report explained that an annual review of the Balance Sheet was undertaken during 2014/15 and identified further additional resources of £500k not included in the 2015/16 Financial Plan. The Executive Committee had agreed that proposals regarding the expenditure of these additional resources be considered at a future meeting. It was proposed that the additional funding should be used to meet key corporate priorities and ambitions set out in 'Ambitious for the Borders 2015'. The key themes that this additional investment was targeted at were firstly, inward investment, particularly across the wider Scottish Borders area; secondly, youth employment and employability; thirdly, continued support for the Council's Culture Strategy; and finally, Corporate Transformation action to deliver savings in relation to staff travel. Members welcomed the report and, in response to a question, the Chief Financial Officer advised that opportunities for matched funding were always investigated.

DECISION

AGREED:

- (a) **the allocation of resources as set out in the report; and**
- (b) **to monitor progress on these actions through the regular Revenue Budget monitoring, Corporate Transformation and Performance Management reports.**

3. **SYNTHETIC PITCH PROGRAMME - PEBBLES AND HAWICK 3G PROJECTS**

There had been circulated copies of a report by the Corporate Transformation and Services Director proposing that the 3G synthetic pitch proposed for Peebles be located at Victoria Park as detailed in Appendix B to the report, and that the budget be increased by the sum of £564,200 in accordance with project estimates; the budget for Hawick 3G synthetic pitch at Volunteer Park, as detailed in Appendix F to the report, be increased by £287,000 in accordance with project estimates; and both the Peebles and Hawick pitches were constructed during 2016. The report explained that, in respect of Peebles, studies had been carried out on locations at the Gytes Leisure Centre, Victoria Park, Craigerne Lane, the High School and Haylodge Park. Public consultations had been carried out on locations at Peebles High School, Craigerne Lane and Victoria Park. The public consultations had indicated that Victoria Park was the most suitable location for a 3G pitch in Peebles. The location at the Gytes Leisure Centre was rejected owing to the risk posed by flooding and Scottish Environment Protection Agency's opposition to development on a functional floodplain. Haylodge Park was rejected because of the need to undo previous improvement works if a full size pitch was to be created. Craigerne Lane options were rejected because of the strength of local resident objections. In respect of Hawick, the location at the present rugby club pitch at Volunteer Park had been the settled position since project inception. It was noted that meetings would take place shortly relating to funding with Sport Scotland and stakeholder work was still to be carried out with Scottish Borders Leisure Trust and sporting clubs in both the Peebles and Hawick areas. The Chief Financial Officer confirmed that a decision regarding funding was not being sought at this meeting but it was necessary to embark on preparatory work at this juncture to enable the projects to be delivered timeously. Everything needed to be ready to go at the end of March/beginning of April 2016 to allow completion of the pitches by August, particularly in Hawick, so they could be available to be used for league football and rugby matches. Councillor Bell expressed concern about the increased cost of the Peebles project and the contribution from Sport Scotland, and proposed a further two recommendations, as follows: (e) to request that the Chief Executive continue to engage with Sport Scotland to seek to agree an equitable contribution from both parties to the costs of Peebles and Hawick 3G Pitches so that all such pitches in the Council's programme could be delivered without significant disadvantage to the Council's Capital budget; and (f) that Officers engage with the communities to see if they could access funding sources. Councillor Bell's recommendations were unanimously accepted. Members discussed the impact improved facilities could have on sports achievements, the funding for the projects and the potential impact on the capital programme.

