

Public Document Pack



SCOTTISH BORDERS COUNCIL THURSDAY, 29 NOVEMBER, 2018

A MEETING of the SCOTTISH BORDERS COUNCIL will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST. BOSWELLS on THURSDAY, 29 NOVEMBER, 2018 at 10.00 AM

J. J. WILKINSON,
Clerk to the Council,
22 November 2018

BUSINESS																
1.	Convener's Remarks.															
2.	Apologies for Absence.															
3.	Order of Business.															
4.	Declarations of Interest.															
5.	<p>Minute (Pages 5 - 18)</p> <p>Consider Minute of Scottish Borders Council held on 25 October 2018 for approval and signing by the Convener. (Copy attached.)</p>	2 mins														
6.	<p>Committee Minutes</p> <p>Consider Minutes of the following Committees:-</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">(a) Local Review Body</td> <td style="width: 40%;">15 October 2018</td> </tr> <tr> <td>(b) Executive</td> <td>16 October 2018</td> </tr> <tr> <td>(c) Civic Government Licensing</td> <td>19 October 2018</td> </tr> <tr> <td>(d) Chambers Institution Trust</td> <td>25 October 2018</td> </tr> <tr> <td>(e) Audit & Scrutiny</td> <td>1 November 2018</td> </tr> <tr> <td>(f) Planning and Building Standards</td> <td>5 November 2018</td> </tr> <tr> <td>(g) Executive</td> <td>6 November 2018</td> </tr> </table> <p>(Please see separate Supplement containing the public Committee Minutes.)</p>	(a) Local Review Body	15 October 2018	(b) Executive	16 October 2018	(c) Civic Government Licensing	19 October 2018	(d) Chambers Institution Trust	25 October 2018	(e) Audit & Scrutiny	1 November 2018	(f) Planning and Building Standards	5 November 2018	(g) Executive	6 November 2018	5 mins
(a) Local Review Body	15 October 2018															
(b) Executive	16 October 2018															
(c) Civic Government Licensing	19 October 2018															
(d) Chambers Institution Trust	25 October 2018															
(e) Audit & Scrutiny	1 November 2018															
(f) Planning and Building Standards	5 November 2018															
(g) Executive	6 November 2018															
7.	<p>Byelaws to Prohibit the Consumption of Alcohol in Designated Public Places (Pages 19 - 52)</p> <p>Consider report by Service Director Regulatory Services. (Copy attached.)</p>	15 mins														
8.	<p>Shared Internal Audit Services Between Midlothian and Scottish Borders Council (Pages 53 - 58)</p> <p>Consider report by Service Director Regulatory Services. (Copy attached.)</p>	10 mins														

9.	Review of Heritable Assets in Former Burghs of Coldstream, Eyemouth and Melrose (Pages 59 - 80) Consider report by Service Director Regulatory Services. (Copy attached.)	10 mins
10.	Community Asset Transfer Policy and Governance Review (Pages 81 - 92) Consider joint report by Service Director Assets and Infrastructure and Service Director Customer and Communities. (Copy attached.)	10 mins
11.	Brexit Response Team Update (Pages 93 - 108) Consider report by Chief Executive. (Copy attached.)	15 mins
12.	Localities Bid Fund Pilot - Revision and Extension (Pages 109 - 122) Consider report by Service Director Customer and Communities. (Copy attached.)	10 mins
13.	A Refreshed Integrated Children & Young People's Plan 2018-2021 for the Scottish Borders (Pages 123 - 168) Consider report by Interim Service Director Children & Young People. (Copy attached.)	10 mins
14.	Annual Report of the Chief Social Work Officer 2017/18 (Pages 169 - 210) Consider report by Chief Social Work Officer. (Copy attached)	10 mins
15.	Financial Regulations (Pages 211 - 242) Report by Chief Financial Officer. (Copy attached.)	10 mins
16.	Review of the Structure of Scottish Local Government Pension Scheme - Consultation Response (Pages 243 - 268) Consider report by Chief Financial Officer. (Copy attached.)	5 mins
17.	Treasury Management - Mid Year Report (Pages 269 - 284) Consider report by Chief Financial Officer. (Copy attached.)	5 mins
18.	Secondary School Estate Review Update Galashiels, Hawick, Peebles and Selkirk Consider joint report by Interim Service Director Children and Young People and Service Director Assets & Infrastructure. (Copy attached.)	15 mins
19.	Motion by Councillor H. Anderson Consider Motion by Councillor H. Anderson in the following terms:- "As Universal Credit continues to roll out across Scottish Borders, we call on the Council to proactively work with the Department of Work and Pension (DWP) to assess and address the impact of rurality on the ability of people to both successfully claim Universal Credit and then comply with the strict criteria to continue to receive UC. We specifically ask Council officers to work with the DWP to assess the impact of costly and limited public transport infrastructure on both the ability	5 mins

	of the individual to make the initial claim and then subsequently digitally evidence work searches in sparsely populated rural areas and what steps, if any, can be taken to mitigate any impact.”	
20.	Representatives on Outside Bodies - City Deal Joint Committee Consider appointment of substitutes for Councillor Haslam to attend meetings of the City Deal Joint Committee.	2 mins
21.	Open Questions	15 mins
22.	Any Other Items Previously Circulated	
23.	Any Other Items Which the Convener Decides Are Urgent	
24.	Private Business 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.”	
25.	Minute (Pages 285 - 286) Consider private Section of Minute of Scottish Borders Council held on 25 October 2018. (Copy attached.)	1 mins
26.	Committee Minutes Consider private Sections of the Minutes of the following Committees:- (a) Civic Government Licensing 26 October 2018 (b) Planning and Building Standards 5 November 2018 (Please see separate Supplement containing private Committee Minutes.)	1 mins
27.	Hawick Flood Protection Scheme (Pages 287 - 300) Consider report by Service Director Assets and Infrastructure. (Copy attached.)	5 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.**

Please direct any enquiries to Louise McGeoch Tel 01835 825005
email lmcgeoch@scotborders.gov.uk

SCOTTISH BORDERS COUNCIL

MINUTE of MEETING of the SCOTTISH BORDERS COUNCIL held in Council Headquarters, Newtown St. Boswells on Thursday, 25 October 2018 at 10.00 a.m.

Present:- Councillors D. Parker (Convener), S. Aitchison, A. Anderson, H. Anderson, J. Brown, S. Bell, K. Chapman, K. Drum. G. Edgar, J. A. Fullarton, J. Greenwell, C. Hamilton, S. Hamilton, S. Haslam, E. Jardine, H. Laing, S. Marshall, W. McAteer, T. Miers, D. Moffat, S. Mountford, D. Paterson, C. Penman, C. Ramage, N. Richards, M. Rowley, H. Scott, S. Scott, E. Small, R. Tatler, E. Thornton-Nicol, G. Turnbull, T. Weatherston

Apology:- Councillor E. Robson.

In Attendance:- Executive Director (P. Barr), Service Director Assets & Infrastructure, Service Director Customer & Communities, Service Director Regulatory Services, Chief Financial Officer, Chief Officer Education, Clerk to the Council.

1. **CONVENER'S REMARKS**

There were no Convener's remarks this month.

DECISION NOTED.

2. **MINUTE**

The Minute of the Meeting held on 25 September 2018 was considered.

DECISION AGREED that the Minute be approved and signed by the Convener.

3. **COMMITTEE MINUTES**

The Minutes of the following Committees had been circulated:-

Hawick Common Good Fund	21 August 2018
Police, Fire & Rescue & Safer Communities Board	31 August 2018
Pension Fund Committee	13 September 2018
Pension Fund Board	13 September 2018
Local Review Body	17 September 2018
Major Contracts Governance	18 September 2018
Civic Government Licensing	21 September 2018
Audit & Scrutiny	24 September 2018
Peebles Common Good Fund	25 September 2018
Planning and Building Standards	1 October 2018
Executive	2 October 2018

DECISION APPROVED the Minutes listed above.

4. **COMMITTEE RECOMMENDATIONS**

4.1 **Audit & Scrutiny Committee**

With reference to paragraph 3 of the Minute of 24 September 2018, it was recommended that items for the Scrutiny Work programme for 2018/19 be approved.

DECISION

AGREED to approve the Scrutiny Work Programme for 2018/19, as contained in the appendix to the Minute of 24 September 2018.

4.2 Executive Committee

With reference to paragraph 2 of the Minute of 2 October 2018, it was recommended that the new Dyslexia Policy 2018 be approved.

DECISION

AGREED to approve the new Dyslexia Policy 2018.

5. SCOTTISH BORDERS COUNCIL BSL PLAN 2018-2024

There had been circulated copies of a report by the Service Director Customer and Communities seeking approval for the Scottish Borders Council British Sign Language (BSL) Plan 2018-2024, complying with the BSL (Scotland) Act 2015. A signer was at the meeting to assist with the presentation of this item. The report explained that the British Sign Language (Scotland) Act 2015 now required public bodies in Scotland to publish plans every six years showing how they would promote and support BSL. The overall aim of the Act was to make Scotland the best place in the world for BSL users to live, learn, work and visit. The Council had taken a holistic approach to developing its BSL plan, with a focus on embedding BSL within its approach to customer services, communication, and training, and working with relevant Community Planning Partners including the local See Hear Group and the local BSL community and online consultation. Two videos showing both the engagement process and the resulting action plan were shown. Both Councillor Mountford and Councillor Thornton-Nicol spoke in support of the plan, with Councillor Thornton-Nicol signing part of her support, and thanked the officers for their work on this policy. The Plan received unanimous support.

DECISION

AGREED to approve the Scottish Borders Council British Sign Language (BSL) Plan 2018-2024, as contained in Appendix 1 to the report.

6. MOTION BY COUNCILLOR H. ANDERSON

Councillor H. Anderson, seconded by Councillor Miers, moved the Motion as detailed on the agenda in the following terms:-

“Given the significant role farmers and food producers play within our rural economy and the current uncertainty they are facing, we ask SBC to convene an early meeting with key stakeholders in farming and rural civic society to explore both the important contribution they can make towards improving local prosperity and to identify potential barriers they may face.

It would be hoped that such a meeting would also strengthen the Council’s understanding of the key contribution these stakeholders can make towards the success of the South of Scotland Economic Agency and the potential Borderland Initiative.”

Councillor Anderson spoke in support of her motion which was unanimously approved.

DECISION

AGREED the Motion as detailed above.

7. CHEVIOT AREA PARTNERSHIP

It was reported that Councillor Mountford wished to stand down from being the Chairman of the Cheviot Area Partnership. Councillor Mountford, seconded by Councillor S. Scott, moved that Councillor S. Hamilton be appointed and this was unanimously approved.

DECISION

AGREED to appoint Councillor S. Hamilton as the Chairman of the Cheviot Area Partnership

8. **OPEN QUESTIONS**

The questions submitted by Councillors C. Hamilton, Richards, S. Hamilton, Ramage, Paterson, Thornton-Nicol, H. Anderson, Bell, Laing, Moffat, A. Anderson and H. Scott were answered. The Convener also allowed Councillor Ramage to ask a question at the meeting.

DECISION

NOTED the replies as detailed in Appendix I to this Minute.

9. **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 Appendix II to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 1, 6, 8 and 9 of Part I of Schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

10. **Minute**

The private section of the Council Minute of 25 September 2018 was approved.

11. **Committee Minutes**

The private sections of the Committee Minutes as detailed in paragraph 3 of this Minute were approved.

The meeting concluded at 11.20 a.m.

SCOTTISH BORDERS COUNCIL
25 OCTOBER 2018
APPENDIX I

Question from Councillor C. Hamilton

To Executive Member for Business and Economic Development

Given comments by the Scottish Transport Minister, and noting the concerns expressed by the RAGES group campaigning for increased economic development through a new station, can the Executive Member for Business and Economic Development advise on what the plans and timescales now are for re-opening this vital economic link at Reston and does he recognise that the long delay is damaging the economic development opportunities needed for Berwickshire communities and the wider Scottish Borders Beyond?

Reply from Councillor Rowley

Correspondence from the Transport Minister indicates that the new station at Reston will be delivered in what is known as Control Period 6 which runs from 2019-2024. The station development is part of a programme of works that is planned for the South East of Scotland to help ensure that a viable and frequent rail service is able to visit the new station, when completed.

I am aware that Network Rail is currently working on the design of this new facility. I would hope to get an update on how they are progressing with this process in the near future.

I, along with many others, believe the station facility will act as a real catalyst for economic development in Berwickshire. However, Transport Scotland and Network Rail need to be confident that a new station on the very busy East Coast Main Line is visited by a service that is frequent and relevant to the local community. That is why the Reston proposal is connected to a wider programme of work to help alleviate congestion on this area of track.

I am also keen to ensure that the Council, and its economic development partners, starts to plan for the potential economic benefits that will flow from the opening of a new station. As we saw along the Borders Railway corridor, advance planning, some creative thinking, and strong partnership working around a vision like the Borders Railway Economic Blueprint, can help us ensure that a new station is an economic development and transport success from Day 1. Further reassurance and clarity from the Transport Minister regarding the timing of the project would enable SBC to align programmes and resources to best support the railway project.

Question from Councillor Richards

To the Executive Member for Planning and Environment

How many planning decisions taken by SBC's planning committee on wind farms and other developments have been overturned on appeal by Scottish Government Reporters over the last 10 years?

Reply from Councillor Miers

In the course of the last ten years there have been 21 decisions made by Government Reporters following decisions by this Council to either refuse or object to commercial wind farm developments. For completeness, I am including within these figures decisions on applications made under the Electricity Act*, on which this Council is only a consultee.

Of those 21 decisions, eight were overturned by Scottish Government reporters; three for planning permission and five where the Council objected to Electricity Act proposal.

In terms of wider decisions, since 2009, when the current appeal and local review arrangements were brought in, there have been a total of 58 appeals against refusal of permission by this Council that have been determined by Reporters on behalf of the Scottish Government. Of these, 25 decisions were overturned, while 33 were upheld. This figure will include the wind farm decisions referred to in the earlier part of my reply.

(*Applications made under S.36 of the Electricity Act are determined by the Scottish Government for proposals generating more than 50MW output.)

Question from Councillor S. Hamilton

To Executive Member for Children and Young People

I recently attended a meeting of the modern apprenticeship forum at SBC to discuss the role of an elected member and I was very much impressed to hear that this local authority has employed more than 120 modern apprentices. Can the Executive Member for Children and Young People confirm to me what arrangements are being made to publicise the opportunities of an apprenticeship particularly to our school leavers?

Reply from Councillor C. Hamilton

All Modern Apprentice vacancies are published on the My Job Scotland website, we also upload them on to the Skills Development Scotland website and pass to DYW Borders and Employment Support Team.

In order to reach as many young people as possible we also publish opportunities on SBC's facebook page.

We have also run a successful recruitment campaign with radio borders.

Looking forward, we will be working with education colleagues to strengthen direct links with our High Schools to ensure school leavers are aware of the roles available with the Council.

Supplementary

Councillor S. Hamilton asked what work had been done with the private sector. Councillor C. Hamilton advised that the Council had been in touch with a number of private companies who had expressed interest in taking on apprentices and training them in their way of working, which was a good way to keep young people in the Borders.

Questions from Councillor Ramage

To Executive Member for Children and Young People

1. Vibrant Libraries, Thriving Schools

The Scottish Government, Cosla and Slic have just published their National Strategy for School Libraries in Scotland from 2018-2023. In the Foreword the Deputy First Minister and Cabinet Secretary for Education and Skills states "School libraries are a hub of activity, with library staff supporting a range of creative approaches to learning, addressing issues related to health and wellbeing, and facilitating connections between pupils across the school community." As a teacher, I wholeheartedly support the Cabinet Secretary's view. School libraries and school librarians are a fundamental part of Scottish education – why are we still considering getting rid of our school librarians?

Reply from Councillor C. Hamilton

We welcome the publication of Vibrant libraries, thriving schools which recognises the value of access to a school library service from early years through to secondary school. The document provides recommendations for local authorities and for schools on what the library service should include, as well as providing examples of best practice from across Scotland. We are using the document to plan our future library service to meet national expectations and local need within the resource we have.

We are working across schools to make it fair and equitable and there have been no redundancies. We need to modernise the way that young people study.

Supplementary

Councillor Ramage commented on the policies of Renfrewshire Council and Midlothian Council who had won an award for their school librarians. Councillor Hamilton advised that this policy had

been put in place following pupil feedback. Libraries were not staff-free zones. The Council was not getting rid of its school library service but looking for new and innovative ways to learn.

2. In April 2018 a briefing paper was brought before Council with the following recommendation:

- (a) Approves the creation of a Secondary School Individualised Strategic Plan regarding the schools in Galashiels, Hawick, Peebles and Selkirk; which will enable Council officers to develop a bespoke strategy for each of these schools in line with the principles of the School Estate Review and the pillars of the Christie Commission, with an update report brought back to the Scottish Borders Council Committee in October 2018.

Where is the promised school estates review report as there are anxious children and parents in all 4 schools who are keen to hear?

Reply from Councillor C. Hamilton

Officers continue to progress outline proposals for future investment and prioritisation of the secondary school estate in Gala, Hawick, Peebles and Selkirk, which like Kelso and Jedburgh, will require Scottish Government funding support. There have been however, no announcements with regard to any planned funding model replacing the former 'Schools for the Future' programme.

It is intended to bring a report to Council in November 2018.

Supplementary

Councillor Ramage asked when these 4 schools would be fixed. Councillor Hamilton advised that the Council was waiting for Scottish Government funding.

Question from Councillor Paterson

To Executive Member for Roads and Infrastructure

1. Could the Executive Member please tell me if this Administration has any plans to change the general waste collection from every 2 weeks to every 3 weeks? I feel that if such a move was ever introduced to save money, this I am certain would cause real hardship to many families in the Scottish Borders and create an even bigger problem with fly tipping.

Reply from Councillor Edgar

The Council is currently undertaking a review of its kerbside collection service with the support of Zero Waste Scotland and by comparing how these services have been delivered by other Authorities across Scotland.

No decisions have been taken with regard to any changes, including the frequency of the general waste collection until this review is complete and the potential implications are fully understood. Officers will be bringing a report to Council shortly and as part of the budget setting process.

2. Does this administration have any plans in place for the maintenance of the Thomson Bridge and other bridges in the Scottish Borders? Members of the public have brought it to my attention that minor problems that could well develop into bigger problems are just being left is this the case?

Reply from Councillor Edgar

Maintenance of bridges throughout the Scottish Borders is undertaken by a combination of either planned or reactive work programmes, with planned works being based on known defects and reactive works arising from accident or emergencies (ie, flooding)

Defects on bridges are noted through inspections undertaken by the asset team, other Council colleagues and sometimes from reports by members of the public. These defects are then prioritised against other required maintenance works on the Councils 1200 (approx.) bridges and culverts.

With regard to the James Thomson Bridge, the Council are aware that some utility services beneath the bridge have been subject to flood damage and now require attention. Officers are currently in contact with the relevant utility bodies to have these repaired.

Supplementary

Councillor Paterson asked if Councillor Edgar agreed that a stitch in time saved nine. Councillor Edgar reiterated that there was a programme of repair for bridges and culverts in place, but any contact from either Councillors or members of the public was taken account of so we did make a stitch in time.

3. To the Executive Member for Neighbourhoods and Locality Services

Would this administration consider having another round of weed killing in areas of the Scottish Borders that are still suffering from areas that are now becoming unsightly because of weeds and uncut grass?

Reply from Councillor Aitchison

As the growing season is finished for the year, it would not be practical to undertake another round of weed killing. For clarity, there has been no change to the weed killing regime within the Council.

4. To the Leader

Will the Council Leader be writing to the current Prime Minister of the UK Government in the strongest possible terms about what many people are describing as shambolic handling of the negotiations regarding Britain exiting from the European Community?

Reply from Councillor Haslam

No.

Supplementary

Councillor Paterson asked if the Leader agreed that there was a need for a further referendum. Councillor Haslam did not agree as the people had already voted.

To the Executive Member for Community Safety

5. Can the Executive Member please tell me how many people have been fined for failing to clean up after their dogs have messed since the new Police Set up costing the Council tax payer an extra £280,000 a year?

Reply from Councillor Turnbull

Since April 2018 the CAT has issued 2 Fixed Penalty Notices relating to dog fouling.

These are cases in which there is an identified dog owner and a witness willing to provide a statement to Police Scotland. Once a statement has been obtained, a ticket is issued if there is sufficiency of evidence.

The CAT patrols areas where dog fouling is a problem, and when the police are visible, people are tending to pick up after their dogs.

We would highlight that the CAT responsibilities do extend beyond those of dog fouling and we would point to the other positive aspects of the team's deployment i.e. parking tickets, high visibility patrols, proactive drug searches, static road checks etc.

Supplementary

Councillor Paterson asked if £280,000 was not considered a high cost for 2 tickets. Councillor Turnbull emphasised the fact that the team carried out a varied list of tasks and statistics on this would be provided shortly.

6. Can the Executive Member please tell me how many members of the public have been fined for parking infringements in our Borders Towns ever since the new Police Set up was introduced in the Scottish Borders by the previous Executive Member?

Reply from Councillor Turnbull

Between April and end September 2018 460 parking tickets have been issued by the council funded police Community Action Team across the Scottish Borders.

In the same period in 2017, 332 tickets were issued; this demonstrates an increase of 38.61%.

Supplementary

Councillor Paterson asked if the Convener or Leader would contact the Scottish Government to ask that the Council receive the money back from fines. Councillor Turnbull advised that when the CAT was set up it was to allow the Team to concentrate on local issues fed into by Councillors, who were aware that this was an extra cost for the Council.

Question from Councillor Thornton-Nicol

1. To the Executive Member for Transformation and HR

SBC Catering has a reputation across Scotland as being excellent. Last month we applauded the efforts of a school cook who won a national award. They provide meals, hot on the day and frozen regen packs across the Borders for both internal and commercial customers. Can you advise me of the number of meals served on a weekly basis across all services, spilt over hot and frozen?

Reply from Councillor Mountford

During week commencing 1st October 2018, the Council served 18,900 meals, of which 17,620 were hot meals and the balance of 1,280 were frozen meals.

Supplementary

Councillor Thornton-Nicol asked if the Council had a plan in place to ensure continuity of provision after Brexit. Councillor Mountford advised that a plan was being prepared and although he did not have details he expected there would be no interruption to supplies.

2. To the Leader

Knowing that Brexit is putting the supply of many medicines and materials used in health care at risk, has SBC entered conversations with NHS Borders about supplying storage space for the stock piling of non-temperature controlled products? Has the Emergency Planning team been involved in any discussions about supporting the delivery of life saving, self-administered drugs such as insulin?

Reply from Councillor Haslam

One of the key elements of preparing for Brexit has been linking with partners around specific issues. As such our Brexit team has had discussions with NHS Borders specifically about risks. Should NHS Borders require storage for such products, we will assist in any way possible.

Question from Councillor H. Anderson

To Executive Member for Planning and Environment

On 6 October 2018 the IPCC (Intergovernmental Panel on Climate Change) issued their 48th report calling on all agencies and governments to take action to contain increases of global warming to 1.5 degrees C. What specific actions are SBC taking to monitor and reduce green-house gas emissions caused directly by Council operations and more broadly, emissions across the Scottish Borders generally?

Reply from Councillor Miers

It is important to recognise, as Councillor Anderson's question does, that the IPCC's 48th Report calls for a much more radical approach from governments and agencies to reducing emissions than that which has underpinned the management of climate change until now. Containing global temperature increases within 1.5 degrees C will require a step change in approach from all of us. In this regard, it is important to note that the Council's activities sit within a national strategy determined by Scottish Government, UK Government and the EU.

Scottish Government is reassessing its approach currently, developing initiatives around Energy Efficient Scotland and Local Heating and Energy Efficiency Strategies. This process is given further impetus and urgency by the IPCC Report. As Scottish Government refines its approach, so we must progress our existing strategies, but seek to extend and intensify them within the developing national and international framework.

The Council's current strategy is built on the following:-

- Our Corporate Plan and the Community Plan which commit to 'protecting and improving our quality of life' and 'developing and improving our place'.
- A Corporate Energy Efficiency Programme as part of our Business Transformation Programme, and
- The Scottish Borders Low Carbon Economic Strategy 2013-2023, which, as the then Executive Member for Economic Development (Councillor Bell) explained in his preface 'sets out a vision for a resilient, low carbon future, and goes on to identify priority actions'.

Surrounding all of this, we have a responsibility to comply with the Public Bodies Duties pursuant to the Climate Change Act (Scotland) 2009. This includes mandatory annual reporting which details specific Council activity, where progress has been good e.g.LED street lighting programme and emissions reductions from buildings upgrades, and providing Scottish Borders Council area-wide emissions data, based on national datasets.

As already noted, as Scottish Government develops its approach to climate change, we too must develop and intensify our efforts. Those efforts must be supported by the provision of resources to councils and other bodies to help them deliver on our collective efforts. The importance of this point has been reinforced through recent dialogue with Scottish Government and through consultations on Energy Efficient Scotland and Local Heating and Energy Efficient Strategies.

Supplementary

Councillor Anderson had noted that the Strategy was dated 2013 and asked that an updated report be presented in the New Year. Councillor Miers advised that this would be considered and highlighted the need for the Council to adhere to national policy.

Questions from Councillor Bell

1. To the Executive Member for Transformation and HR

I recall from a private meeting immediately after the EU Referendum in 2016 that because for decades there had been no need to document the country of origin of Council employees we had no way, at that time, of knowing how many EU citizens were employed by Scottish Borders Council. The future status of EU citizens is now a bit clearer; how many EU citizens who are not British subjects are currently employed by SBC, and in which departments?

Reply from Councillor Mountford

SBC currently employ 22 EU/EEA nationals who are not British subjects.

They are employed in the following departments:

Children & Young People

Waste

Facilities Management

Finance

SB Cares

Supplementary

Councillor Bell expressed surprise at the low number but asked that the advice and support service be advertised to all affected Borderers. Councillor Mountford confirmed this would be done.

2. To the Leader

A Brexit Response Team was set up by this Council 21 months ago but since then we have heard nothing from them. Other Scottish Local Authorities have established similar Brexit Teams and – to name but three – those in Dundee, Glasgow and Edinburgh Councils have reported in the last few months to elected members on their work. Our Council has been specifically advised by Audit Scotland to closely monitor [Brexit] developments and to have plans in place to mitigate any emerging operational risks. I am led to believe the lack of any reporting to this body was discussed at full Council last month, but no commitment on a definite timescale to report back was minuted. What actions have you taken to ensure the timely presentation of a report – even an interim report - by the Brexit Response Team to this Council?

Reply from Councillor Haslam

As I believe you are aware, the Chief Executive has agreed to bring a report to November Council. The report is likely to be the first in a series of reports given the continued uncertainty that surrounds this issue.

Supplementary

Councillor Bell asked that given the Government was stating that the deal was 95% complete why the Council had received nothing. Councillor Haslam advised that this was a serious issue and the report would be produced in November when there would be a clearer idea of what the deal was. The Brexit response team was doing a good job and she also highlighted the work by COSLA on the national picture.

Question from Councillor Laing

To Executive Member for Neighbourhood and Locality Services

In 2017-18 the total contract award to CAB was £227,250 and Central Borders share was £70,727. In 2018-19 this was reduced to £218,000 from which Central Borders CAB will likely receive £65,000. In 2019-20 they will receive £62,000 from an award of £209,250. There have been no significant discussions about reducing opening hours at present. However, if the core funding continues to decrease this could be the outcome, which will have serious repercussions for the disadvantaged in our society and for Scottish Borders Council.

Will the member therefore undertake to reject any further budget cuts in the next round of budget discussions and mitigate against cuts already introduced.

Reply from Councillor Aitchison

This matter has been discussed in this chamber a number of times and regular meetings have taken place between officers and the Borders Citizens Advice Consortium regarding the extension of the contract.

As you will be aware the UK Government recently announced that they are establishing, and funding, a new partnership, with Citizens Advice Scotland to deliver Universal Support as part of their implementation of Universal Credit. This is a significant change which is likely to impact on the services delivered by the Citizens Advice Consortium locally and potentially the work they do for the Council. This was discussed at the last meeting on 17 October 2018 but further clarity on the new partnership is required before the position for next year can be agreed.

Supplementary

Councillor Laing advised that CAB had obtained £2m for the Borders in 2017/18 and was it not false economy to cut their funding. Councillor Aitchison advised that this had been due to the block grant cut by Scottish Government.

Question from Councillor Moffat

To Executive Member for Roads and Infrastructure

The Council currently aims to spend £2million per year replacing plant and machinery and vehicles .These fleet repair our roads, clear snow, collect our bins, cut our grass, maintain our streets, build

and maintain our schools and other public buildings every day. What percentage of purchases of new machinery and plant involve purchases from companies importing from the EU?

Reply from Councillor Edgar

All vehicles, plant and machinery are currently procured through competitive tender and other framework arrangements but given the number of multinational companies involved and the complex international supply chain which exists around the manufacture and supply of vehicles, plant, machinery and components, there are currently no accurate figures available.

For example, Nissan (Japan), Mercedes (Germany) and John Deere (America) all make parts in the UK but also supply from the EU and much further afield. Officers will however continue to work with colleagues in Procurement to ensure continuity of supply where required to meet the Council's future needs once the position on Brexit has been clarified.

Supplementary

Councillor Moffat asked what impact a no-deal Brexit would have on supply and if this could be factored in future budgets. Councillor Edgar advised that if Councillor Moffat could explain what a no-deal meant, then he was sure officers could provide an answer.

Question from Councillor A. Anderson

To Executive Member for Adult Social Care

Universal Credit was rolled out across the Scottish Borders in June 2018. In view of this, can you provide figures for the number of new claims made, the average length of wait from application to receipt of the first payment, and how many of these residents are now receiving a lower income on Universal Credit than they would have received if they had been in receipt of previous benefits.

In addition, how many people in the Scottish Borders are currently receiving the legacy benefits that Universal Credit is intended to replace?

Reply from Councillor Weatherston

In answering your question I want to point out that this is not information that the Council holds and I am dependant on the Department for Work & Pensions providing these numbers.

The latest figures show the position as at 13th September 2018 when the total number of new claims for Universal Credit in the Borders was 1766. This figure is available publically on the DWP's website where it is broken down to each Jobcentre area with 333 in Eyemouth, 883 in Gala and 550 in Hawick.

I currently have no figures on the waiting times for payments, nor how many cases exist where the claimant is worse off being on Universal Credit compared to the legacy benefits. These have both been requested from the DWP and I will forward these on to you as soon as I get sight of them.

Finally, in relation to the number of cases on legacy benefits who will migrate to Universal Credit, I do have DWP's estimates for the two parliamentary constituencies covering the Borders. However, in the case of Dumfriesshire, Clydesdale and Tweeddale it also includes the numbers for the other local authorities.

Berwickshire, Roxburgh and Selkirk	7,830
Dumfriesshire, Clydesdale and Tweeddale	6,320

My understanding is that the DWP do not hold this data for local authority areas but I can assure you it has been asked for, and if received, I will ensure it is passed on.

Supplementary

Councillor Anderson asked if the decision to cut welfare benefits advice both in-house and in the Third Sector could be reversed. Councillor Weatherston advised he would ask officers to provide information.

Question from Councillor H. Scott

To the Executive Member for Roads and Infrastructure

1. What measures does Scottish Borders Council have in place to ensure that those applicants for taxi and private hire licences do not present a danger to the public despite having convictions for offences such as those involving violence or indecency?
2. How many holders of taxi and private hire licences have been convicted of criminal offences whilst employed as such during the past 5 years, and what were the nature of those offences?
3. Are the previous convictions of applicants for taxi and private hire licences excluded from declaration in terms of the Rehabilitation of Offenders Act, 1974?

Reply from Councillor Edgar

Question 1

Taxi and Private Hire drivers are licensed in terms of the Civic Government (Scotland) Act 1982. In applying for a new or renewed licence an applicant has to declare any convictions. The Act also requires that all applications are referred to the Police. Where an applicant has previous convictions, or has criminal prosecutions pending, the Police will either object to the granting or renewal of the licence or make a representation. In both instances the application will be referred to the Civic Government Licensing Committee to determine. It will then be for the Committee to decide, based on all information available, whether the applicant is a "fit and proper person" to hold such a licence.

Licensing Standards and Enforcement Officers (LSOs) will interview applicants before the Committee meeting and ask about any convictions and other matters they think are relevant. The results of this process will be reported to the Committee. Police Officers will also be present and asked to address the Committee. The applicant will also be at the Committee and will be invited to address the committee and will be subject to questioning by the Committee.

If the Committee consider the applicant presents a danger to the public, or if for any other reason members conclude the applicant is not a fit and proper person to hold a licence, the application will be refused.

The Licensing Authority also has the power to suspend or revoke a licence should the licence holder's conduct cause them to consider the licence holder is no longer a fit and proper person. Where such concerns are raised the matter will quickly be referred to committee for decision. In addition the Council's Chief Legal Officer has authority to suspend a licence with immediate effect where it is considered there is a serious threat to public order or public safety.

Question 2

In the last 5 years a total of 20 holders of taxi or private hire license have been convicted of criminal offences while so employed. They were for the following offences:

- Road Traffic Offences – 7
- Domestic Breach of the Peace – 4
- Breach of Peace – 3
- Threatening & Abusive Behaviour - 1
- Assault – 1
- Carrying an Offensive Weapon – 1
- Theft – 1
- Drink Driving – 1
- Social Security – 1

Of those 20 drivers, 14 had their taxi/private hire licence removed as a result of the conviction. The 6 who retained those licenses had been convicted of either Road Traffic, Domestic or other Breach of the Peace Offences.

Question 3

An applicant must provide details of ALL previous convictions including road traffic offences and details of any fixed penalties offered and accepted. There are a small group of more minor offences which in certain circumstances require to be treated differently by the authority. These are known as Protected Offence. Legal Services will be happy to provide the member with a fuller briefing on these if required.

Supplementary

Councillor Scott asked to be provided with reassurances that the process would be tightened up and that meetings be held in public. Councillor Edgar advised he would ensure that the legislation was followed.

Additional Question from Councillor Ramage

To Executive Member for Neighbourhood and Locality Services

Councillor Ramage reported that she had been contacted by Burnfoot Community Futures who had been advised that their Locality Bid was not going forward to a public vote due to lack of bids. She asked why members had not been advised of this directly.

Reply by Councillor Aitchison

Councillor Aitchison replied that a meeting had been held on Monday to assess the bids but due to both quality and quantity of bids it had been agreed not to go ahead with this round. Officers had contacted the groups concerned and a report on this matter would be submitted to Council at their November meeting.

Supplementary

Councillor Ramage asked if Vice Chairs had been invited to the meeting and if the bid criteria had been changed. Councillor Aitchison advised that Chairs had been given the opportunity to bring a second person to the meeting. The criteria change had been approved by Council but a full report would be brought to Council in November.

This page is intentionally left blank



BYELAWS TO PROHIBIT THE CONSUMPTION OF ALCOHOL IN DESIGNATED PUBLIC PLACES

Report by Service Director Regulatory Services
SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

- 1.1 This report is to advise and update Council on the current position regarding the Alcohol Byelaws and on the next steps required to progress the byelaws.**
- 1.2 Following engagement with the then Area Forums, the Community Councils and the public over a 7 month period in 2013/2014 a report on "Byelaws to Prohibit the Consumption of Alcohol in Designated in Public Places" was considered by Council in March 2014. The Service Director Regulatory Services was instructed to take matters forward under the statutory process.
- 1.3 In terms of the statutory process, Letters of Content are required from the Police and the Procurator Fiscal. Draft Byelaws were forwarded to the relevant parties for their comment which took some time to be received. On receipt of the comments further revisals were required to the draft Byelaws. At this stage the Council's Licensing Officers views on the comments received were also requested. Due to the comments received from all parties the draft Byelaws were further revised and fresh Letters of Content requested from the Police and Procurator Fiscal.
- 1.4 The draft Byelaws are now required to be submitted to the Scottish Government for their approval, along with the Letters of Content from the Police and Procurator Fiscal. If approved a formal public consultation exercise will be carried out in terms of the Local Government (Scotland) Act 1973. Fuller details of the process are outlined in Section 4 of this Report.
- 1.5 It has been over 4 and a half years since Council last considered this matter and it has therefore taken an exceptionally long period of time for this juncture to have been reached. For this reason, this report is being brought to Council for its information.

2 RECOMMENDATIONS

2.1 I recommend that Council:

- (a) note that the draft byelaws to prohibit the consumption of alcohol in designated public places will now be forwarded to the Scottish Government for approval.**
- (b) note that the Service Director Regulatory Services in conjunction with the Chief Legal Officer will report back to Council at the end of the statutory consultation period.**

3 BACKGROUND

- 3.1 A report to Council in May 2013 sought approval to engage with the then Area Forums, Community Councils and the public as to their views on the introduction of 'Byelaws to Prohibit the Consumption of Alcohol in Designated Public Places'. This report also explained that Scottish Borders Council had resolved to introduce Byelaws in 2007 but these were never made because of an objection at that time which was not able to be resolved. The report was approved and an engagement process was conducted over a period of 7 months in 2013/2014.
- 3.2 A further report was submitted to Council on 7 March 2014 advising the Council of the outcome of the public engagement process and sought approval to take matters forward under the statutory process.
- 3.3 The majority of people, who responded to the Public Engagement questionnaire, were in favour of the existence of byelaws applying to towns with 1,500 people or more and a similar majority in favour of these applying to towns of 500 – 1,500. Those that responded were also in favour of there being exemptions to the byelaws for Common Ridings/Summer Festivals and Hogmanay.
- 3.4 This report also detailed the response from Area Forums and Community Councils regarding individual settlements. It noted that there was support for the introduction of byelaws in certain areas of the Scottish Borders being specifically the communities of Eyemouth, Coldingham, Galashiels (Town Centre), Hawick, Jedburgh and Newtown St Boswells. The introduction of byelaws in other towns was not supported.
- 3.5 NHS Borders and Police Scotland continue to support the introduction of byelaws. Police Scotland had previously expressed their support of the byelaws with a view to reducing public disorder generally in the Scottish Borders area. NHS are of the view that there are significant public health benefits in their introduction and the most effective way to reduce alcohol consumption and alcohol related harm is through the availability of alcohol which includes reducing exposure; stopping street drinking will contribute to this and to protecting vulnerable individuals and promoting safer communities. Both bodies remain of the opinion that byelaws would be a useful tool to assist and support other resources available.
- 3.6 It was noted in the 2014 Report that it was for the Council to determine which settlements should be included in the byelaws. Scottish Government Circular No. LJ/02/2014 on "Byelaws Prohibiting the Consumption of Alcohol in Designated Public Places (a copy of which is attached at Appendix A) notes that it is not Scottish Government's policy to pursue a blanket ban on drinking in public (i.e. over all of the local authority area), nor has it plans to introduce a general provision in primary legislation making it an offence to consume alcohol in any public place. Scottish Ministers will, however, consider byelaws that cover population centres or other specified geographical areas and will continue to support local authorities that come forward with appropriate byelaw proposals.

- 3.7 The report was approved and it was decided that matters were to be progressed with a further report to be submitted to the Council at the expiry of the statutory consultation period.

4 PROCESS

- 4.1 As part of the process for the introduction of byelaws draft Byelaws had been prepared and submitted to the Procurator Fiscal and Police Scotland seeking their respective Letters of Content. These are required so that the draft Byelaws can be submitted to the Scottish Government for approval prior to them being issued for public consultation.
- 4.2 It took some time to obtain the comments from the various parties. When they were received the draft byelaws were further revised taking into account the comments from Police Scotland, the Procurator Fiscal and the Council's Licensing Officers and re-circulated for final comments. The draft byelaws are now in a position where they are ready to be forwarded to the Scottish Government. A copy of the draft byelaws together with plans showing the extent of the byelaws are attached at Appendix B.
- 4.3 Once the comments on the proposed draft byelaws have been received from the Scottish Government, Notices will be placed in local newspapers advising of the Council's intention to apply to the Scottish Government for confirmation of the byelaws. Copies of the byelaws and plans will be made available for public inspection for at least one month.
- 4.4 Any objections received during this public consultation period are to be sent to the Confirming Authority (Scottish Government) who shall take into consideration any objections received by them before deciding whether to confirm the byelaws. A local inquiry may be held by the Scottish Government to consider any objections if they think it necessary or desirable.
- 4.5 The byelaws are not operative until they have been confirmed by the Scottish Government who may confirm the byelaws with or without modifications or refuse to confirm them. If confirmed a commencement date would be agreed between the Scottish Government and the Council. If no date is fixed the byelaws come into operation one month after the date of their confirmation.
- 4.6 Once the byelaws are confirmed further Notices are published in local newspapers advising the date the byelaws come into operation. A copy of the byelaws should also be available on the Councils' website. Notices will be required to be displayed at the designated places and should remain in place during the currency of the byelaws to ensure that any persons entering the designated areas were aware that the byelaws were in place and of their effect.
- 4.7 Byelaws once in force must be reviewed at least every 10 years. The Council also has powers to revoke byelaws.

5 IMPLICATIONS

5.1 Financial

There will be advertising costs associated with the publication of the draft byelaws and costs of signage to be placed in the areas to be covered, when byelaws are made and confirmed. These costs will be met from existing budgets. Costs may also be incurred should there be any objections for which a local inquiry is required by the Scottish Government.

5.2 Risk and Mitigations

There is a risk of adverse publicity if the Council is not seen to be progressing the byelaws as previously agreed.

There is a risk that if the byelaws are not introduced that an opportunity to assist in tackling Anti-Social Behaviour would be lost.

5.3 Equalities

It is not considered that an Equalities Impact Assessment is required for this report.

5.4 Acting Sustainably

There are no known significant impacts on the economy, community or environment arising from the proposals contained in this report.

5.5 Carbon Management

It is not anticipated that the Council's carbon emissions will be effected by the Council's decision in regard to this report.

5.6 Rural Proofing

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

5.7 Changes to Scheme of Administration or Scheme of Delegation

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

6 CONSULTATION

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

Approved by

Brian Frater

Service Director Regulatory Services Signature

Author(s)

Name	Designation and Contact Number
Nuala McKinlay	Chief Legal Officer 01835 825220
Jane Webster	Solicitor 01835 825003

Background Papers: None

Previous Minute Reference:

Scottish Borders Council - 30 May 2013
Scottish Borders Council - 27 March 2014

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, Place, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825431, Fax 01835 825071, email eitranslationrequest@scotborders.gov.uk.

Circular No. LJ/02/2014

Local Authority Chief Executives
Local Authority Legal Services
Antisocial Behaviour Co-ordinators
Community Safety Managers
Convention of Scottish Local Authorities
HM Chief Inspector of Constabulary
Chief Constable – Police Scotland
Crown Office and Procurator Fiscal Service
Area Procurators Fiscal
Community Justice Authorities

In 2014 Scotland Welcomes the World



4 August 2014

Dear Sir / Madam,

BYELAWS PROHIBITING THE CONSUMPTION OF ALCOHOL IN DESIGNATED PUBLIC PLACES

1. The purpose of this circular is to provide advice to local authorities applying to the Scottish Ministers for the confirmation of byelaws prohibiting the consumption of alcohol in designated public places. It replaces the advice contained in circular JD/6/2007 and revises the advice in circular JD/08/2009.

Background

2. Under [section 201\(1\) of the Local Government \(Scotland\) Act 1973](#) (“the 1973 Act”), a local authority may make byelaws for the good rule and government of the whole or part of their area, and for the prevention and suppression of nuisances therein.

3. Almost all local authorities in Scotland have an alcohol byelaw that covers a population or geographical area. The Scottish Ministers agree that public drinking can adversely affect the quality of life for residents. Alcohol Byelaws have significantly reduced the nuisance and disorder normally associated with public drinking and the Scottish Government will continue to support local authorities that come forward with appropriate byelaw proposals.

4. The circular updates the model byelaws to take account of the [Licensing \(Scotland\) Act 2005](#), and [Article 3 of SSI 2009/248](#) which updates the definitions contained the model byelaws. The Act and the SSI ensures that byelaws enforce before 1 September 2009 continue to operate properly. An example of the model byelaw is contained in [Annex A](#) of this circular.

Scope of Byelaws

5. While it is not Scottish Government policy to pursue a blanket ban on drinking in public e.g. all of the local authority area, Scottish Ministers would be prepared to consider byelaws that cover population centres or other specified geographical areas especially where there has been a history of alcohol-related disorder. The areas should be clearly definable both in the byelaw and on the ground, to avoid doubt and confusion.
6. The Scottish Government has no plans to introduce a general provision in primary legislation making it an offence to consume alcohol in any public place. Drinking in public may be quite acceptable and cause neither problem nor nuisance depending on the circumstances. To introduce byelaws covering whole local authority areas could, by increment, effectively introduce a general offence of drinking in public. The Scottish Government considers that this would be unacceptable.
7. Random and isolated incidents of problem behaviour may be tackled in other ways by the police and courts under statute or common law (for example, under provisions of the [Antisocial Behaviour etc. \(Scotland\) Act 2004](#) or breach of the peace, depending on the facts and circumstances of the individual case).

Clarity of the Byelaw Coverage Area

8. It is the responsibility of the local authority to ensure that each area that the byelaws cover is described with sufficient certainty so that a court would have no difficulty in any given case in determining what that area was. Using a conveyancing style of description may help to achieve such certainty.
9. However, it may be that in some cases sufficient certainty could be achieved without employing that style of description. Whether that is so in any given case is a matter for the local authority concerned. What should be made very clear is the perimeter of each area. This would require a written description of the boundaries of that perimeter (by referring, for example, to the edge of a road or to a wall surrounding a park or a fence surrounding a playing field). That written description could be supported by giving a clear indication of that perimeter on a detailed street plan.
10. When describing the designated area, authorities should take account of any places within the boundaries of the proposed area over which they do not have power to make byelaws under [sections 201-203 of the 1973 Act](#). It is the responsibility of local authorities to make sure that they have the power to make a byelaw covering all parts of the designated area.
11. The description must be contained in the Alcohol Byelaws as a schedule with an Ordnance Survey Map of the area.

Byelaw Offences

12. As can be seen from [Annex A](#) local authorities can now choose from [four offences](#). The majority of byelaws currently in place across Scotland are based on Offence 1. This offence is intended to promulgate best practice on this issue. The other 3 offences, have been developed over time as a result of local concerns and recommendations made in a report entitled "Off-sales in the Community" published in 2004 by the Working Group on Off-sales in the Community.

13. This allows local authorities the opportunity to amend their byelaws and decide what model is best for their own practical circumstances and allows for a flexible approach to the enforcement of the byelaws, enabling the police to deal with problem behaviour, while allowing those who are drinking peacefully to continue.

MAKING OF BYELAWS TO PROHIBIT DRINKING IN PUBLIC: ACTION TAKEN BY THE SCOTTISH GOVERNMENT, LOCAL AUTHORITIES AND THE SCOTTISH MINISTERS

14. The local authority (LA) must advise the Scottish Government (SG) that it intends to make alcohol byelaws.

14.1 A draft copy of the proposed byelaws together with any corresponding plans must be sent to SG to comment on before the LA make and advertise the changes to their byelaws. It would be useful, and help to speed up the checking and confirmation process, if draft the byelaws were submitted in electronic form. Plans will still need to be sent in hard copy.

14.2 The LA must also consult the Police and the local Procurator Fiscal to ensure that they are content with the proposed byelaws and plan, before they are advertised and preferably before the byelaws are submitted to SG. Letters of support from the Police and the local Procurator Fiscal should also be submitted before the byelaws are advertised.

14.3 When the copy of the proposed byelaws and plans are received they are checked against the relevant model byelaws. The area that the byelaws are intended to cover must be clearly defined on the plan and Ordnance Survey maps must be used. The aim of this is to avoid the need for amendments at the confirmation stage.

14.4 SG writes back to the LA acknowledging the proposed byelaws and informing the LA that the Scottish Ministers will decide whether or not to confirm the proposed byelaws at the confirmation stage of the byelaw application process. It is now for the LA to follow the procedures set out in [section 202 of the 1973 Act](#) and advertise the proposed byelaws.

14.5 The SG will endeavour to respond to submissions of the proposed byelaws within 28 days, although it should be noted that if there is a problem with the byelaws, for example due to departures from the model byelaws, failure to submit relevant plans, lack of clarity with regard to identification of the designated area, it may take longer.

14.6 The LA advertise the intention to apply for confirmation of the proposed byelaws in a local paper, and make the proposed byelaws and plans available for public inspection, for at least one month, in accordance with [section 202 of the 1973 Act](#). The advertisement must explain that objections are to be addressed to:

The Scottish Ministers,
Criminal Law and Sentencing Branch,
Criminal Law & Licensing Division,
St Andrew's House,
Edinburgh,
EH1 3DG

14.7 When the proposed byelaws are advertised members of the public and organisations have the opportunity to lodge objections to the proposed byelaws with the Scottish Ministers. Objections must be received within one month from the date of the advert. The objector will be informed by SG that their objection is being considered. The LA will be asked by SG for any comments on the objection. The objection along with the LA's comments will be considered by the SG as part of the overall consideration given as to whether to confirm the byelaw.

14.8 After a period of at least one month from the date of expiry of the advertisement period, the LA makes the proposed byelaws and submits the principal copy, duly authenticated (i.e. signed and dated and embossed with the LA seal), for confirmation by the Scottish Ministers.

14.9 Also submitted at the same time as applying for confirmation is a copy of the advert informing the public of the proposed byelaw.

14.10 Under [section 202\(10\) of the 1973 Act](#) a decision will be made whether or not to confirm the proposed byelaws. Once a decision has been made the LA and any objectors to the byelaws will be informed by the SG of its decision.

14.11 If confirmed, a commencement date will be agreed with the LA which will normally be at least 1 month after the byelaws have been confirmed. This is to allow the LA to inform the relevant authorities when the byelaws will come into force. If the proposed byelaws are not confirmed, the SG will explain their decision, in writing, to the LA. It is then for the LA to decide what action they should take.

14.12 The Deputy Director of the Criminal Justice and Licensing Division (or othersenior member of staff) has the delegated authority to confirm the byelaws of behalf of the Scottish Ministers. A confirmation docket is signed and this forms part of the byelaws. The date of signing is the confirmation date.

14.13 SG will write to the LA confirming the date of commencement and the date the byelaws will come into force. The principal copy of the byelaws, plans and the confirmation docket will be returned to the LA by Recorded Delivery.

14.14 The Scottish Ministers will write to the MSPs who have constituencies in the LA area affected by the byelaws to inform them of when the changes to the byelaws will come into force.

14.15 SG will arrange for a press release to be issued.

14.16 The LA must inform the relevant authorities of when the changes to the byelaws are to come into force, arrange for the byelaws to be advertised in the local paper and put up signs were necessary. The LA can also, if they wish, issue their own press release.

14.17 LAs are encouraged to make a copy of the byelaws available on their website and to inform the Scottish Government where they may be found.

Enforcement and Penalty

15. LAs and Police Scotland should note that [sections 128 and 129](#) of the [Antisocial Behaviour etc. \(Scotland\) Act 2004](#) give police powers to issue a fixed penalty notice for drinking alcohol in contravention of byelaws made under [sections 201-203 of the 1973 Act](#). If an offender refuses to pay the fixed penalty notice or wishes to challenge the allegation in court and is found guilty, the offender is liable on summary conviction to a fine not exceeding level 2 (£500) on the standard scale.

Reviewing Byelaws

16. Reviewing existing byelaws is good practice as it allows local authorities to amend or revoke the byelaws to reflect any changing local circumstances. In addition to it being good practice, LAs have a statutory obligation to review their byelaws and [section 202A of the 1973 Act](#) provides that they shall review their byelaws 10 years after they have come into operation and then at intervals of 10 years. However, LAs are not constrained by the 10 year review. If local circumstances indicate that a byelaw should be amended or revoked before the 10 year review, then the LA can proceed to submit an application to Scottish Ministers for confirmation.

Submission of Draft Byelaws, Amendments, Exemptions and Revocations

17. LAs are requested to submit byelaws, including amendments, exemptions and revocations ([see Annex B for examples](#)), in draft form before they advertise their intention to apply to the Scottish Ministers for confirmation of the byelaws under [section 202\(4\) of the 1973 Act](#); and before they deposit a copy of the byelaws in their offices under [section 202\(5\) of the 1973 Act](#). This will avoid the need to re-advertise the byelaws if there are changes which the SG suggest need to be made.

18. LAs may wish to consider providing for exemptions in the application of their byelaws to cover local celebrations, festivals etc. There is no need to apply for an exemption to cover for the New Year Celebrations because the model byelaw has the exemption built in. However, it is up to the local authority to decide what, if any, additional exemptions they apply in the area of the byelaw e.g a local annual gala day.

Annexes

19. Attached to this circular are two annexes which are:

[Annex A](#): An example of a draft Alcohol Byelaw Model.

[Annex B](#): Examples of amendments, exemptions and revocations

Contact Details

20. All byelaw applications and any other enquiries about the byelaws should be sent to:

Criminal Law and Sentencing Branch
Criminal Law & Licensing Division
The Scottish Government
St Andrew's House
Regent Road
Edinburgh, EH1 3DG

Email address: alcohol.byelaws@scotland.gsi.gov.uk

Telephone enquiries should be directed to 0131 244 2212.

Yours faithfully

Ronnie Fraser
Criminal Law and Sentencing Branch

ANNEX A

DRAFT BYELAWS MODEL

THE [] COUNCIL PROHIBITION OF CONSUMPTION OF ALCOHOL IN DESIGNATED PUBLIC PLACES BYELAWS 200[]

The [] Council (“the Council”) in exercise of the powers conferred upon it by sections 201, 202 and 203 of the Local Government (Scotland) Act 1973, and of all the other powers enabling it in that behalf, hereby makes the following byelaws:-

Interpretation and Citation

1. (1) In these byelaws, unless the context otherwise requires -
 - “alcohol” has the same meaning as in section 2 of the Licensing (Scotland) Act 2005;
 - “licensed premises” has the same meaning as in section 147(1) of the Licensing (Scotland) Act 2005 but does not include premises in respect of which there is a provisional premises licence (within the meaning of section 45(5) of that Act);
 - “occasional licence” has the same meaning as in section 56(1) of the Licensing (Scotland) Act 2005;
 - “designated place” means any place to which the public have access within the areas specified in Schedule 1 to these byelaws and shown outlined in red on the plans annexed and signed as relative hereto.
- (2) These byelaws may be cited as “The [] Council Prohibition of Consumption of Alcohol in Designated Public Places Byelaws 20[]”.

Application

2. These byelaws shall not apply -
 - (a) on 31 December, from 6.00 pm until the end of that day; and
 - (b) on 1 January, until 6.00 am.

Offence

(1) Subject to paragraphs (2) and (3) of this byelaw, any person who consumes alcohol in a designated place shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale. **[Offence 1]**

(1) Subject to paragraphs (2) and (3) of this byelaw, any person who consumes alcohol in a designated place or is found to be in possession of an open container containing alcohol in a designated place shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale. **[Offence 2]**

(1) Any person who consumes alcohol in a designated place or is found to be in possession of an open container containing alcohol in a designated place in circumstances

whereby it is reasonable to infer that that person intended to drink from it whilst in a designated place shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale. **[Offence 3]**

(1) Any person who consumes alcohol in a designated place, and fails to desist on being required to do so by a police constable, shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale. **[Offence 4]**

[Return to para 12 – Byelaw Offences](#)

(2) It shall not be an offence against these byelaws to do anything in any designated place which comes within the meaning of licensed premises.

(3) It shall not be an offence against these byelaws to do anything in any designated place in respect of which an occasional licence is in operation during any period when alcohol may be sold there by virtue of that licence and for 15 minutes after the expiry of such period.

Presumptions

3. (1) This byelaw applies for the purposes of any trial for an offence against these byelaws.

(2) Any liquid found in a container shall, subject to the provisions of this byelaw, be presumed to conform to the description of the liquid on the container.

(3) A container which is found to contain -

(a) no liquid; or

(b) insufficient liquid to permit analysis

shall, subject to the provisions of this byelaw, be presumed to have contained at the time of the alleged offence liquid which conformed to the description of the liquid on the container.

(4) A person shall not be entitled to lead evidence for the purpose of rebutting a presumption mentioned in paragraphs (2) or (3) above unless, not less than 7 days before the date of the trial, he has given notice to the prosecutor of his intention to do so.

Public Notice of Effect

4. (1) The Council shall erect one or more signs at or reasonably adjacent to each designated place for the purpose of giving notice of the effect of these byelaws.

(2) It shall be no defence in proceedings against a person for an offence under these byelaws that the Council failed to comply with paragraph (1) of this byelaw.

SCHEDULE 1

Designated Area XXXXXXXXXXXXX

This is where the description of the coverage area is placed. There must also be an Ordnance Survey map of the area.

[Return to para.4 - Byelaw Background](#)

[Return to para 19 - Annexes](#)

ANNEX B

Amendments, Exemptions and Revocations

Listed below are examples of amendments, exemptions and revocations.

1. Amendments

When applying for an amendment to an existing byelaw the local authority must list the amendment clearly. An amendment could be:

- Changing the offence;
- Changing the start time of an exemption; or
- Increasing the area that the byelaw covers

If the byelaw plan is being amended to increase or decrease the area that is covered by the byelaw, the amendment should be outlined in red on an Ordnance Survey map. An amendment to the byelaw schedule (the description of the plan) should also be included.

2. Exemptions

Exemptions allow for the byelaw to be suspended for a period of time in a particular area that the byelaws cover or for the whole byelaw to be suspended. Some exemptions do not have a title such as the exemption from 31 December to 1 January so it is important that exemptions are clearly defined. Each proposed exemption must have a start time and a finishing time. If the event has a title, include the title in the exemption details.

If the proposed exemption is for an annual event which is held on a fixed date, that date must be included. Local authorities can also apply for an exemption, for one off events or for events that are held annually but do not have a fixed date. If an event has a moveable day please include the day that the event is held on i.e. 'the 2nd Tuesday in July'.

If the proposed exemption covers an area which is already covered by the original byelaw, an Ordnance Survey map which shows the area that is to be exempt must be included and the area outlined in red.

Here are examples of how previous exemptions have been worded:

- "These byelaws shall not apply in the area known as Duthie Park show delineated and hatched in red on the plan annexed and executed as relative hereto between the following times on the following date:

17 May 2012 from 6.00 pm until 11.00 pm; and
16 July 2012 from 6.00 pm until 11.00 pm"

- "These Byelaws shall not apply –

in the Town of Lanark from 6.00 am on the day which is known as Lanimer Day and which usually occurs on the Thursday between the 6 and 12 June each year until 1.00 am on the following day"

- “ These Byelaws shall not apply -
(a) on 31 December, from 6.00 pm, until the end of that day: and
(b) on 1 January, until 6.00 am.”

3. Revocations

When revoking a byelaw list the title of the byelaw. It is not necessary to include the full text of the byelaw.

Here is an example of a revocation:

- “the xxxxxx Council (Prohibition of the Consumption of Alcoholic Liquor in Designated Public Places) Byelaws 2005 made by the said xxxxxx Council on 20 June 2004 and confirmed by the Scottish Ministers on 12 August 2004 and operational from 22 September 2004 are hereby revoked”

When revoking part of a byelaw such as an exemption, clearly indicate the text that is to be revoked such as:

- In Application:

“2. These byelaws shall not apply –
(a) on 31 December, from 6 pm until the end of that day: and
(b) on 1 January , until 6.00 am “ are hereby revoked.

