

A MEETING of the SCOTTISH BORDERS COUNCIL will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST. BOSWELLS on WEDNESDAY, 26 FEBRUARY, 2020 at 10.00 AM

J. J. WILKINSON,  
Clerk to the Council,  
19 February 2020

<b>BUSINESS</b>		
1.	<b>Apologies for Absence.</b>	
2.	<b>Order of Business.</b>	
3.	<b>Declarations of Interest.</b>	
4.	<b>Budget Communication Strategy 2020/21</b> (Pages 7 - 14)  Consider report by Executive Director, Finance and Regulatory. (Copy attached.)	10 mins
5.	<b>Financial Strategy and Resources 2020/21 - 2024/25</b> (Pages 15 - 38)  Consider report by Executive Director, Finance and Regulatory. (Copy attached.)	10 mins
6.	<b>Capital Investment Strategy 2020/21 - 2030/31</b> (Pages 39 - 90)  Consider report by Executive Director, Finance and Regulatory. (Copy attached.)	10 mins
7.	<b>Treasury Management Strategy 2020/21</b> (Pages 91 - 138)  Consider report by Executive Director, Finance and Regulatory. (Copy attached.)	10 mins
8.	<b>Financial Plan Integrated Impact Assessment (IIA)</b> (Pages 139 - 150)  Consider report by Service Director HR & Communications. (Copy attached.)	10 mins
9.	<b>Draft 5 Year Revenue and 10 Year Capital Financial Plans</b>	60 mins
	(a) <b>Motion by Councillor Haslam</b> (Pages 151 - 184)  <b>The Conservative/Independent Alliance Administration</b>	

**recommend that Scottish Borders Council**

- (i) approves a council tax increase of 4.84% for financial year 2020/21 commencing 1 April 2020, with a band D equivalent of £1,253.91 as set out in table 1 below;

Table 1.

<b>Council Tax band</b>	<b>Proportion of Band D Council Tax</b>	<b>Annual charge applicable from 1<sup>st</sup> April 2020</b>
A	6/9	£835.94
B	7/9	£975.26
C	8/9	£1,114.59
<b>D</b>	<b>9/9</b>	<b>£1,253.91</b>
E	12/9	£1,647.50
F	15/9	£2,037.60
G	18/9	£2,455.57
H	22/9	£3,072.08

- (ii) approves the Administration's 5 year revenue plan 2020/21 – 2025/26 and 10 year capital investment plan 2020/21- 2030/31 set out in documents 9(a) and 9(c); and in doing so,

- (iii) notes the following:

The publication of the Local Government Settlement on the 6<sup>th</sup> February 2020 confirmed a reduction in the core revenue support grant from central Government to Scottish Borders Council of £1.8m (0.9%) and a reduction in Capital Grant of £4.2m (25.5%) in 2020/21, compared to the 2019/20 Settlement issued by Scottish Government in December 2018.

These reductions have been compounded by lack of clarity with regard to the new funding model for School replacement which has changed significantly from the previous model on which we based our plans a year ago. These issues have left the Council Administration with no credible alternative other than to increase the Council Tax by 4.84%, as allowed by the Local Government Settlement, in 2020/21. This increase replaces resources lost through Scottish Government cuts elsewhere in the Settlement. The council tax increase will provide the ability to invest in new schools and care facilities that are desperately needed in our communities at a time when capital grant from the Scottish Government has been cut.

The income raised by the Council tax increase will provide up-front capital finance to transform Peebles High School, and deliver Community Campuses to replace Galashiels Academy and Hawick High School much earlier than would otherwise have been possible and in line with previously agreed timescales.

The income raised will also help the Council to invest in 2 new 60 bed Care Homes in Hawick and the Central Borders to better meet the needs of a growing elderly population in the Borders.

While these facilities are in the planning and development phase, the increased Council Tax will fund investment in improving the condition of the road network with a further £2.2m invested on top of the additional £2.3m announced in last year's budget. This funding is to fund extra road resurfacing and pothole repairs in our communities in response to the priority feedback provided by 953 responses to the consultation on the 2020/21 budget.

Taken together the increases in the Council Tax approved by this Administration will deliver £4.3m of extra investment in improving the condition of the road network. With this additional resource, the total investment in the road network proposed by this budget will total £40.4m in revenue the next five years and £84.6m in capital over the next ten years.

In addition, we will transform 3 of our High Schools and provide 120 new care beds for our most vulnerable elderly population. These developments will occur in Hawick and the Central Borders.