DECISION

AGREED:-

- (a) that Victoria Park was the preferred location for a 3G synthetic pitch in Peebles;**
- (b) that Council consider the addition of £564,200 to the Peebles 3G Project Budget as part of the construction of the 2016/17 capital programme and noted that the increased cost might have an impact on the scope and timing of other capital projects and the revenue budget;**
- (c) that Council consider the addition of £287,000 to the Hawick 3G Project Budget as part of the construction of the 2016/17 capital programme and note that the increased cost may have an impact on the scope and timing of other capital projects and the revenue budget;**
- (d) the timelines for delivery within the report and consequently agreed that:**
 - (i) planning applications could be submitted to allow construction of both projects during 2016;**

- (ii) **procurement of the necessary construction contracts should proceed with contract award awaiting confirmation of final budgets, again to allow project delivery in 2016;**
 - (iii) **the necessary reports should be submitted to Hawick and Peebles Common Good Committees to agree the appropriate leases of ground for the new pitches;**
- (e) **to request that the Chief Executive continue to engage with Sport Scotland to seek to agree an equitable contribution from both parties to the costs of Peebles and Hawick 3G Pitches so that all such pitches in the Council's programme could be delivered without significant disadvantage to the Council's Capital budget; and**
- (f) **that Officers engage with the communities to see if they could access funding sources.**

MEMBERS

Councillor Smith joined the meeting for the above item of business, and left the meeting at the conclusion of the discussion.

Councillor Aitchison joined the meeting during the discussion of the above item of business.

4. DEFINING A SECONDARY SALTING ROUTE NETWORK FOR INTRODUCTION IN WINTER 2015/16

There had been circulated copies of a joint report by the Service Director Commercial Services and the Service Director Neighbourhood Services seeking approval to amend the Winter Service Plan 2015/16 by defining a Secondary Salting Route Network in urban communities and rural areas across the Scottish Borders. The report explained that in determining a definitive secondary network, Officers followed two distinct processes in respect to Rural and Urban areas. These were, for rural areas – identified network to meet defined criteria; and for urban areas – identified network through consultation with ward members and local communities. In identifying a secondary salting network in rural areas, officers had applied the following criteria to define a rural secondary salting network:- previously removed 6% primary salting network; any A and B class roads not covered under primary Treatment; remaining school transport routes; and remaining identified timer transport routes. This exercise had defined the section of road network which would be covered under rural secondary treatment and those were listed in Appendix B to the report and coloured black on the plan in Appendix C to the report. The Infrastructure Manager and the Asset Manager were in attendance and answered Members' questions on specific routes. Officers also confirmed that there would be a review of footpath/pavement works in the following year and Officers would report directly to Community Councils on the amendments to the Winter Service Plan 2015/16. Members welcomed the report.

DECISION

AGREED to amend the Winter Service Plan in 2015/16 by defining and including a secondary salting route network in urban communities and rural areas across the Scottish Borders.

5. SCOTTISH BORDERS COUNCIL FINAL REPORTS AND ACCOUNTS 2014/15

There had been circulated copies of a report by the Chief Financial Officer presenting the Council's annual Audited of Accounts for 2014/15, together with the associated Report from the Council's External Auditors, KPMG. The report advised that the Council's External Auditors, KPMG, had now completed the audit of the Council's 2014/15 Annual Accounts. The Annual Audit Report summarised KPMG's conclusions, including: an unqualified audit opinion; the Accounts had been prepared in accordance with relevant legislation, Codes of Practice and accounting requirements; and high quality working