When applying for an amendment, exemption or a revocation please follow the same process as for making byelaws as outlined in [paragraph 14](#) of this circular.

[Return to para 17 - Amendments, Exemption and Revocations](#)
[Return to para 19 - Annexes](#)

This page is intentionally left blank

Appendix B

THE SCOTTISH BORDERS COUNCIL PROHIBITION OF CONSUMPTION OF ALCOHOL IN DESIGNATED PUBLIC PLACES BYELAWS 201X

The Scottish Borders Council (“the Council”) in exercise of the powers conferred upon it by Sections 201, 202 and 203 of the Local Government (Scotland) Act 1973 and of all the other powers enabling it in that behalf, hereby makes the following byelaws:-

Interpretation and Citation

1 (1) In these byelaws, unless the context otherwise requires:

“alcohol” has the same meaning as in Section 2 of the Licensing (Scotland) Act 2005;

“licensed premises” has the same meaning as in Section 147(1) of the Licensing (Scotland) Act 2005 but does not include premises in respect of which there is a provisional premises licence (within the meaning of Section 45(5) of that Act);

“occasional licence” has the same meaning as in Section 56(1) of the Licensing (Scotland) Act 2005;

“designated place” means any place to which the public have access within the areas specified in Schedule 1 to these byelaws and shown outlined in black on the plans annexed and signed as relative hereto.

(2) These byelaws may be cited as The Scottish Borders Council Prohibition of Consumption of Alcohol in Designated Places Byelaws 201X”.

Application

2 These byelaws shall not apply -

(a) on 31 December, from 6.00 pm until the end of that day;

(b) on 1 January, until 6.00 am;

(c) in respect of the settlement of Coldingham within area outlined in black on plan number 1 annexed and signed as relative hereto during Coldingham Gala Day which is usually held on the last Sunday in July, from 10.00 a.m. on the morning of that day until 10.00 p.m. that day.;

(d) in respect of the settlement of Eyemouth within the area outlined in black on plan number 2 annexed and signed as relative hereto during the Herring Queen Festival which is usually held on the first or second Saturday in July each year, from 10.00 a.m. on the morning of that day until 10.00 p.m. that day.

(e) in respect of that part of the settlement of Galashiels outlined in black on the plan number 3 annexed and signed as relative hereto during the Braw Lads Gathering which is usually held on the last Saturday in June or first Saturday in July each year, from 10.00 a.m. on the morning of that day until 10.00 p.m. that day;

- (f) in respect of the settlement of Hawick outlined in black on the plan number 4 annexed and signed as relative hereto during the Hawick Common Riding which is usually held on the first Friday and Saturday, after the first Monday, in June each year, from 10.00 a.m. on the morning of that day until 10.00 p.m. that day;
- (g) in respect of the settlement of Jedburgh within area outlined in black on plan number 5 annexed and signed as relative hereto during the Jethart Callants Festival which is usually held on the second Friday in July, from 10.00 a.m. am on the morning of that day until 10.00 p.m. that day;
- (h) in respect of the settlement of Newtown St. Boswells within area outlined in black on plan number 6 annexed and signed as relative hereto during Newtown St. Boswells Gala Day from 10.00 a.m.am on the morning of that day until 10.00 p.m. that day.
- (i)

Offence

- 3 (1) Any person who consumes alcohol in a designated place or is found to be in possession of an open container containing alcohol in a designated place in circumstances whereby it is reasonable to infer that that person intended to drink from it whilst in a designated place shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale.
- (2) It shall not be an offence against these byelaws to do anything in any designated place which comes within the meaning of licensed premises.
- (3) It shall not be an offence against these byelaws to do anything in any designated place in respect of which an occasional licence is in operation during any period when alcohol may be sold there by virtue of that licence and for 15 minutes after the expiry of such period.
- (4) It shall not be an offence against these byelaws to do anything in any designated place which comprises part of the curtilage of premises licensed for the sale or consumption of alcohol both on and off premises.

Presumptions

- 4 (1) This byelaw applies for the purposes of any trial for an offence against these byelaws.
- (2) Any liquid found in a container shall, subject to the provisions of this byelaw, be presumed to conform to the description of the liquid on the container.
- (3) A container which is found to contain:
 - (a) no liquid; or
 - (b) insufficient liquid to permit analysis
 shall, subject to the provisions of this byelaw, be presumed to have contained at the time of the alleged offence liquid which conformed to the description of the liquid on the container.
- (4) A person shall not be entitled to lead evidence for the purpose of rebutting a presumption mentioned in paragraphs (2) or (3) above unless, not less than 7 days before the date of the trial, he has given notice to the prosecutor of his intention to do so.

Public Notice of Effect

- 5 (1) The Council shall erect one or more signs at or reasonably adjacent to each designated place for the purpose of giving notice of the effect of these byelaws.
- (2) It shall be no defence in proceedings against a person for an offence under these byelaws that the Council failed to comply with paragraph (1) of this byelaw.

SCHEDULE 1

LIST OF DESIGNATED PLACES

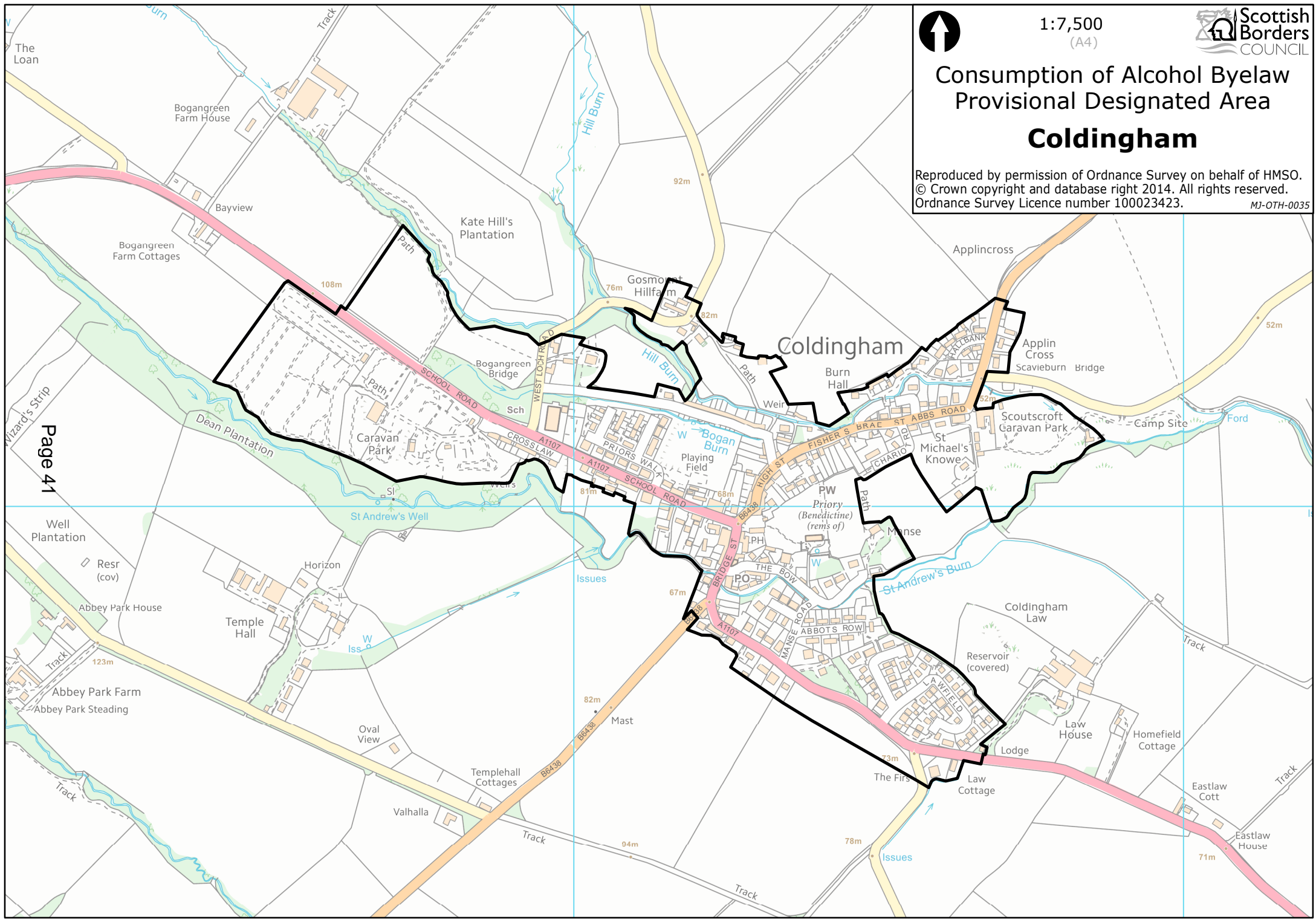
1. The settlement of Coldingham shown within the boundary outlined in black on Plan 1.
2. The settlement of Eyemouth shown within the boundary outlined in black on Plan 2.
3. That part of the settlement of Galashiels shown within the boundary outlined in black on Plan 3.
4. The settlement of Hawick shown within the boundary outlined in black on Plan 4.
5. The settlement of Jedburgh shown within the boundary outlined in black on Plan 5.
6. The settlement of Newtown St. Boswells shown within the boundary outlined in black on Plan 6.



Consumption of Alcohol Byelaw Provisional Designated Area

Coldingham

Reproduced by permission of Ordnance Survey on behalf of HMSO.
© Crown copyright and database right 2014. All rights reserved.
Ordnance Survey Licence number 100023423. MJ-OTH-0035



This page is intentionally left blank

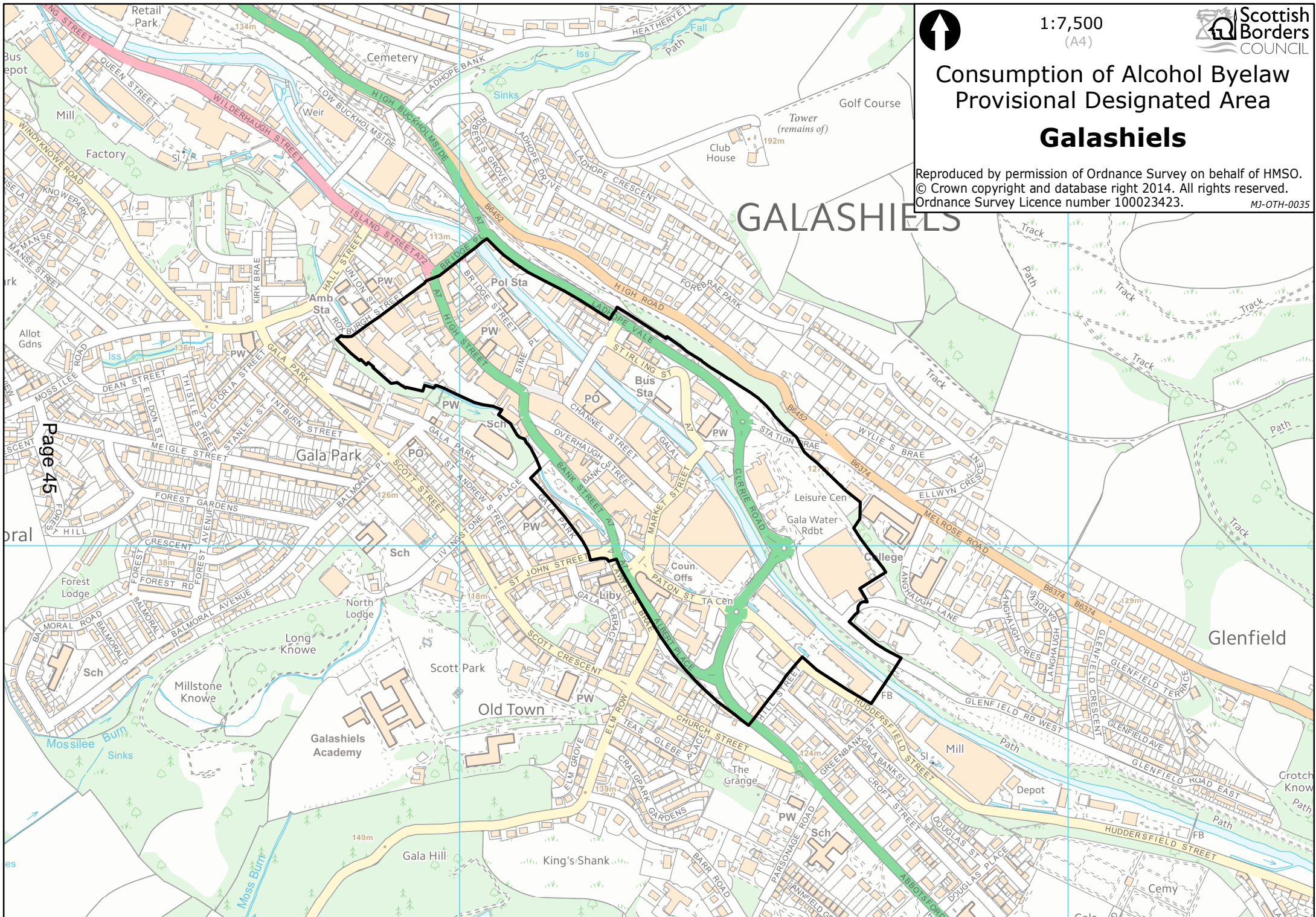
This page is intentionally left blank



Consumption of Alcohol Byelaw Provisional Designated Area

Galashiels

Reproduced by permission of Ordnance Survey on behalf of HMSO.
© Crown copyright and database right 2014. All rights reserved.
Ordnance Survey Licence number 100023423. MJ-OTH-0035



This page is intentionally left blank



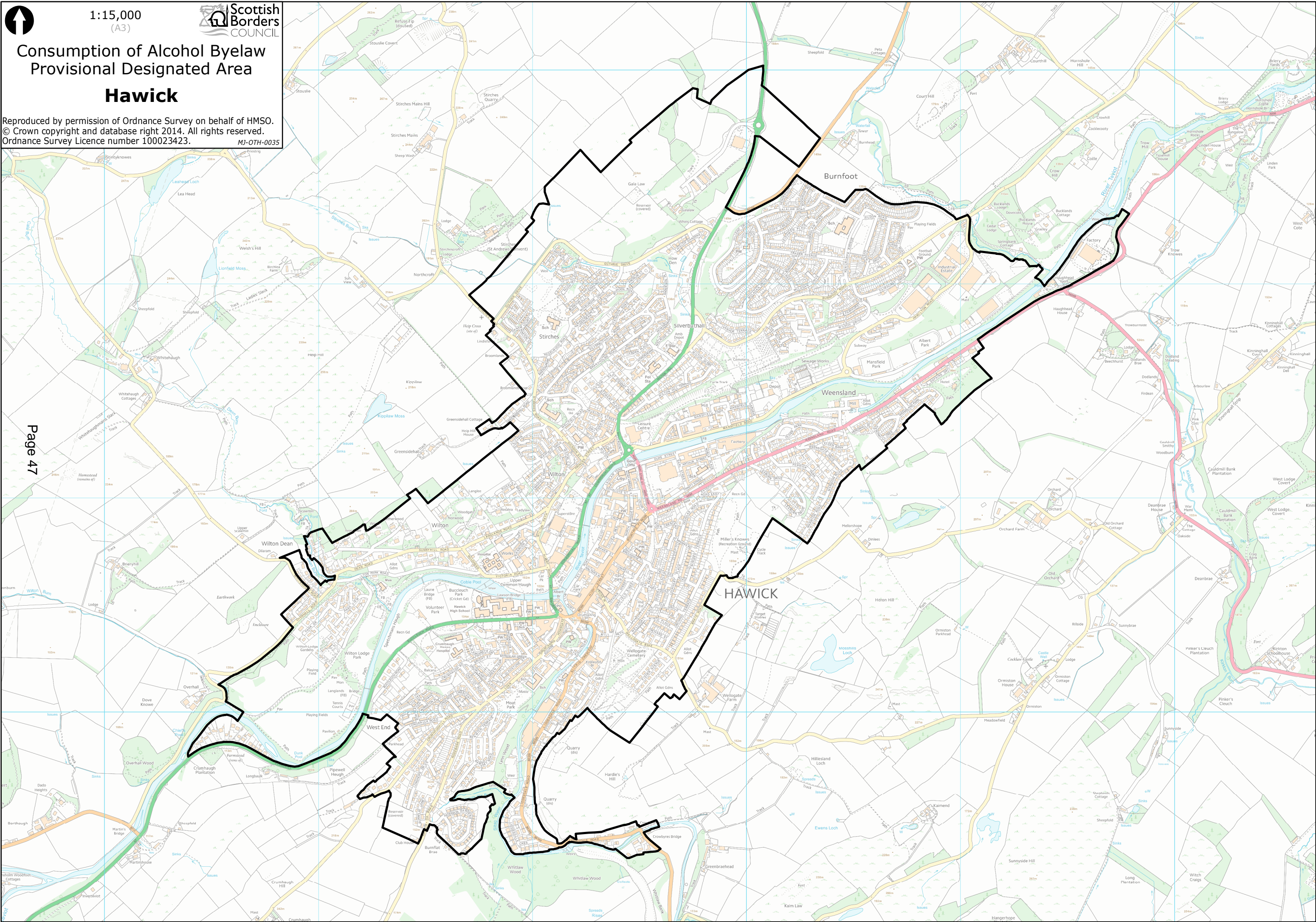
1:15,000
(A3)



Consumption of Alcohol Byelaw Provisional Designated Area

Hawick

Reproduced by permission of Ordnance Survey on behalf of HMSO.
© Crown copyright and database right 2014. All rights reserved.
Ordnance Survey Licence number 100023423. MJ-OTH-0035



This page is intentionally left blank

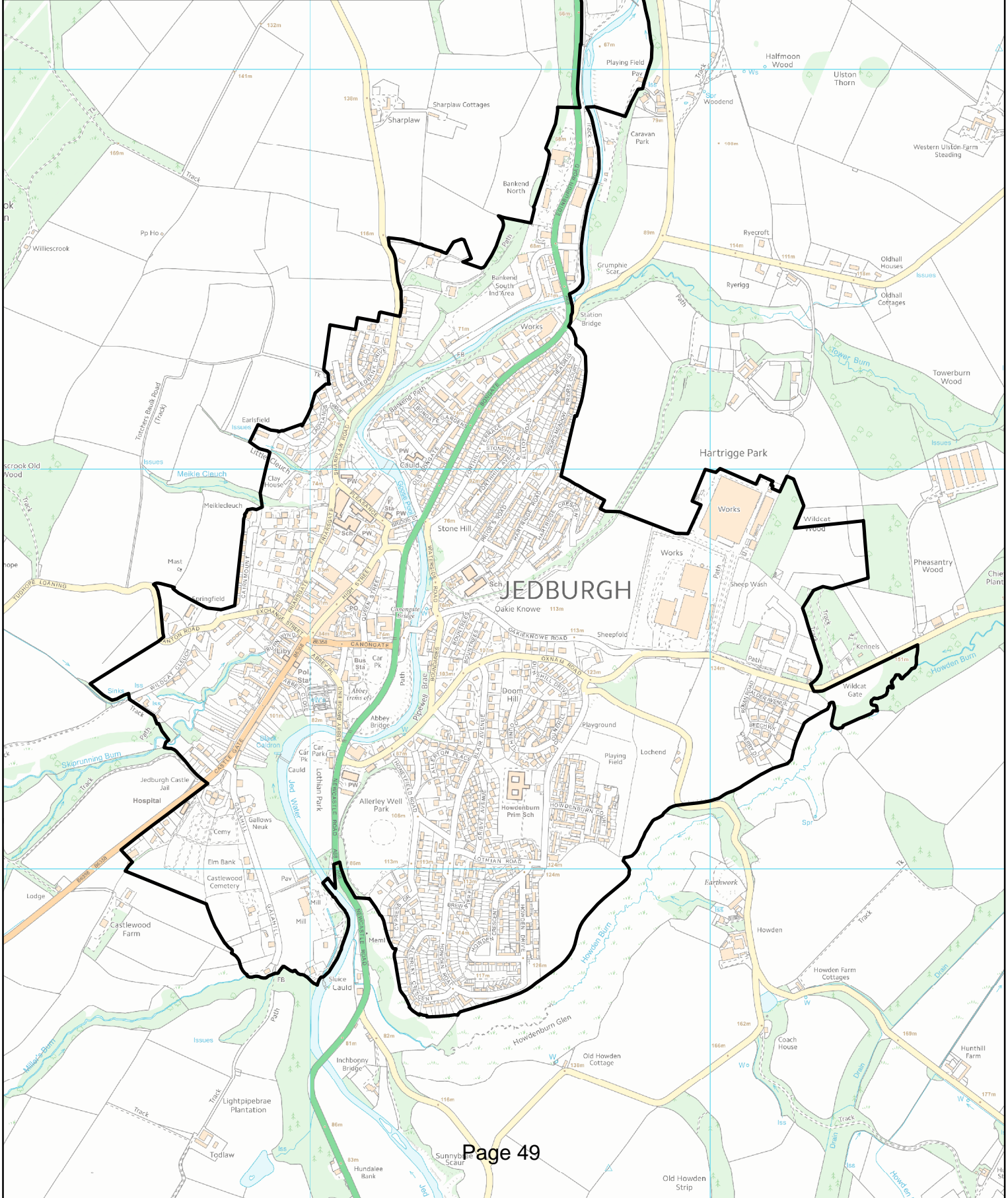


1:12,500
(A4)



Consumption of Alcohol Byelaw Provisional Designated Area **Jedburgh**

Reproduced by permission of Ordnance Survey on behalf of HMSO.
© Crown copyright and database right 2014. All rights reserved.
Ordnance Survey Licence number 100023423. MJ-OTH-0035

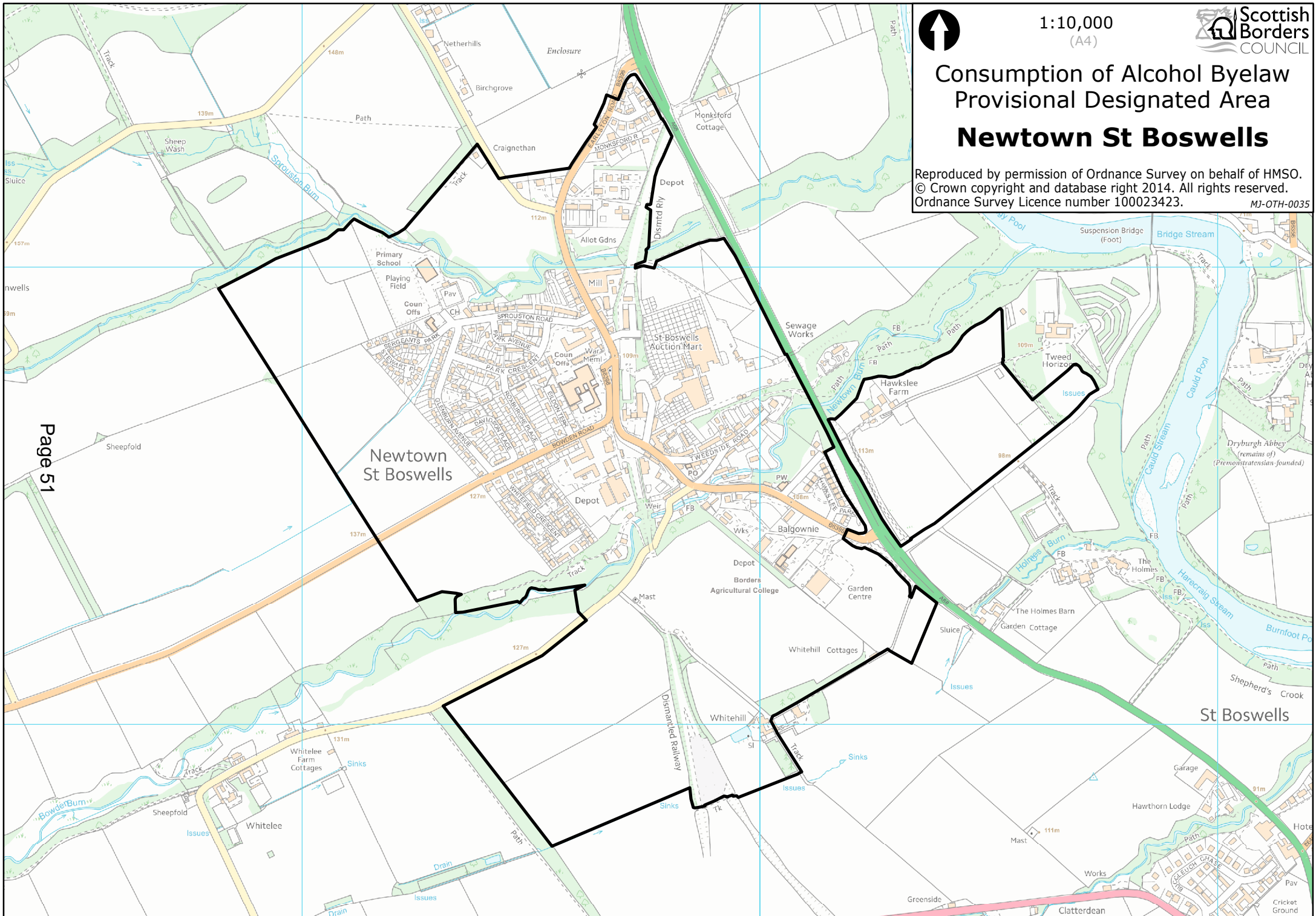


This page is intentionally left blank



Consumption of Alcohol Byelaw Provisional Designated Area **Newtown St Boswells**

Reproduced by permission of Ordnance Survey on behalf of HMSO.
© Crown copyright and database right 2014. All rights reserved.
Ordnance Survey Licence number 100023423. MJ-OTH-0035



This page is intentionally left blank

SHARED INTERNAL AUDIT SERVICES BETWEEN MIDLOTHIAN AND SCOTTISH BORDERS COUNCILS

Report by Service Director Regulatory Services

SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

- 1.1 **The purpose of this report is to gain approval to the proposal to continue with Shared Internal Audit Services between Midlothian and Scottish Borders Councils which will also create the opportunity for a wider exploration of joint working activities and benefits.**
- 1.2 Within the context of reducing public sector funding, providing statutory services and challenges to deliver sustainable services, Officers in Midlothian and Scottish Borders Councils identified that potential benefits could be realised by moving towards a joint working arrangement for the Internal Audit function across both Councils. Approval was given to the interim appointment of a shared Chief Internal Auditor post between Midlothian and Scottish Borders Councils with effect from 1 December 2017 for a period of 12 months. It was agreed that a report would be presented on progress and future options.
- 1.3 This report sets out the challenges and benefits that arose during the Shared Internal Audit Services pilot, concludes that the benefits have outweighed the challenges, and identifies further opportunities for consideration.
- 1.4 The proposal is to continue the Shared Internal Audit Services as a permanent arrangement.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Council approves:-**
 - (a) **the continuation of the Shared Internal Audit Services as a permanent arrangement to provide greater certainty and allow for longer term planning of work and teams, recognising that either Council could still decide to opt out/revert back at any time subject to an appropriate period of notice; and**
 - (b) **that there will be a wider exploration of joint working associated with the above in both the short and longer term across the Councils.**

3 BACKGROUND

- 3.1 Councils continue to face significant challenges as a result of constrained funding combined with demographic and other cost pressures associated with current and projected growth. In addition, managing the impact of a number of government policy and legislative changes places additional demands and reinforces the urgent need to change the way Councils operate.
- 3.2 This continues to present an ever growing need to respond in ways that provide the opportunity to 'future proof' services and to create resilience and sustainability within the context of reducing resources.
- 3.3 Under local authority Accounts (Scotland) Regulations 2014 7(1):
"A local authority must operate a professional and objective internal auditing service in accordance with recognised standards and practices in relation to internal auditing".
- 3.4 Furthermore, the PSIAS framework defines Internal Audit as follows:
"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes".
- 3.5 Internal Audit consists of a relatively small team in both organisations which increases the inherent risk around the dependency and reliance on key individuals within the team.
- 3.6 Within this context Officers in Midlothian and Scottish Borders Councils identified that potential benefits could be realised by moving towards a joint working arrangement for the Internal Audit function across both Councils. Approval was given to the interim appointment of a shared Chief Internal Auditor post between Midlothian and Scottish Borders Councils with effect from 1 December 2017 for a period of 12 months. It was agreed that a report would be presented on progress and future options.

4 PILOT OUTCOMES

- 4.1 There were a number of challenges that arose during the Shared Internal Audit Services pilot, such as:
 - reduced Chief Audit Executive capacity for each Council as a result of the shared Chief Internal Auditor post (0.5 FTE for each Council);
 - impact of cultural differences between Councils;
 - managing expectations from Senior Management and Audit Committees as a result of revisions to roles and responsibilities required to deliver the joint arrangement;
 - dual reporting lines for the shared Chief Internal Auditor post across both Councils;
 - reduced capacity of the shared Chief Internal Auditor post impacting team management and development;
 - additional travel time and costs associated with the need to lead and manage over both Councils;
 - additional time to complete organisation development and redesign of the structure to establish Principal Internal Auditor role in place of Senior Internal Auditor role in each organisation;
 - differences in how each Internal Audit function delivers its services;
 - the impact of the Midlothian Council roads management fraud

investigation on resources capacity has reduced the time available to explore wider opportunities presented by the joint working arrangement. Only the Chief Auditor post was shared and Internal Audit teams continued to work on terms and conditions of their employing authorities and from their existing office locations.

4.2 In contrast there were benefits that arose during the Shared Internal Audit Services pilot, such as:

- Scottish Borders Council's Chief Officer Audit & Risk, in the Shared Chief Auditor role, provides strategic advisory services across both authorities, identifying and sharing intelligence and information on significant areas of risk (e.g. transformation), and supporting the various organisations' Boards / Audit Committees to fulfil their roles (e.g. self-evaluation of Midlothian Council's Audit Committee);
- the opportunity for personal development and learning of those individuals operating in the Principal Internal Auditor role in place of Senior Internal Auditor role in each Council to provide operational management of each local team and the necessary support to the Shared Chief Auditor;
- similarities in how each Internal Audit function delivers its services as the framework and legislation underpinning the Internal Audit function is the same, and there are common service standards through the Public Sector Internal Audit Standards (PSIAS);
- developing common policies and procedures (e.g. audit report styles and terminology, audit reports sign-off);
- sharing of best practice across both Councils (e.g. audit methodology, audit report templates, quality assurance);
- sharing of expertise and a greater pool of knowledge (e.g. use of data matching software);
- provision of an Interim Specialist Auditor from Scottish Borders Council to Midlothian Council, sharing expertise and knowledge to provide Internal Audit services for the Midlothian local authority and the Midlothian integration authority;
- the shared services arrangement was Midlothian Council's response to recommendations by its External Auditor, EY, in their annual report 2016/17. The recommendations noted the importance of Management considering the skills and capabilities required from the Internal Audit function to ensure that its position and standing within the organisation is such that it can provide robust independent challenge to Senior Management. The EY Annual Audit Report 2017/18 commented that the appointment of a shared Chief Internal Auditor between Midlothian Council and Scottish Borders Council enhances this ability.

4.3 In conclusion, the benefits have outweighed the challenges and there are further opportunities set out below for consideration.

4 FURTHER OPPORTUNITIES

4.1 There will be the opportunity to actively explore future options for wider joint working activities and benefits in both the short and longer term across the Councils including:

- joint training (e.g. Fraud Awareness);
- cover provided across specialist areas (e.g. IT Audits / Service Development Initiatives); and
- opportunities for staff to work on joint projects / audits.

5 PROPOSAL ON THE WAY FORWARD

- 5.1 This report highlights the challenges experienced and benefits achieved during the 12-month pilot, plus the further opportunities offered by a joint working arrangement and a reshaped Internal Audit service to enable support challenge and scrutiny and the drive for improvement across Councils.
- 5.2 The proposal is to continue the Shared Internal Audit Services as a permanent arrangement to provide greater certainty and allow for longer term planning of work and teams, recognising that either Council could still decide to opt out/revert back at any time subject to an appropriate period of notice.

6 IMPLICATIONS

6.1 Financial

The financial implications associated with this report are capable of being met from within existing budgets. The impact of available resource will be reflected in Internal Audit plans. The proposal to continue the Shared Internal Audit Services arrangement is expected to continue to have a positive impact on the resourcing of both Councils, assisting to align demand for resource and supply of resource more closely within both organisations thereby improving both capacity building and sustainability.

6.2 Risk and Mitigations

Internal Audit consists of a relatively small team in both organisations which increases the inherent risk around the dependency and reliance on key individuals within each team. In line with PSIAS, Internal Audit should have appropriate standing within the organisation to allow them to provide robust, independent scrutiny and challenge of Management. This report aims to further reduce the risk to each organisation through an effective joint working arrangement, providing management and delivery of Internal Audit services.

6.3 Equalities

The proposal does not have any equalities implications.

6.4 Acting Sustainably

The proposal has the potential to create a more robust and sustainable Internal Audit service in each Council.

6.5 Carbon Management

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

6.6 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.

6.7 Changes to Scheme of Administration or Scheme of Delegation

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

7 CONSULTATION

- 7.1 Midlothian Council’s Corporate Management Team has been consulted for agreement to the continuing arrangement.
- 7.2 Scottish Borders Council’s Corporate Management Team has been consulted for agreement to the continuing arrangement.
- 7.3 The Chief Financial Officer, the Chief Legal Officer, the Service Director HR, and the Clerk to the Council have been consulted on this report and any comments received have been incorporated into the report.

Approved by

Brian Frater

Service Director Regulatory Services

Signature

Author(s)

Name	Designation and Contact Number
Jill Stacey	Chief Officer Audit & Risk Tel: 01835 825036

Background Papers:

Previous Minute Reference: Scottish Borders Council 30 November 2017

Note – You can get this document on tape, in Braille, large print and various computer formats by using the contact details below. Information on other language translations can also be given as well as provision of additional copies.

Contact us at Internal Audit intaudit@scotborders.gov.uk

This page is intentionally left blank

REVIEW OF HERITABLE ASSETS IN FORMER BURGHS OF COLDSTREAM, EYEMOUTH AND MELROSE

Report by Service Director Regulatory Services

SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

1.1 This report is to advise Members of the outcome of the work done to review the heritable property assets held by the Council within the former Burghs of Coldstream, Eyemouth and Melrose to ensure that the correct listing is recorded within the Accounts and Registers of the Council and to recommend actions concerning the creation of a Common Good Funds for Coldstream, Eyemouth and Melrose.

1.2 The Council is required to maintain a Common Good asset register in accordance with Part 8 of the Community Empowerment (Scotland) Act 2015. An extract of the asset registers for the towns of Coldstream, Eyemouth and Melrose are attached and form Appendix 1, 2 and 3, respectively, to this report.

1.3 The Council has undertaken work to review the assets recorded in Coldstream, Eyemouth and Melrose which are currently held within the Council's General Fund. The undernoted assets have been identified as assets which now require to be recorded as Common Good assets:

- Coldstream Museum, Coldstream (CS008/01);
- Home Park, Coldstream (CS012/01);
- Lees Mill, Coldstream (CS012/02);
- Home Park Play Area, Coldstream (CS012/04);
- Lees Mill Play Area, Coldstream (CS012/05);
- Home Park Pavilion Site and Pitch, Coldstream (CS012/06);
- Brownsbank Park, Eyemouth (EY016/01);
- Eyemouth Fort, Eyemouth (EY016/02);
- High Street toilet, Eyemouth (EY017/02); and
- Melrose Town Hall, Abbey Street, Melrose (currently used as Scout Hall) (ML013/02).

The reasoning for the decision regarding the designation of the above assets for Coldstream, Eyemouth and Melrose is shown in Appendix 1, 2 and 3, respectively, to this Report.

1.4 The Council's current Scheme of Administration does not provide for Sub-Committees to administer Common Good Funds for the former Burghs of Coldstream, Eyemouth and Melrose, as at 1996 no assets were identified as being Common Good.

- 1.5 As these are amendments to the existing asset registers, the Chief Financial Officer will require to put in place measures to amend the register and the annual accounts accordingly.

2 RECOMMENDATIONS

2.1 I recommend to the Council that:

- (i) it agrees to establish a Common Good Fund for Coldstream;**
- (ii) it agrees to establish a Common Good Fund for Eyemouth;**
- (iii) it agrees to establish a Common Good Fund for Melrose;**
- (iv) it agrees that a Sub-Committee for Coldstream Common Good be included in the Council's Scheme of Administration;**
- (v) it agrees that a Sub-Committee for Eyemouth Common Good be included in the Council's Scheme of Administration;**
- (vi) it agrees that a Sub-Committee for Melrose Common Good be included in the Council's Scheme of Administration;**
- (vii) it agrees that Coldstream Museum, Home Park (including the play area, pavilion site and pitch) and Lees Mill (and play area) be recorded as assets of the Coldstream Common Good Fund;**
- (viii) it agrees that Brownsbank Park, Eyemouth Fort and the High Street toilet be recorded as assets of the Eyemouth Common Good Fund;**
- (ix) it agrees that Melrose Town Hall be recorded as an asset of the Melrose Common Good Fund; and**
- (x) the Chief Financial Officer amends the Asset Register of the Council accordingly.**

3 BACKGROUND

- 3.1 Following the introduction of the Community Empowerment (Scotland) Act 2015, specifically Part 8, the Council re-examined its current Asset Registers for all Burghs within the Scottish Borders area, including a review of assets in the former Burghs of Coldstream, Eyemouth and Melrose. The titles for all assets held on the Council's balance sheet in respect of Coldstream, Eyemouth and Melrose were identified, located and researched. Additionally the minutes and accounts of the former burgh councils have been examined where questions arose as to the nature of the title of any assets.
- 3.2 Assessments as to the nature of titles in each case have been made with regards to the legal presumptions from case law as to what is common good, such as following the presumption in favour of former burgh property being common good unless there is clear evidence to the contrary.

4 REVIEW OF HERITABLE ASSETS

- 4.1 An extract of the Council Asset Register for the town of Coldstream as at 1 November 2018 is attached and forms Appendix 1 to this report. The research in relation to Coldstream revealed that:
- (a) Coldstream Museum (which was the former HQ of Coldstream Guards) was bequeathed to the Burgh in 1953 to be kept "*in a manner in keeping with the wishes of the testator, and with their historical connection and association with said Regiment*". The Burgh Council minutes show no indication of a statutory purpose for acquisition and accordingly it should be assumed that the property is held for the Common Good;
 - (b) Home Park (including the play area, pavilion site and pitch) was gifted by Earl of Home in 1922 to the Burgh "*as representing the community of the said Burgh*" for use as a public recreation ground. This dedication to public use is evidence that the property forms part of the Common Good;
 - (c) Lees Mill (and play area) was acquired by Burgh in 1933 for the price of £150. Whilst there was no gift or dedication to public use, there was no statutory purpose stated or evidenced and, accordingly, the subsequent use of the property by the Burgh as a public recreation ground is sufficient to imply that the property forms part of the Common Good.
- 4.2 An extract of the Council Asset Register for the town of Eyemouth as at 1 November 2018 is attached and forms Appendix 2 to this report. The research in relation to Eyemouth revealed that
- (a) Brownsbank Park was gifted to the Burgh in 1962 for use as a public park only. It is this dedication to public use that determines that the asset should properly be classified as Common Good.
 - (b) Eyemouth Fort was gifted to the Burgh in 1974 by Mrs Home Robertson "*for the benefit and enjoyment of the people of Eyemouth*". This dedication to public use determines that the asset should properly be classified as Common Good. The access to the Fort was separately conveyed and does not form part of the common good.

- (c) The ground on which the High Street toilet has been constructed was gifted to the Burgh in 1971, with no purpose of acquisition stated. With no purpose clear from either the title deeds or the Burgh Council Minutes, it should be assumed that the property is owned by the Common Good.
- 4.3 An extract of the Council Asset Register for the town of Melrose as at 1 November 2018 is attached and forms Appendix 3 to this report. The research in relation to Melrose revealed that Melrose Town Hall (the subjects on Abbey Street currently known as the Scout Hall) was gifted to the Burgh of Melrose in 1896. The title deeds contain a typical common good dedication, stating that the subjects were to be used *"for the public uses thereof in all time coming...for behoof of the whole body and Community of said Burgh"*. Melrose Town Hall should therefore be classified as a common good asset.
- 4.4 The Council's current Scheme of Administration does not provide for Sub-Committees to administer Common Good Funds for the former Burghs of Coldstream, Eyemouth and Melrose, as at 1996 no assets were identified as being Common Good. Accordingly, this report is recommending that Common Good Funds and Sub-Committees of Council for the Burghs of Coldstream, Eyemouth and Melrose be established to administer the said common good assets.
- 4.5 The Net Book Value in the Council's accounts for:
- (a) Coldstream Museum, Coldstream was £225,111, as at 31 March 2018;
 - (b) Home Park (including the play area, pavilion site and pitch), Coldstream was £0.00, as at 31 March 2018;
 - (c) Lees Mill (and play area), Coldstream was £0.00, as at 31 March 2018;
 - (d) Brownsbank Park, Eyemouth was £0.00, as at 31 March 2018;
 - (e) Eyemouth Fort, Eyemouth was £0.00, as at 31 March 2018;
 - (f) High Street toilet, Eyemouth was £47,788, as at 31 March 2018; and
 - (g) Melrose Town Hall, Melrose was £34, 812, as at 31 March 2018. Melrose Town Hall has been leased formally by the Scouts since 2006 and currently generates an annual income of £250. To date the Council has been responsible for all expenditure relating to the property.

5 IMPLICATIONS

5.1 Financial

The assets of the Coldstream, Eyemouth and Melrose Common Good Funds will be properly accounted in the 2018 statutory accounts and the necessary adjustments to the Asset Registers and revenue budget will be actioned by the Chief Financial Officer.

5.2 Risk and Mitigations

- (a) The Council's primary aim with regard to this review is to have asset registers which accurately reflect the ownership of property. If the Council fails to amend the asset registers to take account of the findings of the research it will be in breach of the accounts rules and its obligations under Part 8 of the Community Empowerment (Scotland) Act 2015 which may result in the Council being subject to adverse public comments and legal challenge. The risk is mitigated by considering this report and the necessary changes to the Asset registers being carried out.
- (b) If the Council does not form Sub-Committees for the towns of Coldstream, Eyemouth and Melrose it may be seen to be acting less favourably to those communities as the Executive Committee would be responsible for these Common Good Funds. This risk is eliminated by the creation of Sub-Committees in similar terms to those already in the Scheme of Administration.

5.3 Acting Sustainably

There are no economic, social or environmental effects in accepting or rejecting the recommendation

5.4 Carbon Management

There are no effects on carbon emissions in accepting or rejecting the recommendation.

5.5 Rural Proofing

This is not a policy matter.

5.6 Changes to Scheme of Administration or Scheme of Delegation

The Council Scheme of Administration requires to be amended by the setting up of a Coldstream Common Good Sub-Committee, an Eyemouth Common Good Sub-Committee and a Melrose Common Good Sub-Committee.

6 CONSULTATION

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

Approved by

Brian Frater
Director of Regulatory Services

Signature

Author(s)

Hannah MacLeod	Principal Solicitor, 01835 825216
Brian Frater	Service Director Regulatory Services

Background Papers: Nil

Previous Minute Reference: Nil

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

Contact us at Hannah MacLeod, Principal Solicitor, Council Headquarters, Newtown St Boswells , 01835 825216 T or email hannah.macleod@scotborders.gov.uk

Appendix 1 – Asset Register for Coldstream

UPRN	Asset Name	Asset Type	Asset Usage	No	Street	Town	PostCode	District	Dept	Usage	Legal	CG?	Title	Deeds		
CS003/01	Coldstream Primary School Community Wing	Cultural Facility	Community Wing		Home Place	Coldstream	TD12 4DT	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	as below		
CS003/02	Coldstream Primary School	Schools	Primary School		Home Place	Coldstream	TD12 4DT	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	Land acquired for building of new school in 1949 by Berwick County Council.	Disp by Duke of Buccleuch ifo Berwick County Council rc GRS 31.8.1949	99
CS003/03	Coldstream Nursery School	Schools	Nursery School		Home Place	Coldstream	TD12 4DT	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	as above		
CS004/01	Unit 1 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	Former Primary School occupied without title. Title therefore acquired by BRC in 1986.	Disp by Douglas and Angus Estates ifo BRC rec GRS 30.7.1986	99
CS004/02	Unit 2 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS004/03	Unit 3 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS004/04	Unit 4 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS004/05	Unit 5 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS004/06	Unit 6 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS004/07	Unit 7 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS004/08	Unit 8 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS004/09	Unit 9 Coldstream Workshops	Industrial	Industrial Unit		Home Place	Coldstream	TD12 4DT	BER	PED	Building	Non-Operational - Investment Properties	F/P	no	as above		
CS005/01	Court Place Car Park	Public Car Park	Car Park		Court House Place	Coldstream	TD12 4AR	BER	TS	Land	Operational - Infrastructure	F/P	no	Sold to Burgh for £1 because building in ruinous state and Council to arrange for demolition.	Disp by Douglas and Angus Estates ifo Burgh rec GRS 2.4.1969	276
CS005/02	Guards Road Lorry Park	Public Car Park	Car Park		Guards Road	Coldstream	TD23 4AJ	BER	TS	Land	Operational - Infrastructure	F/P	no	as below, Hillview Ind estate		
CS005/03	Henderson Park Car Park	Public Car Park	Car Park		High Street	Coldstream	TD12 4AG	BER	TS	Land	Operational - Infrastructure	F/P	no	Purchased from John Rutherford & Sons in 1962 for £500. No purpose stated. Minutes of 30.1.1962 state extension to existing park desired, through acquisition of lock-up garages adjacent to park. Stat purpose creation of public park - BPS Act 1892	Disp by Grainger and Percy BS ifo Burgh rec GRS 25.5.1962	276
CS005/04	The Square Car Park	Public Car Park	Car Park		Market Square	Coldstream	TD12 4BG	BER	TS	Land	Operational - Infrastructure	F/P	no	no deeds. Adopted road.		

CS007/01	Unit 1 Block A Hillview Industrial Estate	Industrial	Industrial Unit		Hillview Industrial Estate	Coldstream	TD12 4EE	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	Acquired for £15,186 in 1972. No purpose stated in deed. Minutes state that 10.16 acres to be acquired for industry and 8.04 acres for housing, from part of Coldstream Mains Farm.	Disp by Trs under Deed of Settlement bween Sir Ilay M Campbell and ors ifo Burgh rec GRS 19.1.1972	box 13
CS007/02	Unit 2 Block A & Yard Hillview Industrial Estate	Industrial	Industrial Unit		Hillview Industrial Estate	Coldstream	TD12 4EE	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS007/03	Unit 1 Block B Hillview Industrial Estate	Industrial	Industrial Unit		Hillview Industrial Estate	Coldstream	TD12 4EE	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS007/04	Unit 2 Block B Hillview Industrial Estate	Industrial	Industrial Unit		Hillview Industrial Estate	Coldstream	TD12 4EE	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
CS007/05	Hillview Depot	Depot	Depot		Hillview Estate	Coldstream	TD12 4EE	BER	TS	Building	Operational - Other Land and Buildings	F/P	no	as above		
CS007/06	Coldstream Industrial Estate Telecommunications Site	Commercial	Radio/Mast Sites		Hillview Estate	Coldstream	TD12 4EE	BER	PED	Land	Non-Operational - Investment Properties	F/T	no	as above		
Page 66																
CS008/01	Coldstream Museum (Live Borders)	Cultural Facility	Museum		Market Square	Coldstream	TD12 4BD	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	yes	Former HQ of Coldstream Guards, bequeathed by A T Elliot to Col of Regiment who said proper body to take title would be Burgh, to maintain and keep 'in a manner in keeping with the wishes of the testator, and with their historical connection and association with said Regiment'. Minutes of 20.6.1952 state simply that the property is to be gifted to the Town Council by the Coldstreamers Assoc. and that the TC is to accept - no indication found of a statutory purpose at time of acceptance (eg museum).	Disp by Trs of Andrew Trotter Elliot ifo Burgh rec GRS 25.7.1953	Duns box - misc titles
CS009/01	Court House Car Park Toilet	Public Conveniences	Toilet		Court House Place	Coldstream	TD12 4AR	BER	TS	Building	Operational - Other Land and Buildings	F/P	no	as Court Place car park above		
CS010/01	Coldstream Library	Cultural Facility	Library	73	High Street	Coldstream	TD12 4AE	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	Former Mechanics institute. Purchased by Police Commissioners of Burgh in terms of The General Police and Improvement (Scotland) Act 1862.	Disp by Trs for the Mechanics Inst ifo Commissioners of Police for Burgh of Coldstream rec GRS 15.12.1884	

CS010/02	Roger Hall	Cultural Facility	Hall		Victoria Street	Coldstream	TD12 4AD	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	Acquired by Burgh in 1953 from Church for £1200. No purpose stated in deed. Minutes of 20.5.1952 - Town Council agreed to purchase Roger Hall and Congregational board agreed to sell, with no conditions attached. 9.5.50 - TC desired to purchase as thought that additional town hall accommodation necessary as existing town hall used 4 nights a week as a cinema, potential for conversion to Community Centre. Therefore statutory purpose of use for public halls and office (Burgh Police (Sc) Act 1892)	Disp by Trs for St Cuthbert's Church of Scotland ifo Burgh rec GRS 29.1.1953	101 Duns
CS010/03	Gateway Centre	Cultural Facility	Centre	73	High Street	Coldstream	TD12 4AE	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	Town hall acq in 1896 in terms of Burgh Police (Scotland) Act 1892	Feu Disp by John Fair ifo Burgh rec GRS 1.12.1896	
CS010/05	Gateway Centre Registrar	Corporate Office	Office (SBC)		High Street	Coldstream	TD12 4AE	BER	RES	Building	Operational - Other Land and Buildings	F/P	no	as above		
CS011/01	Coldstream Cemetery	Cemetery	Cemetery		Lennel Road	Coldstream	TD12 4AX	BER	TS	Land	Operational - Community Asset	F/P	no	All additional areas of burial ground acquired to extend churchyard. Cemetery lies outwith Burgh boundary.	Disp by Major Walter Waring to Heritors of Parish rec GRS 21.8.1916 and Disp by Earl of Haddington ifo Heritors of Parish rec GRS 8.7.1878. And Turning space - Disp by Lennel Estates ifo Burgh and Berwick CC rec GRS 27.10.1950	120 Duns
CS012/01	Home Park	Parks & Open Spaces	Park			Coldstream	TD12 4DT	BER	TS	Land	Operational - Community Asset	F/T	yes	Gifted by Earl of Home in 1922 to the Burgh 'as representing the community of the said Burgh' for the purposes of a Recreation Ground only.	Disp by The Earl of Home ifo Burgh rec GRS 15.6.1922. Access by Disp by Elizabeth Marshall ifo Burgh rec GRS 24.6.1921	63 Duns
CS012/02	Lees Mill	Parks & Open Spaces	Park			Coldstream	TD12 4AS	BER	TS	Land	Operational - Community Asset	F/P	yes	Acquired by Burgh in 1933 for price of £150 from Percy William Rampton (who purchased from Marjoribanks estate). No purpose stated. Minutes from 1930s not found.	Disp by Trs of Sir George John Marjoribanks ifo Burgh rec GRS 29.5.1933	62 Duns

CS012/03	Henderson Park	Parks & Open Spaces	Park		High Street	Coldstream	TD12 4AJ	BER	TS	Land	Operational - Community Asset	F/P	no	Acquired by Burgh for £400 from former tennis courts of doctor. Purpose not stated in deed though presumably was for creation of park. Minutes of 13.9.1960 state desire to create small public park or garden, and asked Dr H to sell. Statutory purpose of creation of public park - BPS Act 1892	Disp by Dr Francis Henderson ifo Burgh rec GRS 30.3.1961	111 Duns
CS012/04	Home Park Play Area	Parks & Open Spaces	Play Area			Coldstream	TD12 4DT	BER	TS	Land	Operational - Community Asset		yes	as Home Park above		
CS012/05	Lees Mill Play Area	Parks & Open Spaces	Play Area			Coldstream	TD12 4AS	BER	TS	Land	Operational - Community Asset	F/P	yes	as Lees Mill above		
CS012/06	Home Park Pavilion Site & Pitch	Parks & Open Spaces	Park			Coldstream	TD12 4DT	BER	TS	Land	Operational - Community Asset	F/T	yes	as Home Park above		
CS013/01	Coldstream War Memorial	Monuments & Memorials	War Memorial		High Street	Coldstream	TD12 4AP	BER	TS	Monument	Operational - Community Asset	F/P	no	Acquired for £100 in 1921, for purpose of creating war memorial and new access to Home Park.	Disp by Elizabeth Marshall ifo Burgh rec GRS 24.6.1921	63 Duns
CS014/01	Tweedgreen Site	Parks & Open Spaces	Park		Abbey Road	Coldstream	TD12 4BB	BER	PED	Land	Operational - Community Asset	F/P	no	gifted to District Council in 1981	Disp by Douglas and Angus Estates ifo Berwickshire DC rec GRS 23.11.1981	24A Duns box
CS015/01	Coldstream Business Park	Commercial	Offices		Lennel Road	Coldstream		BER	TS	Building			no	The property was compulsorily purchased by the Scottish Borders Council in 2011 with title being registered in 2013	BER6979	

Appendix 2 – Asset Register for Eyemouth

	Asset Name	Asset Type	Asset Usage	No	Street	Town	PostCode	District	Dept	Usage	CIPFA	Legal	CG?		title	Title location	
Page 69	EY001/01	Former Eyemouth High School	For Sale		Coldingham Road	Eyemouth	TD14 5BY	BER	E&LL	Building	Non-Operational - Surplus Assets held for disposal	F/P	no	Acquired in 6 parts, 1921, 1930, 1945, 1963, 1963 and 1982. Not in ownership of Burgh	1. Disp by Miss Helen Home of Wedderburn ifo The Education Authority of The County of Berwick rec GRS 23.5.1921. 2. Disp by Mrs Margaret D C Gray and David Gray ifo The Ed Auth of the County of Berwick rec GRS 31.5.1930. 3. Trs of late David Gray and Mrs Gray ifo County Council of Berwick rec GRS 20.1.1946. 4. Disp by James and Robert Wood ifo Berwick CC rec GRS 15.1.1964. 5. Disp by Edward Gardiner & Sons Ltd ifo Berwick CC rec GRS 27.2.1964. 6. Contract of Excambion between BRC and Berwickshire DC rec GRS 15.1.1964		
	EY001/02	Eyemouth Primary School	Schools		Coldingham Road	Eyemouth	TD14 5BY	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	as above			
	EY001/03	Eyemouth Nursery School	Schools		Coldingham Road	Eyemouth	TD14 5AN	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	as above			
	EY001/04	Eyemouth Family Support Centre	Day Centre	Day Centre		Coldingham Road	Eyemouth	TD14 5AN	BER	SW	Building	Operational - Other Land and Buildings	F/P	no	as above		
	EY001/05	Sub Station Site	Commercial	Site			Eyemouth	TD14 5BZ	BER	E&LL	Land	Non-Operational - Investment Properties	F/T	no	as above		

EY001/06	Eyemouth High School - Container Site	Commercial	Site		Coldingham Road	Eyemouth	TD14 5BY	BER	E&LL	Land	Non-Operational - Investment Properties	F/T	no	as above		
EY001/07	Eyemouth High School - Container Site	Commercial	Site		Coldingham Road	Eyemouth	TD14 5BY	BER	E&LL	Land	Non-Operational - Investment Properties	F/P	no	as above		
EY001/08	Eyemouth High School - PPP	Schools	Secondary School PPP		Gunsgreenhill	Eyemouth	TD14 5LZ	BER	E&LL	Land	Non-Operational - Investment Properties	F/P	no	Acquired by stat conveyance in 1993, as below. Additional strip of land acquired in 1996 by stat conv.	see below. Plus Stat Conv by Wm W M Inglis ifo BRC rec GRS 8.3.96	
EY001/09	Eyemouth Contact Centre	Corporate Office	Office		Old Eyemouth High School, Coldingham Road	Eyemouth	TD14 5AN	BER	E&LL	Building		F/P	no	as per EY001/01 Fomer Eyemouth High School		
EY003/01	Unit 1 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/P	no	CPO dated 16.5.1979 and Disp ifo BRC rec GRS 26.8.1981	have not seen deed	supposed to be at BRC 435.
EY003/02	Unit 2 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/03	Unit 3 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/04	Unit 4 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/05	Unit 5 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/06	Unit 6 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/07	Unit 7 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/08	Unit 8 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/09	Unit 9 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/10	Unit 10 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/11	Unit 11 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/12	Unit 12 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/13	Unit 14 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/14	Unit 15 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/15	Unit 16 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/16	Unit 17 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/17	Unit 18 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/18	Unit 19 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/19	Unit 20 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/P	no	as above		

EY003/20	Unit 21 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/P	no	as above		
EY003/21	Unit 22 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/22	Unit 23 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/23	Unit 24 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/24	Unit 25 Meeks Yard	Industrial	Store		Harbour Road	Eyemouth	TD14 5JB	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY003/25	Unit 2 Dicksons Yard	Industrial	Industrial Unit		Harbour Road	Eyemouth	TD14 5HY	BER	PED	Building	Non-Operational - Investment Properties	F/P	no	as above		
EY003/26	Unit 3 Dicksons Yard	Industrial	Industrial Unit		Harbour Road	Eyemouth	TD14 5HY	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY004/03	Unit 3 (Ph 1) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/P	no	as above		
EY004/04	Unit 4 (Ph 1) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY004/05	Unit 5 (Ph 1) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY004/06	Unit 1 (Ph 2) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		D114
EY004/07	Unit 2 (Ph 2) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY004/08	Unit 3 (Ph 2) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY004/09	Unit 4 (Ph 2) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY004/10	Unit 1 (Ph 3) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/P	no	as above		BRC 435
EY004/11	Unit 2 (Ph 3) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/P	no	as above		
EY004/12	Unit 3 (Ph 3) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY004/13	Unit 4 (Ph 3) Acredale Industrial Estate	Industrial	Industrial Unit		Acredale Industrial Estate	Eyemouth	TD14 5LQ	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	as above		
EY004/14	Site 1 Acredale Industrial Estate	Commercial	Development Site		Acredale Industrial Estate	Eyemouth	TD14 5QL	BER	PED	Land	Non-Operational - Investment Properties	F/P	no	as above		
EY006/01	Manse Road Sub Station Site	Commercial	Site		Manse Road	Eyemouth	TD14 5JE	BER	TS	Land	Non-Operational - Investment Properties	F/P	no			