A particular welcome feature of this year's budget process has been the significant increase in the level of engagement of Borders citizens. We have listened to the 953 responses from our public budget consultation. The priority of our residents was very clearly roads, protecting our winter services, reducing fly tipping and dog fouling. This budget reflects those priorities and continues our ambitious programme of investment in outdoor community spaces.

(b) **Motion by Councillor Bell** (Pages 185 - 218)

Under the terms of Standing Order 26 Council agrees to revisit - as part of the Opposition Budget motion - its decision at the meeting of 30th January 2020 in respect of agenda Item 12 (CCTV Provision in the Scottish Borders).

This Motion is seconded by Councillor Robson and signed by Councillors A. Anderson, H. Anderson, J. Brown, K. Chapman, K. Drum, H. Laing, C. Ramage and E. Thornton-Nicol

**The Opposition Parties on Scottish Borders Council – the Scottish National Party and the Liberal Democrat Party recommend that Council**

- (i) approves the Opposition Parties' alternative 5 year revenue plan 2020/21 – 2025/26 and alternative 10 year capital investment plan 2020/21- 2030/31 set out in documents 9(b) and 9(c); and in doing so,
- (ii) approves a council tax increase of 4.84% for financial year 2020/21 commencing 1 April 2020, with a band D equivalent of £1,253.91 as set out in the Table 1 below;

Table 1.

<b>Council Tax band</b>	<b>Proportion of Band D Council Tax</b>	<b>Annual charge applicable from 1<sup>st</sup> April 2020</b>
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H	22/9	£3,072.08

- (iii) notes the following principals and proposals:

1. The Opposition Parties have prepared an alternative 5 year revenue plan of £1.51bn for the Scottish Borders and a 10 year capital plan of £464m;

- This budget builds on opportunities and improves the lives of Borderers whatever their age by Investing in our Future. It focuses on delivering quality services, opportunities for all in a thriving economy, empowering communities and enabling people to live independently and achieve their goals.
- This budget rebuilds educational capacity, protects teacher ratios, library services, school mental health services and frontline Council services; whilst also recognising that we must modernise service delivery and make efficiencies.
- The Opposition budget specifically proposes :-
  - £24.7m investment over ten years into new or refurbished Primary schools
  - To expand the program of High School provision through renewing or replacing secondary schools in Galashiels, Peebles and Hawick by 2027 at a cost of £128.2m
  - £18.5 investment in two new nursing homes
  - Investing a further £5.9m capital and £4.5m revenue in 2020/21 into Early Learning & Childcare
  - To continue investment to a total of £55.2m in flood studies and Flood & Coastal protection over the capital period
  - To reinstate Librarians in all High Schools
  - To commit funding for a Climate Change Champion and to invest revenue in environmental and bio-diversity projects
  - To revisit the Council decision of January this year and renew public sector CCTV in priority towns

2. The Opposition Parties propose to finance the associated Revenue and Capital costs through rescheduling Community Fund investment, though discontinuing the second Council-funded CAT team when its contract comes up for renewal and through changes to the Council Tax across all Bands.

(iv) agrees that Scottish Borders Council mainstreams funding – initially £1m - from September 2020 into Borders Decides. This will devolve decisions about road maintenance, traffic management and the environment to local level. Prioritisation of spend will be decided by the community through participative budgeting, and based on officer recommendations.

	<p>(c) <b>Fees and Charges 2020/21</b> (Pages 219 - 230)</p> <p>Fees and charges 2020/21 relating to (a) and (b) above. (Copy attached.)</p>	
10.	<b>Capital programme 2020/21 Block Allocations</b> (Pages 231 - 256)	10 mins

	Consider report by Executive Director, Finance and Regulatory. (Copy attached.)	
11.	<b>Any Other Items Previously Circulated</b>	
12.	<b>Any Other Items Which the Convener Decides Are Urgent</b>	
13.	<p><b>Private Business</b></p> <p>Before proceeding with the private business, the following motion should be approved:-</p> <p>“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.”</p>	
14.	<p><b>Hawick Flood Prevention Scheme</b> (Pages 257 - 268)</p> <p>Consider report by Service Director Assets and Infrastructure. (Copy attached.)</p>	15 mins
15.	<p><b>Union Chain Bridge - Main Works Procurement Update</b> (Pages 269 - 278)</p> <p>Consider report by Service Director Assets &amp; Infrastructure. (Copy attached.)</p>	15 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.**

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Please direct any enquiries to Louise McGeoch Tel 01835 825005  
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