papers. The financial statements reflected a surplus on the provision of services of £0.2m compared to a deficit of £6.4m in 2013/14. At 31 March 2015 the Council had net assets of £18.3m, compared to net liabilities of £26.6m at 31 March 2014. The Council had useable reserves of £27.9m as at 31 March 2015, of which £19m related to general fund reserves. At £31.4m, capital expenditure in the year was £3.4m below budget and reflected £2.3m of project re-profiling. Major capital projects in 2014/15 included £8.9m on flood protection schemes and £3.8m on Galashiels Transport Interchange, in preparation for the Borders Railway. The revenue budget for 2015/16 was £254.6m and anticipated a breakeven position which required a planned draw down of £0.5m from the Council's reserves. The Council's five year financial strategy assumed that council tax rates would remain frozen throughout this period and that service cost pressures would be met from service transformation projects and efficiency savings. Efficiency savings of £8.1m were delivered during 2014/15 in order to balance the cost of delivering services with available resources. The Council had set a 10 year capital plan. In 2015/16 the Council planned to spend £48.3m on a range of capital projects and a further £10.1m on business process transformation projects. KPMG identified four Grade 3 (minor) recommendations requiring action and these had been accepted by management and would be enacted within the agreed timescales. The audited Annual Accounts for Scottish Borders Council, SBC Common Good Funds, the SBC Charitable Trusts and Bridge Homes LLP as contained in Appendices 1 - 4 to the report were presented to the Executive Committee for approval prior to signature. The Chief Financial Officer provided answers to questions relating to reserves and it was noted that plans were in place for the recruitment of the Chief Financial Officer's post in Health and Social Care Integration. Members paid tribute to Officers and thanked all staff for all their hard work in relation to the Council's financial reports and accounts 2014/15.

DECISION

AGREED to approve the following for signature by the appropriate individuals:-

- (a) Scottish Borders Council's audited Annual Accounts for the year to 31 March 2015 as contained in Appendix 1 to the report;**
- (b) Scottish Borders Council Common Good Funds' (Charity SC031538) audited Annual Accounts for the year to 31 March 2015 as contained in Appendix 2 to the report;**
- (c) SBC Welfare Trust (Charity SC044765) audited Annual Accounts for the year to 31 March 2015 as contained in Appendix 3(i) to the report;**
- (d) SBC Education Trust (Charity SC044762) audited Annual Accounts for the year to 31 March 2015 as contained in Appendix 3(ii) to the report;**
- (e) SBC Community Enhancement Trust (Charity SC044764) audited Annual Accounts for the year to 31 March 2015 as contained in Appendix 3(iii) to the report;**
- (f) Thomas Howden Wildlife Trust (Charity SC015647) audited Annual Accounts for the year to 31 March 2015 as contained in Appendix 3(iv) to the report;**
- (g) Ormiston Trust for Institute Fund (Charity SC019162) audited Annual Accounts for the year to 31 March 2015 as contained in Appendix 3(v) to the report;**
- (h) Scottish Borders Council Charitable Trust (Charity SC043896) audited Annual Accounts for the year to 31 March 2015 as contained in Appendix 3(vi) to the report; and**

- (i) **Bridge Homes LLP audited Annual Accounts for the period 7 February 2014 to 31 March 2015 as contained in Appendix 4 to the report.**

6. **SCOTTISH BORDERS COUNCIL PENSION FUND ANNUAL REPORT AND ACCOUNTS 2014/15**

There had been circulated copies of a report presenting the Scottish Borders Council Pension Fund's audited Annual Accounts for 2014/15 together with the associated report from the Council's External Auditors, KPMG. The report explained that the Council's External Auditors, KPMG, had now completed the audit of the Council's 2014/15 Annual Accounts. KPMG had prepared the Annual Audit Report and had provided an unqualified independent audit opinion. The Annual Audit Report summarised KPMG's conclusions, including: an unqualified audit opinion; the Accounts had been prepared in accordance with relevant legislation, Codes of Practice and accounting requirements; and High quality working papers. The audited Annual Accounts for Scottish Borders Council Pension Fund as contained in Appendix 1 to the report were presented to the Executive Committee for approval prior to signature.

DECISION

AGREED to approve the audited Scottish Borders Pension Fund Annual Report and Accounts 2014/15 for signature by the Chair of the Pension Fund Committee and the Chief Financial Officer.

7. **PRIVATE BUSINESS**

DECISION

AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 8 and 9 of Part I of Schedule 7A to the Act.

8. **SYNTHETIC PITCH PROGRAMME - PEEBLES AND HAWICK 3G PROJECTS**

The Executive Committee noted a report detailing costings and cost comparisons relating to para 3 above.

The meeting concluded at 11.25 am