EY007/01	Eyemouth Community Centre (Live Borders)	Cultural Facility	Community Centre	17	Albert Road	Eyemouth	TD14 5DE	BER	E&LL	Building	Operational - Other Land and Buildings	F/T	no	Acquired by School Board in 1875 and 1879	Feu Charter by Jean Milne Home ifo School Board of Parish of Eyemouth rec GRS 31.12.1875. Feu Charter by David Milne Home Esq ifo Eyemouth School Board rec GRS 7.2.1879	BRC430 and 93
EY007/03	Eyemouth Registrars Office	Corporate Office	Office (SBC)	17	Albert Road	Eyemouth	TD14 5DB	BER	RES	Building	Operational - Other Land and Buildings	F/P	no	as above		
EY009/01	Gunsgreenhill Car Park	Public Car Park	Car Park		Gunsgreenhill	Eyemouth	TD14 5DY	BER	TS	Land	Operational - Infrastructure	F/P	no	Acquired in 1966, see Golf course.		
EY009/02	Harbour Road Car Park	Public Car Park	Car Park		Harbour Road	Eyemouth	TD14 5HZ	BER	TS	Land	Operational - Infrastructure	F/P	no	Acquired by BRC in 1980	Disp by John Burgon & Sons Ltd ifo BRC rec GRS 11.11.80	BRC 435
EY009/03	High Street Car Park	Public Car Park	Car Park		High Street	Eyemouth	TD14 5EU	BER	TS	Land	Operational - Infrastructure	F/P	no	Acquired by BRC by stat conveyance in 1994	Stat conveyance by Walter Willson Ltd ifo BRC rec GRS 24.8.1994	
Page 72																
EY009/04	Old Station Yard Car Park	Public Car Park	Car Park		Victoria Road	Eyemouth	TD14 5JB	BER	TS	Land	Operational - Infrastructure	F/P	no	Acquired by Burgh from British Railways Board in 1966. No purpose stated. Later disposed by Berwickshire DC to BRC, 1978 for road improvements	Disp by British Railways Board ifo Burgh rec GRS 12.2.1966. Disp by Berwickshire DC ifo BRC recv GRS 17.8.1978	
EY009/05	Seafront Car Park	Public Car Park	Car Park		West High Street	Eyemouth	TD14 5NL	BER	TS	Land	Operational - Infrastructure	F/P	no	Part of car park is former gas works - acq in 1958, no purpose stated. Part acq in 1960 - again no purpose stated. Poss third area acq in 1985 by BRC - draft deed only with titles. Minutes of 29.7.1957 state desire to acquire for creation of car park.	Disp by Scottish gas Board ifo Burgh rec GRS 14.4.1958. Disp by Jean Jackson ifo Burgh rec GRS 17.5.1960. Poss Disp by Alastair and Glynis Rennie ifo BRC 1985	
EY010/01	Gunsgreenhill Development Site	Commercial	Development Site		Gunsgreenhill	Eyemouth	TD14 5SF	BER	PED	Land	Non-Operational - Investment Properties	F/P	no	Part of land acquired by stat conveyance to BRC in 1993	Stat Conveyance by Jean and Wm Glen ifo BRC rec GRS 12.7.1993	

EY010/02	Eyemouth Golf Course, Clubhouse & Whitehouse	Miscellaneous	Golf Course		Gunsgreenhill	Eyemouth	TD14 5SF	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	Part from exrs of James hewat Sanderson in 1966, part in 1971. No purpose stated. Minutes 30.5.66 state desire to CPO for purposes of recreation. Remainder acq by stat conveyance in 1993.	exrs of James hewat Sanderson ifo Burgh rec GRS 16.1.1967. see EY016/03 below	BOX 7
EY010/03	Former Ostrich Shed	Industrial	Industrial Unit		Gunsgreenhill	Eyemouth	TD14 5SF	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	see dev site, above		
EY010/04	Former Potato Shed	Industrial	Industrial Unit		Gunsgreenhill	Eyemouth	TD14 5SF	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	see dev site, above		
EY010/05	Gunsgreenhill Woodlands	Parks & Open Spaces	Woodland		Gunsgreenhill	Eyemouth	TD14 5SF	BER	PED	Land	Operational - Community Asset	F/P	no	see dev site, above		
EY010/07	Land at Gunsgreenhill Grazing (Cropping)	Agricultural	Agricultural		Gunsgreenhill	Eyemouth	TD14 5SF	BER	PED	Land	Non-Operational - Investment Properties	F/T	no	see dev site, above		
EY010/08	Gunsgreen House	Commercial	Centre		Gunsgreenhill	Eyemouth	TD14 5DY	BER	PED	Building	Non-Operational - Investment Properties	F/T	no	Acquired in 1966, see above		
EY010/09	Recreational Ground	Community Facility	Sports Ground		Gunsgreenhill	Eyemouth	TD14 5DS	BER	PED	Land	Non-Operational - Investment Properties	F/T	no	see dev site, above		
EY010/10	Eyemouth United Football Pitch	Commercial	Sports Ground		Gunsgreenhill	Eyemouth	TD14 5DX	BER	PED	Land	Non-Operational - Investment Properties	F/T	no	see dev site, above		
EY010/11	Proposed Marine Centre Site	Commercial	Site		Gunsgreenhill	Eyemouth	TD14 5DX	BER	PED	Land	Non-Operational - Investment Properties	F/P	no	see dev site, above		
EY010/12	Eyemouth Civic Amenity Site	Waste Disposal	Community Recycling Centre		Gunsgreenhill	Eyemouth	TD14 5SF	BER	TS	Building	Operational - Other Land and Buildings	F/P	no	see dev site, above		
EY010/13	Gunsgreenhill Grazing (Cropping)	Agricultural	Agricultural		Gunsgreenhill	Eyemouth	TD14 5SF	BER	PED	Land	Non-Operational - Investment Properties	F/P	no	see dev site, above		
EY010/14	Gunsgreenhill Sub Station Site	Commercial	Site		Gunsgreenhill	Eyemouth	TD14 5SF	BER	PED	Land	Non-Operational - Investment Properties	F/T	no	see dev site, above		BRC 436
EY010/15	Gunsgreenhill Allotments	Allotment	Allotments		Gunsgreenhill	Eyemouth		BER	E&LL	Land	Non-Operational - Investment Properties	F/T	no	see dev site, above		
EY011/01	Eyemouth Library (Live Borders)	Cultural Facility	Library		Manse Road	Eyemouth	TD14 5JE	BER	E&LL	Building	Operational - Other Land and Buildings	F/P	no	Acquired by CPO in 1971	General Vesting Declaration rec GRS 1.11.1971	
EY011/02	Saltgreens Residential Home for the Elderly (SB Cares)	Elderly Persons Home	Residential Home for the Elderly		Manse Road	Eyemouth	TD14 5HF	BER	SW	Building	Operational - Other Land and Buildings	F/P	no	Acquired by Berwick CC in 1973 and then by CPO in 1985	General Vesting Declaration in respect of 16-19 Chapel Street rec GRS 6.5.1985. And no 22 Chapel St - Disp by George Collin Scott ifo Berwick CC rec GRS 6.7.1973	BRC 432

EY013/01	Old Eyemouth Contact Centre	Surplus	Office (SBC)	2	Church Street	Eyemouth	TD14 5DH	BER	RES	Building	Non-Operational - Surplus Assets held for disposal	F/P	no	Burgh Chambers acq 1975 (the day before abolition of Burghs!) for £2750. Already used for this purpose at this time. No common good declaration. Presume acquired for stat purposes. Minutes of 28.6.1971 state necessary to acquire bank building for use as Burgh Chambers.	Disp by James Campbell as trustee ifo Burgh rec GRS 15.5.1975	D109
EY014/01	Eyemouth Town Hall	Surplus	Hall		Church Street	Eyemouth	TD14 5DH	BER	E&LL	Building	Non-Operational - Surplus Assets held for disposal	F/P	no	Town Hall purchased by Burgh in 1955 for £1400. No declaration or purpose stated in deed. Minutes of 11.3.1955 state to be used as Town Hall. Minutes of 27.12.1954 state desirable to bring hall into public ownership.	Disp by Trs for Shareholders of Public Hall ifo Burgh rec GRS 21.7.1955	D109
Page 74 EY016/01	Brownsbank Park	Parks & Open Spaces	Park		Brownsbank	Eyemouth	TD14 5DJ	BER	TS	Land	Operational - Community Asset	F/P	yes	No common good declaration but gifted to Burgh for use as public park only. Poss common good therefore.	Disp by Alexander Rhind ifo Burgh rec GRS 12.5.1962	D65
EY016/02	Eyemouth Fort	Monuments & Memorials	Monument			Eyemouth	TD14 5BB	BER	TS	Land	Operational - Community Asset	F/P	yes	Gifted by Mrs Home Robertson 'for the benefit and enjoyment of the people of Eyemouth'. Access separately conveyed and does not form common good.	Disp by Mrs Helen Margatret Home Robertson ifo Burgh rec GRS 837.1974. Access: Disp by Mrs Home ifo Berwickshire DC rec GRS 23.8.1979	D66
EY016/03	Gungreen Park	Parks & Open Spaces	Park			Eyemouth	TD14 5DY	BER	TS	Land	Operational - Community Asset	F/P	no	Purchased by Burgh for £7000. Area purchased is area referred to in Compulsory Purchase Order 1968, in terms of Physical Training and recreation Act 1937, albeit this is not referred to in deed itself.	Disp by Trs of James Hewat Sanderson ifo Burgh rec GRS 23.3.1971	D67

EY016/04	Seafield Tennis Court	Community Facility	Tennis Courts	Coldingham Road	Eyemouth	TD14 5AH	BER	TS	Land		F/T	no	Land initially acquired by burgh in 1923 under Housing (Scotland) Acts and then conveyed to Burgh in terms of Public Parks (Scotland) Act 1878	Feu Charter by Burgh ifo Burgh rec GRS 13.8.1927	D68
EY016/05	High Street Park	Parks & Open Spaces	Play Area		Eyemouth	TD14 5EU	BER	TS	Land	Operational - Community Asset	F/P	no	Acquired by Burgh in 1975 in terms of Crown Estate Act 1961	Feu Disp by Crown Estate Commissioners ifo Burgh rec GRS 5.5.1975	709
EY016/06	Eyemouth Football Pavilion	Community Facility	Pavilion	Gungreenhill	Eyemouth	TD14 5SF	BER	TS	Building	Non-Operational - Investment Properties	F/T	no	see EY016/03 above		
EY016/08	Gungreenhill Football Pitch	Community Facility	Sports Ground	Gungreenhill	Eyemouth	TD14 5DX	BER	TS	Land	Non-Operational - Investment Properties	F/P	no	see EY016/03 above		
EY016/09	Gungreen Play Area	Parks & Open Spaces	Play Area	Gungreenhill	Eyemouth	TD14 5DX	BER	TS	Land	Operational - Community Asset	F/P	no	see EY016/03 above		
EY016/10	Stebbing's Rise Play Area	Parks & Open Spaces	Play Area	Stebbing's Rise	Eyemouth	TD14 5LL	BER	TS	Land	Operational - Community Asset	F/P	no	see EY010/03, above		
EY016/11	Stebbing's Basketball Court	Sports & Leisure	Playing Field	Stebbing's Rise	Eyemouth	TD14 5LL	BER	TS	Land	Operational - Community Asset	F/P	no	see EY010/03, above		
Page 75 EY017/01	Harbour Road Toilet	Public Conveniences	Toilet	Harbour Road	Eyemouth	TD14 5HT	BER	TS	Building	Operational - Other Land and Buildings	F/P	no	Acquired for purposes of building public convenience	Disp by Borders RC ifo Berwickshire DC rec GRS28.8.1989	
EY017/02	High Street Toilet	Public Conveniences	Toilet	High Street	Eyemouth	TD14 5EU	BER	TS	Building	Operational - Other Land and Buildings	F/P	yes, land only	No purpose stated. Conveyed to Burgh for certain good and onerous causes.	Disp by CC Cooper and Mrs E Cooper ifo Burgh rec GRS 9.6.1971	D83
EY018/01	Eyemouth Swimming Pool (Live Borders)	Community Facility	Swimming Pool		Eyemouth	TD14 5ES	BER	E&LL	Building	Non-Operational - Investment Properties	F/T	no	Land acquired in four parts, all for value. No purpose stated, no cg declaration. Minutes of 19.11.1974 state purpose is for building pool and if offer to acquire is refused, CPO to be used.	1. Disp by James Wood ifo Burgh rec GRS 11.1.1964. 2. Disp by James Wood ifo Burgh rec GRS 28.1.1975. 3. Disp by Mrs Helen Home ifo Burgh rec GRS 21.3.1975. 4. Disp by John Windram ifo Berwickshire DC rec GRS 15.7.1975	D55
EY020/01	Eyemouth Protective Services Depot	Depot	Depot	Coldingham Road	Eyemouth	TD14 5AN	BER	TS	Building	Operational - Other Land and Buildings	F/P	no	Part of Eyemouth Industrial Estate, acquired by Berwick CC	. Disp by Andrew Blackie ifo C Council rec GRS 4.11.64	

EY021/01	Eyemouth War Memorial	Monuments & Memorials	War Memorial		High Street	Eyemouth	TD14 5EZ	BER	TS	Monument	Operational - Community Asset	F/P	no	Acquired for £280 for purposes of building 'public vehicle shelter'.	Disp by Mrs Elizabeth J Black ifo Burgh rec GRS 2.2.1967	D70
EY022/01	Eyemouth Cemetery (Old)	Cemetery	Cemetery		Coldingham Road	Eyemouth	TD14 5AN	BER	TS	Land	Operational - Community Asset	F/P	no	Purchased by Parochial Board in terms of Burial Grounds (Scotland) Act 1855 and Land Clauses Scotland Consolidation Acts	Disp by Col David Milne Home ifo Parochial Board of Parish of Eyemouth	D123
EY022/02	Eyemouth Cemetery (New)	Cemetery	Cemetery		Coldingham Road	Eyemouth	TD14 5AN	BER	TS	Land	Operational - Community Asset	F/P	no	Additional areas purchased by Burgh in terms of Burial Grounds (Scotland) Act 1855 in 1939 and 1948	Disp by Mrs MD Gray and David Gray ifo Burgh rec GRS 18.5.1939. Contract of Excambion between James Wood & Sons and Burgh rec GRS 1.3.1948	D123

Appendix 3 – Asset Register for Melrose

UPRN	Asset Name	Asset Type	Asset Usage	No	Street	Town	PostCode	District	Dept	Usage	CIPFA	Legal	CG ?	Title
ML002/01	Priorwood Car Park	Public Car Park	Car Park		High Road	Melrose	TD6 9EF	E&L	TS	Land	Operational - Infrastructure	F/P	no	Northernmost part of Priorwood Policies acquired by Roxburgh County Council in 1973
ML002/02	East Port Car Park	Public Car Park	Car Park		East Port	Melrose	TD6 9EE	E&L	TS	Land	Operational - Infrastructure	F/P	no	Southernmost part of Priorwood Policies, as above. Retained for car parking following sale of middle part for housing in 1978.
ML002/04	St Dunstons Park Car Park	Public Car Park	Car Park		St Dunstons Park	Melrose	TD6 9LF	E&L	TS	Land	Operational - Infrastructure	F/P	no	Acquired by CPO in 1969 by Roxburgh County Council for purpose of road improvement and creation of car park.
ML003/02	St Marys Stone Depot	Depot	Stone Depot		St Marys Road	Melrose	TD6 9LJ	E&L	TS	Land	Operational - Other Land and Buildings	F/P	no	Acquired by Burgh in 1902 for purpose of use as a stone depot - deed contains real burden restricting use of subjects to that of stone depot.
ML005/01	Garage at Education Centre	Cultural Facility	Garage		Huntly Road	Melrose	TD6 9SB	E&L	E&L	Building	Operational - Other Land and Buildings	F/P	no	PART OF ML005/02 below
Page 77														
ML005/02	Melrose Grammar School	Schools	Primary School		Huntly Road	Melrose	TD6 9SB	E&L	E&L	Building	Operational - Other Land and Buildings	F/P	no	School acquired by School Board in 1875. Extension of 1.273 acres acq by RCC in 1943, and further extension of 0.14 acres acquired by Burgh in 1972, in terms of the Housing (Scotland) Acts 1950 to 1967.
ML005/03	Melrose Grammar School Former Bike Shed	Commercial	Clubrooms		Huntly Road	Melrose	TD6 9SB	E&L	E&L	Building	Non-Operational - Investment Properties	F/T	no	part of ML005/02 above. Leased to Melrose FC.
ML005/04	Melrose Nursery School	Schools	Nursery School		Huntly Road	Melrose	TD6 9SB	E&L	E&L	Building	Operational - Other Land and Buildings	F/P	no	part of ML005/02 above.
ML005/05	School Extension Site (Former Schoolhouse)	Miscellaneous	Site		Huntly Road	Melrose	TD6 9SB	E&L	E&L	Land	Operational - Other Land and Buildings	F/P	no	Acquired in 1943 for purposes of extending school, by building new cooking centre.
ML006/02	Melrose Library (Live Borders)	Cultural Facility	Library	18	Market Square	Melrose	TD6 9PN	E&L	E&L	Building	Operational - Other Land and Buildings	F/P	no	Never owned by Burgh. Acquired by RCC in terms of Education (Scotland) Acts
ML009/02	Weirhill Cemetery	Cemetery	Cemetery		Huntly Road	Melrose	TD6 9SB	E&L	TS	Land	Operational - Community Asset	F/P	no	Acquired by Parochial Board of Parish of Melrose 1860 in terms of Burial Grounds (Scotland) Act 1855
ML009/03	Wairds of Melrose Cemetery	Cemetery	Cemetery			Melrose	TD6 9QS	E&L	TS	Land	Operational - Community Asset	F/P	no	Acquired by Parish Council in 1900 in terms of Burial Grounds (Scotland) Act 1855
ML009/04	Abbey Street Cemetery	Cemetery	Cemetery		Abbey Street	Melrose		E&L	TS	Land	Operational - Community	F/P		

										Asset					
ML010/01	Abbey Street Toilet	Public Conveniences	Toilet		Abbey Street	Melrose	TD6 9PX	E&L	TS	Building	Operational - Other Land and Buildings	F/P	no	Purchased by Burgh in 1950. No purpose stated. Minutes of 1.2.1949 state that Mrs Currie, owner of Priorwood Gardens sold the land for use as public conveniences for £20.	Disp by Gwyneth Hackett or Currie ifo Burgh rec GRS 31.5.1950
ML013/02	Melrose Town Hall	Community Facility	Hall		Hamilton Place	Melrose	TD6 9PZ	E&L	E&L	Building	Non-Operational - Investment Properties	F/T	yes	Gifted to Burgh in 1896 "for the public uses thereof in all time coming"... "for behoof of the whole body and Community of said Burgh". For use either as Town Hall or for such other public purpose as may be agreed upon by Burgh Commissioners in assembled meeting.	Disp by Duke of Buccleuch and Queensberry ifo Burgh rec GRS 4.6.1896
ML015/02	Melrose Corn Exchange (Live Borders)	Cultural Facility	Hall		Market Square	Melrose	TD6 9PG	E&L	E&L	Building	Operational - Other Land and Buildings	F/P	no	Acquired by Burgh in 1949 for £1850. Deed silent. Minutes of 1 June 1948 state intention to purchase and potential for grant from Home Dept in terms of Physical Training and Recreation Act 1937.	Disp by Trs for Melrose Corn Exchange & Public Hall Compnay ifo Burgh rec GRS 6.1.1949. Plus additional areas of land in 1965 - Disp by Trs of late Mrs Peterina Brown ifo Burgh rec GRS 14.12.1965 and Disp by John Herbert and Mrs Isabella Herbert ifo Burgh rec GRS 4.12.1965
ML017/01	Eildon Tree Memorial	Monuments & Memorials	Monument		Nr Boglie Burn	Melrose		E&L	TS	Monument	Operational - Community Asset	F/P			
ML017/02	Trimontium Monument	Monuments & Memorials	Monument		Trimontium	Melrose		E&L	TS	Monument	Operational - Community Asset	F/P			
ML017/03	Melrose War Memorial	Monuments & Memorials	War Memorial		Weirhill	Melrose	TD6 9LJ	E&L	TS	Monument	Operational - Community Asset	F/P	no		
ML018/01	Market Cross Monument	Monuments & Memorials	Monument		Market Square	Melrose	TD6 9PL	E&L	TS	Land	Operational - Community Asset	F/P	no	part of road	
ML020/01	Gibson Park	Parks & Open Spaces	Park		High Street	Melrose		E&L	TR	Land	Operational - Community Asset	L/P	no	Owned by Council as trustees of Misses Gibson per Trust Disposition rec BCS 23.5.1889	Trust Disposition rec BCS 23.5.1889
ML020/02	Melrose Golf Course	Commercial	Golf Course		Dingleton Road	Melrose	TD6 9HS	E&L	TS	Land	Non-Operational - Investment Properties	F/T	no	Purchased by Burgh in 1921 in terms of Burgh Police (Scotland) Act 1892 for use as a recreation ground for the benefit of the public	Disp by Duke of Buccleuch ifo Burgh rec GRS 26.9.1921
ML020/03	Ormiston Institute Hall (Live Borders)	Cultural Facility	Hall	10	Market Square	Melrose	TD6 9PN	E&L	TR	Building	Operational - Other Land and Buildings	F/T	no	Owned by Council as Trustees of Charles Walker Ormiston per Trust Disp and Settlement rec BCS 13.2.1882	Trust Disposition rec BCS 13.2.1882
ML020/04	Greenyards (Melrose RFC)	Commercial	Sports Ground		High Street	Melrose	TD6 9SA	E&L	TR	Land	Non-Operational - Investment Properties	F/T	no	part of ML020/12 below. Leased to Melrose RFC.	Lease dated 23.3.1974.

ML020/05	Melrose Old Fire Station	Commercial	Store		High Street	Melrose	TD6 9RY	E&L	TR	Building	Non-Operational - Investment Properties	F/T	no	part of ML020/08 below, Gibson Park. Leased to Melrose FC.	
ML020/06	Melrose Woodland Plantations	Parks & Open Spaces	Woodland		Dingleton Road	Melrose		E&L	TS	Land	Operational - Community Asset	F/P	no	part of ML020/02 above. Referred to in deed as Curling Pond Plantation.	see ML020/12
ML020/07	Gibson Park Caravan Site	Commercial	Caravan Site		High Street	Melrose	TD6 9RY	E&L	TR	Land	Non-Operational - Investment Properties	F/T	no	see ML020/01 above	
ML020/08	Gibson Park	Commercial	Caravan Site		High Street	Melrose		E&L	TR	Land	Non-Operational - Investment Properties	F/P	no	Leased by SBC from Peter J P Miller	
ML020/10	Greenyards Toilet	Public Conveniences	Toilet		Greenyards	Melrose	TD6 9PL	E&L	TS	Building	Operational - Community Asset	F/T	no	Part of Trust	
ML020/11	Gibson Park Tennis Courts & Clubhouse	Community Facility	Tennis Courts		High Street	Melrose		E&L	TR	Land	Non-Operational - Investment Properties	F/T		see ML020/01 above	
ML020/12	Greenyards Triangle	Commercial	Sports Ground		High Street	Melrose		E&L	TR	Land	Non-Operational - Investment Properties	F/P	no	Owned by Council as Trustees of Charles Walker Ormiston per Trust Disp and Settlement rec BCS 13.2.1882	Trust Disp and Settlement rec BCS 13.2.1882
ML020/13	Gibson Park Play Area	Parks & Open Spaces	Park		High Street	Melrose		E&L	TR	Land	Operational - Community Asset	L/P	no	Owned by Council as trustees of Misses Gibson per Trust Disposition rec BCS 23.5.1889	Trust Disposition rec BCS 23.5.1889
ML022/01	Nutwood Woodland	Parks & Open Spaces	Woodland		High Road	Melrose		E&L	PED	Land	Operational - Community Asset	F/P	no	Westernmost area of Priorswood Policies acquired in 1973, see above.	as ML002/01 above
ML023/01	Priorwood Recreation Ground	Parks & Open Spaces	Park			Melrose		E&L	TS	Land	Operational - Community Asset			acquired by the Provost Magistrates and Councillors for the Burgh of Melrose in 1958	Disp by William Denis Anderson ifo Burgh rec GRS 31.7.1958
ML023/02	Priorwood Recreation Ground Play Area	Parks & Open Spaces	Park			Melrose		E&L	TS	Land	Operational - Community Asset			as above	as above
ML023/03	Eildon Crescent Park	Parks & Open Spaces	Park			Melrose		E&L	TS	Land	Operational - Community Asset		no	acquired by the Provost Magistrates and Councillors for the Burgh of Melrose in 1919 for £600 under the Housing of the Working Classes Acts 1890-1909 and therefore is not Common Good.	Disp by Duke of Buccleuch ifo Burgh rec GRS 8.12.1919
ML023/04	Eildon Crescent Park Play Area	Parks & Open Spaces	Park			Melrose		E&L	TS	Land	Operational - Community Asset		no	as above	as above

This page is intentionally left blank



COMMUNITY ASSET TRANSFER POLICY

**Joint Report by Service Director Assets & Infrastructure and
Service Director Customer & Communities**

SCOTTISH BORDERS COUNCIL

29 NOVEMBER 2018

1 PURPOSE AND SUMMARY

- 1.1 This report seeks approval for a Community Asset Transfer Policy along with necessary changes to the Schemes of Administration and Delegation to enable compliance with the Community Empowerment (Scotland) Act 2015.**
- 1.2 Part 5 of the Community Empowerment (Scotland) Act 2015 gives community bodies a right to make requests to all Local Authorities, Scottish Ministers and a wide-ranging list of public bodies, for the transfer of any land or buildings they feel they could better utilise. The Council's current Community Asset Transfer Guidance was produced in 2011 in partnership with the Development Trusts Association (Scotland) and took account on the Disposal of Land by Local Authorities (Scotland) Regulations 2010. This existing process has now been reviewed in context of Part 5 of the Act and a new Asset Transfer Policy is proposed.
- 1.3 The Council's proposed new Policy for the transfer of property assets to Community Transfer Bodies recognises that handing over the ownership or stewardship of an asset can have a valuable role in supporting and sustaining local communities. The proposed Policy is detailed in Appendix 1 to this report. Community Groups will be encouraged to discuss their proposals informally with Officers prior to any formal application. The start of the statutory timeline for processing an application is triggered by the receipt of a valid community asset transfer application. The Council has an obligation to determine an asset transfer request and issue a formal decision notice within no more than six months of an application's validation date.
- 1.4 The legislation requires that a 2-stage process is established. It is proposed that an Asset Transfer Group, comprising officers of the Council, will make the initial decision about an asset transfer request. Details of the Asset Transfer Group are given in Appendix 2 to this report and will require amendments to the Council's Scheme of Delegation. Any appeal about a decision of the Asset Transfer Group will be heard by an Asset Transfer Appeals Committee, comprising Elected Members. Details of the Committee are given in Appendix 3 to this report and will require to be added to the

Council's Scheme of Administration. A further appeal is then available for applicants to Scottish Ministers.

2 RECOMMENDATIONS

2.1 Council is asked to:-

- (a) approve the Asset Transfer Policy detailed in Appendix 1;**
- (b) agree to delegate authority to the Clerk to the Council to amend the Scheme of Delegation to include details of the Asset Transfer Officer Group, as detailed in Appendix 2, to relevant Service Directors; and**
- (c) agree to add the Asset Transfer Appeals Committee, as detailed in Appendix 3, to the Council's Scheme of Administration.**

3 BACKGROUND

- 3.1 Legislation has been introduced through Part 5 of the Community Empowerment (Scotland) Act 2015 (the Act) that gives community bodies a right to make requests to all Local Authorities, Scottish Ministers and a wide-ranging list of public bodies, for the transfer of any land or buildings they feel they could better utilise.
- 3.2 The background to this new legislation is the belief that empowering communities is essential to creating a more prosperous and fairer Scotland and that it is the role of central and local government to work in partnership with communities to support them to lead change for themselves. The new legislation is designed to support the view that community ownership or control of land and buildings can make a major contribution towards strengthening communities in this way.
- 3.3 The Council's current Community Asset Transfer Guidance was produced in 2011 in partnership with the Development Trusts Association (Scotland) and took account of the Disposal of Land by Local Authorities (Scotland) Regulations 2010. The Guidance gave the Council's commitment to community management of assets as part of a Community Asset Transfer programme, which aimed to safeguard buildings and facilities in local communities.

4 EXISTING ASSET TRANSFER PROCESS

- 4.1 The existing Asset Transfer process is in 2 stages, with Stage 1 requiring the community organisation to produce a business case which includes:
- the reason for the transfer (based on an assessment of community needs)
 - an options appraisal to show the transfer as the best option
 - how the transfer will achieve the organisation's aims and objectives
 - an initial assessment of financial viability
 - community need and demand
- 4.2 Once the business case is produced and approved by officers, Stage 2 in the process involves officers then working with the community organisation to produce a full business plan for the transfer. That business plan includes an operational plan to show how the building/land will be managed and a financial plan showing running costs and how they will be met. Once officers have agreed all the necessary documentation is in place, approval is sought where appropriate from the Council's Executive Committee, or Common Good Fund Sub-Committee. Certain types of assets are excluded from the process e.g. those key to the efficient and effective delivery of essential services, and will not normally be considered. There is currently no right of appeal.
- 4.3 This existing process has now been reviewed in context of Part 5 of the Act and a new Asset Transfer Policy is proposed.

5 PROPOSED NEW ASSET TRANSFER POLICY

- 5.1 The Council's proposed new policy for the transfer of property assets to Community Transfer Bodies recognises that handing over the ownership or stewardship of an asset can have a valuable role in supporting and sustaining local communities. It recognises that community ownership of assets can make an important contribution to the range of innovative, bottom-up solutions that community groups can develop to address local needs. Importantly, these solutions not only meet the needs of the local people, they can also contribute to the delivery of Council and national strategic priorities. The proposed Policy is detailed in Appendix 1 to this report.
- 5.2 It is anticipated that most interests in asset transfer will come from Community Transfer Bodies that identify a specific opportunity. However, opportunities may also be identified by the Council and the ongoing review of Council service delivery is expected to identify properties that have potential for a more intensive use, or a greater variety of social, community and public purposes, to the benefit of the local community. The aim of the new policy is to make it as simple as possible for community groups to make an enquiry about asset transfer and start the application process to purchase or lease land or property from the Council.
- 5.3 Community Groups will be encouraged to discuss their proposals informally with Officers before any formal application is made. This will give both the Council and the Community Transfer Body an opportunity to fully explore the desired outcomes of the proposed project and to discuss how these can be best achieved. It is recognised that early engagement and collaborative working are likely to produce the most positive outcomes and therefore early consultation is to be encouraged. However, Community groups are under no obligation to undertake pre-application discussions and may choose to submit an asset transfer request without any prior consultation with the Council.
- 5.4 The start of the statutory timeline for processing an application is triggered by the receipt of a valid community asset transfer application. The Council has an obligation to determine an asset transfer request and issue a formal decision notice within six months of an application's validation date. That deadline for issuing a decision can however be extended by the mutual agreement of the Council and the Community Transfer Body.
- 5.5 A 2-stage process is required for decisions and appeals. It is proposed that an Asset Transfer Group, comprising officers of the Council, will make the initial decision about an asset transfer request, having first consulted with local Members and any relevant Executive Members or Common Good Fund Sub-Committee. Details of the Asset Transfer Group are given in Appendix 2 to this report and will require amendments to the Council's Scheme of Delegation. Any appeal about a decision of the Asset Transfer Group will be heard by an Asset Transfer Appeals Committee, comprising Elected Members. Details of the Committee are given in Appendix 3 to this report and will require to be added to the Council's Scheme of Administration. There is also a further right of appeal to Scottish Ministers for a Community Transfer Body should the Asset Transfer Appeals Committee refuse an appeal.

- 5.6 The starting point for discussion on both any purchase price and any rental costs to be paid will be the current market value of the property. If necessary these figures can be agreed in conjunction with the District Valuer. There does appear, unfortunately, to be a widely held misconception that the Council can always lease, or dispose of any asset for £1 and Groups often approach the Council on this basis. It needs to be clear therefore that current market value is the Council's starting position in any negotiation, particularly when Capital receipts underpin the council's own capital programme financing arrangements.
- 5.7 As required within the Act, an annual report on the status of Community Asset Transfer requests will be prepared and published.
- 5.8 Guidance notes and application forms have been developed for Community Groups and will be published on the Council's website. Officers are available to assist Community Groups with how to proceed, along with details of the criteria to be met in any request for asset transfer.

6 IMPLICATIONS

6.1 Financial

- (a) Costs and Officer time in supporting individual Asset Transfer requests are likely to be indeterminate and vary significantly on a case by case basis. At this time, no additional resources are requested to support these activities, but this may need to be reviewed in the future, including the provision of a dedicated staff resource.
- (b) The transfer of property assets to community organisations at less than market value could reduce revenue income and capital receipts, and adversely affect performance indicators.
- (c) In the event of an unsuccessful transfer request, which is subsequently subject to appeal, to either the Asset Transfer Appeals Committee or potentially Scottish Ministers, then additional staff resources will be required to manage these processes.

6.2 Risk and Mitigations

Staff resources across a range of council services will be required in order to facilitate community group proposals, consider and process asset transfer requests in accordance with statutory procedures and ultimately to convey properties in the case of successful asset transfer requests.

6.3 Equalities

No adverse equality implications are anticipated.

6.4 Acting Sustainably

We make the most efficient and effective use of resources by minimising our impact on the built and natural environment; we live in resilient, cohesive and safe communities; our economy is diverse and dynamic, and Scottish Borders is an attractive place for doing business.

6.5 Carbon Management

Successful Community Asset Transfers will reduce the Council's carbon footprint.

6.6 Rural Proofing

Asset transfer requests are open to any community group and there will be no separate impact on rural areas.

6.7 Changes to Scheme of Administration or Scheme of Delegation

Changes are required to the Schemes of Administration and Delegation and these are attached at Appendices 2 and 3.

7 CONSULTATION

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

Approved by

Martin Joyce

Service Director Assets & Infrastructure Signature

Jenni Craig

Service Director Customer & Communities Signature

Author(s)

Name	Designation and Contact Number
Martin Joyce	Service Director Assets & Infrastructure
Neil Hastie	Estates Manager

Background Papers: Nil

Previous Minute Reference: Scottish Borders Council, 29 June 2016

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, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825431, Fax 01835 825071, email eittranslationrequest@scotborders.gov.uk.

**SCOTTISH BORDERS COUNCIL
COMMUNITY ASSET TRANSFER POLICY**

1. The aim of this Policy is to make it as simple as possible for community groups to make an enquiry about asset transfer and start the application process to purchase or lease land or property from the Council, in compliance with the Community Empowerment (Scotland) Act 2015 ("the Act"). To make a valid asset transfer request, an organisation must qualify as a "Community Transfer Body", defined in the Act as being either:
 - (a) a community-controlled body; or
 - (b) a body that is designated as a Community Transfer Body by an order made by the Scottish Ministers.Section 19 of the Act identifies the requirements necessary to qualify a community group as a community controlled body. Section 80 identifies further requirements necessary to qualify a Community Transfer Body which can take ownership of property (rather than just lease or acquire other rights in property).
2. The Council recognises that handing over the ownership or stewardship of an asset to a Community Transfer Body can have a valuable role in supporting and sustaining local communities.
3. It further recognises that community ownership of assets can make an important contribution to the range of innovative, bottom-up solutions that community groups can develop to address local needs. Importantly, these solutions not only meet the needs of the local people, they can also contribute to the delivery of Council and national strategic priorities.
4. A Community Transfer Body may apply for the transfer of any land or buildings that belong to or are leased by the Council, including those leased to Live Borders or other users for example. Once a valid transfer request has been submitted, the Council will not transfer the land or property to any other person, other than the applicant body, until the request process has been finalised, unless that land or property has already been made available for sale or lease, or the Council is already in negotiation with another person for transfer of the land or property.
5. The Act provides that a community can be any group of people who feel they have something in common but who also meet the criteria specified within the Act. It may be that they live in the same area or that they share an interest or characteristic. Communities of interest could include faith groups, ethnic or cultural groups, people affected by a particular illness or disability, sports clubs, conservation groups, clan and heritage associations, etc. They may be very specialised or local, ranging up to national or international groups with thousands of members.
6. The Council will fully consider all asset transfer requests on their own merits in accordance with Scottish Government guidelines. In making a decision, the Council will have regard to all relevant issues including the benefits of the asset transfer and the benefits of any alternative proposal (including existing use or

potential disposal in the case of surplus assets) and the Council's ability to carry out its functions.

7. The Act requires that Community Transfer Bodies must provide certain mandatory information as part of any asset transfer request. Failure to provide that information renders an application invalid. In the interests of consistency and completeness, Community Transfer Bodies will be asked to submit asset transfer requests using the standard application form. To enable the Council to fully consider asset transfer requests and reach a competent decision within the statutory timescale, Community Transfer Bodies will also be asked to provide the following supporting documentation as part of their application:
 - (a) a copy of the organisation's constitution;
 - (b) a business plan (that is proportionate to the nature of the asset transfer request) that typically covers a minimum 5-year operating period;
 - (c) audited accounts (or a financial projection where the applicant has been operating for less than one year);
 - (d) Annual reports (where these are available).

8. Following informal pre-application discussions between the Community Transfer Body and relevant Council officers, the formal process for consideration of any asset transfer request is:
 - (a) Stage 1 – a valid community asset transfer application is considered by the Asset Transfer Officer Group:
 - (i) prior to the meeting of the Group to consider the request, local Members are consulted and the additional steps at paragraph 10 will be taken if an asset is held by a Common Good Fund;
 - (ii) regard is made to all relevant issues including the benefits of the asset transfer and the benefits of any alternative proposal (including existing use or potential disposal in the case of surplus assets) and the Council's ability to carry out its functions;
 - (iii) the application is accepted or refused (including reason(s) for refusal);
 - (iv) if accepted, the terms of agreed offer for transfer are given to the Community Transfer Body;
 - (v) if the terms of an agreed offer for transfer are unacceptable to the Community Transfer Body or if the application is refused, the Community Transfer Body will be given details of the appeal process.

 - (b) Stage 2 – a Community Transfer Body has a right of appeal which will be heard by the Asset Transfer Appeal Committee, comprising Elected Members, as detailed in the Council's Scheme of Administration. The right of appeal applies:
 - (i) if their request is refused;
 - (ii) the request is agreed but the terms and conditions in the decision notice are significantly different from those in the request;
 - (iii) no decision notice is issued within the required period; or
 - (iv) once an asset transfer request has been agreed, no contract has been concluded within the period allowed.

9. The Community Transfer Body has a right to be represented at and address the Asset Transfer Officer Group, and, if appropriate, the Asset Transfer Appeal Committee.
10. Additional steps below will be required should the land or property be held by any Common Good Fund as an asset:
 - (a) consult with the community;
 - (b) consult with the relevant Common Good Fund Sub-Committee.
11. In all cases involving transfer of ownership/occupation, appropriate legal mechanisms will be put in place to protect the Council's responsibilities as stewards of public assets. This may include clawback and/or standard security provisions to safeguard any discounts applied to market values, or restrictions on changing the use of an asset from the purpose for which transfer was originally intended. A minimum time period will apply for such restrictions, generally five years from date of transfer.
12. From the date of any transfer, by whatever means the transfer takes place, the Community Transfer Body is likely to become immediately and entirely responsible for the property and payment of all costs associated with their occupation and use. The Council will cease to have any financial and operational commitments relative to the property from the date of transfer, unless otherwise agreed in advance. This will include generally, but will not be limited to, costs and responsibilities relating to the following:
 - (a) the upkeep, repair and maintenance of the asset;
 - (b) alterations or improvements to the asset;
 - (c) all other running costs (including utilities, rates liabilities and insurances); and
 - (d) statutory compliance with Health & Safety or other legislative requirements.
13. Any funding support that may be sought by the applicant from the Council in relation to the proposed asset transfer will be considered against the following criteria:
 - (a) the Council can only be considered as the funder of last resort and applicants will be required to demonstrate that they have exhausted all other avenues of potential funding support;
 - (b) the applicant must demonstrate the reasons behind any funding gap, and that costs have been thoroughly reviewed and cannot be reduced;
 - (c) the Council's contribution to capital costs will only be up to a maximum of 5% of the total initial project capital costs, or a higher figure by specific agreement which can be assessed relative to asset condition at the point of transfer;
 - (d) any proposals for borrowing or annual revenue support must be demonstrated to the Council as affordable i.e. contained within any annual savings that can be achieved that are in excess of those that have already been programmed. Annual revenue support should relate only to operational property costs but as a general rule it should be noted that the Council will not provide revenue support in relation to the actual Community Transfer Body; and

- (e) projects will not usually be eligible for any additional financial support from the Council within a period of 5 years from the date of transfer and this will generally include other sources of Council funding including Community Grants, Small Schemes, Quality of Life etc. to avoid multiple Council sources being exploited and to ensure funds are available for other groups.

ASSET TRANSFER OFFICER GROUP

The Asset Transfer Officer Group will comprise:

- Service Director Assets & Infrastructure (Chair)
- Service Director Customer & Communities (Vice-Chair)
- Chief Financial Officer or his representative
- Chief Legal Officer or her representative
- Relevant Service Director or his/her representative

The quorum will be three. In the absence of the Chair or Vice-Chair the Chief Financial Officer or Chief Legal Officer will chair the meeting.

Remit:

1. Consider the proposal for any asset transfer request made under the Community Empowerment (Scotland) Act 2015 by a Community Transfer Body to buy, lease, manage or use any land or buildings which belong to or are leased to Scottish Borders Council.
2. Consult the local Elected Members and any relevant Executive Members on the asset transfer request. If the asset is a Common Good asset, consultation will be required with the relevant burgh community and the relevant Common Good Fund Sub-Committee.
3. Where appropriate, seek further information from relevant Council officers or other partners or third party organisations in relation to the asset transfer request.
4. Agree to the asset transfer request, on appropriate terms and conditions, or refuse the asset transfer request, providing the reasons for refusal. (Note: The Act requires the request to be approved unless there are reasonable grounds for refusal. Reasonable grounds are likely to include cases where the benefits of the asset transfer request are judged to be less than the benefits of an alternative proposal (including existing use or potential disposal in the case of surplus assets), or where agreeing to the request would restrict the Council's ability to carry out its functions.)
5. Advise the Community Transfer Body of the outcome of the asset transfer request, giving details where appropriate of their right of appeal to the Asset Transfer Appeals Committee.

Note: Representatives of the Community Transfer Body will have the right to attend and present their request to the Group.

**SCHEME OF ADMINISTRATION
SECTION IX**

AD-HOC COMMITTEES

ASSET TRANSFER APPEALS COMMITTEE

Constitution

All Members of the Council shall be Members of the Appeals Panel, from which five members for an Asset Transfer Appeals Committee shall be drawn. No Member may be a member of a Committee set up to hear an Appeal for an Asset Transfer request for land/buildings within their Ward.

Chairman

The Executive Member for Neighbourhoods & Locality Services shall be the Chairman of the Asset Transfer Appeals Panel or in his absence the Executive Member for Roads & Infrastructure.

Selection of Appeal Committees

The membership of the Appeals Panel shall be selected by the Clerk to the Council or her authorised representative in consultation with the Chairman of the Appeals Panel.

Quorum

Three members of the Committee shall constitute a quorum.

Functions Referred

The following functions shall stand referred to the Committee:-

1. The consideration and determination of appeals by any Community Transfer Body made under Section 86 of the Community Empowerment (Scotland) Act 2015, where the Asset Transfer Officers Group has:
 - (i) refused the request; or
 - (ii) agreed to the request but the decision notice relating to the request specifies material terms or conditions which differ to a significant extent from those specified in the request; or
 - (iii) failed to issue a decision within the statutory period.

Note: The Community Transfer Body has the right to attend and present their appeal to the Committee.

Functions Delegated

All of the functions referred to the Committee.

BREXIT RESPONSE TEAM UPDATE

Report by Chief Executive

SCOTTISH BORDERS COUNCIL

29th November 2018

1 PURPOSE AND SUMMARY

- 1.1 This report updates Council on the activities of the Brexit Response Team (BRT) in monitoring and developing responses to the UK's exit from the European Union ('Brexit').
- 1.2 A fluid and uncertain negotiating context have made detailed assessment and scenario planning highly challenging. In response, the work of the BRT has developed around anticipated immediate and short-term impacts, principally in respect of how they affect the capacity of the Council to carry out its responsibilities, but extending our planning to include subjects where the Council has a duty of care. Accordingly, the focus of the BRT has been on:-
- A. Procurement and Market Impacts
 - B. Funding
 - C. People (Workforce, Customers and Citizens)
 - D. Civil Contingencies
 - E. Establishing Links to Community Planning Partners
 - F. Risk Assessment

Additionally, activity has been undertaken in relation to matters relating to the Economy of the Scottish Borders under the headings of:-

- G. Private Business and Economic Resilience
 - H. Agriculture and Rural Development
- 1.3 This report considers each of these areas, providing a synopsis of the issues, together with (where appropriate) a conclusion assessing the risks/opportunities and any actions the Council is taking or should consider taking by way of mitigation or to optimise opportunities.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Council:-**
- (a) Notes the contents of this Report and the activities of the Brexit Response Team in planning for Brexit.**
 - (b) Instructs the Brexit Response Team to continue its work and to report to Council as required and, in any event, to report to Council as we approach the 'Exit Date' of 29th March 2019.**

3 SUBJECT MATTER

- 3.1 On 23 June 2016, the UK voted in a national referendum to leave the EU. Subsequently, on 31 January 2017, the Council agreed to establishment of a Brexit Response Team to ensure effective monitoring of and responses 'to the wide range of changes likely to flow from the UK's exit from the European Union'.
- 3.2 Following the UK Government's triggering of Article 50 of the Lisbon Treaty on 29th March 2017, the UK is formally due to relinquish membership of the EU on 29th March 2019. Planning for the consequences of Brexit is challenging on account of a fluid and uncertain negotiating context. Moreover, the nature of the new relationship between the UK and EU is yet to be determined.
- 3.3 In light of this, the work of the BRT has developed around anticipated immediate and short-term impacts, principally in respect of how they affect the capacity of the Council to carry out its responsibilities, but extending our planning to include subjects where the Council has a duty of care. In developing its approach, furthermore, the BRT has taken account of guidance from UK Government and Scottish Government, the Convention of Scottish Local Authorities (COSLA), Local Government Association (of England), Zurich (Insurance) and professional bodies.
- 3.4 Accordingly, the focus of the BRT has been on:-
 - A. Procurement and Market Impacts
 - B. Funding
 - C. People (Workforce and Citizens)
 - D. Civil Contingencies
 - E. Establishing Links to Community Planning Partners
 - F. Risk Assessment

Additionally, activity has been undertaken in relation to matters relating to the Economy of the Scottish Borders under the headings of:-

- G. Private Business and Economic Resilience
 - H. Agriculture and Rural Development
- 3.5 A synopsis of activities in these areas is set out below, together with (where appropriate) a conclusion assessing the risks/opportunities and any actions the Council is taking or should consider by way of mitigation or to optimise opportunities.

4 COUNCIL ACTIVITIES

A. Procurement and Market Impacts

Legal context

- 4.1 Immediately after Brexit, existing national regulations on procurement (which implement EU Directives) will continue to apply. In the longer term and while there may be more freedom to set or change regulation, any change will be dependent on any other international agreement that the UK chooses to make with the EU and/or other countries. The UK Government has issued a briefing paper, Brexit: public procurement ([here](#)), which outlines the current position, future policy choices and the withdrawal agreement currently under

negotiation and intended to cover the post Brexit transition period to 31 December 2020.

- 4.2 In the event of a no deal Brexit, the UK government will build a replacement publishing platform for the EU's online Tenders Electronic Daily (TED). All contract opportunity notices over the relevant thresholds which are currently required to be advertised on TED would be published on this new UK e-notification site after 29 March 2019. A further guidance document, 'Accessing public sector contracts if there's no Brexit deal' can be found [here](#).

SBC Contract Register

- 4.3 A review of the Councils contract register has been undertaken. A number of areas were considered, including; contracts where materials are imported and the associated impact of changes to tariffs and trading protocols, any impact of changes to settled status and the movement of people, and exchange rate sensitivities which could impact the cost of commodities and so contract prices. During this exercise it was identified that a significant number of overarching agreements are managed by third parties. As a result, contact has been made with Scotland Excel, the local authority shared service, and Procurement Scotland, the Scottish Government procurement service.
- 4.4 Scotland Excel has noted they are carrying out a complete and thorough framework risk analysis across their entire framework portfolio. Category specific assessments will be published as a supplement to a Scotland Excel White Paper ([here](#)) and will delve further into the likelihood of risks and explore mitigation thereto. Procurement Scotland has created a set of risk analysis tools and conducted a preliminary assessment of all collaborative agreements looking at the implications of the different Brexit outcomes on market access, tariff barriers, exchange rates, labour availability etc. For those classified as medium to high risk contingency measures will be put in place in conjunction with suppliers. As likely Brexit outcomes become clearer, these assessments will be refreshed accordingly. A forward wave plan for frameworks over the next 3 years is also in place to allow ongoing assessment of areas of risk.
- 4.5 Across all stakeholders, the key areas of direct risk noted through this work relate to food supplies, construction materials and transport and/or distribution logistics. Labour availability is noted and is covered later in this report. Some areas of risk are recognised as likely to be for the short term only to facilitate the period of change.

Future Contracts

- 4.6 Along with the current contract register, future planned contracts have been reviewed to consider market impact on their delivery. As noted earlier in this report, it is likely that there will be impact on markets and related commodities. Officers will therefore consider each contract and the specific areas of risk as procurement strategies are developed prior to advertising contract opportunities or issuing invitations to tender. During this period of change, contract and supplier management will be of key importance. For high value and high risk contracts this approach will create early opportunities for dialogue with suppliers all while recognising any clarity or certainty is extremely difficult given the speculation that surrounds Brexit.

B. Funding

- 4.7 In July 2018 the UK Government extended its proposed EU Funding guarantee to cover all projects, including European Regional Development

Fund (ERDF) and European Social Fund (ESF) projects that would have been funded by the EU under the 2014-2020 programme period. The extension allows the Scottish Government to continue to sign new projects after EU exit until programme closure.

- 4.8 The UK Government guarantee is intended to provide certainty to communities, businesses and local partners, by underwriting investment in regional growth (as if the UK was a member of the EU) up to the end of the current ERDF and ESF programme periods, including in the event that the UK leaves the EU without a negotiated agreement.
- 4.9 Appendix 1 provides an outline of existing EU programmes operated by Scottish Borders Council, the sums involved and the direct employment associated with operating the funds. It should be noted that, in spite of the guarantee given by UK Government in relation to the lifetime funding of existing programmes, for all practical purposes, LEADER Funding is now at an end as all contracts need to be in place by 28th March 2019.
- 4.10 Looking forward, UK Government proposes the creation of a Shared Prosperity Fund to replace EU Funding. This will include ERDF, ESF and LEADER funding. Council officers attended a UK Government seminar in Edinburgh on the Fund on Friday 2nd November 2018. It was indicated that the seminar was part of the process for developing early thinking on the structure and composition of the Fund. This would be used to develop a consultation paper which would be issued before the end of 2018.
- 4.11 Lobbying for funds from the Shared Prosperity Fund will be a principal part of any mitigation strategy in respect of the loss of EU funding. There is a need to shape the Fund in a way which is responsive to the economic challenges faced by the Scottish Borders and the South of Scotland. The South of Scotland Alliance will also have a major role supporting these efforts.

C. People (Workforce/Customers/Citizens)

- 4.12 As indicated in the Report to Executive of 31st January 2017 which established the BRT, there are an estimated 3,500 EU nationals living in the Scottish Borders. A key issue is the rights of these citizens in light of the UK Government's EU settlement scheme.
- 4.13 The UK Government has reached an agreement with the European Union on citizens' rights. This agreement will protect the rights of EU nationals living in the UK after the UK leaves the EU. The purpose of the scheme is to enable non-UK EU nationals to continue to live their lives in the UK as they do now. The scheme also covers their direct family members.
- 4.14 In order to secure rights to live and work in the UK as now, non-UK EU nationals will need to apply for settled status through the EU Settlement Scheme. The scheme will open fully by 30 March 2019. The deadline for applying will be 30 June 2021. There are four steps to a successful settlement scheme application:
- A digital application form
 - Fee of £65, or £32.50 for children (which the Scottish Government has indicated it will meet in respect of applicants in Scotland)
 - Proof of identity/nationality
 - A photo
- 4.15 If EU citizens and their families have been continuously resident in the UK for five years by December 31, 2020 – the end of the Brexit implementation period – then they will be able to apply for settled status. This is equivalent

to permanent residency.

- 4.16 Pre-settled status is for EU citizens and family who have not lived in the UK for five years on December 31, 2020. An application for pre – settled status allows them to continue to live in the UK until they reach the five years, then apply to change their pre-settled to settled status for no fee. They need to apply for pre-settled status in order to be eligible for settled status
- 4.17 Both schemes include EU citizens’ direct family members, including family members who join EU citizens in the UK before the end of 2020. They also cover family who join after that date, if the EU citizen that the family member is joining was already resident in the UK, and they had a relationship before this date which continues. Both schemes also cover future children of those with settled or pre-settled status.
- 4.18 Once a person acquires settled status, they can be away from the UK for a total of five consecutive years. After this, the status will lapse, so it’s something that needs to be maintained. As the heading of this section reflects, there are essentially three broad categories of people which the Council needs to consider in addressing potential Brexit impacts/opportunities and in particular how those individuals may be affected by the requirement to apply for settled status/pre-settled status:
- Workforce (those employed by the local authority)
 - Customers (those who have an ongoing relationship with the Council, for example looked after children.)
 - Citizens (non UK EU citizens resident in the Scottish Borders).

Workforce

- 4.19 An assessment of the employees of the Council and SB Cares has been undertaken. Although a number of non UK nationals are employed, the vast majority have British citizenship. There are only 22 employees who would require to apply for settled/ pre settled status. This will be discussed with each employee on an individual basis and any assistance required to make the application will be provided. The Council is undertaking an examination of whether there are EU staffing implications arising from the potential effects of the fulfilment of contracts.

Customers

- 4.20 This covers a number of different relationships between the Council and customers, some covered by a legal order and some not. The Council’s responsibility varies depending on the nature of the relationship. The main examples are as follows:

Children

- 4.21 A small number of children of EU Citizens are in the care of the local authority and work is on-going to address the Council’s responsibilities to these individuals. There are several bases upon which care is provided, and the responsibilities and rights of the Council vary accordingly:

Children subject to a Permanence Order:

In this case parental rights have been vested in the local authority under a court order. This would allow the local authority to register the child under the settlement scheme.

Children subject to a Supervision Requirement (Children’s Hearing):

In this case the child is subject to the conditions of a supervision requirement imposed by a Children's Hearing. While the local authority would not automatically have the right to register the child under the settlement scheme, an application could be made to the Children's Hearing to vary the supervision requirement to include such a right.

Other Looked After Children (under S.25 of the Children (Scotland) Act 1995):

This covers children looked after by the local authority because nobody else has parental responsibility, they are lost or abandoned, or those with parental responsibility can't provide suitable accommodation or care. The Act does not say any more than that, so the exact nature of parental rights vested in the local authority is vague. In practice this isn't usually a problem because there is either nobody with parental rights around or they accept that the child should be looked after.

However, anyone with parental rights can insist on the return of the child to their care. Formal action to obtain one of the above orders would require to be taken before the local authority could proceed to register the child under the settlement scheme.

Children not subject to any order nor registered with Social Work

The Council has a responsibility for the education of children within the local authority area. However, that does not of itself give the authority the power to register a child under the settlement scheme. Internal discussion is taking place to develop guidance and assistance to children, and their parents in this position.

Adults

- 4.22 A small number of EU Citizen adults, including older people, receive care from the local authority. Work is on-going to address the Council's responsibilities to non-UK EU clients who receive such care. As with children, care is provided on different bases and the Council's responsibilities and rights vary.

Adults in respect of whom the Chief Social Work Officer is Welfare Guardian:

Ordinarily the Guardian would have the power to decide where the person lives. Consequently, the Guardian could register the adult under the settlement scheme.

Adults in receipt of care without such an order:

Guardianship orders may only be obtained when an order is necessary for the welfare of the adult. Consequently there are a number of adults who receive care but effectively on a voluntary basis. It is suggested that the Council would have an obligation to advise and encourage those to whom care is provided to register under the settlement scheme. This is particularly the case for those who have diminished capacity, for example adults with a learning disability.

It should also be noted that, while the present position is unclear, there may be a change in the Council's responsibilities towards adults in need of care who are non UK EU nationals. While currently they broadly have the same rights as UK nationals, this position may change.

Citizens

- 4.23 The Council has no legal rights nor responsibilities in relation to non-UK EU adult nationals who reside in the Scottish Borders. However, a view will require to be taken on the extent to which the Council should offer information, advice and assistance. In particular, because the registration process is digital, a number of citizens may require additional assistance.

D. Civil Contingencies

- 4.24 The Council's Emergency Planning Officer advises 'emergencies' which arise as a consequence of Brexit such as delays in receiving food and fuel supplies and other key problems in the supply chain will be addressed as a business continuity issue, reflecting the response to serious, sudden or unexpected and, often, dangerous situations requiring immediate action, which characterises 'emergencies'. The Council's role in such situations is to ensure that vital services on which Scottish Borders residents rely continue to function. This includes social care, schools, waste collections and disposal.
- 4.25 In the event of an emergency, an 'incident response team' would be set up using well-established frameworks and methods to address contingencies. For example, in the event of vehicle fuel shortages, there is a Fuel Emergency Plan, which moves through the spectrum of rationing, to supply to essential workers, to the most extreme situation where Council staff may be called on to staff petrol stations. Similarly, if vulnerable citizens could not access the care they require (for example, patients requiring dialysis could not journey to hospital on their own volition), working with partners, the Council would institute measures to ensure access. The transport arrangements initiated during the severe weather in March 2018 illustrate the kind of approach that would be taken, though, in the nature of contingency/emergency planning, plans must be flexible and adjust to respond to the situation on the ground. The focus would be on assisting communities. The resilient communities in the Scottish Borders is an important resource in this respect.
- 4.26 As a Category 1 Responder, Scottish Borders Council is a member of the Resilience Partnership structure across Scotland and specifically the East of Scotland Regional Resilience Partnership (EoSRRP) and Lothians and Borders Local Resilience Partnership (L&BLRP). The EoSRRP is considering the impact of Brexit on partners around consequence management planning and the Resilience Partnerships can be activated in the event of a national or regional consequence post Brexit.

E. Establishing Links to Community Planning Partners

- 4.27 The Council is working with partners on Brexit and Brexit planning will be discussed as part of Community Planning. The Chief Executive is contacting each partner to request information on any work they are doing on Brexit so that this can be linked into the Council's approach.
- 4.28 The Council is liaising closely NHS Borders and SB Cares to anticipate issues which may arise as a result of Brexit. Work is ongoing to identify, minimise and mitigate risks.

F. Risk Assessment

- 4.29 All of the work outlined in this Report reflects a broad assessment of the

short-term. The Council has sought to augment these efforts in two important respects:

- (a) The Council is benefiting from the advice and guidance of the Convention of Scottish Local Authorities (CoSLA), and provided feedback to CoSLA to assist in developing local authority perspectives on issues of potential concern or opportunity. Recently, CoSLA appointed Billy McKenzie as its Brexit Co-ordinator, on secondment from the Scottish Government, assisting with Brexit preparations across Local Government. Mr McKenzie is due to meet with the Council's Brexit Response Team to further develop understanding of potential Brexit impacts and opportunities.
- (b) Council officers met with a Senior Strategic Risk Management representative from the Council's insurers, Zurich, to review the Council's approach to Brexit planning, assessment of risk and mitigation measures. The representative from Zurich has indicated that the areas covered by the Council are in line with their thinking and the Council's approach is robust.
- (c) The Council has also used the Local Government's Association list of primary and secondary impact areas to assess its approach to Brexit.

5 EXTERNAL ACTIVITIES

G. Private Business and Economic Resilience

- 5.1 Individual businesses will continue to receive support through the Business Gateway service. Indications to this point are showing that businesses are adopting a "wait and see" approach until a Brexit deal is achieved, or not. The outcome will affect each business differently depending on the type of business they operate. For example, those businesses relying on raw materials from within the EU and who export finished goods will be affected differently to a local service provider business.
- 5.2 A National Brexit tool has been created by Scottish Enterprise and Business Gateway advisers are signposting businesses to this tool. Each business is being asked how they are preparing but no clear actions are being identified as yet. Once it is clear what the implications are for business, Business Gateway will be providing more specific targeted advice and will ensure that it delivers an additional range of workshops and seminars as appropriate.

H. Agriculture and Rural Development

- 5.3 Agriculture is a vital industry for the South of Scotland, with a significant workforce; large farms; a concentration on cereal production and on cattle, sheep; and business models based on high costs of inputs with associated profitability risks. The sector has a very high level of dependence on EU Common Agricultural in terms of Direct Payments (Pillar 1) and Rural Development support (Pillar 2) which includes payments to farmers in Less Favoured Areas.
- 5.4 The direction of future agricultural support post Brexit has been the subject of policy papers by UK and Scottish Governments. Both UK and Scottish Governments have placed strong emphasis on 'Public Money for Public Goods'. The Scottish Government's approach stresses the need to widen support for the environment into support for productivity improvement and marketing and for continued assistance to farmers in less favoured areas. Both Governments recognise the need to promote a greater efficiency in

agricultural production and to enhance business skills.

- 5.5 At its meeting on the 25 September Scottish Borders Council agreed to meet with key agricultural stakeholders to explore the contribution farming makes towards improving local prosperity and to identify potential barriers they may face. The South of Scotland Alliance is developing asks for Scottish Government in relation to future Agricultural Support and it plans to raise these at its annual meeting with the Depute First Minister in the new year.

6 IMPLICATIONS

6.1 Financial

- (a) Forecasting the financial impacts of Brexit across the range of the Council's activity would be difficult in any circumstance. The uncertainty of whether there will be a deal and the nature of that deal make forecasting even more difficult. However, an assessment of potential areas of impact is possible and is detailed elsewhere in this report.
- (b) With respect to EU Funding, UK Government guarantees provide a level of assurance over the short-term, but the continuation of similar activity in future will depend critically upon the replacement of funding through the UK Government's Shared Prosperity Fund and other replacement funding, including such initiatives as Scottish Government may promote. Prolonged breaks in the continuity of funding or reductions in future funding will, by their nature, have a negative impact on EU funded activity within the Scottish Borders.
- (c) The loss of Common Agriculture Policy funding is a particular concern with recent figures indicate that the area's farming community receives agriculture payments of over £61.5 million annually, representing about 3.2% of Scottish Borders Gross Domestic Product (GDP). The development of new funding measures by the Scottish Government and the development of financial operational efficiency and sustainability within the agricultural sector will be essential if the negative consequences of the loss of CAP funding are to be mitigated.
- (d) There could be impacts in the short and medium term from currency fluctuations influenced by the impact of Brexit on Council pension fund which is exposed to foreign equities. Council officers will keep this under review.

6.2 Risk and Mitigations

- (a) There are significant risks inherent in the Brexit process. Through the establishment of the BRT, and its monitoring of developments, the Council is doing what it can to mitigate risks associated with its business, and with the activities of external organisations, including within Borders agriculture and the Borders economy.
- (b) Ongoing monitoring of the Council's operating context is of critical importance, particularly in relation to potential legislative change initiated by UK Government (and Scottish Government) post-Brexit. In the short term, the BRT can play a key role in identifying areas of change, but the Council as a whole will need to be highly attentive to changing legislation and consequent impacts on rules, procedures and responsibilities.

6.3 Equalities

The vote to leave the EU has engendered feelings of insecurity for part of the population of the Scottish Borders i.e. non-UK EU nationals. As noted in section C of this Report, the Council is looking at what steps it can take in providing information and, where appropriate, support in applying for UK settled status/pre-settled status.

6.4 Acting Sustainably

The UK Government has through its European Union (Withdrawal) Act 2018 transposed directly-applicable already-existing EU law into UK law. Over the course of time, it will be open to UK Government to alter legislation. The Council will need to be alert to changes in existing legislation.

6.5 Carbon Management

There are no direct effects on carbon emissions arising from the proposals contained in this report

6.6 Rural Proofing

The decision to leave the EU could have significant implications on agriculture and development support for rural areas in the Scottish Borders. The Brexit Response Team and Council officers in Policy and Economic Development will continue to monitor the position.

6.7 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.

7 CONSULTATION

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

Approved by

Tracey Logan
Chief Executive

Signature

Author(s)

Name	Designation and Contact Number
Michael Cook	Corporate Policy Advisor 01835 825590
Douglas Scott	Senior Policy Advisor 01835 825155

Background Papers: Executive Committee Report 31 January 2017 – Item 6. Brexit Response Team

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

Contact us at the above numbers.

This page is intentionally left blank

Appendix 1

EU Funding in the light of UK Exit from the EU

A. European Regional Development Fund (ERDF) 2015-2019

A1. Narrative

The ERDF grant to support Business Gateway activity has focused on business growth. The fund is due to finish in December this year. An extension application to take us to December 2019 is currently being completed. Although funding is intimated as being available until 2022, it is not intended to continue beyond 2019 because delivery will change under the new SOS Enterprise Agency. SBC should find out in October if its extension request is approved.

A2. Financial implications

Total revised fund between 2015 and December 2019 is £1,165,585.12, comprised of grants of £466,234.05 approved in principle and match funding of £699,351.07 approved in principle.

A3. Posts affected

2 Full-time adviser posts are dependent on continuing funding.

B. European Social Fund (ESF) 2016-2020

B1. Narrative

SBC currently has ESF approval to December this year but is working on an extension request through to December 2022. The Scottish Government Management Authority has suggested that the figure requested will be approved but there is still the Management Authority Approval Process to go through.

Without this funding a couple of specialist posts within ESS will be lost, together with our ability to deliver an Employer Recruitment Incentive.

B2. Financial implications

The ESF Pipeline is composed of a number of elements. Total project costs for the first phase are expected to amount to £268,808.

It is hoped to extend the project through to December 2022 covering the elements noted below and including a new element working with the pre NEET category through Education.

Anticipated claims are noted below:-

- 1) Employment Support Service - £52,473.
- 2) Project Search through ESS – Partnership between NHS Borders, Borders College and SBC to supply internships based in NHS Borders - £15,878.

- 3) Care leavers into employment through ESS – supports the challenging care leavers group to build their employability skills then enter a MA - £39,293.
- 4) Pathways to Employment, Learning Disability Service -work with those with a learning disability, mental health issues or on autistic spectrum to engage in voluntary work opportunities - £35,379.
- 5) Right Track, Criminal Justice –focus on the active inclusion of ex-offenders, to remove barriers to employment - £84,119.
- 6) Keys to Employment – Procured service to deliver a 10 week course to either homeless or those at risk of becoming homeless. We have come across a compliance risk with this project and as such no costs or outputs will form part of EU claims.
- 7) Compliance officer. Based in Economic Development at HQ to facilitate projects - £41,666.

B3. Posts affected

- 1) Employment Support Service – 6 posts are expected to be affected across a range of services on account of the loss of ESF.
- 2) It is hoped to extend the ESF project through to December 2022 covering the elements above and also including a new element working with the pre NEET category. 2 new members of staff are likely to be recruited to expand the current activity agreement offering.
- 3) The total spend for phase 2 of ESF will be £2,905,000, and it is hoped to increase the grant rate to 50% over phase 2 which will work out around 45% over the full period giving around £1,307,000 ESF income for phase 2. Over both phases total spend is estimated to be £3,203,342 with grant income of £1,472,412.

C. LEADER and European Maritime & Fisheries Fund (EMFF) 2014-2020

C1. Narrative

C1.1 LEADER

The budget for the LEADER and EMFF 2014-2020 programmes is as follows:-

LEADER allocation	£4,018,427
European Maritime & Fisheries Fund (EMFF)	£1,052,000
	£5,070,427 overall

Roughly 20% of the overall budget was required for administration and animation for each fund to facilitate delivery; the remainder being for project funding.

In terms of LEADER, the funding for the 2014-2020 funding programme has been agreed to continue to end December 2020 as originally planned. All contracts for approved projects require to be agreed and in place by end March 2019 with all projects fully completed by end March 2020. This allows for final drawdown of project funds and evaluation to be completed by the end of the current programme in December 2020.

LEADER provides significant funding for the development of rural community and business projects in Scottish Borders. It links specifically to the Local Development Strategy for the area to support projects which develop sustainability of rural businesses, create employability, provide skills development and develop community capacity. The loss of LEADER will leave a considerable funding gap for rural businesses, social enterprises and community groups and will almost certainly impact on their future development as well as opportunities to attract more income into Scottish Borders. LEADER is also one of very few funds in the area which is open to local businesses as well as non-profit making organisations.

C1.2 EMFF

Forth FLAG covers SBC, East Lothian and Fife Council areas. Between the main EMFF and FLAG funding, SBC area has benefitted from c£350k since October 2016.

If there is a transitional deal between the EU and UK, it is expected that EMFF funds will stay in place with applications accepted until 2020 on a business as usual basis. If the UK leaves the EU without a deal, the UK Treasury has indicated it will guarantee funding and that all contracts (awards) signed before the end of 2020 will be met.

C2. Financial implications

EMFF Funding is guaranteed to the end of 2020. Thereafter, it is expected that it will cease.

For all practical purposes, LEADER Funding is now at an end as all contracts need to be in place by 28th March 2019.

C3. Posts affected

When the contracts run out in 2020, the posts associated with the delivery of the contracts will end. This will affect 3 full-time contracts and 2 part-time contracts.

This page is intentionally left blank



LOCALITIES BID FUND PILOT - REVISION AND EXTENSION OF ROUND 2

Report by Service Director Customer & Communities

SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

- 1.1 **This report sets out revised proposals for consideration with regards to the extension of the second round of the Localities Bid Fund pilot.**
- 1.2 The pilot model for the first round of participatory budgeting was agreed at Council on 28 September 2017, and set out the framework for the initial allocation of funding, with a carry forward of any underspend to 2018 being agreed.
- 1.3 This initial allocation of funding to promote community participatory budgeting through a Localities Bid Fund is part of a wider response to the Community Empowerment (Scotland) Act 2015.
- 1.4 From the evaluation of the first round, which included feedback from Elected Members, Area Partnerships, Community Councils, Project Leads and 181 responses from a public survey, a report was approved by Council on 28 June 2018 which included revised criteria for the second round.
- 1.5 The second round of the Localities Bid Fund pilot was launched on 1 July and closed for submissions on 1 October 2018. 28 applications were received, and the Borders Assessment Panel met on 18 October 2018 to assess the applications. It was agreed that there were not enough sustainable bids to enable a public vote to take place across the 5 local areas, and that revised draft criteria be drafted for consideration by the Borders Assessment Panel and brought back to Council for approval.
- 1.6 Draft proposals for alternative criteria have been discussed with Elected Members over the last few weeks and the outcome of these discussions are reflected in the proposed criteria detailed at **Appendix A**.

1.7 The total allocation to this initial pilot was £500k. £208k was put forward for the 1st round with £204k awarded to community projects by the public. It was agreed that the balance of £296k could be carried forward to 2018 to fund the 2nd round. The breakdown of the fund is detailed at **Appendix B**.

2 RECOMMENDATIONS

2.1 I recommend that Council:

(a) Notes:

(i) the financial breakdown of the pilot Localities Bid Fund as detailed at Appendix B; and

(ii) the proposed timetable detailed at Appendix C

(b) Agrees:

(i) to a relaunch of the Localities Bid Fund 2, and criteria as detailed at Appendix A;

(ii) to the virement of the remaining Localities Bid Fund pilot budget to 2019/2020

3 BACKGROUND

- 3.1 The pilot model for the first round of participatory budgeting was agreed at Council on 28 September 2017, and set out the framework for the initial allocation of funding, with a carry forward of any underspend to 2018 being agreed. This initial allocation of funding to promote community participatory budgeting through a Localities Bid Fund is part of a wider response to the Community Empowerment (Scotland) Act 2015.
- 3.2 The total allocation to this initial pilot was £500k. £208k was put forward for the 1st round with £204k awarded to community projects by the public. It was agreed that the balance of £296k would be carried forward to the current financial year and would fund the 2nd pilot round.
- 3.3 The financial breakdown of the £500k pilot is detailed at **Appendix B**, which shows the agreed allocation for each area.
- 3.4 From the evaluation of the first round, which included feedback from Elected Members, Area Partnerships, Community Councils, Project Leads and 181 responses from a public survey, a report was approved by Council on 27 June 2018 which included revised and more specific criteria for the second round.
- 3.5 This second round of LBF was launched on 1 July and closed on 1 October 2018. 28 applications were received, and the Borders Assessment Panel met on 18 October 2018 to assess the applications. It was agreed that there were not enough sustainable bids to enable a public vote to take place across the 5 local areas, and that revised criteria be drafted for consideration by the Borders Assessment Panel and brought back to Council for approval.
- 3.6 The proposed changes to the criteria are as follows:
- The fund will not be restricted to “new” projects
 - The cap for constituted groups has been raised from £10k to £15k
 - Staffing costs of 50% of the total application will be considered (but cannot be used to supplement funding core staffing activity/time)
 - The fund will consider structural changes to buildings
- 3.7 It is also proposed that projects must demonstrate within the application form **how** they will:
- Be **Inclusive** and give everyone in the local community the opportunity to participate
 - Be **Accessible** to any members of the local community
 - Make a **difference** and have an impact on the wider community
 - Be **deliverable** within the costings provided
 - Have appropriate **permissions** been obtained i.e. planning permissions or building warrants have been considered and factored into project plans and costings
 - Be **Sustainable** if the project is intended to carry on past LBF funding

- Have **other funding requirements** in place or in process if required
- 3.8 A 10% cash contribution from each bid is being proposed which is in alignment to other LA's participatory budgeting models in Scotland. This demonstrates commitment and engagement to the project and a test of the robustness of the project idea.
- 3.9 The proposal for the public vote is both an online voting tool and ballot papers only available at a voting event (one per locality). There will be no ballot boxes out in the community due to the challenges experienced of the distribution and collection of 79 ballot boxes. Ballot papers can also be sent out to individuals on request if they cannot attend a voting event.
- 3.10 Only those who are over 16yrs of age and live in the Borders will be able to vote in the second round. This will streamline the postcode validation process.
- 3.11 The pre-assessment check will comprise the Communities & Partnership Team ensuring that the application forms have been completed satisfactorily, meet the priorities and outcomes of the SBC Corporate Plan and the CPP Community Plan and are appropriate for the Localities Bid Fund, or if there are other, more appropriate funding streams. All applications will be presented to the Borders Assessment Panel with a recommendation for the Panel's consideration.
- 3.12 The Borders Assessment Panel will be chaired by the Executive Member for Neighbourhoods and Locality Services and include all Area Partnership Chairs, Vice Chairs and key SBC officers. Applications will be assessed by the Borders Assessment Panel against the proposed criteria. The projects that do not meet the proposed criteria will not go forward to the public vote and appropriate feedback will be given by the Communities & Partnership's Team to applicants.
- 3.13 The same voting process from the first round (i.e. funding allocated to those projects with the most votes) will be used for those agreed projects going forward to a public vote, and funding will be awarded to the most successful bids and publicised on the SBC website, at Area Partnerships and through social media.
- 3.14 The Localities Bid Fund **will not** fund:
- Trips abroad
 - Activities which only benefit individuals
 - Organisations who aim to make a profit
 - Political or religious activities
 - Any retrospective costs already incurred by the applicant
 - Projects that disadvantage any groups or individuals in the community
 - Public sector provision that is required by statute (law)
 - Payments towards areas generally understood to be the responsibility of statutory authorities, including schools, i.e. projects that take place

in school, during school hours and/or only for the benefit of the pupils will not be considered. PTAs/Parent Councils can apply, but must evidence the project has genuine wider community benefit outwith the school

- Projects not aligned to Council and/or Community Planning Partnership policies, strategies and priorities
- Applications from groups based outwith the Scottish Borders

Staffing/Salary/Consultancy – including covering the costs of external trainers

- A maximum of 50% of your application costs can be used for staffing/salary/consultants/external trainers, but cannot be used to fund core staffing activity/time

4 PROPOSED TIMETABLE

- 4.1 A proposed timetable is included at **Appendix C**. This timetable is for guidance only, and in order to allow for application support if required, the final timetable for each of the 5 areas will be decided by the members of each Area Partnership.
- 4.2 It is proposed that the fund opens for applications from January 2019 through to the end of February 2019. Assessment will take place in March 2019, and voting will take place Mid-April 2019 with successful applicants being notified in May 2019.
- 4.3 A second public survey will be conducted at the end of round 2, along with feedback collated during the process, and this will be used in conjunction with the monitoring and evaluation from LBF Round 1 to bring a full evaluation for Members consideration in summer 2019.

5 IMPLICATIONS

5.1 Financial

- (a) The funding awarded for the 2017 Localities Bid Fund Round 1 was £203,759. Funding being allocated for this round is £296,241.30 which includes £2,050 being rolled over for Berwickshire and £26,191 rolled over for Eildon (**Appendix B**).
- (b) Due to the extension of the fund, it will not be possible to award the outstanding LBF pilot budget within 2018/2019, and therefore the balance outstanding at the end of the current financial year will be required to be vired into 2019/2020.

5.2 Risk and Mitigations

A risk management approach will be applied consistently and appropriately across the programme, based on existing grants & funding schemes and best practice. Decisions taken on the allocation of the Localities Bid Fund

should not expose the Council to any unfunded ongoing future financial commitment.

5.3 Equalities

- (a) An Equalities Impact Assessment has been carried out on this proposal and it is anticipated that there are no adverse equality implications.
- (b) It is anticipated that there are no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals in this report.

5.4 Acting Sustainably

There are no significant impacts on the economy, community or environment arising from the proposals contained in this report.

5.5 Carbon Management

There are no significant effects on carbon emissions arising from the proposals contained in this 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.

6 CONSULTATION

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

Approved by

Jenni Craig

Service Director Customer & Communities Signature

Author(s)

Name	Designation and Contact Number
Jenni Craig	Service Director, Customer and Communities
Shona Smith	Communities and Partnership Manager

Background Papers: Nil

Previous Minute Reference: Scottish Borders Council, 28 September 2017

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

Contact us at Scottish Borders Council, Council Headquarters, Newtown St Boswells TD6 0SA. Tel: 01835-824000, Email: smsmith@scotborders.gov.uk

This page is intentionally left blank

Assessment Criteria/Guidance for LBF2 Extension

Your project must ...

Criteria/Principles	What we mean ...
<p>BE INCLUSIVE</p> <p>BE ACCESSIBLE & OPEN FOR WIDER COMMUNITY USE</p>	<p>Give everyone in your local community the opportunity to participate</p> <p>Available and easy for any members of your local community to access/join in with</p> <p>A community may be geographical e.g. your town or village, a group of people with a particular characteristic in common e.g. children & young people or people with a disability or a community of interest</p>
MAKE A DIFFERENCE (Impact/Benefit)	<p>What will be achieved through your project (what will the outcome be)? e.g. increased project membership, more people will learn a new skill, drop-in sessions will increase etc</p> <p>How will your project have an impact on group users and the wider community e.g. increased aspirations, develop community ownership, change of local policy, individuals become project volunteers etc</p>
BE DELIVERABLE (Capacity)	<p>Is your project practical?</p> <p>Can your project be delivered within the costings you provide? (You must supply evidence of how you have costed your project)</p> <p>What knowledge and expertise does your community group have to deliver the project?</p>
HAVE THE APPROPRIATE PERMISSIONS (Buildings/Land)	<p>What have you done to obtain the relevant permissions to make changes to buildings? i.e. do you have/do you require planning permission or a building warrant ?</p> <p>What have you done to obtain the landowner's written permission to site your equipment or hold your event on their land?</p> <p>If your activity requires leasehold of land or building, have you secured on submission of your application ?</p>
BE SUSTAINABLE (Future proofing)	How will your project be able to carry on in the future, or is it a one off project?
ARE OTHER FUNDING REQUIREMENTS IN PLACE	You will not be able to apply for other SBC

Assessment Criteria/Guidance for LBF2 Extension

	community funding or grants to deliver this project – if you require other funds these will need to be sought and included in your application
--	--

Clarity on what LBF2 **will not fund**:

- Trips abroad
- Activities which only benefit individuals
- Organisations who aim to make a profit
- Political or religious activities
- Any retrospective costs already incurred by the applicant
- Projects that disadvantage any groups or individuals in the community
- Public sector provision that is required by statute (law)
- Payments towards areas generally understood to be the responsibility of statutory authorities, including schools, i.e. projects that take place in school, during school hours and/or only for the benefit of the pupils will not be considered. PTAs/Parent Councils can apply, but must evidence the project has genuine wider community benefit outwith the school
- Projects not aligned to Council and/or Community Planning Partnership policies, strategies and priorities
- Applications from groups based outwith the Scottish Borders

Staffing/Salary/Consultancy – including covering the costs of external trainers

A maximum of 50% of your application costs can be used for staffing/salary/consultants/external trainers, but cannot be used to fund core staffing activity/time.

Please get in touch with us before you submit your application if you have any queries, or are not sure what we mean.

Localities Bid Fund

Round 2: Funding Allocation

Round 1 awards and Round 2 allocations for £500,000 pilot participatory budgeting (PB) fund

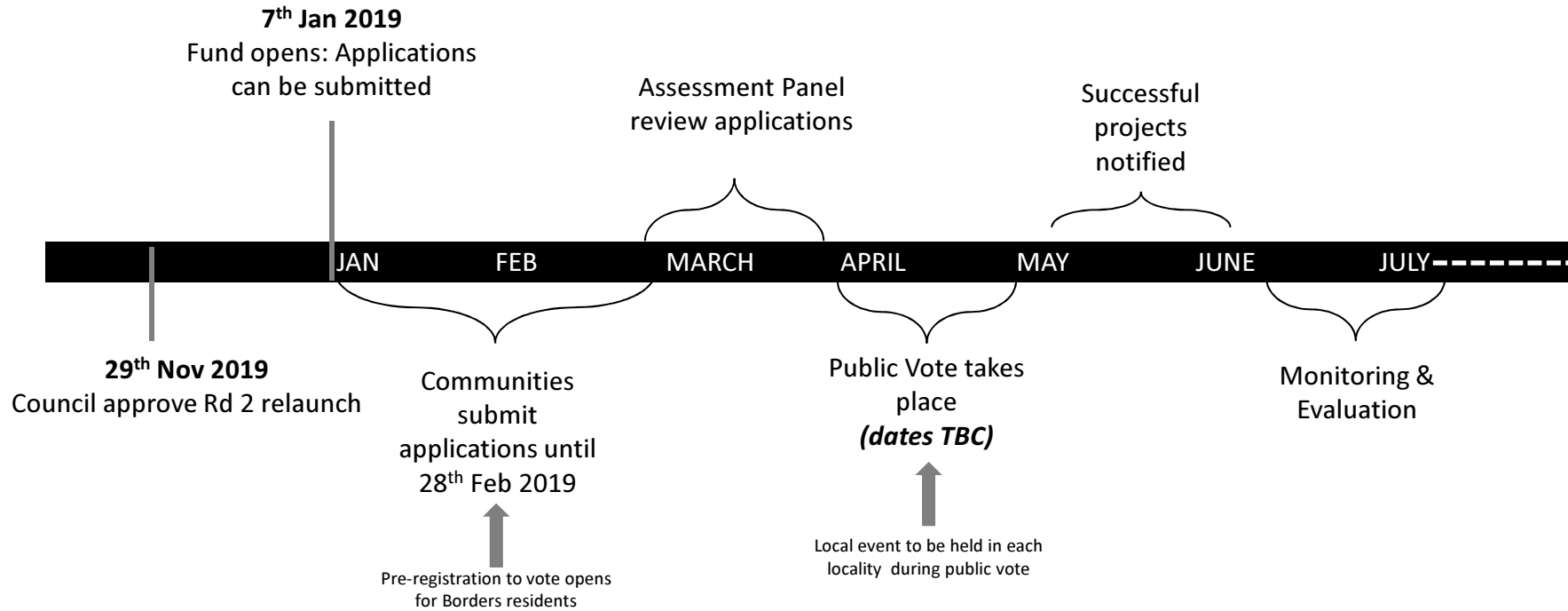
Area	Population*	£4.384 per head of population	Round 1	Round 2
			Funding awarded	Funding allocated
Berwickshire	20,827	£91,324.30	£42,950	£48,374.30
Cheviot	19,514	£85,568.20	£35,000	£50,568.20
Eildon	35,035	£153,611.30	£33,809	£119,802.30
Teviot & Liddesdale	17,806	£78,080.30	£38,000	£40,080.30
Tweeddale	20,848	£91,416.20	£30,000	£61,416.20
Total	114,030	£500,000	£203,759	£296,241.30

*uses 2015 NRS population data

This page is intentionally left blank

Localities Bid Fund: Round 2 - Draft Timescales

Spring/Summer 2019



This page is intentionally left blank



A REFRESHED INTEGRATED CHILDREN AND YOUNG PEOPLE'S PLAN 2018-2021 FOR THE SCOTTISH BORDERS

Report by Interim Service Director Children and Young People SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

- 1.1 This report proposes that Scottish Borders Council notes the refreshed Integrated Children and Young People's Plan for the Scottish Borders 2018-2021, complying with the Children and Young People's (Scotland) Act 2014.**
- 1.2 The Scottish Borders Community Planning Partnership (CPP) is committed to safeguarding, supporting and promoting the well-being of all children and young people across the Scottish Borders, and this is carried out through the work of the Children and Young People's Leadership Group (CYPLG).
- 1.3 The CYPLG partners of Scottish Borders Council (SBC), NHS Borders, Police Scotland, the Scottish Children's Reporter Administration (SCRA) and the Third Sector take an integrated approach to service planning (a requirement of the Children and Young People's (Scotland) Act 2014), and focus on shared priorities to deliver meaningful and sustainable improvements to the lives of all our children and young people.
- 1.4 The CYPLG has reflected on a much changed national and local policy context as well as the issues facing our children and young people in their homes, in schools, and in their communities and has recognised the need to refresh the existing Integrated Children and Young People's Plan 2017-2020 plan to address this changing context. The CYPLG reviewed and revised its current approach and agreed to refocus on four key priorities, and a renewed commitment to involve children, young people and their families in the decisions about the service that affect them.

2 RECOMMENDATIONS

- 2.1 I recommend that Scottish Borders Council notes the Integrated Children and Young People's Plan for the Scottish Borders 2018-2021 described in this report and attached at Appendix 1.**

3 BACKGROUND

- 3.1 The Children and Young People (Scotland) Act 2014 requires an integrated approach to service planning by partners. In the Scottish Borders, this translates into an Integrated Children and Young People's Plan produced by and supported by the Children and Young People's Leadership Group (CYPLG), made up of Scottish Borders Council (SBC), NHS Borders, Police Scotland, the Scottish Children's Reporter Administration (SCRA) and the Third Sector, and signed off by the Scottish Borders Community Planning Partnership (CPP).
- 3.2 There is a current plan in existence for 2017-2020, and good progress in delivering actions set out in this Plan has been made, in particular around child protection practice and the approach to addressing the emotional health, wellbeing and resilience of young people. However it was felt appropriate to refresh this plan to make the most of new opportunities as well as addressing the current complex and changing strategic and legislative context, for example the Child Poverty (Scotland) Act 2017.
- 3.3 The new Scottish Borders Community Plan, SBC Corporate Plan, and Financial Plan 2018-19, as well as the NHS Clinical Strategy demonstrate real commitment and focus on supporting children and young people, as well as early intervention and prevention. Significant investment is allowing activities to be set up, involving partner agencies to improve mental and emotional health and create positive opportunities regarding exercise, diet, nutrition, lifestyle and employability.
- 3.4 The CYPLG continues to reflect on the issues facing children and families in their homes, schools and communities. Direct feedback from young people has enabled the group to understand some of the challenges that they face which can impact on their emotional health and wellbeing as they grow up, as well as other barriers that exist to achieving their full potential.
- 3.5 The importance of early intervention and prevention and of reducing inequalities (key priorities for the CPP) is recognised in the funding and commitment shown to our children and young people by partners, and this needs to be reflected in service planning going forward.
- 3.6 To define strategic priorities and outcomes for 2018-2021, the CYPLG considered the outcome of the previous joint inspection for children and young people in the Scottish Borders undertaken in 2016, as well as relevant national and strategic context, to arrive at a new vision and four key priorities with clear outcomes which will be progressed over the next three years and beyond. These priorities set out where partners and the partnership will focus work going forward, and provides strategic direction for integrated services.

4 REFRESHED INTEGRATED CHILDREN AND YOUNG PEOPLE'S PLAN 2018-2021

- 4.1 In light of the significant changes outlined in paragraphs 3.2 and 3.3, the CYPLG has refreshed the 2017-2020 Integrated Children and Young People's Plan to make the most of new opportunities, and to enable partners to work

towards closing the gap between our most deprived and least deprived families and communities.

- 4.2 The Integrated Children and Young People's Plan 2018-2021, presented at Appendix 1, aligns to the outcomes in the Scottish Government's National Performance Framework 2018 (and in particular the outcome relating to children and young people: "We grow up loved, safe and respected so that we realise our full potential") and locally, to the outcomes in the CPP's new Community Plan 2017.
- 4.3 The vision of the new plan is "*Working together we will ensure all children and young people have a sense of belonging, self-worth and self-confidence to achieve their unique potential*".
- 4.4 Children and young people, along with their families and carers, should be at the centre of what the CYPLG does. The four refreshed priorities aim to impact positively on their lives, but be influenced by a new approach which sees intervention as early as possible and a focus on prevention. The four key priorities of this plan are:
1. Keeping children and young people safe
 2. Improving health and well-being and reducing inequalities
 3. Targeting support to maximise life experiences and opportunities and ensuring inclusion
 4. Increasing participation and engagement
- 4.5 Members of the CYPLG are decision makers within their respective organisations whose work has an impact on the lives of children and young people in the Scottish Borders and join together through a shared vision and set of priorities. The group is now working on the principles of:
- Focussing on early intervention and prevention to support children, young people and their families where and when they need it most
 - Engaging with, and listening to children, young people and their families to increase our understanding of their issues and vulnerabilities
 - Working with children, young people and their families to help them strengthen their own relationships and the relationships with services available to them.
- 4.6 The CYPLG will now work to design and implement a detailed action plan to effectively address the four key priorities in the plan and design a performance scorecard to ensure that progress can be monitored effectively.

5 IMPLICATIONS

5.1 Financial

There are no costs attached to the recommendation contained in this report. Respective partners use existing budgets to implement the work identified by the CYPLG, and articulated in the refreshed Plan. To complement existing budgets, the CYPLG manages a budget of approximately £720k to commission appropriate services in order to work towards its priorities. Additional money was identified in the Council's Financial Plan for 2018-19 as a one-year investment to complement current resources. A CYPLG Commissioning group oversees and monitors this funding to ensure that

positive outcomes are achieved for children and young people across the Scottish Borders.

5.2 Risk and Mitigations

The Integrated Children and Young People's Plan 2018-2021 aims to deliver four key priorities as set out in paragraph 4.4. In developing the action plan to implement these priorities, the CYPLG takes cognisance of general risks across the Plan as well as risks associated with specific priorities.

- I. There may be differing approaches to partnership working which could delay delivery of objectives. The CYPLG will mitigate this by gathering evidence of each action and priority through self-evaluation.
- II. There may be difficulties in engaging with families and young people and a misunderstanding of their needs. The CYPLG will mitigate this by using quantitative data designed to measure effectiveness through use of a scorecard.
- III. There is a risk that participation and engagement with children and young people is unsuccessful if existing approaches are continued. The Integrated Children and Young People's Plan 2018-2021 addresses this by designing new mechanisms to encourage participation and engagement in an informed, targeted way.
- IV. There may be a lack of capacity to deliver improved health and wellbeing in the current school curriculum. The one-off funding described in paragraph 5.1 will enable the development of this important issue.
- V. The actions arising from the plan may not be enough to keep children and young people safe. The CYPLG will monitor the effectiveness of education programmes, assist in the design of new approaches and continue to work with the Child Protection Committee where appropriate.

5.3 Equalities

A full Equalities Impact Assessment has been carried out on this plan and it is anticipated that there are no adverse equality implications.

5.4 Acting Sustainably

The priorities of the Integrated Children and Young People's Plan 2018-2021 will be implemented in a sustainable manner in order to improve fairness and equality of access to services where they are needed most. The plan will offer opportunities to engage and participate in actions which will benefit children, young people and their families.

5.5 Carbon Management

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

5.6 Rural Proofing

The Integrated Children and Young People's Plan 2018-2021 focuses on strengthening access to services where needed most, regardless of where children and families live in the Scottish Borders.

5.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes required to the Scheme of Administration or the Scheme of Delegation as a result of the Integrated Children and Young People's Plan 2018-2021.

6 CONSULTATION

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

6.2 Others consulted –

- Corporate Communications

Approved by

Stuart Easingwood

Signature

Interim Service Director Children and Young People

Author(s)

Name	Designation and Contact Number
Janice Robertson	Strategic Planning and Policy Manager Tel: 01835 824000

Background Papers: n/a

Previous Minute Reference: n/a

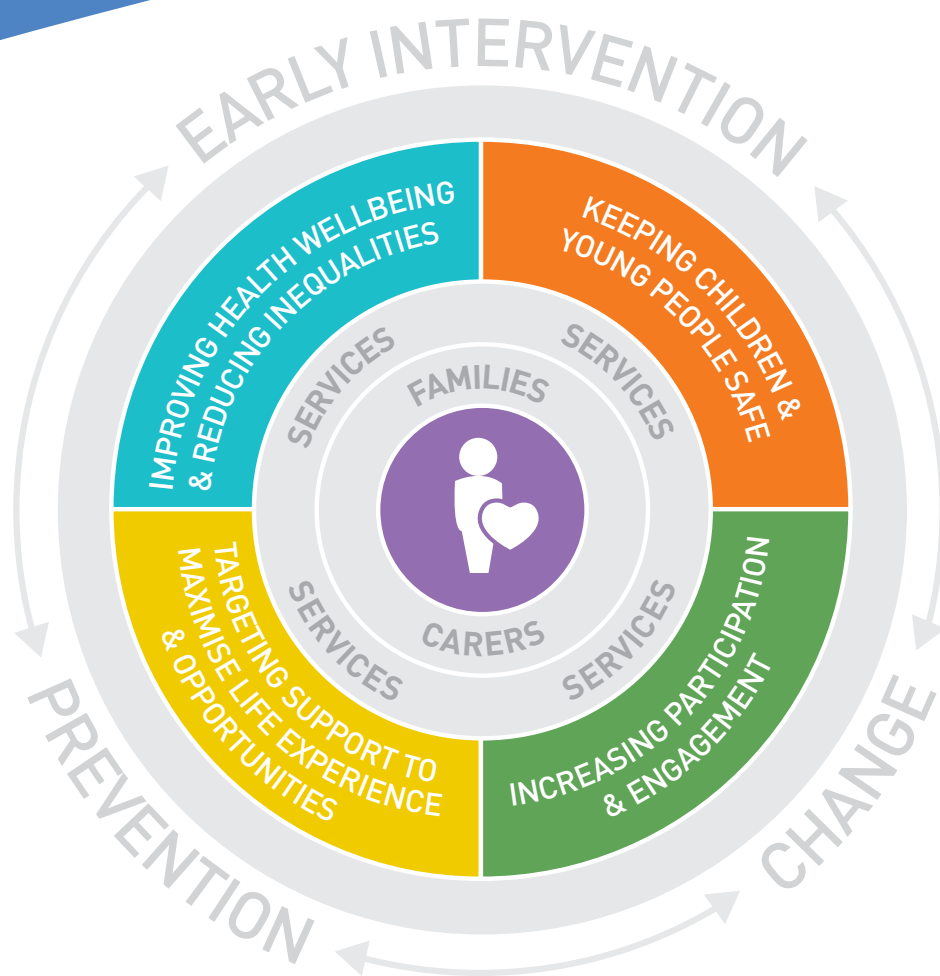
Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Janice Robertson can also give information on other language translations as well as providing additional copies.

Contact us at Janice Robertson, Scottish Borders Council, Council Headquarters, Newtown St.Boswells, Melrose, TD6 0SA, Tel: 01835 824000, jrobertson@scotborders.gov.uk

This page is intentionally left blank

Integrated Children and Young People's Plan

IN THE SCOTTISH BORDERS 2018-2021



CONTENTS

INTEGRATED CHILDREN AND YOUNG PEOPLE'S PLAN 2018-2021

FOREWORD	3
1. INTRODUCTION	5
A new context	5
Progress	6
Challenges ahead	6
Opportunities	7
A new approach	7
2. HOW OUR PRIORITIES LINK	9
3. CHILDREN AND YOUNG PEOPLE IN THE SCOTTISH BORDERS	10
4. FAMILY INCOME AND EARNINGS	13
5. OUR ROLE AS A CHILDREN & YOUNG PEOPLE'S LEADERSHIP GROUP	17
6. STRATEGIC CONTEXT	19
Legislation	19
Child Poverty (Scotland) Act 2017	19
Public Health Priorities for Scotland	20
GIRFEC	20
National Performance Framework	20
Community Empowerment (Scotland) Act 2015	20
Scottish Borders Community Plan	21
Scottish Borders Council's Corporate Plan 2018-2023	21
NHS Clinical Strategy	22
7. PRIORITIES FOR THE CHILDREN AND YOUNG PEOPLE LEADERSHIP GROUP 2018-2021	23
Vision	23
8. PRIORITIES FOR THE CHILDREN AND YOUNG PEOPLE LEADERSHIP GROUP 2018-2021	24
Priority 1	26
Priority 2	27
Priority 3	28
Priority 4	29
9. OUR LEADERSHIP GROUP APPROACH	30
10. WORKFORCE PLANNING AND DEVELOPMENT	32
11. COMMISSIONED SERVICES	33
Current Commissioned Services	34
12. MODEL OF SUPPORT	37
13. MONITORING, EVALUATING AND REPORTING	38
Scorecard	38
Outcome focused reporting	38
Self-evaluation	38

INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

FOREWORD

The Scottish Borders Community Planning Partnership (CPP) is committed to safeguarding, supporting and promoting the well-being of all children and young people across the Scottish Borders. We translate this commitment into action through the work of the Children and Young People's Leadership Group (CYPLG) (established in 2014) which brings together partners from Scottish Borders Council (SBC), NHS Borders, Police Scotland, the Scottish Children's Reporter Administration (SCRA) and the Third Sector. The CYPLG focuses on shared priorities to deliver meaningful and sustainable improvements to the lives of all our children and young people, to ensure that everyone can reach their full potential.

Within the Scottish Borders, there is a real commitment and focus on supporting children and young people in the new Community Plan, SBC's Corporate Plan, NHS Borders' Clinical Strategy and SBC's Financial Plan for 2018-2019. Significant investment, including through the new South of Scotland Economic Partnership, will allow activities and programmes to be set up involving partner agencies to improve mental and emotional health, create opportunities and promote positive choices regarding exercise, diet, nutrition, lifestyle and employability. We are confident that our children and young people and their families will benefit greatly as a result.

The CYPLG made great progress under the previous Integrated Children and Young People's Plan for 2017-2020, notably around child protection practice and the redesign of our approach to emotional health and wellbeing. However, they felt it was appropriate to review and refocus its plan to make the most of opportunities that now exist and to also tackle some of the persistent issues that partners know families, children and young people face, including child poverty.

We are proud of the way we work in partnership in the Scottish Borders to achieve a holistic and joined up approach to tackling issues for children and families. We therefore welcome the funding and commitment shown to our children and young people by partners, which recognises the importance of **early intervention and prevention** and of **reducing inequalities**, key priorities for the CPP. This refreshed plan continues to work towards closing the gap between our most deprived and least deprived families and communities, targeting resources to support our most vulnerable children and young people and really listening to what they are telling us so we can make any necessary changes to services.

The CPP is pleased to approve this plan which sets out a clear vision and priorities for the future, highlighting our full commitment to working together in partnership to pursue our goal of making a difference to the lives of children, young people and their families.

Councillor Mark Rowley
Chair of Community Planning Partnership



INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

1. INTRODUCTION

This Scottish Borders Integrated Children and Young People's Plan 2018-2021 sets out the strategic direction for the planning and delivery of services for children and young people in the Scottish Borders over the next three years. An integrated approach to service planning by partners is a requirement under the Children and Young People (Scotland) Act 2014. It is also appropriate at a time when SBC and its partners are facing reducing resources and increased demand for services. The Plan expresses the commitment of the CYPLG to use its combined resources to work in partnership to achieve the best possible outcomes for all our children and families with the following shared vision:

“ Working together we will ensure all children and young people have a sense of belonging, self-worth and self-confidence to achieve their unique potential. ”

A NEW CONTEXT

The Plan aligns to the outcomes in the Scottish Government's National Performance Framework 2018 (and in particular the outcome relating to children and young people: “We grow up loved, safe and respected so that we realise our full potential”) and locally, to the outcomes in the CPP's new Community Plan 2017. The plan will also enable the partnership to address requirements under the Child Poverty (Scotland) Act 2017 which will involve SBC and NHS Borders jointly preparing a Local Child Poverty Action Report, showing how we are working to meet targets around eradicating child poverty. More detail on the strategic context is provided on Page 19.

PROGRESS

Significant progress has been made in relation to the previous plan. Notable achievements include:

- Significant changes in practice and training around **child protection**.
- Redesign of the approach to **emotional health and wellbeing** - strengthening the capability of universal services to support young people in schools and communities through a continuing programme of training and development for staff, parents and young people, including:
 - The Growing in Confidence programme and 'See Me' initiative in secondary schools
 - Resilience packs in primary schools
 - Commissioning of a new service to support emotional health and wellbeing for young people aged 10–18.
- Refreshed **sexual health strategy** - new resources and innovative partnership projects (including VOMO film making 'Peaches and Aubergines').
- **LGBT Charter Status** achieved in Peebles High School (silver award) and Berwickshire High School (bronze award).
- Good progress in producing the Scottish Borders **Play Strategy** with support from Play Scotland. This strategy is due to be finalised and launched in 2018.
- Development of the **Support for Parents Strategy** that identifies the range of levels of support available and to be developed for families across age ranges.
- Further development of our four **Early Years Centres** in Langlee, Burnfoot, Philiphaugh and Eyemouth and continued delivery of integrated approaches by partners to support families in early years.
- Development of the **Year of Young People Plan** through engagement with children and young people from across the Scottish Borders. The plan sets out the approach being taken to support the initiative and the legacy it will leave behind as a result.
- Increase in the number of schools progressing through the **Rights Respecting Schools Award**.
- Progress made in implementing the **Children and Young People (Scotland) Act 2014** including implementation of the national practice model, the development of the Child's Plan and significant work on improving chronologies.

More detail can be found in our Annual Performance Report for 2017/18.

CHALLENGES AHEAD

The CYPLG has, over the last few months, reflected on the changing national and local policy context as well as the issues facing our children and young people in their homes, schools and communities. While many children and young people in the Borders thrive, some families face deep-seated challenges that have an impact on the wellbeing of their children and young people as they grow up and can affect outcomes in adulthood. The Leadership Group continues to seek to understand the nature and causes of these challenges in order to be able to provide effective solutions.

For example:

- **Poverty and low income** remain an issue in an area with one of the lowest wages in Scotland, with many families 'just getting by'. This has led to poverty proofing in all schools, supported by the development of the Borders Child Poverty Index (CPI), which provides schools and other partners with a more detailed understanding of child poverty as it affects communities locally. This will be discussed with the Scottish Government later in 2018.

- Much of what happens within Borders communities, both from a sporting and cultural perspective, centres around the **consumption of alcohol**, as well as historical gender specific attitudes, practice and ceremony.
- In some instances families are affected by multiple, complex problems in relation to poverty, employment, mental health, alcohol and drugs and involvement with community justice. Services are not always well geared up to respond to these issues and families may not always get the joined up support required to break the cycle and enable them to move forward.
- Whilst **social media** can have many benefits for young people in isolated rural areas of the Borders, there is growing evidence of the negative influence it is having on young people's quality of life, self-image and relationships, and the scale of future problems could be significant.
- Not all young people have the skills and support they need to make the right choices about age appropriate **risk-taking**, and about how they prepare for the world of work and adulthood and potential parenthood.
- Whilst some great work is going on around inclusion, Borders communities and culture can compound the geography of the area and lead to **feelings of isolation and exclusion** for many, with access and transport issues adding to this. For example, a mother of a child with additional support needs, living on benefits in a very rural valley community could feel that support networks are very difficult to access and may seem unapproachable.
- Feeling that for many there is no **future/ limited opportunities to work or study** in the Borders.

OPPORTUNITIES

- The Scottish Government has agreed to establish a South of Scotland Enterprise Agency, so SBC and partners can more effectively address the economic challenges facing our rural region (along with Dumfries and Galloway) e.g. employability, earnings, skills and connectivity.
- There are two other significant national investment opportunities to make the most of: **City Deal** and **Borderlands**, both of which will assist us to support economic growth, skills and infrastructure and create a step change in the Borders economy.
- The Scottish Government has introduced some new legislation around:
 - Strengthening the role of communities through the Community Empowerment (Scotland) Act 2015.
 - Increasing the pace and depth of partnership working with NHS Borders (Public Bodies (Joint Working) (Scotland) Act 2014.
 - Strengthening the rights of children and young people in Scotland and promoting early intervention and prevention through the Children & Young People (Scotland) Act 2014.
 - Addressing persistent poverty and setting very ambitious targets through the Child Poverty (Scotland) Act 2017.

A NEW APPROACH

To enable us to tackle the challenges we face, we have undertaken some practical on the ground pilots in recent years to provide targeted support and interventions for families who need it (small steps of change).

Two examples include:

- In Galashiels the 16+ Transitions Project has been very successful in supporting young people to gain long term tenancies, as a result of initially living within supported accommodation.
- Burnfit in Hawick (street games such as rugby, with refreshments supplied at the end) has provided positive experiences for participants throughout July and August 2018 and is likely to be continued and developed into a longer term provision.

Initiatives such as these have had a positive impact on the lives of young people and their families and on a larger scale, have the potential to impact many more.

Many issues faced by children, young people and families are deep-rooted and widespread and require public sector partners to re-think not only WHAT we do but also the WAY we approach such issues, from the perspective of the young person and their family and their journey through our services. Were services easy to access? Was support available when and where required? Did we understand the issues facing young people and families?

We need to learn from what has worked on a small scale or on a pilot basis, and involve young people to really appreciate the reality of their lives and the role their family can play at every stage in life. And this may require us to **think and act differently**.

We also need to ensure that all our services look to support children, young people and families at the **earliest point possible** to prevent adverse childhood and family experiences. An early intervention and prevention approach will not only have a positive impact on outcomes but will use resources more effectively and could save costly interventions when issues escalate e.g. secure, out of area placement for a young person.

As leaders, we need to **influence wider policies** that are being developed across partners and within the CPP around housing, health, economic development, employability and transport to ensure that the needs of children and young people are not overlooked.

And critically, we need to **commit to involving and engaging children and young people, families and services users** to increase our understanding of vulnerability and achieve a common appreciation of the impact of adversity and poverty. By involving and listening on an ongoing basis, we will collect evidence about what is working, what is not working, and what improvements need to be made.

This new Integrated Children and Young People's Plan for 2018-2021 aims to build on the success of the last plan, use our learning from the last few years and make the most of the partnership opportunities that exist as well as the new strategic context. Children, young people and their families are at the centre of what we are doing. We will focus more on early intervention and prevention and recognise that this will require us to make changes in how we work.

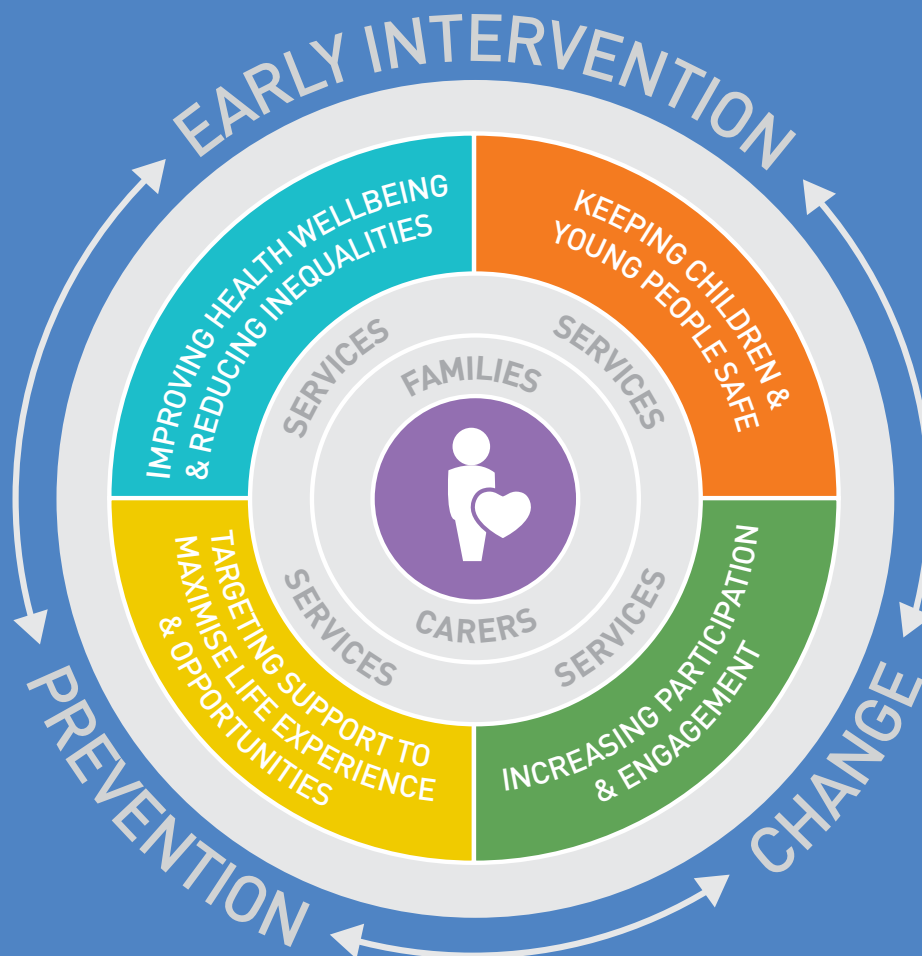
The Integrated Children and Young People's Plan for 2018/2021 will focus on the following four priorities:

1. Keeping children and young people safe
2. Improving health and well-being and reducing inequalities
3. Targeting support to maximise life experiences and opportunities and ensuring inclusion
4. Increasing participation and engagement

INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

2. HOW OUR PRIORITIES LINK

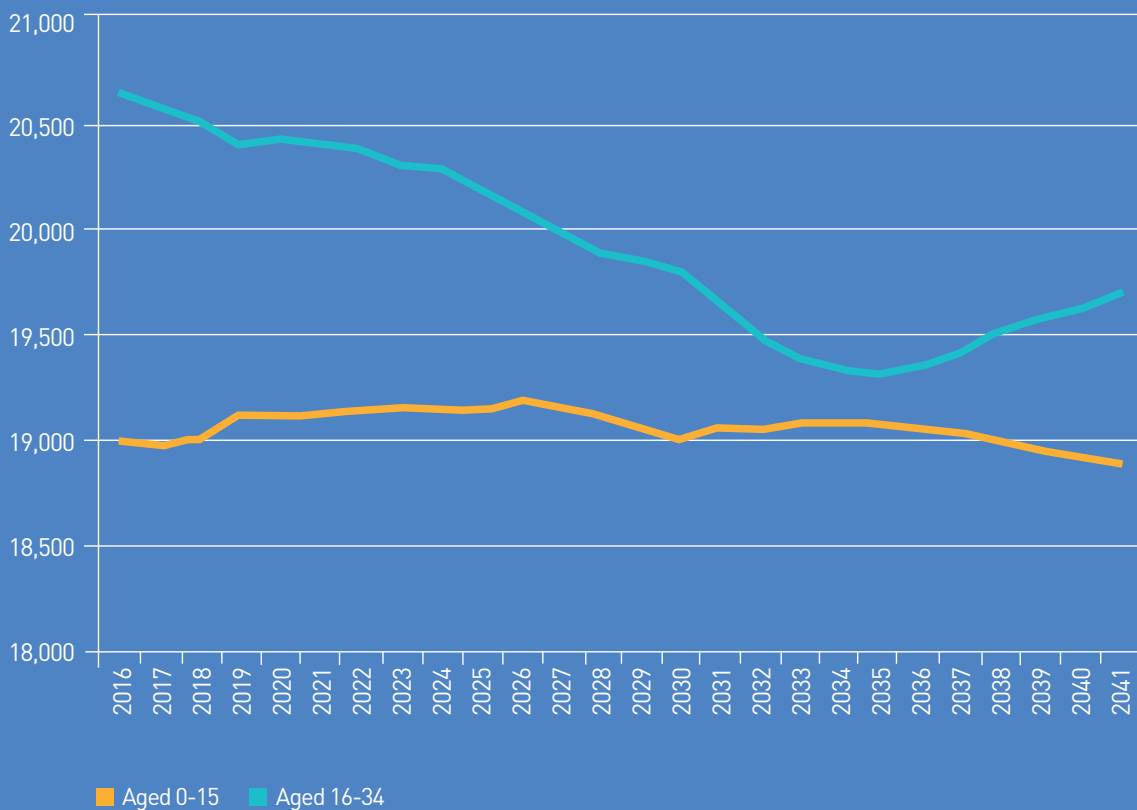
Children and young people, along with their families and carers, should be at the centre of what do. Our four priorities should impact positively on their lives, but be influenced by a new approach which sees us intervene as early as possible; focus on prevention and if necessary, change what we do and the way we do it. We have tried to represent this in the diagram below:



INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

3. CHILDREN AND YOUNG PEOPLE IN THE SCOTTISH BORDERS

There are 21,507 children and young people aged 0-17 in the Scottish Borders, equating to 18.7% of the total population of the region (just under the proportion for Scotland which is 19%). However, a key issue for Borders is the projected longer term decline in both the 0-15 year and the 16-34 year populations, as shown in the graph below, and recent consultation with young people has highlighted a perceived lack of opportunity for study, employment and housing, prompting many to leave the area.



Source: NRS 2016-based principal population projections

Of the 21,507 children:



Over a quarter of children and young people are therefore likely to experience some level of access deprivation, affecting their ability to participate in activities out with the school day and at weekends.

If we take **100 children and young people** in the Scottish Borders, the following information shows our local situation in relation to the four priorities identified within this plan:

PRIORITY 1
 Keeping children and young people safe



PRIORITY 2
 Improving health and well-being and reducing inequalities



PRIORITY 3

Targeting support to maximise life experiences and opportunities and ensuring inclusion

1 out of 100

children was **looked after** by the **Local Authority** in 2017. (Scottish Government Children Statistics)

21 out of 100

secondary school pupils from **deprived areas** achieved **5+ awards at SCQF Level 5 (National 5)** or better in 2016-17. (Improvement Service: LGBF)

7 out of 100

16-19 year olds were not in **education, employment or training** in 2016-17. (Annual Population Survey)

Less than

1 out of 100

children was in temporary accommodation in 2017. (Scottish Government Homeless Statistics)

1 out of 100

under 16 provided **unpaid care for a friend or relative** in 2011. (2011 Census)

44 out of 100

households with **children live in homes which fail the Scottish Housing Quality Standard.**

Out of 100 school leavers in 2016-17:

39

went on to **higher education**

24

went on to **further education**

2

went on to **training**

29

went on to **employment**

1

went on to **another positive destination**

4

were **unemployed** and **1 didn't say**. (Scottish Government Education Statistics)

PRIORITY 4

Increasing participation and engagement

57 out of 100

school pupils engaged in **Active Schools extra-curricular sports participation** in 2017-18 (compared to 45 out of 100 nationally).

- This rose to

61 out of 100

from the least-deprived areas.

- but only

41 out of 100

in the most deprived areas.

(SBC/ Live Borders)

(45 out of 100 nationally)

80 out of 100

Primary 7 pupils participated in **Active Schools extra-curricular sports activities** in 2017-18.

By **S4, only**

37 out of 100

pupils did so. (SBC/ Live Borders)

34 out of 100

children live in the **20% most access deprived areas in Scotland.**

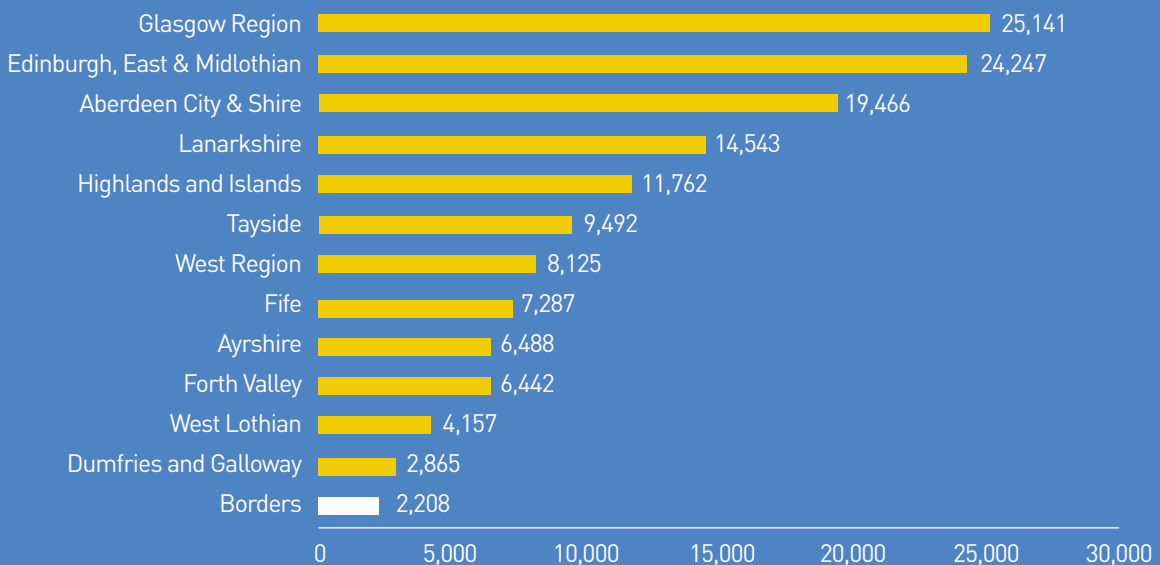
INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

4. FAMILY INCOME AND EARNINGS

There are some significant economic challenges facing the Scottish Borders that in turn affect family income. The structure of the economy (with an over-reliance on the public sector, manufacturing, farming etc.) means that many jobs tend to be lower paid than in other areas of Scotland (who benefit from sectors such as finance and media). Gross Value Added (GVA) is an economic measure used to show the monetary value for the amount of goods and services that have been produced/ provided in an area - the higher the value of the goods and services, the higher the GVA.

The difference between Borders and many other regions in Scotland can be seen below:

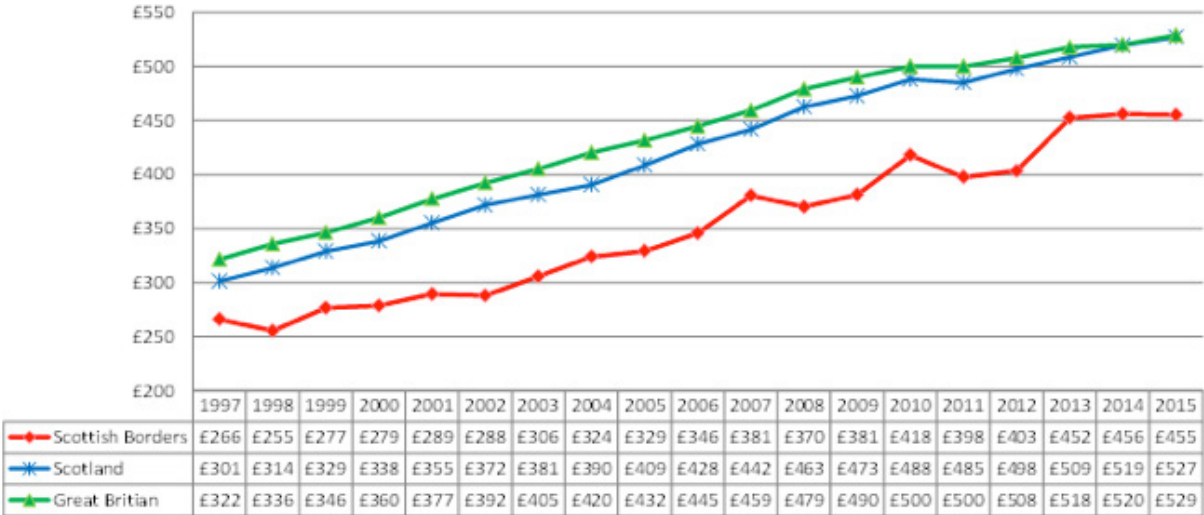
GROSS VALUE ADDED (GVA), REGIONAL COMPARISON 2024 (£million, constant 2013 prices)



Source: Skills Development Scotland³, Oxford Economics analysis

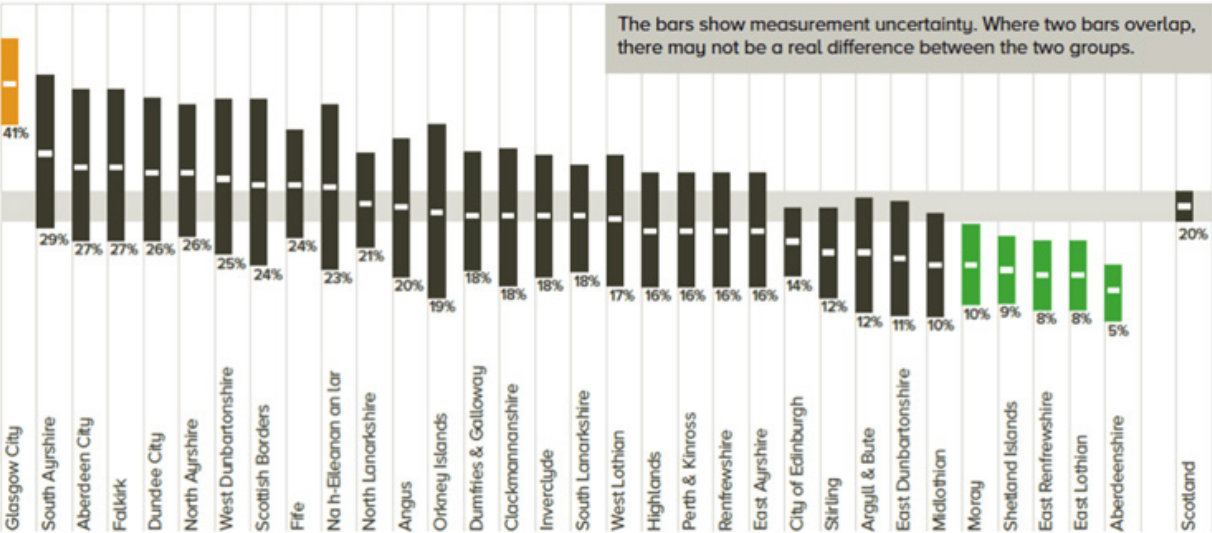
As a consequence of the types of jobs available, median full-time gross weekly earnings (by place of work) in the Scottish Borders continue to lag behind Scotland at £467 compared to £526 (Annual Survey of Hours and Earnings, April 2017) and are the fourth lowest in Scotland. This has been the case for some time (see table below) and has obvious impacts on children and families, with many families in the Borders who have two parents in full time employment, 'just getting by'.

WORKPLACE BASED GROSS MEDIAN WEEKLY PAY 1997 TO 2015, NOMIS



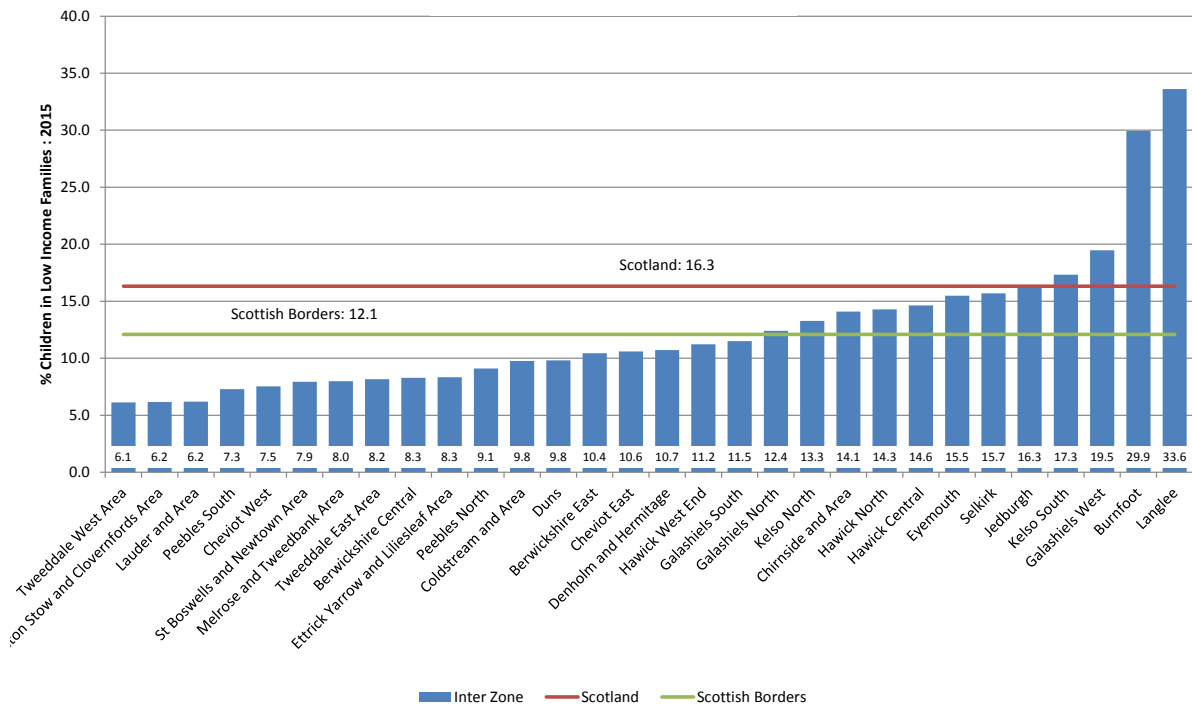
A recent Scottish Government report entitled 'Children in families with limited resources 2014 -2016' shows that **24%** of children in the Scottish Borders live in families with limited resources (see graph below). Surprisingly, this report shows that the percentage of families in the Scottish Borders is higher than many other rural local authorities, which means that our children are more likely to be in poverty compared to, for example Moray and East Lothian (areas that Scottish Borders is often benchmarked against) and shown to the right of the graph.

PERCENTAGES OF CHILDREN WHO LIVE IN FAMILIES WITH LIMITED RESOURCES BY COUNCIL AREA



Official 2015 HMRC Child Poverty figures show increases in levels for the Scottish Borders as a whole, at **12.1%** (up from 10.9% in 2012), and for Scotland at **16.3%** (up from 15.3% in 2012). At a Borders level, the percentage of children in low income families is lower than Scotland, but when data is examined at intermediate data zone (i.e. at smaller areas such as wards), the situation is surprising and concerning, with some areas experiencing levels as high as **33.6%**. A snapshot is provided below:

% CHILDREN IN LOW INCOME FAMILIES AUGUST 2015 SNAPSHOT



Source: HMRC via ScotPHO

Challenges also exist in relation to the funding that SBC receives from the Scottish Government to tackle inequality and deprivation. For example, in order to address the Closing the Gap agenda, Pupil Equality Fund (PEF) is awarded to all local authority areas. Allocations for 2017/18 and 2018/19 were made Free School Meal entitlement data and resulted in the allocation for Scottish Borders being significantly lower than some other areas who sit on the left hand side of the “Limited Resources” graph above.

In both years of PEF funding, Scottish Borders received just over £1.8m, equating to around 1.5% of the total Scottish allocation. Some local authority areas showing similar percentages of “Children in families with limited resources” such as South and North Ayrshire, Falkirk and West Dunbartonshire, received significantly more money (although this would need to be looked at per pupil to make a direct comparison). Lower PEF allocation has resulted in a slower pace of improvement in Scottish Borders e.g. in relation to attainment in our most deprived (SIMD1) areas, compared to other areas where significant funding has been received.

Inequality, poverty and deprivation in the Scottish Borders can remain hidden when looked at in a one-dimensional way i.e. using only Free School Meal entitlement. With this in mind, SBC developed a Child Poverty Index (CPI) when planning the roll out of the expanded early years provision in 2017/18, ensuring that a more rounded and representative approach was taken, by providing additional insight into Child Poverty in the Scottish Borders. This approach has been shared with Scottish Government and interest has been expressed in examining a methodology such as this further.

INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

5. OUR ROLE AS A CHILDREN & YOUNG PEOPLE'S LEADERSHIP GROUP (CYPLG)

The CYPLG is an improvement partnership made up of key stakeholders who deliver services for Children and Young People in the Scottish Borders and includes SBC, NHS Borders, Police Scotland, SCRA and the Third Sector (Youth Borders, LiveBorders).

The key aim of the CYPLG is to safeguard, support and promote the wellbeing of children and young people and improve their life chances.

The plan is underpinned by the United Nations Convention on the Rights of the Child (UNCRC) as well as a range of legislation and national policy, and the CYPLG has a key role in linking the work and plans of all partners to achieve the best outcomes we can for our children and young people.

The improvement partnership is almost unique in Scotland. As well as coming together to make things happen and change practice, the members are decision makers within their respective organisations whose work has an impact on the lives of children and young people in the Scottish Borders and join together through a shared vision and set of priorities.

The new approach described on page 7 will enable the CYPLG to focus on the principles of:

- **Focussing on early intervention and prevention** to support children, young people and their families where and when they need it most
- **Engaging with, and listening to children, young people and their families** to increase our understanding of their issues and vulnerabilities
- Working with children, young people and their families to help them **strengthen their own relationships, and their relationships with services** available to them.

The CYPLG works together to:

- Provide strategic leadership and direction
- Identify and provide solutions to emerging topics and issues
- Implement strategies and plans where relevant to the CYPLG
- Engage effectively and listen to the needs of children and young people
- Commission partner organisations to provide specialist services
- Build effective partnerships in addressing priorities

- Monitor progress against the Integrated Plan actions
- Review data and statistics to inform actions
- Promote best practice
- Provide best value
- Enable better communications of successes and priorities
- Promote joint staff training and development

INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

6. STRATEGIC CONTEXT

LEGISLATION

This plan ensures that the planning and delivery of our services complies with policies, legislation and guidance across the Scottish Government. The requirements of the Children and Young People's (Scotland) Act 2014 have been particularly influential in formulating the plan but the CYPLG works with a wide range of legislation, strategies and policies to plan future services for children, young people and families.

CHILD POVERTY (SCOTLAND) ACT 2017

The Child Poverty (Scotland) Act 2017 requires that Scottish Government meets four income-based child poverty targets by 2030 and indicates the actions it will take to meet those targets.

The targets are as follows:

- a) < 10% of children living in households in relative poverty
- b) < 5% of children living in households in absolute poverty
- c) < 5% of children living in households that combine low income and material deprivation
- d) < 5% of children living in households in persistent poverty

The Act also introduces a requirement for local authorities and each relevant Health Board to jointly prepare a Local Child Poverty Action Report, as soon as practicable after the end of each reporting year. **The first such report is due in June 2019.**

Priority 2 of this plan (Improving health and wellbeing and reducing inequalities) reflects the actions required to comply with the Child Poverty (Scotland) Act 2017.

PUBLIC HEALTH PRIORITIES FOR SCOTLAND

A set of national public health priorities have been developed which represent agreement between Scottish Government and local government about the importance of focusing our efforts to improve the health of the population.

The Public Health Priorities are designed to improve healthy life expectancy and reduce inequalities. They are:

- Vibrant, healthy and safe places and communities
- Flourishing in our early years
- Good mental wellbeing
- Reduced use of and harm from alcohol, tobacco and other drugs
- A sustainable, inclusive economy with equality of outcomes for all
- Eating well, having a healthy weight and being physically active.

Priority 2 (Improving health and wellbeing and reducing inequalities) reflects the actions required to focus on these priorities.

GIRFEC

We will continue to use the GIRFEC approach in the Scottish Borders. Improving wellbeing for every child and their families is a key pillar in developing and improving our services for children and young people and we will aim to deliver improvements in outcomes in safety, healthy, achieving, nurtured, active, respected, responsible and included. Where work supports these wellbeing indicators, this has been detailed under each of our strategic priorities.

NATIONAL PERFORMANCE FRAMEWORK

The National Performance Framework (NPF) is an outcomes-based framework which promotes partnership working by making organisations jointly accountable for planning and spending to achieve shared outcomes. The national outcome in relation to children and young people is 'We grow up loved, safe and respected so that we realise our full potential'. All priorities in this plan reflect actions to meet national outcomes for our children and young people.

COMMUNITY EMPOWERMENT (SCOTLAND) ACT 2015

Community planning is the process by which councils and other public bodies work with local communities, businesses and community groups to plan and deliver better services and improve the lives of people who live in our area. It was introduced by the Local Government in Scotland Act 2003. The Community Empowerment Act lists the public authorities which are required to take part in community planning and places duties on them. In addition to SBC, other key organisations are represented on the partnership including NHS Borders, Police Scotland, Scottish Enterprise and Scottish Fire and Rescue Service. These authorities form a Community Planning Partnership (CPP) for each local authority area. One of the duties of the CPP is to produce a Community Plan.

SCOTTISH BORDERS COMMUNITY PLAN

The Scottish Borders Community Plan (known under the Community Empowerment Act as a Local Outcomes Improvement Plan) is based around four themes:

1. Our Economy, Skills and Learning: How do we build and improve our economy, skills and learning?
2. Our Health, Care & Wellbeing: How do we promote and improve our health, care and wellbeing?
3. Our Quality of Life: How do we protect and improve our quality of life?
4. Our Place: How do we develop and improve our place?

A key priority for the CPP within the Community Plan is reducing inequalities i.e. closing the gap between our least and most disadvantaged in our communities and a **Reducing Inequalities** Delivery Team, chaired by the Service Director Children & Young People, is committed to taking an early intervention and prevention approach across the four community planning themes. The Delivery Team has prioritised a number of work streams, some of which can be taken forward as part of this Integrated Children and Young People's Plan.

These are:

- Developing a model for vulnerable children and young people in the Scottish Borders in relation to mental health.
- Developing a more strategic approach of support for vulnerable teenagers and young adults in the Scottish Borders.
- Building on the success of the Galashiels 16+ Transitions Project, work with Registered Social Landlords (RSLs) to seek funding to expand and roll out further across the Borders.

SCOTTISH BORDERS COUNCIL'S CORPORATE PLAN 2018-2023

The new Corporate Plan (OUR PLAN for 2018-2023 and your part in it) sets a direction for SBC in order to:

- Make the most of the opportunities we now have
- Tackle the challenges we face
- Take account of what our councillors want to achieve for the Scottish Borders
- Ensure we respond to national policies and other statutory requirements.

The plan is based around four themes and sets out the high level actions that SBC is committed to, as well as the part that individuals, communities, families and businesses can play to help keep the Scottish Borders thriving.

The four themes are:

- a. Our Services for You
- b. Independent Achieving People
- c. A Thriving Economy, With Opportunities for Everyone
- d. Empowered, Vibrant Communities

Within the Independent, achieving people theme, SBC has made a commitment **to poverty proof within schools, to school/business engagement** and to **working in partnership** to build the resilience of our young people and to support and develop their emotional well-being, resilience and mental health. This has also been supported with significant additional funding in the 2018-2019 Financial Plan around **young people's emotional health and wellbeing**.

NHS CLINICAL STRATEGY

The focus for improvement in this strategy in relation to child health is on three main areas:

- As is their right, children and young people will be involved in decisions and planning that affect their health and, when it is appropriate, families will also be included.
- The move from child health services to adult services will be improved.
- There will be greater capacity to deliver health care services in the community for children who are unwell.

There are many other plans and strategies that the CYPLG is aware of and make reference to in their work.

INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

7. PRIORITIES FOR THE CYPLG FOR 2018-2021

To define strategic priorities and outcomes for 2018-2021, the CYPLG has carried out the activity detailed opposite to arrive at a new vision and four key priorities with clear outcomes which will be progressed over the next three years and beyond. These priorities set out where we will focus our work and provides strategic direction for our integrated services.

2017-18 CYP Plan	National & Strategic Context	Activity
Children & Young People (Scotland) Act 2014	Child Poverty (Scotland) Act 2017	Stakeholder workshop to review existing priorities and key actions within Plan
Joint Inspection of Services for Children & Young People in the Scottish Borders	Public Health Priorities for Scotland	Executive Group decisions on shape of new plan
	National Performance Framework	CYPLG sign off
	South of Scotland Economic Partnership	CPP sign off
	Citydeal	
	Borderlands	
	East of Scotland Diabetes Partnership	
	Scottish Borders Community Plan	
	SBC Corporate Plan 2018/23	
	NHS Borders Clinical Strategy	
	SBC's Financial Plan 2018/19	

This resulted in the new Integrated Children and Young People's Plan for the Scottish Borders 2018-2021.

VISION

“ Working together we will ensure all children and young people have a sense of belonging, self-worth and self-confidence to achieve their unique potential. ”

8. PRIORITIES FOR THE CYPLG 2018-2021



In pursuit of our vision, we will strive to improve the well-being and life chances of all our children, young people and families through the provision of high quality, integrated services delivered through the actions set out within the four priorities.

We are committed to and focused on ensuring that all our children and young people living in the Scottish Borders have a good childhood and are prepared for adulthood.

We will maintain a strong focus on early intervention and prevention, building resilience and supporting children, young people and families to develop the skills and capabilities that enable them to navigate the challenges of modern life.

We are strong advocates of partnership working, and are committed to working collaboratively to ensure that services are joined up as we strive to meet the needs of children and young people.

In delivering these priorities we will ensure that the GIRFEC approach and UNCRC is embedded within the work required to achieve our aims. This includes making sure that the voices of children and young people are considered as part of the planning process. There are many ways in which their voices are already part of our work e.g. School Pupil Wellbeing Survey 2017-2018, High School World Café Consultation 2017, Year of Young People 2018 Online Survey.

From the surveys and consultations, children and young people told us what they like about living in the Scottish Borders:

“I like to play inside my house.”

Leadership Group working group: ‘Have your say on play’

“I like to play outside in my garden.”

Leadership Group working group: ‘Have your say on play’

“I feel safe and secure in school.”

Pupil Wellbeing Survey 2017-2018

“My school encourages young people to get involved and contribute to the local community.”

Pupil Wellbeing Survey 2017-2018

“I think the school cares about their young people.”

Pupil Wellbeing Survey 2017-2018

“Everyone is treated nicely in school.”

Year of Young People Consultation 2018

However, the CYPLG wishes to address other issues arising from the consultations and surveys, and the following pages describe the priorities in detail, along with the outcomes they hope to achieve and the key actions required to deliver them.

PRIORITY 1

Keeping children and young people safe

OUTCOME

More children and young people will be protected from abuse, harm or neglect and will be living in a supportive environment, feeling secure and cared for.

WHAT OUR CHILDREN AND YOUNG PEOPLE ARE CONCERNED ABOUT

1. 'Kids in bad areas are getting into drugs and alcohol because they don't have good parental support.' (Year of Young People 2018 Consultation)
2. 'Kids are being bullied.' (YOYP 2018 Online Survey)
3. 'More needs to be done to keep the Borders safe for young people.' (Year of Young People 2018 Online Survey)

WHAT WE WILL DO

1. Adopting the principles of co-production, work in partnership with the Child Protection Committee to produce a modernised strategy for public protection, recognising the role of communities and families.
2. Establish a partnership Early Intervention Programme to prevent risks escalating in families where there are significant and/or multiple challenges.
3. Provide young people with the support and advice they need to ensure they have the skills and confidence at key life stages to assess risk and make appropriate choices.
4. Review and refresh current approaches to interventions delivered within schools and communities by all partners to help young people stay safe.

HOW WILL WE KNOW

A range of measures will be developed by the Leadership Group e.g.

1. More children will feel safe.

PRIORITY 2

Improving health and well-being and reducing inequalities

OUTCOME

Inequalities in the health and wellbeing of young people are reduced.

WHAT OUR CHILDREN AND YOUNG PEOPLE ARE CONCERNED ABOUT

1. 'There are kids getting into drugs and alcohol.'(Year of Young People 2018 Consultation)
2. 'Many young people are so vulnerable and so ignorant about the effects of drugs and alcohol.'(Year of Young People 2018 Consultation)
3. 'Some children have mental health and confidence issues.'(Year of Young People 2018 Consultation)

WHAT WE WILL DO

1. Play a key part in the development of the Scottish Borders Child Poverty action plan - leading to changes in practice across all partners that impact on the drivers of child poverty.
2. Continue to build capacity in universal services to improve health and wellbeing of all children and young people, including their emotional health and well-being and healthy lifestyles – diet, physical activity, alcohol, drugs and tobacco and sexual health.
3. Influence the local housing strategy, to focus on the needs of vulnerable young people and families.
4. Ensure that play is an integral part of life for our children.
5. Promote opportunities and the use of local spaces for young people to spend free time with friends.
6. Influence the use of the next tranche of Active Schools funding, from 2019-2020 onwards to ensure it addresses inequality.
7. Inclusion Strategy – to join up services and opportunities in the Borders.

HOW WILL WE KNOW

A range of measures will be developed by the CYPLG e.g.

1. Progress in implementing the Child Poverty Action Plan.
2. Fewer children experiencing mental health issues.
3. Increase in range of opportunities to offer family support.
4. Children will have a Child's Plan and Lead professional at Stage ¾ of our Single Planning Process.

PRIORITY 3

Targeting support to maximise life experiences and opportunities and ensuring inclusion

OUTCOME

Life experiences and opportunities are improved for children and young people who require our targeted support.

WHAT OUR CHILDREN AND YOUNG PEOPLE ARE CONCERNED ABOUT

1. 'We need to do more for disabled children.' School Wellbeing Survey 2017
2. 'We need to do more for young carers.' Year of Young People 2018 Consultation
3. 'Some young people are homeless.' Year of Young People 2018 Consultation

WHAT WE WILL DO

1. Focus on ensuring positive outcomes for children who are living at home but subject to statutory measures (and are therefore Looked After Children at home).
2. Targeted partnership approaches to children and young people with additional and complex needs building on successful programmes such as the Family Nurse Partnership.
3. Identify and address the barriers that get in the way of individuals and families feeling included and supported within communities across the Scottish Borders.
4. Using new opportunities e.g. through the South of Scotland Economic Partnership, design approaches to support all young people moving into adulthood - healthcare, housing, tenancy sustainment, income maximisation, employability. This should include mentoring and expansion of the 16+ Transitions Project and priorities identified by the CPP Reducing Inequalities Delivery Team.

HOW WILL WE KNOW

A range of measures will be developed by the CYPLG e.g.

1. Improved outcomes for looked after children at home.
2. More young carers identified and supported.
3. More children affected by a disability and or complex health needs with access to mainstream school and other services and activities in their own local community.

PRIORITY 4

Increasing participation and engagement

OUTCOME

All our children and young people will be encouraged to be involved in the planning, provision and delivery of services and their rights respected.

WHAT OUR CHILDREN AND YOUNG PEOPLE ARE CONCERNED ABOUT

1. 'When creating new schools, young people having a bigger say in what is in it – design facilities and resources.' Year of Young People 2018 Consultation
2. 'Young people having a bigger and more important say in politics' Year of Young People 2018 Consultation
3. 'Compulsory education on voting and politics.' Year of Young People 2018 consultation
4. 'Young people attending important meetings in town planning and the future of Scotland.' Year of Young People 2018 Consultation
5. 'Young people having a say in the future of their towns.' Year of Young People 2018 Consultation
6. 'We would like to have a say in how the school is run.' Year of Young People 2018 Consultation
7. 'Young people more involved in education decisions.' Year of Young People 2018 Consultation

WHAT WE WILL DO

1. Co-produce a robust and effective Children's Rights and Participation Strategy which raises awareness of children's rights and encourages children and young people to become involved, including establishing a Young Borders Action Team.
2. Further develop peer support models to encourage children and young people to become involved.
3. Establish a range of effective methods to engage with parents and make schools accessible.
4. Work to embed a rights respecting culture in all we do across services for young people, ensuring their voice is heard, considered and responded to at all tables across the CPP.
5. Develop robust and appropriate advocacy for young people across all our services.
6. Encourage stronger partnerships with the third sector and other partners to support alternative learning and achievement routes.

HOW WILL WE KNOW

A range of measures will be developed by the CYPLG e.g.

1. Increased creative and positive local opportunities for training and employment for young people in the Scottish Borders.
2. Children and young people report an increased awareness of children's rights and feel their rights are respected, protected and fulfilled.

9. THE CYPLG APPROACH

The CYPLG represents partners across a number of services within the Scottish Borders and is also responsible for the actions of the groups shown in the inner ring of the diagram below. These groups take their strategic direction from the CYPLG and regularly report on how they are contributing to the vision and key priorities of the partnership.

The outer ring in the diagram represents other groups who are involved in and engage with children and young people in the Scottish Borders. These groups and communities of interest have a direct relationship with the CYPLG through specific actions outlined in this plan's priorities.



In addition to these partnership groups, the CYPLG has an important role in connecting with and influencing a number of other boards and interagency initiatives, including:

- Developing the Young Workforce (DYW) Group
- Reducing Inequalities and Joint Delivery
- Integration Joint Board (IJB)
- Strategic Housing
- Critical Services Oversight Group (CSOG) and Child Protection Committee (CPC)
- Diabetes Prevention Partnership
- Police, Fire & Rescue
- Safer Communities Board
- Alcohol and Drugs Partnership
- Corporate Parenting Group

10. WORKFORCE PLANNING AND DEVELOPMENT

To deliver improved outcomes for children and young people we rely on a knowledgeable, experienced and caring workforce who provide a variety of services across the Scottish Borders. As a leadership group, we value the workforce and we will continue to invest in and support staff at all levels through multi-agency training, information sharing and briefing to increase skill levels and knowledge and support delivery of our priorities. We will work with the third sector and other partners, supporting their training and skills delivery on the ground to build capacity across all sectors, thereby developing stronger and more robust support to children and young people at a local level.

We will work within the framework of the Common Core of Skills, Knowledge and Values (SSC, 2015) to strengthen our shared understanding and practice across different services to meet needs and improve outcomes for children young people and families.

This framework is shaped round four values:

- **Respect:** people using services as experts in their own lives with opinions, knowledge and experiences; valuing the contribution of others.
- **Collaboration:** improved outcomes come through people working together in partnership.
- **Participation and dignity:** promoting the rights of individuals to play an active part in their community, as much as they want to, and respecting their choices of how they wish to lead their lives.
- **Empowerment:** making sure those who use services recognise and use their strengths and are able to make informed decisions.

In order to fulfil these values the framework outlines required skills in key areas - self-awareness, building trust, promoting dignity and fairness and engagement.

<http://www.sssc.uk.com/about-the-sssc/multimedia-library/publications/70-education-and-training/common-core-of-skills,-knowledge-and-values-grid>

We are committed to continuing to deliver the training and development needed to sustain progress on the priorities in this plan and the programmes that underpin it.

INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

11. COMMISSIONED SERVICES

We want to ensure that the best possible services are provided for children and young people. To complement our universal services and provide additional support, a range of targeted services for children and young people are commissioned and delivered through statutory and third sector services.

Following the recent completion of our Commissioning Strategy (March 2017), we apply the principles set out below to commissioning services:

- Focus on early intervention and prevention; ensuring we target families early enough.
- Ensure that children and families' needs are at the centre of service design and delivery.
- Ensure reducing inequalities is a priority across all services but that we get an appropriate balance between resourcing targeted and universal services.
- Improve integrated working and focus on combined resources.
- Work with and empower communities.
- Improve outcomes for every child and their families.

A strategic needs assessment was carried out as part of the development of the strategy and a number of areas were identified to be addressed through targeted commissioned services, including:

- Positive emotional and mental health wellbeing of children and young people.
- Availability, access and support for young carers.
- Consistency of access to quality youth work services.
- Supporting choices:
 - Equality and inclusion
 - Positive life choices
- Availability and access of advocacy services.

Appropriate commissioned services have been appointed to deliver these targeted areas, making best use of statutory, independent and third sector provision.

Additional sources of funding to commission services have been awarded by SBC as a one-year investment and this will be used to complement current resources.

We will continue to develop partnership models of service delivery and funding, to ensure that the best use of resources, knowledge and expertise is utilised in meeting the needs of our children and young people.

CURRENT COMMISSIONED SERVICES

SBC CHILDREN & FAMILIES SOCIAL WORK - EARLY INTERVENTION

The provision of significant funding has been used to employ an additional five social workers across the service. The funding allows for the delivery of early intervention which enables continued work with children and families on a non-statutory basis. Without this, service provision would concentrate on children and young people predominantly involved in the Children's Hearing and Child Protection systems.

QUARRIERS EMOTIONAL HEALTH & WELLBEING SERVICE

This service provides a holistic model of generic support for children and young people aged 10-18 years to improve and promote emotional health and wellbeing for those who are vulnerable or are involved in risk taking activity, utilising psychologically informed approaches.

GENERIC YOUTH WORK (SEVEN PROVIDERS ACROSS THE BORDERS)

A sustainable model which offers consistency of access to quality youth work services in addition to and supporting positive life choices, equality and inclusion with a focus on targeted work to support the most vulnerable young people.

POLICE SCOTLAND - LOCALITY INTEGRATION OFFICERS

This service provides funding for three police officers which Police Scotland match fund to provide six dedicated officers in total. The officers work as part of the locality team, addressing local problems and issues through partnership working. These six officers are protected from 'routine' operational duties and their role is to complement the school curriculum of personal and social development and support service users through successful interventions to prevent offending or re-offending.

ACTION FOR CHILDREN

- **Young Carers:** ongoing support of children and young people with caring responsibilities; providing a service with improved availability and access to enhance the quality of life as a child and young person.
- **Families Drug & Alcohol Service (CHIMES):** this service provides support to children and families who are affected by substance misuse.

NHS BORDERS - COMMUNITY CHILDREN'S' NURSES

This service is for children and young people who have complex health needs and enables them to be cared for as close to home as possible. It is a holistic model of nursing support and provides supported transition to adult services as well as advice to parents and carers to enable children and young people to participate in education.

CHILDREN 1ST - ABUSE & TRAUMA RECOVERY SERVICE

This service is available for children and young people who have experienced sexual, physical and/or emotional abuse and where there is an impact of parental issues. Through 1:1 support, the service aims to minimise the impact of sexual, physical and/or emotional abuse to support recovery.

LGBT YOUTH SCOTLAND - LGBT YOUTH BORDERS

This service is for LGBT Young People who require an additional level of support and would benefit from opportunities to build networks with other LGBT young people. Through a range of activities such as youth groups and 1:1 support, the service supports LGBT young people to be more confident and increase their levels of self-esteem.



INTEGRATED CHILDREN AND YOUNG PEOPLES PLAN 2018-2021

12. MODEL OF SUPPORT

The CYPLG utilises a model of support which has four stages and is designed to show what activity takes place at different levels and how our actions and commissioned services fit into that.

STAGE 1 – UNIVERSAL SERVICES

Trained universal frontline staff (teachers, CLD workers, youth workers, health workers) support young people experiencing mild or short term emotional health issues. These staff will signpost children and young people to relevant activities and supports including quality approved online and mobile based self-help tools.

STAGE 2 – UNIVERSAL PLUS

Enhanced training is provided for universal staff in mental health first aid and applied suicide intervention skills. Universal staff provide enhanced support to young people experiencing longer term or moderate emotional health issues. Advice and consultation is provided by the Emotional Health Service.

STAGE 3 - LOCALITY MULTI-AGENCY WORKING (TARGETED INTERVENTION)

Children and adolescent mental health services (CAMHS) provide specialist clinical services for significant mental health issues e.g. mood and anxiety disorder, OCD, suicide attempt, psychosis, neuro-development disorders and eating disorders.

STAGE 4 - HIGH LEVEL SPECIALIST PROVISION

National services e.g. eating disorders, complex trauma.

13. MONITORING, EVALUATING AND REPORTING

To enable the delivery of the key actions within the four priorities, the CYPLG has to ensure that appropriate work is being undertaken and more importantly that it is making a difference and results in outcomes being met.

Various mechanisms are used to monitor, evaluate and report as outlined below:

SCORECARD

The CYPLG has developed a scorecard which is aligned closely with the priorities, outcomes and key actions. The quantitative data is designed to measure the effectiveness of the actions within each priority.

The scorecard is prepared and reported regularly to the CYPLG and assists the group to make decisions in terms of any additional actions or focus required.

OUTCOME FOCUSED REPORTING

Many of the actions within the priorities require reporting mechanisms for a specific purpose and these are also used to update the CYPLG e.g. a requirement of the Child Poverty Act (Scotland) 2017 is the production of an annual report to the Scottish Government. This will also be considered by the CYPLG as evidence that the work is being undertaken by partners to achieve desired outcomes.

SELF-EVALUATION

The CYPLG carries out an ongoing process of gathering evidence of the effectiveness of each action and priority by visiting service providers, attending celebratory events and other activities. This is an important duty of the group and provides networking opportunities as well as a sense of achievement.

Commissioned services are required to submit a self-evaluation report every six months. This report is to provide an update to the CYPLG in terms of what the service has used their funds to achieve, what outcomes they are working towards and whether their activity is still appropriate and in line with their service specification.

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.

CHILDREN AND YOUNG PEOPLE

Scottish Borders Council | Headquarters | Newtown St Boswells

MELROSE | TD6 0SA

tel: 0300 100 1800 | email: strategy@scotborders.gov.uk



Printed in the Scottish Borders. Designed by Scottish Borders Council Graphic Design Section. KG/10/18.



ANNUAL REPORT OF THE CHIEF SOCIAL WORK OFFICER 2017/18

Report by Chief Social Work and Public Protection Officer
SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

- 1.1 This is the eleventh annual report on the work undertaken on behalf of the Council in the statutory role of Chief Social Work Officer.**
- 1.2 The report provides the Council with an account of decisions taken by the Chief Social Work Officer in the statutory areas of Fostering and Adoption, Child Protection, Secure Orders, Adult Protection, Adults with Incapacity, Mental Health and Criminal Justice. The report of the Chief Social Work Officer is attached.
- 1.3 It also gives an overview of regulation and inspection, workforce issues and social policy themes over the year April 2017 to March 2018, and highlights some of the key challenges for Social Work for the coming year.

2 RECOMMENDATIONS

- 2.1 I recommend that the Council approves the report of the Chief Social Work and Public Protection Officer attached as Appendix A.**

3 BACKGROUND

- 3.1 The requirement that every local authority should have a professionally qualified Chief Social Work Officer is contained within Section 45 of the Local Government etc (Scotland) Act 1994. This requirement was reinforced by the recommendation contained in the Changing Lives Report published by the 21st Century Social Work Review Group to strengthen the governance and leadership roles of the Chief Social Work Officer. This national guidance has recently been reviewed to take into account new partnership arrangements.
- 3.2 A specific role of Chief Social Work and Public Protection Officer has responsibility in Scottish Borders for the leadership of professional Social Work across the Council and ensuring the Council's statutory Social Work legislative requirements are met. This role reports directly to the Chief Executive.
- 3.3 In 2017 the Scottish Government published an updated template and guidance to enable Chief Social Work Officers across Scotland to develop a more consistent approach to the production of their reports and allow summary comparison of the delivery and performance of Social Work across different areas. This template has been used to provide this report. This has provided helpful comparative data for Social Work which has been published to give a picture of Social Work across Scotland.

4 OVERVIEW AND EVALUATION

- 4.1 Early in 2017 the new governance arrangements for Social Work in Scottish Borders Council were revised with the Chief Social Work Officer reporting directly to the Chief Executive. There has continued to be significant changes to governance arrangements in relation to the establishment of the Integration Joint Board and the strengthening of Children and Young People's leadership group, however public protection arrangements have continued to be a high priority for the Council during this period.
- 4.2 There have been a number of achievements during this period. There has been an ongoing focus on improving arrangements for the discharge process from hospital to enable people to move to appropriate care settings in a timely way. Processes for Self-Directed Support have been further developed to provide service users and carer's greater say in choice and the management of their care arrangements.
- 4.3 Key Social Work performance data is contained in the report. For example, the number of children on the Child Protection Register reduced slightly during 2017/18. Adult protection referrals have continued to increase from 171 - 206 - 265 in the last three years.
- 4.4 The Mental Health Officer service continues to perform well in terms of attendance at emergency detentions but the demands on the service continue to increase with an ongoing increase in private and welfare guardianship applications which in line with national trends.
- 4.5 Challenges facing Social Work for 2017/18 are identified in the report. There are ongoing financial constraints and we continue to strive to identify and implement new ways of working and engaging those who use our services to improve outcomes. The outcome of the more recent Older Adults

Services Inspection has led to the development of a structured improvement plan to ensure that we continue to improve. In addition to this, work continues on the further development of Children and Families Social Work services.

- 4.6 There continues to be challenges in recruitment and retention of staff in care at home services. The recruitment of permanent Social Workers across all areas of practice also remains challenging and is something we are looking to explore solutions to.
- 4.7 Public Protection services are currently being reviewed and developed with a view to developing a wider family approach to the identification and management of risk.
- 4.8 The Council continues to be well placed to face these challenges and to deliver high quality services and improve outcomes for all people who access Social Work services.

5 IMPLICATIONS

5.1 Financial

There are no specific costs attached to any of the recommendations contained in this report but managing service change and efficiencies in the light of increasing demand whilst maintaining service quality remains a significant challenge.

5.2 Risk and Mitigations

There are no specific concerns that need to be addressed in respect of the recommendations contained in this report. The review and development of Public Protection services however, needs to continue to be a high priority for the Council.

5.3 Equalities

Social Justice and equality are key values in Social Work and there are no adverse equality implications arising from the work contained in this report

5.4 Acting Sustainably

There are no anticipated economic, social or environmental effects.

5.5 Carbon Management

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

5.6 Changes to Scheme of Administration or Scheme of Delegation

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

6 CONSULTATION

- 6.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR and the Clerk to the Council have been consulted and any comments received will be reported at the meeting.

Approved by

Stuart C. Easingwood

Chief Social Work and Public Protection Officer Signature

Author(s)

Name	Designation and Contact Number
Stuart C. Easingwood	Chief Social Work and Public Protection Officer 01835 824000

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. Nicola Tait can also give information on other language translations as well as providing additional copies.

Contact us at Social Work, Scottish Borders Council, Newtown St Boswells, Melrose, TD6 0SA, 01835 825080.

Annual Report by Chief Social Work Officer April 2017 – March 2018

Stuart C. Easingwood

INTRODUCTION

This report provides an overview of Social Work activity, performance and achievements during the period April 2017 to March 2018. The report also provides information on the statutory decisions made by the Chief Social Work Officer (CSWO) on behalf of the Council and highlights some key challenges in the forthcoming year.

1. CSWO Summary of Performance - Key challenges, developments and improvements during the year

2017/18 has been a further year of challenge and change for Social Work Services in Scottish Borders, but also a year where we continue to make improvements in practice. There is currently a review of the Social Work management structure following a period of temporary and interim management positions. It is envisaged that this will provide local Social Work Services with a stable platform from which to continue to develop and improve.

A Joint Inspection of Older People's Services took place in early 2017 and the outcome of this was published in September 2017. Work has been prioritised to implement the key recommendations of the report and a focussed multi-agency improvement plan has been established to ensure that the recommendations are delivered.

Similarly, work continues to progress on the improvements identified following the Strategic Children's Services Inspection from June 2016, with a continued focus on the improvement of chronologies, as well as specific training and development for staff on the assessment of risk and care planning.

Children and Families Social Work have undergone a restructure which was implemented in August 2017. The structure provides a focus on short term intake work whilst allowing longer term work to

be carried out by area based services. These structural changes are going to be reviewed to ensure that the changes are delivering the required improvements.

The Chief Social Work Officer has continued to monitor, review and advise the Council on Social Work matters, while providing effective leadership for all staff in Social Work and Social Care to provide high quality, safe services for people in the Borders.

There are a number policy developments and priorities which have taken place over the last year which will likely continue into the next year:

- Consultation on the Adults with Incapacity (Scotland) Act 2007
- Scottish Child Abuse Inquiry
- Age of Criminal Responsibility Consultation
- Amendments to the presumption of short term sentences, changing from 6 months to 12 months
- Review of Public Protection Services in Scottish Borders
- Scottish Government Consultation on pre-recording evidence for vulnerable witnesses

2. Partnership Working - Governance and Accountability Arrangements

The requirement that every Local Authority should have a professionally qualified Chief Social Work Officer (CSWO) is contained within Section 45 of the Local Government etc. (Scotland) Act 1994. This replaced the requirement in Section 3 of the Social Work (Scotland) Act 1968 for each Local Authority to appoint a Director of Social Work.

The CSWO is required to ensure the provision of appropriate professional advice in the discharge of Local Authorities' statutory Social Work responsibilities and the role also needs to promote values and standards of professional practice to all Social Services Workers in relation to promoting equality, fairness and social justice.

The guidance is clear that “the CSWO’s responsibilities in relation to Local Authority Social Work functions continue to apply to functions which are being delivered by other bodies under Integration arrangements”. To support this, the CSWO sits on the Integrated Joint Board (IJB) as a non-voting member.

The role of CSWO provides professional advice to Local Authorities, including Elected Members and Officers to carry out the Local Authority’s legal duties in relation to Social Work. The CSWO assists the Council to understand their responsibilities and the complexities involved when delivering Social Work Services. Key to these are the Council’s role as corporate parent, ensuring effective child and adult protection arrangements are in place, the management of high risk offenders, carrying out statutory mental health functions and supporting vulnerable people through the Adults with Incapacity legislation for guardianships and Intervention Orders.

It is recognised that Social Work has a key contribution to the achievement of national and local outcomes. The CSWO also has a significant role to monitor and improve the quality of service provision and to advise on the identification and management of corporate risk insofar as they relate to Social Work Services.

In 2014 a new National Strategy set out a vision for Social Work Services across Scotland:

“Our Vision is of a socially just Scotland with excellent Social Services delivered by a skilled and valued workforce which works with users to empower, support and protect people with a focus on prevention, early intervention and enablement”

The principles and values of maintaining human rights, social justice and equality of citizenship are key to Social Work.

The vision re-emphasises the role of Social Work which is to:

- Empower individuals and families to take control of their lives and develop hope and aspirations for the future
- To support the most vulnerable and excluded members of our society to live fulfilling lives and play an active part in society
- To protect individuals, families and communities at risk of harm from themselves or others
- To harness and build on strengths within our communities

The key themes of professional leadership, ethics and principles, workforce development and service quality and performance are discussed in this report. Locally there has been good progress in developing Social Work professional workforce opportunities including practice teaching, Mental Health Officer training, Adult and Child Protection qualifications and quality assurance processes across Social Work.

3. Demographics

The Scottish Borders is located in the South East of Scotland and covers an area of 4,731 square kilometres, the sixth largest Local Authority in Scotland. It is a rural Local Authority with only two towns, Galashiels and Hawick, with more than 10,000 people.

Between 2016 and 2026, the population of Scottish Borders is projected to increase from 114,530 to 116,777. This is an increase of 2.0%, which is lower than a projected increase of 3.2% for Scotland as a whole.

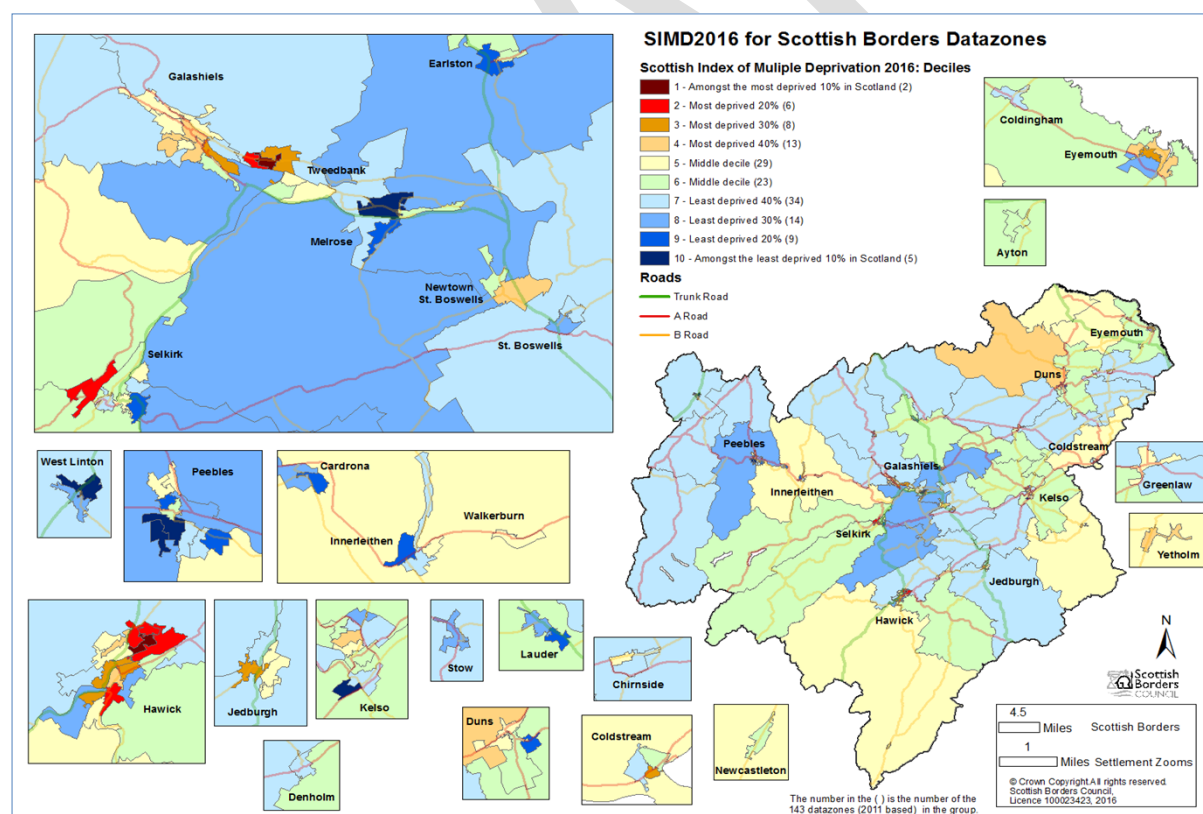
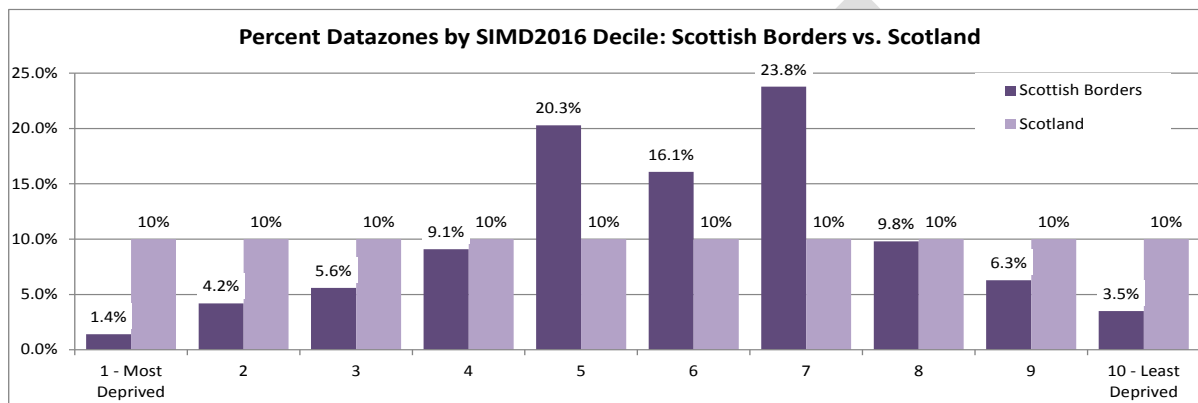
The population of Scottish Borders is unevenly distributed by age group, and the effects of the ageing population will become more pronounced in the next 10 years. The average age of the population of Scottish Borders is projected to increase as the “baby boomer” generation reaches retirement and more people are expected to live longer.

Between 2016 and 2026 in Scottish Borders, the 75 and over age group is projected to see by far the largest percentage increase and the 16 to 24 age group is projected to see the largest percentage decrease.

SIMD 2016 for the Scottish Borders Explained:

The Scottish Index of Multiple Deprivation (SIMD) is the official tool for finding the most deprived areas in Scotland¹. The SIMD consists of 28 indicators across 7 Domains: Employment, Income, Education, Health, Access, Crime and Housing.

The SIMD 2016 shows that the 6% (8) of the 143 data zones in the Scottish Borders are part of the 20% most deprived of all of Scotland. A further 15% (21) of the data zones in the Scottish Borders are amongst the 21-40% most deprived in Scotland. The distribution of the 143 data zones in the Scottish Borders can be seen the graph and map below.



When specifically looking at the income and employment domain, 10% of the Scottish Borders population is income deprived compared to 12% for Scotland. 9% for the Scottish Borders working age population is employment deprived compared to 11% for Scotland.

¹ <http://www.gov.scot/Topics/Statistics/SIMD>

Scottish Borders: Child Poverty Index 2017:

The Scottish Borders Child Poverty Index (SB CPI) is an experimental tactical index to provide additional insight into Child Poverty in the Scottish Borders. It was felt that the Scottish Index of Multiple Deprivation (SIMD), whilst a good tool for identifying areas of deprivation, it was not the best tool for identifying areas of child poverty. The SB CPI identified areas in the Scottish Borders where the level of child poverty is higher than identified when just using the SIMD.

The index is a score based on data related to four components for each of the 143 data zones in the Scottish Borders. These components are:

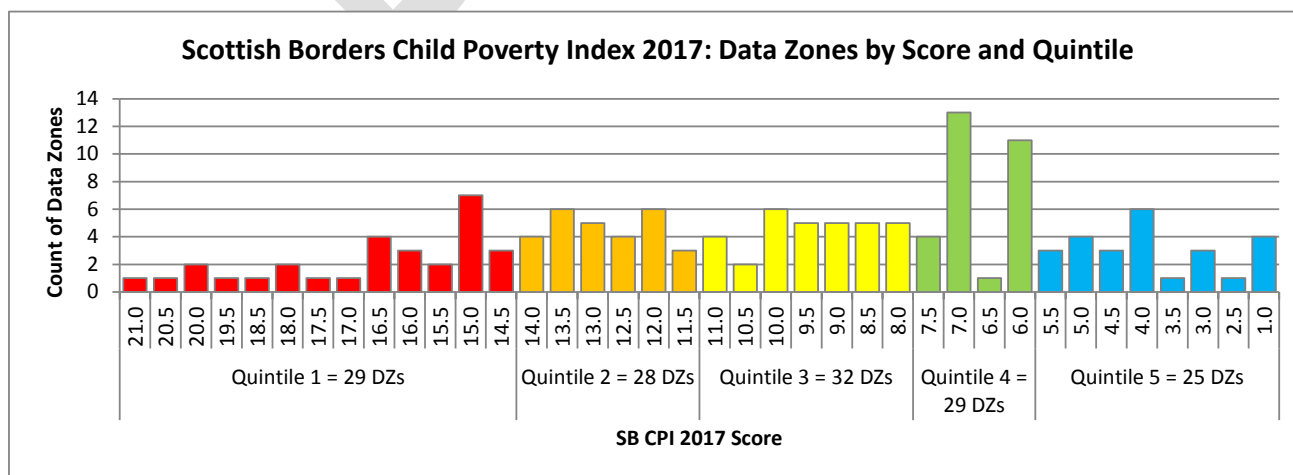
- Percent of Children in Low Income Families (CiLIF) 2014 from HMRC
- Percent of Pupils in Receipt of Free School Meals (FSM) 2017 from SBC's SEEMIS
- Percent of Pupils in Receipt of Clothing Grant (CG) 2017 from SBC's SEEMIS
- Percent of Pupils Aged 16+ in Receipt of Education Maintenance Allowance (EMA) 2017 from SBC's SEEMIS

The table below shows the score for each component based on the results for each data zone.

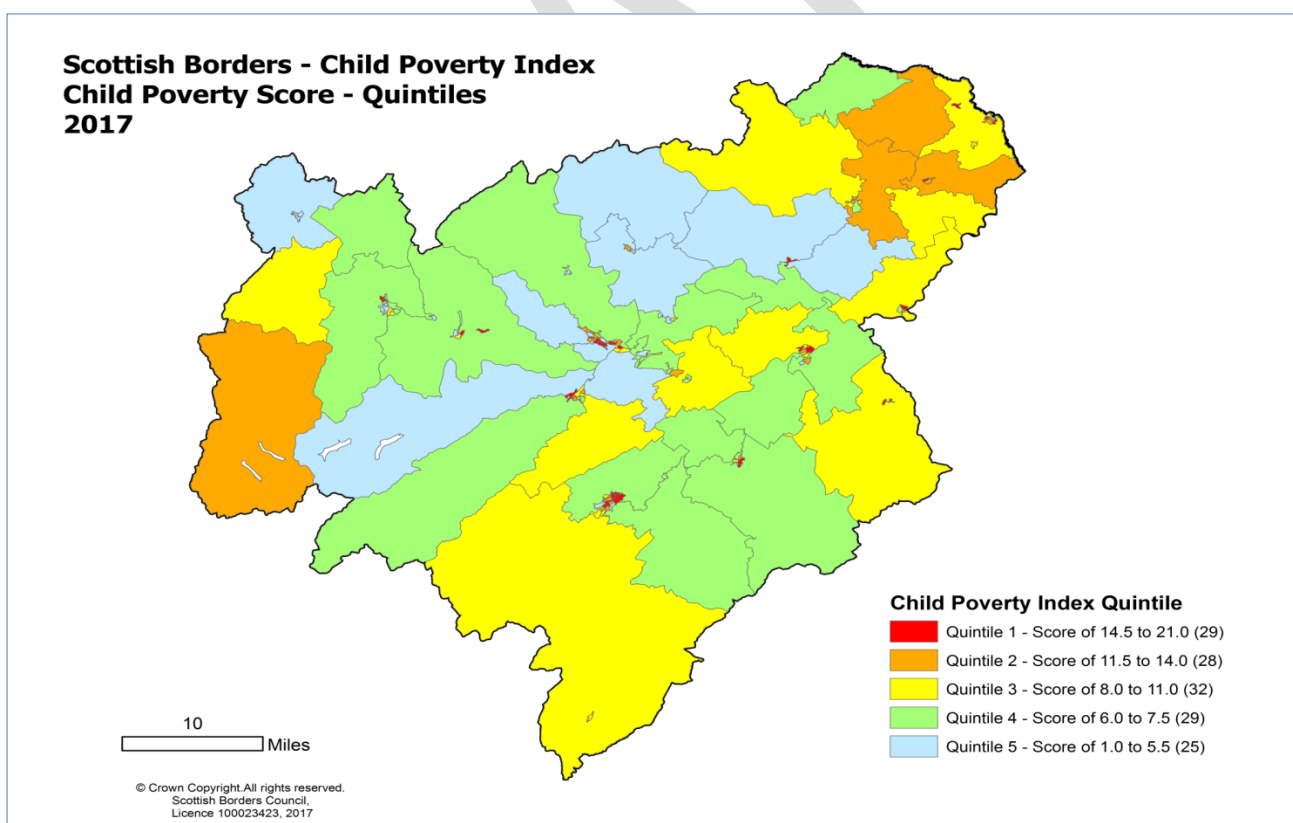
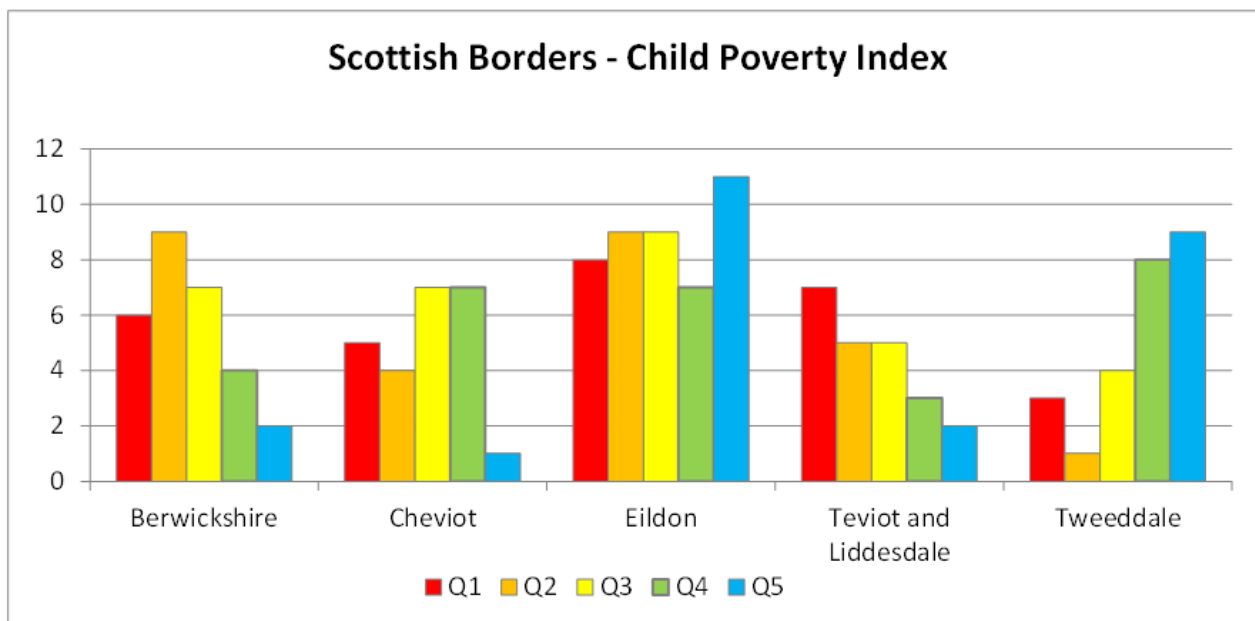
% Children in Low Income Families (2014 – HMRC)	% Pupils in receipt of Free School Meals (2017 – SBC SEEMIS)	% Pupils in receipt of Clothing Grant (2017 – SBC SEEMIS)	% Pupils Aged 16+ in receipt of Education Maintenance Allowance (2017 – SBC SEEMIS)
0 = 0 – None	0 = 0 – None	0 = 0 - None	0 = 0 - None
1 = Under 5%	1 = Under 5%	1 = Under 5%	0.5 = Under 5%
2 = 5% to Under 10%	2 = 5% to Under 10%	2 = 5% to Under	1.0 = 5% to Under
3 = 10% to Under	3 = 10% to Under 15%	3 = 10% to Under	1.5 = 10% to Under
4 = 15% to Under	4 = 15% to Under 20%	4 = 15% to Under	2.0 = 15% to Under
5 = 20% to Under	5 = 20% to Under 30%	5 = 20% to Under	2.5 = 20% to Under
6 = 30% or More	6 = 30% or More	6 = 30% or More	3.0 = 30% or More

Note that the EMA scores are half the other components reflecting the population size.

Allocation of the 143 data zones based on the point allocation:



Every data zone in the Scottish Borders has some element of child poverty. Areas with higher levels of child poverty can be found throughout the Scottish Borders.



Further information can be found in the Scottish Borders Strategic Assessment².

² http://www.scotborders.gov.uk/downloads/file/7249/2014_strategic_assessment

In general, Scottish Borders has a healthy and industrious population. Scottish Borders has a lower than average population of working age; 58.49% compared to the Scottish average of 62.79%. However, there are lower levels of unemployment than the national average, although these reflect a larger proportion of part-time employment than the Scottish average.

Both men and women within Scottish Borders have a longer than average life expectancy at birth than the Scottish average, and 84.1% of people in the Scottish Borders assess their health as being good or very good compared to 82.2% for Scotland.

There are a number of pressures on the provision of Social Work Services within Scottish Borders, including but not limited to:

- Demographic shifts, in particular increasing numbers of people in the older age groups, creating a need to increase capacity while maintaining quality and flexibility
- Increasing expectations and requirement to support people in their own homes and communities
- The financial pressure associated with complex or specialist service provision that cannot be provided locally within the Scottish Borders
- Ongoing developments for integrated services with partner services and organisations, across both Children's Services and Social Care services
- Managing rising complex needs of both children and young people and adults

4. Social Work Services Delivery Landscape

In Scottish Borders Social Work, the structures are being reviewed as there are a number of key posts that are occupied on an interim basis. This will be led by the Chief Social Work Officer, the Service Director Children & Young People and the Chief Officer for Health and Social Care Integration.

The CSWO has retained operational responsibilities for Criminal Justice Social Work, Mental Health Officer work, Quality Assurance and Professional Social Work training. In addition to this, the CSWO has responsibility for Community Safety and Community Justice Services which include anti-social behaviour, Violence against Women and Girls, Emergency Duty Team and input to Drug and Alcohol services for the Council. The CSWO is Vice Chair of the Alcohol and Drugs Partnership and Chair of the Community Justice Board and Offender Management Committee. The CSWO reports directly to the Chief Executive and has regular meetings with the Elected Members who hold portfolios relating to Social Work Services. Direct line management of the Children & Families Social Work Service is the responsibility of the Service Director for Children and Young People; however professional Social Work accountability and practice standards are reported to the CSWO. The CSWO also leads, on behalf of the Council, on public protection and ensuring professional leadership for Social Work across all service areas including commissioned services as well as a key role in quality assurance and professional social work standards.

Health and Social Care Partnership:

The Health & Social Care Partnership has reviewed its Strategic Plan and the IJB has ratified its publication which will be done in August. The plan has been refocused on 3 objectives:

1. We will improve the health of the population and reduce the number of hospital admissions;
2. We will improve the flow of patients into, through and out of hospital;
3. We will improve the capacity within the community for people who have been in receipt of Health and Social Care Services to better manage their own conditions and support those who care for them.

The use of the Integration Care Fund has been realigned around these objectives and whilst the challenge of people being delayed in hospital remains, we have seen an improvement. The IJB introduced a Discharge to Assess Policy in November 2017 and to implement this Policy, 2 major initiatives have been trialled – Step Down Facilities or Waverley Care and Crawwood, and a Hospital to Home service. These initiatives, plus an increased focus on Primary Care and Community work, are beginning to improve the overall health of the population and the flow of patients.

The Health and Social Care Partnership continue to have two fully integrated services; The Mental Health Service and The Joint Learning Disability Service. Both benefit from a single management structure, integrated budgets and strong Partnership Boards. The Partnership Boards are inclusive and have a wide representation from stakeholders, most importantly including service users. The Learning Disability Service has a particularly strong inclusion of service user and carer voices via the Locality Citizens Panels, one in each of the 5 localities. Each has a membership of service users and carers setting their own agenda's and having made positive changes in their local communities. Both services have integrated strategic plans delivered via the Commissioning Strategy (Learning Disabilities 2016) and the Mental Health Strategy Scottish Borders (2017).

Criminal Justice:

Court:

Enhanced relationships have been made with the Court. Qualified Criminal Justice Social Work staff are now present in Court on sentencing sittings, enhancing opportunities to provide “stand down reports” and provide real time information to the Sheriff. Initial appointments are issued to those in receipt of new Community Payback Orders at the time of sentence. This improves on previous use of unqualified staff. The introduction of an informal business meeting between the Sheriff and the Criminal Justice Group Manager has enhanced the ability to discuss and resolve service delivery issues or develop statutory services.

CPO: Unpaid Work:

Scottish Borders experiences challenges in the delivery of Unpaid Work and Other Activity opportunities due to the rurality of the authority and limited community resource availability. Looking to develop engagement opportunities, the Criminal Justice Service provide service users with travel tokens to cover the considerable distances and costs experienced by service users in attending appointments and project work. The use of collection and drop off transport is widely utilised across the authority.

Unpaid work project work includes:

The Green House project: this partnership project produces fruit and vegetables for projects in communities. Partners in delivery are Bosco and Healthy Living who utilise the produce for cookery and healthy diet courses. The Healthy Living project delivers REHISS training to those on UPW.

The Workshop: Produces a variety of goods, including playground and garden equipment and furniture for schools and community resources.

The Cycle Repair Workshop: The service collects repairs and maintains bicycles for Just Cycle. The repaired bicycles are distributed across the authority area.

Community Project Work continues to be a mainstay for community reparation. During 2017/18 service users were involved in salt deliveries to schools over the winter, snow clearing at schools or community areas, decking and path work (Paxton House), Path work (Coldingham Bay, Live Borders, St Abbs, Forest Hill), Hawick in bloom (Painting and tidying up), ground work (Netherdale FC, Eyemouth memorial, St Boswells green) and playhouse erection (Coldstream playgroup). In total the service delivered on 62 community / outdoor based projects.

While 1:1 placements are a challenge to identify and retain, for those who present with specific needs and who may encounter travel difficulties, placements have been provided by a number of local organisations including Sue Ryder, Cancer Research, Pet Rescue Centre, Stable Life, Salvation Army etc.

Opportunities for Other Activity hours include links with, Keys to employment (ESF funded training), Right Track (ESF funded), placements at Gala Works (employability programme), work with local college for preparation for college placement and Venture Trust.

Fiscal Work Orders:

Over 2017/18 the number of Fiscal Work Orders issued across the authority fell by over 50%. The reason for this drop is not known. A review and promotion of this diversion from prosecution option will be undertaken in 2018/19

Reconnect:

This service continues to strive towards the Commission on Women's Offenders recommendations. The referral criteria: any woman over the age of 16 who is at risk of offending.

ReConnect currently delivers two group work programmes. Stepping Stones, an upgrade of "Connections", a rolling CBT focused 12 week group work programme delivered in partnership with inputs from a variety of partners including, SFRS fire safety session, Welfare Benefits, Borders Addiction Service, Healthy Living Network, Borders College, Domestic Abuse Services and Right Track Employability Service.

Women attending the programme participated in the “Inside, Outside Exhibition”. As part of International Women’s Day, they engaged in a mindfulness afternoon and were sponsored to attend Stable Life to try horse riding.

During 2017/18, there were 41 referrals into the service, with 24 onward referrals made to other agencies.

“Survive and Thrive” a closed group fed in from ReConnect and Rape Crisis has been further trialled. This 10 week Psychological Education Group is aimed at educating women on the effects of trauma and symptom stabilisation. Psychological supervision is essential to the success of this programme. Due to a lack of psychological input in 2017 the group was withdrawn, however was reinstated toward the end of the year. In July 2017 Criminal Justice recruited a Senior Social Worker to oversee the development of the service.

Criminal Justice continues to be governed through the Offender Management Committee chaired by the CSWO. The Group Manager for Criminal Justice sits on several key Committees and Boards, including the Community Justice Board, Adult Protection Committee, MAPPA Operational Group, Violence Against Women and Girls Partnership, Drug Death Review Group and the Borders Addiction Service Steering Group.

Work to review and develop Public Protection Services:

A significant development over the last year has been the decision of the Critical Services Oversight Group to review the current Public Protection model (Child Protection, Adult Protection, Domestic Abuse Services and Multi Agency Public Protection Arrangements – MAPPA) with a view to improving the management of risk to vulnerable children, young people and adults at risk. Partner agencies in Scottish Borders are striving for excellence in delivering Public Protection Services and a multi-agency Executive Group has been established to ensure that we deliver consistency and quality in policies, procedures and practice locally. To aid this process, the post of Interim Chief Officer Public Protection was put in place, to help the review of existing services and to facilitate the development of options to improve and innovate multi-agency practice relating to risk.

The Executive Group consists of Senior Leaders/Managers across agencies with sufficient knowledge and influence to progress the development of a Public Protection model locally. The role of this Group is to progress the development of a multi-agency Public Protection model by promoting a shared understanding of risk and encouraging shared expectations of roles and responsibilities across different agencies and professionals. The Executive Group meetings are chaired by the Chief Social Work Officer and are focussing on the following objectives:

Objectives:

- Consider and critically evaluate business models for the delivery of Public Protection Services in Scottish Borders.
- Consider revisions or suggestions regarding current procedures regarding the development of a Public Protection model.
- Consider and recommend developments in line with national/local imperatives e.g. Scottish Government guidance, inquiry reports, changes in legislation and research findings pertaining to Public Protection services.

- Promote good inter-disciplinary co-operation in the prevention of all forms of harm.
- Promote the positive development of collaboration in developing practice.

Community Planning Partnership

The Scottish Borders Community Planning Partnership has three key priorities for delivering its vision:

1. Grow our economy
2. Reduce inequalities
3. Maximise the impact from the low carbon agenda

The Reducing Inequalities Plan contains specific actions to reduce inequalities for vulnerable groups and areas of disadvantages including reducing homelessness, increasing employment opportunities and reducing re-offending.

Partnership structures are in place to support the delivery of Social Work Services. A Children and Young People's Leadership Group is operating effectively, aiding the planning and delivery of multi-agency children's services locally. This group has continued to meet regularly and focus on the multi-agency Integrated Children & Young People's Plan which continues to set out the strategic direction for Children & Young People's Services in the Scottish Borders, focussing on priorities to create opportunities and conditions so that children & young people have the best start in life.

The five key priorities being:

1. Keeping children and young people safe
2. Promoting the health and wellbeing of all children and young people and reducing health inequalities
3. Improving the wellbeing and life chances of our most vulnerable children and young people
4. Raising attainment and achievement for all learners.
5. Increasing participation and engagement.

Corporate Parenting:

Corporate Parenting is now firmly established across the Scottish Borders as the multi-agency approach to improving services and outcomes for Looked After Children, Continuing Care and Young People and those in Aftercare. Corporate Parenting responsibilities are well understood and actively promoted across services. A Corporate Parenting Strategy and Action Plan has been in place in the Scottish Borders since 2009 and has been revised on a 3 yearly basis. The current Strategy and Action Plan is currently being reviewed and will cover the period 2018-2021. Significant areas of work in 2017/2018 included implementation of the Housing Options Protocol, jointly with Homeless and Housing Service and all Registered Social Landlords; increased participation opportunities for children and young people looked after away from home, in Continuing Care and Aftercare; and, establishment of a satellite unit at Wheatlands Children's Home for young people making the transition into adulthood. Multi-agency data management systems have been developed to better track outcomes for Looked After Children and are improving on an on-going basis.

Scottish Borders continues to work closely with Police and Emergency Planning Teams regarding care for people arrangements and the PREVENT agenda. This continues to be a priority during this year.

Social Work continues to commission Borders Voluntary Care Voice (BVCV) to provide support to user/carer groups to participate in planning structures and ensure the voice of people using services is central to decision making. Independent Advocacy is also used to very good effect and promotes user engagement, particularly ensuring that those service users with communication difficulties are supported to be as engaged as possible in their care and support. This will be critical in providing a foundation on the likely increase in the role of advocacy services from the Mental Welfare Commission and Scottish Children's Reporter Administration.

Child Protection Committee:

The Child Protection Committee (CPC) has led on the introduction of a Child Sexual Exploitation Strategy and the introduction of a Neglect Toolkit for staff. The CPC is benefiting from the involvement of a group of young people who are working on resources for young people to raise awareness of Internet and Child Sexual Exploitation. The initial roll out of Neglect Toolkit training in the Scottish Borders began in May 2017. This continued until October 2017 when the Scottish Borders Child Protection Committee, who were overseeing the adoption of the Neglect Toolkit, were provided with a progress report as well as a recommendation about future training, including sustainability. This initial training has been multi-agency and targeted namely at Children and Families Social Workers, Health Visitors, School Nurses, Pastoral Teachers, Head and Depute Headteachers and Locality Integration Police Officers. The expectation is that once practitioners have been trained, they will consider the use of the toolkit appropriately and proportionately when there are concerns in relation to child neglect, and will record their decisions accordingly.

At the training, practitioners have fed back that they are receptive to using the Neglect Toolkit for a number of reasons:

1. It gives them a clear and straightforward approach to talking about the possibility of child neglect with families, colleagues and other professionals
2. It helps them to be specific about what the concerns are that then helps them share their concerns with others
3. It directly informs the child's assessment
4. It supports multi-agency working together (they also relayed the value of this training being multi-agency)
5. They consider the tool as positively supporting their practice

A comprehensive evaluation of the use of the Toolkit took place in March 2018. The views of families and practitioners who have used the Toolkit were sought. The evaluations are currently being developed and will consider if, how and what impact using the tool has on achieving positive, sustainable outcomes for the child.

In the meantime we are actively requesting examples of positive outcomes from using the Toolkit.

As a result of learning from reviews of practice, guidance has changed to reduce removal from the Child Protection register at the first review conference which takes place within 3 months. This is to ensure that the support offered to children and families results in changes to the Safety of Children

which evidences that there is sustained improvement. The quality of information provided has also been improved by requiring written reports from all staff attending.

5. Social Services Delivery Landscape

Carers:

The Carers (Scotland) Act 2016 was implemented from 1st April 2018 and aims to improve the health and wellbeing of carers. Planning for this has been in collaboration with partners, particularly NHS, Borders Carers Centre, Borders Care Voice, carers and carer representatives. By 31st March 2018 the eligibility criteria for adult and young carers was published and new outcome focussed carer support plans had been tested by carers.

Joint Learning Disability Service:

The Joint Learning Disability Service continues to support a high proportion of people within supported living environments having very few residential placements. Working closely with an independent sector provider and a local Housing Association, we have been able to move our Intensive Support Service into new purpose built accommodation. We are also looking to work with the independent sector to expand our provision of accommodation and support for adults who have high support needs locally. Project Search, an employment training scheme run in partnership with Borders College and NHS Borders, is nearing completion of a second year successfully enabling students to gain permanent employment with an approximate 50% success rate. To provide opportunities for voluntary work, the service has also secured European Social Fund funding to recruit 2 Volunteer Co-ordinator posts.

The Learning Disability Service is also looking at how to support young people and parents through the transition from Children's to Adult Services. Working with Health, Education, Social Care, carers, services users, ARK and other stakeholders, we are nearing the end of the second year of a three year project. We have developed an integrated pathway with an information pack which is now being tested and evaluated during year three. The service has recognised the pressures upon Social Care within the Learning Disability Service and has recruited to two additional Social Workers following several lean working workshops and workforce planning events. Early intervention, prevention and building resilience within the community remains a priority of the service evidenced by the continuing significant investment into the Local Area Coordination service based within each of the five localities.

Mental Health Services:

The Mental Health Service continues to deliver against the aims set out within the Local Mental Health Strategy (2017). The service has developed a strong Local Area Co-ordinator (LACS) Service recruiting four full time equivalent posts aimed at early intervention and prevention. This fits well with the existing Mental Health Services within Primary Care such as The Doing Well Service, Distress Brief Interventions (one of the four national pilots across Scotland). We are looking to expand and ensure more equity across the five localities utilising the national Mental Health Strategy Action 15 funding. The service also commissioned a new Recovery College which will be launched in July 2018 and is provided by a third sector provider. The College aims to provide

learning opportunities for people experiencing mental health problems within a community environment.

Emergency detention certificates (EDC's) have shown a sharp decrease over the period 2017/18, from **(28)** in 2016/17 to **(13)** in 2017/18. This could be viewed as better availability of approved Medical Practitioners after 5.00pm to allow for joint assessments pertaining to short-term detentions. Secondly, the assessment skills of the Psychiatric Crisis Service based within the Borders General Hospital have avoided detention for many patients brought into the Accident and Emergency Department without necessary input from Mental Health Officers.

Short term Detention Certificates have shown a relatively small increase over the period 2017/18, from **(71)** in 2016/17 to **(75)** in 2017/18. As with the EDC's, this could be an indicator of the increase of short term detention assessments undertaken outwith normal working hours.

Compulsory Treatment Orders have shown a very small increase over the period 2017/2018, from **(28)** in 2016/17 to **(30)** in 2017/18.

Adults with Incapacity:

Private Guardianships have, as expected, shown an increase this year, as has been the year on trend since 2010. Over the period 2017/18 the number of Private Guardianships is currently **(136)** this is up from **(115)** over the period 2016/17. This ongoing rise in applications could be viewed positively as it could be indicative of a more aware public in their understanding of the legislative context to which are supporting and caring for a relative with incapacity.

Chief Social Work Officer Guardianships:

For the period 2017/18 there is a small increase from **(38)** 2016/17 to **(40)** for the current period 2017/18, however this number is expected to rise very slightly as some cases remain outstanding due to varying degrees of the legal complexity of a small number of individual cases.

Technology Enabled Care (TEC):

A significant issue that Scottish Borders Social Work Services faces is the challenge of delivering services in such a wide geographical area. It is recognised that in order to assist in the delivery of services, technology has a critical role in transforming, integrating and improving Health & Social Care Services. This potential has already been recognised and articulated, nationally, in Scotland's Digital Health & Care (April 2018) and, locally, in both the IJB Strategic Plan 2018-23 and the JOPs Action Plan.

Technology Enabled Care (TEC) is one of four projects sitting under the wider enabling Health and Social Care, IT Programme. It focusses on how technology can enable people to live longer, healthier and independent lives including:

- Supporting early intervention and prevention through tools and apps that encourage people to live fit and healthy lifestyles.
- Facilitating self-help and self-management through access to information, equipment, services, support and advice.
- Providing tools to:

- better enable communications with families, carers and Health and Social Care professionals
- monitor conditions (e.g. blood pressure, medicines, movement and location) and enable appropriate interventions (alarms and alerts)
- facilitate self-assessment and consistency of assessment

In the past year a role has been created to take forward the Technology Enabled Care (TEC) agenda across Health and Social Care. TEC will play an increasingly important role in the future. Partners will invest in TEC as an additional component of services to older people, and move to a more data-supported/intelligence-based service model to improve efficiency and effectiveness. While a community alarm system is in place in the Borders, limited progress has been made in developing and rolling out a more systematic telecare approach, whereby sensors provide data that Managers can use to deploy resources effectively and efficiently to support care provision. In the past few months the 'Just Checking' sensor system has been integrated into Mosaic and will be evaluated between July 2018 and December 2018.

'Attend Anywhere' is a web-based platform that helps health care providers offer video call access to their services as part of their 'business as usual', day-to-day operations. Apart from internet access, all people need to be able to use Attend Anywhere is the google chrome web browser on a computer or Android mobile device, or an app on Apple iPads or iPhones. Computer users will also need a web camera (usually build into the devices mentioned). The Attend Anywhere system will shortly be in place and will be used by out of hours NHS service specifically with those currently in residential care in the first instance. The use of Attend Anywhere will thereafter be scaled up across the partnership.

In the next near it will be important to build on the existing TEC work, while developing a strategy and work plan that meets the needs of service users going forward.

Care at Home:

Providing sufficient and flexible care at home provision has remained a priority for the Social Care and Health Partnership in the past year, especially in achieving a shift in the balance of care from hospital and care home settings while ensuring that older people remain in their own homes, safely and for as long as possible.

There has been an increase in the number of providers in the Borders; however the more rural areas of Tweeddale, Berwickshire and Cheviot have not attracted a provider who is able to sustain a robust workforce that is able to deliver the care required, especially where larger packages of care are required of more than 10 hours per week. The care at home providers continue to look at alternate ways of providing care including the use of TEC. This will be something that is built on in the next year.

SB Cares remains the largest care at home provider in all areas of Scottish Borders, however it is hoped that the market will be further stimulated and alternative providers found, increasing choice for those needing a care at home service. The partnership is currently developing its commissioning strategy for care at home and seeks to maximise value for money in commissioning while at the same time ensuring that older people of the Borders are able to remain safely at home with the level of care they require.

Sustaining and supporting a workforce for all providers has been a huge challenge over the past year and the introduction of workforce registration with SSSC continues to present issues for many, mostly in relation to the cost of training and the increase of carers moving between providers. This has a bigger impact on smaller providers who have a smaller margin for training. It is recognised that the partnership need to develop further health and care capacity, refining links with education, learning and employability bodies will be a key strand of the approach.

Care Homes:

Since the last report the overall service performance in the care homes sector has sustained a marginal improvement in the levels reported two years ago. In particular there have been less services requiring immediate improvement as a result of poor performance measures. There has been a reduction in Adult Protection Large Scale Inquires within the care home for older people sector in the last three years; from around 4-5 per annum in 2015/16 to around 1-2 per year at this point in time.

Positive examples of co-production between partner agencies has been the 100% take up of national early warning score (NEWS) training with Health providing the training, and Scottish Borders Council funding NHS Borders approved equipment for use across the Borders care home sector. Grangehall care facility is working with Health and the Council on developing a care home compatible version of the Health Improvement Scotland anticipatory care plan. There is growing use of telecare/telehealth with SB Cares trialling Attend Anywhere in St Ronan's; and also about to start in Waverley. Electronic care planning across the St Philip's homes has seen the introduction of soft wear to support care planning and aid auditing via hand held devices.

Overall the level of provision in the third sector has not changed, albeit that Peebles Nursing Home has marginally increased their bed numbers at Peebles Nursing Home, after their renovations post the flooding in Peebles. The expansion of Queen's House in Kelso will provide at least a further 18 nursing placements into the overall provision.

Waverley, a home run by SB Cares, has diversified with the development of the transitional care facility (re-enabling people to return to their own homes generally after being in hospital). SB Cares also, in collaboration with Eildon Housing Association, have utilised Craw Wood Care Home as a discharge to assess unit, as a further facility supporting people to effectively return patients home from hospital, therefore reducing pressure on the NHS and maximising the opportunity for people to live in their own communities with appropriate levels of support.

Council monies have been invested in the redesign and development of the Older Adult Psychiatric Liaison Service to support people with functional and organic illnesses in the care home sector, the objective being to prevent unnecessary admissions to the general and community hospitals and to help facilitate successful transitions from hospital settings (including the mental health wards, Cauldshiels, Melburn Lodge and Lindean) to care home provision.

Given little expansion in the care home market, homes continue to report comparatively high levels of occupancy, which despite other enabling service models, given the incrementally increasing demographical pressures is putting significant strain on the system.

A further pressure is the national shortage of nurses, particularly prevalent in the Borders with care homes offering nursing finding it increasingly difficult to maintain the levels of nursing to satisfy their registration. The majority of nursing homes offering nursing have had agreements to vary their registrations from the Care Inspectorate enabling them to deploy Senior Care Workers (with specific competencies and access to an on call nurse) at specific times. The Council is also working with the NHS and Care Inspectorate to address this continuing future challenge, plus lobbying at a national level.

In relation to increase in capacity, it is expected that the new Extra Care housing developments, two of which are due to be commissioned in the late spring of 2020, should alleviate some pressures for residential placements.

Children and Families:

The new structure of Children and Families Social Work Services was implemented in August 2017 and there will be a planned review to ensure that the changes that were made are continuing to deliver the desired improvements.

A revised Children and Young People's Plan has been agreed with actions to meet improved outcomes, including keeping children and young people safe, raising attainment of all children and increasing engagement and participation. Scoping of all partnership funding for Children & Young People has been completed and a new commissioning plan for these services, including service change, is being progressed.

Children Affected by Disabilities – Service Improvements:

Within Children and Families Social Work we are focussing on improving services to Children Affected by Disabilities and their families over the next year. This is already underway and to date has included the recruitment of a part time SDS Development Worker for one year. An important part of this role is to support the SDS methodology and concept across the Children & Families Service by reviewing and improving current procedures and guidance documents. Other key areas for improvement are the plan to introduce a multi-disciplinary panel to review all funded packages of support to try and ensure greater consistency and equity in decision making across the service and our aim to improve service user and parent/carer engagement in the process of reviewing and evaluating the service.

Comprehensive Parenting Assessment Framework – format, guidance and associated documents:

A revised and updated Parenting Assessment Framework was launched at the Children and Families Social Work Service Away Day on 29 March 2018. In developing the Framework the overall structure, assessment and analysis format was reviewed with parental capacity for change being incorporated into the assessment, as well as emphasise on the importance of assessing each child independently. This new Framework promotes consistent standards and continuity of practice when undertaking parenting assessments in the Scottish Borders.

General:

Over the past 12 months the CSWO has ensured that Social Workers and Social Care staff across all service areas have had opportunities to meet together and ensure that professional leadership and support is available to all staff across the Council and commissioned services. Key cross cutting themes such as public protection and transitions are therefore able to be progressed. In addition, all Managers responsible for Social Work tasks come together monthly in a CSWO meeting to consider practice governance including standards, quality and professional leadership and training across Social Work.

6. Resources

2017/18

The majority of Adult Social Care functions are devolved to the Scottish Borders Health and Social Care Partnership Integration Joint Board. The responsibility for the commissioning of Adult Social Care functions continues to be delegated to the partnership. Children and Families Social Work Services remain the responsibility of Scottish Borders Council, whilst responsibility for other Adult Services not prescribed for delegation within the Joint Working Public Bodies (Scotland) Act 2014 also remain with Scottish Borders Council.

The total expenditure on Social Work Services within Scottish Borders Council in 2017/18 is detailed below:

	£'m	£'m
Children & Families Social Work*		14.7
Services in the Criminal Justice System**		0.0
Functions Delegated to the Health and Care Partnership Integration Joint Board:		
Older People's Services	19.3	
Adults with Learning Disabilities	16.6	
People with Physical Disabilities	3.5	
People with Mental Health Needs	2.0	
Generic Services and Staff Teams	5.2	
		46.6
Other Adult Services		1.5
Total		62.8

* Excludes Additional Needs Services

- ** Fully funded by Scottish Government Grant to Lothian and Borders Criminal Justice Authority in 17/18.
- *** SB Cares is the trading name of Scottish Borders Council's Arms-Length Care Company

The total 2017/18 spend of £62.8m represents a net increase of around £0.6m from 2016/17. This is the result of a general increase in spending, amounting to £200k in each of the three main areas highlighted above, Children and Families, IJB and Other Adult Services. It should be noted that the £200k increase in IJB spending is a net increase with some areas spending more and some areas spending less. For example, spending on Older People increased by £1.7m, which was off-set by efficiencies in Learning Disabilities.

Although this increased spend was £0.6m greater than in 2016/17, against the final approved budget, an overspend of £0.4m was incurred. This included overspends of £0.1m and £0.6m in Children & Families and Older People respectively, netted off against underspends against budget in other areas.

It should be noted, however, that this £0.4m overspend was against the last approved budget. An overspend amounting to £1.3m was incurred against the base budget detailed in the Scottish Borders Council Financial Plan, approved by Council on 7 February 2017.

Although net expenditure increased in 2017/18, as the outturn position suggests, considering base budget, significant financial pressures were experienced in the year. This was across both Adult and Children & Young People Social Care functions and required remedial action. These included:

- Meeting the increased costs of service provision in areas such as care at home as a result of increased market pressures
- Implementing a range of Scottish Government policy initiatives such as the commencement of a Living Wage of £8.45 per hour for all Adult Social Carers
- The implementation of the Scottish Living Wage for all Adult Carers
- Increasing demand for services above levels budgeted across functions such as residential care, care at home and the provision of equipment
- Delayed delivery of Financial Plan savings, particularly in relation to commissioned services
- Staffing pressures

In order to meet these pressures and mitigate their impact, the IJB agreed to direct £6.5m of its 2017/18 Scottish Government Social Care funding allocation, largely on a recurring and full-year basis.

Pressures within Children and Families Services, largely as a result of slippage in delivery of planned commissioning savings, were met on a non-recurring basis by planned savings across wider Children & Young People Services. It is anticipated that these required savings will now be delivered in 2018/19.

The Future:

In the medium-term going forward, across both Adult and Children & Young People Services, the projected financial outlook remains challenging and there are a number of key areas of financial risk that require managing. These include:

- the impact of expected ongoing austerity and restricted funding allocation and settlements from the Scottish Government may require further savings to be identified by the Local Authority which will require a further contribution from Social Care Services
- further cost pressures may emerge during 2018/19 that are not yet projected or provided for within the Local Authority (and Integration Joint Board) financial plans – these include both market cost pressures (price) and those relating to sustained increases in demand and need (demographic)
- further legislative and regulatory requirements including the implementation of the Living Wage of £8.75 in 2018/19 and the financial consequences of the implementation of Carers’ legislation, the implementation of payment of the Scottish Living Wage for ‘sleep-ins’ and the COSLA Care Home inflationary uplift;
- the risk of loss of service provision as a result of market failure would result in additional costs as alternative supply is transitioned – this is an area of particular risk relating to Care at Home;
- the requirement to realign resources in line with priorities/demand and shift resource across the Health and Social Care pathway across functions will be required

Over the last three financial years, the transformation of models of Health and Social Care has begun, enabled by the Scottish Borders allocation of Integrated Care Funding. Over the medium-term future, a significant programme of transformation of Adult Social Care is planned which will have a considerable impact on the type and level of care and support provided, the outcomes achieved as a result and, importantly, cost and affordability.

7. Service Quality and Performance including delivery of statutory functions

The Chief Social Work Officer has statutory functions that are specific to the role and are referred to in legislation as well as Scottish Government guidance³.

Detailed performance data is contained in Appendix 1.

Performance Management in Scottish Borders is firmly aligned to the themes and priorities identified in the Scottish Borders Single Outcome Agreement and the Scottish Borders Council Corporate Plan. Social Work Services have a key role to play in the delivery of several national and local outcomes, and these are placed at the centre of strategic developments across the authority and in partnership planning. These reflect the national outcomes detailed below:

- Our children have the best start in life and are ready to succeed
- We live longer, healthier lives
- We have tackled the significant inequalities in Scottish society
- We have improved the life chances for children, young people and families at risk
- We live our lives safe from crime, disorder and danger.
- Our people are able to maintain their independence as they get older and are able to access appropriate support when they need it

³ <http://www.scotland.gov.uk/Publications/2010/01/27154047/>

- Our public services are high quality, continually improving, efficient and responsive to local people's needs

Performance is measured and reported at a variety of levels to Senior Managers within Social Work, to the Scottish Borders Council Corporate Management Team, and to the Scottish Borders Council Executive Committee, Critical Services Oversight Group and relevant partnerships, including the Integration Joint Board and Children & Young People's Leadership Group.

Joint inspection of older people's services (JOPS):

The Care Inspectorate and Healthcare Improvement Scotland undertook an inspection of Older People's Services between October 2016 and February 2017. These services are in large part managed or co-ordinated by the Scottish Borders Health and Social Care Integration Joint Board on behalf of Borders NHS and Scottish Borders Council.

The inspection report ^[1] was published on 28th September 2017. Across the nine key indicators of performance, inspectors found one i.e. 'impact on the community' to be 'good', five to be 'adequate' and three to be 'weak,' including 'delivery of key processes'; 'strategic planning and plans to improve services'; and, 'leadership and direction.'

There are thirteen recommendations for improvement in the report. An Action Plan has been prepared to meet these thirteen recommendations. This is monitored through the Joint Older People's Services (JOPS) Inspection Group and reports to the Joint Leadership Group and the Integrated Performance Group. There are 56 actions to meet the thirteen recommendations. All the actions to meet recommendations one, two, five, ten and eleven are now complete. Work is ongoing to ensure that the recommendations are sustained.

To date the progress is as follows:

Status	No.	%
Complete	39	70%
On Track	8	14%
Minor delay	8	14%
Significant delay	1	2%
Total	56	100%

Overall 70% of the actions have been completed, with only nine of the actions delayed.

Some actions have had their timescale extended due to amendment to the action that is required or complexity of the action requiring additional time. All other actions are progressing within timescale; the Action Plan has been submitted to the Care Inspectorate and Healthcare Improvement Scotland. The recent feedback from the Care Inspectorate/Healthcare Improvement Scotland is for more clarity on the indicators of success and on the measures that will be used to ensure that outcomes are met. The JOPS group is now ensuring this is incorporated into the Action Plan.

A recent review of the Action Plan identified that:

1. The Inspectors identified some areas of challenge which did not result in a specific recommendation, but which still need to be addressed. To date the Inspection Action Plan has focussed on the recommendations which provide the most challenge to the services.
2. The current Action Plan understandably focuses primarily on policies and processes that will help and support the challenges, but there are limited indicators used to illustrate that the underlying issue has been resolved.

To address both these issues, a Revised Improvement Plan has been produced with a set of indicators which seek to monitor performance against the policy imperative by setting a target that as far as possible encompasses the issue.

Physical Disability Strategy:

The Health and Social Care Partnership held a consultation on the Scottish Borders Physical Disability Strategy, A Fairer Borders for People with a Physical Disability or Long-Term Condition and their Carers. The strategy has been developed with the support of key local representatives including; service users and carers, Health and Social Care professionals, members of the third and independent sectors, and housing specialists. Key Message; By enabling and supporting people with a Physical Disability in all aspects of life, especially co production of services, the Scottish Borders will be become a fairer place to live. The consultation ran from 3 April to 2 July 2018 and comments and suggestions have been put in to the strategy. Interestingly, a common theme from the consultation was why the strategy was focussed on adults and it has now been agreed to bring together one strategic position for children, young people and adults.

Reimagining Day Services:

The Reimagining Day Time Support Project was initiated in February 2017. The eighteen month project works with partners from Leeds, Bradford and East Renfrewshire to explore what an alternative to day centres might look like. The reimagining process is supported and facilitated by National Development Team for Inclusion (NDTI) the transformation is delivered by a local core group. The project has successfully delivered a community based link worker service in the Berwickshire area and supported people with a physical disability to move away from a buildings based service.

Community Capacity Building Team:

The Community Capacity Building team (CCB) has been congratulated for winning silver at the finals of the iESE (Improvement and Efficiency Social Enterprise) Public Sector Transformation Awards 2018.

The Team made it to the shortlist of the three top nominations in the creating community capacity category, which recognises initiatives that do the most to engage with the local community and create greater resilience, better life chances and less dependency on public services, coming away from the ceremony in Westminster on 6 March with a coveted silver award.

The CCB team are currently supporting transformation projects and have expanded the team to include the community link workers in the Berwickshire area.

Further development of Housing with Care at Cornmill Court:

In partnership with Registered Social Landlord Trust, the Housing With Care Team have been developing four new elements of support:

1. The introduction of overnight support to ensure people do not need to move into a care home and provide the same level of support as Extra care Housing
2. Introducing short term accommodation to ensure that people who are delayed in hospital or at risk of admission due to a housing issue have a supported environment to live in
3. Opening the doors for other people to receive meals and support during the day
4. Finally delivering support in a satellite unit in Abbotsford court where the team are successfully delivering on site support in another housing complex, successfully reducing the number of providers from 5 to one single team.

Children and Families:

Following publication of the Care Inspectorate Report in June 2016, a Children and Families Quality Assurance Framework was developed. As part of the Framework, a systematic approach to case file auditing was established. The audits are carried out using an audit tool based on the Care Inspectorate Case File Reading Tool (January 2015) and provides comprehensive qualitative information on the management of cases and outcomes for children and their families. Rating of case files is informed by comprehensive guidance. Case file audits are completed by Children and Families Managers and Team Leaders. As part of our approach to auditing, feedback is provided to the relevant Team Leader by the Auditor. The Team Leader then has the responsibility to discuss the findings of the audit with the Social Worker and their Line Manager and for the completion and recording of any required actions.

Over the previous three reporting periods, full case file audits were carried out on a range of case types on a systematic basis. The sample of cases over the 18 months has provided a clear indication of areas of strength and challenge in terms of casework. To ensure an increasingly comprehensive range of quality assurance information to be gathered, the case file audits over the last 6 months have included some full case file audits on specific case types and, audits which focused on specific areas which have been noted as challenging for staff in previous audits and quality assurance approaches. The audit findings cover the following practice areas:

- October 2017 – Planning for children and young people
- December 2017 – Audit of completed actions resulting from previous audits
- February 2018 – Duty cases
- March 2018 – Kinship Care cases

The Council has one residential child care unit for young people aged 12-18 years (Wheatlands) and in the Service's Inspection in October 2017, the service was again awarded:

- Quality of care and support 6 - Excellent
- Quality of environment 6 - Excellent
- Quality of staffing not assessed
- Quality of management and leadership not assessed

This is a significant ongoing achievement for this service.

While workers will always consider all options for a child's care and will seek to make use of a child's family strengths and supports, at times it is not possible to place children in their own community. In particular, some complex cases require us to place children in specialist placements outside the area. Each of these young people has a comprehensive care plan and a team of professionals dedicated to helping to resolve their issues and, in a controlled way, bringing them back into less specialised and resource intensive placements.

Kinship care is a desirable outcome for children who are unable to be looked after by their birth parents, and enables children to remain and be cared for within their extended family and community, with clear benefits for their identity and sense of belonging as they develop. This reduces the need for Local Authority foster carers and promotes better outcomes for the children themselves. The percentage of kinship care placements in the Scottish Borders continues to grow year on year.

It has been recognised that throughout 2016 there were continuing improvements in educational attendance and achievement for all children, including those who are looked after and those who experience deprivation. Fewer children are being excluded from school with more being skilfully supported to stay in school.

Children and Young People who are unable to live at home, experience warm and nurturing relationships and stable environments provided to them by well supported foster carers, kinship carers and residential placements. (Care Inspectorate Services for Children & Young People in Scottish Borders, Inspection Report, 2016).

Self-directed Support (SDS):

Progress is continuing with Self Directed Support. Developments such as the roll out of community led support across the Borders with its focus on easy access, preventative support which is based on 'what matters' to the person has promoted the approach. By the end of March 2018 77.6% of people receiving support were using the SDS approach compared with 59% of people a year before. A breakdown of the options chosen is detailed below:

Option 1	Option 2	Option 3	Option 4
Direct payment	Individual Service Fund	Social Work Managed	A mix of the options
250	5	1333	79

Where people have chosen a mix of options they are not included under Options 1, 2, 3 but under option 4. For example there are nine people with an individual service fund but four of these people have combined this with at least one other option and are therefore counted under Option 4. The Individual Service Fund is the new option introduced under the self-directed support legislation and is taking time to embed. It gives people an opportunity to discuss their support directly with the provider of their choice, without having to manage the funding.

Children and Young People's Mental Health:

Regarding Children and Young People's Mental Health Services, work is underway to look at how we can develop upon existing service models to provide a more integrated young person's mental health and wellbeing service. Additional resources have been focussed in the short term upon our newly commissioned tier 2 service enabling enhanced support to young people within all our high schools.

Looked After Children:

There has been a small reduction in the percentage of Looked After Children and Young People requiring externally purchased placements. Three young people were placed in Secure Care during 2017/18.

The percentage reduction was very small – 0.4%.

The CSWO is the Agency Decision Maker approving Fostering, Permanence and Adoption arrangements.

Self-evaluation is embedded into all Social Work Services though the inspection process, performance monitoring, and a self-evaluation framework to which all services contribute. Multi-agency self-evaluation of services for children and young people has been an area of development prioritised by the Children and Young People's Leadership Group.

To provide clarity, a six monthly Quality Assurance Report is produced, reporting on a range of quality assurance and participation activity across Children and Families. The report also details service developments in response to its findings.

Closer integration of service evaluation and financial monitoring has led to more robust oversight of improvement activity across the Senior Management Team. In particular, the work to integrate financial records into the main MOSAIC management information system will allow improved scrutiny, authorisation and monitoring of the financial impact of care provision.

Public Protection Services:

The Council continues to have strong public protection multi-disciplinary arrangements from the Critical Services Overview Group, chaired by the Council's Chief Executive through the Child and Adult Protection Committees and Sub-groups. Key to this work is self-evaluation, performance monitoring and audit.

The Child Protection Committee has a self-evaluation calendar which is reviewed at the Quality Assurance and Improvement Sub-group on a regular basis.

Initial referrals to Adult Protection have increased with 206 concerns reported during this period. Older Adults continue to be the group at most risk of harm including those with dementia. Financial and physical harm continue to be the highest reported types of harm for adults at risk, there has been 60 concerns each in both of the categories. To address this there has been significant work undertaken with local banks to identify and report potential concerns relating to financial abuse.

Complaints:

A total of 96 complaints were received regarding Social Work Services during this period, a decrease of 12.73% from the previous year. A total of 94 complaints were investigated of which 30 were upheld, 6 partially upheld, 28 were not upheld, 6 complaints were I understand were withdrawn and 24 considered invalid.

Some key themes arose from the complaints including:

- Actions of staff
- Difficulty in accessing service
- Provision of service
- Delay in service

A range of actions were recommended and have been implemented to improve the quality of service provided and which are regularly reviewed to ensure continuous improvement.

Criminal Justice:

Throughout 2017/18, Community Justice further embedded itself within Scottish Borders, enhancing partnership delivery of justice services between statutory, third sector and community resources. The Criminal Justice Service is firmly embedded within Scottish Borders Community Justice Local Outcome Improvement Plan 2017 – 2020.

The implementation of the revised formula for the determination of Section 27 Grants Funding, provided Scottish Borders with an increase for the year 2017/18, of £52,592. Within the Grant Offer Service provision requires to discharge statutory duties and to work toward the prevention and reduction of further offending in addition to targeting delivery of community sentences and women's services.

The implementation of Visor by Criminal Justice Social Work presents ongoing challenge. Criminal Justice Social Workers and Team Leaders have been requested to submit to vetting on a voluntary basis, with new posts being advertised as requiring successful candidates agree to being vetted. The existing close working relationship between Social Work and Police Scotland Offender Management Unit continues to facilitate excellent communication and information sharing. It is recognised that there is a potential vulnerability in the management of information sharing for category 3 individuals who are Social Work led. It is hoped that resolution might be achieved through continued discussion with COSLA via representation on the Social Work Scotland Standing Committee and Police Scotland.

The Scottish Government's commitment to reduce the use of short term custodial sentences by extending the current presumption to 12 months, has resulted in Scottish Borders working toward the development and delivery of enhanced options available to the Procurator Fiscal and Sheriff Court. 2017/18 saw the introduction of a Bail Supervision Scheme pilot and the development of a framework to offer an arrest referral scheme to Police colleagues.

The authority's vision for a Woman's Hub plays a central role in the delivery of services to women. During 2017/18 significant work has been undertaken to plan and develop a multi-agency delivery

hub that will serve women across the Scottish Borders. The Hub will work with women at risk of entering and those already in the justice system to address issues, including offending and anti-social behaviours, trauma, domestic abuse and the development of self-care and stay safe skills.

Drug Treatment and Testing Orders (DTTO):

A streamlined procedure for Drug Treatment and Testing Orders (DTTOs) was introduced in April 2017 after consultation with staff from Criminal Justice Social Work and Borders Addiction Service. As well as increasing efficiency, the procedure is a single reference point for Health and Social Work staff.

Caledonian System:

The Caledonian System is an integrated approach to domestic abuse. The two year Caledonian Men's Programme uses cognitive behavioural techniques to encourage men to recognise their abuse and take responsibility for themselves and their relationship with their ex/partners and children. The Women's Service offers emotional and practical support to women, advice on safety planning, risk assessment and advocacy. By working in partnership with the woman, workers aim to reduce her vulnerability. The Children's Service offers an intervention to support children who are living with or have lived with domestic abuse.

High Tariff Structured Deferred Sentence (HTSDS):

This disposal option was introduced as a means of testing the motivation to comply with a Community Payback Order Supervision Requirement where the individual is at risk of custody and has a history of non-compliance with community disposals. The assessment of suitability is completed routinely as part of the Criminal Justice Social Work Report (CJSWR) and the planned intervention is delivered by a Criminal Justice Social Worker with additional support from a Criminal Justice Officer. The CJSWR includes a request for special Bail conditions and any failure to attend appointments and / or comply with Bail conditions will result in disciplinary action and/or Breach action. A Completion Report is provided to the Court at the end of the period of the HTSDS with the expectation that, if the individual has complied, a Community Payback Order will be imposed.

Low Tariff Structured Deferred Sentence (LTSDS)

This disposal option is targeted at individuals who are at low risk of custody, where no behaviour change programme is identified and where criminogenic needs are health and welfare related rather than attitudinal. The assessment of suitability is completed as part of the Criminal Justice Social Work Report and a Case Management Plan identified. Monitored by a Criminal Justice Officer, the individual's engagement with the Case Management Plan and Support Services is required for successful completion of a LTSDS. The frequency of contact with the Criminal Justice Officer is expected to decrease as the individual establishes engagement with support services. A Completion Report is submitted to Court at the end of the period of the LTSDS.

MAPPA:

The effective management of sex offenders under the MAPPA arrangements is a multi-agency responsibility. An Offender Management Committee chaired by the Chief Social Work Officer is in

place, enhancing governance at a local level. In March 2018 a total of 92 offenders were being managed. Concern that this number might increase significantly following the implementation of MAPPA extension to serious violent offenders in April 16, has not occurred.

Emergency Duty Team (EDT):

EDT works closely with Out of Hours health colleagues to support safe discharge of patients and prevent unnecessary admissions – this was identified as positive in the Joint Inspection Report: “We saw some positive examples of Health and Social Work staff working well together to deliver effective care, support and treatment. This included joint working out-of-hours between Accident and Emergency staff, the out-of-hours Community Nursing staff and the Social Work out-of-hours Emergency Duty Team.”

Close working with Police and Health colleagues also continues out of hours in the identification of risk to children and adults, agreeing jointly how to manage risk quickly and effectively. Evidence of this would be the participation of appropriately trained and experienced staff out of hours in the IRD process, echoing the process followed in hours by PPU.

EDT also contributes to Protection Plans, particularly for children subject to CP registration, by readily responding to requests from daytime colleagues to undertake monitoring and assessment tasks out of hours in relation to safety of individuals and progress of the plan.

EDT supports daytime colleagues, where possible, to undertake tasks that contribute to quality assurance and efficiency, completing case file audits and seeking to review POCs. This also seeks to maximise the efficiency of EDT as a service where the demand on the service is unpredictable and there can be capacity to undertake such tasks.

The outsourcing of Bordercare was agreed by the Council as a means of sustaining quality of service and efficiency for users but presented some challenges for EDT, losing the colocation with Bordercare staff. However, there was close participation in ensuring a safe transition and developing working processes to attempt to predict and respond to any potential negative impact on service users and partner agencies. This process is continuing and further responses being developed to streamline communications for service users and agencies.

8. Workforce a) Planning b) Development
--

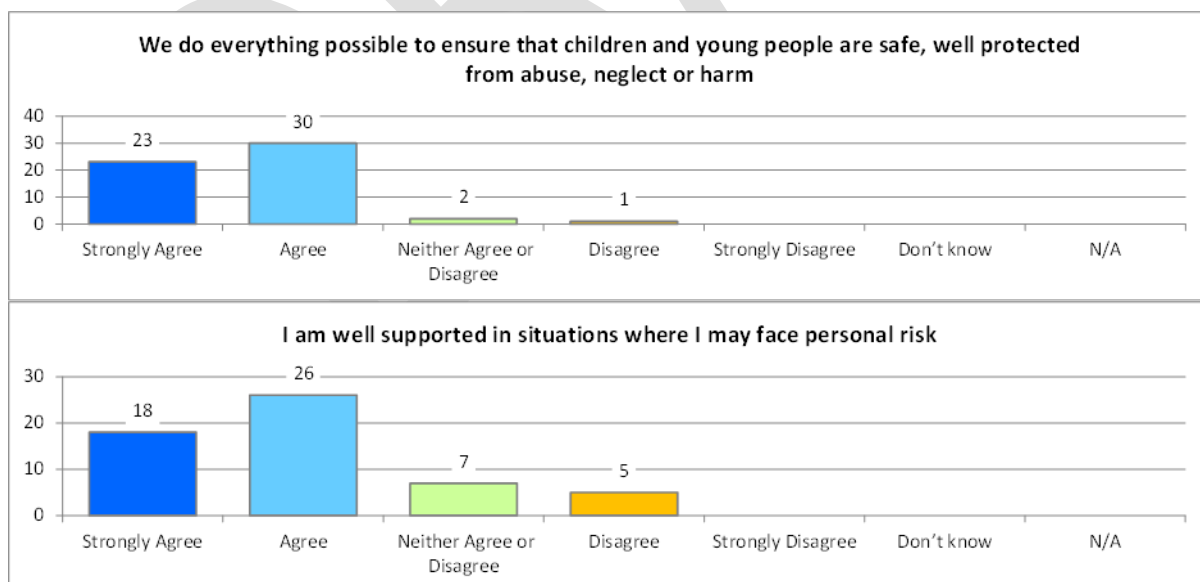
There continue to be challenges in the recruitment of experienced Social Workers across Social Work Services, including Children and Families, Social Care and Health and Criminal Justice Teams. At present, we are considering a recruitment event as well as exploring the possibility of developing Social Workers locally as a longer term strategy.

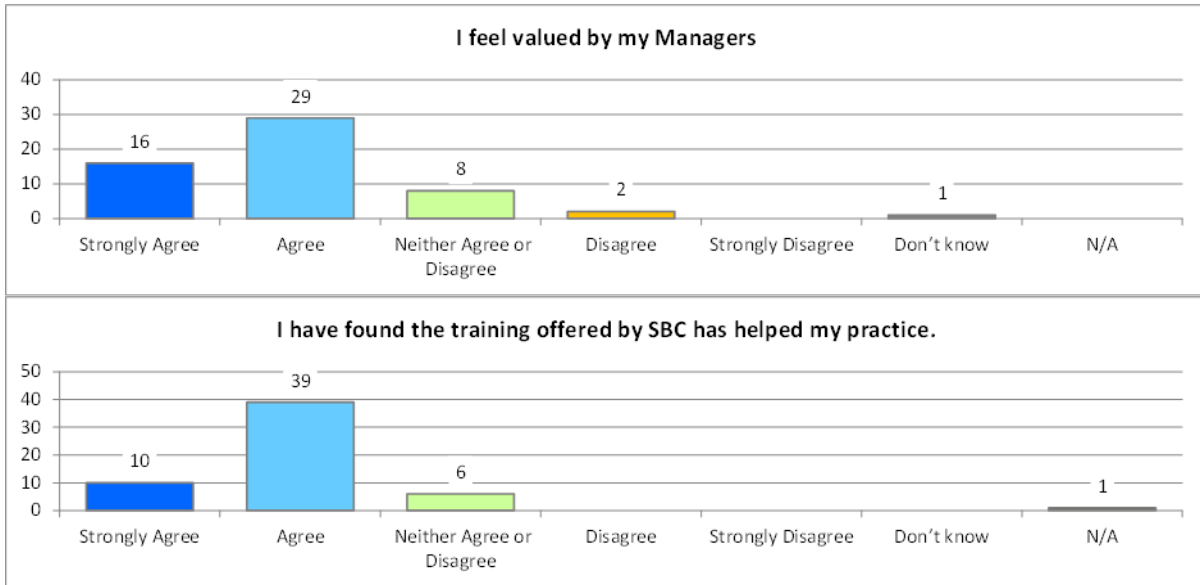
The Professional Development Team continues to ensure that the mandatory training needs of Social Work Services staff are met and there is appropriate support and funding for additional CPD and career progression opportunities. The Learning and Development Frameworks for both Children & Families Social Work and within Social Care & Health Service have been updated. The team commission, co-ordinate and/or deliver a wide range of essential professional development training and other CPD requirements, plus many bespoke specialist inputs, so the L&D Frameworks

provides a focus for work in this area and also signpost corporate mandatory courses, which all eventually contribute to improving outcomes for people using services. Clearly the intention is to engage effectively with the workforce to help workers understand how important their learning is to improving outcomes for people who receive services; supporting Social Service workers within Scottish Borders Council to become self-directing and self-managing learners and contribute to a trusted, skilled and confident workforce.

The two Practice Learning Advisors in particular have continued the task of building an infrastructure to support Social Work student placements, including regular meetings of a student's group. Building the infrastructure also means promoting and encouraging staff to become Link Workers and Practice Educators. The team also run six monthly Partnership Practice Learning Events with Mid and East Lothian and quarterly in house Practice Learning Group meetings. During this period we have had a very buoyant NQSWs group; following a large recruitment campaign Scottish Borders Council employed seven NQSWs to a number of vacant posts in Children and Families Social Work in summer 2017 so the existing NQSW group was greatly boosted. The range, or menu-of-options, of training and related CPD activities for staff is extensive, and some events are very specialised and bespoke. For example, there has been considerable interest in the new Resilient Practitioner Programme which is a collaborative effort between the Open University, Live Mindfully Ltd and staff from the Professional Development Team. The basic programme consists of eight (monthly) twilight sessions, and for those wishing to apply for the 'Award', then there is an additional requirement of a full practice day, three coaching sessions and one practical reflective essay. Given the level of interest in building resilience, and very positive feedback from participants, the intention is to make this a regular annual programme.

A staff survey of Children and Families took place in 2017, this was critical for Managers to be able to map out the views of the whole staff group. Some of the key responses are detailed below:





Training was delivered on the Neglect Toolkit, a practitioner's toolkit for assessment and direct work in cases of neglect, from July 2017 to October 2017. Training was done on a multi-agency basis, targeting professionals who work directly with families. 80 Children and Families Social Work staff attended the training (Social Workers, Social Work Assistants, SSWs, etc.). Evaluation of the effectiveness of the training will take place in 2018 with all staff who attended the training.

APPENDIX 1

PERFORMANCE REPORT

STATUTORY FUNCTIONS

Fostering and Adoption

Adoption is a positive route for a child where it is apparent that he or she is unlikely to be able to safely return to the immediate or extended family. There is a strong body of evidence to indicate that permanent and/or stable long term placements, including adoption, lead to better outcomes for the child where these placements can be put in place early enough to enable the child to form solid attachments with the carers. This is especially crucial in the early years of 0-3.

In the year to March 2017 there were 3 children adopted, which shows an increase on the previous year. 8 Permanence Orders were granted by the Courts (3 with Authority to Adopt and 5 without Authority to Adopt); 6 children were recommended for adoption via the legal route of a Permanence Order with Authority to Adopt; and, 1 Permanence Order (without Authority to Adopt) was recommended by Scottish Borders Adoption and Permanence Panel.

Senior Managers have identified a need to focus on robust decision-making for permanence cases to avoid drift and delay. A multi-agency Permanence Planning Group has been established to lead good practice in permanence planning and there is currently a multi-agency Development Plan addressing policy, procedure and practice in this area.

	2014-15	2015-16	2016-17	2017-18
<i>Children adopted during the reporting year</i>	5	1	3	
<i>Children placed with prospective adopters at end of year</i>	6	2	5	4

The Chief Social Work Officer is also the Agency Decision Maker (ADM) in terms of Fostering and Permanence decisions – Regulation 12 Children (Scotland) Act 1995.

It is the ADM's responsibility to make decisions based on recommendations by the Fostering or Permanence Panels. In Scottish Borders Council these panels are held on a monthly basis and consider the following:

- Fostering Assessments
- Kinship Care Assessments
- Foster Carers Reviews
- Assessment of Prospective Adoptive Parents
- Children being considered for Permanence (Long term fostering and Adoption)

- Matching of children with prospective adopters or long term foster carers
- Advice and guidance on complex situations that may be considered for permanence

The ADM receives Minutes of the meetings, meets with the Chair of the meeting, if required, and makes decisions based on the recommendations.

	2014-15	2015-16	2016-17	2017-18
Foster Carers approved	6	12	7	
Foster Carers de-registered	2	7	4	
Foster/Short Breaks Carers reviewed	48	31	44	
Long term (permanent) foster carers approved	4	2	5	2
Children registered for permanence	13	8	8	5 POA 5 PO
Prospective adopters approved	3	1	4	4
Prospective adopters not approved	0	0	0	0

Kinship care is a desirable outcome for children who are unable to be looked after by their birth parents, and enables children to remain and be cared for within their extended family and community, with clear benefits for their identity and sense of belonging as they develop. This reduces the need for Local Authority foster carers and promotes better outcomes for the children themselves. The percentage of kinship care placements in the Scottish Borders continues to grow year on year.

While workers will always consider all options for a child's care and will seek to make use of a child's family strengths and supports, at times it is not possible to place children in their own community. In particular, some complex cases require us to place children in specialist placements outside the area. Each of these young people has a comprehensive Care Plan and a team of professionals dedicated to helping to resolve their issues and, in a controlled way, bringing them back into less specialised and resource intensive placements.

The number of children placed outside of the Scottish Borders has remained at the same level, however the overall percentage has decreased over the reporting year due to the increasing number of Looked After Children.

	2015	2016	2017	2018
LAC placed outside areas as at 31 March	31 (16%)	29 (12%)	33 (13%)	34 (15%)
Kinship placements as at 31 March	55	72	72	47

The increase in Looked After Children placed outside the area in 2018 relates to the number of young people now being coded as 'Continuing Care'. When these are included, the percentage is slightly below 13%.

The total number of children and young people who are Looked After has continued to increase during 2017 and currently sits at the highest value for the past 3 years. This increase does not follow the Scottish average which experienced a reduction in the number of Looked After Children during 2016.

	2015	2016	2017
Looked After Children as at 31 March (SBC)	188	221	251
Looked After Children as at 31 July (Scotland)	15,404	15,317	tbc

To allow for comparison, these figures can be expressed as a percentage of the population aged 0-17, which shows that Scottish Borders has fewer Looked After Children than the general population for Scotland. It has to be noted that although we have a lower rate of Looked After Children (0-17) than the National figure, Scottish Borders has an increasing trend whilst the National figure remains consistent.

% of pop. Aged 0-17	2015	2016	2017
Looked After Children as at 31 March (SBC)	0.8	1.0	1.1
Looked After Children as at 31 July (Scotland)	1.5	1.5	tbc

Child Protection

2017/18 has been a year of consolidation for the Child Protection Committee (CPC), with continued work on issues highlighted by the last inspection of Children's Services, in 2016, following a three Year Business Plan which was largely based on the findings of the inspection.

Some good progress has been made, notably in the inclusion in case files of chronologies summarising the key events in a child's life so far, although there is still scope for further improvement, in relation to the multi-agency aspects of chronologies (i.e. the inclusion of key events which may not be known to Social Work staff) and to evidencing that staff are making effective use of the chronologies in assessment and planning.

The CPC has continued to hold regular joint meetings with colleagues from the Adult Protection and Offender Management Committees, and this collaborative working provides a strong foundation for the programme of work to assess the feasibility of introducing more Integrated Public Protection arrangements which was mandated by the multi-agency Critical Services Oversight Group (CSOG) in late 2017 and will continue into 2018/19.

Two Significant Case Reviews (SCRs) were completed in the year, under the auspices of the CPC, known as Child A and Child W, and Action Plans were prepared in relation to both SCRs, in order to ensure that effective action is taken on the learning points for improvements identified by the Reviews.

Work started on the comprehensive review of the use of the Neglect Toolkit mentioned in last year's CSWO Report, and will continue into 2018/19.

The number of children on the Child Protection Register reduced slightly during 2017/18 to 42 children at the end of March 2018.

The proportion of children who have been re-registered within two years has reduced, following two years at higher levels. The age of children on the register continues to fluctuate with 45% of children on the register aged 4 or under at the year end.

The length of time that children spend on the register increased again this year to 41 weeks.

	2015-16	2016-17	2017/18
Children on the Child Protection Register (31 March)	28	46	42
Children re-registered within 2 years (31 March)	14%	13%	7%
Children registered during the year	45	107	58
Children de-registered during the year	50	96	62
Children on register aged 4 or under (31 March)	61%	50%	45%
Average number of weeks registered (based on children de-registered during the year)	22	31	41

Secure Orders:

Secure Orders are used infrequently in Scottish Borders, however over the last year we have seen an increase in the use of this type of resource. Primarily this has been where a young person has been a risk to themselves through self-harming behaviours which are challenging to manage in other resource types.

Adult Protection:

There are differing levels of knowledge, training and experience of Adult Protection across partner agencies in Scottish Borders. This often happens because Adult Protection is a small part of what an agency may do and their levels of experience vary. The responsibility for screening all referrals lies with Social Work practice or specialist teams (Learning Disability and Mental Health). Every

referral about harm is screened and assessed into welfare or protection. Welfare issues are signposted to a Social Work response or referred to specialist teams such as Alcohol or Substance Misuse where a case is appropriate or requires a particular skill set. Of the 500 referrals reported by external agencies to be adult protection, 235 were graded as welfare concerns and dealt with accordingly.

Of the 500 referrals assessed to be possible protection cases, 265 proceeded as AP Referrals and were overseen by the Team leader/Team Manager of the locality or specialist team. The Team Leader/Team Manager will allocate, direct, oversee and sign off all work under the Adult Support and Protection (Scotland) 2007 Act, 204 cases proceeded as Protection work and therefore AP Referrals.

Below is a table of adult protection referrals over the last five years. Figures up to this year have been particularly consistent. The 25% rise in figures last year reflected more use of the Adult Protection duty to inquire to check the status of suspected adults at risk of harm and one complex Large Scale Investigation (LSI). The duty to inquire is a key function which is used when we suspect adults may meet the Adult Protection criteria. The majority of Adult Protection cases exit the Adult Protection process following inquiry or Interagency Referral Discussion (IRD) when we have established they are safe or able to safeguard themselves. However a complex LSI can add to Adult Protection numbers, particularly where many individuals have specific or different needs within any care environment.

The actual number of adults who were assessed as genuine concern cases was similar to previous years.

	2013-14	2014-15	2015-16	2016-17	2017-18
Adult Protection Referrals	190	169	171	206	265

Types of harm:

Financial and Physical harm continue to be the largest types of principal harm reported in Scottish Borders, these figures combined account for two thirds of Adult Protection referrals. Psychological and Emotional harm often go alongside Physical harm, however Scottish Government have requested that we only count the principal type of harm to inform the national Adult Protection landscape.

Large Scale Investigation (LSI):

Scottish Borders have had one LSI in the last year, into a private care home. The Local Authority will work alongside NHS Borders, Police Scotland, the Care Inspectorate and the Care Provider to identify practice gaps and improve the quality of care for residents. Issues that come up are staffing shortages, skills mix, task centred practice, medication issues and food and fluid intake. There is always an LSI Improvement Action Plan and regular case reviews until the care provider is stable and can evidence sustained evidence of improvement.

Client groups:

Scottish Borders is a large rural authority with many residents over the age of 65 years of age and what we know locally and nationally is that older adults have an increased risk of harm and in Scottish Borders over 65's have an increased risk of financial harm. Some of these perpetrators use computer and internet technology to fraudulently target adults. As technology becomes more sophisticated, older adults continue to be more vulnerable than other groups.

Clients with a learning disability have an assessed level of cognitive deficit, which makes some adults in the learning disability range more vulnerable than others to harm. In many of these cases it is an adult known to the client who becomes the harmer. Sometimes this is a so called friend or acquaintance targets the client for financial or material gain.

Adults with a Mental Health condition are another group of adults with increased vulnerability. Over the last twelve months we have seen an increase in this group being targeted by substance misuse users who often befriend them and then proceed to carry out financial or material harm.

Adults with a sensory loss figures are similar over the last few years. Bogus callers or workman have been a particular challenge to these adults, with some good examples of Trading Standards and Police Scotland reacting to this type of harm.

Trends:

Financial and physical harm continue to be the two most prominent types of harm reported in Scottish Borders. We are a large rural location with a large population of adults over the age of 65 years. Many of these adults may have retirement packages or savings accrued in preparation of retirement. As technology continues to change and progress some older adults find it difficult to keep safe from sophisticated scams and phishing e-mails.

Adults under the age of 65 face similar challenges from financial and physical harm, however there has been a marked increase in adults with addiction issues (alcohol or drugs) gravitating towards adults with vulnerability and exploiting them. We already know that most harm occurs by someone known to the victim, these friends and associations often start through low level petty crime and continue until their behaviour is challenged.

Allegations of harm in care home settings have featured heavily over the last few years, in 2015/2016 Scottish borders embarked on bespoke Adult Protection training into all our care homes. This training has seen a marked decrease in large scale inquiries, but a longer timeframe is required to effectively evaluate the impact of this training, but early indications are positive.

Drugs deaths continue to increase in Scottish Borders and nationally. Every drug death is a personal and family tragedy. What professionals highlight is the importance of keeping this vulnerable group linked and engaged in treatment and specialist support. This remains the strongest protective factors and more likely to reduce risk.

Criminal Justice Service Performance:

	<u>2017/18</u>
CJSWR :Completed	363
CPO : Supervision Only	52
CPO Level 1 UPW	77
CPO Level 1 plus Supervision	15

CPO Level 2 UPW	40
CPO level 2 plus Supervision	40
Total CPO's issued	224
Fiscal Work Orders	6 220 hours

MAPPA:

There are three levels at which risk is assessed and managed under MAPPA:

1. Level 1: ordinary risk management
2. Level 2: local inter-agency risk management
3. Level 3: Multi-agency Public Protection Panels (MAPPA)

On 31st March 2018 the total number of sex offenders subject to MAPPA within Scottish Borders was 92.

Level 1	90	RSO's	92
Level 2	2	Cat' 3 : Risk of Harm	0
Level 3	0	Restricted Patient	1
		Subject to Statutory Supervision by CJSW	27

A summary of Risk Management Meetings for the period 2016/17 is as follows:

Risk Management Case Conferences	16
Number of individuals considered at RMCC	16

Community Justice:

Community Justice within the Scottish Borders is delivered through a Community Justice Board consisting of statutory Community Justice Partners and forms part of the Community Planning Partnership (CPP) structure. The Board has responsibility for delivery of the Scottish Borders Community Justice Outcomes Improvement Plan as set out in the Community Justice (Scotland) Act 2016.

Alignment with the CPP is through the Scottish Borders Community Plan, there are three delivery themes and Community Justice sits within Reducing Inequalities. A broad range of partners participate in delivering against this theme, including the Third Sector. Planning to reduce inequality includes all the services that support a reduction in offending and re-offending. The Community Justice Board initially sat as a Project Board however, since publication of the three year plan, has become a Delivery Board. The Board meets bi-monthly and is chaired by the Chief Social Work Officer. Some examples of work supported by the partnership are:

- Recruit with Conviction, a not-for-profit company, have been commissioned using Scottish Government transition funding to work with local partners through a number of workshop

sessions. These sessions were themed for potential employers, employees and recruitment professionals on how to approach recruitment decisions when convictions are present.

- The Arrest Referral Scheme is currently being reviewed with NHS Lothian, Borders Alcohol and Drugs Partnership, Police Scotland and commissioned service representatives to take account of local and regional custody arrangements which will ensure people held outwith the local area receive appropriate contact and referral for addiction problems translating into local support. The aim is to ensure there is consistency across the regions custody facilities as people are often held out with their local area.
- Partners contributed to the Scottish Borders Local Licensing Forum Alcohol Profile 2016/17, a resource detailing alcohol related harm and supporting licensing decision making.

DRAFT



FINANCIAL REGULATIONS

Report by the Chief Financial Officer

SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

- 1.1 **This report seeks members' approval for an updated version of the Council's Financial Regulations.**
- 1.2 Financial Regulations are a key element in the governance arrangements for the Council. They focus primarily on the financial control, management and administration of the Council's financial affairs. The Regulations were last comprehensively reviewed in June 2016.
- 1.3 Updates to the Financial Regulations reflect amendments to:
 - Financial Planning section (section 6);
 - The Council's virement rules (section 7);
 - Procurement of Goods, Services & Works (section 21);
 - Travelling, Subsistence and Other Expenses (section 24).
- 1.4 Generally the Regulations have been brought up to date to reflect changes in management responsibilities and procedures. There are no substantial changes in terms of the principles behind the Regulations or the control arrangements currently in place. It is considered that following the implementation of Business World ERP (integrated Finance, HR & Procurement system) these amended financial regulations are fit for purpose in the new operating environment.

2 RECOMMENDATIONS

- 2.1 **It is recommended that Scottish Borders Council approves the revised Financial Regulations shown at Appendix 1 for immediate implementation.**

3 BACKGROUND

- 3.1 Section 95 of the Local Government (Scotland) Act 1973 places a duty on every Local Authority to “make arrangements for the proper administration of their financial affairs”. One of the key ways in which the Council discharges that duty is to establish a framework for the financial control, management and administration of the Council’s affairs; this is done through the Financial Regulations. The Council’s Procedural Standing Orders require these to be approved by Council.
- 3.2 For the purpose of completeness the other main documents which identify the Council’s overall governance arrangements are:
- Procedural Standing Orders
 - Scheme of Administration
 - Scheme of Delegation
 - Local Code of Corporate Governance

4 AMENDMENTS TO FINANCIAL REGULATIONS

- 4.1 The last comprehensive review of Financial Regulations took place in June 2016. The financial regulations have now been updated and amended to reflect the current operating environment within the Council. The main changes are highlighted below.

4.2 Financial Planning (section 6)

Inclusion of a paragraph within the Financial Planning section 9 (section 6) to be clear that the Council is required to approve a balanced budget for each financial year and will ensure that the revenues of the Authority including Government Grant, Non-Domestic Rate income, Fees & Charges and planned budget savings are sufficient when combined with the Council Tax product to finance the expenditure plans for the Authority.

4.3 Virement Rules (section 7)

In response to feedback from Elected Members the virement rules have been amended to ensure that Members are considering material virements at the Executive Committee and not minor budget transfers less than £10,000. This will ensure focus can be given to material virements without the volume of small, low value budget adjustments which required to be presented to the Executive Committee for approval under the previous Financial Regulations.

4.4 Procurement of Goods, Services & Works (section 21)

This section has been updated to reflect amended Procurement procedures following the implementation of Business World.

4.5 Travelling, Subsistence and Other Expenses (section 24)

This section has been updated following the launch of the ‘Business Travel Decision Maker’ which must be used by officers before travel on authorised Council business to ensure the most efficient and effective approach is taken to travel. The options include use of technology to access a meeting remotely, car sharing, travel by train and use of Council pool cars before travel in an employee’s own vehicle should be considered.

- 4.6 Generally the Regulations have been brought up to date to reflect changes in management responsibilities and procedures. There are no substantial changes in terms of the principles behind the Regulations or the control arrangements currently in place.
- 4.7 It was recognised that the implementation of a new Enterprise Resource Planning (ERP) System, "Business World", on 1 April 2017 would result in changes in the way in which financial and business administration is conducted across the Council. Taking into account all system and business process changes currently in place it is considered that these amended financial regulations are fit for purpose in the new operating environment.

5 IMPLICATIONS

5.1 Financial

There are no direct financial implications attached to any of the recommendations contained in this report.

5.2 Risk and Mitigations

Financial Regulations provide the framework for the control, management and administration of the Council's financial affairs. As such, assuming compliance, they mitigate against a number of financial risks via a series of control measures, most of which are vested in the Chief Financial Officer (and by implication the staff and systems deployed by him).

5.3 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.

5.4 Acting Sustainably

There are no economic, social or environmental effects.

5.5 Carbon Management

There are no effects on carbon emissions.

5.6 Rural Proofing

There are no direct effects.

5.7 Changes Scheme of Administration or Scheme of Delegation

No changes are required as a result of this report. The Financial Regulations in the appendix to this report have been updated in part to align with the current approved Scheme of Administration and Scheme of Delegation.

6 CONSULTATION

- 6.1 The Corporate Management team considered this report on 10 October 2018.
- 6.2 The Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit & Risk, the Chief Officer HR and the Clerk to the Council have been consulted and any comments have been reflected in this report.

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager

Background Papers: - Scottish Borders Council, 29 June 2016

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.

Contact us at: Suzy Douglas, Financial Services Manager, Financial Services, Chief Executive, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA.

Telephone – 01835 824000 X5881

e-mail – sdouglas@scotborders.gov.uk

APPENDIX 1

Scottish Borders Council

FINANCIAL REGULATIONS

November 2018

Contents

1. Purpose and Introduction
2. Principles
3. Role of The Chief Financial Officer
4. Definitions
5. Financial Administration
6. Financial Planning
7. Budgetary Control
8. Accounting
9. Management of Funds and Reserves
10. Capital Financing and Treasury Management
11. Banking Arrangements, Cheques and Other Payment Media
12. Income
13. Grant Applications and Claims
14. Risk Management
15. Insurance
16. Internal Audit
17. Prevention of Fraud, Theft or Corruption
18. Asset management
19. Security
20. Contracts for Building, Construction or Engineering Work
21. Procurement of Goods, Services & Works
22. Payment of Invoices
23. Salaries, Wages, Pensions and Allowances
24. Travelling, Subsistence and Other Expenses
25. Imprest Accounts
26. Private Property and Voluntary Funds
27. Trading Organisations
28. Delegation
29. Review

1. INTRODUCTION

1.1 Section 95 of the Local Government (Scotland) Act 1973 states that:-

“every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that the proper officer of the authority has responsibility for the administration of those affairs.”

These Financial Regulations (hereinafter referred to as the “Regulations”) fulfil this requirement by setting out the responsibilities of the Chief Financial Officer as the proper officer with responsibility for the administration of the Council’s Financial Affairs, known as the Section 95 Officer, along with the responsibilities of members of the Executive Team, Service Directors and staff and by providing a mandatory framework for financial administration in Scottish Borders Council.

The Chief Financial officer carries out this role with regard to the CIPFA guidance contained in “The Role of the Chief Financial Officer in Local Government”

1.2 Compliance with these Regulations is mandatory for all employees of the Council, employees of its subsidiary organisations and, where referred to, Elected Members. The Executive Team and Service Directors are responsible for ensuring that:-

- (a) all employees are aware of their respective duties and responsibilities under these Regulations;
- (b) where appropriate, job descriptions reflect the requirements of these Regulations; and
- (c) where appropriate, staff receive copies of or extracts from these Regulations.

The Chief Executive is responsible for ensuring that Elected Members are aware of their duties and responsibilities under these Regulations.

1.3 Failure to comply with any requirement of these Regulations may result in the matter being dealt with under the Council’s disciplinary procedures.

2. PRINCIPLES

2.1 The financial affairs of the Council shall at all times be conducted in accordance with the three principles of corporate governance set out in The Cadbury Report and CIPFA/SOLACE Guidance on Corporate Governance, namely:-

Openness – in terms of approach and disclosure of information;
Integrity – straightforward dealing and completeness;
Accountability – whereby individuals accept responsibility for their actions.

2.2 It is also a requirement of these Regulations that financial transactions do not take place unless they fall within the legal powers of the Council. Where new service developments or contributions to other organisations arise or in cases of doubt, clarification as to legality must be obtained from the Chief Legal Officer or his representative before any liability or expenditure is incurred.

3. ROLE OF THE CHIEF FINANCIAL OFFICER

- 3.1 The Council's Corporate Management Team has to ensure that, as custodians of public money, the Council performs and accounts for its financial activities in an honest, legal and trustworthy manner in accordance with best accounting practice.
- 3.2 The Council has designated the Chief Financial Officer as the officer responsible for the administration of the Council's financial affairs in terms of Section 95 of the Local Government (Scotland) Act 1973. This means he is entitled to issue, and require compliance with, instructions on any aspect of financial management or administration. He, or anyone so delegated by him, may examine administration and control systems within Services and secure any improvements which he considers necessary. He also has the authority to instigate investigations and comment on matters of economy, efficiency or effectiveness of any practices or procedures, existing or proposed.
- 3.3 The Local Authority Accounts (Scotland) Regulations 1985 specify that the system of accounting control and the form of the accounts and supporting records are to be determined by the Chief Financial Officer and that he is to ensure accounting controls are observed and the accounts and supporting records are kept up to date. This includes all of the financial systems which support this process. He is responsible for publishing the Annual Accounts of the Council and attendant information, and for making the arrangements for the statutory audit required by Section 96 of the Local Government (Scotland) Act 1973.
- 3.4 CIPFA guidance 'Delivering Good Governance in Local Government' recommends that the review of effectiveness of internal control should be reported in an Annual Governance Statement, and the Council's Annual Accounts will include a Statement on the System of Internal Control and Governance. In order to inform that statement, The Executive Team will be required to provide certain assurances regarding the internal financial controls operating in their departments. The Executive Team in turn may require similar assurances from Service Directors.
- 3.5 In terms of a management role, the Chief Financial Officer is responsible for advising the Council, its Committees, the Chief Executive, Executive Directors and Service Directors on all financial matters and for monitoring and reporting on financial performance and the Council's overall financial position. It is a requirement of these Regulations that his views are canvassed and he is given the opportunity to express these in any report to the Council or any of its Committees which affects the Council's finances. He must also be granted access to any information and be given such explanations as required to assist him to comply with his responsibilities.

4. DEFINITIONS

- 4.1 In these Regulations:-

"Service Directors means:-

Joint Director of Public Health
Chief Financial Officer (Section 95 Officer)
Chief Officer Human Resources

Chief Social Work Officer
Service Director Children & Young People
Chief Officer Health and Social Care Integration
Service Director Customer & Communities
Service Director Assets and Infrastructure
Service Director Regulatory Services (Monitoring Officer)

“Management Team” means the Council’s Corporate Management Team comprising the Executive Team and Service Directors.

“CIPFA” means the Chartered Institute of Public Finance and Accountancy.

“Employees” means all staff directly employed by the Council (including teaching staff) and agency and similarly contracted persons.

“Budget Head” means each line in the Revenue or Capital Financial Plan as appropriate approved by the Council each year. In addition, “Budget Head” means each line within a block allocation, where appropriate, within the Capital Financial Plan.

“Capital Expenditure” is defined in Appendix 1. Where there are areas of doubt, the Chief Financial Officer shall determine whether an item of expenditure is to be classed as capital or revenue, with reference to proper accounting practice.

“Executive Committee” means the Executive Committee of the Council established under the Council’s Scheme of Administration.

“He”, “Him” or “His” should be construed as “She”, “Her” or “Hers” where the postholder referred to is female.

“Executive Member” means the Elected Members appointed as such by the Council from time to time.

“Asset” means any land, building, plant, vehicle, machinery, equipment, computer hardware or software, furniture or fittings used or proposed to be used in the delivery of services.

“Trading Organisations” means the Roads Trading Operation (SBContracts)

“Monitoring Officer” is defined by the Local Government and Housing Act 1989. The role is undertaken by the Service Director Regulatory Services (or such other Officer so designated by the Council from time to time).

5. FINANCIAL ADMINISTRATION

- 5.1 The Executive Committee is responsible for advising the Council on the regulation and control of the finances of the Council. This is carried out through regular revenue and capital budgetary control reports to the Executive Committee and by annually providing Council with five year revenue and ten year capital financial plans.

- 5.2 The Chief Financial Officer is, for the purposes of Section 95 of the Local Government (Scotland) Act 1973, responsible for the proper administration of the Council's financial affairs.
- 5.3 As the Council's financial adviser, the Chief Financial Officer will ensure that a report is made to the Council, at least annually, with respect to the level of financial resources for revenue and capital estimated to be available in each financial year. In addition, reports will be made to Executive Committee:-
- 3 times in each financial year (normally August, November and February) with respect to the financial performance of each Service and Trading Organisation against approved revenue and capital budgets, together with the overall position for the Council.
 - As at each financial year end, showing the final outturn position for revenue and capital.
- 5.4 The Council is responsible for advising on the making and amending from time to time of such Financial Regulations as it considers necessary and desirable for the maintenance, supervision and control of the financial affairs of the Council.
- 5.5 The Corporate Management team and Service Directors are responsible for ensuring the security, custody and control of all resources including employees, plant and equipment, buildings and furnishings, materials, cash and stores appertaining to their department.
- 5.6 Service Directors must consult the Chief Financial Officer with respect to any matter covered under 5.7 below or any other matter which may significantly impact financially upon the Service concerned, the Council itself or the Council's ability to meet its financial obligations before any commitment is incurred.
- 5.7 Where a Service proposes -
- a new policy; or
 - a variation of existing policy; or
 - a variation in the means or time-scale of implementing existing policy

which affects or may affect the Council's finances, the appropriate Service Director must submit a report to the Executive Committee which may report thereon to the Council.

6. FINANCIAL PLANNING

- 6.1 Prior to the commencement of each financial year the Council will approve its Revenue and Capital Financial Plan and this will include setting the Council Tax for the forthcoming year. The Council is required to approve a balanced budget for each financial year and will ensure that the revenues of the Authority including Government Grant, Non-Domestic Rate income, Fees & Charges and planned budget savings are sufficient when combined with the Council Tax product to finance the expenditure plans for the Authority.
- 6.2 Following consultation with the Chief Executive the Chief Financial Officer will, in sufficient time each year, intimate to the Management Team the arrangements for the preparation of capital and revenue financial plans, which shall be consistent with

and form an integral part of the Council's overall Corporate, Business Planning and People Planning process.

- 6.3 The Corporate Management Team will lead the review of the Financial Planning resource and development of a 5 year Revenue and 10 year capital plan to deliver the priorities set out in the Council's Corporate Plan. This ensures a long term approach to financial planning to identify challenges and opportunities facing the Council. To ensure that the Council's financial plan remains affordable the Management Team will continue to review the assumptions made in the financial plans throughout the year.
- 6.4 The detailed form of the capital and revenue financial plans will be determined by the Chief Financial Officer and be in accordance with any general directions given by the Council.
- 6.5 The Corporate Management Team, Service Directors, Elected Members and the Chief Financial Officer, will ensure that they fully participate in the preparation of capital and revenue financial plans for their Services in accordance with the processes and directions referred to in 6.1 and 6.2 above.
- 6.6 The 10 year capital plan will consist of a 3 year operational plan and 7 year strategic plan, as approved by Members.
- 6.7 The revenue budget will consist of a 5 year medium term revenue plan to support the delivery of a 1 year budget and 2-5 year indicative plans to support medium term decision making. The revenue financial plan will show the movement between financial years as well as service pressures, developments and efficiencies.
- 6.8 The Chief Financial Officer will report to the Administration Budget Working Group (ABWG) and ultimately the Council on the aggregate effect of the capital and revenue financial plans on the Council's financial resources. Each Member of the Council will be provided with a copy of the proposed Financial Strategy, capital and revenue financial plans together with a statement by the Chief Financial Officer of their effect on the Council's finances and the recommended or optional levels of Council Tax to be levied.

7. BUDGETARY CONTROL

General

- 7.1 The Chief Financial Officer will provide Service Directors with on-line access to the Council's Financial Information System and/or with periodic statements to facilitate the management of their Services' financial affairs. The Chief Financial Officer will assist Service Directors with financial management information needs including identifying changing requirements and possible ways of meeting them.
- 7.2 It is the responsibility of the Corporate Management Team, in consultation with the Chief Financial Officer, to ensure that the financial performance of the Services and those budget heads for which they are responsible, are properly managed and monitored and that expenditure and income are managed within approved budgets.
- 7.3 The Executive will provide a challenge and oversight role in the delivery of the Capital Financial Plan and to ensure it is delivered within the agreed capital investment principles. This will include making recommendations to Council on proposed changes to the Plan where appropriate. The capital investment principles underpinning the Capital Financial Plan are shown at Appendix 2.

- 7.4 Each Service Director shall monitor and regulate the financial performance of his Service so as to:-
- ensure that actual expenditure committed and actual income receivable are within approved budgets;
 - achieve such other financial targets as may be imposed by the Council, the Executive Committee, the Administration Finance & Resources Working Group, the Chief Executive or the Chief Financial Officer.
- 7.5 The Corporate Management Team shall comply with procedures determined by the Executive Committee, the Chief Executive or the Chief Financial Officer, , with regard to the preparation of budget monitoring reports for presentation to the Executive Committee as appropriate. Such procedures may include the style and content of such reports, the definition of consultations required and the timetable to be adopted.
- 7.6 The Executive Committee will keep the Council informed as to the state of the Council's finances and nothing in these Regulations will limit the right of the Executive Committee to recommend to the Council such changes to Service budgets as it may deem appropriate. For the avoidance of doubt such changes may be either of general application or particular to specific budget heads or to specific services.
- 7.7 Nothing in these Regulations will prevent the incurring of expenditure which is essential to meet any immediate needs created by an emergency, subject to the action conforming to the Council's emergency procedures defined in Standing Order 53 (which can be found on Intranet and various Emergency Planning and Business Continuity Plans) and being reported to the next appropriate Executive Committee meeting together with proposals for funding that expenditure.

Revenue

- 7.8 The inclusion of any item of expenditure in an approved revenue budget will allow the relevant Service Directors to incur such expenditure subject to compliance with any regulations, procedures, etc approved by the Council, the Executive Committee, the Chief Executive or the Chief Financial Officer which may from time to time be in force.
- 7.9 Except in accordance with the scheme of virement specified at 7.10 and the arrangements for earmarked balances at 7.12, a service may not commit or incur expenditure which cannot be met from the amount currently available in the revenue budget under a budget head to which that expenditure should be charged.
- 7.10 Subject to the procedures detailed below, Service Directors may authorise virement where the budget heads involved are to be varied by not more than the greater of £10,000 or 10% of the original approved budget for each budget head subject to a maximum of £100,000 in any virement. The Executive Committee may sanction virements in excess of these limits as set out in the Scheme of Delegation.
- 7.11 All virements must be advised to the Chief Financial Officer using the appropriate documentation and must comply with the defined procedures (available on the intranet).

7.12 If as at 31 March in any financial year an underspending has arisen on a revenue budget head, such underspend may be carried forward as an earmarked balance to a subsequent financial year subject to:

- the reason for the underspend being identified before 31 March;
- the nature and amount of the proposed earmarked balance being approved by the Executive Committee before 31 March; and
- no overspend existing within the relevant Department

From time to time the Executive Committee may:-

- determine the relevant budget heads to which this regulation applies:
- suspend the operation of this Regulation.

Nothing in this regulation shall obviate the need to comply with the scheme of virement detailed at 7.10 during a financial year.

7.13 The Trading Organisations of the Council will be exempt from Financial Regulations 7.8, 7.9 7.10 and 7.11 subject to their compliance with any regulations and procedures determined by the Council or the Executive Committee for the control of their operations and to their meeting any financial targets specified by the Council and the statutory financial targets in force from time to time and not leading to any increased costs chargeable to the Council client during any financial year. For the avoidance of doubt, the remainder of these Financial Regulations shall apply to trading organisations.

7.14 Regulations 7.9, 7.10, 7.11 and 7.12 will not apply to expenditure and income managed by School Head Teachers in terms of the Council's Scheme of Devolved School Management. For the avoidance of doubt, the remainder of these Financial Regulations shall apply to schools.

Capital

7.15 The approval by the Council of the Capital Programme prior to the commencement of each financial year shall be taken as approval for the individual projects or expenditures included therein. For spending blocks within the programme, detailed spending plans will be presented to the Executive Committee for approval. The Service Director Assets & Infrastructure may incur expenditure included in the programme (and where appropriate, blocks) without further reference to the Council provided that:-

- the scope and phasing of the project remains in accordance with the detailed proposals previously approved by the Council
- the Executive Committee has approved detailed plans for spending block allocations; and
- the expenditure on the project in each year of the Programme will not exceed the amounts approved by the Council.

7.16 Subject to the procedures set out below, the Service Director Assets & Infrastructure may in consultation with the Chief Financial Officer authorise a virement between capital budget heads for up to £100,000 or 10% of the approved budget. For clarity, the interpretation of budget head in relation to block allocations will be the block allocation lines as reported to Executive Committee – NB allocations of up to £100,000 or 10% between projects within approved block programmes is therefore permissible without prior Executive approval. All Virements approved will however be reported to the next Executive Committee.

7.17 If at 31 March in any financial year an overspend has arisen on a project budget due to acceleration of project timescales, the approved project budget for the subsequent financial year shall be decreased to the full extent of such overspending. Monitoring reports will include the total budgeted cost of projects across the whole timeline for project delivery.

If as at 31 March in any financial year an underspend has arisen on a project budget due to a timing movement, such underspend will be added to the approved project budget for the next financial year.

8. ACCOUNTING

8.1 All accounting systems, procedures and supporting records of the Council and its Officers shall be determined by the Chief Financial Officer in consultation with Service Directors as appropriate.

9. MANAGEMENT OF FUNDS AND RESERVES

9.1 The Chief Financial Officer will manage the following funds in accordance with the limits and conditions imposed by statute and by the Council and in accordance with the Financial Strategy :-

- General Fund
- Loans Fund
- Pension Fund
- Trust Funds comprising the Educational Trust and all other bequests, endowments and trusts administered by the Council
- Common Good Funds
- Insurance Fund
- Capital Fund

9.2 Such other funds as the Council may decide to set up will be managed by the appropriate Service Director in consultation with the Chief Financial Officer

10. CAPITAL FINANCING AND TREASURY MANAGEMENT

10.1 The Executive Committee is responsible for the implementation and monitoring of the Council's treasury management policies and practices.

10.2 All capital financing activities will be conducted in accordance with the Prudential Code for Capital Finance in Local Authorities. The Chief Financial Officer is responsible for:-

- ensuring that the requirements of that Code are complied with
 - ensuring that the Prudential Indicators are calculated, regularly reviewed and amended where necessary
 - formally delegating to appropriate Service Directors their responsibilities with regard to compliance with that Code.
- 10.3 The Council adopts the key recommendations of CIPFA Code of Practice for Treasury Management in the Public Services (subject to variation for any particular circumstances of the Council). Accordingly, the Council will create and maintain, as the cornerstone for effective treasury management:-
- a Treasury Management Policy Statement, stating the policies and objectives of its treasury management activities;
 - suitable Treasury Management Practices, setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The approved Policy Statement is shown at Appendix 3

The Council will receive reports on its treasury management policies, practices and activities, including as a minimum an annual strategy and plan in advance of the financial year, a mid-year review and an annual report after the close of the financial year, in a form prescribed in the Treasury Management Policy.

- 10.4 Before the start of the financial year the Chief Financial Officer shall report to the Executive Committee on the strategy for Treasury Management for the coming year. The Chief Financial Officer shall submit an annual report on Treasury Management activities for a financial year to the Executive Committee by the following 30 September.
- 10.5 All decisions on borrowing, deposits of surplus funds or financing is delegated to the Chief Financial Officer who is required to act in accordance with CIPFA's Code of Practice on Treasury Management in the Public Services, the approved treasury management policy statement and approved annual strategy (all available on the Intranet).
- 10.6 All investments under its control will be made in the name of the Council; bearer securities shall be excepted from this regulation but any purchases of such securities must be reported to the Executive Committee.
- 10.7 All securities in the name of the Council will be held in the custody of the Chief Financial Officer or under arrangements approved by him.
- 10.8 All funds and money in the hands of the Council, with the exception of funds held in the name of the Pension Fund, will be aggregated for the purposes of Treasury Management and will be the responsibility of the Chief Financial Officer.
- 10.9 The Chief Financial Officer will be the Council's registrar of stocks, bonds and mortgages other than the exceptions identified in paragraph 10.6 above and will maintain records of all borrowing of money by the Council.
- 10.10 All trust funds will, wherever possible, be in the name of the Council. All monies left in trust to the Council or to be administered by its officials must be notified immediately to the Chief Financial Officer.

- 10.11 All nominated capital balances held in relation to Common Good and Trust Funds administered by the Council will be managed in accordance with the Common Good and Trust Fund Investment Strategy.
- 10.12 Any officer acting as trustee by virtue of his official position must deposit all securities, etc. relating to the trust with the Chief Legal Officer unless the deed otherwise provides.

11. BANKING ARRANGEMENTS, CHEQUES AND OTHER PAYMENT MEDIA

- 11.1 All arrangements with the Council's bankers will be made by or under arrangements approved by the Chief Financial Officer, who is authorised to operate such bank accounts as he may consider necessary. This regulation will also apply to bank accounts for all Voluntary Funds and Imprests operated by Officers of the Council by reason of their employment.
- 11.2 All cheques on the Council's main banking accounts will be ordered only on the authority of the Chief Financial Officer or other officer authorised by him, who will make proper arrangements for their safe custody.
- 11.3 Cheques on the Council's main banking accounts will bear the facsimile signature of the Chief Financial Officer or be signed by Chief Financial Officer or other Officer authorised by him to do so.
- 11.4 The Chief Financial Officer is authorised to overdraw the Council's main bank account from time to time as may be necessary, providing that the overdraft at any time does not exceed £300,000 unless in emergency circumstances.
- 11.5 The Chief Financial Officer is authorised to make use of the most appropriate payment media having regard to their security and cost effectiveness.
- 11.6 Any employee who considers they require to open and operate a bank account in the name of the Council for the performance of their duties shall require the prior written approval of the Chief Financial Officer to do so. This includes any bank account opened in relation to a voluntary fund as listed in 26.4 below and those opened on behalf of private individuals under corporate appointeeship arrangements.
- 11.7 The Chief Financial Officer is required to maintain a central register of all bank accounts operated by the Council, including those for voluntary funds and corporate appointeeships. It is the responsibility of each Service Directors to ensure that information in relation to bank accounts operated within their service is reported to the Chief Financial Officer for inclusion in the register.
- 11.8 Any Payment Cards will be used only on Council business and within authorised limits. Receipts must be obtained and retained wherever possible, reconciliations completed on a monthly basis and any evidence of irregularity should be immediately advised to the Chief Financial Officer.

12. INCOME

- 12.1 Service Directors will report annually to Council, as part of the setting of the Council's Financial Plan, on the charging policy to be adopted for the forthcoming financial year for services provided under their control.

- 12.2 The collection of all money due to the Council will be under arrangements approved by the Chief Financial Officer. Service Directors should ensure compliance with the Income Management policy.
- 12.3 Payment for goods or services provided should be sought in advance of the goods or service being provided wherever possible.
- 12.4 The Chief Financial Officer must be notified promptly of all income due to the Council. Service Directors must ensure that invoices for goods or services provided are issued as soon as possible after provision of the goods or service and provide the Chief Financial Officer with all relevant details in connection with work done, goods supplied or services rendered and of all other amounts due as may be required by him to record correctly all sums due to the Council in line with the Debt Recovery Policy.
- 12.5 The Chief Financial Officer must be notified promptly of all money due to the Council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money. The Chief Financial Officer will have the right to inspect any documents or other evidence in this connection as he may decide.
- 12.6 All invoices, receipt forms, books, tickets and other such items of financial stationery will be ordered by the Chief Financial Officer and supplied to Service Directors, who in turn should ensure that satisfactory arrangements for the control of these items are in place.
- 12.7 All money received by an officer on behalf of the Council must be lodged in the Council's bank account without delay (or as otherwise directed, passed to a member of the team). No deduction may be made from such money unless authorised by the Chief Financial Officer. No cheques will be cashed out of money held on behalf of the Council. Each officer who banks money must provide to the Chief Financial Officer a relevant reference to the income received (such as the sundry debtor account number, receipt number or the name and address of the debtor) or otherwise indicate the origin of the cheque/cash.
- 12.8 Every transfer of Council money between Services must be recorded on the appropriate form and signed by the appropriate official. In the case of electronic transfers the procedures determined by the Chief Financial Officer must be followed.
- 12.9 The Chief Financial Officer has authority to write-off individual irrecoverable debts up to £100,000 and shall report to the Executive Committee annually on the aggregate amounts written off. Any debt in excess of £100,000 may only be written-off as irrecoverable following approval by the Executive Committee. All debt due to the Council will be recovered in line with the Debt Recovery policy.
- 12.10 The Chief Financial Officer is responsible for collection and recovery of all debts due to the Council.

13. GRANT APPLICATIONS AND CLAIMS

- 13.1 It is the responsibility of Service Directors to ensure that they identify all opportunities for the Council to claim grants available to it and submit grant applications to the awarding body.
- 13.2 It is the responsibility of Service Directors to ensure that the Chief Financial Officer is advised of the details of all grants receivable by the Council and is involved in applications where the amounts involved are significant.

- 13.3 The Chief Financial Officer is responsible for maintaining a register of all significant grants receivable by the Council and providing details of these to the appropriate Service Director.
- 13.4 All grant claims must be completed timeously by the appropriate Service Directors in accordance with Financial Procedure "Process for Signing Grant Claims" available from the Finance team and on the Intranet.

14. RISK MANAGEMENT

- 14.1 The Corporate Management Team and Service Directors are responsible for ensuring that proper arrangements are in place to manage risk, that effective monitoring is carried out in respect of the Services for which they are responsible and that the following are regularly maintained and updated:-
- A Risk Register based on a comprehensive assessment of risk within their service area
 - Appropriate risk mitigation actions to address all the risks identified in the Risk Register
 - Business Continuity Plans to ensure delivery of crucial service to the public during periods of disruption.
 - Monitoring Reports to inform the Audit & Risk Committee of changes in the level of severity and potential frequency of particular risks which have been identified as "high".
- 14.2 Service Directors are responsible for the management of all risks within their service and should ensure that risk management is taking place
- at the appropriate level within their service
 - in accordance with approved risk management strategy, policy and guidelines (available on the Intranet).
- 14.3 Service Directors will be required to provide the Chief Executive with annual assurance in relation to the risk management arrangements operating in their Service as part of their Annual Assurance Statement on Internal Control and Governance.

15. INSURANCE

- 15.1 All Insurance arrangements are provided under an SLA with the City of Edinburgh Council. The Chief Financial Officer will affect all insurance cover and negotiate all claims in consultation with other officers where necessary. All correspondence regarding claims against the Council must be passed immediately to the Chief Financial Officer in accordance with the Insurance guide and online forms (available on the Intranet). Under no circumstances should liability of the Council be acknowledged or admitted by an employee or an Elected Member. This requirement applies to any Arms Length External Organisations (ALEOS) established by the Council and to External Contractors working on behalf of the Authority.

- 15.2 Service Directors must give prompt notification to the Chief Financial Officer of all new risks, Property or plant, vehicles or equipment which require to be insured and of any alteration affecting existing insurances including those related to services being delivered via joint working and partnership arrangements.
- 15.3 Service Directors must immediately notify the Chief Financial Officer in writing of any loss, liability or damage or any event likely to lead to a claim and, after consultation with the Chief Executive, inform the Police where appropriate.
- 15.4 All appropriate employees of the Council will be included in a suitable fidelity guarantee insurance policy if their duties require it.
- 15.5 In accordance with the Insurance guide and online forms (available on the Intranet). The Chief Financial Officer will annually, or at such other period as he may consider necessary, review all insurances in consultation with Service Directors, as appropriate.
- 15.6 Service Directors must consult the Chief Legal Officer regarding the terms of any indemnity which the Council is requested to give.
- 15.7 The Chief Financial Officer has authority to obtain the advice of consultants on insurance and risk management matters, subject to sufficient budgetary provision.
- 15.8 Proposals from Service Directors for ex-gratia payments in relation to insurance claims must be submitted to the Chief Financial Officer for consideration and approval, subject to sufficient budgetary provision.

16. INTERNAL AUDIT

- 16.1 A continuous internal audit, under the independent control and direction of the Chief Officer Audit & Risk, will be arranged to carry out a continuous review of systems and activities that are currently existing or under development, in all directorates throughout the Council, to provide assurance on the adequacy of internal financial control, internal control, risk management and governance arrangements in place. Work will be directed by risk and will be carried out in accordance with the Internal Audit Charter, Internal Audit strategy and strategic and annual internal audit plans (all available on the Intranet) approved by the Audit & Scrutiny Committee.

17. PREVENTION OF FRAUD, THEFT, MONEY LAUNDERING OR CORRUPTION

- 17.1 Service Directors are responsible for implementing policies, procedures and controls to prevent and detect fraud, theft and corruption in their Services in accordance with corporate counter fraud policy, strategy and guidelines (available on the Intranet).
- 17.2 Where fraud, theft, corruption or irregularity is suspected:-
 - employees shall comply with the “Whistleblowing” policy within Code of Conduct for Employees and the “Corporate Counter Fraud Response Plan” available on the intranet as appropriate;
 - employees shall comply with the “Anti-Money Laundering Policy” available on the intranet

- Service Directors are responsible for initiating an investigation and ensuring this is conducted in accordance with the “Guidelines on Conducting Investigations” available on the Intranet within “HR Policies and Procedures”.

17.3 Internal Audit is required to give independent assurance on the effectiveness of processes put in place by management to manage the risk of fraud. Internal Audit’s other responsibilities in relation to fraud are provided in more detail within the Internal Audit Charter, available on the Intranet.

18. ASSET MANAGEMENT

18.1 Service Directors are responsible for managing and continuously reviewing the utilisation of all assets in or under their control or custody and for the preparation of Asset Management Plans as required by the Council, Executive Committee, Chief Executive or Chief Financial Officer.

18.2 The Service Director Assets and Infrastructure is responsible for maintaining a register of all heritable property in the Council’s ownership (including that held by Common Good Funds).

18.3 Service Directors must consult with the Service Director Assets and Infrastructure, Chief Legal Officer and the Chief Financial Officer regarding any acquisition, disposal or lease of land and/or buildings by the Council.

18.4 Adequate budgetary provision must be identified for any property acquisition or lease to the Council, which must be first confirmed by the Chief Financial Officer.

18.5 All terms and conditions of a property transaction must be first approved by the Service Director Asset & Infrastructure, Chief Legal Officer and the Chief Financial Officer before conclusion of the transaction.

18.6 Service Directors are responsible for maintaining inventories of all moveable assets which record an adequate description of furniture, fittings and equipment, computer hardware and software, vehicles, plant and machinery under their control and which is the property of the Council which shall be operated and managed in accordance with the Financial Procedure “Inventories” available on the Intranet. The form in which inventories are recorded is to be determined by the appropriate Service Directors, be consistent with the standard inventory form shown in the financial procedure (in liaison with the Corporate Transformation & Service Director in connection with computer hardware and software) and agreed by the Chief Financial Officer.

18.7 Service Directors are responsible for maintaining an annual check of all items on their service inventory, for taking action in relation to surpluses or deficiencies and amending the inventory and advising the Chief Financial Officer accordingly.

18.8 Furniture, fittings and equipment, computer hardware and software, vehicles, plant and machinery belonging to the Council will not be removed otherwise than in accordance with the ordinary course of the Council's business. No property or equipment may be used other than for Council purposes except with the specific approval of the Service Directors concerned. In the case of I.T. equipment, the additional approval of the Corporate Transformation & Services Director is also required.

18.9 Service Directors are responsible for the care and custody of the stocks and stores in their service which shall be managed in accordance with the Financial Procedure “Stocks and Stores” available from the Finance team and on the Intranet.

- 18.10 Service Directors will, at least once per year, review the level of stocks held and ensure these are not in excess of normal requirements except in special circumstances.
- 18.11 Service Directors will, after consultation with the Chief Financial Officer, make arrangements for periodic sample examinations of stocks by persons other than the storekeeper concerned. All adjustments of stock valuations in the stores accounting records for write-offs, stock deficiencies, obsolescence, etc. may only be made with the approval of the Chief Financial Officer.
- 18.12 The Chief Financial Officer will be entitled to receive from Service Directors such information as he requires in relation to stores for the accounting, costing and financial records.
- 18.13 Surplus moveable assets shall be disposed of by competitive tender or public auction unless decided otherwise in a particular case after consultation with the Chief Financial Officer. Surplus I.T. equipment will be disposed of by a third party with the specific approval of the Chief Financial Officer.

19. SECURITY

- 19.1 Service Directors are responsible for ensuring proper security is maintained at all times for all buildings, stocks, stores, furniture, equipment, vehicles, plant, cash, computer systems etc under their control.
- 19.2 Maximum limits for cash holdings will be agreed with the Chief Financial Officer and must not be exceeded without his express written permission.
- 19.3 Keys to safes and similar receptacles must be kept in the custody of the persons responsible at all times. The loss of any such keys must be reported immediately to the Chief Financial Officer and where appropriate to the Police.
- 19.4 Service Directors are responsible for maintaining proper security and privacy of information in respect of computer systems and manual records and for ensuring that the provisions of the Data Protection Act 1998 and subsequent legislation are complied with.

20. CONTRACTS FOR BUILDING, CONSTRUCTION OR ENGINEERING WORK

- 20.1 Where contracts provide for payment to be made by instalments, the supervising Service Directors will arrange for the keeping of a contract register or registers to show the state of account on each contract between the Council and the Contractor.
- 20.2 Payments to Contractors on account of contracts will be made only on a certificate of payment issued by the supervising Service Directors or other officer nominated for the purpose.
- 20.3 Subject to the provisions of the contract in each case, every variation must be authorised or confirmed in writing by the supervising Service Directors or other officer or consultant nominated for the purpose.
- 20.4 Any change in the estimated cost and / or phasing of a project must be reported to the next available meeting of the Executive Committee for consideration of its effect and a recommendation as to the course of action to be followed.

- 20.5 The Chief Financial Officer will, to the extent he considers necessary, examine records and accounts for contracts and he will be entitled to make all such enquiries and receive such information and explanations as he may require in order to satisfy him as to the accuracy of the records and accounts.
- 20.6 Claims from contractors and third parties in respect of matters not clearly within the terms of any existing contract will be referred to the Chief Legal Officer and Chief Financial Officer for consideration of the Council's legal liability and consideration of the financial aspects before a settlement is reached. A report by the Service Directors responsible for the contract on each proposed ex gratia and/or extra contractual claim will be submitted to the Executive Committee, as appropriate, for approval.
- 20.7 Where completion of a contract is delayed, it shall be the duty of the Service Directors concerned to take appropriate action in respect of any claim for liquidated damages, loss and/or expense and to report his action to the Executive Committee as appropriate.

21. PROCUREMENT OF GOODS, SERVICES & WORKS

- 21.1 The procurement of all goods, services and works shall be in accordance with the relevant provisions in the Council's Procedural Standing Orders, The Procurement Reform Act (Scotland) 2014, the Public Contracts (Scotland) Regulations 2015, the Council's approved Procurement Strategy, and relevant EU regulations. The Purchasing Handbook is provided and is complementary and supportive of Standing Orders and Financial Regulations. The handbook provides an additional and less technical source of guidance, allowing officers to procure in accordance with all related governance required for any procurement.
- 21.2 Official orders shall be in a form approved by the Chief Financial Officer.
- 21.3 Any major procurement or contract which is of a significant amount and of strategic relevance to the Council must be authorised / signed by the Chief Legal Officer. (A major procurement is defined by any activity that requires approval by any committee of the Council)
- 21.4 Official orders shall be authorised (whether by signature or electronic means) only by officers authorised by the appropriate Service Directors who will be responsible for official orders issued from their services. The names of such officers together with specimen signatures and initials where appropriate, authorised to certify such orders must be sent to the Chief Financial Officer by Service Directors. Before issuing any such order the certifying officer must ensure that a current provision within a relevant budget head exists to meet the resulting liability.
- 21.5 Official orders shall be issued for all work, goods or services to be supplied to the Council. Orders should be issued using the Procurement (Purchasing) module of the Council's ERP system Business World.
- 21.6 Each order must conform to any directions of the Council or the Chief Financial Officer with respect to central purchasing and the standardisation of supplies and materials.

- 21.7 A copy of each order should be retained in accordance with the Records Management and Retention Policy, and access granted, if so requested, to the Chief Financial Officer.
- 21.7 Service Directors must consult the Chief Financial Officer, prior to the procurement of any asset, so that the advantages or otherwise of leasing/contract hire as compared to purchasing may be evaluated.
- 21.8 All terms and conditions of a leasing/contract hire contract, prior to being agreed and signed, must first be approved by the Chief Financial Officer and Chief Legal Officer.
- 21.9 In relation to the funding of external bodies, any payments or in-kind provision shall be in accordance with the Council's Code of Practice on 'Following the Public Pound' available on the Intranet.

22. PAYMENT OF INVOICES

- 22.1 The Chief Financial Officer is responsible for making payment of all certified invoices and monies due by the Council.
- 22.2 The normal method of payment of money due from the Council will be by Bankers Automated Clearing System (BACS), cheque or other instrument drawn on the Council's bank account by the Chief Financial Officer. The Chief Financial Officer has the authority to arrange for payments to be made direct from the Council's bank account by BACS, direct debit, standing order or other means.
- 22.3 Service Directors are responsible for ensuring that all invoices and other payment vouchers arising from sources in their service are examined, checked, verified and certified in accordance with instructions issued by the Chief Financial Officer. Invoices arising from orders raised using the Council's ERP system Business World shall be released for payment only when all electronic authorisation orders have been completed. Otherwise, certification of invoices and all other payment vouchers must be in manuscript (or other means approved by the Chief Financial Officer) by or on behalf of the Service Directors. The names of officers, together with specimen signatures and initials where appropriate, authorised to certify such payments must be sent to the Chief Financial Officer by Service Directors.
- 22.4 Before certifying or authorising an invoice for payment the certifying officer must be satisfied that:-
- An official order, where required, has been properly raised and authorised for the work, goods or services;
 - The work, goods or services to which the invoice relates, are the same as that ordered, has been received, carried out, examined and approved;
 - The relevant expenditure has been properly incurred and is within the relevant budget provision;
 - Appropriate entries have been made in asset registers, inventories, stores records, or stock systems as required;
 - The invoice has not been previously passed for payment and is a proper liability of the Council; and

- The appropriate ledger code and other relevant information has been properly entered on the invoice against orders raised, acceptable to the Chief Financial Officer.
- 22.5 Except under an approved scheme of devolved invoice processing, all invoices must be sent in the first instance to the Payments section. In accordance with the guidance specified on the official orders, the supplier must quote the official order number, details of the goods or services supplied and the place where the work was done or goods delivered.
- 22.6 Service Directors should ensure that their staff address any P2P task items promptly in the ERP system Business World.
- 22.7 Immediately after the end of each financial year Service Directors will notify the Chief Financial Officer of all outstanding expenditure relating to that year in accordance with the "end of year accounting instructions and timetable".

23. SALARIES, WAGES, PENSIONS AND ALLOWANCES

- 23.1 The payment of all salaries, wages, pensions, compensation, allowances and other emoluments to all employees, former employees or Elected Members of the Council will be made by the Chief Officer Human Resource (in consultation with the Chief Financial Officer) or under arrangements approved and controlled by them.
- 23.2 Service Directors are responsible for notifying the Chief Officer Human Resources as soon as possible of all matters affecting the payment of such emoluments, in particular :-
- appointments, resignations, dismissals, suspensions, secondments and transfers;
 - changes in remuneration, excluding increments and pay awards;
 - information necessary to maintain records of service for pension, income tax and national insurance.
- 23.3 Service Directors will, in accordance with the agreed procedures, notify the Chief Officer Human Resources immediately of absences from duty for sickness or other reason, apart from approved paid leave.
- 23.4 Appointments of all employees will be made in accordance with the appropriate policies of the Council and within the approved budget.
- 23.5 All time records, overtime claims and other pay documents will be in a form prescribed or approved by the Chief Officer Human Resources and will be certified in manuscript (or other means approved by the Chief Officer Human Resources) by or on behalf of the relevant Service Directors. The names of officers, together with specimen signatures and initials, authorised to sign such records will be sent to the Chief Financial Officer by Service Directors.
- 23.6 The Clerk to the Council is responsible for advising the Chief Officer Human Resources of all changes to Allowances payable to elected Members including
- Election to and resignation from the Council;

- Appointment to and resignation from posts carrying additional and/or special responsibilities.

24. TRAVELLING, SUBSISTENCE AND OTHER EXPENSES

- 24.1 All staff are required to complete the 'Business Travel Decision Maker' before travel to ensure the most efficient and effective approach is taken to travel. The options include use of technology to access a meeting remotely, car sharing, travel by train and use of Council pool cars. Should the decision maker result in a recommendation to seek approval from line management to use own vehicle and therefore claim mileage, paragraphs 24.2 – 24.6 must be complied with.
- 24.2 Payments to Members and employees of the Council who are entitled to claim for travelling or other expenses will only be made for actual expenditure reasonably and necessarily incurred in the course of their duties.
- 24.3 Payments to Members of the Council including co-opted members of its Committees who are entitled to claim travelling or other allowances will be made by the Chief Officer Human Resources following submission of the prescribed form duly completed and signed and supported, where appropriate, by receipts. All mileage claims should be supported by fuel VAT receipts and be in accordance with the Mileage Guidelines issued by Human Resources (available on the Intranet in HR Policies and procedures).
- 24.4 All claims by employees for payment of car mileage allowance, subsistence allowance, travelling and incidental expenses will be submitted electronically online to the Chief Officer Human Resources. Claims must be in a form approved by the Chief Officer Human Resources, made up to a specified date of each month, and submitted to him within three working days thereof and supported, where appropriate, by receipts. All mileage claims should be supported by fuel VAT receipts and be in accordance with the Mileage Guidelines issued by Human Resources (available on the Intranet in HR Policies and procedures).
- 24.5 The names of officers, together with specimen signatures and initials, authorised to sign such documents must be sent to the Chief Financial Officer by Service Directors and immediately amended on the occasion of any change.
- 24.6 Certification of claims by the authorising officer will be taken to mean that he is satisfied that the journeys were authorised, the expenses properly and necessarily and actually incurred and that the allowances are properly payable by the Council.

25. IMPREST ACCOUNTS

- 25.1 The Chief Financial Officer will provide such imprest accounts for such officers of the Council as may need them for the purposes of defraying petty cash and other small expenses which shall be operated and managed in accordance with the Financial Procedure "Managing Petty Cash" available from Finance and on the Intranet.
- 25.2 No income received on behalf of the Council may be paid into an imprest account but must be banked or paid to the Authority as provided elsewhere in these Regulations.
- 25.3 All payments from Imprest Accounts will be limited to minor items of expenditure and must wherever practicable be supported by a receipted voucher.

- 25.4 The Chief Financial Officer will annually request from an imprest holder or a holder of cash floats, a certificate as to the state of the imprest account held by them.
- 25.5 Larger imprests may be held in a bank account and the bank account title must include the name 'SCOTTISH BORDERS COUNCIL'. Imprest bank accounts can only be opened on the authorisation of the Chief Financial Officer and must comply with Regulation 11.1.
- 25.6 Claims for reimbursement of Imprest Accounts must be made by the imprest holder in accordance with procedures and timescales determined by the Chief Financial Officer.
- 25.7 Imprest Accounts must not be increased or topped up from other funds or from personal funds.
- 25.8 On leaving the employment of the Council or otherwise ceasing to be entitled to hold an imprest, an officer will account to the Chief Financial Officer for the amount advanced to him.

26. PRIVATE PROPERTY AND VOLUNTARY FUNDS

- 26.1 All arrangements for the safekeeping of valuables (e.g. cash, jewellery, watches, bank books, documents of title etc. deposited with an employee of Social Work) will require to be approved by the Chief Financial Officer.
- 26.2 The Chief Financial Officer must be advised of all voluntary funds, e.g. school funds, comfort funds, etc., administered by officers of the Council by reasons of their employment. It will be the duty of such officers to prepare annual accounts promptly and to arrange for the accounts to be examined by a competent and appropriately qualified person who is independent of administering the Fund.
- 26.3 Paragraphs 11.1 and 16.1 of these Regulations will apply to this section.
- 26.4 Accounts and supporting records should be prepared and maintained in accordance with the appropriate Financial Procedures available from Finance or on the Intranet as follows;-
- Welfare and Comfort funds held in Residential and Day Centres
 - School Funds; Guidelines to Headteachers on Accounting Procedures
 - Financial Advice to Honorary Treasurers, Honorary Auditors and Other Office Bearers of Community Centres

27. TRADING ORGANISATIONS

- 27.1 It may be practical in certain circumstances, to enable the operation of Trading Organisations, for certain Financial Regulations to be waived. The appropriate Service Directors shall require the written authority of the Chief Financial Officer, in consultation with the Chief Executive before such action is taken.

28. DELEGATION

- 28.1 It shall be competent for any Service Director to delegate any or all of the powers, duties and responsibilities set out in these Regulations to any member of staff they line manage (either directly or indirectly) subject to :-
- the powers, duties and/or responsibilities being set out in writing and cross-referred to the appropriate Financial Regulation
 - the officer to whom the delegation is made expressly acknowledging and accepting the delegated powers, duties and/or responsibilities in writing to the Service Director
 - the Service Director sending copies of the delegation and acceptance to the Chief Financial Officer for approval.
- 28.2 Paragraph 28.1 shall not apply to the statutory duties imposed on the Section 95 Officer or the Monitoring Officer.

29. EMPLOYEE RESPONSIBILITIES

29.1 Breach of Financial Regulations

If you believe that anyone has broken, or may break, these Financial Regulations, you must report this immediately to the Chief Financial Officer (or, if more appropriate, to the Chief Executive or the Service Director Planning & Regulatory Services), who may then discuss the matter with the Chief Executive, Service Director Planning & Regulatory Services (as Monitoring Officer) or any other member of the Corporate Management Team or authorised person as appropriate to decide what action to take.

29.2 Failure to Comply

Failure to comply with any requirement contained within these Financial Regulations, and associated documents, may result in the matters being dealt with under the Council's Human Resources Policy Framework.

30. REVIEW

- 30.1 The Chief Financial Officer, in consultation with the Corporate Management Team shall review these Regulations on a regular basis, ideally annually. Minor update changes to financial regulations are delegated to the Chief Financial Officer in consultation with the Chief Officer Audit and Risk. Financial regulations will be published on the Intranet. Financial regulations will be reviewed by the Executive Committee at least every 3 years.

Capital Expenditure

1. Decisions on the proper accounting treatment of capital expenditure rest with the Chief Financial Officer and will be taken with reference to the definitions contained in the most recently published CIPFA Local Authority Code of Accounting practice.
2. All expenditure on the acquisition, creation or enhancement of long term assets should be treated as Capital. Expenditure to be treated as provision of a long term asset is:-
 - acquisition, reclamation, enhancement or laying out of land.
 - acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures.
 - acquisition, installation or replacement of plant, machinery, apparatus, vehicles and vessels.
 - Acquisition, development of intangible assets.

“Enhancement” means carrying out works which are intended to:-

 - lengthen substantially the useful life of the assets; or
 - increase substantially the open market value of the assets; or
 - increase substantially the extent to which the asset can or will be used for the purposes of or in connection with the functions of the authority.
3. Expenditure on the acquisition of a long term asset, or expenditure which adds to, and not merely maintains, the value of an existing asset, is Capital provided that the asset yields benefits to the authority and the services it provides are for a period of more than one year.
4. Improvement works and structural repairs should be treated as Capital, whereas expenditure to ensure that the asset maintains its previously assessed standard of performance is Revenue.
5. The costs of keeping an asset in good repair or decoration to reach its assessed period of useful life are revenue.
6. The Prudential Code requires the authority to identify the impact of capital investment decisions by forecasting total budgetary requirements. The budgetary requirements should be included in the authority’s revenue budget. For this purpose, capital expenditure includes all of the above, as well as items such as:-
 - approved lending on mortgage for house purchase
 - approved on-lending to Registered Social Landlords and for NHT arrangements
 - specific consent to borrow from Scottish Government
 - lending for car purchase
 - lending to the private sector
 - grants to the private sector (for capital expenditure items) as permitted under legislation and consents from Scottish Government
 - assets acquired by way of finance lease or under PPP / PFI / NRD financing arrangements
7. Individual assets with a cost of less than £5,000 and a group of assets with a combined cost of less than £20,000 will not be treated as capital expenditure and must be charged to revenue

Capital Investment principles

The capital investment principles underpinning the Capital Programme are as follows:

- To ensure that **best value for money** is derived from the Council's capital investment through better planning.
- To demonstrate to stakeholders that the capital investments are **in line with the Council's key long term objectives** in relation to the development and delivery of its services.
- To use the Capital Planning Process to demonstrate that the Council is **delivering its key objectives in a considered and objective manner**.
- To use the longer term planning horizon **to undertake rigorous option appraisal**, and **examine and mitigate risks** associated with delivery of the schemes within the programme.
- To plan for the **better use of scarce financial resources**, both revenue and capital, and to look for opportunities to reduce dependency on revenue.
- To better **align capital investment to the best management** of the Council's asset portfolio.
- To **embed project management disciplines** into the delivery of schemes to deliver them on-time and within budget.

Appendix 3

Treasury Management Policy Statement

Adopted by Council – 22 April 2010

1. The Council defines its treasury management activities as:

The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of the optimum performance consistent with those risks.

2. The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council.
3. The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
4. The Chief Financial Officer will from time to time formulate suitable criteria for assessing and monitoring the credit risk of investment counterparties and shall construct a lending list defining appropriate limits.

This page is intentionally left blank



REVIEW OF THE STRUCTURE OF SCOTTISH LOCAL GOVERNMENT PENSION SCHEME – CONSULTATION RESPONSE

Report by Chief Financial Officer
SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

- 1.1 **The purpose of the report is to seek approval the attached consultation response from the Council on the review of the structure of Scottish Local Government Pension Scheme. This response is in the capacity of Scottish Borders Council as an employer within the Local Government Pension Scheme. Separate responses are due to be considered by the Pension Fund and Pension Fund Board on the 30 November.**
- 1.2 Following a request from Scottish Government the Scheme Advisory Board launched a consultation process on the future structure of the Scottish Local Government Pension Scheme in June 2018. The consultation seeks to establish the views of employee and employers representatives on the future structure of the LGPS in Scotland and whether outcomes could be improved through a revised structure. Responses to the consultation must be submitted no later than 7th December 2018.
- 1.3 The review seeks opinions on 4 options:
 1. Retain the current structure with 11 funds
 2. Promote cooperation in investing and administration between the 11 funds
 3. Pool investments between the 11 funds
 4. Merge the 11 funds into one or more funds
- 1.4 A draft response from the Council is contained in Appendix 1 following agreement that separate responses would be submitted by the Pension Fund Board and the Pension Fund committee. Both these bodies have separate discrete functions from the Council acting in its capacity as a scheme employer and separate responses reflecting these different roles and responsibilities are considered appropriate.
- 1.5 The Council response concludes is that there is no reliable empirical case for change. The Council should therefore endorse the view that the uncertainty and dis-benefits associated with structural change significantly outweigh any potential benefits. If change is required Scottish Borders Council is recommended to support a voluntary collaboration model proposed under option 2, avoiding the need for pooling or expensive, time consuming and un-proven structural reform.

2 RECOMMENDATIONS

- 2.1 It is recommended that Appendix 1 should be agreed as consultation response from Scottish Borders Council.**

3 BACKGROUND

- 3.1 The Scheme Advisory Board (SAB) at the request of the Cabinet Secretary for Finance and Constitution, Derek Mackay MST, launched a consultation on the future structure of Scottish LGPS in June 2018. The SAB has commissioned the Pensions Institute to manage the consultation process.
- 3.2 The consultation seeks to establish the views of the employers and employee representative groups on whether outcomes for the members and sponsors of the Scottish Local Government Pension Scheme (SLGPS) can be improved by altering the structure of the scheme. The consultation asks these stakeholders to compare the advantages and disadvantages of the current scheme structure against three options that, by differing degrees, consolidate the functions of the scheme's 11 constituent funds through greater collaboration, pooling or merger.
- 3.3 The 4 Options identified in the consultation reports are:
 1. Retain the current structure with 11 funds, the status quo
 2. Promote cooperation in investing and administration between the 11 funds
 3. Pool investments between the 11 funds
 4. Merge the 11 funds into one or more funds
- 3.4 The criteria against which each of the options is to be assessed are:
 1. Cost of investing
 2. Governance
 3. Operating risks
 4. Infrastructure investment
- 3.5 Employer and employee representative organisations are asked to respond to the consultation questions and return it via email the Pensions Institute no later than Friday 7th December 2018.

4 SCOTTISH BORDERS COUNCIL PENSION FUND BOARD RESPONSE

- 4.1 Following the launch of the consultation process a seminar was organised by SAB on 27th June 2018. The seminar was attended by representatives of all 11 funds. Scottish Borders Council Pension Fund was represented by both members of the Pension Fund Committee and the Pension Fund Board.
- 4.2 Since the launch seminar all information available on the options has been fully shared including background documents issued with the consultation, including an initial response from Strathclyde Pension Fund and the draft Unison response.
- 4.3 At the joint meeting on 13 September 2018 the Committee and Board discussed the different options and it was agreed unanimously by the Committee and by the majority of the Board that the response from the Pension Fund should be supportive of option 2 – promotion of cooperation and collaboration. This position is consistent with the consultation response now recommended for the Council.
- 4.4 Employer organisations are also encouraged to submit responses to the consultation.
- 4.5 The recommended draft response from Council is attached as appendix 1.
- 4.6 The Council response concludes is that there is no reliable empirical case for change and much more work would have to be done to evaluate the

benefits and mitigate the significant risks associated with change before this could be supported. The Council therefore endorses the view that the uncertainty and dis-benefits of structural change significantly outweigh any potential benefits. If change is required Scottish Borders Council should support a voluntary collaboration model proposed under option 2, avoiding the need for pooling or expensive, time consuming and un-proven structural reform.

5 IMPLICATIONS

5.1 Financial

There is no immediate financial impact; however, the outcome of the review may have significant financial consequences for, Scottish Borders Council the Pension Fund and the other admitted and scheduled employer bodies.

5.2 Risk and Mitigations

The contents of this report are the subject of a national consultation. There are significant risks associated with any future changes to the structure of the LGPS in Scotland.

5.3 Equalities

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

5.4 Acting Sustainably

There are no direct economic, social or environmental issues with this reports which would affect the Council's sustainability.

5.5 Carbon Management

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

5.6 Rural Proofing

It is anticipated there could be no adverse impact on the rural area from the loss of key staff depending on the model of any change imposed.

5.7 Changes to Scheme of Administration or Scheme of Delegation

No changes are required as a result of this report.

6 CONSULTATION

- 6.1 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 on the report and any comments will be reported to the meeting.

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

Name	Designation and Contact Number
David Robertson	Chief Financial Officer, 01835 825012

Background Papers:

Previous Minute Reference: Joint meeting Pension Fund Committee and Pension Fund Board, 13 September 18

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

Contact us at Pensions & Investments Team, Council Headquarters, Newtown St Boswells, Melrose, TD6 PSA
Tel: 01835 825249
email: [t&cteam@scotborders .gov.uk](mailto:t&cteam@scotborders.gov.uk)

This page is intentionally left blank

Review of the Structure of the Scottish Local Government Pension Scheme

CONSULTATION RESPONSE FORM

Instructions

Responses in this form should be drafted in conjunction with the accompanying consultation report. To respond, please complete the **respondent details** and as many of the **consultation questions** your organisation wishes to complete and return the form via email to the Pensions Institute at consultation@pensions-institute.org no later than **Friday, 7 December 2018**.

This consultation is being conducted in electronic form only, so **responses must be emailed**; hard copy posted or delivered responses cannot be received. Any queries about the consultation should be addressed to Matthew Roy, Fellow, Pensions Institute at matthew.roy@pensions-institute.org.

RESPONDENT DETAILS

<p>Name of responding organisation(s) Please list the full name of each organisation participating in this response.</p>	<p>Organisation type Is your organisation an administering authority, employer, or employee group? Please record for each responding organisation.</p>
<p>Scottish Borders Council</p>	<p>Employer Authority</p>
<p>Authors Please list any people that wish to be recorded as authors of this response, including name, job title and organisation.</p>	<p>Consent Please confirm each author consents to their information being retained for analysing the consultation responses by writing 'confirm' by their name.</p>
<p>David Robertson, Chief Financial Officer Kirsty Robb Pensions and Investment Manager</p>	<p>confirm</p>
<p>Date</p>	<p>29/11/18</p>

Covering information

If you wish to include covering information with your response, please include the text here. The text can wrap onto additional pages if needed.

Scottish Borders Council administers the Scottish Borders Council Pension Fund as part of the Local Government Pension Scheme (LGPS). The fund has 18 scheme employers, 4,409 active members and issued 6,575 benefit statements during in the year to 31 March 2018. The fund had 10,667 members as at 31/3/18.

The latest Triennial Valuation of the fund was undertaken at 31 March 2017. The outcome of the 2017 Valuation was a funding level of 114%, an improvement in the 2014 position of 101%. The funding position at the 31 March equated to a surplus of £80.6m.

The Council budgets for a fund contribution rate of 18%, one of the lowest employer rates in the LGPS in Scotland. This rate has been consistent since 2004 ensuring the on-going affordability of the Scheme to the Council as an Employer.

The investments of the fund are all managed by external fund managers. Administration of the fund is undertaken within the Council HR service by a small dedicated team. Financial advice and support for investment decisions is provided by a small team of Finance Officers.

The fund delivered strong investment performance of 8.6% for the rolling 3 year period to 31 March 2018. At 31 March 2018 the fund had £684.6m of assets under management, an increase of £30.2m (5.6%) on the position as at 31 March 2017.

Over the last 10 years Scottish Borders Council Pension Fund has delivered significant positive returns. Since 2010 there has only been one year of when the Fund experienced negative returns and that was immediately following the financial crisis in 2008. On average the fund has returned relative out performance against bench mark of 0.66% per annum over the last 10 years.

Over the last 10 years the net assets of the fund have increased by 133%.

The Fund is fully compliant with the relevant legislation and has well established governance arrangements in place. The Council delegates oversight of the fund to the Pension Fund Committee who meet regularly with the Pension Fund Board.

The external statutory Audit of Scottish Borders Pension Fund for 2017/18 undertaken by Audit Scotland once again concluded positively on the Council's management of the Fund including its governance arrangements.

The Scottish Borders Pension fund is now well diversified to protect against market shocks such as those experienced in equity markets post 2008 and has recently concentrated on increasing the proportion of income yielding assets held in response to the increasing maturity profile of the membership.

Council management of the fund is assisted by appropriately qualified and experienced officers, external advisers and fund managers. The Fund complies fully with CIPFA guidance on fee transparency. The Council has opted up to professional status under

MiFID 2 and is well placed to meet the future challenges facing the LGPS.

The Council endorses the view that everyone involved with the LGPS should have access to high quality benefits and believes that the continuing high levels of engagement in the pension fund by employees of both the Council and the funds scheduled an admitted bodies demonstrates continued confidence in the stability of the scheme and in the benefits of local management.

This position is assisted greatly by the involvement of local elected members, local trades unions representative and local employers in the decision making process through the activities of both the Pension Fund Committee and the Pension Fund Board.

In responding to this consultation the Council has concluded that making any change to the structure of the LGPS in Scotland not required and is an unacceptably high risk strategy. This view is informed by:-

- The continued strong performance of the LGPS in Scotland and the Scottish Borders Council Pension fund;
- The efficient integrated management structure that exists across the council and the pension fund;
- The lack of robust empirical evidence of the benefits of change;
- The strong funding position of the pension fund;
The potentially negative impact that such change will have on the stability and affordability of employer contributions.

As noted above Council officers who advise and administer the pension fund are also engaged in the wider corporate management of the Council. This cost effective arrangement also avoids key person risk to the pension fund and ensures the Council has the capacity to manage its financial affairs effectively. Structural reform whereby senior finance staff would TUPE transfer to new bodies would pose an unacceptable risk to the management of the Council.

The Council recognises that some marginal cost savings could potentially be delivered by fewer larger funds replacing the current arrangements over the longer term. Evidence to support this view is however limited and there is presently no strong reliable evidence base to verify this position.

The Council believes therefore that there is no reliable empirical case for change and much more work would have to be done to evaluate the benefits, and to mitigate the significant risks, associated with change before this could be supported.

The Council therefore endorses the view that the uncertainty and dis-benefits of structural change significantly outweigh any potential benefits. If change is required Scottish Borders Council would support a voluntary collaboration model proposed under consultation option 2, avoiding the need for problematic pooling or expensive, time consuming structural reform for un-proven benefits.



The consultation questions follow.

CONSULTATION QUESTIONS

Question 1: Retain the current structure with 11 funds

The text can wrap onto additional pages.

a) Cost of investing:

- ***How well informed do you feel about the investment costs in your fund? What information do you rely on to specify and measure these?***

Scottish Borders Council delegates responsibility for the management and governance oversight of the Pension fund to its Pension Fund Committee and the Pension Fund Board. The council is well informed about investment costs and fully supports the principals of fee transparency. The Council recognises that fees paid to fund managers represent a significant cost to the LGPS. Ultimately the costs of the pension fund are met partly by employer contributions and they must be understood fully, closely monitored and controlled effectively.

The Council fully supports the requirements of CIPFA's Guidance on Accounting for Local Governance Pension Schemes.

The Pension Fund encourages its pension managers to sign up to the LGPS fee transparency code and fully discloses both internal and external management fees and transaction costs within its annual accounts.

- ***How well does the current system manage investment costs?***

The Fund has good information with regard to fee levels allowing objective evaluation and comparison of the fees charged by individual managers.

The Council believes that while the absolute level of fee cost is important, the overall value for money delivered by a manager is normally a more important consideration than absolute fee levels.

How would you improve the measurement and management of investment costs in the current system?

The Council has a good understanding of the costs of investment including layered fees in our alternative mandates.

All fund managers employed by the LGPS should be required to disclose their full fee structure in line with the fee transparency code. This information should be benchmarked and published annually.

It is suggested this could be role for the Scheme Advisory Board in future.

b) Governance:

- ***How well informed do you feel about the governance of your fund? What information do you rely on to measure this?***

The 2017/18 audit of the pension fund concluded positively on the governance of the pension fund noting " the fund has effective governance arrangements in place that

support the scrutiny of decisions made by the pension fund committee.”

The recent advent of Pension Boards, with strong local employee membership, has added a further positive dimension to the governance of the pension fund.

The fund undertakes benchmarking of the outputs of the fund, including investment performance, funding level, expenses and contribution rates to assess its performance.

The Fund publishes an annual Governance Statement under the 2014 regulations.

The outcome of the statutory audit process is reported to full Council along with a copy of the pension fund accounts.

- ***How well is the current system governed?***

The Council believes that the current system is governed effectively. Pension Fund Boards, although only introduced in 2015, have added a further positive dimension to the governance of the LGPS in Scotland ensuring additional scrutiny of pension fund committee decisions and the effective engagement of employee representatives in the management of pension funds.

Statutory external Audit of the LGPS funds is undertaken annually. These do not highlight any concerns with the current governance arrangements in place across funds.

It is understood that all funds and Councils as employer bodies have opted up to “professional status” to comply with the requirement of MiFID 2.

The recent review of LGPS governance undertaken by KPMG in 2016 concluded positively with regards to the standard of governance in place across the 11 funds administering the LGPS in Scotland.

- ***How would you improve governance of the current system?***

The KPMG review of the system outlined no fundamental weaknesses in the LGPS governance model in Scotland.

All funds should be required to publish information regarding their investment strategy, actuarial report and funding assumptions as well as performance and key policy documents for example the statement of investment principles or their ESG policies.

Pension Fund committees should meet jointly with Pension Boards on a regular basis and committee meetings should be held in public wherever possible.

The minutes of meetings should be published and be publically available.

- ***How important is it to maintain a local connection with respect to oversight and strategy?***

The LGPS is a local service. Scottish Borders Council believes that decisions that affect local people are best made locally by elected members and that these decisions should be as transparent and open as possible.

The costs of pensions are a significant component of the costs of employing staff and

therefore are a significant element of council budgets which local councilors are responsible for.

The Council believes it is important therefore that there is effective oversight and scrutiny of pension funds at local level. This is best achieved where there is close alignment between scheme members and their dependents and those charged with taking decisions. Such close alignment improves local accountability and assists to promote confidence in the LGPS amongst its' membership whether they are active contributing members, deferred members or pensioners and their dependents.

The Council endorses the view that decisions with regard to investments, ethical investment, environmental issues, risk management etc. should kept as local as possible so that elected representatives can be held responsible to their members and the local electorate for their stewardship of the pension fund.

The local nature of decision making importantly guarantees an effective voice for employee representatives on pension fund boards.

- **How would you determine if the benefits of a local connection in governance outweigh the benefits of scale?**

The Council strongly believes that its pension fund compares favourably with any scheme in the LGPS by any objective measure of performance over any time period. Furthermore, it supports the view that the maintenance of good governance in any organisation has no relationship to the scale of the organisation.

Good governance relies on sound management, effective processes, openness, transparency and accountability. There is no evidence that larger size funds have better governance, perform better, or that they have fundamentally lower costs simply because they are larger.

In fact it could be argued that larger size may encourage complacency and a reluctance to act quickly to emerging market trends.

There is no evidence to suggest that the current model is not working effectively either in terms of governance standards or in terms of investment performance.

Operating risks:

- ***How well informed do feel about the operating risks of your fund? What information do you rely on to specify and measure these?***

The pension fund in the Borders holds regular meetings with their fund managers to assess and understand the performance and risks associated with their investments.

The Council has a well established, structured approach to risk management and also applies this approach to the management of risks within the Pension Fund

- ***How well are operating risks managed in the current system?***

The performance of the LGPS in Scotland and the content of external audit reports

indicate these risks are being managed effectively. The Council has appropriately qualified, experienced officers managing both pension fund investments and pension fund administration processes. The Fund has a strong risk based culture and has effective arrangements in place for managing those risks. The fund does not manage any money internally, instead relying on the expertise of professional investment firms. The operation of the fund is supported by a range of appropriately qualified managers and advisors.

- ***How would you improve the measurement and management of operating risks in the current system?***

Those charged with governance should be required to undertake mandatory training in the form of the Trustee toolkit provided by the Pensions Regulator, evidencing training modules have been passed to ensure they have a good understanding of operating risks. All decision makers should be required to undertake annual training and evidence their participation in training events.

Each fund should be required to publish a comprehensive risk register for the fund which is subject to regular review.

The Scheme advisory Board could collate and publish this information on an annual basis.

Infrastructure:

- ***How well informed do you feel about your fund's investments in infrastructure? What information do you rely on?***

Scottish Borders Council Pension Fund is actively collaborating in a range of Infrastructure investments with Lothian Pension fund. This arrangement provides cost effective access to investment opportunities which are also being accessed by Falkirk, Fife and NILGOS. Recent investments include renewable energy, telecoms and transport infrastructure.

Detailed diligence is undertaken by council officers before decisions with regards to investments are made. These decisions are reported to elected members and performance is tracked.

- ***How do you rate the current system's ability to invest in infrastructure?***

The principal objective of a pension fund is to build up a fund of assets sufficient to meet future pension fund liabilities not to fund public infrastructure projects.

There is an inherent tension between optimising risk and return for pension funds and delivering public investment in infrastructure at the lowest possible cost to the taxpayer.

There are however excellent examples of the LGPS investing in infrastructure which is increasing featuring as part of the Asset Allocation Strategy of LGPS funds for example it is understood Strathclyde has now allocated over £330m in this asset class.

Scottish Borders has made an allocation of 5% of assets under management to infrastructure and is investing in this asset class in collaboration with Lothian Pension

Fund.

- ***How would you increase investment in infrastructure in the current system?***

The attractiveness of this asset class can only be assessed in comparison to the risk and return profile of other assets. Having an appropriate vehicle to access infrastructure investment in a cost effective manner would assist.

The Scottish Futures Trust has recently undertaken work in this area and published a paper with regard to housing infrastructure investment.

A vehicle to easily enable large scale investment in public infrastructure, which balances suitable returns within an optimized risk profile, with low cost project funding which can match PWLB costs, are not however yet suitably developed.

Development of such a model would help to facilitate infrastructure investment.

The desire to see LGPS funds investing in infrastructure is a well-established political objective; however, it must be recognized that pension fund assets are separate from council funds and they exist to pay for significant pension liabilities.

Any decision to invest in infrastructure needs to be based on an objective assessment of both risk and reward to the pension fund as well as the cost and benefit of such investment to local communities. One cannot be assessed and achieved without an understanding of the other and there needs to be an acceptance that meeting the policy objective of having pension funds invest in local infrastructure must result in the risk of lower investment returns to pension funds or higher pension costs for Local Authorities.

Do you have any additional comments about this option?

This option represents the Status Quo for the LGPS in Scotland and any other options considered must deliver demonstrably better outcomes, based on robust empirical data, for them to be seriously considered.

The LGPS is an integral part of local government and of local decision making and is a considerable success story by any measure. Costs are low, governance is effective, member trust in the current system is high and most importantly funding levels are near or above 100% in all funds. Scottish Borders Council is of the opinion that structural reform is likely to prove costly and is unlikely to address the challenges faced by the LGPS or lead to better outcomes.

The 11 fund option represents minimum risk to the LGPS and the Council is strongly of the view that the Council has demonstrated the capability and capacity to manage its pension fund effectively over many years and that it should retain responsibility for the management and governance of the LGPS in the Scottish Borders.

The Council recognises Incremental improvements are almost always possible however and the Council will explore these issues in its response to option 2.

Question 2: Promote cooperation in investing and administration between the 11 funds

The text can wrap onto additional pages.

a) Cost of investing:

- ***What impact do you think promoting agreements between funds would have on investment costs?***

The Council recognises the benefits of collaboration and already collaborates with other funds. Promoting joint agreements relating to collaborative investments could have some positive impacts in terms of fees. This is particularly the case with regard to the cost of investing in alternative asset classes such as infrastructure.

- ***What would be the positive impacts?***

Economies of scale may be delivered to some of the smaller funds through greater purchasing power.

Collaboration and cooperation will give all funds the confidence to invest in a wider range of diversified assets and provide access to a wider breadth of expertise.

The sharing of experience, knowledge and good practice will lead naturally to improvements in governance and better outcomes.

There is a role for the Scheme Advisory Board in highlighting and promoting good practice

- ***What would be the negative impacts?***

Collaboration does not remove the requirement for individual funds to undertake due diligence regarding prospective investments. Each party to the collaborative investment agreement must undertake their own research and fully understand the risks and potential benefits of investing before committing.

Governance:

- ***What impact do you think promoting agreements between funds would have on governance?***

This should have a positive impact. It should be noted however that collaboration does not remove the requirement for each fund to ensure its governance arrangements are operating effectively.

- ***What would be the positive impacts?***

Sharing of best practice and closer cooperation on co investment opportunities should have a positive impact.

A wider range of individuals scrutinizing and challenging investment decisions should lead to better outcomes

- ***What would be the negative impacts?***

The difficulty of coordinating investment decisions, often to tight market driven timescales, could be a potential disadvantage.

Operating risks:

- ***What impact do you think promoting agreements between funds would have on operating risks?***

No material impacts if collaboration is undertaken on a voluntary basis with each fund retaining responsibility for its own investment decisions. Significant voluntary cooperation already exists between LGPS funds. Best practice is already shared through the Officer forum the IGG which is attended by representatives of all Scottish Local Authority Pension Funds.

Funds already access a range of services through nationally agreed procurement frameworks.

- ***What would be the positive impacts?***

There could be potential benefits through economies of scale.

Increase collaboration relating to Pension Administration could have a positive impact beyond those already in place. All administering authorities now operate on the same administration system which, working with the provider, could lead to increased synergies around documentation and testing of system upgrades resulting from changes to regulations.

What would be the negative impacts?

Formal legally binding agreements would need to be documented leading to additional legal costs.

d) Infrastructure:

- ***What impact do you think promoting agreements between funds would have on funds' ability to invest in infrastructure?***

In practice this arrangement is already working effectively for Scottish Borders Council with respect to infrastructure investment.

- ***What would be the positive impacts?***

Smaller funds would have access to a wider range of investment opportunities on a cost effective basis. A recent good example is the benefits that have been gained by Falkirk

and Scottish Borders Council through collaboration with Lothian Pension Fund in a range of infrastructure based investments. Co investment provides the opportunity to share legal, technical due diligence costs.

- ***What would be the negative impacts?***

There is however the potential for disagreement and challenge arising from service failure or adverse investment returns. This could increase the risk of legal challenge and require formal dispute resolution procedures.

There is a risk that under a collaborative investment model inappropriate reliance is placed upon the work of others and that the necessary diligence on behalf of individual funds does not take place with sufficient rigor. The effectiveness of any diligence process is reliant upon pension funds having a clear understanding of the key features and risks associated with investment products.

Do you have any additional comments about this option?

Closer collaboration would allow the retention of local expertise in Council Finance and HR functions providing depth and resilience across Scotland, particularly in smaller authorities, which would otherwise be lost.

It should be recognized that expertise in pensions and investment, an understanding of financial markets, and local knowledge of pension benefits provides significant advantages and support to the corporate management of the wider local authority. This would be lost under a formal restructuring proposal but could be retained under a collaboration model.

This point is linked strongly to concerns over key person risk should restructuring occur. Collaboration would in direct contrast facilitates the retention of local experience to advise local councillors and board members appropriately.

Question 3: Pool investments between the 11 funds

The text can wrap onto additional pages.

a) Cost of investing:

- ***What impact do you think pooling investments between funds would have on the cost of investing?***

Pooling of investments would require significant restructuring of LGPS investment mandates at significant cost. The study undertaken by Mercers does not support the view that larger fund always have lower costs and perform better based on their snapshot analysis of the LGPS 2015 accounts.

- ***What would be the positive impacts?***

There could be a positive impact on some of the smaller funds fee costs from investment pooling. The larger funds e.g. Strathclyde are unlikely to see much if any

benefit due to their existing scale.

Reducing costs is important but will only deliver benefit if it improves **net** investment returns.

- ***What would be the negative impacts?***

The drive to reduce costs may lead to a reduction in the number of fund managers willing and able to engage with the LPGS.

Pooling may provide fee costs benefits in the short term but these are also likely to be largely, if not wholly, offset by transition and reorganization costs. Such fee gains made through market competition may not be sustainable in the longer term - which could see the reversal of the current gains and fees increasing.

The LGPS in Scotland is already able to access comparatively low investment fees when compared to England and Wales as set out in Mercers structure review paper.

If asset pooling were possible, under what circumstances should a fund consider joining an asset pool?

The Council believes that the LGPS is a local service. Fund should not be required to pool and this should only be undertaken on a voluntary basis if it provides significant advantages to the fund. These advantages will differ depending on the circumstances of each fund. The performance of the SBCPF has allowed the Council to retain a contribution rate of 18 % since 2004 providing stability and cost certainty. Increased contribution rates following pooling could lead to legal challenge and dispute.

Under which circumstances should the SLGPS consider directing funds to pool?

Scottish Borders Council is strongly opposed to any proposal that would require pooling on anything other than a voluntary basis.

The only circumstances where this should be considered is if there was sustained evidence of governance failure on behalf of the Council and /or evidence that pension funds is completely unable to meet its long term liabilities on an actuarial basis and the pension fund had therefore become unaffordable to the Council.

b) Governance:

- ***What impact do you think pooling investments between funds would have on governance?***

Pooling is likely to require additional governance and administrative structures to be established.

- ***What would be the positive impacts?***

There is as yet no evidence that pooling has had any positive impact in England and Wales.

- ***What would be the negative impacts?***

This option may require additional layers of governance, lessen local involvement in investment decisions and make decision making more remote.

c) Operating risks:

- ***What impact do you think pooling investments between funds would have on operating risks?***

There is likely to be little impact on operating risks arising from pooling. Day to day investment would continue to be carried out by line managers.

- ***What would be the positive impacts?***

The Council can not envisage any positive impact on operating risks from pooling.

- ***What would be the negative impacts?***

Pooling will in all likelihood lessen the number of fund managers in the LGPS concentrating investments with fewer firms, reducing diversification and arguably increasing risk.

d) Infrastructure:

- ***What impact do you think pooling investments between funds would have on funds' ability to invest in infrastructure?***

Decisions to invest in infrastructure are only taken where these provide additional benefit to a pension fund for example greater asset diversification. Pooling is unlikely to have any material impact on a pension funds appetite to invest in infrastructure. Strathclyde, Lothian, Fife, Falkirk and Scottish Borders already invest in infrastructure.

- ***What would be the positive impacts?***

None

- ***What would be the negative impacts?***

None

Do you have any additional comments about this option?

Yes. There are significant risks associated with this option and a lack of tangible data to support it. Pooling will introduce an added layer of bureaucracy. Staff would be required to run the new pools at potentially significant cost if staffing arrangements and grades sit out with LGPS pay structures.

There is no evidence yet that the pooling arrangements in England and Wales have delivered any cost benefits or improvements in governance. The costs of pooling may be significant and will require substantial professional advice from pension fund

managers, investment consultants and actuaries

Tangible evidence is scarce; however, anecdotal evidence of pooling so far seems to indicate that the process has been problematic with concerns over loss of local accountability and governance.

The drive to establish larger pools may perversely have the effect of increasing fee costs in the longer term as fewer remaining providers are able to exercise their market dominance to increase fees with little risk of losing business.

The timing of the financial transitions required to establish pools may be problematic if disinvestments are executed at a time when markets are volatile. This will introduce risk and unnecessary cost.

Increasing cost may perversely cause pools to invest in higher risk, higher yield assets to recover the ground lost through timing losses and to recover reorg/ transition costs.

Pooling would result in a dilution of local expertise and knowledge potentially increasing risk to the smaller councils where staff often performs a wider role with respect to the financial management of the authority.

Pooling may thereby reduce opportunities for elected members to access financial advice and reduce expertise at a local level.

Pooling will not promote collaboration and expertise and may lessen support for the wider Council's activities.

Pooling of investment will offer no advantages for pension fund administration.

It is concerning that the evidence base used for pooling in England and Wales is so selective, out of date and unrelated to UK LGPS fund performance.

Question 4: Merge the funds into one or more new funds

The text can wrap onto additional pages.

a) Cost of investing:

- ***What impact do you think mergers between funds would have on the cost of investing?***

Merger would require significant restructuring of LGPS investment mandates at significant cost. The study undertaken by Mercers does not support the view that larger funds always have lower costs and perform better based on their snapshot analysis of the LGPS 2015 accounts.

Both investment advisors and investment managers have noted that the effects of pooling in England and Wales are already providing benefits for the Scottish LGPS through lower fees while to date the costs of restructuring have been avoided.

- ***What would be the positive impacts?***

Larger funds are potentially able to access cheaper fees due to scale. These may benefit the smaller funds who manage a minority of LGPS assets.

- ***What would be the negative impacts?***

The consultation document highlights significant cost savings as a potential advantage of this option. There is however as yet little UK, and clearly no Scottish, evidence to support this assertion.

The larger funds that already enjoy these benefits of scale are unlikely to see any benefits in terms of cost reduction as they already access the cheapest fees.

Proposal is untried and the risks of merger are not fully understood.

- ***If merging were possible, under what circumstances should a fund consider a merger?***

This should only be considered if it were objectively evaluated to be in the best interests of the fund membership.

- ***Under what circumstances should the SLGPS consider directing funds to merge?***

This would effectively be a statutory intervention by Scottish Ministers and should only be considered as a last resort and only where there is significant evidence of governance failures or the inability to meet future liabilities following a deficit recovery period agreed with the fund actuary.

b) Governance:

- ***What impact do you think mergers between funds would have on governance?***

A merged model with one governance structure may be cheaper for the remaining fund(s) to administer. It will however require appropriately qualified and remunerated staff to administer and there is likely to be significant upward pay drift as such roles do not sit neatly within local authority pay structures..

The cost savings are unlikely to be cheaper for the Council who will retain the same governance overheads as at present.

- ***What would be the negative impacts?***

This would effectively remove a local service from local control by removing the role of local councilors and employee representatives from the oversight and governance of the pension fund.

The move to formal restructure would lessen links to local decision making for example with regard to investment strategy and asset allocation, removing a key role for elected members in the governance of pension funds.

c) Operating risks:

- ***What impact do you think mergers between funds would have on operating risks?***

It is not clear what effect this option would have on funding levels which could potentially change for individual employers under a fully merged structure. Increased costs following merger could lead to dispute and potentially legal challenge by councils.

- ***What would be the positive impacts?***

This option would remove the requirement for administering authorities to run pension funds reducing the administrative burden.

- ***What would be the negative impacts?***

The model is untried in a Scottish Context.

Key personnel with wider management role may be lost to smaller councils.

d) Infrastructure:

- ***What impact do you think mergers between funds would have on funds' ability to invest in infrastructure?***

It is unclear how merger would assist with the process of investment in infrastructure. If such investment is identified as being the correct course of action for funds as part of their agreed investment strategy this should be pursued. A number of pension funds are already investing in infrastructure. Collaboration without restructure provides an equally valid route to access infrastructure at potentially much lower cost through co investment.

- ***What would be the positive impacts?***

A larger fund may have more appetite for alternative infrastructure investments.

- ***What would be the negative impacts?***

There is a danger that merger is seen as providing a solution to a political aspiration. Potential Investment in infrastructure should not be seen as a driver for this option.

e) Do you have any additional comments about this option?

New governance arrangements would be required and this would incur additional costs during transition.

The effect on employer contributions of this option is not known. It should be noted however that some of the smaller funds have the lowest contribution rates at present indicating a high degree of efficiency in terms of cost and positive investment returns.

The effect of any merger on Pension Fund diversification is not known. There is a risk that investment in assets with higher risk profiles over many years may be required to compensate for the costs of merger, or that costs to Councils paid through employer contributions could rise when compared to current rates.

Full Merger is likely to require expensive restructuring and segregation of portfolios would still be required if previous contribution rates are to be maintained.

There is no evidence that restructuring in England and Wales has, or will, deliver tangible benefits when compared to previous arrangements.

Any move to restructure the current Scottish LGPS must be based on sound empirical evidence and must deliver tangible improvement for both large and smaller funds when compared to the current structure.

The process of merger may unsettle the membership of the LGPS encouraging transfers out of the scheme and discouraging new entrants.

Scottish Borders Council is resolutely opposed to forced merger of pension funds.

Question 5: Preferred and additional options

The text can wrap onto additional pages.

a) Which option does your organisation prefer? Please explain your preference.

Scottish Borders Council believes that there is no reliable empirical case for change and much more work would have to be done to evaluate the benefits and risks associated with change before options involving pooling or merger could be supported as being in the best interests of the fund membership.

In the absence of evidence to the contrary the Council is of the view that such change is likely to have a detrimental impact on performance and pensioner confidence and for this reason believes options 3 and 4 should be discounted.

The Council believes there are already good examples of collaboration working in practice within the LGPS in Scotland and that increased collaboration as envisaged by option 2 could achieve a number of positive benefits, while avoiding the need for pooling or expensive, time consuming and un-proven structural reform.

The Council believes the results of the E&W LGPS changes must be given time to bed in and a proper evaluation of the benefits and disadvantages of such change needs to be undertaken before any such similar experiment is undertaken in Scotland.

b) What other options should be considered for the future structure of the LGPS?

There are no other options the Council identifies should be considered.

c) What would be the advantages and disadvantages of these other option for funds' investment costs, governance, operating risks and ability to invest in infrastructure?

N/A

d) Are there any other comments you would like to make?

No

The consultation questions end.

This page is intentionally left blank



TREASURY MANAGEMENT MID-YEAR REPORT 2018/19

Report by Chief Financial Officer

SCOTTISH BORDERS COUNCIL

29 November 2018

1 PURPOSE AND SUMMARY

- 1.1 This report presents the mid-year report of treasury management activities for 2018/19, in line with the requirements of the CIPFA Code of Practice, including Prudential and Treasury Management Indicators, and seeks comments from Audit and Scrutiny Committee prior to consideration of the report by Council.**
- 1.2 The report is required as part of the Council's treasury management control regime. It provides a mid-year report on the Council's treasury activity during the six month period to 30 September 2018 and demonstrates that Treasury activity in the first six months of 2018/19 has been undertaken in full compliance with the approved Treasury Strategy and Policy for the year.
- 1.3 Appendix 1 contains an analysis of the performance against the targets set in relation to Prudential and Treasury Management Indicators, and proposes revised estimates of these indicators in light of the 2017/18 out-turn and experience in 2018/19 to date for Council approval.

2 RECOMMENDATIONS

- 2.1 It is recommended that the Council approves;**
 - (a) Notes that treasury management activity in the six months to 30 September 2018 was carried out in compliance with the approved Treasury Management Strategy and Policy**
 - (b) Agrees to the presentation of the Treasury Management Mid-Year Report 2018/19, as contained in Appendix 1, to Council for approval of the revised indicators.**

3 BACKGROUND

- 3.1 The Council approved the Annual Treasury Management Strategy (the Strategy) for 2018/19 at the Council on 20 February 2018. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 3.2 As set out in the annual Treasury Strategy, the Audit and Scrutiny Committee has a role to scrutinise the Mid Year Report before submission to Council for final approval.

4 TREASURY MANAGEMENT MID-YEAR REPORT 2018/19

- 4.1 The Treasury Management Mid-Year Report for 2018/19 (the Mid-Year Report) is contained in Appendix 1. All of the 2018/19 target indicators reported upon are based on the indicators agreed as part of the Strategy approved by Council on 20 February 2018.
- 4.2 The Mid-Year Report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:
- (a) An economic update for the first six months of 2018/19
 - (b) A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
 - (c) The Council's capital expenditure (prudential indicators)
 - (d) A review of the Council's investment portfolio for 2018/19
 - (e) A review of the Council's borrowing strategy for 2018/19
 - (f) A review of compliance with Treasury and Prudential Limits for 2018/19
- 4.3 The Mid-Year Report at Annex A contains revised Prudential and Treasury Management Indicators for consideration prior to Council approval.
- 4.4 The Mid-Year Report indicates that the Council's Treasury Management activities are being managed and monitored within the agreed boundaries and indicators approved by the Council.

5 IMPLICATIONS

5.1 Financial

There are no further financial implications relating to this report. The outcomes from the Council's treasury management activities are explained in detail within Appendix 1.

5.2 Risk and Mitigations

This report is an account of the outcomes delivered at the six month stage from the tightly risk controlled work that the Council's Treasury staff. The report is an important element of the overall risk management environment but has no specific risk implications of its own.

5.3 Equalities

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

5.4 Acting Sustainably

There are no direct economic, social or environmental issues with this report which would affect the Council’s sustainability policy.

5.5 Carbon Management

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

5.6 Rural Proofing

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

5.7 Changes to Scheme of Administration or Scheme of Delegation

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

6 CONSULTATION

6.1 The Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council are currently being consulted and any comments received on the report will be reported at the Audit and Scrutiny Committee meeting.

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

Name	Designation and Contact Number
Kirsty Robb	Pensions & Investment Manager, 01835 825249

Background Papers:

Previous Minute Reference:

Scottish Borders Council, 20 February 2018

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

Contact us at: Pensions & Investment Team, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA Tel: 01835 825016 Fax 01835 825166.
email: t&cteam@scotborders.gov.uk

This page is intentionally left blank

SCOTTISH BORDERS COUNCIL

TREASURY MANAGEMENT MID-YEAR REPORT 2018/19

1. BACKGROUND

a) Treasury management is defined as:

“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.

b) The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations is to ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing security and adequate liquidity, before considering optimising investment return.

c) The second main function of the treasury management service is the funding of the Council’s capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion, where favourable conditions exist, any debt previously drawn may be restructured to meet Council risk or cost objectives.

d) **Annex A** contains a summary of the updated Prudential and Treasury Management Indicators for 2018/19 as highlighted throughout this report.

2 ECONOMIC POSITION

2.1 ECONOMIC UPDATE *(from Link Asset Services)*

UK. The first half of 2018/19 has seen UK **economic growth** post a modest performance, but sufficiently robust for the Monetary Policy Committee, (MPC), to unanimously (9-0) vote to increase **Bank Rate** on 2nd August from 0.5% to 0.75%. Although growth looks as if it will only be modest at around 1.5% in 2018, the Bank of England’s August Quarterly Inflation Report forecast that growth will pick up to 1.8% in 2019, albeit there were several caveats – mainly related to whether or not the UK achieves an orderly withdrawal from the European Union in March 2019.

Some MPC members have expressed concerns about a build-up of **inflationary pressures**, particularly with the pound falling in value again against both the US dollar and the Euro. The Consumer Price Index (CPI) measure of inflation rose unexpectedly from 2.4% in June to 2.7% in August due to increases in volatile components, but is expected to fall back to the 2% inflation target over the next two years given a scenario of minimal increases in Bank Rate. The MPC has indicated Bank Rate would need to be in the region of 1.5% by March 2021 for inflation to stay on track. Financial markets are currently pricing in the next increase in Bank Rate for the second half of 2019.

As for the **labour market**, unemployment has continued at a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high in July, together with negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 2.9%, (3 month average regular pay, excluding bonuses) and to a one month figure in July of 3.1%. This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings

grew by about 0.4%, near to the joint high of 0.5% since 2009. (The previous high point was in July 2015.) Given the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC were right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy. However, the MPC will need to tread cautiously before increasing Bank Rate again, especially given all the uncertainties around Brexit.

In the **political arena**, there is a risk that the current Conservative minority government may be unable to muster a majority in the Commons over Brexit. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to Brexit in March 2019. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

USA. President Trump's massive easing of fiscal policy is fuelling a (temporary) boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2%, (annualised rate), in quarter 1 to 4.2% in quarter 2, but also an upturn in inflationary pressures. With inflation moving towards 3%, the Fed increased rates another 0.25% in September to between 2.00% and 2.25%, this being four increases in 2018, and indicated they expected to increase rates four more times by the end of 2019. The dilemma, however, is what to do when the temporary boost to consumption wanes, particularly as the recent imposition of tariffs on a number of countries' exports to the US, (China in particular), could see a switch to US production of some of those goods, but at higher prices. Such a scenario would invariably make any easing of monetary policy harder for the Fed in the second half of 2019.

EUROZONE. Growth was unchanged at 0.4% in quarter 2, but has undershot early forecasts for a stronger economic performance in 2018. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of manufacturing exports e.g. cars. For that reason, although growth is still expected to be in the region of 2% for 2018, the horizon is less clear than it seemed just a short while ago.

CHINA. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems.

JAPAN - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

2.2 ECONOMIC OUTLOOK

The overall balance of risks to economic growth in the UK is probably neutral. The balance of risks to increases in Bank rate and shorter term PWLB rates are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Bank of England monetary policy takes action too quickly over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the Eurozone sovereign debt crisis, possibly Italy, due to its high level of government debt, low rate of economic growth and vulnerable banking system, and due to the election in March of a government which has made a lot of anti-austerity noise. This is likely to lead to friction with the EU when setting the target for the fiscal deficit in the national budget. Unsurprisingly, investors have taken a dim view of this and so Italian bond yields have been rising.
- Austria, the Czech Republic and Hungary now form a strongly anti-immigration bloc within the EU while Italy, this year, has also elected a strongly anti-immigration government. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position as a result of the rise of the anti-immigration AfD party. To compound this, the result of the Swedish general election in September 2018 has left an anti-immigration party potentially holding the balance of power in forming a coalition government. The challenges from these political developments could put considerable pressure on the cohesion of the EU and could spill over into impacting the euro, EU financial policy and financial markets.
- The imposition of trade tariffs by President Trump could negatively impact world growth. President Trump's specific actions against Turkey pose a particular risk to its economy which could, in turn, negatively impact Spanish and French banks which have significant exposures to loans to Turkey.
- Weak capitalisation of some European banks.
- Rising interest rates in the US could negatively impact emerging countries which have borrowed heavily in dollar denominated debt, so causing an investor flight to safe havens e.g. UK gilts.
- Geopolitical risks, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- President Trump's fiscal plans to stimulate economic expansion causing a significant increase in inflation in the US and causing further sell offs of government bonds in major western countries.
- The Fed causing a sudden shock in financial markets through misjudging the pace and strength of increases in its Fed. Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.
- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.

- UK inflation, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

2.3 INTEREST RATE FORECAST

- a) Table 1 summarises the latest interest rate forecast from the Council's treasury adviser, Capita Asset Services.

Link Asset Services Interest Rate View											
	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate View	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 Month LIBID	0.75%	0.80%	0.80%	0.90%	1.10%	1.10%	1.20%	1.40%	1.50%	1.60%	1.60%
6 Month LIBID	0.85%	0.90%	0.90%	1.00%	1.20%	1.20%	1.30%	1.50%	1.60%	1.70%	1.70%
12 Month LIBID	1.00%	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%	1.60%	1.70%	1.80%	1.80%
5yr PWLB Rate	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10yr PWLB Rate	2.40%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%
25yr PWLB Rate	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
50yr PWLB Rate	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%

Source: Link Asset Services – October 2018.

- b) The flow of generally positive economic statistics after the end of the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, to 0.75%. However, the MPC emphasised again, that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years' time but they declined to give a medium term forecast. Link Asset Services do not think that the MPC will increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. Link Asset Services also feel that the MPC is more likely to wait until August 2019, than May 2019, before the next increase, to be followed by further increases of 0.25% in May and November 2020 to reach 1.5%. However, the cautious pace of even these limited increases is dependent on a reasonably orderly Brexit.

3 TREASURY MANAGEMENT POLICY STATEMENT - UPDATE

- a) The Treasury Management Policy Statement (the Statement) was approved by Council in April 2010. There have been no policy changes to the Statement. The details in this report update the position in light of updated economic position and budgetary changes.
- b) Treasury Management Strategy Statement (TMSS) for 2018/19 was approved by Council on 20 February 2018. There were no policy changes to the Statement. The details in this report update provides an update on Treasury Management activities, including Prudential and Treasury Management Indicators.

4 COUNCIL'S CAPITAL EXPENDITURE AND FINANCING 2018/19

4.1 This part of the report is structured to update:

- The Council's capital expenditure plan.
- How these plans are being financed.
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow, and
- Compliance with the limits in place for borrowing activity.

4.2 CAPITAL EXPENDITURE (Prudential Indicator (PI-1))

a) The original capital plan for 2018/19 was approved on 20 February 2018. **Table 2** shows the current budgets for capital expenditure compared to the original estimates used in the Treasury Management Strategy report for 2018/19.

Table 2	2018/19 Original Budget	2018/19 Current Approved Budget ¹	Variance Original to Current Approved
	£m	£m	£m
Assets & Infrastructure	27.4	31.4	4.0
Other Corporate Services	0.6	2.8	2.2
Children & Young People	7.1	13.2	6.1
Culture & Sport	1.8	2.1	0.3
Economic Development	6.4	4.9	(1.5)
Social Care Infrastructure	0.3	0.3	0
Emergency & unplanned scheme	0.3	0.2	(0.1)
Total Capital Expenditure (PI-1)	43.9	54.9	11.0

¹ Executive Committee 20 November 2018

b) The current approved budget for 2018/19 is higher than the original budget due to adverse timing movements from February 2018 to 31 March 2018 in areas of the capital plan and additional grant received. Detailed explanations of the movements within the planned expenditure have been reported in the ongoing monitoring reports, the last of which was to the Executive Committee on 20 November 2018. The key drivers for the 2018/19 changes in Table 2 are:

- Assets & Infrastructure – Waste Management. Total additions to budget amount to £4.5m. Off set by adverse movement in 2018/19 to the Land and Property Infrastructure projects total £1m
- Other Corporate Services budget - increased by £2.2m due the timing movements in the 2017/18 plan in ICT Transformation.
- Children & Young People – increase of £6.1m due to budget movement from 2017/18 and additional funding received for Early Learning and Childcare.
- Economic Development – Additional budget as a timing movement between financial years for Hawick regeneration and Central Borders Business Park.

4.3 FINANCING OF THE CAPITAL PROGRAMME

- a) **Table 3** on the following page draws together the main funding elements of the capital expenditure plans (see 4.2 above), comparing the original components of the funding strategy to those of the latest approved budget for the 2018/19 capital programme.

Table 3	2018/19 Original Budget £m	2018/19 Current Approved Budget ¹ £m	Variance - Original to Current Approved £m
Capital Expenditure (PI-1)	43.9	54.9	11.0
Other Relevant Expenditure	0.4	0.4	-
Total Expenditure	44.3	55.3	11.0
<i>Financed by:</i>			
Capital receipts	(2.3)	(2.3)	-
Capital from Revenue (CFCR)	-	(0.4)	(0.4)
Developer Contributions	(0.7)	(0.2)	0.5
Govt. General Capital Grant	(14.4)	(14.4)	-
Govt. Specific Capital Grant	(4.0)	(9.7)	(5.7)
Other Grants & Contributions	(3.7)	(5.2)	(1.5)
Replacement Funds	(2.0)	(2.8)	(0.8)
Total Financing	(27.1)	(35.0)	(7.9)
Net Financing Need for the Year	17.2	20.3	3.1

¹ Executive Committee 20 November 2018

- b) The increase in overall financing need is primarily driven by the additional projected capital expenditure as detailed in table 2, above. The impact on net financing need by this increase in expenditure of £11.0m in total, has been negated somewhat by a material increase in Scottish Government Specific Grants of £5.7m, principally relating to the Hawick Regeneration (carried forward from 2017/18) and Early Learning and Childcare projects. Additional increases in other funding streams as detailed above has also increased total funding, thereby resulting in an increase to the net financing need of £3.1m.

4.4 CAPITAL FINANCING REQUIREMENT AND EXTERNAL DEBT INDICATORS

CAPITAL FINANCING REQUIREMENT (CFR) (PI-2)

- i) **Table 4** below shows the CFR, which is the underlying need to incur external borrowing for a capital purpose.
- ii) The CFR has been re-calculated in light of the changes to the capital plan and the fixed asset and reserve valuations in the Council's accounts for the year ending 31 March 2018. The revaluation of the School estate and the movement in the capital program has resulted a variance of £15.2m in the CFR.

Table 4	2018/19 Original estimate £m	2018/19 Revised estimate £m	Variance £m
CFR * (PI-2)	322.1	306.9	15.2

The CFR for this calculation includes current capital expenditure assumptions to 30 September 2018

ACTUAL EXTERNAL DEBT (PI-5)

- iii) Projected external debt for 2018/19 is shown in **Table 5** below and is estimated to remain within the operational boundary.
- iv) **Table 5** also compares the current projected external borrowing estimate with the estimate in the Annual Strategy. In cash terms, the borrowing figure is higher than originally projected in line with the increased net financing need as detailed above. A variance in cash levels held at the year-end compared to those projected also impact on the variance below.
- v) Due to the cashflow of the capital program no additional borrowing has been incurred during 2018/19, however it is anticipated borrowing of £10m will be required during the remainder of the year.

Table 5	2018/19 Original estimate £m	2018/19 Current Approved Budget £m	Variance £m
Borrowing	215.7	208.7	(7.0)
Other long-term liabilities	70.7	68.0	(2.7)-
Total External Debt (PI-5)	286.4	276.7	(9.7)

(UNDER)/OVER BORROWING AGAINST CFR (PI-6)

- vi) A key control over treasury activity is a prudential indicator to ensure that, over the medium term, borrowing will only be for a capital purpose. Net external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2018/19 and next two financial years. This allows some flexibility for limited early borrowing for future years.
- vii) **Table 6** compares the prudential indicator for (under)/over borrowing against CFR versus the updated estimate for the year end and shows that the Council's actual debt levels are well within its capital financing requirement. This is primarily driven by the tactical measures which use the Council's surplus cash-flows to finance capital expenditure minimising the need enter into additional debt financing arrangements.

Table 6	2018/19 Original estimate £m	2018/19 Current Approved Budget £m	Variance £m
Gross External Debt	286.4	276.7	(9.7)
CFR *	356.7	328.6	28.1
(Under)/Over Borrowing against CFR (PI-6)	(70.3)	(51.9)	18.4

** The CFR for this calculation includes the current and two future years projected capital expenditure.*

- viii) No difficulties are envisaged for the current or future years in complying with this prudential indicator.

AUTHORISED LIMIT AND OPERATIONAL BOUNDARY (PI-7 and PI-8)

- ix) Two further prudential indicators control the overall level of borrowing. These are:
- (i) The **Authorised Limit** which represents the limit beyond which borrowing is prohibited and the expected maximum borrowing need for the Council. It needs to be set and revised by Members. The Authorised Limit is the statutory limit determined under the Local Government in Scotland Act 2003.
 - (ii) The **Operational Boundary** which shows the expected operational debt position for the period.
- x) **Table 7** below shows revised estimates for the debt indicators for the 2018/19 financial year and compares them with the original estimates shown in the 2018/19 Treasury Management Strategy Report.

Table 7	2018/19 Original estimate £m	2018/19 Revised estimate £m	Variance £m
Gross External Debt (PI-5)	286.4	276.7	9.7
Authorised Limit inc. Long Term Liabilities(PI-8a)	372.6	372.1	0.5
<i>Variance to External Debt Estimate</i>	<i>86.2</i>	<i>95.4</i>	<i>(9.2)</i>
Operational Boundary inc. Long Term Liabilities (PI-7a)	308.2	309.1	0.9
<i>Variance to External Debt Estimate</i>	<i>21.8</i>	<i>32.4</i>	<i>(8.8)</i>

4.5 DEBT RESCHEDULING

Debt rescheduling opportunities continue to have been limited in the current economic climate. No debt rescheduling was undertaken during the first six months of 2017/18. The position will continue to be monitored on an ongoing basis, but current interest rate forecasts coupled with the corresponding restructuring penalty costs indicate it is unlikely that any debt rescheduling will be undertaken during the remainder of the year.

INVESTMENT ACTIVITY

5.1 INVESTMENTS

- a) In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As set out in Section 3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis and its impact on banks, prompts a low risk strategy. Given this risk environment and the fact that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.
- b) The Council held £17.9m of balances in interest bearing accounts as at 30 September 2018 (£7.6m at 31 March 2018). As a result of current market uncertainties, the Council has been prioritising the security of deposits by investing surplus balances with money market funds and the UK Government's Debt Management Office (DMO).

- c) The increase in the level of balances invested from March to September, highlighted above are due to timing differences between additional borrowing undertaken and corresponding capital expenditure, detailed in section 4.4 above.
- d) The Council, due to the cashflow position and the requirement to manage the Pension Fund cash as well as the Council's, continues to explore opportunities to invest surplus balances in the short term.

5.2 INVESTMENT COUNTERPARTY CRITERIA

- a) The current investment counterparty criterion, approved in the Treasury Management Strategy, represents a prudent approach to risk and the Council's concerns about security of investments. These prudent limits mean there are limited investment options when operating the cash-flow on a short term management basis.
- b) Considering security, liquidity and yield of investment, priority is given to security. Daily updates and reports are received from Capita Asset Services that allow officers to assess the continued credit worthiness of investment counter parties. At the end of September, the Council's bank, The Bank of Scotland had its credit rating upgraded one step by Moody's (one of the three main credit ratings agencies). This is a positive step, given the banks short and long term outlook downgrades by all three agencies in July 2016.
- c) All investments undertaken are on a short term, highly liquid basis, allowing access to invested funds at 1 days notice.
- d) Interest rates are also monitored on a daily basis to ensure the best return is obtained. Target for internal return on cash investment is to be above the 7 Day LIBID rate. The return for six months to 30 September 2018 has averaged 0.49%, compared against an average seven day LIBID rate of 0.43%.

LOAN CHARGES

- a) The **Loan Charges** Revenue Budget estimate contained in the Council's Financial Plans approved on 20 February 2018 was £20.185m. It is expected that charges for 2018/19 will be lower than the budgeted figure, in line with the actual and projected borrowing requirements for the year.

ANNEX A

Indicator Reference	Indicator	Page Ref.	2018/19 Original estimate	2018/19 Revised estimate
PRUDENTIAL INDICATORS				
Capital Expenditure Indicator				
PI-1	Capital Expenditure Limits (£m)	5	43.9	54.9
PI-2	Capital Financing Requirement (£m) (CFR)	7	322.1	316.4
Affordability Indicator				
PI-3	Ratio of Financing Costs to Net Revenue (inc PPP repayment costs)	N/A	9.5%	9.0%
PI-4	Incremental (Saving)/ Cost Impact of Capital Investment Decisions on Council	N/A	£0.00	£0.00

	Tax			
External Debt Indicators				
PI-5	External Debt (£m)	8	286.4	276.7
PI-7a	Operational Boundary (inc. Other Long Term Liabilities) (£m)	9	308.2	309.1
PI-7b	Operational Boundary (exc. Other Long Term Liabilities) (£m)	N/A	237.5	241.1
PI-8a	Authorised Limit (inc. Other Long Term Liabilities) (£m)	9	372.7	372.1
PI-8b	Authorised Limit (exc. Other Long Term Liabilities) (£m)	N/A	302.0	304.1
Indicators of Prudence				
PI-6	(Under)/Over Net Borrowing against the CFR (£m)	8	(70.3)	(51.8)
TREASURY INDICATORS				
TI-1	Upper Limit to Fixed Interest Rates based on Net Debt (£m)		308.2	309.1
TI-2	Upper Limit to Variable Interest Rates based on Net Debt (£m)		107.9	108.2
TI-3	Maturity Structure of Fixed Interest Rate Borrowing		Lower	
	Under 12 months		0%	
	12 months to 2 years		0%	
	2 years to 5 years		0%	
	5 years to 10 years		0%	
	10 years and above		20%	
TI-4	Maximum Principal Sum invested greater than 364 days	12	20%	20%

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank