

Public Document Pack



SCOTTISH BORDERS COUNCIL THURSDAY, 28 MARCH, 2024

A MEETING of the SCOTTISH BORDERS COUNCIL will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST. BOSWELLS AND VIA MICROSOFT TEAMS on THURSDAY, 28 MARCH, 2024 at 10.00 AM.

All Attendees, including members of the public, should note that the public business in this meeting will be livestreamed and video recorded and that recording will be available thereafter for public view for 180 days.

N. MCKINLAY,
Director Corporate Governance,
19 March 2024

BUSINESS		
1.	Convener's Remarks.	
2.	Apologies for Absence.	
3.	Order of Business.	
4.	Declarations of Interest.	
5.	Minutes (Pages 5 - 20) Consider Minutes of Scottish Borders Council held on 21 February and 29 February 2024 for approval and signing by the Convener. (Copy attached.)	2 mins
6.	Committee Minutes Consider Minutes of the following Committees:- (a) Community Planning Strategic Board 16 November 2023 (b) Hawick Common Good 22 November 2023 (c) Chambers Institution Trust 29 November 2023 (d) Scrutiny and Petitions Committee 7 December 2023 (e) Pension Board 12 December 2023 (f) Pension Fund 12 December 2023 (g) Pension Fund 17 January 2024 (h) Chambers Institution Trust 24 January 2024 (i) Eildon Area Partnership 25 January 2024	5 mins

	<p>(j) Cheviot Area Partnership 31 January 2024 (k) Tweeddale Area Partnership 6 February 2024 (l) Executive Committee 13 February 2024 (m) Chambers Institution Trust 28 February 2024 (n) Peebles Common Good Fund 28 February 2024</p> <p>(Please see separate Supplement containing the public Committee Minutes.)</p>	
7.	<p>Scottish Borders Public Protection Committee Annual Report 2022-2023 (Pages 21 - 72)</p> <p>Consider report by Director Education and Lifelong Learning. (Copy attached.)</p>	15 mins
8.	<p>United Kingdom Resettlement Scheme - Safe and Legal Routes (Pages 73 - 80)</p> <p>Consider report by Director Resilient Communities. (Copy attached.)</p>	15 mins
9.	<p>Estates Rationalisation, Optimisation and Decarbonisation (Pages 81 - 98)</p> <p>Consider report by Director Infrastructure and Environment. (Copy attached.)</p>	10 mins
10.	<p>Waste Upholstered Domestic Seating (Pages 99 - 136)</p> <p>Consider report by Director Infrastructure and Environment. (Copy attached.)</p>	10 mins
11.	<p>Borderlands Inclusive Growth Deal: Natural Capital Programme - Species Rich Grassland Pilot Business Justification Case (Pages 137 - 202)</p> <p>Consider report by Director Resilient Communities. (Copy attached.)</p>	15 mins
12.	<p>SBC/Live Borders Transformational Change Programme</p> <p>Consider report by Director Resilient Communities. (To follow.)</p>	10 mins
13.	<p>Public Space CCTV and Town Centre Connectivity</p> <p>Consider report by Director Resilient Communities. (To follow.)</p>	10 mins
14.	<p>Motion by Councillor Mackinnon</p> <p>Consider Motion by Councillor Mackinnon in the following terms:-</p> <p>“This Council notes that:</p> <ol style="list-style-type: none"> 1. The scientific consensus is clear that human activities are primarily responsible for accelerating global climate change, and that the climate crisis now represents one of the preeminent threats to global civilization. 2. The International Energy Agency stated in its May 2021 report “Net Zero by 2050” that in order to reach that goal there should be no new oil or gas fields, or new coal mines, as of that moment. 3. Global governments and the fossil fuel industry are currently planning to produce more than double the amount of coal, oil and gas by 2030 than can be burned if the world is to limit warming to 1.5°C and avert catastrophic climate disruption, and such plans risk undoing the work of our Council to reduce GHG emissions. 	5 mins

4. A new global initiative is underway calling for a Fossil Fuel Non-Proliferation Treaty that would plan the end of new fossil fuel exploration and expansion, phase out existing production in line with the global commitment to limit warming to 1.5°C, and accelerate equitable transition plans globally.

This Council recognises that:

5. Our entire community will be affected by the impacts of continued fossil fuel expansion and resulting climate change, but particularly those who also face socioeconomic and health inequities, and our youth and future generations have the most to lose from a lack of immediate action to stop fossil fuel expansion.

This Council believes that:

6. New fossil fuel infrastructure and expanded reliance on fossil fuels exposes communities to untenable risks to public health and safety at the local and global levels; and that the economic opportunities presented by a clean energy transition far outweigh the opportunities presented by an economy supported by expanding fossil fuel use and extraction.

This Council resolves to:

7. Reaffirm our commitment, as part of our climate emergency response, to a just energy transition and to ambitious investments in the green infrastructure and industries that will create jobs and rapidly decarbonize our economy.
8. Formally endorse the call for a Fossil Fuel Non-Proliferation Treaty and make that endorsement public.
9. Call on the Scottish Government to also endorse the call for a Fossil Fuel Non-Proliferation Treaty.
10. To write to COSLA and raise our serious concerns about the impact of the climate emergency on local authorities and the need for a planned phase out of fossil fuels, and to call on them to endorse the Fossil Fuel Non-Proliferation Treaty.”

15.	Open Questions	15 mins
16.	Any Other Items Previously Circulated	
17.	Any Other Items Which the Convener Decides Are Urgent	
18.	<p>Private Business</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>	
19.	Minute (Pages 203 - 204)	1 mins

	Consider private Section of Minute of Scottish Borders Council held on 21 February 2024. (Copy attached.)													
20.	<p>Committee Minutes</p> <p>Consider private Sections of the Minutes of the following Committees:-</p> <table> <tr> <td>(a) Hawick Common Good</td> <td>22 November 2023</td> </tr> <tr> <td>(b) Chambers Institution Trust</td> <td>29 November 2023</td> </tr> <tr> <td>(c) Pension Fund</td> <td>12 December 2023</td> </tr> <tr> <td>(d) Chambers Institution Trust</td> <td>24 January 2024</td> </tr> <tr> <td>(e) Chambers Institution Trust</td> <td>28 February 2024</td> </tr> <tr> <td>(f) Peebles Common Good Fund</td> <td>28 February 2024</td> </tr> </table> <p>(Please see separate Supplement containing private Committee Minutes.)</p>	(a) Hawick Common Good	22 November 2023	(b) Chambers Institution Trust	29 November 2023	(c) Pension Fund	12 December 2023	(d) Chambers Institution Trust	24 January 2024	(e) Chambers Institution Trust	28 February 2024	(f) Peebles Common Good Fund	28 February 2024	2 mins
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21.	<p>Committee Minute Recommendation (Pages 205 - 206)</p> <p>Consider the recommendation made by the Peebles Common Good Fund Sub-Committee at its meeting held on 28 February 2024 in relation to the sale or lease or purchase of Common Good land or property of a value greater than £20,000, or in respect of grants or loans or major items of expenditure above £20,000.</p> <p>(Copy attached.)</p>	5 mins												
22.	<p>Council Management Team Restructure (Pages 207 - 212)</p> <p>Consider report by Director People, Performance and Change. (Copy attached.)</p>	10 mins												

NOTES

- Timings given above are only indicative and not intended to inhibit Members' discussions.**
- 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 Declan Hall tel: 01835 826556
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SCOTTISH BORDERS COUNCIL

MINUTE of MEETING of the SCOTTISH BORDERS COUNCIL held in Council Headquarters, Newtown St. Boswells and via Microsoft Teams on Wednesday, 21 February 2024 at 10.00 a.m.

Present:- Councillors W. McAteer (Convener), J. Anderson, D. Begg, P. Brown, C. Cochrane, J. Cox, L. Douglas, M. Douglas, J. Greenwell, C. Hamilton, S. Hamilton, E. Jardine, J. Linehan, N. MacKinnon, S. Marshall, D. Moffat, S. Mountford, D. Parker, J. PatonDay, J. Pirone, C. Ramage, N. Richards, E. Robson, M. Rowley, S. Scott, F. Sinclair, A. Smart, H. Steel, R. Tatler, V. Thomson, E. Thornton-Nicol, T. Weatherston

Apologies:- Councillors E. Small, A. Orr.

In Attendance:- Chief Executive, Director Corporate Governance, Director Finance and Procurement, Director Infrastructure and Environment, Director Education and Lifelong Learning, Director Resilient Communities, Director Strategic Commissioning and Partnerships, Democratic Services Team Leader.

1. **CONVENER'S REMARKS**

The Convener expressed his condolences to the family and friends of Elizabeth Bell, who had sadly passed away following a tragic road accident near her family home in East Gordon. The Convener provided assurances that Scottish Borders Council would fully support Police Scotland in its investigation and work quickly and tirelessly to address the community concerns.

DECISION NOTED.

2. **MINUTE**

The Minute of the Meeting held on 25 January 2024 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:-

(a) Local Review Body	22 January 2024
(b) Jedburgh Common Good	29 January 2024
(c) External Services-Providers Monitoring Group	6 February 2024

DECISION

APPROVED the Minutes listed above.

4. **REAL ACTION FOR PREVENTION: A VISION OF POPULATION HEALTH IN THE SCOTTISH BORDERS**

- 4.1 The Chairman welcomed the Director of Public Health – NHS Borders, Dr Sohail Bhatti, to provide a presentation on the Real Action for Prevention: a vision of population health in the Scottish Borders. Dr Bhatti explained that the concept of prevention was one of the fundamental pillars of Public Health and Government policy and outlined the three types of prevention. Primary prevention was where action was taken to stop a condition, disease or illness ever occurring; secondary was where action was taken to detect the early signs of a specific disease or issue and intervene before symptoms could develop; and tertiary was

where action was taken to reduce the impact of disease that had manifested in an individual. Socio-economic factors had the largest impact upon individuals' health. Health Services had a smaller impact, accounting for a 20% impact. Prevention was seen as a very cost effective way of allowing people to live healthy lives and for every pound spent there would be a multiple order of gains made. In the Scottish Borders the NHS and the Council worked together in partnership through the Integrated Joint Board and Dr Bhatti explained that through this partnership the organisations generally worked very well and was adept at resolving problems and responding to crisis, but needed to improve the way in which it prevented crises occurring. Further collaborative work needed to be undertaken to ensure that proactive steps were in place to embed prevention work into the mainstream. Dr Bhatti highlighted that the Scottish Borders had a demographic profile of what Scotland would experience in 2054 and it was imperative that health services were equipped to deal with minor ailments to allow people to live well as they aged well. The importance of putting social prescribing at scale in place was highlighted and it was emphasised that the health service would continue to be under considerable pressure until people were directed away from frontline healthcare. Such social prescribing would involve a considerable range of partners and involvement from communities.

- 4.2 Members thanked Dr Bhatti for his comprehensive report and highlighted that SBC were keen to continue to ensure that through effective partnership working, the clear vision which had been outlined was delivered. In response to a question regarding blood pressure checks at every pharmacy across the Scottish Borders, Dr Bhatti undertook to explore the situation but explained that not every location had an appropriate space for the tests to be undertaken or appropriately trained staff to assess the results, which were imperative to avoid potential misdiagnosis. Dr Bhatti accepted an invitation to attend the Anti-Poverty Reference Group. Regarding waiting lists to register at a dentist, Dr Bhatti explained that work was ongoing through the IJB and the situation was improving, however more work was required. In response to a question regarding a single system to allow all anchor institutions to make referrals for social prescribing, Dr Bhatti explained that a group had been setup to address the issue. The key drivers of a successful social prescribing model would be the citizens of the Scottish Borders, and it was imperative that successful collaboration by organisations continued to empower people. The use of technology and effective algorithms to undertake more tasks within the health service was highlighted as an area that could potentially provide considerable benefits.

**DECISION
NOTED.**

5. COUNCIL TAX 2024/25

There had been circulated copies of a report by the Director Finance and Procurement which sought approval for the freezing of Council Tax at current 2023/24 levels for 2024/25. The report provided background information to the Council Tax as well as confirmation of the charge from April 2024 in all Council Tax bands. Council, in setting the indicative budget for 2024/25 in February 2023, had forecast that Council Tax would rise by 4 per cent from 1 April 2024 providing an additional £2.9m income, net of discounts and exemptions and excluding growth of £0.6m from growth in properties, to fund Council services. In October 2023, the First Minister announced the Scottish Government's intention to deliver a Council Tax freeze across Scotland for 2024/25 in recognition of the impact of the current cost of living crisis on households and there was a commitment for that freeze to be fully funded. As part of the December 2023 Scottish Government budget, funding of £144m was provided which Scottish Government had stated equated to an equivalent 5% increase in Council Tax nationally. The distribution methodology of the £144m was confirmed in January 2024 and Scottish Borders Council would receive an additional £3.2m to support the freeze, that was £0.3m more than the £2.9m approved within the financial plan which supported the current funding gap. The £0.6m assumed for new properties remained in the budget. All council tax values referred to in the report referred only to the Council Tax element of the charge on households. That excluded charges collected by SBC on behalf of Scottish Water through council tax bills. An increase of 8.8% in domestic water and sewerage charges levied by

Scottish Water was due to take place from 1st April 2024. Members thanked the Director Finance and Procurement for the very comprehensive report and highlighted that the decision on freezing Council Tax had been carefully considered by the Cross-Party Budget Working Group.

DECISION

AGREED to:-

- (a) accept the additional funding of £3.22m through the 2024/25 Local Government Finance Settlement to freeze Council Tax at 2023/24 levels; and
- (b) approve the Council Taxes to be paid in financial year 2024/25, from 1st April 2024 in respect of all chargeable dwellings in the Scottish Borders as set out in the table below, with a Band D equivalent of £1,356.11.

Scottish Borders Council Tax applicable Charges from 1 April 2024:

Council Tax Band	Applicable Annual Charge Per property £
A	904.07
B	1,054.75
C	1,205.43
D	1,356.11
E	1,781.78
F	2,203.68
G	2,655.72
H	3,322.47

DECLARATION OF INTEREST

Councillor Rowley declared an interest in the following item of business in terms of Section 5 of the Councillors Code of Conduct given his employment with SOSE and left the Chamber during the discussion.

6. SOUTH OF SCOTLAND RESPONSIBLE TOURISM STRATEGY

There had been circulated copies of a report by the Director Resilient Communities which presented a final working draft of the South of Scotland Responsible Tourism Strategy. The first Regional Economic Strategy Delivery Plan included a commitment to “Develop a South of Scotland Responsible Tourism Destination and Marketing Strategy” under the theme of Cultural and Creative Excellence, Action 4 (C). All five of the key agencies in the South of Scotland, including Scottish Borders Council, Dumfries and Galloway Council, South of Scotland Enterprise, South of Scotland Destination Alliance, and VisitScotland had been collaborating to support the development of a single Responsible Tourism Destination Development Strategy for the South of Scotland. The report reflected the high level of ambition in the South of Scotland to grow the tourism sector, attract more visitors and increase market value. The Chief Officer – Economic Development, Ms Samantha Smith, presented the report and highlighted that the strategy had involved considerable consultation with local businesses and stakeholders across the region. Elected Members congratulated Ms Smith on the work involved and highlighted that the South of Scotland had been included in the Lonely Planet list of Best in Travel destinations for 2023.

DECISION

AGREED to:-

- (a) endorse the South of Scotland Responsible Tourism Strategy; and

- (b) **recognise the potential of the South of Scotland to contribute to the successful delivery of the National Tourism Strategy “Scotland Outlook 2030” and the National Strategy for Economic Transformation.**

MEMBER

Councillor Rowley re-joined the meeting.

7. LIVE BORDERS – PLANNED TEMPORARY CLOSURES OF FACILITIES

With reference to para There had been circulated copies of a report by the Director Infrastructure and Environment which provided an update on the temporary closures which were required to some of the Live Borders operated sporting facilities to ensure necessary electrical inspections/works were undertaken and proposed that, given buildings were closed, further survey and scoping work was undertaken, subject to available resources. A joint programme of actions was approved by Council at its meeting of 23 November 2023, including undertaking condition surveys of SBC buildings managed by Live Borders. Electrical compliance-related works were planned by Live Borders in a number of buildings which would require their temporary closure for short durations. Works to upgrade the heating system at Eyemouth Leisure Centre was ongoing and the facility remained closed. It was proposed that those temporary closures were utilised to allow some further scoping works to be undertaken, which was the same principle adopted following the Peebles Swimming Pool fire whereby additional fabric improvement works were delivered at the same time. The Director Resilient Communities, Mrs Jenni Craig, presented the report and responded to questions. In response to a question regarding a lack of communication regarding the potential closure of the Teviotdale Leisure Centre, Mrs Craig acknowledged local frustrations regarding the closure and confirmed that Scottish Borders Council and LiveBorders were working to gain a full understanding of the condition of all of the buildings within the estate in order to ensure that they were sustainable in the long-term. The Chief Executive provided assurance that when officers became aware of unforeseen, or extended closures, local Ward Members would be advised of the circumstances as a matter of priority. The proactive approach to undertaking works was lauded as a positive step to ensuring that future closures for works could be managed in a more efficient manner. In response to a question regarding whether alternative facilities were being offered for use by groups, Mrs Craig confirmed that LiveBorders had offered the use of alternative locations and undertook to investigate the full extent of such offerings. Regarding the timeframe for the condition survey, the Chief Officer – Estates, Mr Ray Cherry, explained that the programme had been started and was being undertaken in-house to allow the results to be compared to the ongoing survey of SBC’s estate. Due to the size of the estate, it was expected to take some considerable time. Mrs Craig explained that LiveBorders were planning to produce a monthly newsletter for Elected Members in order to effectively share key information.

DECISION

AGREED:-

- (a) **the proposal, subject to available resources, to take the opportunity of temporary closures to carry out condition surveys and a scope exercise which would identify further works requested to the Eyemouth and Hawick facilities from simple interventions to full decarbonisation; and**
- (b) **to delegate authority to the Chief Executives of both organisations, in consultation with the elected members of the SBC/LiveBorders Executive Board, to extend those closures, if required, to facilitate additional works, subject to available funding.**

8. OPEN QUESTIONS

The questions submitted by Councillors Sinclair and Thornton-Nicol were answered.

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 6 and 8 of Part I of Schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

10. Minute

The private section of the Council Minute of 25 January 2024 was approved.

11. Committee Minutes

The private sections of the Meeting of the External Services-Providers Monitoring Group held on 6 February 2024 was approved.

The meeting concluded at 12.05 p.m.

SCOTTISH BORDERS COUNCIL
21 JANUARY 2024
APPENDIX I

OPEN QUESTIONS

Question from Councillor Sinclair

To the Executive Member for Communities and Equalities

What activity has been undertaken by Scottish Borders Council to mark LGBT+ History Month in February 2024?

Reply from Councillor Tatler

To mark the beginning of LGBT & History Month, Scottish Borders Council flies the Rainbow Flag at the Council HQ building on 1st February.

Across our schools in the Scottish Borders there is a variety of activity taking place in different ways to support LGBT + History Month in February 2024.

Two examples of this work are:

Berwickshire High School - Over the next 2 weeks, as part of their value-based assembly programme, 4-year groups will have an assembly on LGBT month under the school value of 'supportive'. The school will publish photographs of this event and prepare write-ups for the 'Heads Up' so that parents are aware too.

Peebles High School – The PHS Pride group did a short, recorded lesson which was delivered in PSE before the February holiday. They have also organised a scavenger hunt and everyone has been invited to wear something purple along with their uniform for Purple Friday this week.

Supplementary

Councillor Sinclair asked Councillor Tatler if he agreed that the Council should be doing more to promote the actions it was taking, including social media campaigns. Councillor Tatler agreed, highlighted that 2025 it would be the 20th anniversary of the UK adopting LGBT+ history month and expressed his interest in working together to ensure that the anniversary was well celebrated.

Question from Councillor Thornton-Nicol

To the Executive Member for Service Delivery and Transformation

Can you please provide Elected Members with an update on the number of staff who have completed the Mandatory training for their role, the plan to ensure this reaches 100% and the expected timescales for this?

Reply from Councillor Rowley

Detail of Service specific mandatory training can be sent on following Council.

HR team are working on a new onboarding plan that will be focused on mandatory training being completed within the first 2 weeks of joining the organisation.

There is also a review of what is consider mandatory training and to ensure that staff participating in relevant training for their role and its frequency.

Quarterly reports are sent to Directors and Managers listing each individual member of staff highlighting any outstanding mandatory training.

The SBLearn system also provides email reminders to staff of training they should have completed, any new or refresher training that is required.

The appraisal process provides the opportunity to review mandatory training and discuss specific training needs.

Additionally, there are supervision and 1:1 meetings that give an opportunity for Managers to address training matters.

There are several reasons why mandatory training for staff is unlikely to reach 100% completed:

- Staff turnover
- New regulations or policies.
- Access to technology.

Staff temporarily out of the organisation: e.g., maternity leave, sickness, secondments, making it challenging for all staff members to complete their training within the expected timeframe.

Supplementary

Councillor Thornton-Nicol asked if all Elected Members had completed 100% of their mandatory training modules and encouraged the group leaders to ensure Elected Members complete their training. Councillor Rowley undertook to investigate whether all of the modules had been completed and agreed that Members should undertake their training. Councillor Thornton-Nicol suggested that the child protection training modules should be a two-year refresher programme, mirroring the training for Adult Support and Protection.n

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SCOTTISH BORDERS COUNCIL

MINUTE of MEETING of the SCOTTISH BORDERS COUNCIL held in Council Headquarters, Newtown St. Boswells and via Microsoft Teams on Thursday, 29 February at 10.00 a.m.

Present:- Councillors W. McAteer (Convener), J. Anderson, J. Bathgate, D. Begg, C. Cochrane, J. Cox, L. Douglas, M. Douglas, J. Greenwell, C. Hamilton, S. Hamilton, E. Jardine, J. Linehan, N. MacKinnon, S. Marshall, D. Moffat, S. Mountford, A. Orr, D. Parker, J. PatonDay, J. Pirone, C. Ramage, N. Richards, E. Robson, M. Rowley, S. Scott, F. Sinclair, E. Small, A. Smart, H. Steel, R. Tatler, V. Thomson, E. Thornton-Nicol, T. Weatherston

Apologies:- Councillor E. Small.

In Attendance:- Chief Executive, Director Corporate Governance, Director Finance and Procurement, Director Infrastructure and Environment, Director People, Performance and Change, Director Education and Lifelong Learning, Director Resilient Communities, Director Strategic Commissioning and Partnerships, Democratic Services Team Leader

1. CONVENER'S REMARKS

- 1.1 The Convener welcomed Councillor John Bathgate to his first meeting of Scottish Borders Council following his election at the Jedburgh & District By-Election.
- 1.2 The Convener highlighted that Scottish Borders Council, in collaboration with CGI, had recently been awarded a Digital Collaboration prize sponsored by Holyrood Magazine for innovation across Health and Social Care.
- 1.3 The Convener paid tribute to the Director Strategic Commissioning and Partnerships, Ms Jen Holland, who was attending her final meeting of Council before leaving to take up a new opportunity.

DECISION NOTED.

2. SCOTTISH BORDERS COUNCIL PLAN (FROM APRIL 2024)

With reference to paragraph 2 of the Minute of 23 February 2023, there had been circulated copies of a report by the Chief Executive which sought approval of the Scottish Borders Council Plan from April 2024. The Council Plan articulated the Council's strategic ambitions for the year ahead, as well as a long-term vision for the Council. In February 2023, Council approved the 'Scottish Borders Council Plan from April 2023'. For financial year April 2024 to March 2025, a new iteration of the Council Plan had been prepared which updated actions to take account of the changing strategic and operational landscape, previous performance, and evolving priorities. Performance against the Council Plan was reported to the Executive Committee on a Quarterly basis. The 'Council Plan from April 2024' built on and developed a format first used in 2022 and was divided into three main sections. An introductory section comprising the Leader's Foreword and an Introduction from the Chief Executive which, together, set out how the Council Plan was constructed, the Council's long-term vision for where it wanted the Scottish Borders to be by 2033, together with the Council's values and priorities. The second section affirmed and detailed the key strategic priorities and outcomes for the Council over the next financial year and the final section featured key actions and priorities in each of the Borders' five Area Partnership localities. The 'Scottish Borders Council Plan from April 2024' was contained in Appendix A to the report. The Chief Executive, Mr David Robertson, presented the report and highlighted that through investment in projects such as Total Mobile the Council was determined to continue its drive to be a

modern, data driven organisation capable of making a difference to the quality of life of the people that it served. Further, increasingly complex challenges, remained, and it was key that the Council continued to ensure that its Plan remained financially sustainable.

- 2.1 Members welcomed the report and highlighted that the Council was on track to become more community led. In response to a question regarding a lack of reference in the locality actions to the Border Railway extension and the Hawick CCTV system, the Chief Executive explained that given the considerable size of the document it was not possible for all documents to be included. Mr Robertson confirmed that references to those two projects would be included in the Plan before its publication. Members welcomed the ongoing school build projects in Earlston, Galashiels and Peebles, and it was hoped that dates for the Eyemouth Primary school would become clearer in the following year. In response to a question regarding how improvements to school attainment levels were measured, Mr Robertson confirmed that the Director Education and Lifelong Learning was undertaking detailed monitoring on achievement and attainment and undertook to include it in the service plan for Elected Members. Members thanked volunteers for their considerable efforts across the Scottish Borders.

DECISION

AGREED to approve the Scottish Borders Council Plan from April 2024 as contained in Appendix A to the report.

3. COUNCIL PLAN AND BUDGET ENGAGEMENT AND CONSULTATION UPDATE

There had been circulated copies of a report by the Chief Executive which provided an update on the steps taken to engage and consult with stakeholders as a vital contribution to development of the Council Plan and Financial Planning. The report described the feedback received and how it had influenced development of the Council Plan and Budget. The Council Plan and Financial Planning process had benefitted from an inclusive and accessible engagement across a number of different processes, which included online surveys in the form of a Council Plan/Budget Consultation and Secondary Schools Students Survey. At their close, 1,163 people had responded to the Council Plan/Budget Consultation whilst 862 students had responded to the Secondary Schools Students Survey. Together with the Council's Community Conversations, Place-making, consultation with Trade Unions, and dialogue with Community Planning Partners, the online survey results provided a strong evidence base which informed the development of the Council Plan and Financial Planning. Members welcomed the report and highlighted the results of the consultations and engagement had supplied important information and context as part of the creation of the Council Plan/Budget. It was suggested that the Council consider using a wider range of tools and opportunities to seek public opinion, and that a number of 5–10 minute consultations spread throughout the year could potentially yield more useful data than one large one. Members were encouraged by the relatively high response rate of the Secondary Schools Students Survey, although there was considerable variations between school response rates and they urged that work be undertaken to improve school response rates across the region

DECISION

NOTED:-

- (a) the feedback provided by respondents through the Council's communications and consultation activities on the Council Plan and Budget priorities; and**
 - (b) how that feedback had been translated into the Council Plan from April 2024.**
4. **FUTURE COUNCIL AND FIT FOR 2024 CLOSE-OUT**
With reference to paragraph 1 of the Meeting of 28 Feb 2019, there had been circulated copies of a report by the Director People Performance and Change which set out the progress SBC had made over the past 5 years under the Fit for 2024 Transformation Programme and discussed the evolution of SBC's future Transformation Programme to fully contribute to SBC's financial sustainability. The report looked at the aims of the Fit for 2024

Programme as they were set out to Council in February 2019; considered the changing operating environment for SBC during the past 5 years such as COVID-19; and acknowledged the need for the continuous evolution of a customer-focussed Operating Model in anticipation of an increasingly fast changing and challenging financial and operating context in coming years. As well as providing information around the transformation activity which had taken place over the past 5 years, it was also outlined how SBC would reshape transformation activity to contribute towards SBC's various strategic organisational priorities as set out in the Council Plan, Financial & People Plans. The Director People, Performance and Change, Mrs Clair Hepburn and the Senior Manager – Business Strategy and Resources, Mr Jason McDonald, presented the report. Mrs Hepburn explained that the focus of the programme had been on service reviews; enhanced community engagement; physical assets; digital investment; and process improvement, outlined in the Fit For 2024 programme approved in February 2019. Significant events such as the Covid-19 pandemic, Russia's invasion of Ukraine, high levels of inflation, and the cost-of-living crisis had considerably changed the context in which the Council operated. Mr McDonald outlined that all the services had successfully delivered significant change, with a vast programme of projects and improvement projects across the Council. Placemaking, the Jedburgh Grammar Campus, Inspire Learning and "Confirm" were provided as examples of the change which the Council had embraced to deliver modern services. The Council had reacted quickly to the impacts of Covid-19, with an entirely new operating model, involving new processes services and ways of working, deployed within weeks. The work on digital transformation had been at the forefront of the response. Mrs Hepburn outlined that SBC had a track record of delivering savings underpinned by transformation and there was a clear need for ongoing transformation and a new operating model to support the Council's long-term financial sustainability. It was highlighted that the transformation project would become more challenging as gains became more difficult to achieve. In response to a question regarding how well the Council learned from cases where change was managed optimally, Mrs Hepburn outlined that such cases were extremely important and led to improvements in the process.

DECISION AGREED:-

- (a) to note the range, scale and successful contribution of transformation activity undertaken by Scottish Borders Council over the past 5 years under the Fit for 2024 programme;**
- (b) that SBC close the Fit for 2024 Transformation programme; and evolve the Transformation activity towards a modernised and financially sustainable Operating Model; and**
- (c) that SBC's Financial Plan, People Planning and Council Plan Priorities, as well as statutory obligations, would continue to be underpinned by an ongoing focus on transforming and modernising services.**

5. FINANCIAL STRATEGY AND RESOURCES 2024/25

- 5.1 There had been circulated copies of a report by the Director Finance and Procurement which recommended the financial strategy to be followed by the Council for the next financial year, confirmed the resources available to the Council following the publication of the Local Government Finance Settlement and identified the financial constraints and major risks to be addressed. The report also outlined the process which had supported the construction of the draft revenue and capital Financial Plans for 2024/25 as well as the draft plans for future years. The report highlighted that total revenue resources of £370.2m were available to Elected Members, which included a £3.2m share of £144m funding made available nationally to Councils who freeze their Council Tax rates at 2023/24 rates provided by Scottish Government.

- 5.2 The Council Management Team (CMT) had supported Members to set a corporate revenue and capital budget, meeting identified pressures facing the Council. Those pressures had arisen from a variety of factors, the principal pressures included within the plan related to ongoing inflationary pressures in transport, utilities and construction costs, the anticipated continuing constraints on external revenue and capital funding from central government and increasing care requirements, especially in children and young people requiring to be looked after and accommodated out with the authority. The budget development process had been conducted to ensure that the Financial Plans of the Council were aligned with its business and people planning objectives and the level of resources available to enable delivery of the Council Plan and should be considered within the reports presented. The challenging financial landscape across Scottish Local Authorities had been widely acknowledged and the long-term impact across the Scottish Borders should not be underestimated. The Financial Plan presented to Council, although balanced, relied heavily on one-off funding to support the first year of the plan allowing the Council time to make difficult decisions on service provision and delivery in a planned and engaged manner. A freeze on Council tax rates for 2024/25 at 2023/24 rates was approved by Council on 21st February 2024. Indicative increases to Council tax rates were included within the Financial Plan at 10% for 2025/26 and a further 5% for each following year. The benefits, in terms of financial stability and effective change management, derived from adopting a longer-term corporate approach to the revenue and capital planning process were widely accepted. In 2022/23 a 10-year revenue financial strategy was developed and the Council had continued with that approach for 2024/25, maintaining the long-term planning horizon for both revenue and capital at 10 years.
- 5.3 Those strategies, along with the Treasury Management Strategy comprised a suite of papers designed to guide the financial planning exercise undertaken by the Council on an annual basis and fed into the Financial Strategy 2024/25 and the resultant Financial Plans. Financial year 2024/25 represented the second year of the current Administration's 5-year Revenue Financial Plan for the Council. It was recommended that Members continue to adopt a longer-term approach to financial planning. Estimates would continue to be updated annually as the detail of the financial settlement from Scottish Government and service costs became known. The report also sought approval of the financial strategy for the Council covering the period 2024/25 – 2028/29. The strategy provided the overall framework for the financial management of the Council and covered the revenue budget, capital investment plan, treasury management arrangements and the recommended policy on Reserves. A risk-based approach had been used to set the level of recommended balances to be held in contingency.
- 5.4 The Director Finance and Procurement presented the report and responded to questions. Regarding the expected timeline of receipt of its share of the £62.7m announced Scottish Government additional funding, Mrs Douglas explained that nothing had been confirmed, however once the UK Government budget was set on 6 March there would be further clarity. Mrs Douglas confirmed that, based on the standard calculations, the estimated value of Scottish Borders Council's share would be in the region of £1.3m.

DECISION

NOTED:-

- (a) **the estimated revenue resources for 2024/25 to 2028/29;**
- (b) **the estimated capital resources for 2024/25 to 2033/34 and the requirement to adhere to the prudential code for capital borrowing;**

AGREED:-

- (a) **to approve the financial strategy set out in the report, including the recommendation to maintain unallocated reserves at c£7.4m for 2024/25, having considered the risk register highlighted in Appendix 1 to the report;**

- (b) **that any further Scottish Government funding which became available for 2024/25, after the Council's Financial Plan was agreed, including the SBC share of the £62.7m additional funding committed by the Deputy First Minister on 21st February, would be repaid to Reserves to partly replenish the one-off funding used to balance the 2024/25 Financial Plan; and**
- (c) **to proceed to consider the proposed Financial Plan for 2024/25.**

6. **LONG TERM FINANCIAL STRATEGY (REVENUE) 2024/25**

There had been circulated copies of a report by the Director Finance and Procurement which presented Scottish Borders Council's updated Long Term Financial Strategy (Revenue) (LTFS) which supported the 2024/25 financial planning process. The Council first adopted a five-year planning period for revenue in 2013/14. The strategy adopted a ten-year forward view, aligning the time frame for strategic revenue planning with the ten-year period already adopted within the Capital Plan. The approach to medium- and longer-term financial planning was advocated as good practice by Audit Scotland and allowed the Council to deliver balanced budgets each year since 2013/14 and to plan effectively for the financial consequences of multi-year transformational change across the Council. Since adopting a longer-term planning horizon in 2013/14 the Council had successfully delivered more than £84m of savings on a permanent basis, assisting significantly with financial sustainability. Adopting a 10-year revenue planning horizon would assist the Council to plan service and strategic change appropriately and ensure the financial implications of the Council Plan were properly considered, affordable and reflected in future budgets. In response to a question regarding the indicative 10% Council Tax increase in the report, the Director Finance and Procurement confirmed that Council Tax had only been set for the forthcoming financial year. Subsequent figures were purely for planning purposes and were indicative. The Director agreed that the Council needed to maximise its income generation and welcomed suggestions from Elected Members.

DECISION

AGREED to approve the Long-Term Financial Strategy (Revenue) as contained in Appendix 1 to the report.

7. **CAPITAL INVESTMENT STRATEGY 2024/25**

There had been circulated copies of a report by the Director Finance and Procurement which presented Scottish Borders Council's updated Capital Investment Strategy (CIS) supporting the 2024/25 financial planning process. The requirements of the Prudential Code were updated in December 2017 and included the recommendation that Councils publish a Capital Investment Strategy to support their Capital Plan. The strategy defined the strategic investment priorities of Scottish Borders Council, aligned to the Councils Vision for 2033 and helped guide decisions on Capital investment proposals. The Capital Investment Strategy highlighted the capital investment priorities and explained how those priorities would assist with the delivery of the Council Plan. The Capital Investment Strategy was structured to reflect the themes of the Council Plan. The document should be read in conjunction with the Council's 10-year capital investment plan 2024 – 2034 and the Treasury Strategy which provided detail of the Council's Prudential Indicators and set out how the Capital Investment plans of the Council would be financed. Members welcomed the strategy and highlighted that the management of the Council's estate was an incredibly complicated situation that would require difficult decisions to ensure that it was fit for purpose and sustainable.

DECISION

AGREED to approve the Capital Investment Strategy as contained in Appendix 1 to the report.

8. **TREASURY MANAGEMENT STRATEGY 2024/25**

There had been circulated copies of a report by the Director Finance and Procurement which proposed the 2024/25 Treasury Management Strategy for approval. CIPFA (Chartered

Institute of Public Finance and Accountancy) defined Treasury Management as 'The Management of the Local Authority's borrowing, 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'. The Treasury Management Strategy was the framework which ensured that the Council operated within prudent and affordable limits in compliance with the CIPFA Code. The strategy for 2024/25, contained in Appendix 1 to the report, reflected the impact of the Administration's draft Financial Plans for 2024/25 onwards on the prudential and treasury indicators for the Council.

DECISION

(a) NOTED that the draft Treasury Management Strategy was considered by Audit Committee on 12 February 2024

(b) AGREED to:-

(i) approve the Treasury Management Strategy 2024/25 as contained in Appendix 1 to the report;

(ii) review capital expenditure going forward to ensure they remained realistic, affordable and sustainable; and

(iii) ensure that the revenue consequences of all capital projects be fully reviewed in all investment decisions.

9. FINANCIAL PLAN 2024/25 - INTEGRATED IMPACT ASSESSMENTS

9.1 There had been circulated copies of a report by the Director People, Performance and Change which provided assurance that potential equality impacts of the proposals contained within the Council's Financial Plan 2024/25 had been identified and would be managed accordingly. The report explained that the Council had a legal obligation under the Equality Act 2010, when exercising functions, to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that was prohibited by or under the Equality Act; advance equality of opportunity between persons who shared a relevant protected characteristic and persons who did not share it; and foster good relations between persons who shared a relevant protected characteristic and persons who did not share it was known as the Public Sector Equality Duty. Carrying out and considering the findings of an Equality Impact Assessment (EIA) as part of the decision-making process was the method of ensuring "due regard" was paid to the effect of the relevant policy or practice on the Council's obligations under the Public Sector Equality Duty.

9.2 The Council also had an obligation under the Fairer Scotland Duty to consider how socio-economic inequalities could be reduced through strategic decisions that it made. The Armed Forces Covenant Duty required the Council to actively consider matters relating to the specific position of armed forces personnel, veterans and their families when dealing with Education, Housing or Homelessness matters. The Council accordingly subjected prospective policies and practices to assessment through an Integrated Impact Assessment (IIA). This addressed potential impacts, both positive and negative, on the Council's duties under the Equality Act, Fairer Scotland legislation and where appropriate the Armed Forces Covenant Duty. Initial Integrated Impact Assessments on the 2024/25 Financial Plan proposals had been undertaken along with the revenue and capital budget planning processes. In some cases, the second stage of evidence gathering, and consultation had also already taken place. There was one new capital proposal which had been subject to initial assessment. The other capital proposals had all been carried forward from previous years and had not been re-assessed given assessments were already in place. Re-assessment may, however, take place as the projects developed. While some of the assessed proposals indicated no impact, it was recommended that any potential impact continued to be monitored, given the nature of the proposals. Those proposals may

potentially impact in a positive or negative way on one or more of the Protected Characteristics or Socio- Economic Factors and any potential negative impact would require ongoing management through their implementation stage, in terms of mitigating and alleviating those impacts. Any positive impacts identified at this stage should be maximised during the planning and implementation stage of the proposals. It was highlighted that the Council went beyond the requirements in law and commended the report.

DECISION

AGREED to:-

- (a) note the summary outcomes of the 36 Initial Integrated Impact Assessments undertaken in respect of the 2024/25 Financial Plan proposals as contained in Appendix 1 to the report; and**
- (b) that officers undertake further and ongoing Impact Assessment work, as necessary, in respect of those proposals with specific reference to the equality or socio- economic groups on whom there may be a possible impact:**
 - (I) that where there was an identified relevance to the Council’s statutory duty and there was a possible positive impact on one or more equality characteristic or socio-economic group, actions to maximise this impact should be identified and implemented as part of the project planning and delivery of each proposal or project; and**
 - (II) that where there was an identified relevance to the Council’s statutory duty and where there was a possible negative impact on one or more equality characteristic or socio-economic group, actions to mitigate and alleviate this impact should be identified and implemented as part of the project planning and delivery of each proposal or project.**

10. DRAFT 5 YEAR REVENUE AND 10 YEAR CAPITAL FINANCIAL PLANS

- 10.1 Councillor Jardine, seconded by Councillor Rowley, moved approval of the following motion which had been circulated with the agenda:-

“In spite of significantly increasing costs budget plans being presented today include a commitment to deliver all capital projects previously announced and protect frontline Scottish Borders Council services wherever possible. Council has already agreed a Council Tax freeze for 2024/25 in return for Scottish Government funding. The draft revenue and capital budget proposals have been developed following collaborative work over a number of months by a cross-party group of Councillors. The 1,163 responses from the general population along with the very welcome 862 responses from Secondary pupils, received through the Council Plan and budget survey have also shaped the plans. Councillors across the Chamber have put aside political differences and have successfully come together to develop this single financial plan for 2024/25. The impact of continuing high inflation and associated costs cannot be overstated, and these hit the Council budget from all angles: transport costs, energy prices and construction of our capital projects. Proposed financial plans for 2024/25 therefore rely on almost £10million of one-off funding from Scottish Borders Council reserves. This will give the Council time to engage with communities over the next 12 months to shape future service plans which will deliver essential permanent savings through the Council’s ongoing Transformation Programme. Despite the financial challenges we will still deliver what was an already ambitious capital investment plan, including new secondary schools in Peebles, Galashiels and Hawick and primary schools in Earlston and Eyemouth. We will deliver care villages in Tweedbank and Hawick as previously set out, and we will still be able to invest in the regeneration of our town centres and support our communities and the most vulnerable.

The key aspects of our budget for the Borders are:-

- £300m capital investment over the next three years, including into new schools and care villages
- £21.6m to be spent on roads and transport infrastructure over the next three years
- Funding to maintain a Demand Responsive Travel scheme in Berwickshire, building on the Pingo trial
- Additional funding to manage pressures in social work and social care due to demographic changes and increased need
- Investment into businesses infrastructure to support inward investment and job creation in Tweedbank and Duns
- Increased funding to support Live Borders and other local sport and leisure trusts
- Additional funding to manage significant pressures in out of area care placements for children and young people with additional needs and school transport •
- Maintaining funding for additional community police resources, through a single Community Action Team of seven officers
- Continued commitment to making the Council more efficient to support budget savings, including through the use of technology.

Council is asked to approve the revenue and capital plan budget for 2024/25 shown at item 12 on today's agenda."

- 10.2 The Leader presented his Motion and commended the work of the cross-party Budget Working Group which had worked together for the second consecutive year to reach consensus on the budget. He expressed his thanks to all of the Working Group for being positive and working to deliver for the communities of the Scottish Borders. The forward thinking and progressive capital project represented efforts to build a better Council estate that was modern and equipped to serve the needs of the people. The Group Leaders spoke in favour of the Motion and the budget and highlighted that it was the people of the Scottish Borders that had elected Councillors to serve. Concerns were expressed regarding the freeze on general revenue support, and it was hoped that future settlements took account of that freeze. Councillors spoke in favour of the Motion and expressed their thanks to Officers for their hard work throughout the budget setting process.

DECISION

AGREED to:-

- (a) **approve the Administration's financial plans from 2023/24 for revenue and capital set out in the Motion above and in Appendix 1 to this Minute in the Minute Book; and**
- (b) **approve the Fees and Charges for Council services applicable from 1 April 2023 set out in the papers accompanying the Motion**

The meeting concluded at 12.15 p.m.



SCOTTISH BORDERS PUBLIC PROTECTION COMMITTEE ANNUAL REPORT 2022-23

Report by Director – Education & Lifelong Learning

SCOTTISH BORDERS COUNCIL

28 March 2024

1 PURPOSE AND SUMMARY

1.1 This report summarises the activity of the Public Protection Committee (PPC) and associated Delivery Groups for the year 1 August 2022 – 31 July 2023.

1.2 The Annual Report covers the main activities of the multi-agency Public Protection Committee, highlighting the continuing work being undertaken in the Scottish Borders to meet the Council's statutory duties to protect children and adults at risk of harm.

1.3 The Report includes information relating to Child Protection, Adult Support and Protection, Violence Against Women and Girls and Justice Services. It includes statistical information relating to the PPC Performance Indicators and training and development activities.

1.4 The Annual Report describes the considerable work undertaken by staff and services to meet the needs of the most at risk members of our communities.

2 RECOMMENDATIONS

2.1 I recommend that Council note the content of the Public Protection Committee Annual Report 2021-2022.

2.2 I recommend that Council agree to endorse the publication and to it being shared across other forums.

3 BACKGROUND

- 3.1 Scottish Borders Public Protection Committee is an inter-agency group of senior staff which provides leadership in promoting the continual improvement of services in this area of work. The PPC incorporates the statutory responsibilities of Child Protection Committees and Adult Support and Protection Committees.
- 3.2 This entails ensuring that there is an efficient and effective multi-agency response to reports of harm, abuse, or neglect through, for instance, reviewing and revising practice guidelines, providing joint training, and reviewing of individual cases – all conducted within a culture of continuous learning. In addition, the PPC has a role to promote the safety of children and adults through raising awareness in communities across the Scottish Borders to support the key role which members of the public play.
- 3.3 The Public Protection Committee reports directly to the Critical Services Oversight Group (CSOG) consisting of Chief Executive (SBC), Chief Executive (NHS Borders) and Divisional Commander Police Scotland (Police).
- 3.4 Members of PPC sit on a variety of national groups, including Child Protection Committees Scotland, Adult Support and Protection Conveners Group and the National Lead Officer's Group. Links with a variety of local strategic and operational groups are maintained, and 3rd sector partners are represented on PPC and through the Delivery Groups.
- 3.5 Members of PPC remain committed to the support and protection of children and adults as the focus of its work. The PPC and associated Delivery Groups met regularly during the year, and much has been achieved through their inter-agency agendas and effective partnership work which is detailed in the report.
- 3.6 Alan Small took over as the PPC Independent Chair in September 2022.

4 PUBLIC PROTECTION COMMITTEE ANNUAL REPORT

- 4.1 **The PPC Annual Report** details the work of the PPC and Delivery Groups against the key functions of the Committee:
- 4.2 **PPC Governance:** The section describes the detailed review of the PPC governance and reporting structure. This included reviewing agenda setting, engagement with PPC Chairs and introduction of highlight reports. In addition,
- 4.3 **PPC Business Plan 2023 - 26:** This section of the Report highlights the work the PPC has done to review its Business Plan and agreed priority outcomes for delivery over the coming three years. The PPC's six key principles link with its statutory and non- statutory duties and its focus on continuous improvement. The plan sets out three priority areas for development, each with a specific aim. Each priority will be taken forward by the PPC through the PPC Delivery Groups who are tasked with developing and delivering distinct work plans to achieve the aims set out for each priority. Further in the report the 3 Business

priorities are explored further and how the work of the PPC and PPC Delivery Groups are processing these: Listening to, and action on, the views of those with lived experiences. Developing the culture of learning from public protection practice, both within and beyond the Scottish Borders. Responding to the pressures placed on children, young people and adults at risk of harm, improving safety and wellbeing.

- 4.4 **PPC Report Period:** The report highlights reasons to align reporting timescales to maintain effective and meaningful data analysis.
- 4.5 **Joint Inspections:** This section gives an oversight that over the course of the past two years, Scottish Borders has received Joint Inspections of both Adult Support and Protection and Child Protection. The report highlights the strengths from both inspections and the improvement plans that are being undertaken. The Inspections are referenced throughout the remainder of the report.
- 4.6 **The Business Plan's three priorities** are explored further in the next three sections of the report and highlight how the work of the PPC and PPC Delivery Groups is progressing: 1) Listening to, and action on, the views of those with lived experiences. 2) Developing the culture of learning from public protection practice, both within and beyond the Scottish Borders. 3) Responding to the pressures placed on children, young people, and adults at risk of harm, improving safety and wellbeing. These sections include information on training statistics, surveys, and joint working.
- 4.7 **Policy and Procedures:** This section provides an update on the PPC's current position including an update on the Child Protection procedures and the introduction of the new Learning Review Delivery Group guidance that links to National guidance for both Adult Support & Protection and Child Protection.
- 4.8 **The Appendices** to the Report include more detailed statistical information relating to child protection, adult support and protection, violence against women & girls including training provision.

5 IMPLICATIONS

5.1 Financial

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

5.2 Risk and Mitigations

The Annual Report is an important document for monitoring activity and for identifying areas of improvement. The risk of not collating information in this way would be a reduction in the quality of strategic work of the PPC, and subsequent impact on the safety of adults and children in our community.

5.3 Integrated Impact Assessment

Not applicable to this Report.

5.4 Sustainable Development Goals

- a. (3) The Report describes partnership working across statutory and third sector organisations, with the purpose of ensuring adults and children in our community are safe from harm, abuse and neglect.
- b. (5) The Report describes work to reduce the occurrence and impact of violence against women and girls, through our Violence Against Women and Girls partnership and Domestic Abuse Advisory Service.

5.5 Climate Change

There are no significant climate change impacts associated with this report. PPC Business and training activity is carried out online where possible, to reduce travel demands on staff.

5.6 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

5.7 Changes to Scheme of Administration or Scheme of Delegation There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of this Report.

6 CONSULTATION

6.1 The Director (Finance & Procurement), the Director (Corporate Governance), the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have been consulted and their comments received incorporated into this report.

Approved by

Lesley Munro

Director – Education & Lifelong Learning

Name	Designation and Contact Number
Samantha Wallace	Child Protection & Adult Support & Protection Lead Officer 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. Anita Hurding can also give information on other language translations as well as providing additional copies.

Contact us at People Department, Scottish Borders Council HQ, Newtown St Boswells, Melrose, TD6 0SA Tel: 01853 824000
committee.publicprotection@scotborders.gov.uk

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PUBLIC PROTECTION



SCOTTISH BORDERS

PUBLIC PROTECTION COMMITTEE

ANNUAL REPORT

2022 - 2023

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FOREWORD

I am pleased to present the Annual report for the Scottish Borders Public Protection Committee (PPC) for the Scottish Borders for 2022/2023.

The PPC has a shared vision that all children and adults at risk in Scottish Borders are supported and protected from harm and are enabled to live their lives as safely and independently as possible. Our commitment is that everyone in the Scottish Borders has the right to live free from abuse, harm and neglect. In partnership we will focus our efforts on continuous improvement, strategic planning, public information and communication. The Committee draws together the work of key areas of public protection which cut across the work of many statutory, voluntary and independent sector agencies across the Borders. The Committee works to protect the public from harm and abuse, and ensures that people receive the help they need to recover, where harm has occurred.

The PPC was established at the start of 2020 and brought together the work of the former statutory Committees of Child Protection and Adult Protection. These now operate as Delivery Groups reporting into the Public Protection Committee along with a Training and Development Delivery Group, Communications Delivery Group, Violence Against Women Partnership and the Justice Delivery Group. A recent addition has been the Learning Review Delivery Group which has been formed to support the implementation of national guidance for Child and Adult Protection Committees undertaking Learning Reviews. A diagrammatic representation of the PPC structure can be found on page 7.

The PPC is an inter-agency group of senior staff, led by an Independent Chair, which has been my role since September 2022. It provides leadership to promote the safety of children and young people and adults at risk of harm and ensures that services provided are effectively supported and managed. It reports to the Critical Services Oversight Group (CSOG) which is led by the Chief Executives of NHS Borders, Scottish Borders Council and the Divisional Commander for Police Scotland.

The report looks back at our achievements over the last year and provides a summary of our planned improvements over the coming year and evidences the commitment of partners in the Scottish Borders to keeping children, young people and adults at risk of harm as safe as possible.



Alan Small

Alan Small, Independent Chair, Scottish Borders Public Protection Committee



ASSOCIATED REPORTS

The complex multi-agency nature of PPC means that much relevant activity is reported in other local reports, or statutory reporting directly to Scottish Government. Some areas of PPC activity are measured and reported against national standards, in line with national plans and strategies. This includes, for example the Child Protection National Minimum Dataset, the Equally Safe Quality Standards and the Adult Protection Annual Return. To avoid duplication of information, much of this has not been replicated here. The following table provides links to publicly available reports which contain relevant information that may be of interest.

Report name	Brief description of relevance	Hyperlink
MAPPA Edinburgh, the Lothian and Scottish Borders Multi-Agency Public Protection Arrangements, Annual Report	Responsible Authorities fulfil their statutory duties by jointly preparing and publishing MAPPA annual reports. The report provides a statistical overview of MAPPA activity, in addition to activity and partner contribution toward the Management of Risk.	<u>MAPPA Annual Report 2022/23 Scottish Borders Council (scotborders.gov.uk)</u>
Chief Social Work Officer Report April 2022 – March 2023	This report is an opportunity to reflect on the past year, highlight the progress made against social work and social care service priorities, to celebrate what has gone well, and to acknowledge the significant impact that the pandemic has continued to have on people, their families, staff, volunteers, and communities.	<u>Item No. 13 - Appendix A - CSWO Annual Report 2022 - 2023.pdf (moderngov.co.uk)</u>
Scottish Borders Health and Social Care Partnership Strategic Framework 2023-2026	Ensures that all major organisations in the Scottish Borders involved in promoting health, social care and wellbeing are working in a common direction, with a common vision focused on improving the health and wellbeing outcomes of our communities so that we ensure that all people in the Scottish Borders are able to live their lives to the full.	<u>ijb_strategic_framework_2023_2026.pdf (scot.nhs.uk)</u>
Joint Inspection of Adult Support and Protection, Scottish Borders Partnership October 2022	Joint Inspections provide timely national assurance about individual local partnership areas' effective operations of Adult Support and Protection key processes, and leadership for Adult Support and Protection. This report describes findings from the Joint Inspection June-October 2022.	<u>Joint inspection of adult support protection in the Scottish Borders partnership (careinspectorate.com)</u>
Report of a joint inspection of services for children and young people at risk of harm in Scottish Borders community planning partnership May 2023	These Joint Inspections consider the effectiveness of services for children and young people up to the age of 18 at risk of harm. The inspections look at the differences community planning partnerships are making to the lives of children and young people at risk of harm and their families. This report describes findings from the Joint Inspection November 2022-April 2023.	<u>Scottish Borders joint inspection children at risk of harm.pdf (careinspectorate.com)</u>



PPC GOVERNANCE

We have conducted a detailed review of our governance and reporting structures over the past year. By its nature, agenda setting for a Public Protection Committee is challenging. Finding space to cover all areas of public protection and allow time for meaningful discussion means that the meetings need to be carefully planned and structured. To streamline the process, we have concentrated on:

- Engaging with Delivery Group chairs well in advance of PPC meetings and agreeing priorities for discussion and what can be dealt with as 'For Noting'.
- Introducing a simple highlight reporting template removing the need for lengthy minutes to be read through and ensuring that when there is an ask of the PPC they have the required space to discuss it in full.
- Introducing an 'of interest'/discussion section on each agenda allowing complex and challenging issues to be discussed.
- Creating a confidential section of the agenda to allow more sensitive matters to be freely discussed.

In addition, the PPC has reviewed its Business Plan and agreed priority outcomes for delivery over the coming three years. The outcomes will be achieved through the Delivery Groups delivering to specific work plans agreed by the PPC and creating the necessary link between operational and practice change and delivering a safer environment for those we are tasked with protecting. The PPC Business Plan will be the vehicle we use to monitor our improvement journey. A direct link will be in place between the work of the Delivery Groups and the PPC desired outcomes with a scrutiny and assurance responsibility provided by the PPC and then CSOG.

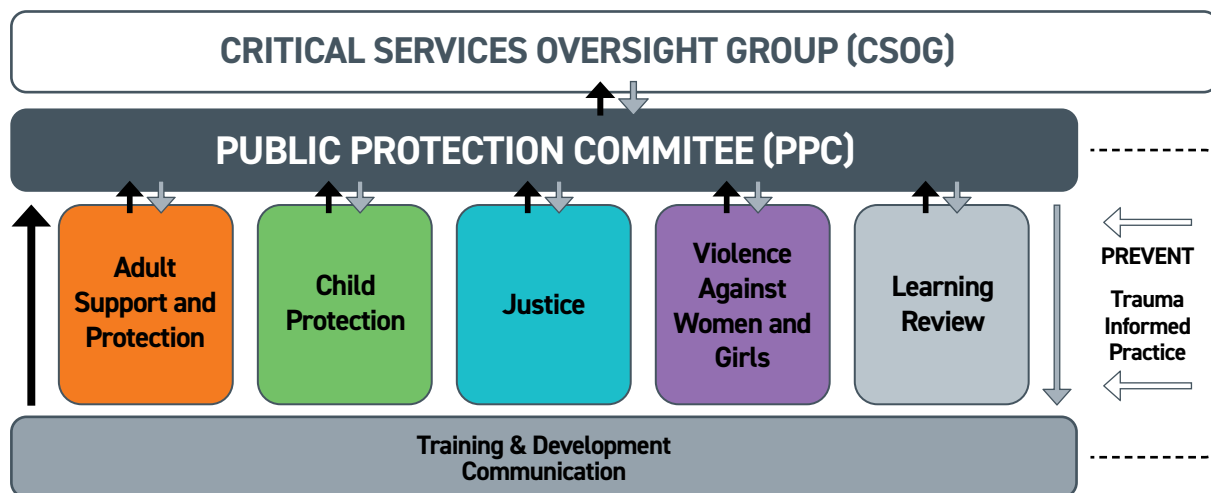


Diagram 1: PPC Governance Structure

Our Business Plan is focused on the delivery of a range of set objectives through the work of the Delivery Groups who support the PPC, each contributing to our agreed goals.



PPC BUSINESS PLAN 2023-26

Introduction

Scottish Borders Public Protection Committee (PPC) have a shared vision that all children and adults at risk in Scottish Borders are supported and protected from harm, and are enabled to live their lives as safely and independently as possible. Our commitment is that everyone in the Scottish Borders has the right to live free from abuse, harm and neglect. In partnership we will focus our efforts on continuous improvement; strategic planning; public information and communication. The work of PPC will wherever possible take cognisance of local practice and meet local needs. The following describes in more detail how we will align our core business functions to deliver improving outcomes for adults, children and young people at risk of harm.

The Business Plan is SMARTER: **S**pecific; **M**eaningful; **A**chievable; **R**elevant; **T**imebound; and we will **E**valuate and **R**e-adjust as necessary.

Our Key Principles

Our six key principles link with our statutory and non- statutory duties and our focus on continuous improvement. All partners will strive to ensure that these principles are embedded into their organisations practice and procedure.

- 1. Empowerment:** People being supported and encouraged to make their own decisions and informed consent.
- 2. Prevention:** It is better to take action before harm occurs.
- 3. Proportionality:** The least intrusive response appropriate to the risk presented.
- 4. Protection:** Support and representation for those in greatest need.
- 5. Partnership:** Local solutions through services working with their communities. Communities have a part to play in preventing, detecting and reporting neglect and abuse.
- 6. Accountability:** Accountability and transparency in safeguarding practice.

What we want to achieve

To achieve our vision, this plan sets out three priority areas for development, each with a specific aim. Each priority will be taken forward by the PPC through the PPC Delivery Groups who are tasked with developing and delivering distinct work plans to achieve the aims set out for each priority. Our delivery groups (see diagram 1 page 5) lead the delivery of set priorities into each of the three PPC Business Plan outcomes as appropriate.

Our Priorities

Priority Outcome 1 – Listening to and acting on the views of those with lived experience.

We will proactively and meaningfully engage with those we seek to protect to ensure they are appropriately involved in decisions about their lives and influence service planning, delivery and improvement, so that our service delivery impacts positively on their safety and wellbeing.

Priority Outcome 2 - Further develop the culture of learning from Public Protection practice both within and beyond the Scottish Borders.

We will continue to understand the experiences of children, families and adults at risk of harm and the staff who support them within the Scottish Borders and elsewhere promoting the embodying of a positive learning culture enabling our continuous improvement journey.

Priority Outcome 3 – Responding to the pressures placed on children, young people and adults at risk of harm improving safety and wellbeing.

We will improve our systems and practice to respond to the growing pressure on those we aim to protect through poverty and the ongoing impact of the pandemic. Maximising our response to child abuse and neglect, adult self-neglect and hoarding, transition planning and adults and children affected by mental health issues.



PPC REPORTING PERIOD

An important area of ongoing work for PPC is to improve and align our data collection and reporting across all areas of activity. As noted on page 5, there are several different national reporting requirements, many of which align to the fiscal year. Differing reporting timescales are a barrier to effective and meaningful data analysis, and PPC is therefore considering changing our child protection data reporting year from the academic year to the fiscal year, in line with all other areas of public protection reporting. As a consequence, the reporting period for future PPC Annual Reports would be based on the fiscal year. This change would leave an extended timescale before the end of the next full PPC Annual Report period, March 2025. PPC will make the decision whether to make this change by the end of 2023, including how to report on the period August 2023 to March 2024. It is noted that the Scottish Borders Adult Support and Protection Biennial Report will be submitted to Scottish Government in October 2024 to reflect activity in this area over the two years to March 2024.



JOINT INSPECTIONS

Over the course of the past two years, Scottish Borders has received Joint Inspections of both Adult Support and Protection and Child Protection.

Joint Inspections require considerable time and attention from staff. PPC would like to thank the front line staff across all agencies who assisted in gathering and collating relevant information, with case file audits, and providing their views to Inspectors; and the Business Support staff whose expertise enabled the process to go smoothly.

PPC particularly appreciates the efforts of service users: the large number of adults, children and parent carers who took time to comment on their experiences of Adult Support and Protection or Child Protection services through completing surveys or meeting with Inspectors.

Adult Support and Protection

The Adult Support and Protection Inspection took place in July 2022, with the Report published October 2022. Strengths highlighted in the report include:

- Improved outcomes for adults at risk of harm through the provision of effective adult support and protection practice by knowledgeable, competent, and confident staff
- High quality and effective risk assessment and management of risks
- Collaborative, cohesive and decisive strategic leadership for adult support and protection
- Impressive and effective multi-agency working.

The Adult Support and Protection Delivery Group is now progressing an Improvement Plan based on areas identified both through the Inspection and through the robust self-evaluation process undertaken through 2021-22. The main areas of improvement activity are: better recording of the three-point criteria at the initial inquiry stage; improved involvement of adults at risk of harm at their ASP Case Conferences; and improved involvement of adults at risk of harm and their unpaid carers at the strategic level.

Children at Risk of Harm

The Children at Risk of Harm Inspection took place during December 2022- April 2023, with the Inspection Report published in May 2023. Inspectors highlighted similar strengths and areas for improvement as those identified through the Adult Support and Protection Inspection.

Strengths identified included:

- Well-established and effective multi-agency working which led to timely and appropriate responses where risk was identified
- Children and families benefitted from supportive and trusting relationships with staff across all services, and were supported to meaningfully contribute to decisions about their lives

The key areas for improvement, which will inform the work of the Child Protection Delivery Group through 2023-24 include: children and families' involvement in service planning and improvement; consistency in quality of chronologies and children's plans, and establishing a shared and systematic approach to quality assurance and self-evaluation.

Specific aspects relating to both Inspections are referenced throughout the remainder of this Report.



KEY FACTS AND FIGURES

185 referrals were made where an adult was believed to be at risk of harm. Of these, **139** progressed to an **Adult Support and Protection Investigation.**

100% of Adult Support and Protection and Child Protection Referrals were accompanied by a **Chronology of Significant Events.**

28 children accessed the **CEDAR** (Children Experiencing Domestic Abuse Recovery) groups.



100% of our **Child Protection Initial Case Conferences** occurred within target timescales, and 82% of these had **parent carers** attending.

There were **691 attendances** at **38 multi-agency** child and adult support and protection **training courses**, and **2407** attendances at single agency training for Education, Early Years and Community Learning and Development.

392 referrals to **Domestic Abuse Advice Service**, with **96.4%** of first referrals contacted within agreed timescales.



87% of children at risk of harm said that they have an **adult they can trust** to talk about things that are important to them, or when they are not happy about something.


67% of the **133** situations of high risk of harm from Domestic Abuse discussed at a **Multi-Agency Risk Assessment Conference** included children.

90% of delegates completing an evaluation rated our child protection and adult support and protection training **4 or 5 out of 5.**



Further information on our Performance Indicators can be found at Appendix 4.





PRIORITY OUTCOME 1: LISTENING TO, AND ACTING ON, THE VIEWS OF THOSE WITH LIVED EXPERIENCE

As part of our pre-existing improvement plan for Adult Social Work, Scottish Borders Council had identified the need for a Service User (SU) engagement role. This had also been identified as a need across ASP and included in the ASP improvement plan. This was fully endorsed in principle by the Public Protection multi agency partners. As no shared resource was available across the partnership at the time, a decision was made to progress with the Adult Social Work SU engagement role which would also encompass focused work in the area of ASP, engaging with individuals and SU representation groups. Recruitment to this post will commence at the start of reporting year 2023-24, informed by targeted work undertaken by a staff member one day per week using a test of change approach, and which has proved very successful to date. It is anticipated there will be ongoing benefits to staff, SU's and families once this post is fully operational.

As part of the Children at Risk of Harm inspection, the Care Inspectorate gathered the views and experiences of almost 200 children and young people and over 100 parents and carers. The final Inspection Report notes that this high level of engagement reflects the partnership's work to develop and maintain strong relationships with children and their families. The views and experiences that children, parents and carers shared provide a rich source of information to guide future improvements to our service provision.

During last year's reporting period a consultation across Police, Social Work, NHS and 3rd sector led to the creation of our first multi-agency Adult Support and Protection Procedures. This was followed by a review of our recording workflows in 2022-23 and a revision of our performance indicators and data collection ensuring that the service user and carers are central to the process. This was implemented in the summer of 2022 and has strengthened the positive outcomes for individuals and has also provided opportunity for greater analysis and insight into service delivery and improvement. Adult service users tell us how both practical and emotional support provided through Adult Support and Protection helps them to be safer.

"...person who was harassing me has now stopped. I am now not scared of the person and I can walk past them in the street and they keep their head down. They have now (allegedly) started harassing a friend of mine and I am now trying to help [my friend] by offering practical advice. I am now not scared to answer my door as the doorbell gives me extra security along with my new door and window."
Service user

We have worked hard to improve feedback from service users, unpaid carers and families at different stages of ASP intervention and have much better mechanisms in place for collating this information. We continue to work towards better engagement at a strategic level for people with lived and/or living experience of ASP interventions.

Scottish Borders Rape Crisis Centre survivor participation group – Kaleidoscope – calls on the expertise of survivors who have accessed our services to improve and develop our service for survivors accessing in the future. Group members have been instrumental in supporting areas of development within SBRCC and participating in local and national activities and consultations, further contributing to ensuring trauma-informed responses locally and nationally. Group members told us:

*“Being part of the group is empowering, energising.
I love being involved, feel like I am giving something back, doing something for you as you have done something for me.”*

The Scottish Child Interview Model (SCIM) approach to joint forensic interviews of children, continues to be embedded in Scottish Borders Practice. Scottish Borders has a bespoke interview suite at Eildon View, Galashiels; adjacent to the co-located Public Protection Unit. A dataset has been developed to capture outcomes in respect of the project, and we undertake an evaluation process with line management and external partners to ensure evidential quality. 56 Joint Investigative Interviews (JIIs) using the SCIM model took place over the course of the reporting year.

Scottish Child Interview Model (SCIM) affords the opportunity to provide a collaborative approach and helps children and young people to have a better understanding of the process throughout interview and thereafter. Forensic Interviewing of children requires a lot of knowledge and specialist skill. The child’s wellbeing and the integrity of the entire judicial process may well depend on the quality of the interview. Interview plans are bespoke and informed by the individual needs of each child. SCIM protocol provides questioning techniques which, if utilised appropriately, are aimed to elicit more informative, richer responses.

“SCIM JII is often a child’s first point of contact with the legal/social service systems. The effect of a positive SCIM JII experience, where children feel they have been treated as respected, competent sources of important information, may have profound consequences, affecting their attitudes toward the system and themselves. Research suggests that supportive interviewers will provide higher quality evidence to decision makers than neutral or non-supportive interviewers.”
<from DC Siobhan Norrie, Police Scotland>

We have made changes in response to feedback from service users and front line staff.

You said...	We did...
<p>Small, independent social care providers asked for more flexible access to appropriate child protection and adult support and protection training.</p>	<p>Two trainers from Borders Care Learning Network have been supported to deliver the multi-agency course for the General Workforce, PP2: Introduction to Public Protection. This course is now a part of their regular training calendar, providing additional opportunity for these practitioners to receive relevant training.</p>
<p>A small group of social workers in adult services advocated passionately for the need for strategic planning to meet the needs of young adults. This focus was echoed by a third sector parent carer organisation.</p>	<p>Set up a young adults workstream to look at service provision for this age group – wider transition, and the interface between child protection and adult support and protection</p>
<p>Midwifery staff asked for support and guidance about identifying thresholds of risk.</p>	<p>Updated the Keeping Children Safe and Well Tool to include a Pre-Birth section.</p>
<p>Adult service users highlighted the impact that their housing situation has on their feeling safe and protected in their own home.</p>	<p>Ensured that service users have independent advocacy to help them address this with housing providers.</p>



PRIORITY OUTCOME 2: DEVELOPING THE CULTURE OF LEARNING FROM PUBLIC PROTECTION PRACTICE, BOTH WITHIN AND BEYOND THE SCOTTISH BORDERS

Much of the focus of PPC throughout the year has been on the establishment of a new Delivery Group specific to learning and learning reviews in response to the new National Guidance for Learning Reviews for Child Protection and Adult Support & Protection.

A Learning Review is a process that enables multi-agencies to reflect, discuss and look at service users' experiences as a way to learn and improve the services that are delivered. Learning Reviews form part of Scottish Borders quality assurance framework, and provide staff with an opportunity to consider practice and promote service developments. Systems have been put in place to ensure that any learning is shared with individual staff and managers involved prior to any wider learning being shared. No Learning Reviews were undertaken during this reporting period. (See also Policy and Procedures, pg 23)

Throughout 2022-23, work has continued to embed our Learning and Development Strategy and Framework, to ensure that all practitioners have the knowledge and understanding they require to effectively carry out their role. There were 691 attendances at our Core multi-agency Child Protection and Adult Support and Protection courses, which equip staff with the knowledge and understanding to Recognise, Respond, Record and Report concerns about children or adults at risk of harm, and (where appropriate) to contribute effectively to the Child Protection and Adult Support and Protection process.

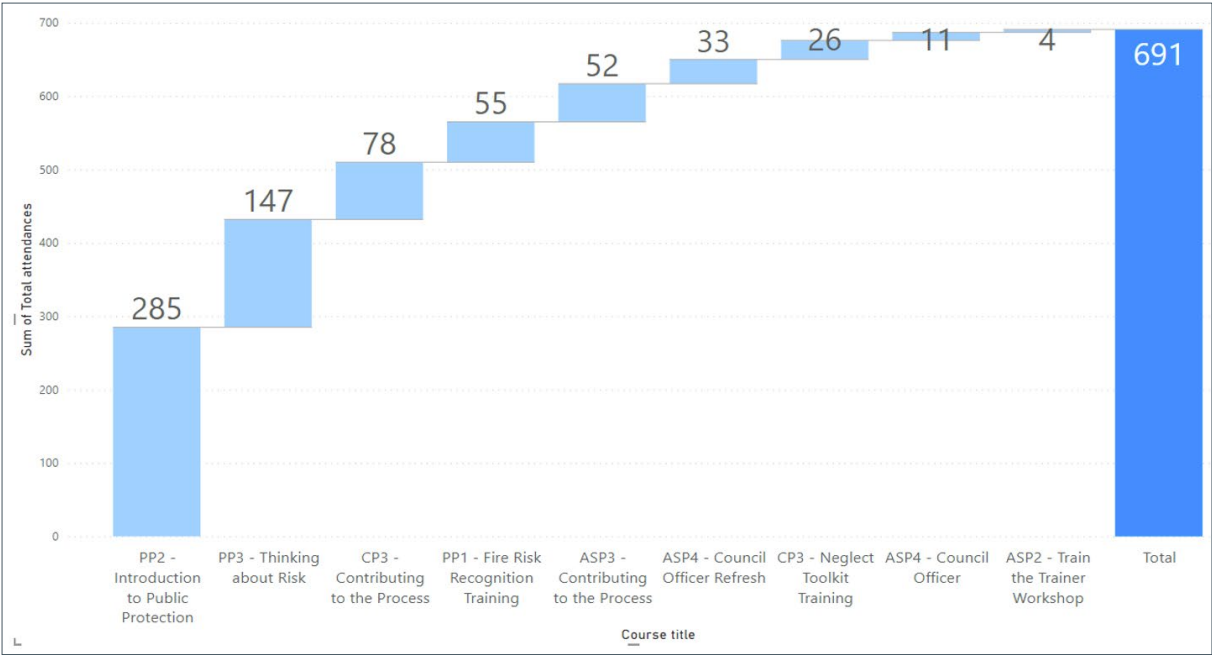


Diagram 2: Attendances at Child Protection and Adult Support and Protection multi-agency training courses

Overall, course evaluations indicate that staff rate multi-agency training courses highly, with the majority indicating some increase in their knowledge and understanding. A significant proportion of responses identify refreshed knowledge and understanding – this appears to be due to experienced staff repeating training courses either because they have transferred to Scottish Borders from another area, or their agency requires regular refresher training.

Course title	Overall, how would you rate this training? (1-5, where 5 is best)
CP2: Child Protection Induction	4.7
PP2: Introduction to Public Protection	4.4
PP3: Thinking About Risk	4.3
CP3: Contributing to the Process	4.2
ASP3: Contributing to the Process	4.7
CP3: Neglect Toolkit	4.5
ASP4: Council Officer Training	4.9
ASP4: Council Officer Refresh	4.8
Overall rating	4.4



Diagram 3: Child Protection and Adult Support and Protection multi-agency training evaluation rating charts

In evaluation comments, staff particularly highlight the value of our joint Child Protection and Adult Support and Protection training at Tier 2 and 3, and the multi-agency environment. Many staff were able to point to specific ways in which they intended to apply the learning to their practice on a day to day basis.

“we don't get a lot of training about adults but they are the parents of the child we work with so this was really useful” PP2 participant

“Everyone's perception of risk is different. It is good to have a mix of professionals attending which helps to generate discussion” ASP3 participant

“I feel I'll be able to contribute more effectively to discussions around issues of neglect where this has already been identified and I will be confident about suggesting the use of the kit moving forwards” CP3: Neglect Toolkit participant

It is notable that Council Officer courses, which are delivered face to face to small groups, are consistently rated slightly higher than courses delivered online. The Training and Development Delivery Group continues to monitor capacity and staff feedback to determine how training courses are delivered to best meet the needs of our diverse workforces.

In addition to Council Officer training under the Adult Support & Protection Act, we have set up a full accreditation and reaccreditation process supported by a clear policy, and which requires Council Officers and Managers to take responsibility for completing and approving a robust learning and development plan which is evidence based.

“Good to go over the ASP Act and updated procedures and processes. I appreciated the space to think about how they underpin the day to day ASP work for all of us. I personally valued the refresher on the distinction between the ASP Act, AWI and MHCT Act. I welcome the annual refresher, it is good to keep it fresh in my mind”. Council Officer

As part of our aspirations for continuous learning we developed and recruited a specific Adult Protection Officer role focusing on supporting staff with their learning and also quality assuring the skill set of staff working in ASP. This officer set up monthly small group based reflective practice sessions, offering Council Officers protected time for peer discussion on topics such as complex case work, legal and ethical dilemmas and balancing of rights.

“I got a lot out of the reflective practice. It is like peer to peer supervision, with oversight - so it doesn't head off on a tangent in one particular direction, and remains informative and relevant to all our work”
Council Officer

Over the course of the year we have increased our capacity to deliver training for the General Workforce across independent or 3rd sector service providers in children and adult services by supporting two trainers from Borders Care Learning Network to deliver our core course PP2: Introduction to Public Protection.

We have also developed a leaflet, poster and short animation in order to promote the PPC Vision that “Public Protection is everybody's business” to hospitality, tourism and other small businesses across the Borders. A copy of the poster is included at Appendix 4. The Communications Delivery Group will explore improving our dissemination and evaluation strategy for information for these audiences through 2023-24.

The Communications Delivery Group has formalised a quarterly Newsletter, disseminated to all staff and volunteers across all agencies. The Newsletter provides an opportunity to promote the work of the PPC, keep staff up to date with key legislative, policy or practice developments, and highlight resources for improving practice.

The Violence Against Women Partnership (VAWP) has no dedicated resource to deliver training, awareness raising or more targeted workforce development activity in Scottish Borders: all partners are committed to ensuring the workforce is offered the opportunity to ensure an effective response to all forms of gender based violence. Specialist agencies provide single agency training on domestic abuse awareness, risk assessment, rape and sexual assault, and trauma informed approaches.

In partnership with national agencies, the workforce have been offered the opportunity to be better informed on the Disclosure Scheme Domestic Abuse Scotland (DSDAS), Revenge Porn Helpline, Human Trafficking and the Multi-Agency Risk Assessment Conference (MARAC) process.

The forthcoming refresh of Equally Safe will allow the VAW Partnership to take a more targeted approach to workforce development and plans are in progress to link more closely with the local Supporting the Workforce working group, Equally Safe in Schools programme and with the existing Public Protection/ Trauma training frameworks.

Learning and Development opportunities for staff and volunteers were provided by the Alcohol and Drug Partnership. These included collaborations Scottish Drugs Forum, CREW and Scottish Families Affected by Drugs and Alcohol to offer multi-agency alcohol and drug related training.

The National Guidance for Child Protection in Scotland (2021) recognises that support and supervision for practitioners involved in child protection work, regardless of professional role, is critical to ensure:

- support for those who are directly involved in child protection work, which may be distressing
- critical reflection and two-way accountability, which enables a focus on outcomes
- the development of good practice for individual practitioners, and improvement in the quality of the service provided by the agency

To ensure that key staff continue to be provided with Child Protection supervision, within NHS Borders, Child Protection Supervisor training was commissioned and delivered by an external trainer to 16 staff across Health Visiting/School Nursing and Midwifery Service. This has supported us to increase our number of skilled supervisors and enables us to continue to develop a consistent approach and understanding of what constitutes effective child protection supervision and its relationship to safe practice and positive outcomes for children and adults.

Staff surveys carried out by the Care Inspectorate provided reassurance in the confidence staff have in our training provision and the knowledge and skills they have. The Adult Support & Protection Care Inspectorate Inspection staff survey found that:

- Almost all staff understood their role and what to do if they had concerns about an adult at risk of harm.
- Almost all agreed they were confident escalating concerns about adults at risk of harm to their supervisor and knew where to get advice.
- Almost all agreed training gave them the required knowledge, skills and confidence to undertake the required role.

A graph illustrating the results of the Children at Risk of Harm staff survey is below.

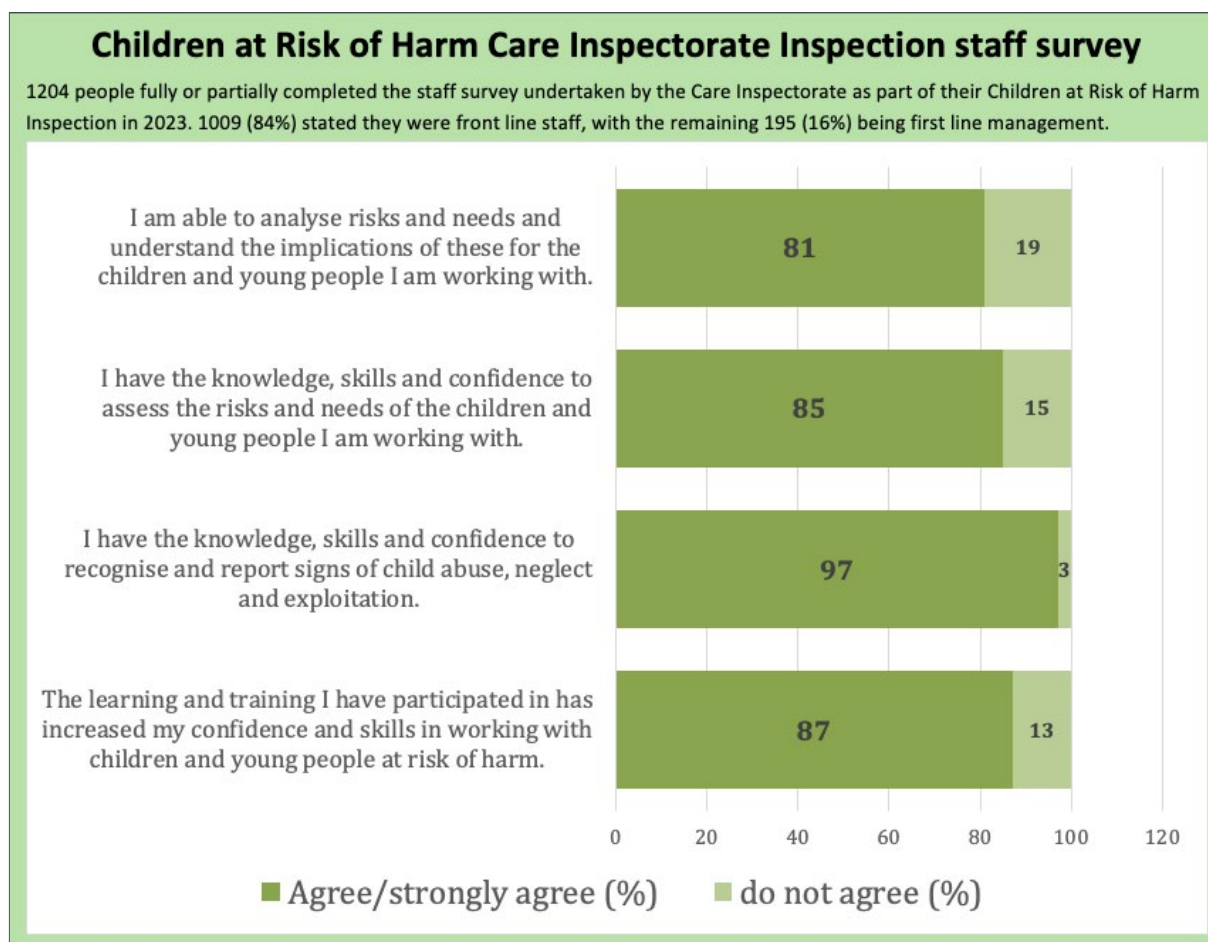


Diagram 4: Results of the Children at Risk of Harm Care Inspectorate staff survey

Further information about attendances at our training provision can be found at Appendix 3.

A range of new initiatives support shared understanding and consistent practice across agencies.

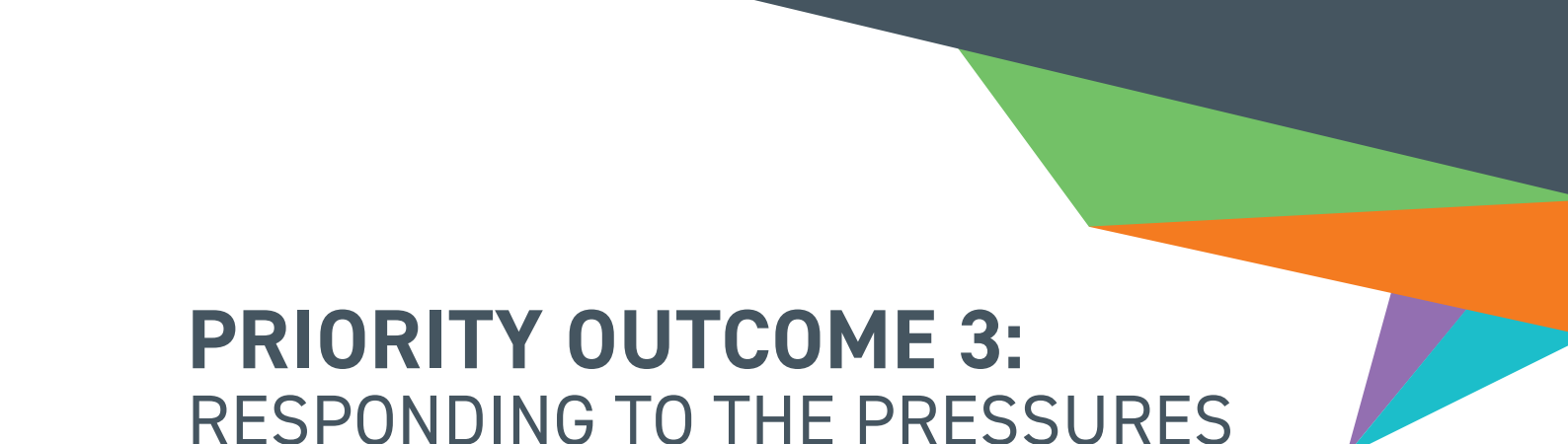
The Borders Housing Network (Berwickshire, Eildon, Scottish Borders, Waverley) have worked together on a **unified staff policy on domestic abuse**. The policy has been created to ensure colleagues across the four organisations are aware of the support available to them and to provide guidance to line managers and Domestic Abuse Workplace Support (DAWS) volunteers on supporting colleagues impacted by domestic abuse. The policy aims to **raise awareness** of the whole agenda and provide a safe space for colleagues to **share experiences and receive support** which will be tailored to their needs.

The learning from a Significant Case Review in another area of Scotland in respect to an infant who died from traumatic brain injury led NHS Borders to review and develop their **procedure for monitoring Occipital Frontal Circumference**. A **reflective learning session** with health visitors, midwives, paediatric nursing teams, and doctors was also undertaken; feedback from staff was that the session made them consider their own practice and assessments with regard to management of a crying baby and how fathers are included in home visits and assessments.

A Significant Case Review was undertaken in another local authority area following the death of an adult where **self-neglect** was a significant issue. One of the recommendations from the Significant case review report was that a clear pathway for accessing an assessment of capacity should be developed. Within Scottish Borders a **multi-agency Capacity Assessment short life working group** has taken these findings into consideration when developing the pathway for assessing capacity within Scottish Borders. This group includes representation from NHS, Mental Health, Learning Disability, Public Protection and Social Work services. This work ensures that all **practitioners share common language, understanding and practice** relating to the assessment of an adult's capacity to make decisions.

A recent **Multi-Agency Risk Assessment Conference (MARAC) to MARAC transfer** "out of area" and cross border resulted in a significant service generated risk to the family through a lack of understanding of the nature of the risk and the supports in place by the receiving MARAC. A professionals meeting with the agencies involved was held by the Scottish Borders MARAC Steering Group Chair and the remedial action was immediately taken to protect the family and staff member concerned. The learning from this case resulted in **new MARAC to MARAC Transfer Guidance** being developed for Scottish Borders and a **new procedure implemented** for any MARAC cases being transferred cross border or out of area. The client whose case was transferred re-engaged with supports in Scottish Borders, when informed of the changes to procedures etc said *"I am so glad that things have changed and will be better, so nobody else has to go through what I did, thank you"*





PRIORITY OUTCOME 3: RESPONDING TO THE PRESSURES PLACED ON CHILDREN, YOUNG PEOPLE AND ADULTS AT RISK OF HARM, IMPROVING SAFETY AND WELLBEING

Neglect

At the start of 2023, a new post of Child Protection Education Officer was established at the Public Protection Unit (PPU) based in Langlee, further strengthening the multi-agency nature of the PPU. The establishment of this post has enabled the annual Child Protection Update training for all Education, Early Years and Community Learning and Development to be created and directed by a service specialist. This has allowed for a tighter focus on the particular experiences of children and staff within these settings.

The Child Protection Annual Update for Education, Early Years and Community Learning and Development concentrated on neglect this session as there were more concerns about neglect during Covid 19 and staff were becoming more and more aware due the current economic situation. The Annual Update was delivered in schools by CP Coordinators, utilising a Train the Trainers model. This was well received, and staff fed back that the update provided them with an opportunity to consider the different types of neglect, how that manifests in a school setting and generated discussion around how young people can be supported.

The Child Protection Delivery Group previously highlighted the importance of staff receiving training in understanding the impact of childhood neglect, and supporting children and families where this is an area of concern. The CP3: Neglect Toolkit training course was re-established in 2021-22, and is now included in the regular training schedule. The course equips relevant practitioners from Health, Social Work and Education to use this important tool to support parents to understand the strengths and areas for improvement in their care of their children. Over the course of 2022-23, 26 practitioners attended this training.

Mental health

Staff from the Public Protection Unit have joined a short life working group from across adult services to devise a specific tool to support staff who work with Adults where the person appears to have difficulties in making decisions or acting in their own interests due to a mental illness or a severe communication difficulty caused by a physical condition has been developed. Although the ASP Code of Practice strongly emphasises that the three point criteria makes no reference to capacity it gives much more guidance in relation to executorial and decisional capacity and undue pressure and coercive control. As such Public Protection Unit staff have been part of the Capacity Assessment group to make sure that the tool created covers the needs of adults at risk.

Fifty eight staff from the Health and Social Care Partnership, including staff from public protection services, attended a workshop in May to discuss the development of a Capacity Pathway. This followed work undertaken to review and update the partnership's existing Capacity Assessment Tool (CAT). The aim of the workshop was to develop a Capacity Pathway across NHS and SBC and to jointly agree a flowchart and improved system of progressing Capacity-related situations in hospital, at home and in situations which require intervention under formal Adult Support & Protection. In parallel, NHS Borders is progressing a piece of work to develop a pathway of referral once it has been assessed that a Medical Assessment of Capacity is indicated.

Transitions

Scottish Borders Council continues a programme of work with Achieving Real Change (ARC) Scotland on developing Principles into Practice for young people. This work was commenced in the last reporting year and continues to focus more specifically on young people who do not have a learning disability but who need support or early intervention, particularly around supporting needs and risks. The focus of work is currently around mapping and a robust process mapping exercise has taken place and will soon conclude. This is being co-produced across several services and organisations including education, children's social work, adult social work, NHS Borders, ARC Scotland and Branching Out youth project - Borders Additional Needs Group (BANG).

In addition, a new work stream has been set up around the wider needs of young persons and young adults with a view to co-ordinating across various work streams and developing a strategic and commissioning plan for young persons and adults in the ages between 14 to 30 approximately. This will also include a review of the Vulnerable Young Persons protocols, consideration of the introduction of the Care & Assessment Risk Management approach, and particularly focusing on the needs of the 16 to 17 age group who fall under a range of policy and legislation. A wide range of statutory and third sector agencies have shown a commitment to become involved, and representatives from Adult Support and Protection and Child Protection Delivery Groups ensure consistency of approach is developed across support and protection services.

POLICY AND PROCEDURES

Learning Review local procedures

In 2021-22 the Scottish Government published new Guidance for undertaking Learning Reviews for Adult Support and Protection and Child Protection. The Learning Review approach stemmed from Scotland's commitment to strengthen its learning culture, and replaces the previous Initial and Significant Case Review process. A Learning Review is a process that enables multi-agencies to reflect, discuss and look at service users' experiences as a way to learn and improve the services that are delivered. The National guidance for both Child Protection and Adult Support & Protection supports a consistent approach to conducting Learning Reviews and improve the dissemination and application of learning both locally and nationally.

Much of the focus of PPC throughout the year has been on the establishment of a new Delivery Group specific to learning and learning reviews in response to the new National Guidance for Learning Reviews for Child Protection and Adult Support & Protection. The Learning Review Delivery Group is a multi-agency group and covers both Children and Adults, which continues to promote the Public Protection Committee's underpinning principle of 'Think Family'. The Scottish Borders Learning Review Delivery Group (LRDG) has a multi-agency Terms of Reference and Scottish Borders Learning Review Guidance that covers both Children and Adults. Local protocols and templates for sharing, analysing and disseminating information have been agreed across partner agencies.

Scottish Borders Child Protection Procedures

In September 2021, the Scottish Government published revised National Guidance for Child Protection in Scotland. This revised guidance introduced changes to underlying values and process, and all Local Authority areas are required to update their local Child Protection Procedures to reflect these changes. Scottish Borders embarked on a joint project with Edinburgh, Midlothian, East Lothian and West Lothian to develop shared Child Protection Procedures across the five areas.

Over the course of 2022-23, it became clear that differences in service structure, roles and remits meant that it was not possible to create one set of Procedures to be followed in each of the areas. The Child Protection Delivery Group and PPC considered that the areas of divergence were significant and that there was no benefit to children, parent carers or staff to adopting the practice of the other areas. It was therefore agreed in June 2023, that Scottish Borders would withdraw from this joint venture.

A multi-agency Working Group comprising members of Child Protection Delivery Group and key practitioners from the Public Protection Unit are progressing with the revision of our local Child Protection Procedures, together with implementation and communications plans. At the end of this reporting year, staff were updated on the current situation through a focused edition of the PPC Newsletter, and additional communications and staff briefing sessions will take place at intervals as the work progresses.

Through involvement in various national forums, it is apparent that progress with revising and implementing changes to local Child Protection Procedures in Scottish Borders is broadly in line with the pace of change across Scotland.

ASP Code of Practice

The Adult Support & Protection Act 2007 requires that a Code of Practice be published containing guidance about the functions under the Act by councils, their Council Officers and health professionals. The newly revised Code of Practice, which was published in July 2022 now reflects that there is a growing appreciation that Adult Support and Protection can have direct relevance to a broader range of people than originally anticipated including some people who have addiction problems or who are homeless. It can also potentially apply to people who may be being placed at risk and having their human rights infringed through inappropriate arrangements for their care. The Code of Practice provides information and detail to support practical application of the 2007 Act.

Since publication, all Child Protection and Adult Support & Protection training delivered by the ASP & CP Training and Quality Assurance Team has been updated to reflect the new Code of Practice. All Scottish Borders Council Staff who have Council Officer (as stipulated under the Adult Support & Protection Act 2007) or Line Management responsibility for Adult Support & Protection have had to complete a Microsoft Form to confirm they have read and understood the revised Code of Practice, providing PPC with assurance that key staff are aware of this development. A series of targeted briefing sessions to highlight changes to language and practice to key staff groups have been scheduled: the first session for Council Officers took place in June 2023, with further sessions scheduled for Council Officers and for all practitioners involved in ASP work.

MARAC Guidance

Multi-Agency Risk Assessment Conferences (MARAC) shares information to manage the risk of further harm to high risk victims of domestic abuse. During the reporting year, a number of documents to support an effective MARAC were produced or reviewed. These included guidance relating to: MARAC and Honour Based Abuse; MARAC and Older People; and MARAC and LGBTQ. The MARAC Information Sharing Protocol and Operating Guidance was reviewed and updated.

APPENDIX 1:

ABBREVIATIONS AND ACRONYMS

ADP	Alcohol and Drugs Partnership	MOMO	Mind of My Own
APDG	Adult Protection Delivery Group	MS TEAMS	Microsoft Teams
AP	Adult Protection	NHS	National Health Service
ASP	Adult Support & Protection	NRM	National Referral Mechanism
CEDAR	Children Experiencing Domestic Abuse Recovery	PPC	Public Protection Committee
CLD	Community Learning And Development	PPI	Public Protection Indicators
CP	Child Protection	PPU	Public Protection Unit
CPCC	Child Protection Case Conference	SB	Scottish Borders
CPDG	Child Protection Delivery Group	SBC	Scottish Borders Council
CP/LAC	Child Protection / Looked After Child	SBRCC	Scottish Borders Rape Crisis Centre
CPRO	Child Protection Reviewing Officer	SCIM	Scottish Child Interview Model
CSE	Child Sexual Exploitation	SCR	Significant Case Review
CSOG	Critical Services Oversight Group	SOPU	Sex Offender Prevention Unit
DA	Domestic Abuse	SW	Social Work
DAAS	Domestic Abuse Advisory Service	T&DDG	Training and Development Delivery Group
DG	Delivery Group	VAWG	Violence Against Women and Girls
DTTO	Drug Treatment and Testing Order	VAWP	Violence Against Women Partnership
IRD	Initial Referral Discussion	VYP	Vulnerable Young Person
JSNA	Joint Strategic Needs Assessment		
MAPPA	Multiagency Public Protection Arrangements		

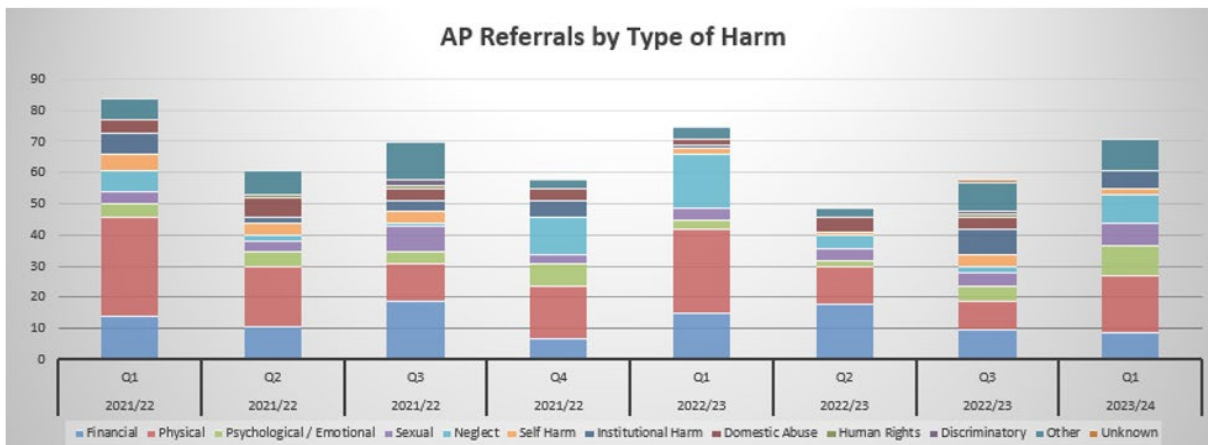


APPENDIX 2: KEY PERFORMANCE INDICATORS

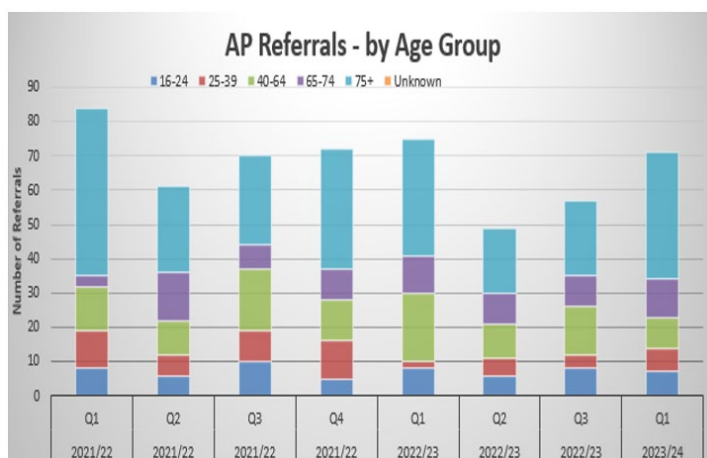
The PPC considers information gathered across a range of agreed Performance Indicators (PPIs), reviewed quarterly by Delivery Groups and the PPC and reported to the Critical Services Oversight Group. PPIs provide insight into how our processes help the people we work with, and inform improvement work. This appendix contains some representative information.

Adult Support and Protection

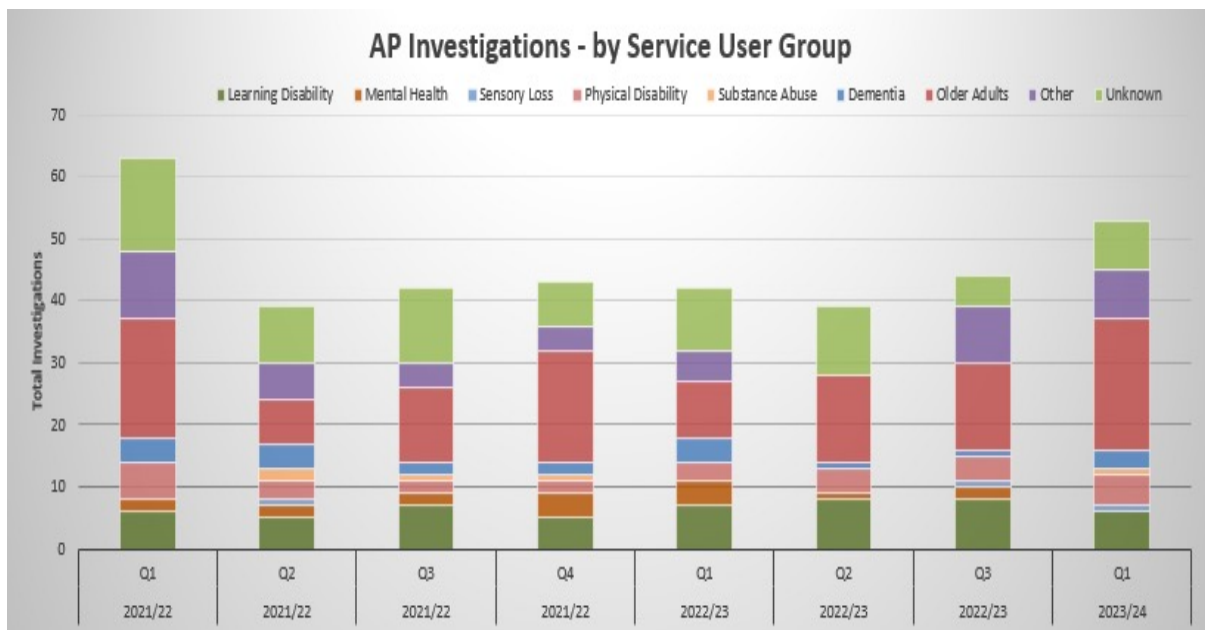
In April 2023 the Scottish Government introduced the Adult Support & Protection (ASP) National Minimum Dataset (NMD). As a result, how data is reported had to move from an August to July reporting year to April to March to meet the National requirement. This meant that there is no PPI data for Q4 22/23 and there is a duplication in reporting data for Q3 (Feb, March, April) 22/23 and Q1 (April, May, June) 23/24.



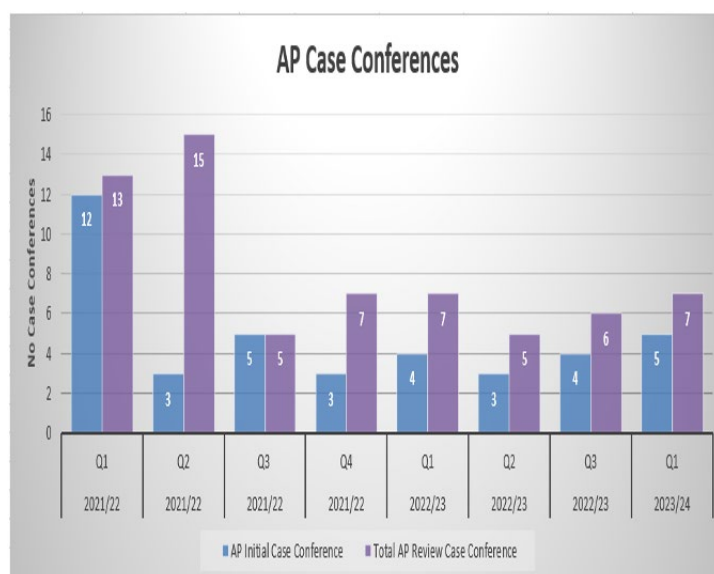
Over the year Financial and Physical harm have remained as two of the main identified types of harm at the point of referral. Neglect, Self-Neglect and Psychological / Emotional harm are areas that continue to fluctuate across the year.



The largest number of Adult Support and Protection Investigations remains consistent with Adults over the age of 75 remaining the main group that referrals are received for.

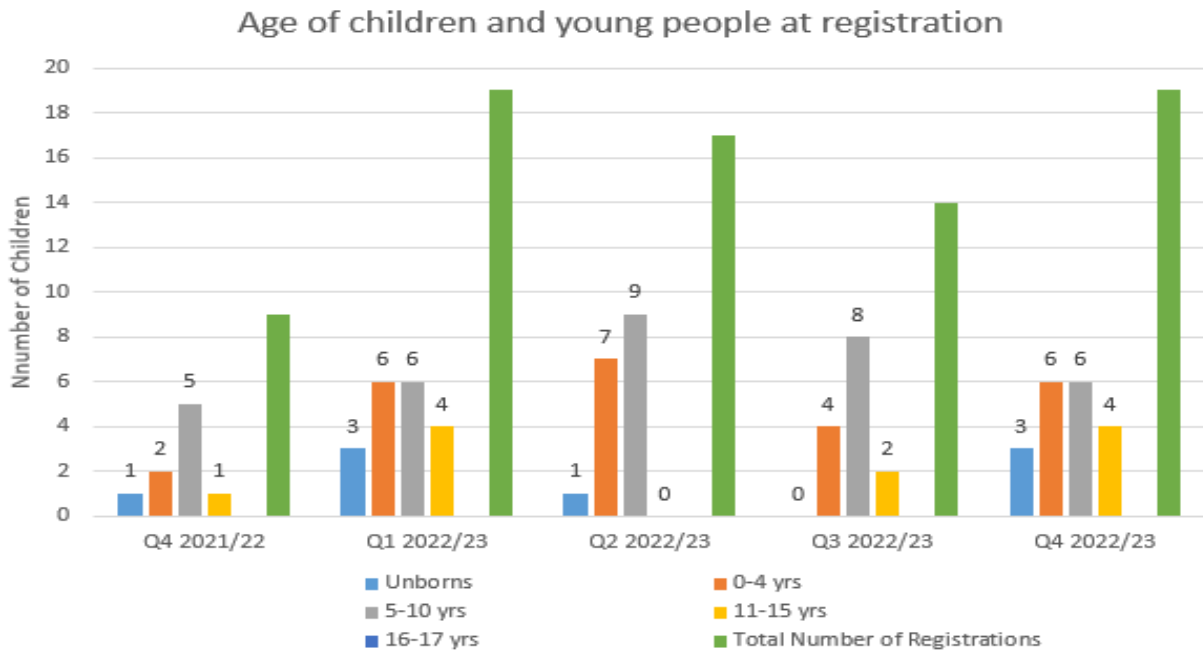


The majority of Adult Support and Protection referrals are in relation to Adults with a physical disability. ASP investigations in relation to Adults with a learning disability have remained stable throughout the year.

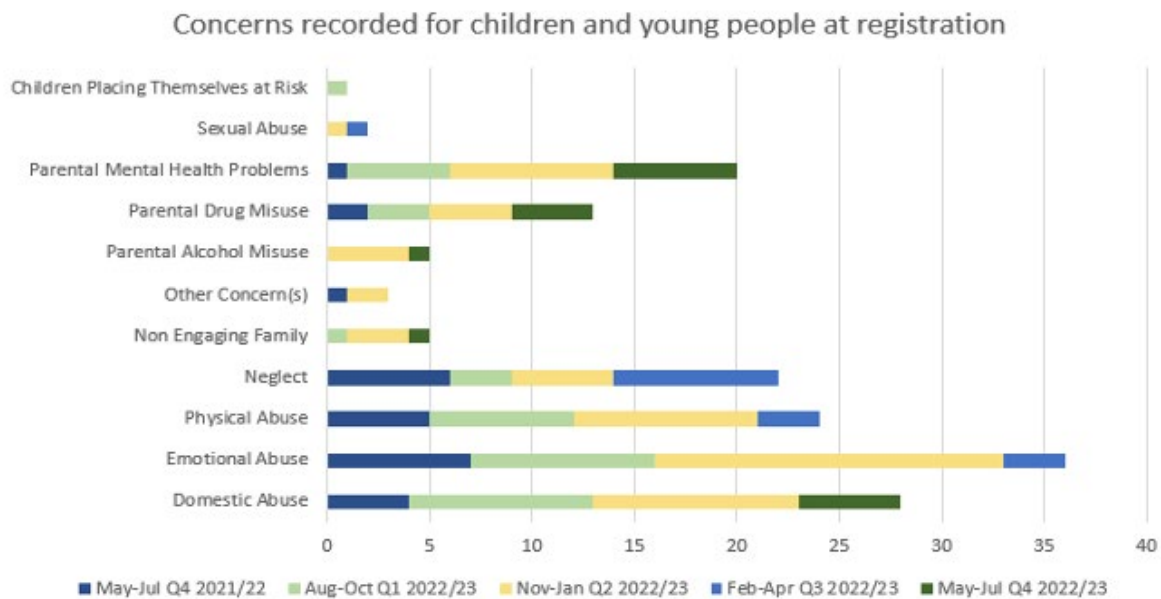


The number of (ASP) Initial Case Conferences and Review Case Conferences has remained steady throughout the year. The recent Care Inspectorate inspection confirmed that our robust Inter-agency Referral Discussions (IRD) and fluid ASP process means that the key principles under the Adult Support and Protection (Scotland) Act 2007 are met, which requires that any involvement under ASP should be the least restrictive and of benefit to the adult.

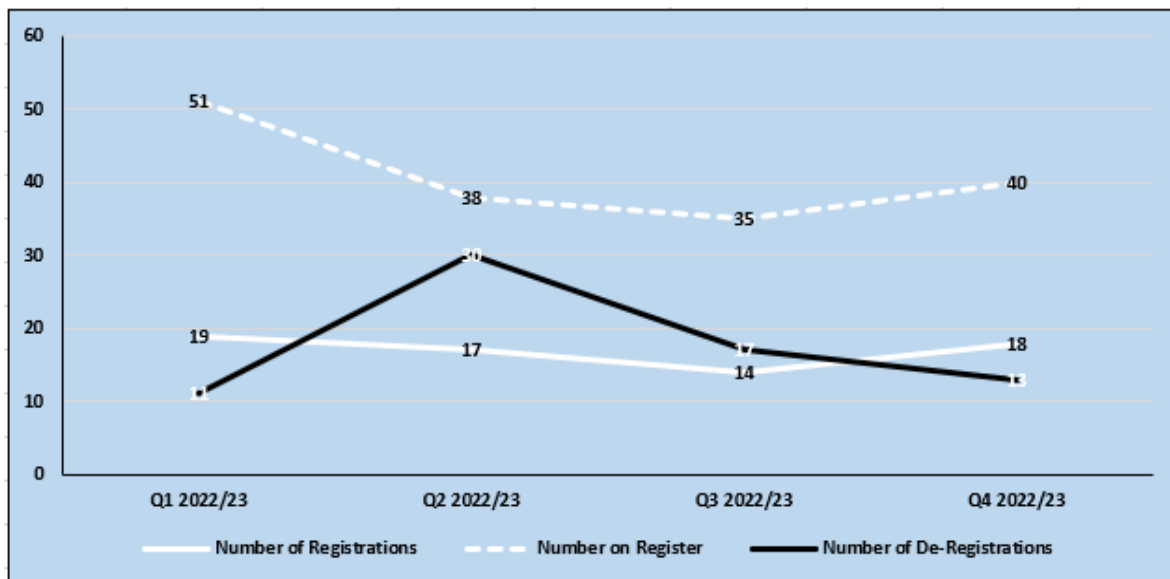
Child Protection



The age of children and young people at point of CP registration has remained fairly stable across the year with the highest number of children and young people aged between 0 – 10 year.



The above chart reflects the different types of harm that are impacting children and young people across the Borders. Children may experience more than one type of harm.

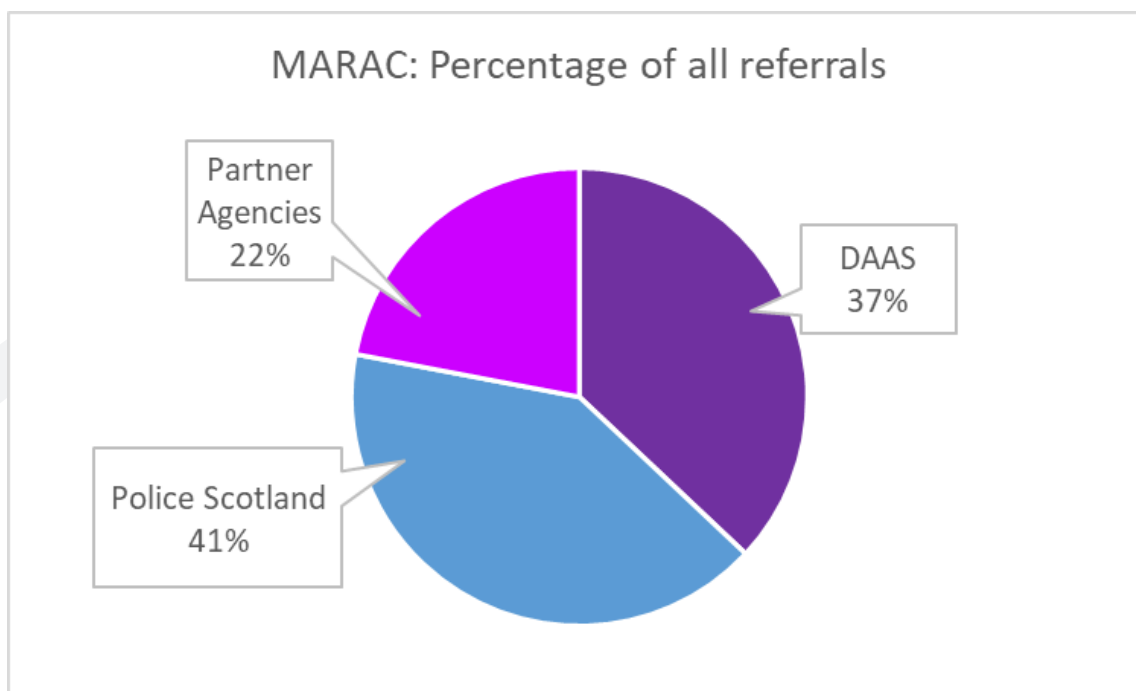


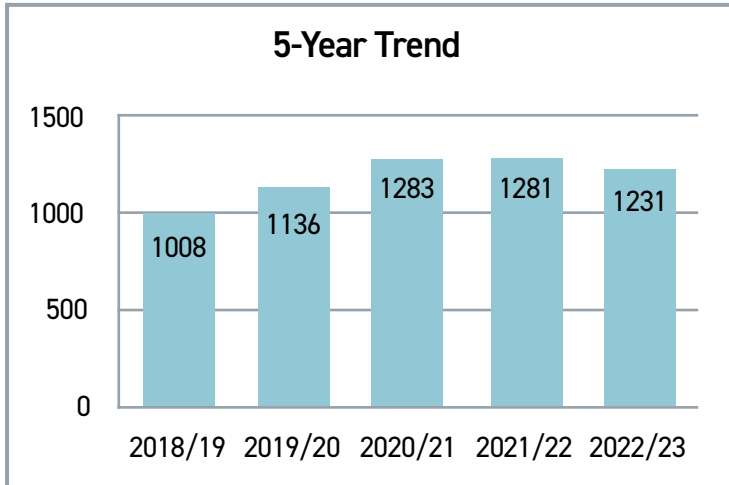
There was an increase in the **number of de-registrations** in Q2. When audited it showed that although the numbers were smaller across the previous quarters, when broken down to numbers of families per quarter there was only an increase of 3 families in Q2

Violence Against Women and Girls

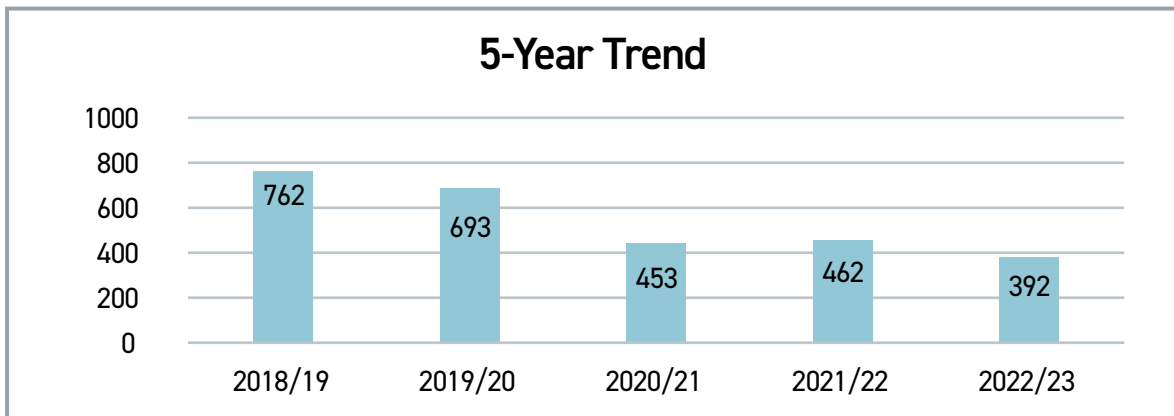
Scottish Borders Multi-Agency Risk Assessment Conference (MARAC) is a multi-agency approach to reducing risk of further harm for high risk victims of domestic abuse in the Scottish Borders. At the heart of MARAC is the working assumption that no single agency or individual can see the complete picture of a victim, but all may have insights that are crucial to their safety.

MARAC meets for a full day every four weeks, and discusses referrals made by all agencies. The chart below shows the percentage of referrals received from Police Scotland, the Domestic Abuse Advisory Service (DAAS) and other partner agencies.





50 fewer incidences of **Domestic Abuse** were reported to the Police when compared to 2021/22, which equates to a 3.9% decrease. There remain concerns that domestic abuse is underreported. Scottish Borders have increased scrutiny of the number of recorded incidences and related number of referrals to the Domestic Abuse Advisory Service (DAAS), with regular updates provided to Police Scotland and Scottish Borders Council Management Team.



392 referrals for adults were made to DAAS, a 15.2% decrease from the previous reporting year. Referral numbers have increased in Q3 and Q4, and this is being closely monitored on a weekly basis.

Active engagement with partner agencies to increase and reinforce the referral pathways continues, and there are plans to engage with Police Scotland's Domestic Abuse Champions to assist with key messaging on this.



APPENDIX 3: TRAINING PROVISION

Public Protection, Child Protection and Adult Support and Protection Training

These courses are developed and generally delivered by the CP and ASP Training and Quality Assurance Team with support from CP/LAC and ASP Nurses. Most courses are multi-agency and open to staff across all statutory and 3rd sector organisations. Most courses are delivered online.

The information below relates to courses delivered from 1st August 2022 – 31st July 2023. Fewer courses were delivered over this reporting year than the previous year, this reflects ongoing review of demand and the capacity of the CP and ASP Training and Quality Assurance Team. We continue to monitor the percentage of places filled, and adjust the number and frequency of courses offered to reflect demand.

A copy of the Joint Learning and Development Strategy and Framework can be obtained by contacting committee.publicprotection@scotborders.gov.uk

Tier	Course name	No of sessions	Total places available	No of attendances (% filled)
Multi – agency courses delivered by CP and ASP Training and Quality Assurance Team				
2	PP2: Introduction to Public Protection	12	620	285 (46%)
	ASP2: Adult Support and Protection for Care Home and Care at Home (Train the Trainers)	1	8	4 (50%)
3	PP3: Thinking About Risk	5	180	147 (82%)
	ASP3: Contributing to the process	5	130	52 (40%)
	CP3: Contributing to the process	6	160	78 (49%)
	CP3: Neglect Toolkit	2	40	26 (65%)
4	ASP4: Council Officer Training (in person training)	1	20	11 (55%)
	ASP4: Council Officer Refresher	2	44	33 (75%)
	ASP4: Code of Practice Briefing	1	50	26 (52%)
	total	35	1202	662 (55%)
Single Agency courses for Education, Early Years and CLD staff (including Passenger Transport)				
2	CP2: Child Protection Inductions	4	160	72 (45%)
	CP2: Child Protection Annual Update (delivered by education)	70	n/a	2277
	CP2: Child Protection for ASN Transport Escorts	1	n/a	12
Multi – agency courses delivered by partner agencies				
1	PP1: Fire Risk Recognition (delivered by Scottish Fire and Rescue Service)	3	160	72 (45%)
2	ASP2 – Adult Support and Protection for Care Home and Care at Home (delivered by partner agencies) *incomplete information	20	n/a	143
	Overall total	133	n/a	3221

Borders Alcohol and Drug Partnership Training courses

Borders Alcohol and Drug Partnership deliver and facilitate a range of training and information sessions, open to all multi-agency partners. Overall evaluations show that training provided is positive and learning is relevant to need. The table below indicates the courses offered during the reporting year, and attendance by statutory and voluntary sector staff, and others.

COURSE	Attendees	Statutory	Voluntary	Other
Alcohol Brief Intervention Training (2 courses)	51	38	13	
Drug Trend Monitoring Group CPD Benzodiazepines	30	27	2	1
Drug Trend Monitoring Group CPD Crack Cocaine	25	22	3	
Understanding Stigma (SDF)	7	6	1	
Meet The Services 4 courses	52	40	11	1
Hepatitis Information Session (2 courses)	11	9	1	1
Sex Drugs & Vulnerable Y P (2 courses)	12	8	4	
Into to Drug & Alcohol Services	14	10	4	
Family Inclusive Practice (SFAD)	14	11	3	
Everyone Has a Story Education (2 courses)	16	16	0	
Children Affected by Parental Substance Misuse	7	7	0	
O'Lila	9	3	4	2
Emerging Drug Trends (CREW)	20	8	11	1
Drugs and Mental Health	9	4	1	4
Staying Alive	7	6	1	
Motivational Interviewing (3 Day)	16	6	10	
Drug Awareness & Harm Reduction	16	11	2	3
Everyone Has a Story	7	6	1	
Trauma & Substance Use	7	3	0	4
Total	330	241	72	17

Violence Against Women Partnership – Workforce Development Activity

Courses developed and delivered by Domestic Abuse Advocacy Service (DAAS) or commissioned by the Violence Against Women Partnership.

Course name	No of sessions	Total places available	No of attendances (% filled)
Intimate Image Abuse Awareness session (Delivered by Revenge Porn Helpline team; commissioned by Violence Against Women Partnership, online)	1	100	64 (64%)
Domestic Abuse Awareness – single agency DBI team (delivered by DAAS team, online)	1	12	8 (66%)
Domestic Abuse Stalking and Honour Based Violence Risk Indicator Checklist session – single agency, Health Visitors (delivered by DAAS team, online)	1	20	12 (60%)
Coercive Control – single agency, Mental Health Officers Forum (delivered by DAAS team, online)	1	n/a	8
Domestic Abuse Awareness – single agency Dynamic Fusion team (delivered by DAAS team online)	1	n/a	4
Human Trafficking Awareness	1	n/a	51
TOTAL	6		147



APPENDIX 4: "SPOTTING THE SIGNS" POSTER



Everyone in the Scottish Borders has the right to live safe from abuse, harm and neglect.

You may see or hear something that makes you worry that a child or adult is being abused, harmed or neglected.

Telling someone about your worries can help to make sure that the person gets the right help, from the right people, to stay safe and well.

Concerned about a child?
Call Children and Families
Duty Social Work
01896 662787

Concerned about an adult?
Call the Council
0300 100 1800

Out of office hours?
Call the Social Work
Emergency Duty Team
01896 752111

Emergency, or don't know the
name of the adult or child?
Call the Police
101 or 999



**Child and Adult Protection
is EVERYONE'S business**



APPENDIX 5:

WHAT TO DO IF YOU HAVE CONCERNS ABOUT A CHILD OR ADULT

If you are concerned that a child, young person, or adult may be at risk of harm, has been harmed, or is a risk to others, you must tell someone immediately.

Children & Young People

The Children and Families Duty Social Work Team

01896 662787

Adults

SBC Customer Services

0300 100 1800

**For all concerns out of normal office hours,
DO NOT WAIT**

Social Work Emergency Duty Team

01896 752111

**Or if you think the person is at risk of
immediate harm 999**

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.

PUBLIC PROTECTION COMMITTEE

Scottish Borders Council | Headquarters | Newtown St Boswells

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UNITED KINGDOM RESETTLEMENT SCHEME – SAFE & LEGAL ROUTES

Report by Director Resilient Communities

Scottish Borders Council

28 March 2024

1 PURPOSE AND SUMMARY

- 1.1 **This report builds on the report to Scottish Borders Council on 27th August 2020 and provides an update the Council's participation in the various resettlement schemes. It also highlights a Home Office request for council pledges to accept refugees through Safe & Legal Routes during 2025. This is to enable a cap to be set based on these pledges.**
- 1.2 Up to February 2024 the Scottish Borders received nine Syrian families. Three Afghan families did arrive but have subsequently moved to be near family members in other parts of the United Kingdom (UK). There are currently 44 Ukraine households in hotel accommodation and a further 36 with host families.
- 1.3 The Scottish Borders has also been receiving Unaccompanied Asylum-Seeking Children and is expecting to receive adults through a UK wide national transfer scheme. These people generally originate from the small boat arrivals and are awaiting asylum decisions.
- 1.4 The Home Office via CoSLA is seeking pledges from councils on numbers of individuals/households they are willing to accept in 2025 through Safe and Legal Routes. These pledges are voluntary.
- 1.5 In addition to normal state benefits, the Home Office provide funding for the duration refugees are registered on the scheme, currently varying between 36 and 60 months. Principally this is to support integration and language development. Costs can vary depending upon the composition of families and their individual needs. The children of refugees born in the United Kingdom have **not** qualified for this funding.
- 1.6 Asylum seekers do not have the same funding arrangements and rights as refugees. They are limited in the services they can access, and remain the responsibility of the Home Office. Should an asylum decision go in their favour the eligibility changes and support would likely move to local authority services.

2 RECOMMENDATIONS

2.1 I recommend that the Council:-

- (a) Note the position regarding the current resettlement activity.**
- (b) Agree a figure of up to 10 household arrivals through Safe & Legal Routes subject to Home Office funding being maintained, the availability of suitable housing and resources locally.**

3 Refugee/Asylum Current Situation

- 3.1 Acting on behalf of the United Kingdom, the Home Office have the **UK Resettlement Scheme (UKRS)** for refugees. The UN High Commissioner for Refugees identifies those most at risk and brings them to the United Kingdom, strict criteria apply. The Scottish Borders Council's involvement has been with the Syrian Vulnerable Persons Resettlement Scheme subsequently incorporated into the UKRS. There have been no new arrivals and the remaining households on the scheme have entered the final 12 months. Syrian households hold 60 month visas.
- 3.2 There are **two** schemes for Afghanistan, **Afghan Relocations and Assistance Policy (ARAP)**, and **Afghan Citizens Resettlement Scheme (ACRS)**. Discussions are currently underway with the Home Office, Ministry of Defence and CoSLA regarding potential household arrivals. Afghan visas have been for 36 months. No decision has been made though a number of individuals and households await resettlement offers.
- 3.3 Following the war in Ukraine **three** visa entry schemes exist, the **Ukraine Family scheme visa, Homes for Ukraine scheme** and the **Scottish Supersponsor Scheme**. The first two schemes involve UK based households hosting Ukraine arrivals. The third enables applicants to select the Scottish Government as the sponsor. This scheme has been paused to new applicants since 2022. Currently two hotels (commissioned by the Scottish Government) in the Scottish Borders are being used to accommodate Ukraine households, along with hosting. They are being assisted in finding suitable permanent accommodation. Generally, this is through applications for Registered Social Landlord properties. Ukraine visas have been 36 months, and there is an opportunity to extend for a further 18 months.
- 3.4 There are currently circa 80 Ukraine households that require permanent settled accommodation. The focus is on the households in hotels (44) given changes to the Scottish Government policy on hotel stay duration and reasonable offers of accommodation being made. The local authorities status as a stock transfer authority means it is likely to take some time to move all the households out of the hotels.
- 3.5 At the expiry of the visa under UKRS, ARAP, and ACRS an application is made for permanent leave to remain. In the case of the Ukraine households the visa can be extended.
- 3.6 Previously with the UKRS local selections are made by considering the profiles of eligible households that have been sent to council scheme leads from the Home Office via CoSLA. Representatives from NHS, Social Work and Education collaborate to assess prospective households as a match. Once a match is made arrangements are put in place to bring families to the United Kingdom.
- 3.7 Several sources of information exist in the form of guidance and instruction setting out how the scheme should be administered. There is also the Scottish Government's New Scots Refugee Integration Strategy. These documents underpin our local arrangements.

- 3.8 The Scottish Borders also participates in the **Unaccompanied Asylum Seeking Children (UASC)** national transfer scheme along with other UK local authorities. This is on a pro rata basis. To date 18 young people have been received. They are classified as looked after children, and await asylum claim decisions. The number of UK arrivals will determine the number and frequency transferred to the Scottish Borders.
- 3.9 The Scottish Borders also expects to participate in the wider **asylum dispersal of adults**, based upon the local population size this would equate to circa 48 asylum seekers. While we have yet to have any arrivals the Home Office is actively working to procure suitable properties. Although they would remain the responsibility of the Home Office until an asylum decision is made support will be required from within the local authority.

3.10 Current and expected arrivals:

	Current Households	Current People	Projected Households	Projected People
Syria*	9	40		
Afghanistan**	0	0		
Ukraine***	80	166		
UASC	N/A	18		
Asylum Seekers	0	0	N/A	48

*Doesn't include children born in the UK.

**Three households of 8 people arrived in the Scottish Borders then left to be near family members. If agreeable we are likely to receive other households.

***Currently being supported in hotels and hosted accommodation.

Previous Council Decisions

- 3.11 In a report to Council dated 12th November 2015 Scottish Borders Council agreed that the Scottish Borders would participate in the UK Governments scheme for the resettlement of vulnerable refugee families. The number would be based upon the pro rata distribution across Scotland.
- 3.12 As the number of households approached 10 a further report was presented to Scottish Borders Council on 27th August 2020 recommending a further 10 households be supported. This was agreed.
- 3.13 Since these decisions the situation in Afghanistan, Ukraine and the widening of the asylum dispersal has occurred.

Household Support

- 3.14 In 2018, as refugee numbers increased support arrangements were strengthened by formally engaging a resettlement officer.
- 3.15 As the situation in Ukraine developed additional staff have been seconded to support the resettlement work funded by the tariff funding received from the Scottish Government and Home Office. There is a need to monitor and adjust the resource profile to meet developing need.

Availability of Housing

3.16 Demand for housing in the Scottish Borders and elsewhere in Scotland and the UK remains exceptionally high. There are approximately 450 fewer registered private landlords since 2018/19 equating to a reduction of 500 properties across the area, coupled with reduced turnover among the Registered Social Landlord stock. Demand on homeless temporary accommodation has grown year on year since 2018/19 and is at capacity. The availability of suitable housing will naturally determine the number and pace of any new resettlement arrivals.

3.17 It is of note that private rent prices compared to social housing, potential over and under occupancy, difficulty with mobility or other health conditions, and available amenity are all factors in assessing suitability. It is unlikely that arrivals would be able to work initially and therefore be reliant upon benefits.

4 IMPLICATIONS

4.1 Financial

It is expected that funding provided by the Home Office for participation in Safe and Legal Routes will prevent the scheme creating a budget pressure on the council. The other schemes the Scottish Borders has participated in have been self-funding.

(a) Existing current regular outgoings

The additional funding provided by the Scottish Government and Home Office has been used to provide:

A resettlement team and associated administration.

Support to local NHS services.

English for Speakers of Other Languages (ESOL) split between Community Learning and Development, Borders College, and on-line.

Additional dedicated classroom support depending upon the number and specific needs of school age children for the first year after arrival.

Costs associated with training, travel and integration activities, and interpretation.

(b) Predicted one off payment

The preparation of properties prior to arrival has varying costs depending upon condition. Households take on the tenancy upon accessing the property and signing the agreement.

4.2 Risk and Mitigations

- (a) The report fully describes all the elements of risk that have been identified in relation to this project and no specific additional concerns need to be addressed at this time.

4.3 Equalities

- (a) The purpose of this report is to ensure that Scottish Borders Council and its strategic partners fulfil their obligation to those families settling in the Scottish Borders as refugees and take a position on future participation.

4.4 Acting Sustainably

- (a) None.

4.5 Carbon Management

- (a) None.

4.6 Rural Proofing

- (a) None.

4.7 Changes to Scheme of Administration or Scheme of Delegation

- (a) none

5 CONSULTATION

- 5.1 The Director (Finance & Procurement), the Director (Corporate Governance), the Chief Officer Audit and Risk, the Director (People Performance & Change) and Corporate Communications have been consulted and comments will be tabled at the meeting.

Approved by

Name Jenni Craig

Title Director Resilient Communities

Author(s)

Name	Designation and Contact Number
Graham Jones	Group Manager – Safer Communities & Homelessness

Background Papers:

Previous Minute Reference: Scottish Borders Council meeting minutes dated 12th November 2015, Item 7, and Scottish Borders Council meeting minutes dated 27th August 2020, item 11.

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

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Estate Rationalisation, Optimisation and Decarbonisation

Report by Director Infrastructure & Environment

Scottish Borders Council

28 March 2024

1 PURPOSE AND SUMMARY

1.1 This report explains the approach that Scottish Borders Council intend to take in rationalising, optimising and decarbonising the Council's estate. The primary driver behind this approach is to ensure that the Council is financially and environmentally sustainable whilst supporting the delivery of key Council services.

1.2 Scottish Borders Council deliver a significant and broad range of services to communities and businesses across the region. The 2024-25 financial planning process highlighted that the Council is currently living beyond its means and needs to continue on our transformational change approach to ensure that the Council is operating within available resources. Estate rationalisation is crucial, through the process detailed in this report, in reducing the financial burden of the current property portfolio.

1.3 The Council's direct carbon emissions are largely connected to two things: utility usage in running our buildings; and in transport around the region. Rationalisation and optimisation of the Council's estate will positively contribute to reducing direct emissions, whilst also tightening the focus for where revenue and capital budgets are targeted operationally and in decarbonisation measures.

1.4 It explains a series of conclusions reached about the Council's estate following a review in 2022 relating to condition, scale, nature of space, working practices, carbon emissions and financial, social and economic sustainability:

- Much of the estate is near end of life, in poor condition or is uneconomic to fix;
- Estate is oversized;
- Digital tools can improve ways of working;
- Spaces do not reflect what services need to deliver effectively;
- There is little meaningful progress in partnership working and joined up public services;

- There is a desire for more creative use of Council assets by the community;
- Maintenance is reactive with large backlog;
- There is a lack of risk based and life cycle approach taken to planning investment;
- Education investment has been partially successful;
- The estate is financially, socially and environmentally unsustainable; and
- Service delivery can improve with cultural change

1.5 It sets out five key objectives intended to achieve the overall vision:

To operate an efficient, fit-for-purpose, sustainable estate, that is appropriately sized and located to meet the needs of our communities and their strong identities, with digitally enabled working environments that can be effectively managed and which supports the Council Plan through the delivery of truly joined up services.

1.6 The report explains a series of actions that have already been undertaken or are in progress including:

- The establishment of the Capital Projects Programme Management Office;
- The establishment of a new Chief Officer Estates post bringing together a series of key functions;
- The commencement of a programme of condition and suitability surveys to assess building performance where objective data will be collated into a performance dashboard. This dashboard is intended to enable a more strategic approach to how we manage each building;
- Reimagining HQ as a Civic Hub to optimise use of the building; and
- A sample energy audit to help inform an efficient and productive approach to estate wide decarbonisation.

1.7 Proposals outlined within the report focus on:

- **Affordability**, right sizing the estate to be financially sustainable;
- **Rationalisation**, reducing the amount of underutilised and poor condition estate;
- **Optimisation**, maximising use and occupation of the estate; and
- **Decarbonisation**, introducing measures to reduce CO2e.

1.8 The report explains that the building performance dashboard will provide objective data informed criteria along with other factors to classify buildings as either 'Green – Retain and Maintain', 'Amber – Retain and Invest' and 'Red – Divest or Dispose'.

1.9 A rationalisation target is proposed for the next 5 years, explaining the benefits that will be realised as well as the need for all Council services to play their part in supporting the objective, contributing to right sizing the estate, both of which will contribute to targeting how we invest, where we maintain to improve the efficacy of our estate, decarbonising and reducing costs.

1.10 The report explains the role that all Council services must play in contributing to this proposal, explaining that this is a key dependency in

achieving the rationalisation target. It goes on to summarises that a communications plan will be developed to support this.

- 1.11 In terms of governance, the report proposes that annual reports will be presented to Executive Committee to monitor performance and progress. To supplement this, a Member Officer Working Group will be established to develop recommendations, consider steps necessary, risks, impacts and implications, and resolve any issues.

2 RECOMMENDATIONS

2.1 I recommend that Scottish Borders Council approve the following recommendations:

- (a) The affordability, rationalisation, optimisation, and decarbonisation strategy described in Section 5 of the report;
- (b) The estate assessment criteria as described in 6.4 of the report;
- (c) The proposed decarbonisation hierarchy as described in 6.6 of the report;
- (d) The approach proposed to engage with communities once an asset has been identified for divestment or disposal as described in 6.8 of the report;
- (e) The target 10% (39,000m²) reduction of the estate over a 5 year period proposed in 6.9 of the report recognising the role that all Scottish Borders Council services have a collective role in working together to realise this objective;
- (f) The review of service needs as described in 6.10 of the reports building on the ambition set out in the December 2020 report and recognising that Council services and our partners collectively influence the shape and size of the estate.
- (g) The communication plan approach as set out in 6.11 of the report.
- (h) The establishment of an Elected Member Officer Working Group as described in 6.12 of the report;
- (i) The proposed reporting approach as set out in 6.13 of the report.
- (j) The officers within the Estates team prioritise their resources and budgets to achieve the targeted reduction in floor area, and take measures to supplement resource where necessary to progress whilst maintaining business as usual activities.

3 BACKGROUND

3.1 The Council's estate is a significant asset, supporting the wide ranging services that are delivered across the region. In December 2020, Scottish Borders Council considered a proposal for Community Engagement over Future Service Delivery. That report recognised need to reshape the model of public service delivery in the Borders to improve the quality of life for its citizens, stimulate economic growth and minimise our environmental impact. It explained that the Council has and continues to invest new facilities and new ways of working which will have an impact on the Council's existing extensive property footprint over the next few years. It highlighted the opportunities provided by new technology, the experience of service delivery during Covid-19 and the need to ensure the Council's extensive estate is sustainable, providing a compelling justification of the need to modernise public service delivery and ensure our property estate is fit for purpose. The report outlined:

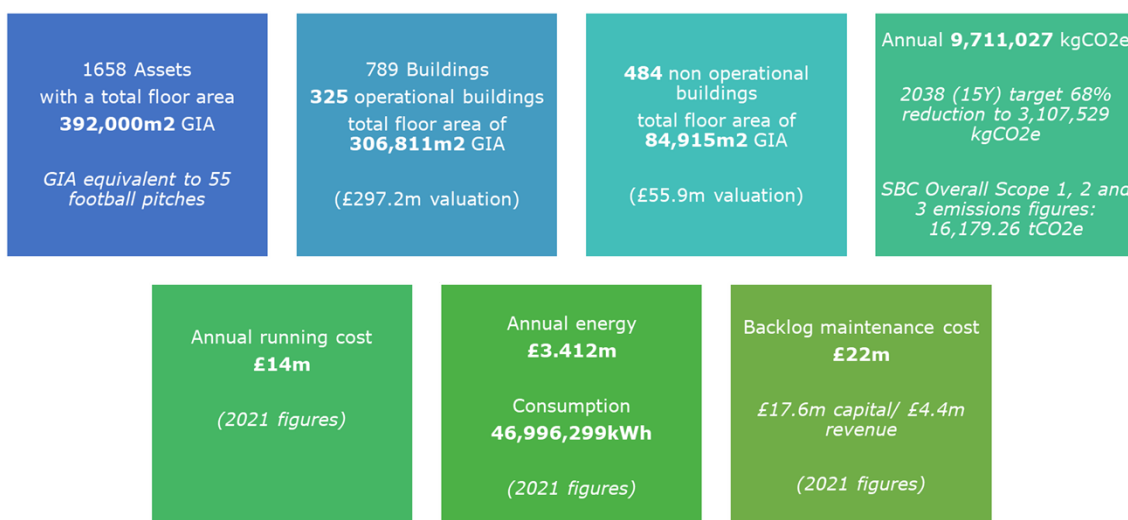
- The continuing significant investment that the Council is making in the modernisation of its services and its estate.
- The need for engagement with communities to look at how these investments can be sustained through alternative models of service delivery.
- The pressing need to look at how limited financial resources can be prioritised to continue to support these developments.

3.2 In 2022 a review of the estate was undertaken. It considered demographics, socio-economic factors, governance and regulatory frameworks, local policy context, partnerships, the impact of Covid-19, council initiatives, financial position, plans and governance. It concluded that:

- Much of the estate is near end of life, in poor condition or is uneconomic to fix;
- Estate is oversized;
- Digital tools can improve ways of working;
- Spaces do not reflect what services need to deliver effectively;
- There is little meaningful progress in partnership working and joined up public services;
- There is a desire for more creative use of Council assets by the community;
- Maintenance is reactive with large backlog;
- There is a lack of risk based and life cycle approach taken to planning investment;
- Education investment has been partially successful;
- The estate is financially, socially and environmentally unsustainable; and
- Service delivery can improve with cultural change.

3.3 The large and dispersed nature of our estate places pressure on services as it limits opportunities for focusing budgets and it stretches the Estates & Property teams. The estate has issues of functionality, condition and backlog maintenance that need to be tackled.

- 3.4 The siloed nature of how we work creates difficulties in managing our assets effectively. There are historical and cultural legacies that have meant that we have not always arrived at optimum estates solutions, nor ensured that they are implemented to best effect. Much of the Council estate is seen as a liability rather than an asset.
- 3.5 Scottish Borders Council deliver a significant and broad range of services to communities and businesses across the region. The 2024-25 financial planning process highlighted that the Council is currently living beyond its means and needs to continue on our transformational change approach to ensure that the Council is operating within available resources. Estate rationalisation is crucial, through the process detailed in this report, in reducing the financial burden of the current property portfolio.
- 3.6 The Council's direct carbon emissions are largely connected to two things: utility usage in running our buildings; and in transport around the region. Rationalisation and optimisation of the Council's estate will positively contribute to reducing direct emissions, whilst also tightening the focus for where revenue and capital budgets are targeted operationally and in decarbonisation measures.
- 3.7 Key Data:



* Valuation figures relate to asset valuation not market valuation.

4 ACTIVITIES UNDERTAKEN TO DATE

- 4.1 A series of actions have been undertaken since the 2022 review was undertaken.
- 4.2 A vision and key objectives for the Council's estate was developed following engagement with Elected Members, Council Officers and key external partners and stakeholders:

Vision

To operate an efficient, fit-for-purpose, sustainable estate, that is appropriately sized and located to meet the needs of our communities and their strong identities, with digitally enabled working environments that can

be effectively managed, and which supports the Council Plan through the delivery of truly joined up services.

Objectives

Best value estate

reconfigured to be fit for purpose, productive and optimised to service needs

Digital future

efficient, supporting hybrid working and data driven

Place and partners

aligned towards community and joined up public services

Sustainable

fit-for-the-future financially, socially and environmentally

Culture and process

strategically driven, tactically managed and collaborative through continuous improvement

4.3 The Capital Projects Programme Management Office (PMO) was established in January 2023 with the mandate to govern and control capital spend, to plan best value from council budgets. The principal purpose and benefits of the PMO function are:

- Develop a suite of data to better inform decision making for capital and revenue spend and the deployment of our limited resources;
- Develop and promote a project pipeline;
- Tighten up the briefing process and provide clear decision making criteria;
- Provide a strategic overview of interdependencies;
- Establish clear and consistent governance and controls that maintains a project brief for both revenue, capital blocks and major project spend;
- Support and upskill our team members across all services, enabling improved cross service working, collaboration and support transformation;
- Help retain intellectual property with information centrally held, shared and accessible;
- Significantly improve communications, aide transparency and ease of real time reporting.

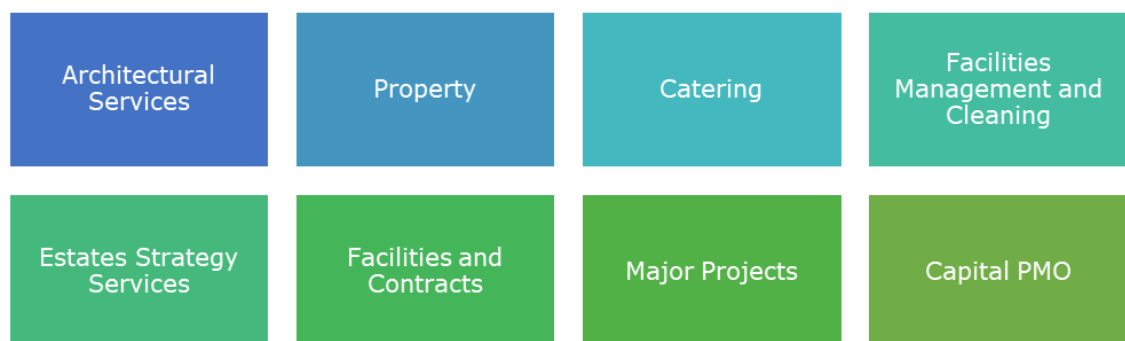
4.4 To date, the Capital Projects PMO has developed a project list for a ten-year horizon with a fivefold increase in the volume of individual project data lines that we hold on our capital projects in the Capital Investment Plan (CIP). The PMO has also promoted a focus on project alignment to Council Plan outcomes and risk profiling, all with the intent of having a prioritised and coordinated Plan orientated on need, risk and linked to strategic objectives.

4.5 A new decision making forum has been established in the form of the Strategic Estate Management Group (SEMG), a gate keeping body, which monitors and reports on the progress of all key capital projects. Chaired by the Director of Infrastructure & Environment, the SEMG has senior representation from Estates, HR, Legal, Procurement, Finance and Planning. In the context of this report, it is important to note that the SEMG scrutinises projects on their ability to contribute to a *clean green future*. This is facilitated by new impactful Project Business Case writing and Key Project Dashboard reporting authored by the PMO.

4.6 A new Chief Officer Estates role has been created, which was filled in June 2023. The primary purpose of the Chief Officer Estates is to provide a sustainable and efficient estate by:

- Improving the resilience of the estate through proactive risk management, risk based budgeting and improved compliance levels to protect health, safety and wellbeing and sustain the delivery of services.
- Leading the reduction of utility consumption and the associated CO2 emissions (CO2e) reduction as a key priority in the transition to Net Zero.
- Building a transparent proactive customer or user focused approach to planning and managing a fully coordinated service, project delivery and communications.
- Raising and continuously improving service and project delivery performance levels to raise confidence and provide demonstrable added value.

Establishing the role brought together a number of operational functions:



4.7 A Programme of Condition and Suitability Surveys of the Council’s operational estate has begun, this includes the Live Borders Estate. The surveys involve visiting each building to undertake visual surveys and gather operating data from a variety of sources. This allows an overall condition assessment score to be made and to be accompanied by objective and measurable data.

4.8 Condition surveys assess building performance data, including energy and operational costs; spatial provision; general condition of building elements; energy consumption and CO2e; maintenance and operational performance.

4.9 Suitability surveys are informed through engagement with key building users and assess building performance data relating to functionality of each

of the different types of spaces and facilities within the building; accessibility; environmental conditions; and safety and security.

- 4.10 Data collected from these surveys is documented within a performance dashboard, with each building being given a condition and suitability score (A-D), which will enable a more strategic approach to how we manage each building.
- 4.11 Condition and suitability surveys of 85% the learning estate has been undertaken and surveys are now underway looking at the care estate, offices, depots and other operational assets. This programme of work commenced in the summer of 2023 and will conclude by 31 March 2025. This, however, is not a static approach and will be revisited on a continual basis to allow data to be refreshed.
- 4.12 The Common Good estate is excluded from this process and analysis at this time as the assets belong to the Common Good for each area. There may be an opportunity to include this in the process at a later stage, subject to resource availability and capacity.
- 4.13 The proposal to reimagine Scottish Borders Council Headquarters building as a Civic Hub, to optimise use of the building, increase occupancy and utilisation is progressing. Physical works are underway on-site to support the proposal. NHS Borders have already occupied a portion of the building. Live Borders have followed and recently moved into the building and discussions continue (as space allows) with other public and third sector partners with a view to working more closely, and collaboratively, pooling resources whilst helping share or reduce operational costs and maximise the return on investment that SBC has committed.
- 4.14 An Energy Audit Review was undertaken in June 2023. This was an exercise that sought to assess 5 different Council assets with the aim of creating a decarbonisation programme of energy conservation measures to reduce our energy costs and carbon footprint. It provided the ability to test the approach and working methods to develop an efficient and productive approach to estate wide decarbonisation.

5 PROPOSAL

- 5.1 To continue to respond to the issues described in Section 3 of this report, and build on the activities already undertaken, it is proposed that Scottish Borders Council progress with a focused optimisation and rationalisation strategy.
- 5.2 This strategy would focus on:
- Affordability, right sizing the estate to be financially sustainable;
 - Rationalisation, reducing the amount of underutilised and poor condition estate;
 - Optimisation, maximising use and occupation of the estate; and
 - Decarbonisation, introducing measures to reduce CO2e.

5.2 The primary aim behind this approach is to ensure that the Council is financially and environmentally sustainable, supporting the delivery of key Council services.

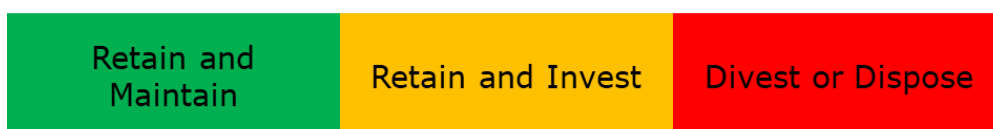
5.3 The following benefits could be realised in progressing this strategy:

- Services are better protected (with a reduction in the estate being prioritised over reducing services);
- Reduce operational costs;
- Increase capital and revenue income to support the Council's financial sustainability;
- More concentrated and targeted investment in improving condition and functional suitability of key assets;
- Fit for purpose estate aligned to meet Service needs;
- More concentrated and targeted actions to reduce energy costs and consumption, and reduce direct carbon emissions.

6 PROPOSED APPROACH

6.1 To progress the strategy, the following measures are proposed:

6.2 Recognising the condition and suitability survey work underway and the performance dashboards that are being developed, it is proposed that each estate asset will be evaluated considering objective data and informed criteria to be classified in one of the following categories:



6.3 Scottish Future's Trust published their [Infrastructure Investment Plan for Scotland, a guide for Property Asset Strategy in the Scottish Public Sector](#) in 2022. This sought to promote a systems wide approach to support effective decision making and prioritisation around the themes:

- Enabling the transition to net zero emissions and environmental sustainability;
- Building resilient and sustainable places; and
- Driving inclusive economic growth.

The guide sets out an investment hierarchy, a common methodology to aid planning and decision making in infrastructure investment and it establishes some guiding principles that provide the framework for decision making supporting risk based budgeting. It is proposed that this approach is developed and adopted for the Council's assessment and classification of assets as described below.

6.4 In considering SFT's guidance, the data currently held and the data currently being collected, it is proposed that the following cost and benefit criteria should be used to classify the Council's estate to determine how it will be managed and identify those assets that will become surplus (divest or dispose):

COST (50%)			
Element	Unit	Positive Score	Weight
Operating	£/m ²	Low operating costs	20%
Energy	£/kWh	Low energy costs	20%
Lifecycle maintenance	£/ p.a.	Low maintenance costs	5%
Income	£/ p.a.	High income	5%

BENEFIT (50%)			
Description	Unit	Positive Score	Weight
Utilisation	%	High utilisation	10%
Condition	A-D	A/B rating	10%
Suitability	A-D	A/B rating	10%
Energy consumption	kWh/m ²	Low consumption	10%
Carbon emissions	CO ₂ e/m ²	Low emissions	10%

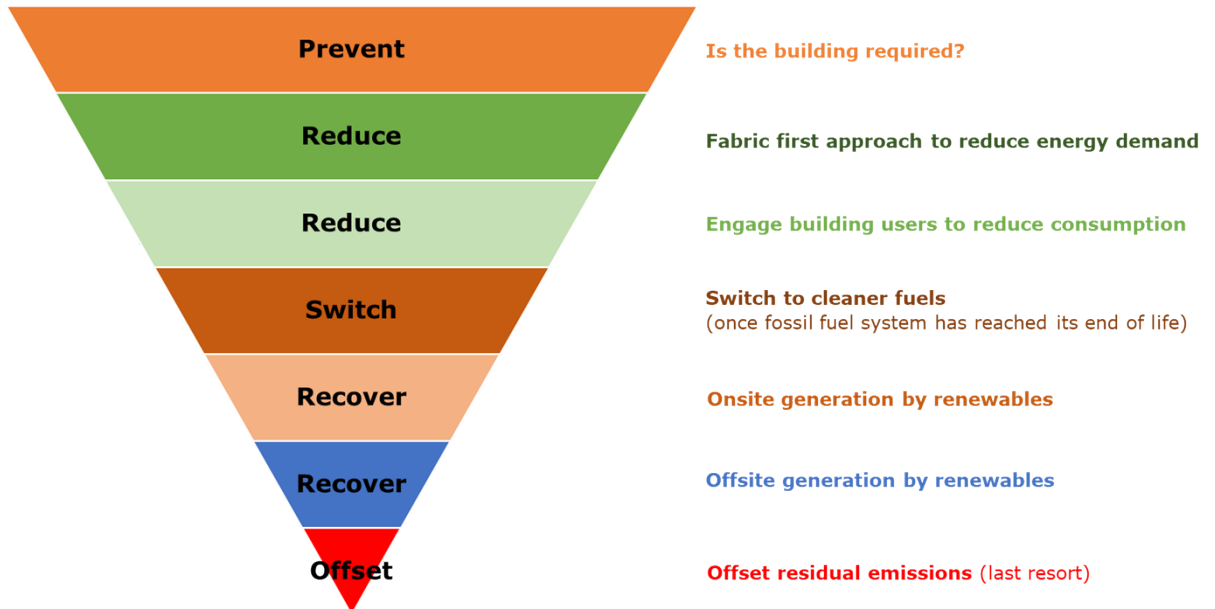
Weightings will be relative to the highest performing assets across the Council's estate and national benchmarked data. For the Council's commercial estate, officer discretion and expertise will be necessary to consider proportionally when assessing cost/ benefit of these assets.

6.5 In assessing cost and benefit criteria, there will be other more nuanced factors that will need to be considered in implementing the strategy, these are:

- Service value – value to the sustainable operating of the service considered alongside digital tools, transformation of service delivery approaches and co-location opportunities;
- Community value – value to community whether as a Council operated facility, a Civic asset, or as an opportunity for the Community to benefit from directly;
- Legal and legislative requirements and obligations; and
- Equalities impact (through specific Integrated Impact Assessments).

These factors will need to be considered and captured for consideration within any future recommendations on an asset by asset basis.

6.6 There are a number of steps that can be taken to decarbonise built assets. Through the Energy Audit described in 4.8 above, and benchmarking against other organisations, the following decarbonisation hierarchy is proposed to inform the measures that we will take to reduce energy consumption and carbon emissions. This hierarchy broadly follows the principles of the waste hierarchy: Prevent; Reduce; Reuse; Recycle; Recover; and Dispose. It is proposed that this hierarchy factors into all future capital and revenue investment in the Estate from 2024/25 onwards:



1. Prevent – assess whether the building is needed (based on the assessment criteria);
2. Reduce - fabric first interventions to reduce energy demand;
3. Reduce - cultural change by engaging with building users in changing attitudes and behaviours;
4. Reduce – energy efficiency measures that seek to monitor and optimise performance more proactively and effectively;
5. Switch – switch heating fuels to cleaner/ greener energy supply, balanced with lifespan to reduce waste;
6. Recover – on-site energy generation through renewables;
7. Recover – off-site energy generation through renewables;
8. Offset any residual emissions (measure of last resort).

6.7 In addition, before initiating any future new build projects, an objective appraisal should be carried out that assesses a range of viable options based on the cost and benefit criteria, measured against desired project outcomes.

6.8 A number of Council buildings play a significant role within communities across the Scottish Borders, particularly those that community groups use regularly or those that have a significant civic presence. For assets that fall into this category and are classified 'Red – Divest or Dispose', engagement will need to be undertaken with the relevant community.

It is proposed that engagement will take place with relevant communities through community councils, Town Teams and other relevant community organisations explaining how a determination has been reached. Following this three-month grace period, from the date of engagement, an expression of interest should be submitted by the relevant community or third party body.

Applications for ownership will be progressed through the process set out in Part 5 (Asset Transfer) of the Community Empowerment (Scotland) Act 2015. This sets how appropriately structured community bodies can request to use, lease or purchase assets owned or leased by a relevant authority. While the process is complex and can be lengthy, the staged route, and Scottish Government guidance, provide a clear and transparent way for requests to be taken forward. The Community Ownership Support Service (COSS) has developed a route map which illustrates the various states set out in the legislation and what is required of community bodies to progress. This can be accessed [on the COSS website](#).

Once a valid request is submitted there is a six-month period that allows time for the community body to submit additional information e.g., business plan, and for the relevant authority to develop and present reports to relevant committees. It should, however, be noted that it can take at least four months for a group to establish a legal structure that meets the requirements of the Act e.g., a Scottish Charitable Incorporated Organisation (SCIO), if one isn't already in place.

A high level flow chart is included in Appendix A. This shows the process and associated timescales once the relevant authority has made a decision on the application, following the initial six-month period discussed above.

Following the timescales set out in the legislation it should be expected that once a valid application has been received the process can be expected to be completed in 18 months. However, it could be longer if a review by Elected Members and appeal to Scottish Minister are requested.

Given the complex nature of the asset transfer process it is proposed that a more detailed report be brought back to Council, as part of this proposal's reporting cycle setting out the process for sale of assets to community bodies in line with Part 5 of the Community Empowerment (Scotland) Act and detailing how we aim to support community groups and organisations through the asset transfer process.

6.9 Recognising that the size and scale of the Council's estate is significant, it is proposed that an ambitious rationalisation target of 39,000m²/ 10% is agreed to be achieved within the next 5 years. This target will help realise the following benefits:

- Reduce health, safety and wellbeing risks caused by assets that are in poor condition or are unfit for purpose;
- Reduce long term maintenance burden, costs and liabilities, freeing up resource and budgets to focus investment in fewer more strategic assets;
- Reduce energy costs and carbon emissions;
- Realise capital receipts from sale of assets;
- Realise potential income streams from repurposed, remarketed or let surplus assets;
- Enhance community empowerment resulting from Community Asset Transfers;
- Enrich places through adaptive re-use of Council Assets; and
- Contribute to addressing regional challenges e.g. shortage of affordable homes and shortage of affordable and flexible business/ employment space.

- 6.10 To realise this target, it is essential that every Council service understands and works collectively towards it. With a view to enabling and achieving this target, all Council services will need to review and determine their accommodation needs to consider objective estates performance and cost data alongside opportunities for co-location, geographical presence, different and emerging ways of working, service continuity, dependencies and links to other Council and public partner services. Aligning this service review with analysis of the estate should enable the Council to make strategic decisions at the right time, enabling opportunities to be pursued quickly and as they arise, all contributing to reducing the overall size of the estate along with reducing carbon emissions.
- 6.11 Internal and external communication will be critical as the optimisation and rationalisation strategy is progressed, ensuring understanding and appreciation of the key drivers for this essential piece of work, the end goal and resulting benefits, as well as generating input as required. Communication and engagement with relevant stakeholders, including communities, partners, service users, employees and the wider public will be required as appropriate when proposals are identified for specific properties, including around investment and rationalisation and associated impacts. A Communications Plan will be developed and delivered in conjunction with the progression of the programme, ensuring that the right methods and communication channels are utilised to reach target audiences, and are actioned at the right time.
- 6.12 Establish an Elected Member Officer Working Group. This group would work to develop recommendations to Executive Committee. It will consider the steps that are necessary, any risks, impacts and implications, and resolve any issues to enable decisions made by Executive Committee to be implemented quickly, with a view to building momentum. The proposed membership of the working group is:
- Chair, Cllr Simon Mountford, Executive Member for Estate Management & Planning
 - Cllr Jenny Linehan, Executive Member for Environment & Transport
 - Cllr Leagh Douglas, Executive Member for Education and Lifelong Learning
 - Cllr Robin Tatler, Executive Member for Communities & Equalities
 - John Curry, Director Infrastructure & Environment
 - Ray Cherry, Chief Officer Estates
 - Jenny Fausset, Climate Change Officer
 - Lesley Munro, Director of Education & Lifelong Learning/ Justin Sinclair, Chief Officer Education
 - SBC Legal representative
 - Kenny Harrow, Communities Officer
 - Lizzie Turner, Chief Officer Finance & Procurement
- 6.13 To monitor progress, it is proposed that annual reports will be presented to Executive Committee, these reports will monitor performance and progress against the plan, set out further targets as progress is made, and highlight any risks or issues arising, along with mitigations or adjustments needed to respond those.

12 IMPLICATIONS

12.1 Financial

There are no direct costs attached to any of the recommendations contained in this report. The financial implications of specific proposals which arise as a result of this work will be reviewed and reported as the project progresses.

12.2 Risk and Mitigations

This is an ambitious programme, essential to the Council's long term financial and environmental sustainability. There will be resource implications to achieve this, primarily in the Estates Team. Initial data gathering and assessments of SBC assets is time consuming, requiring technical and professional skills. Much of this is available within the teams, but additional resource is expected to be needed to deliver the programme. Some resource can be sought from the private sector; however, it is anticipated that an expansion of in-house staffing may also be required alongside a reprioritisation of workload. This will allow this new programme of work to be delivered, will augment existing capacity to respond to "business as usual" issues as they arise and will also offer a proactive approach to succession planning across the teams. The delivery of this programme could be further enhanced by dedicated community support that links the Estates Team with the Communities & Partnerships Team's objectives / programme.

It is anticipated that the Council will see an increase in the number of asset transfer requests that are currently supported by the Communities & Partnerships Team. Given the complexity of the asset transfer legislation, and the officer time required to support community groups through the process, in addition to the back office functions provided by Estates, Legal and other relevant services e.g., Parks & Environment and Planning, consideration will need to be given to how this work will be resourced in order to provide the level of service required to progress this work. Supporting asset transfer requests could delay the target timescales that are set out in this report, the impact of this will be reported to Executive Committee as part of the reporting cycle.

All Council's services will need to undertake service reviews establishing their estate needs to support strategic decisions at the right time, enabling opportunities to be pursued quickly and as they arise. This exercise is key to realising the targets set out within the report and there is a risk that services do not undertake reviews in time, this will be mitigated through regular summary progress reports being provided to CMT and the Member Officer Working Group and actions agreed to address any delays.

12.3 Integrated Impact Assessment

- (a) The Council has a statutory obligation to eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between people who share a characteristic (age, disability, gender re-assignment, trans/transgender identity, marriage or civil partnership, pregnancy and maternity, race groups, religion or belief, sex-gender identity, and sexual orientation) and those who do not; and foster good relations between people who share a characteristic and those who do not. This involves tackling prejudice and building

understanding and measures to reduce socio-economic inequalities. These assessments will be undertaken on a 'project by project' basis and a summary will be provided when reports are taken to Council committees.

12.4 Sustainable Development Goals

These assessments will be undertaken on a 'project by project' basis and a summary will be provided when reports are taken to Council committees.

12.5 Climate Change

These assessments will be undertaken on a 'project by project' basis and a summary will be provided when reports are taken to Council committees.

12.6 Rural Proofing

These assessments will be undertaken on a 'project by project' basis and a summary will be provided when reports are taken to Council committees.

12.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

12.8 Changes to Scheme of Administration or Scheme of Delegation

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

13 CONSULTATION

13.1 The Director (Finance & Corporate Governance), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), and Corporate Communications were consulted and all comments received have been incorporated into the final report.

Approved by

John Curry **Director Infrastructure & Environment**

Author(s)

Name	Designation and Contact Number
Ray Cherry	Chief Officer Estates

Background Papers:

- [Climate Change: Council Emissions and Public Reporting, Item 8, Scottish Borders Council 24 November 2022](#)
- [Office Premises \(HQ Civic Hub\), Item 2, Executive Committee 16 May 2023](#)

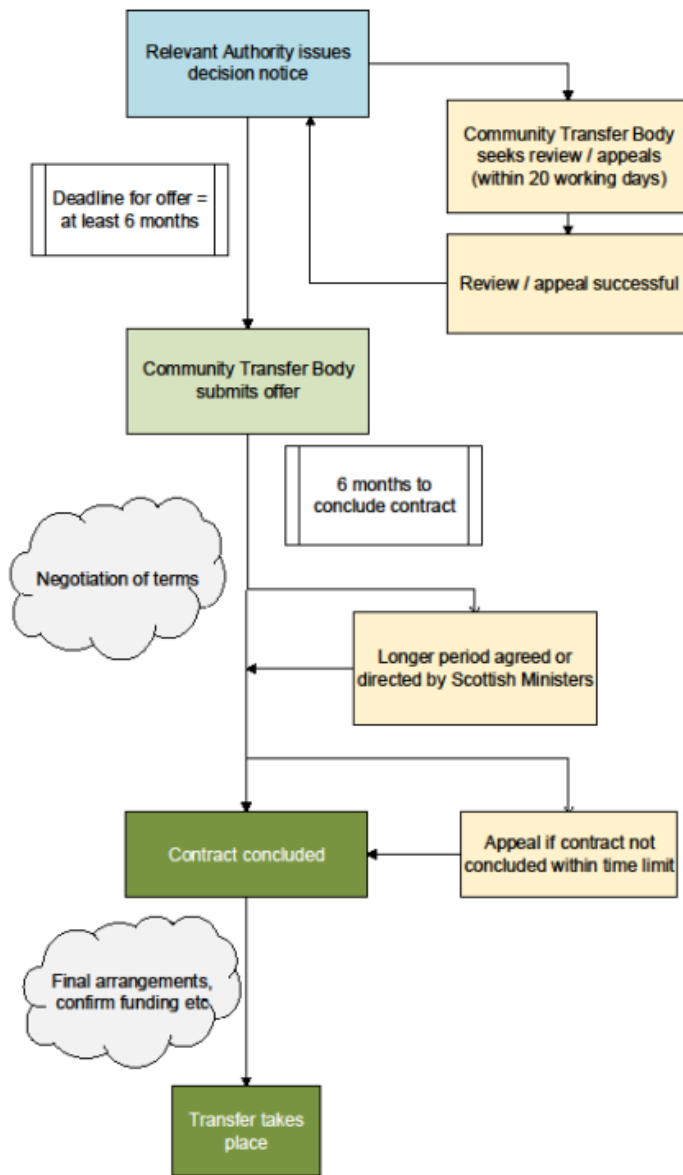
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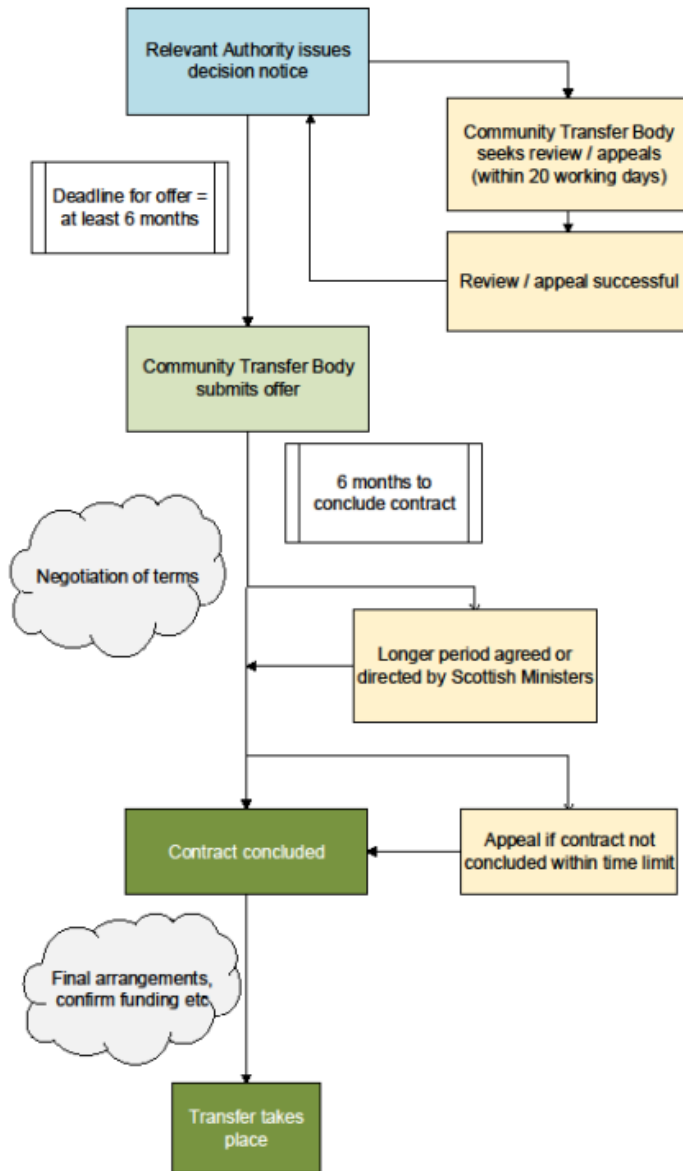
Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Gail Moffat can also give information on other language translations as well as providing additional copies.

Contact us at estatemangement@scotborders.gov.uk

Appendix A

Asset transfer process once a decision has been issued.





Extract from the Scottish Government’s Asset Transfer Guidance for Relevant Authorities



WASTE UPHOLSTERED DOMESTIC SEATING

Report by Director of Infrastructure & Environment

SCOTTISH BORDERS COUNCIL

28 March 2024

1 PURPOSE AND SUMMARY

- 1.1 This report outlines the impact of new guidance on Waste Upholstered Domestic Seating (WUDS) containing Persistent Organic Pollutants (POPs) and recommends amendments to the Waste Services provided by the Council in to ensure compliance.**
- 1.2 The Scottish Environmental Protection Agency (SEPA) issued new guidance on the 31st October 2024, which banned waste upholstered domestic seating (WUDs) containing persistent organic pollutants (POPs) from being sent to landfill.
- 1.3 Examples of Waste Upholstered Seating (WUDS) include sofas, sofa beds, armchairs, kitchen & dining room chairs, stools & foot stools, home office chairs, futons, bean bags and cushions.
- 1.4 The Council's current approach to managing WUDs containing POPs is not compliant with the new guidance. This is due to the mixing of WUDS containing POPs with uncontaminated material.
- 1.5 In order to become compliant with the new Guidance the Council will need to stop accepting, collecting, storing, transporting, and treating WUDS containing POPs as part of the mixed bulky waste stream.
- 1.6 This will require multiple changes to the Council's operations. It will also impact how the Council receives and collects WUDS containing POPs from Households and Businesses via the following channels:
 - Bulky Uplift Service
 - Community Recycling Centres
 - Waste Transfer Stations; and
 - Uplift of fly tipped waste.

2 RECOMMENDATIONS

2.1 I recommend that Scottish Borders Council:

- (a) Notes the requirements of the new guidance.**
- (b) Notes that the Council is not compliant with the new guidance.**
- (c) Notes the need to amend its operations to become compliant.**
- (d) Notes the financial implications.**
- (e) Approves the recommendations as outlined in Section 10.**
- (f) Approves the next steps as outlined in Section 11.**

3 BACKGROUND

3.1 Persistent Organic Pollutants (POPs) – a group of hazardous chemicals which have harmful impacts on the environment and human health - have recently been found in articles of upholstered domestic seating in quantities which exceed legal limits.

3.2 This means that once these items of upholstered domestic seating become waste – known as Waste Upholstered Domestic Seating (WUDS) – they become subject to the strict controls outlined in the **UK Persistent Organic Pollutants Regulations 2007** and its subsequent amendments.

3.3 Examples of Waste Upholstered Seating (WUDS) include:

- Sofas
- Sofa beds
- Armchairs
- Kitchen and dining room chairs
- Stools and foot stools
- Home office chairs
- Futons, bean bags and, floor and sofa cushions

This list includes any part made of or containing leather, synthetic leather, other fabric, or foam.

3.4 The Scottish Environment Protection Agency issued [guidance](#) regarding the management of WUDS containing POPs on the 31st October 2023, see **Appendix A**. Importantly this new guidance is underpinned by the UK Persistent Organic Pollutants Regulations 2007 and must be adhered to.

3.5 The following details some of the key elements of the guidance:

- We must assume all WUDS contain POPs unless we can prove otherwise via laboratory testing and/or an XRF scanner.
- WUDS containing POPs must not be landfilled.
- WUDS containing POPs must be collected, stored and transported separately from all other waste.
- If other waste is cross contaminated with WUDS containing POPs it must be sent for destruction.
- Destruction means destroyed or irreversibly transformed for example incineration.
- WUDS can be shredded but this must be within a building which will require air handling, bag filters and a drainage system which controls the release of POPs.

This is not an exhaustive list.

4 HOW DOES THE COUNCIL CURRENTLY MANAGE WUDS CONTAINING POPS?

4.1 The Council collects and receives WUDS containing POPs from Households and Businesses via the following channels:

- Bulky Uplift Service
- Community Recycling Centres
- Waste Transfer Stations; and
- Uplift of fly tipped waste.

4.2 In the main **WUDS are currently collected, received and stored as part of a mixed waste stream with non-POPs contaminated material**. This mixed waste stream is subsequently sent to Levenseat under our Bulky Waste Contract where the material is pre-treated to extract recyclable materials (e.g. metals, wood, glass etc). Most of the remaining material is sent to Energy from Waste (EfW) and remainder goes to landfill as fines.

In 2023 around 48% of the Bulky Waste was recycled by Levenseat, helping the Council to achieve household recycling rate of around 58%.

5 IS THE COUNCIL COMPLIANT?

5.1 The **Council's current approach to managing WUDs containing POPs is not compliant with the new guidance**. This is due to the mixing of WUDS containing POPs with uncontaminated material. It is important to recognise that the Council is not alone in this regard due to:

- a) National uncertainty around the guidance, which was not finalised until 31st October 2023.
- b) National uncertainty as to what steps needed to be taken to become compliant.
- c) The financial and operational risks of investing in a solution that may turn out to be non-compliant.
- d) National lack of off-takers capable of treating WUDs containing POPs.

5.2 It is worth noting that SEPA wrote to all Chief Executives Officers on the 17th October 2023 (**Appendix B**) confirming that:

- a) The final guidance would be issued on the 31st October 2023.
- b) It is necessary for Scottish local authorities to comply with the landfill ban without delay, however **SEPA will not take enforcement action in respect of any failure to do so before 31 January 2024**.
- c) Although SEPA appreciate the difficulty of financing unexpected service costs such as this, POPs are a serious environmental hazard and not a pollutant that can be taken lightly.

6 STEPS TAKEN SO FAR

6.1 A Briefing Note was issued to Members in September 2023 (**Appendix C**) to raise awareness of the impending guidance and the impact it may have on how households, business and the Council manage and dispose of Waste Upholstered Domestic Seats (WUDS).

- 6.2 The topic has been discussed with our treatment provider (Levenseat Ltd) at monthly contract meetings. Levenseat have continued to accept WUDs contaminated with POPs as part of our Bulky Waste Stream.
- 6.3 The Council has run trials at its Community Recycling Centres and Waste Transfer Stations to determine how best to separately accept, bulk, load, transport and treat WUDs contaminated with POPs.
- 6.4 Officers have kept up to date with the emerging situation through the Scottish Waste Manager Officer Network and COSLA. This has included numerous meetings with SEPA and representatives from the Scottish Government.

7 COSLA – FINANCIAL COMPENSATION UPDATE

- 7.1 COSLA are liaising with SEPA, Scottish Government, Local Authorities, Waste Manager Officer Network chairs, SOLACE and the commercial sector regarding WUDs compliance.
- 7.2 COSLA are in discussion with the Scottish Government regarding financial compensation for Local Authorities. At the current time COSLA are waiting on the outcome of a business case submitted to DEFRA regarding the costs of complying with the new guidance. COSLA and the Scottish Governments expectation is that a proportional amount of funding should be passed to Scottish Local Authorities based on the outcome of the DEFRA decision, however this is not yet confirmed.
- 7.3 In addition COSLA is investigating if existing funding streams such as the Scottish Recycling Improvement Fund can be used to cover WUDs compliance costs. Thus far this has not proven successful.
- 7.4 The Leader of Scottish Borders Council wrote to COSLA in March, outlining the importance of full financial compensation for compliance with the new WUDs guidance. This is particularly important given the unprecedented financial challenges the Council is facing and is keen to ensure key frontline services are not detrimentally impacted.

8 WASTE TREATMENT CONTRACT UPDATE

- 8.1 On the 6th February the Council received a letter from Levenseat (**Appendix D**) confirming that they had received permission from SEPA to separate WUD's from mixed loads for processing without the need to reject the full load. It went onto explain that this would come at an additional cost i.e., a minimum charge of £100 per load for up to 5 items of WUD's and £20 per item thereafter.
- 8.2 **This arrangement is only available until** Levenseat's new WUDS treatment facility becomes operational in **early April 2024**. From this point they have requested that the Council send WUDs contaminated with POPs separately from other waste.
- 8.3 Levenseat have indicated that they will not consider WUDs containing POPs to be Bulky Waste under the terms of our current contract. They have also suggested that the treatment fee for WUDs containing POPs will increase by around £81/t.

- 8.4 The Council managed around 8,100 tonnes of bulky waste in 2023, however not all of this will be WUDS containing POPs. Without knowing the waste composition, it is difficult to calculate the impact of the additional treatment costs proposed by Levenseat. However, we estimate that the **additional treatment cost is most likely to range from £65k per annum (at 10% WUDS) to £458k per annum (at 70% WUDS).**
- 8.5 **Officers best guess is that WUDS containing POPs is likely to make up around 30% of the Council's current Bulky Waste Stream, which would mean an additional treatment cost of around £196k per annum.** It is important to remember this is purely the additional treatment and haulage cost, it does not take account of the internal operational costs e.g. provision and servicing skips at Community Recycling Centres.
- 8.6 The Contractual position with Levenseat in relation to treatment and haulage costs are far from certain at this time. For clarity Legal services have advised that the new guidance from SEPA constitutes a Change in Law under the terms of our Bulky Waste Contract with Levenseat. Officers have therefore written to Levenseat requesting written notice of necessary changes, estimated changes in cost, capex etc that are related to the change in law. This will lead to discussions about ways to mitigate the effects of the Change. As part of this dialogue Levenseat will be required to provide evidence that they have used all reasonable endeavours to minimise cost increases and comparative evidence of how the change has affected prices by similar businesses.

9 WHAT DOES THIS MEAN FOR THE COUNCIL?

- 9.1 In order to become compliant with the new Guidance the Council will need to stop accepting, collecting, storing, transporting, and treating WUDS containing POPs as part of the mixed bulky waste stream.
- 9.2 This will require multiple changes to the Council's operations. It will also impact how the Council receives and collects WUDS containing POPs from Households and Businesses via the following channels:
- Bulky Uplift Service
 - Community Recycling Centres
 - Waste Transfer Stations; and
 - Uplift of fly tipped waste.
- 9.3 It worth noting that in the future WUDS containing POPs cannot be pre-treated and therefore **the Council is likely to experience a reduction in its overall recycling performance from around 58% to 55.7%** (2.3% reduction equivalent to around 1,200 tonnes per annum). However other Councils are likely to impacted in a similar way assuming they also pre-treat their bulky waste to extract recyclable material.

10 RECOMENDED WAY FORWARD

- 10.1 This section outlines the recommended way forward to ensure the Council's operations align with the UK Persistent Organic Pollutants Regulations 2007 and the new guidance.

10.2 In developing the proposals Officers have had to balance the following competing issues:

- The Council's legal requirements
- The needs of householders, businesses, and traders
- The operational restrictions i.e., site location, sizes, haulage etc....
- The financial implications

10.3 **BULKY WASTE SERVICE**

10.3.1 At the current time WUDS and Non WUDS items are collected on the same vehicle at the same time, which is not compliant.

10.3.2 It is proposed that the Council continues to collect WUDS containing POPs on the same vehicle at the same time but with the following additional measures:

- a. Temporary repairs must be made to any damaged WUDS to minimise the potential release of POPs.
- b. It is the responsibility of the waste producer (e.g., household or business) to repair the WUDS prior to uplift.
- c. The Council will refuse to uplift WUDS which are damaged and or have not been suitably repaired.
- d. The Council will wrap WUDS with a disposable plastic material to ensure other items on the bulky waste vehicle are not contaminated.

10.3.3 The following changes are proposed to the Bulky Uplift Fees and Charges:

- **Households** – Initially no change but to be kept under review.
- **Businesses** – WUDS to be charged an additional £20 per item effectively passing on Levenseat Ltd's treatment costs.

10.4 **COMMUNITY RECYCLING CENTRES**

10.4.1 At the current time WUDS and non WUDS are received and stored in the same skips/bays at Community Recycling Centres, which is not compliant.

10.4.2 It is important to recognise that the options available to the Council are significantly restricted by the following factors:

- a. **Limited space for additional skips** at Community Recycling Centres
- b. **Limited haulage capacity** - Specialist haulage vehicles are required to service/empty skips and we are already operating at near capacity.
- c. **Limited bulk storage capacity** - Only Easter Langlee Waste Transfer Station has capacity to accept WUDS separately.
- d. **Requirement to load WUDS containing POPs with air handling and dust suppression** – Only available at new Easter Langlee Waste Transfer Station.

10.4.3 In addition to the operational challenges outlined above the following have been a key consideration for service users:

- Ideally ensure all households have **local access to CRC's dispose of WUDS containing POPs**. This will minimise cost of disposal for residents and minimises the likelihood of fly tipping.
- Ideally ensure **CRC's have capacity to accept WUDS** when householders arrive with items so that residents are not turned away/disappointed.
- Ideally **ensure traders continue to have a disposal outlet in the Borders** but without impacting on our statutory duties to provide disposal facilities to householders.

10.4.4 Having undertaken various trials it is proposed that the following approach is taken at CRC's:

- An additional skip will be provided for acceptance of WUDS at all sites.
- WUDS will only be accepted from households.
- WUDS will not be accepted from Traders under the trade access permit scheme.
- WUDS from Traders will only be accepted at Easter Langlee Waste Transfer Station and will need to go over the weighbridge.
- Households will need to pre-book WUDS before coming to all CRC's except for Galashiels.
- WUDS that has not been pre booked in will not be accepted.
- Galashiels CRC will accept WUDS from households without the need to pre-book. This will be kept under review and may need to be withdrawn depending on volumes received.
- Temporary repairs must be made to any damaged WUDS prior to delivery to site to minimise the potential release of POPs.
- It is the responsibility of the waste producer (e.g., household) to repair the WUDS prior to delivery.
- The Council will refuse to accept WUDS which are damaged and or have not been suitably repaired.

10.4.5 Table 1 outlines the approach to WUDS at each Community Recycling Centre from the perspective of the service user.

Table 1 – Approach to WUDS Acceptance at CRC's

Site / CRC	Household WUDS accepted	Trade WUDS accepted	Maximum Number of WUDS items accepted per week (1 item = 1 single seat chair)*	Booking Required	Do damaged WUDS need a temporary repair prior to disposal at a CRC?
Galashiels	Yes	No	Unlimited	No	Yes
Hawick	Yes	No	15	Yes	Yes
Kelso	Yes	No	30	Yes	Yes
Selkirk	Yes	No	30	Yes	Yes
Eshiels	Yes	No	15	Yes	Yes
Duns	Yes	No	15	Yes	Yes
Eyemouth	Yes	No	15	Yes	Yes

***Note** – Maximum number of WUDS items

Each item is equivalent to 1 single seat, for example:

- 1 item = 1 single seat chair
- 2 items = x2 single seat chairs or a 2 seat sofa
- 3 items = x1 single seat chairs and a 2 seat sofa or a 3 seat sofa
- 4 items = x4 single seat chairs, or x2 2 seat sofas, or a 4 seat sofa

- 10.4.6 Waste Services is working with Council's Digital Innovations and System Team to develop the **WUDS booking system**. One of the key aims is to ensure it is integrated with the existing CRC vans and trailer booking system to make it as easy to use as possible for the service user.
- 10.4.7 It is recognised that the booking system for household is unlikely to be well received. However, it ensures that when residents arrive at a CRC there is space in the skip to offload the waste. If we do not provide a booking system this could not be guaranteed, and we may have to turn residents away. This would result in disappointed customers, complaints and flash points with staff. The alternative is not accepting WUDS at CRC's and asking residents to bring it to a central point, most likely Easter Langlee, which will be even less well received. This stance has been taken by other LA's e.g. Highland and [Renfrewshire](#).

10.5 WASTE TRANSFER STATIONS

- 10.5.1 At the current time WUDS and non WUDS are received and stored in the same bay (bulky waste bay) at each of the Council's Waste Transfer Stations, which is not compliant.
- 10.5.2 It is important to recognise that the options available to the Council are restricted by the following factors:
- **Limited space** within our Waste Transfer Stations. This is particularly acute at our older smaller sites (Hawick, Eshiels, Galashiels) which we are already operating at near capacity.
 - **Lack of suitable dust suppression and air handling** at all sites bar the new Easter Langlee Waste Transfer Station.
- 10.5.3 Having considered the requirements of the guidance only the new Easter Langlee Waste Transfer Station is capable of receiving and storing WUDS containing POPs separately.
- 10.5.4 Waste Services have subsequently identified a bay within the new Easter Langlee Waste Transfer Station for the separate storage of WUDS containing POPs. All WUDS from the following channels will be directed to this bay:
- Community Recycling Centres
 - Bulky Uplift Service
 - Fly tipping
 - Traders / businesses
- 10.5.5 **Traders and businesses will be directed to go over the weighbridge at Easter Langlee, which will the Council to**

charge by weight. Traders will need to transport and deliver WUDS containing POPs separately in accordance with the guidance. The Council will not be able to accept mixed loads of WUDS and non WUDS – SEPA have requested they are informed of repeat non-compliance.

10.5.6 The Council will need to recover its costs for the handling, haulage and treatment of WUDS disposed by third parties / traders. At this stage we do not have finalised costs due to the ongoing discussions with Levenseat Ltd. However, **we propose charging third parties £255 per tonne** based on current feedback from Levenseat and will review this once clarified.

10.6 Fly Tipping

10.6.1 At the current time the Council's Parks & Environment Service dispose of fly tipped waste as part of mixed loads at CRC's and Waste Transfer Stations across the Borders. This maximises the efficiency of their operation and minimises travel time. However, this will no longer be possible.

10.6.2 In future it is proposed that the Parks & Environment Team arrange for fly tipped WUDS to be uplifted as of the Council's bulky uplift service. Ensuring the items are wrapped in disposable plastic material and temporary repairs are made prior to uplift to ensure other items on the bulky waste vehicle are not contaminated.

10.6.3 Discussions are ongoing with the Parks & Environment Team to minimise the impact of the changes on their operations.

11 NEXT STEPS

11.1 Doing nothing is not an option for two key reasons:

- a. SEPA are likely take enforcement action.
- b. The Council will incur additional treatment costs, potentially in excess of £650k per annum if all bulky waste is treated as POPs contaminated.
- c. The Council's recycling performance will be worse off i.e., it would reduce from around 58% to 50.5% rather than to 55.7%.

The Council must therefore move quickly to implement the proposed changes outlined in section 10.

11.2 Given the recent correspondence from Levenseat (**Appendix D**) it is **recommended the new arrangements are introduced without delay.** Failure to do so could result in one of two things:

1. **Levenseat may stop accepting our bulky waste** – this would require us to stop accepting and collecting WUDS.
2. **Levenseat will treat all Bulky Waste as POPs contaminated** – this would increase our costs by circa £81/t and would significantly impact our recycling performance.

11.3 The operational changes required to implement the new arrangements are well developed due to the trials we have undertaken. However, it will not be

without its complications and will require an agile approach to make required adjustments.

11.4 The Council needs to inform households, businesses, and traders as soon as possible so that they can adjust to the new arrangements/requirements. This will require a communications plan to be delivered covering:

- a) **Letters to CRC trade waste permit** holders explaining that:
 - i) WUDS will no longer be accepted at CRC's.
 - ii) WUDS will need to be taken to Easter Langlee Waste Transfer Station and will be charged at a rate of £255 per tonne.
- b) **Letters to Waste Transfer Station Customers** explaining the new requirements and disposal costs.
- c) **Website information/guidance** updated for householders and businesses.
- d) **Social media** posts sign posting to the website.
- e) **Members Updates**
- f) **New signage at the Community Recycling Centres**

11.5 The proposed changes will result in negative feedback from service users and will be seen as a service reduction with increased bureaucracy, particularly in relation to:

- The booking system for households
- Only accepting WUDS from traders at Easter Langlee Waste Transfer Station.

11.6 A key element of the communications campaign will be stressing that the Council is responding to a new regulatory requirement.

11.7 Further dialogue is required with Levenseat Ltd to clarify the contractual position. This will be undertaken with the support of Legal Services and Procurement.

11.8 Officers will continue to liaise with finance to ensure the costs are fully understood and reflected in the budget monitoring and future financial planning.

12 IMPLICATIONS

12.1 Financial

- (a) **Treatment Costs** - The Council spent approximately £1.2 million on the haulage and treatment of mixed bulky waste in 2023 (calendar year). Initial analysis suggests that these costs are likely to increase by approximately £196k to around £1.4 million per annum, see section 8. However, we cannot be certain of the additional costs until the contractual discussions with Levenseat are concluded, and details of waste composition are available. It is recommended this is monitored and reported through the quarterly revenue reporting during 2024/25.
- (b) **Internal Operations Costs** - The cost of servicing and hauling skips to and from Community Recycling Centres is expected to increase for the following reasons:

- Increased number of haulage movements due to reduced density of loads
- Unable to accept WUDS separately at Hawick Waste Transfer Station, requiring additional haulage to Easter Langlee Waste Transfer Station.
- Current haulage fleet operating at near capacity and may need to be increased or supported.
- Increased skip maintenance and replacement costs.

Until we have run the new service, we cannot be certain of the additional CRC skip servicing costs, but we estimate them to be between £20k and £25k per year, see breakdown below:

Item	Approximate Annual Revenue Cost
Fuel	£4,200
Vehicle Maintenance	£8,800
Skip Depreciation	£7,000
Skip Maintenance	£1,000
Total	£21,000

This is on the assumption the service can be delivered within the current fleet and staff resource. If an additional hook lift vehicle and driver are required, this would incur an additional revenue cost of around £60k per annum.

- (c) **Potential additional costs** - There is a risk that the recommended approach does not work as planned or estimated treatment costs are exceeded. If this is the case further additional changes may be required, for example:

- Alterations to Community Recycling Centre & Waste Transfer Stations e.g., site expansion or layout change.
- Additional internal haulage vehicle required.

The delivery and costs will be monitored and where required further reports will be brought forward for consideration through the Council's committee process.

- (d) **Financial Compensation** – COSLA are seeking compensation from the Scottish Government to cover costs incurred by Local Authorities complying with the new guidance. However, currently we are awaiting confirmation, see section 7.

12.2 Risk and Mitigations

An assessment of the risks and mitigations of implementing and not implementing the recommendations of this report has been undertaken. Please see **Appendix E** for full details.

12.3 Integrated Impact Assessment

A Stage 1 - Scoping and Assessing for Relevance has been undertaken, see, **Appendix F**. The assessment indicates that the proposals are being put forward to comply with new guidance issued by SEPA and concludes that a full impact assessment is not deemed necessary. However, this position may change depending on ongoing monitoring. It also confirmed that the Council has attempted to minimise the impacts whilst balancing the following competing issues/demands:

- The Council’s legal requirements
- The needs of householders, businesses, and traders
- The operational restrictions i.e., site location, sizes, haulage etc....
- The financial implications

12.4 Sustainable Development Goals

The table below outlines the UN Sustainable Development Goals that are affected by the proposals and summarises the impacts:

UN SD Goal	Impact
3 - Ensure healthy lives and promote wellbeing for all at all ages	Compliance with the new guidance will help minimise the health impacts of Persistent Organic Pollutants released from WUDS.
14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development	Compliance with the new guidance will help minimise the impact of Persistent Organic Pollutants on oceans, seas and marine resources.
15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Compliance with the new guidance will help protect terrestrial ecosystems from the impact of Persistent Organic Pollutants.

12.5 Climate Change

The proposals have been assessed against the criteria in the Council’s Climate Change Checklist identifying the following mitigations and enhancements:

- Existing waste infrastructure (e.g., CRC’s and Waste Transfer Stations) is being used as efficiently as possible to support compliance with the new WUDS containing POPs guidance.
- The proposals ensure that we maximise the amount of waste that is recycled and minimises the amount sent for Energy from Waste (EfW) and or landfill.
- Where possible we have attempted to reduce road movements through the bulking of waste at Waste Transfer Stations.
- The proposal ensures households can dispose of WUDS containing POPs at their local Community Recycling Centre via a booking system.

- The proposal ensures businesses can continue to dispose of WUDS containing POPs within the Scottish Borders. However, the size and capacity of our waste facilities means they will no longer be able to access CRC's for this waste type.

12.6 Rural Proofing

A rural proofing assessment has been undertaken, for further information please see **Appendix G**.

12.7 Data Protection Impact Statement

It is anticipated that the proposals in this report will have a minimal impact on data subjects and the Information Manager has confirmed that a Data Protection Impact Assessment is not required. However, we still need to comply with the Data Protection principles for example ensuring that residents understand how the council will collect and use their information collected via the new booking system.

12.8 Changes to Scheme of Administration or Scheme of Delegation

No changes to the Scheme of Administration or the Scheme of Delegation as a result of the proposals in this report.

13 CONSULTATION

12.1 The Chief Executive, the Director (Finance & Procurement), the Director (Corporate Governance), the Chief Officer Audit and Risk, the Director (People Performance & Change), the Procurement Officer, and Corporate Communications have been consulted and comments have been incorporated into the final report.

Approved by

Name John Curry

Title Director of Infrastructure & Environment

Author(s)

Name	Designation and Contact Number
Ross Sharp-Dent	Waste & Passenger Transport Manager

Background Papers: NA

Previous Minute Reference: NA

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

Contact us at RSharp-Dent@scotborders.gov.uk

Appendix A – Guidance on the management of Waste Upholstered Domestic Seating (WUDS) containing Persistent Organic Pollutants (POPs) October 2023



231026_POpsWUDS
_GUIDANCE_FINAL-J

APPENDIX B – Letter from SEPA to the CEO – 17th October 2024



POPS Email Letter
from SEPA CEO.pdf

APPENDIX C – Members Briefing Note – September 2023



September 2023 -
WUDS Update.pdf

APPENDIX D – Letter from Levensat Ltd – 6th February 2024



POPs Letter -
SBC.pdf

APPENDIX E - RISKS

Risks associated with NOT delivering the Recommendations

Risk	Mitigation
Regulator enforcement action including potential fines.	Implement proposed service changes.
Negative press coverage related to enforcement action.	Implement proposed service changes.
Increased environmental and health impacts associated with current waste management arrangements.	Implement proposed service changes.
Levensat refuses to accept mixed bulky waste, which ultimately means we will have to cease accepting bulky waste from households and businesses.	Implement proposed service changes.
Levensat accepts all mixed bulky waste containing WUDS but treats it all as contaminated with POPs. This will be charged at an increased rate (circa £690k per annum) and will reduce recycling performance.	Implement proposed service changes.

Risks associated with delivering the Recommendations

Note - The proposed changes to service provision are being made to comply with new legal requirements.

Risk	Mitigation
Negative feedback from householders and businesses.	<p>Communications campaign to be delivered outlining reasons for the change and the new arrangements.</p> <p>The new arrangements ensure households can continue to dispose of WUDS at their local CRC free of charge. Pre booking is required at all sites bar Galashiels. Bookings can be made online and by phone.</p> <p>Households and businesses can continue to pay for a bulky waste uplift of WUDS.</p> <p>Traders can dispose of WUDS directly at Easter Langlee Waste Transfer Station.</p> <p>SBC will monitor the new arrangements and adjust where practicable/affordable.</p>

<p>Increase in fly tipping</p>	<p>As above. SBC will monitor report of fly tipping and adjust the arrangements where practicable/affordable.</p>
<p>The revenue and capital costs exceed current estimates.</p>	<p>Costs will be reviewed as part of regular financial monitoring/forecasting. Operational adjustments will be made where practicable/affordable to minimise costs. Where required further reports will be brought through the committee process for consideration.</p>
<p>Proposed service can not be delivered within existing resource as currently envisaged.</p>	<p>SBC will monitor the new arrangements and adjust where practicable/affordable. Where required further reports will be brought through the committee process for consideration.</p>
<p>The regulator (SEPA) requires further changes to ensure compliance.</p>	<p>SBC will monitor the new arrangements and adjust where practicable/affordable. Continue to engage with the regulator and the Waste Mangers Network. Where required further reports will be brought through the committee process for consideration.</p>

Integrated Impact Assessment (IIA)

Stage 1 Scoping and Assessing for Relevance

Section 1 Details of the Proposal

<p>A. Title of Proposal:</p>	<p>Waste Upholstered Domestic Seating (WUDS) containing Persistent Organic Pollutants (POPs)</p>
<p>B. What is it?</p>	<p>A new Policy/Strategy/Practice/Project <input checked="" type="checkbox"/>X A revised Policy/Strategy/Practice <input type="checkbox"/></p>
<p>C. Description of the proposal: (Set out a clear understanding of the purpose of the proposal being developed or reviewed (what are the aims, objectives and intended outcomes, including the context within which it will operate)</p>	<p>The Scottish Environmental Protection Agency (SEPA) issued new guidance on the 31st October 2024, which banned waste upholstered domestic seating (WUDs) containing persistent organic pollutants (POPs) from being sent to landfill.</p> <p>The Council's current approach to managing WUDs containing POPs is not compliant with the new guidance.</p> <p>In order to become compliant with the new Guidance the Council will need to stop accepting, collecting, storing, transporting, and treating WUDS containing POPs as part of the mixed bulky waste stream.</p> <p>This will require multiple changes to the Council's operations. It will also impact how the Council receives and collects WUDS containing POPs from Households and Businesses via the following channels:</p>

	<ul style="list-style-type: none"> • Bulky Uplift Service • Community Recycling Centres • Waste Transfer Stations; and • Uplift of fly tipped waste. <p>For example:</p> <ul style="list-style-type: none"> • Households will need to pre-book access to the Community Recycling Centres to dispose of WUDS. • Traders will no longer be able to dispose of WUDS at CRC's. However we will accept WUDS from traders at Easter Langlee Waste Transfer Station • Households will need to make temporary repairs to any WUDS booked for uplift as part of the Council's bulky waste service.
D. Service Area: Department:	Waste Services Infrastructure & Environment
E. Lead Officer: (Name and job title)	Ross Sharp-Dent Waste & Passenger Transport Manager
F. Other Officers/Partners involved: (List names, job titles and organisations)	Kirsty Torrie – Interim Waste Treatment Manager
G. Date(s) IIA completed:	5 th March 2024

Section 2 Will there be any impacts as a result of the relationship between this proposal and other policies?

No
If yes, - please state here:

Section 3 Legislative Requirements

3.1 Relevance to the Equality Duty:

Do you believe your proposal has any relevance under the Equality Act 2010?

(If you believe that your proposal may have some relevance – however small please indicate yes. If there is no effect, please enter “No” and go to Section 3.2.)

Equality Duty	Reasoning:
A. Elimination of discrimination (both direct & indirect), victimisation and harassment. <i>(Will the proposal discriminate? Or help eliminate discrimination?)</i>	No
B. Promotion of equality of opportunity? <i>(Will your proposal help or hinder the Council with this)</i>	Yes
C. Foster good relations? <i>(Will your proposal help to foster or encourage good relations between those who have different equality characteristics?)</i>	No

**3.2 Which groups of people do you think will be or potentially could be, impacted by the implementation of this proposal?
(You should consider employees, clients, customers / service users, and any other relevant groups)**

Please tick below as appropriate, outlining any potential impacts on the undernoted equality groups this proposal may have and how you know this.

	Impact			Please explain the potential impacts and how you know this
	No Impact	Positive Impact	Negative Impact	
Age Older or younger people or a specific age grouping			X	<p>The requirement to pre book access to the Community Recycling Centres may be more challenging for those in the younger and older age group. To assist booking can be made both online and via the phone.</p> <p>Those in the younger and older age groups may be more reliant on third parties (not the Council) to uplift and dispose of Waste Upholstered Domestic Items, which may become more expensive to dispose of under the new arrangement due to additional travel times/distances. The Council will continue to accept WUDS as part of the bulky uplift service, however this may not be an option that householders currently use and may already be more expensive.</p> <p>Those in the younger and older age groups may find it more difficult to undertake temporary repairs to WUDS prior to disposal or uplift.</p>
Disability A physical or mental impairment that has a substantial and long term adverse effect on a person's ability to carry out normal day to day activities. This may be visible or invisible, progressive or recurring.			X	<p>The requirement to pre book access to the Community Recycling Centres may be more challenging for those in the with disability group. To assist booking can be made both online and via the phone.</p> <p>Those in the disability group may be more reliant on third parties (not the Council) to uplift and dispose of Waste Upholstered Domestic Items, which may become more expensive to dispose of under the new arrangement due to additional travel times/distances. The Council will continue to accept WUDS as part of the bulky uplift service, however this may not be an option that householders currently use and may already be more expensive.</p> <p>Those in the disability group may find it more difficult to undertake temporary repairs to WUDS prior to disposal or uplift.</p>

Gender Reassignment anybody who is proposing to undergo, is undergoing, or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex.	X			
Marriage or Civil Partnership people who are married or in a civil partnership	X			
Pregnancy and Maternity (refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth),	X			
Race: including colour, nationality, ethnic origins, including minorities (e.g. gypsy travellers, refugees, migrants and asylum seekers)	X			
Religion or Belief: different religious or philosophical beliefs, customs (including atheists and those with no aligned belief) e.g. Christianity, Islam, Hindu, pacifism, vegetarianism, gender critical.	X			
Sex women and men (girls and boys)	X			
Sexual Orientation , e.g. Lesbian, Gay, Bisexual, Heterosexual	X			

3.3 Fairer Scotland Duty

This duty places a legal responsibility on Scottish Borders Council (SBC) to actively consider (give due regard) to how we can reduce inequalities of outcome caused by socioeconomic disadvantage when making strategic decisions.

The duty is set at a strategic level - these are the key, high level decisions that SBC will take. This would normally include strategy documents, decisions about setting priorities, allocating resources and commissioning services.

Is the proposal strategic?				
Yes – The proposals are being put forward in order to comply with new guidance issued by SEPA, which is underpinned by law.				
If No go to Section 4				
If yes, please indicate any potential impact on the undernoted groups this proposal may have and how you know this:				
	Impact			State here how you know this
	No Impact	Positive Impact	Negative Impact	
Low and/or No Wealth – enough money to meet basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future.			x	<p>The requirement to pre book access to the Community Recycling Centres may be more challenging for those in the Low and or No Wealth group due to lack of access to a phone, computer or internet.</p> <p>Those in the Low and or No Wealth group may be more reliant on third parties (not the Council) to uplift and dispose of Waste Upholstered Domestic Items, which may become more expensive to dispose of under the new arrangement due to additional travel times/distances. The Council will continue to accept WUDS as part of the bulky uplift service, however this may not be an option that householders currently use and may already be more expensive.</p> <p>Those in the Low and or No Wealth age groups may find it more difficult to undertake temporary repairs to WUDS prior to disposal or uplift.</p>
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure and hobbies	x			
Area Deprivation – where you live (e.g. rural areas), where you work (e.g. accessibility of transport), see rural proofing guidance			x	Those in the area deprivation group may be more reliant on third parties (not the Council) to uplift and dispose of Waste Upholstered Domestic Items, which may become more expensive to dispose of under the new arrangement due to additional travel times/distances. The Council will continue to accept WUDS as part

				of the bulky uplift service, however this may not be an option that householders currently use and may already be more expensive.
Socio-economic Background – social class i.e. parents' education, employment and income	x			
Care experienced people	x			
Carers paid and unpaid including family members	x			
Homelessness	x			
Addictions and substance use	x			
Those involved within the criminal justice system	x			

3.4 Armed Forces Covenant Duty (<i>Education and Housing/ Homelessness proposals only</i>)	
<p>This duty places a legal responsibility on Scottish Borders Council (SBC) to actively consider (give due regard) to the three matters listed below in Education and Housing/ Homelessness matters. This relates to current and former armed forces personnel (regular or reserve) and their families.</p> <p>Is the Armed Forces Covenant Duty applicable? No</p> <p>If "Yes", please complete below</p>	
Covenant Duty	How this has been considered and any specific provision made:
<p>The unique obligations of, and sacrifices made by, the armed forces;</p> <p>The <u>MOD Statutory Guidance</u> gives the following examples:</p> <ul style="list-style-type: none"> • Danger • Geographical Mobility • Separation from Family • Service Law 	

<ul style="list-style-type: none"> • Unfamiliarity with Civilian Life • Hours of Work • Stress 	
<p>The principle that it is desirable to remove disadvantages arising for Service people from membership, or former membership, of the armed forces;</p>	
<p>The principle that special provision for Service people may be justified by the effects on such people of membership, or former membership, of the armed forces.</p>	

Section 4 Full Integrated Impact Assessment Required

Select No if you have answered “No” to all of Sections 3.1 – 3.3.

Yes

If yes, please proceed to Stage 2 and complete a full Integrated Impact Assessment

If a full impact assessment is not required briefly explain why there are no effects and provide justification for the decision.

The proposals are being put forward in order to comply with new guidance issued by SEPA, which is underpinned by law and will be monitored.

Therefore, a full impact assessment is not deemed necessary, but this position may change depending on ongoing monitoring.

For clarity the Council has attempted to minimise the impacts whilst balancing the following competing issues/demands:

- The Council’s legal requirements
- The needs of householders, businesses, and traders
- The operational restrictions i.e., site location, sizes, haulage etc....
- The financial implications

Signed by Lead Officer:	Ross Sharp-Dent
Designation:	Waste & Passenger Transport Manager
Date:	3rd March 2024
Counter Signature Director:	
Date:	

APPENDIX F – Rural Proofing Checklist

The rural proofing checklist – 2009/10

Consider all the questions below. Will your initiative encounter the challenges presented by rural circumstances? Answering 'Yes' indicates a potential negative impact which should be highlighted and, where appropriate, adjustments should be made. Some potential solutions are indicated to help you consider appropriate adjustments. *Please refer to the guidance note 'Frequently Asked Questions' before completing the checklist.*

Name of policy/ strategy: **Waste Upholstered Domestic Seating**

Date checklist completed: **5th March 2024**

Completed by: **Ross Sharp-Dent**

	Yes	No	
<p>1. Will the policy have a negative affect on the availability or delivery of services for people living in rural areas?</p> <p><i>For example, might it encourage closure or centralisation, and will this have an unequal/negative effect in rural areas where services are already limited?</i></p> <p><i>Rural solutions: improve transport/ accessibility to compensate for the centralisation of services; encourage other funds for threatened rural services; provide more money to rural outlets to maintain service standards.</i></p>	X		<p>Summary of likely negative impacts:</p> <p>Households will now need to pre-book before they can dispose of WUDS at Community Recycling Centres.</p> <p>Business will no longer be able to dispose of WUDS at Community Recycling Centres. Instead, they will be required to take WUDS to Easter Langlee Waste Transfer Station.</p> <p>Summary of adjustments made:</p> <p>A number of Councils now only accept WUDS at one Community Recycling Centre, for example Highlands and Renfrewshire. We are proposing that we will continue to accept WUDS from households at all sites but in order to do this we require households to pre book due to the limited capacity we have at our sites.</p> <p>We do not have the capacity to accept WUDS from businesses at our CRC's due to restricted capacity. However, although not a statutory requirement we are keen to ensure that businesses do have a disposal option for WUDS in the Borders. To enable this to happen we are accepting WUDS at Easter Langlee Waste Transfer Station.</p>

	Yes	No	
<p>2. Will access to the service be restricted for people living in rural areas? (If yes, how will the service be made available to people living in rural areas?)</p> <p>For example, will the policy result in the need for increased travel, or have a negative impact on the ease and/ or cost of travel? Will the impact be different in sparsely populated or remote rural areas, where journey times tend to be longer, public transport is poor, more people rely on a car and travel options are limited or expensive?</p> <p><i>Rural solutions: reduce the need to travel by using mobile services, local delivery or telephone / internet; ease travel by coordinating or improving transport links (e.g. additional services, on-demand transport, community transport/ community car schemes, taxi vouchers); reduce the costs of travel by subsidising services or individuals (remembering that there may be no public transport service between many locations; share premises or staff with other service providers to maintain or create a rural outlet ('joint provision').</i></p>	X		<p>Summary of likely negative impacts:</p> <p>Households will now need to pre-book before they can dispose of WUDS at Community Recycling Centres.</p> <p>Business will no longer be able to dispose of WUDS at Community Recycling Centres. Instead, they will be required to take WUDS to Easter Langlee Waste Transfer Station.</p> <hr/> <p>Summary of adjustments made:</p> <p>A number of Councils now only accept WUDS at one Community Recycling Centre, for example Highlands and Renfrewshire. We are proposing that we will continue to accept WUDS from households at all sites but in order to do this we require households to pre book due to the limited capacity we have at our sites.</p> <p>We do not have the capacity to accept WUDS from businesses at our CRC's due to restricted capacity. However, although not a statutory requirement we are keen to ensure that businesses do have a disposal option for WUDS in the Borders. To enable this to happen we are accepting WUDS at Easter Langlee Waste Transfer Station.</p>

	Yes	No	Summary of likely negative impacts:
<p>3. Will the cost of delivery be higher in rural areas (where customers are more widely dispersed or it is hard to be cost-effective)? (If yes, how will this extra cost be met or lessened?)</p> <p><u>For example</u>, will longer travel times or distances to clients add to the cost of service provision? Will services need to be run out of smaller outlets, reducing cost-effectiveness?</p> <p><i>Rural solutions: allow for higher unit delivery costs when calculating costs (e.g. a 'sparsity' factor) or when specifying cost-efficiency criteria; encourage joint provision to reduce costs.</i></p>	x		<p>Business will no longer be able to dispose of WUDS at Community Recycling Centres. Instead, they will be required to take WUDS to Easter Langlee Waste Transfer Station.</p> <p>Summary of adjustments made:</p> <p>We do not have the capacity to accept WUDS from businesses at our CRC's due to restricted capacity. However, although not a statutory requirement we are keen to ensure that businesses do have a disposal option for WUDS in the Borders. To enable this to happen we are accepting WUDS at Easter Langlee Waste Transfer Station.</p>
<p>4. Will the policy have a negative effect on the availability of affordable housing in rural areas?</p> <p><u>For example</u>, have all the knock-on consequences been considered which might affect or reduce the number of houses available or make it more difficult for people to find a housing solution in rural areas?</p> <p><i>Rural solutions: consider provision of alternative affordable rural housing solutions.</i></p>	Yes	No x	<p>Summary of likely negative impacts:</p> <p>Summary of adjustments made:</p>

	Yes	No	Summary of likely negative impacts:
<p>5. Will the policy be delivered by the private sector, or through a public-private partnership or local institution that may limit provision in rural areas?</p> <p><u>For example</u>, will the smaller, scattered population in rural areas provide a sufficient market to attract the private sector? Will there be similar opportunities for choice and competition? Does the private sector in rural areas have the capacity to deliver? Will the policy be as effective in rural areas, where private, public and voluntary sector organisations tend to be smaller and have less capacity? If funds or services are to be allocated via a bidding process, will small organisations be able to compete fairly?</p> <p><i>Rural solutions: consider the use of regulation, including universal service obligations; set rural delivery targets; draw up contracts that prevent cherry picking of the most profitable (urban) markets; encourage commercial providers with incentives; offset higher rural costs (e.g. through rate relief); provide specific support for capacity building; allow longer timescales for bidding; simplify the bidding process; allow an increased level of public or voluntary sector input to compensate for limited private sector input.</i></p>		x	<p>Summary of likely negative impacts:</p> <hr/> <p>Summary of adjustments made:</p>

	Yes	No	Summary of likely negative impacts:
<p>6. Does the policy rely on infrastructure for delivery (e.g. mobile phone coverage, broadband ICT, main roads, utilities) that may be limited in rural areas?</p> <p><i>For example, how will the policy work in rural areas where the existing infrastructure is typically less developed (e.g. no mobile phone coverage), or where infrastructure does not exist (e.g. cable TV, mains gas), and / or where upgrading of infrastructure may be difficult or expensive?</i></p> <p><i>Rural solutions: consider using regulation or licences to encourage the development of better infrastructure; encourage or coordinate demand to make supply viable; use the public sector's collective demand to stimulate supply; provide other ways of accessing the service. Use local radio and existing local communication networks to disseminate information.</i></p>	x		<p>Although Scottish Borders Council operates a large number of Community Recycling Centres per head of population, they are relatively small. The limited space at CRC's combined with requirements of the guidelines mean that we cannot continue to allow households and businesses to deposit unlimited quantities of WUDS.</p> <p>Summary of adjustments made:</p> <p>A number of Councils now only accept WUDS at one Community Recycling Centre, for example Highlands and Renfrewshire. We are proposing that we will continue to accept WUDS from households at all sites but in order to do this we require households to pre book due to the limited capacity we have at our sites.</p> <p>We do not have the capacity to accept WUDS from businesses at our CRC's due to restricted capacity. However, although not a statutory requirement we are keen to ensure that businesses do have a disposal option for WUDS in the Borders. To enable this to happen we are accepting WUDS at Easter Langlee Waste Transfer Station.</p>

	Yes	No	
<p>7. Will the policy have a negative impact on rural businesses, or land-based businesses, (including the self-employed) and therefore, on rural economies and environments?</p> <p><u>For example</u>, will it have a different effect on smaller businesses (which employ a larger part of the workforce in rural areas) or those sectors which are typically more important in rural areas – farming, forestry, tourism? Will the higher proportion of self-employed people in rural areas be affected (including those running part-time businesses)?</p> <p><i>Rural solutions: ensure the needs of small businesses are specifically addressed; take support, advice and training out to businesses; where possible avoid too much red tape that will unduly affect small firms. Consider opportunities for innovative local service delivery mechanisms which may also boost local employment and income; identify 'win-win' solutions which deliver economic, social and environmental benefits (e.g. identify local delivery solutions; consider incentives for environmentally friendly practices; promote local supply chains; allow for and encourage a wide range of rural enterprises).</i></p>	x		<p>Summary of likely negative impacts: House clearance and bulky waste uplift businesses will no longer be able to dispose of WUDS at their local Community Recycling centre. In the future they will be required to travel to Easter Langlee Waste Transfer Station to dispose of their WUDS. This impact the operational costs which will need to be built into their business model.</p> <p>Summary of adjustments made: We do not have the capacity to accept WUDS from businesses at our CRC's due to restricted capacity. However, although not a statutory requirement we are keen to ensure that businesses do have a disposal option for WUDS in the Borders. To enable this to happen we are accepting WUDS at Easter Langlee Waste Transfer Station. All businesses will be treated in the same manner ensuring equity of provision.</p>

	Yes	No	
<p>8. Will the policy have a negative impact on employment in rural areas?</p> <p><u>For example</u>, will any full or part-time posts be lost as a result? Will the existing jobs become less attractive and therefore harder to fill in a rural location? What will be the impact on other services provided in the area?</p> <p><i>Rural solutions: consider if part-time jobs can be 'rolled up' to create a more sustainable post; look for a local delivery solution; consider measures to improve the choice of work (e.g. increasing skills, improving local childcare, improving transport to work).</i></p>			<p>Summary of likely negative impacts: Employees of house clearance and bulky waste uplift businesses may be impacted – see question 7.</p> <hr/> <p>Summary of adjustments made: We do not have the capacity to accept WUDS from businesses at our CRC's due to restricted capacity. However, although not a statutory requirement we are keen to ensure that businesses do have a disposal option for WUDS in the Borders. To enable this to happen we are accepting WUDS at Easter Langlee Waste Transfer Station. All businesses will be treated in the same manner ensuring equity of provision.</p>

	Yes	No	Summary of likely negative impacts:
<p>9. Will the policy have a negative impact on people who are disadvantaged in rural areas? (If the policy is targeted at addressing disadvantage, how will it target rural disadvantage, which is not usually concentrated in neighbourhoods?)</p> <p><u>For example</u>, do the indicators used for identifying need measure rural deprivation issues (e.g. access to services, access to job opportunities, low earnings and housing affordability)?</p> <p><i>Rural solutions: use small area statistics to identify pockets of hardship; adjust the indicators or their weighting to accommodate both urban and rural aspects of deprivation; choose larger areas for targeting to pick up scattered disadvantage; target population groups rather than areas.</i></p>		x	<p>Summary of adjustments made:</p>

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	Yes	No	Summary of likely negative impacts:
<p>10. Does the policy assume 'one size fits all', and fail to take into account the different size and specific circumstances of smaller rural schools and other isolated rural service facilities?</p> <p><i>For example, would centralisation of a service reduce local purchasing and job opportunities in the rural area, or create increase travel time and energy costs?</i></p> <p><i>Rural solutions: consider the possibility of creating localised and alternative solutions in rural areas.</i></p>		x	<p>Summary of adjustments made:</p>

Steps to take

1. Ensure you are clear about the objectives of the proposed policy, its intended impacts or outcomes (including which areas, groups or organisations should benefit) and the means of delivery.
2. Run through each question in the checklist, identifying where the proposed policy is likely to have a different impact in rural areas, focusing on potential negative impacts.
3. Where there is uncertainty or a potentially different (worse) impact, this should be investigated further (and included in the overall assessment of the costs and benefits of the policy).
4. Where the impact in rural areas will be significantly different, explore policy options to produce the desired outcomes in rural areas or avoid/ reduce any undesirable impacts. This exercise may also highlight opportunities to maximise positive impacts in rural areas.

Feed the results of your appraisal, including solutions, into the decision-making process and ensure a record is kept, to be included in your Department's annual proofing report.



BORDERLANDS INCLUSIVE GROWTH DEAL: NATURAL CAPITAL PROGRAMME – SPECIES RICH GRASSLAND PILOT BUSINESS JUSTIFICATION CASE

Report by Director, Resilient Communities

SCOTTISH BORDERS COUNCIL

28 MARCH 2024

1 PURPOSE AND SUMMARY

- 1.1 This report provides an update to Council on progress with the Business Justification Case for the Species Rich Grassland Pilot Project within the Natural Capital Programme. A Business Justification Case is required to draw down funding from the Borderlands Inclusive Growth Deal.
- 1.2 The Business Justification Case is in the process of being approved by the Scottish Government and it is currently scheduled to be considered by the Borderlands Partnership Board for approval by written procedure in April. An advance final draft of the Business Justification Case is attached as Appendix 1 (a series of additional supporting documents are noted within this as appendices to the Business Justification Case and these can be accessed through officers). Approval from the Scottish Government is expected by the date of the Council meeting and any updates will be provided on the day.
- 1.3 The Business Justification Case is one of a series of pilot project business cases comprising the Borderlands Scottish Natural Capital programme. The Programme Business Case was approved by Council in August 2023.

2 RECOMMENDATIONS

2.1 I recommend that Council:

- (a) Approves the Business Justification Case for the Species Rich Grassland Pilot project set out in Appendix 1.**

- (b) Notes that there is no anticipated capital or revenue funding required from the Council.**

3 BACKGROUND

3.1 The Programme Business Case for the Borderlands Scottish Natural Capital Programme was presented to Council in August 2023 and sets out the justification and objectives of the programme. The overall aim of the programme is to demonstrate innovation in land use management through a series of initiatives comprising 6 pilot projects in the South of Scotland.

The projects will highlight the role of natural capital in underpinning:

- regional economic development;
- community development;
- land-use planning; and
- innovative sustainable land management.

3.2 The Scottish Natural Capital programme is being led by Scottish Borders Council with Dumfries and Galloway Council acting as the Accountable Body and South of Scotland Enterprise as a key project partner. Each partner will oversee the delivery of 2 projects, with project management being provided by expert Delivery Partners. There is also a Natural Capital Programme being developed by the English local authorities that are part of the Borderlands Partnership. This programme is still being worked up.

3.3 The Species Rich Grassland pilot is one of two pilot projects being led by Scottish Borders Council; the Delivery Partner for the Grasslands Project is Butterfly Conservation, a national charitable organisation. The other pilot is a Woodland Creation pilot project, which will be brought to the Council for approval at a later date.

3.4 The full title of the Grassland project is 'Natural Capital Pilot Agri-Environment Project: Farmers, Landowners, Northern Brown Argus (NBA) and Species-rich Grassland (SRG)'. The overall objective is to develop a more ecologically sustainable approach to hill livestock farming by supporting and promoting the rural economy and sustainable land management. This will focus on Species-rich Grassland (SRG) and the conservation of the Northern Brown Argus (NBA) butterfly in the Scottish Borders, and Dumfries and Galloway, using the butterfly as a flagship for Species-rich or flower-rich grassland.

3.5 The Project Business Justification Case (BJC) sets out the rationale, and objectives and benefits of the pilot project noting '*The proposal prioritises nature-based solutions whilst providing improved food quality, enhanced pollination, increased biodiversity and improved soil management and carbon storage. This will help enhance productivity, potentially adding value to the end-product, grass reared, sustainable, environmentally friendly meat, ensuring land management businesses are more economically viable, sustainable, and resilient.*'

- 3.6 The pilot aims to support the development of an effective Agri-Environment scheme that maintains, restores and creates flower-rich habitats using an outcome-based approach. These habitats are best maintained by light seasonal grazing. However, techniques to restore Species-rich Grassland are less well established or costed, so this will require trials to determine how best to convert rank (unmanaged) grassland or gorse dominated hillsides into flower-rich areas.
- 3.7 The project aims to heighten the importance of the region's Species-rich Grasslands and Northern Brown Argus populations and their reliance on High Nature Value (HNV) farming, and will provide opportunities for local involvement, through volunteering, student placements, training and working closely with landowners, farmers and their agents, local contractors and small businesses.
- 3.8 The project costs are set at £727,160 which is to be accessed from the Borderlands Inclusive Growth Deal, however, additional funding will be sought through the life of the project to add value where possible. It is not anticipated that the Council will provide any additional funding.

4 KEY ELEMENTS OF THE BUSINESS JUSTIFICATION CASE

- 4.1 The total project costs are below the Scottish Government £2m threshold to produce a HM Treasury Green Book Full Business Case, however, as good practice, the Business Justification Case has been structured around the HM Treasury guidance and is based on the five-case model: Strategic; Economic; Commercial; Financial; and Management. The Business Justification Case is set out in Appendix 1.

Strategic Case

- 4.2 The project contributes to each of the Borderlands Inclusive Growth Deal's three priorities:
 1. Narrowing the productivity gap
 2. Increasing Working Age Population
 3. Delivering inclusive growth
- 4.3 The Case for Change outlines how and why change is required and highlights several options for increasing farm wealth by enhancing their Natural Capital via associated clean, green investment opportunities and the prospect of scaling up activity and investment.
- 4.4 The Case for Change is summarised in 4 key strategic delivery objectives:
 - Undertake at least four management trials to better understand restoration techniques and costs over 10ha by the end of the project and disseminate the results to influence future Agri-environment policy.

- Provide advice to farmers/landowners to restore/enhance 400 ha of SRG over the course of the project.
- Recruit a minimum of 50 volunteers to enhance 10ha of SRG by establishing two local community liaison or volunteer groups.
- Increase survey and monitoring of the Northern Brown Argus butterfly by recruiting/training/co-ordinating 50 volunteers to monitor distribution and abundance trends.

Economic Case

4.5 The Economic Case is structured around an Options Assessment based on investment objectives from the Strategic Case and Critical Success Factors (CSFs). These are:

- Strategic Fit.
- Business Need.
- Optimisation of Costs and Benefits.
- Capacity and Capability.
- Affordability.
- Achievability.

The Options Analysis considered three options: 'Business as Usual'; 'Do minimum'; and the full project proposal. These were tested in a workshop with regional and national stakeholders with overwhelming support for the full project proposal.

4.6 The Economic Case shows that the project is expected to deliver significant economic benefits for the South of Scotland across three main areas:

- Incidental (temporary result of the pilots).
- Direct (persistent).
- Downstream (scaled-up long term results of the pilots).

Across these areas, there are two main benefit categories:

- Economic (e.g. employment, GVA, cost savings/efficiencies).
- Environmental/natural capital (e.g. carbon sequestration/Greenhouse Gas emissions reduction, food provision).

4.7 Investment in this pilot will have multiple benefits and beneficiaries through the development of a costed, tiered, bespoke support package designed with and for farmers to reward them for the benefits in terms of Natural Capital they are providing to the public, including benefits to biodiversity. Additional market opportunities for farmers will be investigated, for example the establishment of a local "Butterfly Beef" and/or "Lepidoptera Lamb" scheme in partnership with Quality Meat Scotland, whereby local meat is sold at a premium marketed on its green, natural capital and enhanced biodiversity credentials.

4.8 Anticipated outputs from the project include:

- Influencing the post-2024 Rural Development Programmes and future Scottish Government Economic Strategy.
- Trialling innovative technology including use of drones, Apps, No Fence technology, remote-controlled Robocutters to restore SRG.
- Identify and publicise the most effective, efficient and costed SRG restoration techniques.
- 400ha of SRG under restoration management.
- Up to 50 jobs safeguarded.
- Local community liaison or volunteer groups established.
- Farmer-led Natural Capital groups established, including engaging with 50 farmers.
- 2 demonstration sites set up per region.
- 100 volunteers engaged with the project, contributing around 1000 days, worth £140,000.
- Novel Natural Capital finance packages investigated, including a feasibility study into developing a Biodiversity Metric.
- Potential for up to £4M in additional income generated through bringing in public/private investment in Natural Capital.
- Potential development of a local premium meat marketing scheme.

Commercial Case

4.9 The Commercial Case outlines the procurement procedures that comply with Butterfly Conservation, Scottish Borders Council, Dumfries and Galloway Council, and Scottish Government procurement policies. The project will adhere to the procurement requirements of funders in terms of the appointment of Delivery Partners and contractual arrangements. Approaches to maximising Community Wealth Building opportunities will also be explored.

Financial Case

4.10 The Financial Case sets out the full cost of the project of £727,160, with a full breakdown of the project costs, split between revenue and capital funding (see Table 1 below). The project is entirely funded through Borderlands Inclusive Growth Deal investment; however, additional funding will be sought through the life of the project to add value where possible.

Table 1 – Financial Profile

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Totals
Revenue (£)	38,378	52,657	54,105	45,625	23,774	23,333	26,096	263,969
Capital (£)	61,684	94,799	75,759	76,767	64,825	45,936	43,240	463,190
Totals (£)	99,743	147,456	129,864	122,392	88,599	69,269	69,337	727,159

Management Case

4.11 The Management Case outlines that Scottish Borders Council will be the grant recipient with the project being delivered by Butterfly Conservation. The project will be overseen by an appointed Core Project Steering Group (CPSG) comprising key stakeholders.

4.12 The project will be managed and delivered by the lead delivery partner, Butterfly Conservation, via a Project Officer employed by Butterfly Conservation. The project will be overseen by a Core Project Steering Group (CPSG) which will meet at least twice a year though it is likely that the CPSG will need to meet more regularly during the initial stages of the project to provide the necessary steer and support to the pilot and to the Project Officer. Butterfly Conservation has been selected as the delivery partner as it was one of the first organisations to recognise the fragility of the hill livestock sector in the Scottish Borders.

4.13 It is expected that the pilot project will deliver some key benefits. Refocusing future rural support with a stronger emphasis on investing in Natural Capital can help to make land-based businesses more resilient, support jobs, and strengthen Scotland’s green brand. There is increasing scope for Natural Capital to support our economic recovery post-Covid, and to contribute to Scotland’s ambitions for a wellbeing economy that promotes the wellbeing of people and planet. Evidence suggests that a Natural Capital approach can result in greater public benefits, a stronger return on investment for public funds, and help land managers address the twin challenges of a warming climate and biodiversity loss through HNV (High Nature Value) farming.

4.14 The benefits which will be delivered by the pilot project are set out under the following six categories for each of the seven years of the pilot:

- Project Management.
- Develop an effective Result-based Agri-environment Payment Scheme (RBAPS) for Species- rich grassland and Northern Brown Argus.
- Local Northern Brown Argus populations.
- Outreach/Education/Research/Promotion.
- Habitat Management.
- Monitoring Habitat Restoration Trials.

5 IMPLICATIONS

5.1 Financial

- (a) Officers remain in discussions with Scottish Government officials regarding the overall Borderlands financial profile for 2024-25 and beyond, as set out in Table 1. Council will be updated on the financial position when this is confirmed.
- (b) Full costs for the project are to be provided by the Borderlands Inclusive Growth Deal with the grant funding coming to Scottish Borders Council via Dumfries and Galloway Council, the accountable body for the Deal in Scotland.
- (c) There is no direct financial contribution required from the Council, however support for project delivery will be provided by officers.

5.2 Risk and Mitigations

The Natural Capital Programme has a risk register laying out all strategic and operational risks with associated mitigations, and this feeds into a wider risk register that the Council maintains for the Borderlands Inclusive Growth Deal programme. The programme risk register is updated and reported to the meetings of the Natural Capital Working Group and will be updated to the Programme Board when it is operational. Project specific details will be included as project outputs are delivered.

5.3 Integrated Impact Assessment

As part of the Programme Business Case and Project Business cases submission to Government, Integrated Impact Assessments require to be completed. An Integrated Impact Assessment for the Grassland project has been prepared and submitted to Council for approval to ensure that the project meets the requirements of the Equality and Fairer Scotland duties.

5.4 Sustainable Development Goals

The development and delivery of the Grassland project will contribute to the ambitions to be a green, fair and flourishing region, helping to achieve net zero ambitions, and support community wealth building

and thriving places. An assessment of this contribution towards the outcomes of the 17 UN Sustainable Development Goals will be undertaken as the programme is taken forward. The projects are currently undertaking Carbon Impact Assessments as part of the Business Case process.

5.5 Climate Change

As the project is taken forward, there will be specific assessments undertaken to assess embodied carbon emissions during its implementation and lifecycle. The Carbon Impact Assessment required by Government will also allow for the measurement of carbon impacts. Benefits relating to the five themes set out in the Council's Climate Change Route Map—Resilience, Transport, Nature-based solutions, Energy and Waste— will also be assessed.

5.6 Rural Proofing

This report does not affect or amend rural proofing policies.

5.7 Data Protection Impact Statement

There are no personal data implications arising from proposals contained in this report.

5.8 Changes to Scheme of Administration or Scheme of Delegation

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

6 CONSULTATION

6.1 The Director of Finance & Procurement, Director of Corporate Governance, the Chief Officer Audit and Risk, the Director of People Performance & Change, and Corporate Communications have been consulted on this report.

Approved by

Jenni Craig
Director, Resilient Communities

Author(s)

Name	Designation and Contact Number
Sam Smith	Chief Officer, Economic Development 01835 824000
Louise Cox	Sustainability and Climate Change Manager 01835 824000
Stuart Kinross	Economic Development Officer, 01835 826505

Background Papers: None.

Previous Minute Reference: Council – 31 August 2023.

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

Contact us at Sam Smith, samantha.smith1@scotborders.gov.uk

Borderlands Natural Capital Programme – Scotland Business Justification Case

Project Title: **Natural Capital Pilot Agri-Environment Project: Farmers, Landowners, Northern Brown Argus (NBA) and Species-rich Grassland (SRG)**

Applicant: **Butterfly Conservation**

Total project value: **£727,160**

Borderlands grant value: **£727,160**

	Name	Version	Date
Prepared by:	Tom Prescott	16	23/02/24
Reviewed by:	Louise Cox/Stuart Kinross	7	08/09/23
Approved by:			

**Farmers, Landowners, Northern Brown Argus (NBA) and Species-rich
Grassland (SRG)**

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INTRODUCTION/Executive Summary

1. The Natural Capital Scotland Programme, part of the Borderlands Inclusive Growth Deal and made up of several natural capital pilot projects, is about delivering innovation across a blend of revenue and capital-based activities to support a new way of working that reflects the role of Natural Capital in underpinning regional economic development, community development, land-use planning and management at a landscape scale.
2. Natural Capital is one of the Borderlands Inclusive Growth Deal programmes, within the Green Growth strategic theme. The Deal aims to deliver sustainable economic growth across the Borderlands region. The green growth theme capitalises on the region's green credentials, decarbonisation and high value job creation to support low carbon energy generation and decarbonisation. The Natural Capital Programme aims to be an exemplar for the UK in the development of new and innovative clean growth rural land management practices.
3. A summary of the sector in the Borderlands area is tabulated below.

Our Natural Capital Sector

- Sector comprises Agricultural, Forestry, Fishing, Mining, Water and Waste Management Services.
- In 2019, the sector employed over **14,000 people** – most jobs in Agriculture, Forestry and Fishing.
- From 2015-19, employment in the sector grew by **4%**.
- In 2020, the sector was propelled by around **3,200 businesses** – steady since 2016.
- In terms of specialisation, has **over two times** the concentration of jobs relative to Scotland.
- Employment is distributed across the region, with **greater density in the northeast of SB**.
- Forecasts suggest the sector may see a **small reduction** in employment by 2029.

4. The Natural Capital of the Borderlands region underpins much of its economic prosperity with its reliance on land-based industries such as agriculture, forestry, energy, food and drink, tourism, and outdoor recreation. As a result, the future land management of the region is recognised as a critical element of its future economic growth and resilience. The purpose of the proposal is to develop a more ecologically sustainable approach to hill livestock farming by supporting and promoting the rural economy and sustainable land management, focussing on Species-rich Grassland (SRG) and the conservation of the Northern Brown Argus (NBA) butterfly in the Scottish Borders (and across the local authority boundary in Dumfries and Galloway), and their reliance on HNV (High Nature Value) farming. The proposal prioritises nature-based solutions whilst providing improved food quality, enhanced pollination, increased biodiversity and improved soil management and carbon storage. This will help enhance productivity, potentially adding value to the end-product, grass reared, sustainable, environmentally friendly meat, ensuring land management businesses are more economically viable, sustainable, and resilient.
5. The project will be led by Butterfly Conservation, who will employ a Project Officer to deliver the project, in partnership with Scottish Borders Council (SBC). It will work very closely with the

Scottish Borders' woodland pilot and Dumfries and Galloway Council's agri-environment pilot, within the Natural Capital Scotland Programme. This pilot will provide many opportunities for local involvement, through volunteering, student placements, training, deploying local contractors and small businesses. Local people will be engaged in the delivery, developing stronger links between communities and land managers, whilst providing employment and skills opportunities. These new collaborative partnerships will deliver long-term strategic approaches to improving the region's economy. It will thereby deliver public goods for biodiversity and climate change resilience, whilst enhancing local place. It therefore helps to address the twin crises of climate change and biodiversity loss. The pilot will capitalise on the region's Natural Capital to be an exemplar for the UK in the development of new and innovative clean growth rural land management practices and make farm businesses more financially viable.

6. The **Strategic and Economic Case** sets out how our proposal fits with national and regional economic and land use policies, which recognise that Natural Capital is central to achieving net zero, arresting biodiversity decline and achieving a just transition.
7. The **Case for Change** outlines how and why change is required and highlights several options for increasing farm wealth by enhancing their Natural Capital via associated clean, green investment opportunities and the prospect of scaling up activity and investment. The urgent need for an effective agri-environment scheme is imperative. Risks have been fully assessed and are considered to be low, whilst constraints and dependencies are largely around the development of national policy, available funding and timescales.
8. The **Economic Case - Options Analysis** considered were 'Business as Usual', 'Do minimum' or the full project proposal. These were tested in a workshop with regional and national stakeholders attended by 17 individuals, with overwhelming support for the full project proposal.
9. The **Commercial Case** outlines our procurement procedures that comply with Butterfly Conservation, Scottish Borders Council, Dumfries and Galloway Council, and Scottish Government procurement policies.
10. The **Financial Case** sets out the full cost of the project of £727,160, with a full breakdown of the project costs, split between revenue and capital funding. The project is entirely funded through Borderlands Inclusive Growth Deal investment. Additional funding will be sort through the life of the project to add value.
11. The **Management Case** outlines that Scottish Borders Council will be the grant recipient with the project being delivered by Butterfly Conservation. The project will be overseen by an appointed Core Project Steering Group (CPSG) comprising key stakeholders.

DESCRIPTION OF THE PROJECT

12. The overall objective of the pilot is to develop a more ecologically sustainable approach to hill livestock farming by supporting and promoting the rural economy and sustainable land management, focussing on Species-rich Grassland (SRG) and the conservation of the Northern Brown Argus (NBA) butterfly in the Scottish Borders, and Dumfries and Galloway, using the butterfly as a flagship for Species-rich, (flower-rich), Grassland.
13. The project aims to be an exemplar in the UK in the development of new and innovative clean growth rural land management practices and make farm businesses more financially viable by capitalising on the region's Natural Capital.
14. The current system is not delivering for Species-rich Grassland, the conservation of the Northern Brown Argus or for farmers; change is therefore required. This is due to the current lack of an effective agri-environment (AE) scheme that incentivises and pays farmers to manage these vital flower-rich areas. This is set against an increased threat to these important habitats from financially rewarding afforestation grants with the offer of additional payments from selling Woodland Carbon Credits.
15. The pilot therefore aims to develop an effective AE scheme that maintains, restores and creates flower-rich habitats using an outcome-based approach. These habitats are best maintained by light seasonal grazing. However, techniques to restore Species-rich Grassland are less well established or costed, so this will require trials to determine how best to convert rank grassland or gorse dominated hillsides into flower-rich areas. This will include traditional methods of management e.g. increasing grazing, but also more innovative solutions using modern technology including the use of No Fence GPS livestock collars to target grazing without the need for fencing, deploying automated Robo-cutters to remove gorse from steep hillsides, the use of cut and collect techniques, direct drilling of wild flower seeds, drones and satellite imagery to survey and monitor habitat change and the use of Apps so that farmers and volunteers can monitor changes on the ground. These activities are key to the successful delivery of the pilot and are therefore deemed eligible.
16. Additional funding opportunities will also be explored including investigating establishing a Grassland Carbon Credits scheme, using biodiversity offsetting to restore flower-rich habitats, investing in local Natural Capital for Nature Recovery and the potential to develop a local premium meat marketing scheme "*Butterfly Beef*" and/or "*Lepidoptera Lamb*".
17. The project aims to heighten the importance of the region's Species-rich Grasslands and Northern Brown Argus populations and their reliance on High Nature Value (HNV) farming, and will provide opportunities for local involvement, through volunteering, student placements, training and working closely with landowners, farmers and their agents, local contractors and small businesses.

1 STRATEGIC CASE

1.1 Context

1.1.1 Butterfly Conservation is the UK charity dedicated to saving butterflies, moths and our environment, and its vision is a world where butterflies and moths thrive and can be enjoyed by everyone, forever.

1.1.2 Butterflies and moths are a vital part of our wildlife heritage and are valuable as sensitive indicators of the health of our environment. The stark fact is that butterflies and moths continue to decline at an alarming rate, despite Butterfly Conservation's best efforts over the last 40 years. Our data shows they are both declining faster than most other well-documented groups of plants and animals, so our task is both daunting and complex. The recent State of Nature Report Scotland (2023) shows that 13 of the 'top 15' most depleted species in Scotland are moths with declines of over 93% between 1994 and 2021. Lepidoptera are an important element of many ecosystems, being crucial in many food-chains as many other organisms depend on them for food or for their pollination. For example, Blue Tit chicks alone are estimated to eat 150,000,000,000,000 caterpillars in Britain each year and moths make up a substantial part of the diet of many bat species in Scotland.

1.1.3 For many species, we know what needs to be done to halt the decline and support recoveries. In order to tackle these losses and achieve the aims of the charity, we have to dramatically increase our capacity and influence over the next few years. Our work will benefit other wildlife and the ecosystems upon which all life depends. Falling numbers of butterflies and moths are an early warning to all wildlife that cannot be ignored.

1.1.4 Butterfly Conservation has more than 40,000 members in the UK and 32 volunteer-run branches throughout the British Isles. We employ almost 100 people, including many highly qualified scientists, making us the world's largest research institute for butterflies and moths.

1.1.5 Our current corporate strategy sets out three key goals to drive forward our work, making a pledge for the impact we will make on threatened species, doubling our impact on landscape restoration and involving people in transforming spaces for butterflies and moths. This will be achieved through implementing our three strategic goals.

1. Halve the number of the UK's threatened species of butterflies and moths.
2. Improve the condition of 100 of the most important landscapes for butterflies and moths.
3. Transform 100,000 wild spaces in the UK for people, butterflies and moths.

1.1.6 The project contributes to each of the Borderlands Inclusive Growth Deal's three priorities:

1. Narrowing the productivity gap

The project aims to increase GVA (Gross Value Added) by:

- a) Investigating the establishment of a local "*Butterfly Beef*" and/or "*Lepidoptera Lamb*" scheme in partnership with Quality Meat Scotland (QMS), project farmers and local butchers whereby local meat is sold at a premium marketed on its green, natural capital

- and enhanced biodiversity credentials. Options include selling directly to local butchers, or to the public by establishing their own farm shops, or directly online e.g. Peelham Farm, or the Buffalo Farm, or directly to high-end restaurants, or through an existing accreditation schemes e.g. Scotch Beef, Soil Association or Pastures for Life, or establishing a specific local scheme. Initial discussions have already been held with Bruce McConachie, Head of Industry, QMS, as to how such a scheme may operate in principle.
- b) Developing an effective and bespoke agri-environmental scheme whereby farmers are paid for their management of SRG in line with the current POBAS (Piloting an Outcome Based Approach in Scotland) scheme that is currently being trialled and led by NatureScot, commissioned and funded by Scottish Government.
 - c) Encourage responsible private investment in Natural Capital. A recent Scottish Government Report (2023) *Mobilising Private Investment in Natural Capital* looks at how to encourage responsible private investment into peatland restoration, including how to overcome barriers to scaling voluntary carbon markets to restore peatland in Scotland. It states “Globally there are a variety of carbon and nature-related funds which are structured to facilitate the flow of private finance into Natural Capital. These funds set a potential precedent for Scottish Government’s proposed Scotland Carbon Fund.” The conclusions of this report will provide useful guidance on how to implement responsible private investment through this Natural Capital pilot.
 - d) Stimulate business growth to create a more diverse regional economy, recognising that innovation and skills are central to achieving this. The pilot aims to implement innovative solutions using modern technology including the use of No Fence GPS livestock collars, deploying automated Robo-cutters, using drones and satellite imagery as well as newly commissioned Apps. The pilot will also provide many opportunities for local involvement, through volunteering, student placements, training, and projects, deploying local contractors and small businesses. These activities are key to the successful delivery of the pilot and in part stimulate business growth by creating a more diverse regional economy.

2. Increasing Working Age Population

This will be supported by making farm businesses more economically viable, thereby retaining current jobs. In addition, the innovative approaches already outlined to make use of new technologies will provide additional work opportunities for local people and hopefully encourage young people who have left the Borderlands to study, to return. Work placements will be developed with Borders College through their Rural Skills programme and SRUC (Scotland’s Rural College) under their proposed elective work placement module.

3. Delivering inclusive growth

The project will work closely with rural learners, and thus contribute to one of this priority’s three key inclusive growth challenges, which includes **Access to education**. It is proposed to proactively work with students studying at the regionally focussed Borders College in Galashiels and SRUC’s Barony Campus, near Dumfries.

Butterfly Conservation already has a good track record of working with students and trainees. It is a fulfilling and successful partnership with BC providing the opportunity, expertise and

support and the student gaining valuable experience whilst collecting useful information usually targeted on priority species and their habitats that allows BC to progress its conservation work. For example, we annually host and support 2-4 students undertaking their final year BSc or MSc dissertation projects, we have regularly hosted 4-6 week placement students from Stirling University and have employed two, year-long, TCV Natural Talent apprenticeships. We are currently supervising a PTES Internship who is studying some of Scotland's rarest micro moths, including *Lampronia capitella*, that only occurs at a single site in Scotland, near Peebles. We have also directly supervised PhD students. During the Covid pandemic, Butterfly Conservation moved our volunteer training online with regular Zoom species, habitat, and management workshops, which greatly increased our outreach.

Butterfly Conservation already has a strong working relationship with SRUC, delivering online talks and hosting students undertaking final year projects. Dr Lorna Cole, Agricultural Ecologist at SRUC, has suggested a guest lecture slot to their third-year module Ecological Applications students along with a farm visit. SRUC are also developing an elective work placement module which the pilot will be able to provide suitable opportunities. At Borders College there are potential opportunities to work with a number of courses/students including those studying agriculture, carbon courses, land-based forestry or other practical courses e.g., Rural Skills students learning about practical conservation measures to save threatened species.

There is therefore huge potential for student involvement with a commitment to provide opportunities for a minimum of:

- 1 student project/year.
- group site visits/year to demonstration sites.
- online talks/lectures a year.
- 2 work parties each year.
- Help support Ph.D students e.g. at present Sam Suter's (Glasgow University) Ph.D. project, "*Combining citizen science and remote sensing approaches for habitat monitoring*".

1.1.7 The pilot also meets the five objectives of the Borderlands Natural Capital Programme in Scotland as laid out in pages 13-14 of the Borderlands Natural Capital Programme Business Case:

- 1) *By 2030, deliver the six Scottish-led innovation pilot projects, delivering economic outputs, demonstrating best practice nationally and disseminating lessons to support scaling and influence future policy.*

The pilot is one of these six and is clearly delivering economic outputs by:

- Delivering economic benefits by devising a more inclusive agri-environmental scheme which includes SRG and is readily accessible to small farmers and landowners, as well as investigating opportunities for responsible investment in Natural Capital.
- Aiming to be an exemplar for Natural Capital in Scotland and across the UK.

- Undertaking trials to determine the most efficient, successful, and cost-effective mechanisms to maintain and restore SRG, which can then be rolled out across the country.
- Providing deliverable management prescriptions that can become part of Scotland's future post-Brexit agri-environment scheme, thus strongly influencing agricultural policy and scaling up to the whole nation.

2) *Deliver holistic economic benefits for the regional economy through the maintenance, restoration, and enhancement of natural capital, with additional benefits for the environment and communities, supported by a strategic cross-border partnership.*

This is the whole basis of the pilot; maintenance, restoration and enhancement of Species-rich Grassland and the corresponding uplift in Natural Capital. The challenge is then to use this uplift as a source of additional funding for farmers with downstream benefits to the wider local community. The project will also engage with local volunteers and students. Although focussing on NBA and SRG there will be other numerous beneficiaries including pollinators and a knock-on effect in the food-chain e.g., birds and bats. NBA also occurs just over the border in Northern England providing the opportunity for cross-border partnership working.

3) *Align with existing initiatives, such as the South of Scotland RLUP pilot and activity south of the border, to improve understanding of current land and marine uses, the benefits delivered, their interdependencies and drivers for change, and how to ensure future uses deliver economic benefits, both direct and additional, as well as wider environmental and social outcomes.*

Northern England is the only other part of the UK, outwith Scotland, where NBA occurs, so lessons learnt here will be equally valid there as their colonies are experiencing similar issues, albeit under a different agri-environment scheme. Survey and monitoring data gathered through the project on species, habitat and management will be valuable base-line data and input into the South of Scotland RLUP. The pilot also plans to integrate and align with the Regional Land Use Partnership Pilot Project.

The project focuses on developing an outcome-based AE scheme to enhance and restore SRG to benefit NBA by trialling different management techniques, thereby ensuring future landuse delivers both environmental and economic benefits. Further economic benefits will be sought through encouraging responsible private investment in Natural Capital.

Providing local volunteering opportunities outside in nature, be that survey and monitoring, or undertaking physical work parties, will be extremely uplifting by working and mixing with like-minded people whilst improving both their physical and mental wellbeing.

4) *Deliver strategic capacity building within regional businesses, organisations and supply chains and better equip regional workers for skilled jobs in the natural capital-based economy of the future.*

The basis of the project is to make farm business more financially viable as SRG and NBA are reliant on HNV farming systems, which are currently financially very marginal. The main aim is to develop an effective AE scheme that maintains, restores, and creates flower-rich habitats using an

outcome-based approach that rewards farmers on results. The pilot will also investigate opportunities for responsible investment in Natural Capital, contribute to establishing a Grassland Carbon Code and aims to be a transformational pilot that generates Inclusive Growth. It will also look into the viability of increasing farm income through investigating a premium meat scheme, e.g. Butterfly Beef, using SRG as an exemplar for NC and all the wider cross-benefits it provides.

Butterfly Conservation already has good contacts with farmers and landowners in the regions mainly via the Northern Brown Argus surveys that have been running since 2016. In addition, another source of farmer engagement will come through the current excellent working relationships with local agricultural agents, for example, SAC Consulting, Tweed Ecology, The Farm Environment and Countryside Management Solutions, and their support for the project and willingness to work together. Furthermore, Lindsay Brown (Lothians and the Borders Regional Manager, National Farmers Union Scotland) and Reuben Singleton (Director, Tweed Ecology), have both agreed to sit on the pilot's Core Project Steering Group (CPSG).

Links will be developed with Scottish Borders College and SRUC to develop learning opportunities, student placements, student projects as well as innumerable volunteering opportunities for students and the local community. The project will also improve participants' health and well-being.

- 5) *By 2030 develop a long-term investment plan for the region that capitalises on private and blended finance opportunities through both responsible private sector and public sector sources.*

This pilot clearly aligns with this objective. Data gathered through this pilot will be valuable in inputting into the regional long-term investment plan, especially the outcomes from investigating opportunities into responsible investment in Natural Capital and therefore leading the way in economic transformation. In short it aims to capitalise on the region's Natural Capital.

- 1.1.8 The project aligns with the Scottish Centre for Regional Inclusive Growth's (SCRIG) five Inclusive Growth Outcomes: Productivity, Population, Participation, People and Place. The Inclusive Growth Dashboard is an interactive data tool which captures a balanced range of indicators for the five Inclusive Growth Outcomes, as outlined above, across Scotland's 32 local authorities, using data which is reliable and consistently updated. This section illustrates how the project contributes to those outcomes.

1. **Productivity** - Businesses are competitive and economic growth is resilient and sustainable.

The development of a more inclusive agri-environmental scheme, as well investigating opportunities for responsible investment in Natural Capital, will deliver economic benefits to the farmer. However, the maintenance and enhancement of SRG requires seasonal light grazing and can often only be delivered through traditional agriculture via High Nature Value farming, which by definition is sustainable. The establishment of a premium meat scheme e.g., Butterfly Beef will also further increase economic growth and business competitiveness.

2. **Participation** - Scotland has a sustainable working age population.

The project is being designed to encourage open inclusive participation from a wide audience, from aging farmers to students. The stakeholder meeting was evident of that with attendees ranging from PhD students, Butterfly Conservation volunteers, farmers, farm agents, academics, staff from the NGO section as well as government agencies. Learning opportunities will be provided by making direct connections with SRUC and Borders College and via demonstration days, virtual and in-person talks and training on survey and monitoring techniques, onsite work parties and the establishment of local Natural Capital groups where ideas and concepts can be discussed.

3. **Population** - Inequality of opportunity to access work is addressed and jobs are fulfilling, secure and well-paid.

Butterfly Conservation is an equal opportunities employee. Training opportunities and the resulting acquired skills provided through the project, particularly to students and volunteers, will be transferrable and increase their employability. Working for a conservation charity and trying to change the environment for the better is extremely fulfilling, though poorly paid!

4. **People** - Scotland's population is healthy and skilled and economic benefits are spread more widely, with lower levels of inequality.

There are proven health and well-being benefits from spending time with nature as illustrated during the pandemic. Spending time in flower-rich areas is uplifting, and even more so if one has contributed to that benefit or there to monitor change. As previously stated, the provision of training and volunteering opportunities will upskill individuals.

Butterfly Conservation is totally reliant on their wonderful army of dedicated, knowledgeable, and experienced volunteers. In the year 2022/23 10,747 people regularly volunteered for the organisation, contributing an estimated 205,984 hours, equivalent to 123 full time members of staff. Butterfly Conservation is currently rolling out Assemble, a new online portal, which will help recruit new volunteers, manage their training, and share information. BC already has a great track record of working with volunteers in the Borders with 44 different volunteers taking part in Northern Brown Argus surveys between 2016 and 2022. As well as using Assemble to recruit volunteers specific tasks will be advertised on the BC website, through the 1/4ly Scottish Enewsletter distributed to over 2,100 contacts, via BC's East of Scotland branch and at the biannual Scottish hybrid gatherings attended by around 150 people in person and probably double that online.

5. **Place** - Communities across Scotland have the natural and physical resources to ensure they are strong and sustainable.

The project seeks to maintain traditional agriculture that has sculpted the area's landscape and provided a sense of place. NBA is very much part of this landscape with 40% of the UK and 50% of the Scottish population being found in the south of Scotland, the majority of that in the Borders. It can therefore rightly be regarded as the Borders' Butterfly and more so than any other species of wildlife. Directly involving local communities will help empower them and provide them with a strong sense of place and why their landscapes are so special and important.

1.1.9 An Integrated Impact Assessment has been undertaken for the project and is presented in **Appendix M**.

1.1.10 A Carbon Categorisation Assessment has been undertaken for the project. This assessed the Expected Carbon Impact CONTROL as Category 2: - Whole life carbon net zero, the project has no measurable effect on atmospheric carbon. Whilst the Expected Emissions Impact INFLUENCE was assessed as Category A: - Carbon emissions reduction, the project leads to wider carbon savings through reduced use of fossil fuels. The assessment concluded that emissions from the project are predicted to be very low hence it being assessed as Category 2A. However, improvements can be made to reduce the project's impact though it is highly unlikely that this will change the Category status. The Project Carbon Categorisation Form is presented in **Appendix N**.

1.1.11 In December 2022, the Scottish Government published its draft Scottish Biodiversity Strategy for consultation, *Biodiversity Strategy to 2045: Tackling the Nature Emergency*. The strategy sets out a clear ambition: for Scotland to be Nature Positive by 2030, with the following three visions:

- By 2045 Scotland will have restored and regenerated biodiversity across our land, freshwater and seas.
- Our natural environment, habitats, ecosystems and species, will be diverse, thriving, resilient and adapting to climate change.
- Regenerated biodiversity will drive a sustainable economy and support thriving communities, and people will play their part in the stewardship of nature for future generations.

1.1.12 Alongside this, the three Priority Actions for 2030 are:

1. Accelerate restoration and regeneration.
2. Expand and connect protected areas and improve their condition.
3. Nature-friendly farming, fishing and forestry.

The detailed delivery plans are still to be published, however, it is clear that this pilot clearly aligns with all three of the Strategy's visions and all three of its Priority Actions.

1.1.13 This pilot contributes to several strategies as outlined below along with details of their relevance.

1.1.14 The forthcoming post-Brexit changes to agricultural subsidies and the [Climate Change Plan](#) objectives of net zero by 2045, will require a step-change in how we manage our land. This proposal seeks to pilot ecologically sustainable land management to demonstrate and provide a delivery mechanism to help inform the development of the next round of rural development support post-2024.

1.1.15 National Strategies

- The Northern Brown Argus butterfly is listed as a species of principal importance for biodiversity conservation in the [Scottish Biodiversity List](#). Lowland calcareous grassland habitat is also listed due to 'significant decline/unfavourable condition'.

- The [Pollinator Strategy for Scotland 2017–2027](#) aims to address declines in populations, diversity and range of our pollinator species. The Strategy highlights the need to protect calcareous and neutral grasslands for the benefit of pollinators.
- [Scotland’s Third Land Use Strategy 2021-2026](#) sets out a vision, objectives and policies to achieve sustainable land use. This proposal will also help inform the priorities of Regional Land Use Partnerships as they emerged over the next few years.
- [Towards a robust, resilient wellbeing economy for Scotland](#) is a Report of the Advisory Group on Economic Recovery (AGER) which includes recommendations for investment in Natural Capital.
- Scotland’s [Natural Capital Asset Index \(NCAI\)](#) tracks changes in the capacity of Scotland’s terrestrial ecosystems to provide benefits to people. The index considers the habitat condition of Scotland’s grasslands to have dropped markedly between the 1950’s and 1990’s although has been more stable in recent years.
- [The next step in delivering our vision for Scotland as a leader in sustainable and regenerative farming](#) outlines a vision for future agricultural policy in Scotland and the need to transform how we support farming and food production. It aims to develop a support framework that delivers high quality food production, climate mitigation and adaptation, and nature restoration.
- Community Wealth Building (CWB) is designed to harness the economic leverage of local ‘anchor’ organisations (such as local councils, health, universities, colleges, housing associations, or large local private sector employers) to tackle long standing systematic challenges and structural inequalities within our communities. It seeks to transform our local and regional economic systems to enable more local communities and people to own, have a stake in, access and benefit from the wealth our economy generates. Community Wealth Building can deliver more and better jobs, business growth, community-owned assets and shorter supply chains creating greater resilience and supporting net zero ambitions. CWB aims to ensure the economic system builds wealth and prosperity for everyone and acts as a framework for activity across five interlinked pillars. The Scottish Land Commission have also produced a [CWB good practice guide](#).

1.1.16 Regional Plans and Strategies

- The [Dumfries & Galloway Council Local Biodiversity Action Plan](#) includes Northern Brown Argus as a priority species and targets action for several grassland habitat types that support populations of the butterfly.
- The [Scottish Borders Council Local Biodiversity Action Plan](#) includes actions to protect and enhance grassland habitat for Northern Brown Argus and pollinators.
- A [South of Scotland Regional Land Use Partnership Pilot](#) is in development and will aim to support the region’s Net Zero journey and address the loss of biodiversity. At a recent stakeholder engagement meeting biodiversity decline was identified by participants as their top concern and biodiversity enhancement as their priority opportunity.

1.1.17 Agri-environment

- [Piloting an Outcomes Based Approach \(POBAS\)](#) is an established NatureScot-led project, commissioned and funded by Scottish Government, working with farmers and crofters to develop and test innovative approaches to delivering environmental outcomes on farms and crofts.
- Scotland’s current [Agri-Environment Climate Scheme \(AECS\)](#) promotes land management practices which protect and enhance Scotland’s magnificent natural heritage, improve water

quality, manage flood risk and mitigate and adapt to climate change. This includes direct payments to manage and restore SRG.

1.1.18 Third-sector initiatives

- Northern Brown Argus is listed in Butterfly Conservation's (BC) [Conservation Strategy](#) as a High Priority species indicating that 'action is necessary in parts of its UK range' as well as being classed as Vulnerable on the [Butterfly Red list for Great Britain](#). It is also given the same status in Butterfly Conservation's [Conservation Strategy](#) and is listed as one of the priority species for action under Goal One "Halve the number of threatened species of butterflies and moths" in BC's recently launched 2021-2026 [Organisational Strategy](#).
- Buglife's [B-lines Scotland](#) has identified a number of significant grassland networks for pollinators in southern Scotland and aims to increase their extent and improve connectivity.
- [The £1 Billion Challenge](#) is a new route map published by the Scottish Wildlife Trust and the Scottish Environment Protection Agency (SEPA) aimed towards unlocking £1 billion of new investment for nature conservation in Scotland. The route map includes models for stimulating investment in Scotland's Natural Capital.
- [Save Our Magnificent Meadows](#) partnership project led by Plantlife is a clarion call to protect, love and restore our meadows and Species-rich Grassland against the creeping normality that they no longer matter.

1.1.19 An online Stakeholders' meeting, attended by 17 participants, was held in May 2023. One of the main focussed discussion points was undertaking an Options Appraisal considering the following three scenarios.

1. Do Nothing - Business as Usual (BAU).
2. Do Minimum.
3. Post-Natural Capital Pilot.

The results from this exercise and the rest of the workshop are reported later in this document in Table 1 – Summary of Options Appraisals in Section 2.2. There was unanimous agreement from the workshop that the Do Nothing or the Do More options were not fit for purpose. Details from the workshop are also presented in **Appendix C** – Agenda, Presentation and Discussion Points, and **Appendix D** – Attendees and Feedback.

1.2 Case for Change

The project's key strategic delivery objectives are;

- Undertake at least four management trials to better understand restoration techniques and costs over 10ha by the end of the project and disseminate the results to influence future agri-environment policy.
- Provide advice to farmers/landowners to restore/enhance 400 ha of SRG over the course of the project.
- Recruit a minimum of 50 volunteers to enhance 10ha of SRG by running a minimum of two work parties annually, this will be helped by establishing two local community liaison or volunteer groups.
- Increase survey and monitoring of NBA by recruiting/training/co-ordinating 50 volunteers to enable robust distribution and abundance trends to be calculated throughout delivery of the project in 2030 after the collation of five year's of data.

Spending objectives

- 1.2.1 The pilot's overall objective is to develop a more ecologically sustainable approach to hill livestock farming by supporting and promoting the rural economy and sustainable land management, focussing on Species-rich Grassland (SRG) and the conservation of the Northern Brown Argus (NBA) in the Scottish Borders, and Dumfries and Galloway.
- 1.2.2 The pilot will capitalise on the region's Natural Capital to be an exemplar in the UK in the development of new and innovative clean growth rural land management practices. It will also make farm businesses more financially viable.
- 1.2.3 The current threats to the region's nationally important NBA colonies, through afforestation and inappropriate grazing management, will have been averted.
- 1.2.4 Different techniques, including using new technologies are tried, tested, and costed to establish the most cost-effective and efficient methods for maintenance and restoration of SRG.
- 1.2.5 The establishment of a new agri-environment scheme that rewards farmers on results incorporating these findings.
- 1.2.6 The project will heighten the importance of the region's SRG and NBA populations and their reliance on HNV (High Nature Value) farming.
- 1.2.7 The pilot's spending objectives are to:
 - Heighten the importance and understanding of the area's Natural Capital.
 - Avert the current threats to the region's nationally important NBA colonies which are at risk from afforestation and inappropriate grazing management.
 - Heighten the importance of the region's nationally significant NBA populations as a flagship for SRG and their reliance on HNV (High Nature Value) farming.

- Deploy different techniques, including the use of new technologies to establish the most successful, cost-effective, and efficient methods for the management and restoration of SRG.
- Enhance the resilience of the region's SRG to climate change by increasing its size, quality, and connectedness.
- Develop an effective AE scheme that maintains, restores, and creates flower-rich habitats using an outcome-based approach that rewards farmers on results.
- Maintain and improve farm business profitability and thus viability.
- Provide opportunities for local volunteer involvement through survey/monitoring and habitat work parties.
- Provide students with opportunities to undertake placements, projects, and training.
- Establish two Natural Capital farmer-led working groups.
- Contribute to establishing a Grassland Carbon Code.
- Investigate opportunities for responsible investment in Natural Capital.
- Deliver a transformational pilot that generates Inclusive Growth.
- Use the region's Natural Capital assets to drive green growth.
- Work closely and effectively with the other Borderlands Natural Capital pilots i.e., the *Integrated Land Use and Woodland Creation* pilot, the *Integrated Whole Farm Plans* pilot and the *Natural Capital Audit and Mapping* pilot.
- Integrate and align the pilot with the Regional Land Use Partnership Pilot Project.
- Co-ordinate an NBA survey across both the Scottish Borders and Dumfries and Galloway and establish robust monitoring of the NBA population and develop an NBA landscape metric to determine the impact of the project.
- Support educational outreach/promotion through the establishment of two demonstration sites, online talks to local colleges, host undergraduate projects, and assist potential PhD student projects.
- The pilot will provide many opportunities for local involvement, through volunteering, student placements, training, and projects, deploying local contractors and small businesses.

1.2.8 It is estimated that the project will produce the following targeted outcomes:

- Appoint Project Officer within the first quarter of the project.
- Raise awareness and increase understanding of NC, SRG, and NBA through establishing two Natural Capital farmer groups and two demonstration sites organising annual meetings/events engaging with at least 50 farmers.
- Undertake at least 4 management trials to better understand restoration techniques and costs over 10ha by the end of the project and disseminate the results to influence future agri-environment policy.
- Provide advice to farmers/landowners to restore/enhance 400 ha of SRG over the course of the project.
- Recruit a minimum of 50 volunteers to enhance 10ha of SRG by running a minimum of two work parties annually, this will be helped by establishing two local community liaison or volunteer groups.
- Increase survey and monitoring of NBA by recruiting/training/co-ordinating 50 volunteers to enable robust distribution and abundance trends to be calculated.

- Provide opportunities for students at SRUC Barony Campus, Scottish Borders College at Galashiels and elsewhere to engage with the project through provision of 10 work placements/projects over the course of the pilot.
- 90 volunteers engaged of the course of the project, contributing around 1,000 days, worth £140,000.
- Bring in a minimum of £10k funding directly to the project from green initiatives e.g. Grassland Carbon, Biodiversity Net Gain, Nature Recovery etc annually from year 3.
- Disseminate results and conclusions of the pilot via publication of two case studies in the last 3 years of the project.

1.2.9 The project is totally reliant on preserving and safeguarding the region’s Natural Capital as this is key to many investment opportunities including:

Carbon Credits

There are many different Carbon Offset Providers who use the proceeds to fund carbon-negative programmes. Many of these focus on investing in afforestation schemes (forest-carbon). The Woodland Carbon Code (WCC) is a government certified standard for generating carbon offset units through woodland creation in the UK. Similarly, the Peatland Code (PC), a more recently launched counterpart, is the UK’s standard for generating carbon offset units by restoring degraded peatlands. Both schemes were established to help the UK reach net zero by 2050.

There is currently not a Grassland Code. The importance of grasslands for carbon storage is highlighted in a recent paper by Penny Anderson, [Carbon and ecosystems: restoration and creation to capture carbon](#). Although complex, some grassland types have been found to sequester as much carbon as many other habitats, but there is considerable variation. Low/intermediate grazing levels and no artificial fertilisation are essential, the ideal grazing regime to maintain SRG to benefit NBA and other pollinators. There is therefore great scope to investigate Grassland Carbon as a future source of funding in the challenge to help Scotland reach net zero and for individuals and companies to invest in funding of Natural Capital projects, i.e., green private investment. This pilot will investigate the potential for this funding mechanism.

Biodiversity Offsetting

The [Facilitating Local Natural Capital Investment Report](#) identifies compensation payments provided by property and infrastructure developers to offset biodiversity losses arising out of new developments as an important market opportunity in the Borders. Biodiversity compensation schemes have the potential to accelerate investment in habitat creation and restoration through the formation of “Habitat Banks”, ecological restoration projects that generate biodiversity gains before developments impact on biodiversity. The pilot can investigate provision of “off-the-shelf” options for developers looking to offset the environmental impacts of their projects. As for Carbon Credits, this pilot will investigate the potential to seek funding through this funding mechanism.

Biodiversity Metric

This is closely linked to the above two sub-headings: Carbon Credits and Biodiversity Offsetting. It is essentially a tool/metric used to measure the units traded in biodiversity offset markets. In England, Natural England have developed [Biodiversity Metric 3.1](#). However, the exact market potential will depend on metrics/rules adopted in Scotland under the provision of Positive effects for Biodiversity as it is introduced into legislation and guidance. This pilot will look at the potential to adopt and adapt, if required, such a metric.

1.2.10 NatureScot's [NCAPP](#) (Natural Capital Pilot Programme) project has developed a non-monetary biodiversity indicator to understand the condition of the habitats on NatureScot land and their fundamental role for underpinning the habitats and ecosystems that provide benefits to us, however, it is impossible to attribute a monetary value to this function. The NCAPP project aims to help to inform what future rural support outside of the Common Agricultural Policy might look like to contribute to transformative land use change in Scotland, by restoring nature and reducing our country's contribution to climate change i.e., by valuing Scotland's greatest asset, its Natural Capital.

1.2.11 [Agrecalc](#) is a carbon footprint tool developed by SAC Consulting together with SRUC researchers. It enables farm enterprises to identify and measure emissions, benchmark key performance indicators, identify mitigation strategies and monitor improvements. It may be possible to use the tool to help determine the carbon value of SRG. The tool has been developed to help deliver net-zero emissions from food production while increasing the level of both efficiency and farm productivity.

1.2.12 [AECS – Agri-environment Climate Scheme](#)

AECS is Scotland's current agri-environment scheme under which there are annual hectare payments for managing/restoring SRG. Estimates of the worth of AECS applications to individual farm businesses is considerable. Information gained through the trial should help inform future AECS, or its successor.

1.2.13 [NatureScot Research Report 1285 - Agri-Environment Climate Scheme heat maps report 2015-18](#) aims to evaluate and provide an assessment of uptake and potential impact of the AECS scheme. With relevance to the management of Species-rich Grassland the review states that:

- More than 26,140 hectares of Species-rich Grassland and habitat mosaic were managed under the scheme with a committed funding of more than £20 million.
- These are some of the most diverse habitats which, without this support, are more likely to decline or disappear.
- Uptake of Species-rich Grasslands management and creation has been high across the country including parts of North and West Scotland, the North East, Islands and the Borders.

1.2.14 The combined management and creation Species Rich Grasslands map on page 34 of the report shows the widespread uptake. Whilst the management of SRG option was mapped separately on page 35. These maps show how many sites in the north, Northern Isles and the Hebrides have been supported through the scheme, with some concentrations in Orkney, Hebrides and the Borders.

1.2.15 Between 2015 and 2018, 11,087ha of Species-rich Grassland was under the SRG management or creation option in AECS across Scotland committing £11,284,903. Extracting data from these low-resolution maps, assuming a mid-point in each of the classifications, gives an estimate of 3,275ha of SRG being managed under AECS in the Scottish Borders and 1,075ha in Dumfries and Galloway. Similarly, the committed spend is estimated at £1.16 million in the Scottish Borders and £512k in D&G. However, using mid-values may lead to an overestimate of the total area and committed spend, but at present, this is the most readily available and relevant AECS data.

Current payment rates for management of SRG under AECS are tabulated below.

Agri-Environment Climate Scheme	Annual Payment per ha
Species-rich grassland Management Option	£109.56
Supporting guidance for Species-rich Grassland Management	£284.80

The current equivalent payment rates for the Countryside Stewardship Scheme (CSC) which operates south of the border is more generous.

Countryside Stewardship Scheme	Payment per ha
GS6: Management of species-rich grassland	£182.00
GS13: Management of grassland for target features	£131.00

CSC is due to be replaced by [ELM](#) (Environmental Land Management) scheme under which there are three new schemes:

- Sustainable Farming Incentive;
- Local Nature Recovery; and
- Landscape Recovery.

These schemes are still at the pilot stage and therefore payment rates are not currently available.

In addition, numerous capital items are eligible under AECS. The most relevant for SRG are:

Additional Capital Options	Payment per ha
Restoration of Species-rich Grassland	£514.15
Creation of Species-rich Grassland	£754.42
Primary Treatment of Bracken – Manual	£150.00
Primary Treatment of Bracken – Mechanised or Chemical	£225.00
Follow-up Treatment of Bracken – Mechanised or Chemical	£90.00
Control of Scrub or Woody Vegetation – Primary Treatment – Light Vegetation	£900.00
Control of Scrub or Woody Vegetation – Primary treatment – Intermediate Vegetation	£1300.00
Control of Scrub or Woody Vegetation – Primary treatment – Heavy Vegetation	£2000.00
Control of Scrub – Follow-up Treatment	£200.00

Control of Scrub or Woody Vegetation – Removal from Site of Cut Vegetation	£1050.00
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1.2.16 Payments for management of SRG under AECS is often only a small percentage of the overall AECS claim, as payments are available for sympathetic management of other priority habitats and species. Each application is bespoke, and it is therefore not possible to determine an average income per farm business through AECS. Speaking with agricultural agents reveals that income from most applications ranges from £3k to £300k over their five-year span. However, most plans sit between £15,000 to £30,000 over five years.

The pilot is not reliant on AECS funding, or its replacement, as the potential income from this source is not coming directly to the project. These are estimates of what farmers can potentially claim through AECS. It is our intention that the PO will promote AECS and its successor and work with local agricultural agents to submit applications using a similar successful blueprint that worked so well in SNH's award winning Species Action Framework project that delivered advice on Marsh Fritillary and was implemented by Butterfly Conservation. The current timescales are such that it is unlikely we will be able to assist with any submissions in the 2024 AECS round, this will depend on when the pilot is given the green light and how long it takes to have a PO in post. The timescales for this are very tight given the AECS June deadline.

1.2.17 Community Windfarm Fund

The increase in onshore windfarms in the Borders and Dumfries and Galloway has provided the opportunity to seek funding from local community windfarm initiatives derived from the income the windfarms receive from selling generated electricity back to the national grid. Grant funding totals vary between the different windfarms but are usually of the order of £1,000 to £20,000 with nature restoration often being a key funding aim. There is also potential to make use of funding through biodiversity enhancement requirements that arise from windfarm developments, as well as from the income they generate.

1.2.18 [Scottish Government’s Nature Restoration Fund \(NRF\)](#)

NRF includes two strands:

A Competitive Strand, administered by NatureScot launched in July 2021, which supports multi-year, multi-partner projects that restore wildlife and habitats and address the twin crises of biodiversity loss and climate change. Grants between £25,000 and £250,000 are awarded at several points during the year with a rolling Expression of Interest process. There is huge potential to make annual applications to this fund for large-scale projects up to the maximum permissible award. Competition for funding is high and projects which demonstrate partnership funding may therefore have a better chance of success going forward, and

1.2.19 The Edinburgh Process Strand

This provides direct allocation of funding for nature restoration projects to local authorities and the National Park Authorities. There is potential, therefore, for Scottish Borders or Dumfries and Galloway Councils to benefit SRG and NBA across a landscape. This Strand's objectives are similar to those of the NRF Competitive Strand (see above) and therefore an application focussing on SRG and NBA, should be looked upon favourably.

1.2.20 Scaling-up Activity

There is great potential to scale up this project given the importance of the two regions for NBA and SRG and the fact that this pilot is only working on a subset of sites. However, it is very difficult to estimate the total area of SRG as very surprisingly, given its importance, insufficient data is available.

1.2.20 The Habitat Map of Scotland (HabMoS), that has been developed by NatureScot, with help from partners, aims to map Scotland's main habitats is still under development. Unfortunately, SRG is one of the habitats for which the map is very data deficient. NatureScot are also developing a PollMap that maps 'Pollinator potential'. It should be available in 2024.

1.2.21 Data is available on the uptake of SRG management options under the current agri-environment scheme (AECS) although regional figures and detailed maps are not available. As outlined above, data has been extracted from the low-resolution maps presented in [NatureScot Research Report 1285 - Agri-Environment Climate Scheme heat maps report 2015-18](#) taking an average figure for each of the classifications. This gives an estimate of 3,275ha of SRG being managed under AECS in the Scottish Borders and 1,075ha in Dumfries and Galloway. More accurate and detailed information has been requested from Scottish Government's Rural Payments and Inspections Division (RPID) who oversee AECS. They have been asked if they can provide the number of applicants and the total area being managed under each of the following AECS options in each of the last 5 years (ie 2017 to 2021), with a separate breakdown for the Borders, and Dumfries and Galloway:

- Species-rich Grassland Management.
- Restoration of Species-rich Grassland.
- Creation of Species-rich Grassland.

1.2.22 The data requested above was provided by SGRPID in February 2024 and is tabulated below. This show the commitment value for support for species rich grassland management through AECS for each year the option has been available. The data is exclusive of the 2023 Round data, which has yet to be approved. The £ values include both management and capital funding. The data is for the whole of Scotland, a separate breakdown for the Borders, and Dumfries and Galloway, was not available.

AECS Scheme Option Name		Claim Year					
		2016	2017	2018	2019	2020	2021
SRG creation and management	Ha	284	778	1,480	2,066	2,588	2,530
	£	372,686	781,218	1,274,500	1,305,494	1,437,174	740,819
SRG management only	Ha	2,100	5,036	7,679	8,769	10,368	10,009
	£	389,680	740,381	1,093,566	1,112,728	1,283,913	1,134,401
Total	Ha	2,384	5,813	9,159	10,836	12,956	12,539
	£	762,366	1,521,599	2,368,066	2,418,222	2,721,087	1,875,220

AECS Scheme Option Name		Claim Year					
		2022	2023	2024	2025	2026	2027
SRG creation and management	Ha	1,804	1,099	529	0	0	0
	£	522,186	319,723	153,901	0	0	0
SRG management only	Ha	6,987	7,801	6,667	5,061	5,058	3,438
	£	791,516	1,090,393	753,357	562,868	561,060	384,466
Total	Ha	8,791	8,901	7,195	5,061	5,058	3,438
	£	1,313,702	1,410,117	907,258	562,868	561,060	384,466

This gives a maximum figure just short of 13,000ha of Species -rich Grassland being managed across Scotland in 2020, under AECS.

- 1.2.23 Butterfly Conservation’s surveys of NBA conducted since 2016 estimates that there is around 1,500 ha of ‘key habitat’ for NBA in D&G and the Borders. This is almost certainly the best estimate of NBA suitable SRG habitat we have.
- 1.2.24 The Scottish Borders [Grassland and Enclosed Farmland Action Plan](#) estimates that the area of unimproved, Species Rich grasslands in the Borders, is less than 2,000ha.
- 1.2.25 An SNH commissioned report on [The extent and condition of non-designated species-rich lowland grasslands in Scotland](#) gives a figure of 30,000ha of SRG in the introduction. Surveys were conducted across Scotland. A regional breakdown shows that 43 sites were surveyed in the Borders totalling 878ha, giving an average of 20.4ha/site. The equivalent for D&G is 10 sites comprising 126ha in total and an average of 12.4ha.
- 1.2.26 Sam Suter (Glasgow University) is currently in the third year of her PhD entitled “*Combining citizen science and remote sensing approaches for habitat monitoring*”. She has taken high resolution remote sensing data across southern Scotland and elsewhere and is co-ordinating citizen science volunteers to ground truth her SRG habitat data. This could provide a very effective and cost-effective method for mapping and assessing Scotland’s SRG resource.
- 1.2.27 The main land use in the Borders is agriculture and forestry with an estimated 41% being classified as grazing land. There are 126,800 cattle and 1,122,700 sheep in the Borders. 16%

of Scottish Borders landcover, 74,474ha is classified as other grassland i.e., not productive grassland and thus there is vast potential for restoration to SRG.

1.3 Business Needs

1.3.1 Species-rich Grasslands are a scarce national resource and a conservation priority of the Scottish Biodiversity Strategy. Plantlife’s Grassland Action Plan states that:

- Species-rich Grassland is under threat, having declined nationwide by over 97% in the last century and it covers less than 1% of UK land.
- Grassland soils contribute to carbon sequestration, with acid grasslands and dry grassy heaths outperforming habitats like woodlands.
- Flower-rich grasslands support greater numbers and diversity of pollinating species than other habitats.
- Proximity to seminatural grasslands increases predator control of agricultural pests.
- A fifth of all priority species for conservation action are associated with grassland habitats.
- Biodiverse grasslands lock up more pollutants thereby reducing impacts to air and water.
- Species-rich pasture and hay benefit grazing livestock, providing a wider range of minerals and amino acids than intensive pasture, resulting in healthier animals and healthier food.
- Surviving meadows are key landscape features like ancient woodlands.
- The colour and wildlife of meadows enrich our lives giving us a deep-rooted sense of wellbeing.

1.3.2 The Pollinator Strategy for Scotland 2017–2027 outlines the importance of pollinators under the following five headings:

- Insect pollination plays a vital role in nature. Globally, nearly 90 per cent of flowering plant species depend, at least in part, on animals like insects to transfer pollen and to maintain healthy plant populations. Pollination is therefore an important ecological process that supports healthy plant communities and, in turn, provides food, shelter and other resources for a multitude of species.
- Insect pollination supports agriculture. Worldwide, over 75% of the leading food crops (mostly fruits, vegetables, nuts, and seeds) need insect pollination to assure the amount, quality, or stability of yield. In Scotland, the most important commercial crops benefitting from this are oilseed rape, strawberries, raspberries, currants, apples, and beans, all of which contribute to a vibrant economy.

- Insect pollinators have economic importance. In 2015, the global economic value of crop pollination by pollinators was estimated at around US\$ 235-577 billion per year. In Scotland, the economic value of pollinators is in the order of £43 million per year for agricultural and horticultural crops, and honey.
- Insect pollinators contribute to our well-being. The value of pollinators goes beyond their economic benefits as the ecological function they perform is crucial to the maintenance of biodiversity and the natural environment. This can have an important influence on our mental and physical well-being and is often referred to as the 'Natural Health Service'.
- Insect pollinators can be ambassadors for species conservation. The plight of pollinators has been well publicised in the media and has helped to increase public appreciation of the link between nature and societal benefits. Interest in our pollinators can also garner interest in, and raise awareness of, other essential but less charismatic species.

- 1.3.3 Northern Brown Argus is a rare and threatened butterfly that is an excellent flagship for Scottish Species-rich Grassland particularly in southern Scotland but also elsewhere in the country. The sub-species *artaxerxes* is only found in Scotland within the UK and is potentially endemic. BC estimate that 80% of the butterfly's remaining UK colonies are found within Scotland. The south of Scotland is one of these strongholds being home to c40% of the UK population and c50% of the Scottish population.
- 1.3.4 Butterfly populations are more robust and resilient if they live in a metapopulation, defined as a series of linked colonies where there is an exchange of adults over time. Conservation of Lepidoptera is most effective when undertaken at a landscape scale working on a series of metapopulations rather than isolated and fragmented sites. Butterfly Conservation, as part of its second strategic goal aims to "*Improve the condition of 100 of the most important landscapes for butterflies and moths*". These *most important landscapes* have been determined by designating areas that hold significant populations of priority lepidoptera. The pilot project will work in two priority landscapes, the North Solway Coast and the Scottish Borders Species-rich Grasslands. Both these landscapes have been designated by Butterfly Conservation due to their important colonies of Northern Brown Argus.
- 1.3.5 The Northern Brown Argus is in trouble. Survey and monitoring by Butterfly Conservation volunteers shows the butterfly to be in decline by all metrics, i.e., abundance and distribution, and both in the long-term and shorter 10-year averages. These dramatic and disheartening figures are tabulated below.

UK Distribution	Scotland Distribution
-56% between 1990 and 2018 -23% 10-year average	-46% between 1995 and 2019 -21% 10-year average
UK Abundance	Scotland Abundance
-57% between 1979 and 2019 -17% 10-year average	Insufficient data to compile these trends

- 1.3.6 Because of its continued decline, it is included on the Scottish Biodiversity List and is one of Butterfly Conservation’s high priority species and listed as one of 71 species that are included in Goal 1 of the society’s corporate strategy to “*halve the number of threatened species*”. A recently revised Red List of Britain’s butterflies that assesses and categorises their risk of extinction under IUCN guidelines classified Northern Brown Argus as Vulnerable.
- 1.3.7 Due to its threatened status and the importance of the colonies in the Borders, Butterfly Conservation volunteers commenced a project to determine its status. Between 2016 and 2022, volunteers surveyed and monitored the butterfly across the Borders. Over this period, a total of 326 surveys were undertaken by 44 different volunteers, to 167 colonies, giving coverage of around 93% of all known sites. Seventy-two (50%) of sites where data was collected were identified as being under threat. Invasion of bracken or scrub, overgrazing and afforestation were the main threats i.e., inappropriate management. The prime threat was the ever-increasing risk from afforestation being driven by generous woodland grant incentives and the lack of an effective agri-environmental scheme. Analysis of data on new woodland schemes (2015-2019), on [Scottish Forestry’s Open Data Hub](#), shows that the Scottish Borders is the most under-pressure area of Scotland in terms of new forestry plantations having experienced the highest number of new woodland creation claims (c340) than any other Scottish local authority, covering the highest percentage of overall land area. Previously unknown colonies of NBA are being found all too often after afforestation schemes have already been approved. Butterfly Conservation has highlighted our concerns with Scottish Forestry giving a presentation to their South of Scotland Conservancy staff. It subsequently provided them with its NBA data to create alert maps to help flag up the presence of NBA and SRG at an early stage. However, the onus is on the applicant or their agent to follow this up and it is not a legal requirement of the application process.
- 1.3.8 The pilot will work in close partnership with Tweed Forum’s woodland pilot. Tweed Forum recognises the importance of SRG as a scarce and threatened priority habitat not appropriate for afforestation. Similarly, Butterfly Conservation recognises the importance and need for new woodland, both commercial and native, and woodland expansion. This therefore highlights there is no conflict between the aims of these two important projects, adhering to the mantra “*right tree in the right place*”. The pilot will also work closely with the DGC Whole Farms Audit NC pilot which highlights the importance and need to work across the Natural Capital Programme and illustrates the benefits of the Programme approach.

- 1.3.9 The hill livestock sector is an important component of the rural economy in the south of Scotland but is vulnerable to changes in subsidy in the post-Brexit period. The management and enhancement of Species-rich Grassland is reliant on the continuation of traditional agriculture as these sensitive grasslands require light, and often seasonal, grazing to maintain a sward of an appropriate height and composition. The mixed livestock grazing found across the region is therefore crucial to the long-term management of these important habitats.
- 1.3.10 Suckler cows offer an irreplaceable way of turning grazing land, permanent pasture, and poor-quality rough grazing on the hills and uplands of Scotland into a much sought-after, internationally renowned and high-quality source of protein. Livestock offers the most efficient way of managing much of this land as a source of protein, and suckler beef systems have access to a ready market.
- 1.3.11 However, the conversion of pasture and hill-ground into woodland has accelerated largely owing to declining revenues from traditional grazing leading to reduced stocking levels or removal of stock, or in some cases increased stocking, brought about by the current lack of an effective agri-environment scheme to support farmers to sympathetically graze these important SRG habitats. SRGs are some of the most diverse habitats, which, without financial support, are likely to decline or disappear (Dadds and Averis, 2014).
- 1.3.12 As previously stated, farmers are therefore tempted to enter this relatively marginal agricultural land into generous and lucrative afforestation schemes. Furthermore, income can be greatly enhanced by selling off carbon under the Woodland Carbon Code. Being a priority habitat, SRG should be exempt from new afforestation schemes, but the Borders NBA survey unearthed several sites where SRG had been planted-up. There is even an entry on the Woodland Carbon Code website that extols the presence of NBA on the site to future investors, even though the habitat occupied by the butterfly has been planted with young trees. This is clearly against the Forestry Standards Code.
- 1.3.13 This project, therefore, seeks to pilot ecologically sustainable land management of SRG, using NBA as a flagship, to demonstrate and provide a delivery mechanism to help inform the development of the next round of rural support post-2024. This aligns with Scottish Government's Vision for Scottish Agriculture, which aims to help deliver Climate Change targets and net zero ambitions, by supporting farmers, crofters and local communities to ensure they can capitalise on the benefits and that there is a Just Transition. The vision is to:
- Ensure that Scotland's people can live and work sustainably on our land.
 - Remain committed to supporting active farming and food production with direct payments.
 - As part of this conditionality, expect recipients of support to deliver on targeted outcomes for biodiversity gain and low emissions production.
 - Design mechanisms to support outcomes that restore nature, benefit our Natural Capital and promote the natural economy.
 - Ensure those mechanisms are flexible enough to be adapted in delivery to accommodate emerging evidence, science, technology, and tools.
 - Adopt an evidence-based, holistic, whole farm approach, including learning from and applying practice and experience from other nations.
 - Adopt a Natural Capital and Just Transition approach to land use change.

- 1.3.14 This will be achieved by working alongside farmers, crofters and land managers to:
- Contribute to our Good Food Nation ambitions and Local Food Strategy, particularly to create more localised supply chains, enhance producer value and cut food miles.
 - Continue delivering high farming standards, including to enhance animal health and welfare.
 - Contribute to the restoration of nature through biodiversity gain on the land they farm.
 - Support land use change that contributes to our climate and biodiversity goals in line with the recommendations of the Just Transition Commission.
 - Encourage co-operative approaches to optimise collaboration and knowledge exchange.
- 1.3.15 Doing nothing is not an option, unless we wish to witness the continued loss of important semi-natural habitats to afforestation and the decline of traditional agriculture, whilst in tandem witnessing local extinctions of NBA and monitoring populations to observe their steady decline and an increase in the butterfly's threatened status.
- 1.3.16 Measures for Species-rich Grassland are available under the current AECS scheme, however, uptake is limited due to barriers through the competitive nature of the scheme. Currently, the scheme favours designated sites and larger farm holdings, not biodiversity-rich small farms. In addition, any capital expenditure is severely penalised under the current scoring system so measures, including fencing, or scrub control, are effectively not permitted. These habitats and their importance to pollinators have not been assigned sufficient value under past and current rural development schemes. New approaches are required that both recognise the importance of these scarce priority habitats but also enable land managers to generate income to support sustainable land management.
- 1.3.17 This proposal prioritises nature-based solutions, focusing on the conservation of Species-rich Grassland and Northern Brown Argus butterfly. This can provide improved food quality, enhanced pollination, increased biodiversity and improved soil management and carbon storage. This will help enhance productivity and potentially adding value to the end-product, grass reared, sustainable, environmentally friendly meat, ensuring land management businesses are more sustainable and resilient. Local people will be engaged in the delivery, developing stronger links between communities and land managers, whilst providing employment and skills opportunities. These new collaborative partnerships will deliver long-term strategic approaches to improving the region's economies. It will thereby deliver public goods for biodiversity and climate change resilience whilst enhancing local place.
- 1.3.18 This proposal will build upon NatureScot's project Piloting an Outcomes Based Approach in Scotland (POBAS), commissioned and funded by Scottish Government, focussing on local priority habitats and species across selected parts of the country rewarding farmers for positive environmental results. It is envisaged that this will provide a blueprint for the delivery of a Result-based Agri-environment Payment Schemes (RBAPS) to benefit Species-rich Grassland and Northern Brown Argus in the south of Scotland, which could readily be adopted across the rest of the country. A very positive meeting was held on 5th May 2023 with staff from NatureScot responsible for overseeing and managing the current POBAS pilots. There was agreement that the proposals were a close fit with their scheme and potential for our

findings to be adopted in Scotland's new agri-environment scheme, however, there is still uncertainty from Scottish Government on the timescales and preferred design.

- 1.3.19 It is vital therefore that we work closely with the key individuals within Scottish Government and NatureScot who are leading in this area. This includes Ross Lilley (Head of Natural Resource Management), Sue Agnew (Farming with Nature Project Manager) and Kirsty Hutchison (Agricultural Officer), all within NatureScot and Steph Davies (Senior Policy Advisor) in the Agricultural Policy Division of Scottish Government and her colleagues. Kirsty has already agreed to sit on the Core Steering Group, whilst the others will potentially be ideal candidates to sit on any relevant Specialist Advisory Groups. All are supportive of the pilot. The future of agricultural environment support in Scotland post 2016 when the current AECS scheme ends is still being developed, the results from the POBAS pilot are being analysed and assessed. The current Farming with Nature Programme which is being led by NatureScot, supported by Scottish Government, is proposing a whole farm plan within which two of the four items are relevant to the pilot, carbon and biodiversity audit, particularly the development of a scorecard for the latter. The ethos of the new scheme is for it to be evidence based, the pilot can provide that evidence, for example by developing and trailing biodiversity scorecards and calculating the real costs of effective management and restoration of Species-rich Grassland using different techniques. We are currently inputting through farmers into the development of NatureScot's Landscape Scale Natural Capital Tool. It is therefore imperative that we all work together and share our outputs, everyone is supportive of this approach.
- 1.3.20 One of the consequences of an ineffective agri-environment scheme is that many areas of former SRG have already been lost, either to a ranker sward or scrub, particularly gorse, due to a lack of grazing, or in some cases excessive grazing that has impoverished the structural and floral diversity of the sward, therefore greatly diminishing its biodiversity value. It is therefore important that different restoration techniques are trialled and costed. This will ensure that the most effective and efficient techniques can be rolled out across the region and that appropriate costs are included in future agri-environment schemes. Trials will not just include the initial management e.g. scrub control, but also the all-important, yet often neglected, follow up management e.g. targeted grazing, topping, herbicide treatment. It is also recognised that gorse and scrub has its own value, particularly providing shelter and a habitat in its own right. At the majority of sites some scrub will be retained to create a mosaic with more open habitats.
- 1.3.21 Mechanical cutting of scrub will be trialled using different techniques including tractor mounted flails using different cutting heads, remote controlled McConnell Robocut technology, clearing saws and volunteer work parties using handtools. Cut and collect will also be trialled to determine if the additional time and expense is justified by the results. Follow up treatments will include targeted grazing using No Fence technology, herbicide treatment and regular cutting. In addition, restoration of the species-rich sward will be trialled by seed sowing, plug planting and direct drilling in combination with targeted No Fence grazing. The latter will also be conducted on areas of rank vegetation that have lost their species-rich sward. A portfolio of trials will develop and test innovative approaches to delivering environmental outcomes. This will include providing farmers with access to these

new technologies e.g. No Fence collars and determining how best they can be incorporated into the new agri-environment scheme. In particular, the project is testing the implementation of a less prescriptive, results-based approach, where the level of payment received is dependent on the quality of the outcome delivered.

- 1.3.22 The sites will be monitored using drones to help determine the extent of habitat management and monitor habitat change. In addition, the project will investigate developing a biodiversity metric, or modifying those under development, e.g., the DEFRA metric, to measure success. This will include habitat scorecards that will align with those being developed under the POBAS scheme to test whether offering a payment that is dependent on the results achieved, as opposed to a payment based on following management prescriptions, could improve the environmental performance of agri-environment schemes. The data will potentially be collected by the farmer by self-assessment making use of the [Iceni Earth](#) and [Flora Icognita](#) Apps, or similar. A weighted scoring system will score both positive and negative attributes with the final score helping to determine the grant payment rate. Overall, the pilot will test whether the POBAS approach will deliver better results than existing schemes, if farmers can assess their own results accurately and if it is more cost-effective. The project will also investigate additional payments through local Natural Capital investment for nature recovery.
- 1.3.23 The project will therefore deliver an integrated package of activity and adheres to the Borderlands Partnership's shared ambition by delivering green growth seeking to attract and unlock new investment e.g. Carbon Credits, Agri-environment, Landfill, Nature Recovery Fund, deliver skills and innovation and enhance the beautiful natural environment. It will aim to capitalise on the green credentials of the Borderlands region and to facilitate the creation of new high value jobs supporting carbon reduction schemes. By capitalising on the region's Natural Capital, it has the potential to be an exemplar in the UK in the development of new and innovative clean growth rural land management practices and regenerative agriculture.

1.4 Main Benefits and evaluation of impact

- 1.4.1 There are multiple beneficiaries accruing from this project. Refocusing future rural support with a stronger emphasis on investing in Natural Capital can help to make land-based businesses more resilient, support jobs, and strengthen Scotland's green brand. There is increasing scope for Natural Capital to support our economic recovery post-Covid, and to contribute to Scotland's ambitions for a wellbeing economy that promotes the wellbeing of people and planet. Evidence suggests that a Natural Capital approach can result in greater public benefits, a stronger return on investment for public funds, and help land managers address the twin challenges of a warming climate and biodiversity loss through HNV (High Nature Value) farming.

1.4.2 Farming Community

This project is focussing on how farmers can be rewarded for managing and enhancing Natural Capital assets. The pilot aims to develop a costed, tiered, bespoke support package designed with and for farmers to reward them for the benefits in terms of Natural Capital they are providing to the public. In turn, their business will be more economically robust and resilient. This also has a knock-on downstream effect to their local communities. The development of a local premium meat scheme should also help increase their profit margins.

1.4.3 Local Employment and Services

The project will employ a local part-time Project Officer and much of the work will be contracted out to local small businesses.

1.4.4 Biodiversity Benefits

The obvious species that will be a worthy benefactor from this targeted action is Northern Brown Argus, a Scottish Biodiversity List species, and designated a high priority in Butterfly Conservation's Scottish Conservation Strategy. The status of UK's butterflies has recently been updated by Fox and Dennis (2021) using International Union for Conservation of Nature (IUCN) criteria, producing a new Red List of Great Britain's butterflies, that assesses and categorises their risk of extinction. Northern Brown Argus was classified as Vulnerable. The south of Scotland is a stronghold for the butterfly in the UK and therefore efforts to enhance its population here will greatly enhance its UK status. In addition, sympathetic habitat management practices developed through this project can be rolled out across the UK. The butterfly, being a flagship species for Species-rich Grassland, will also enable this rare and threatened habitat to recover. However, NBA is not the sole species of scarce and threatened Lepidoptera restricted to SRG, other beneficiaries within the region include Small Pearl-bordered Fritillary, and Forester moth, Dingy Skipper and Grayling in Dumfries and Galloway.

1.4.5 SRG, by definition, supports a wide range of flowering plants, which in turn improve the fortunes of large numbers of pollinators and other invertebrates. This in turn has a positive knock-on benefit to birds and bats and other insectivorous species higher up the food chain.

SRG itself is a rare and very threatened habitat and therefore classified as a high priority habitat.

The following species of rare and threatened Lepidoptera, in addition to Northern Brown Argus, will also benefit from this project.

1.4.6 Small Pearl-bordered Fritillary

Small Pearl-bordered Fritillary remains widely distributed in Scotland and Wales but is much more local now in England. It previously qualified under IUCN guidelines as Near Threatened in 2010 based on distribution decrease but was uplifted in 2021 to Vulnerable due to a 37% distribution decline over the last 10 years. The species has low to moderate dispersal ability,

but long-distance dispersal is uncommon and there are no source populations in continental Europe that are sufficiently close to Britain, therefore no rescue effect is likely.

1.4.7 It is a UKBAP Priority Species, on the Scottish Biodiversity List and a medium priority in Butterfly Conservation's Scottish Conservation Strategy. However, it is upgraded to a high priority in the Borders. It occurs throughout the project area, favouring damp localities where its preferred larval foodplant, Marsh Violet, grows.

1.4.8 **Dingy Skipper**

Dingy Skipper previously qualified as Vulnerable in 2010 based on Area of Occupation (AOO) decrease. More recent trend estimates for both abundance and distribution do not meet the threatened status thresholds: 2005-2014 abundance change 65%, distribution change -5% and 2010-2019 abundance change -6%, distribution change -3%. Having no longer met the criteria for threatened status for five years, the species was downlisted in 2021 to Least Concern. It is widely but locally distributed in England, Scotland and Wales.

1.4.9 It is a UKBAP Priority Species, on the Scottish Biodiversity List and a medium priority in Butterfly Conservation's Scottish Conservation Strategy. It has a far more restricted range in Scotland than south of the border, being confined to the Moray Coast, and South-west coast north to Ayrshire. There are a handful of inland colonies mainly in the Cairngorms. It occurs along the Dumfries and Galloway coast favouring areas of short turf and bare ground with Bird's-foot Trefoil.

1.4.10 **Grayling**

Grayling remains widespread but previously qualified as Vulnerable in 2010 based on abundance and distribution trends. It was uplifted in 2021 to Endangered due to a 42% abundance decline and 52% distribution decline over the last 10 years. The species has moderate dispersal ability and has been assessed as Least Concern in Europe, but long-distance dispersal is uncommon, and the English Channel appears to present an effective barrier so there is no likely rescue effect.

1.4.11 It is a UKBAP Priority Species, on the Scottish Biodiversity List and a medium priority in Butterfly Conservation's Scottish Conservation Strategy. It has a far more restricted range in Scotland than south of the border, with a predominantly coastal distribution. It occurs along the Dumfries and Galloway coast favouring areas of short turf and bare ground with fine-leaved grasses. Owing to the recent upgrading of its status to Endangered, Grayling will no doubt also be upgraded in the next review of Butterfly Conservation's Conservation Strategies.

1.4.12 **Forester Moth**

This day-flying metallic green moth favours Species-rich Grassland where there is abundant nectar and its sole larval foodplant, Common Sorrel. In Scotland, it only occurs along parts of the Dumfries and Galloway coast, and Argyll and some of the neighbouring islands. It is a UKBAP Priority Species, on the Scottish Biodiversity List and a high priority in Butterfly Conservation's Scottish Conservation Strategy.

1.4.13 The project will also benefit a wide range of other more common and widespread lepidoptera as well as many species of plant. In addition, it will also benefit other pollinators and several species of birds and bats for which lepidoptera, particularly caterpillars and night flying adults respectively, form the mainstay of their diet.

1.4.14 Local Communities, Young People and Volunteers

The provision of student projects, online training, work placements as well as opportunities to get involved in volunteer work parties, surveys and monitoring provides an ideal ground for learning and education. The provision of opportunities for students as well as local people to get involved should not be under-estimated. In return they are providing a free in-kind contribution to the project whilst gaining experience and meeting like-minded people. This involvement with the natural world can have an important positive influence on our mental and physical well-being and is often referred to as the 'Natural Health Service'.

1.4.15 Raising Awareness

The project will do much to increase the awareness and importance of farming and biodiversity. Demonstration days and annual project reports/updates alongside the monitoring will provide useful information for statutory agencies and NGOs alike. The project will also provide opportunities for farmers and conservation volunteers to come together and share views and find common ground. This will include through the establishment of two Natural Capital farmer led groups. Participants will be selected via recommendation from SRUC, NFUS and engaged agricultural advisors operating in the area.

1.4.16 Public/societal Benefits

Enhancing Natural Capital through restoring SRG and thus NBA by deploying regenerative farming techniques provides many benefits. SRG if managed sustainably acts as a carbon sink. The production of local meat, a premium product, sold close to its market also reduces greenhouse emissions.

1.4.17 One intangible benefit to the public is an increase in physical and mental health wellbeing. A recent survey suggested that [73%](#) of people find that connecting with nature provides a boost to their mental health. This is no doubt due to the benefit derived from direct and indirect enjoyment of biodiversity.

1.4.18 The programme outputs include:

- Publicise the importance of Natural Capital and its benefits to society and individuals.
- Development of a POBAS agri-environment scheme whereby farmers are paid for environmental results rather than following off-the-shelf standard prescriptions.
- Self-assessed scoring sheet developed to work alongside a tiered payment system.
- Influencing the post-2024 Rural Development Programmes and future Scottish Government Economic Strategy.
- Trialling innovative technology including use of drones, Apps, No Fence technology, remote-controlled Robocutters to restore SRG.

- Increase the understanding of the importance of SRG and other permanent pasture as a carbon sink.
 - Trial different techniques to restore SRG including restoration of both gorse-dominated hillsides and rank under-grazed and short impoverished over-grazed pastures.
 - Identify and publicise the most effective, efficient and costed SRG restoration techniques.
 - 400ha of SRG under restoration management.
 - Full survey of NBA in the south of Scotland.
 - Robust monitoring established across the region to enable a population and distribution trend to be calculated for NBA.
 - Appointment of a Project Officer.
 - Up to 50 jobs safeguarded.
 - 2 local community liaison or volunteer groups established.
 - 2 farmer-led Natural Capital groups established.
 - 2 demonstration sites set up per region.
 - At least 36 volunteer work parties undertaken to restore SRG.
 - 100 volunteers engaged with the project, contributing around 1000 days, worth £140,000.
 - Project engages with 50 farmers.
 - Novel Natural Capital finance packages investigated, including feasibility study into developing a Biodiversity Metric.
 - Potential for up to £4M in additional income generated through bringing in public/private investment in Natural Capital.
 - Potential development of a local premium meat marketing scheme.
 - Collaborative links formed with Borders College in Galashiels and SRUC's Barony Campus, near Dumfries.
 - 10 work placements providing short-term work experience.
- 1.4.19 Progress will be evaluated and reviewed throughout the project via quarterly reports and six monthly CPSG (Core Project Steering Group) meetings. This will allow any issues to be discussed and resolved to the satisfaction of the CPSG. It is likely that the CPSG will need to meet more regularly to provide the necessary steer and support to the project and to the Project Officer in the initial stages of the project. A monitoring and evaluation programme will also be set up in the first year of the project.
- 1.4.20 There are many metrics that will help to determine the success of the project and thus whether it is on track, on budget and meeting its milestones. These metrics include:
- No. of participating volunteers and their volunteer contribution (in hours).
 - No. of NBA sites surveyed.
 - No. of NBA sites monitored.
 - Production of annual NBA population index and trend with 5 years of robust data.
 - Improved conservation status of NBA assessed through the Species Recovery Curve.
 - 2 local community liaison or volunteer groups established.
 - Improved landscape connectivity measured through BC metric.
 - No. of talks/lectures and participants.
 - No. of participating and engaged farmers.
 - Establishment of 2 NC farmer groups.

- No of habitat restoration trials set up.
- No of sites where SRG restored.
- Area (in ha) of SRG habitat maintained and restored.
- Determination of the most effective, efficient and costed SRG restoration technique.
- Production of a robust and tested self-assessed POBAS SRG Scoresheet.
- Adoption of a Natural Capital Biodiversity Metric.
- No. of student projects.
- No. of college training places.
- Successful evaluation into the feasibility of establishing a premium meat marketing scheme.
- Measure of match funding brought in.
- Production of final evaluation report.
- Assessment of the added value to the local economy derived from the project.

1.4.21 Other benefits include:

- Better integration between farming and nature conservation, and local communities informing payments for ecosystem services to support sustainable land management.
- Additional diversification opportunities for farmers.
- Employment, skills and training opportunities for local communities.
- Long term conservation of priority species and habitats.
- Improved understanding of the role of Species-rich Grassland as carbon sinks.
- Increasing investment in Natural Capital with south Scotland as the premier investment area in Scotland.
- Adoption of the pilot approaches under Regional Land Use Partnerships targeting action and directing public and private finance.

A Benefits Realisation Plan is provided in **Appendix A**.

1.5 Main Risks

1.5.1 The risks associated with project delivery have been clearly set out and assessed in the Risk Register presented in **Appendix B**. This table outlines sixteen risks and provides an approach to risk management for each along with clear control measures. Each risk is also scored using a risk matrix which combines two scores, Likelihood of risk and Impact of risk to provide an overall Risk Score.

1.5.2 All risks fall out under the approaches to risk management as either Treat, with a requirement to *Take action to mitigate the impact or the likelihood of the risk occurring through the implementation of a number of control measures*, or Tolerate with a requirement to *Acknowledge that the risk might happen and choose to tolerate the fact that it might do so*, in other words, don't treat it with controls.

1.5.3 Only two activities are assessed as high risk, the remainder come out as medium. The two high risk activities are:

1. **Recruitment** where the risk is an absence of suitable candidates resulting in a lack of specialist and/or dedicated resource to deliver the project. The control being to advertise positions as widely as possible. If this fails to produce candidates, consider extending the startup to accommodate a second-round of recruitment or consider secondment options or job sharing.
2. **Loss of staff** where the risk is that the PO leaves the project hindering delivery of project objectives, and the control being to support staff day-to-day and encourage team development especially with outposted staff who may require stronger support. Hold regular one-to-one and team meetings and encourage two-way communication and feedback.

1.5.4 It is interesting that both risks relate to ensuring a suitably qualified PO is recruited and retained. Identifying this risk at this pre-project stage will help ensure that the recruitment is far-reaching and rigorous, whilst when in post high-quality and supportive line-management is required.

1.6 Constraints

The following constraints include external conditions as well as agreed parameters within which the project must be delivered:

- The available Borderlands Inclusive Growth Deal funding provides for £5 million in funding for the Natural Capital theme on either side of the Border, with the £5m in Scotland comprised of half capital and half revenue.
- The available Borderlands Inclusive Growth Deal funding is for a spending period until 2030/31.
- The timescales, including the speed at which the project can start to be delivered.
- Dependent on the success of pilot development, the scope may expand in time if additional external funding is secured.

1.7 Dependencies

The following dependencies are outside the scope of the investment proposal and are upon which successful delivery of the pilot project is dependent:

- The project aims to fit with and influence emerging policy changes from Scottish Government to replace European Common Agricultural Policy subsidies.
- Activities need to align with developing land use initiatives in the Scottish region of the Borderlands, including the proposed Regional Land Use Partnerships (RLUPs).
- The progress of national and regional activities may overtake/overlap with the work of the project if the start date is delayed.

- Nature-based solutions is a key theme within the Scottish Borders Climate Change Route Map (CCRM) and there may be opportunity to support the concept across the Borderlands region through the programme.
- Full funding is required to complete the pilot.
- To succeed, there needs to be willing stakeholders, especially farmers and land managers, to engage with the pilot project. Indications from the Stakeholder Workshop were extremely positive especially over the requirement and urgency for the pilot, as well as engagement with the pilot.
- Having staff who work on this project from inception to delivery is most efficient and effective. Butterfly Conservation will recruit a Project Officer for a fixed term and will set expectations for fulfilling the term.
- Having staff with the relevant skill set will help jump start the project and keep it on track. Butterfly Conservation will recruit a Project Officer with the relevant skill set and if the leading applicant needs additional training will address those gaps in knowledge.

2. ECONOMIC CASE

The economic case is structured as follows:

- The Options Assessment section uses Critical Success Factors (CSFs) to demonstrate how the configuration of the pilot project was developed, including a shortlist of potential alternatives.
- In the Main Options section, and as agreed with Scottish Government, the shortlist is then taken through a detailed, qualitative assessment based on multiple criteria to demonstrate that the proposed activities, planned procurement mechanisms, and delivery approach are the most appropriate configuration for the pilot project. Based upon this qualitative assessment, a preferred option is taken forward.

2.1 Critical Success Factors

The following critical success factors have been identified for each attribute.

2.1.1 Strategic fit

The pilot contributes to several strategies and plans/reports including:

- Scottish Biodiversity Strategy.
- Pollinator Plan for Scotland 2017-2027.
- Scotland's Third Land Use Strategy 2021-2026.
- Climate Change Plan.
- The next step in delivering our vision for Scotland as a leader in sustainable and regenerative farming.

2.1.2 Business need

- Current system not delivering for farmers, SRG or NBA, so change is required.
- Aims to make farm businesses, especially the hill livestock sector and small farms, more financially viable.
- Acknowledgement of the importance of livestock farming to the local economy.
- Development of a more targeted and inclusive agri-environment scheme.
- Addresses need of farm businesses to be involved in new ways of assessing Natural Capital due to future policy changes and dual impacts of climate change and nature crisis.
- Stakeholders workshop highlighted the need for the project.
- Pilot supported by local NFUS (National Farmers Union Scotland) Lothians and the Borders Regional Manager.
- Will identify additional sources of funding e.g., Grassland Carbon Credits scheme, biodiversity offsetting, public/private investment in Natural Capital.
- Potential to develop a local premium meat marketing scheme.

2.1.3 Optimisation of costs and benefits

- Preservation and enhancing the region’s Natural Capital as this is key to many private as well as public sector investment opportunities.
- Develop and test specialised products that are already in existence/development, e.g., POBAS, Agrecalc, DEFRA biodiversity metric etc rather than reinvent the wheel developing similar products from scratch.
- Deployment of Butterfly Conservation’s skilled and dedicated volunteers who will bring their enthusiasm and local knowledge to benefit the project free of charge, whilst improving their physical and mental health wellbeing.
- Enhancement of NBA populations as a flagship for SRG.

2.1.4 Capacity and capability

- Appointment of suitable Project Officer whilst recognising that that the market for recruiting suitably skilled personnel with direct or transferrable skills is very competitive.
- Specialised support and training from Butterfly Conservation staff.
- Project overseen by carefully selected CPSG with diverse range of relevant knowledge and skills.
- Suitable capacity in the area for deploying contractors to undertake traditional land-based operations.
- Acknowledgement that utilisation of more specialised equipment e.g., Robo-cutters will necessitate bringing dedicated contractors into the area.
- Retention of current dedicated band of committed and well-trained volunteers in the Borders and establishment of similar group in Dumfries and Galloway.

2.1.5 Affordability

- Establishing the mindset that views the region’s important and unique Natural Capital as an asset for the future, to be maintained and enhanced.
- Investigation of novel local Natural Capital investment for Nature Recovery.
- Fully costed and monitored management trials to ensure the most affordable, effective, and efficient techniques are adopted.
- Development of a more effective agri-environment scheme that delivers for SRG and pays farmers on results.
- Management of SRG through traditional seasonal light grazing, especially by cattle, which converts *rough grazing* into internationally renowned and high-quality source of protein in an affordable and efficient manner.
- Use of skilled volunteers to undertake survey, monitoring and habitat assessments greatly reduces costs as well as adding legacy to the pilot.
- As Government funding moves from direct payment towards conditionality and greening, pilot will help the proposition to be more attractive beyond the investment in this pilot.

2.1.6 Achievability

- Butterfly Conservation has a solid history in delivering similar projects engaging with land managers and volunteers to enhance the population of threatened species ensuring targets and costs are realistic and achievable.
- The Core Project Steering Group (CPSG) will ensure the project keeps on track and within budget.
- The Stakeholders Workshop highlighted that the pilot was an ambitious project but there were no concerns over achievability and the Do Nothing or Do Minimum scenarios were not an option.

2.2 Main Options

2.2.1 An online Stakeholder's Workshop, with 17 participants present, was held on 18th May 2023. One of the main foci of the event was to undertake an Options Appraisal considering the following three scenarios:

1. Do Nothing = Business as Usual (BAU).
2. Do Minimum = Do a Little (DAL).
3. Do More = Implement Natural Capital Pilot (INCP).

2.2.2 For each scenario, an assessment of positive and negative impacts was presented and subsequently discussed, resulting in a summary conclusion. The results of this appraisal are presented in the table below, but in conclusion, there was a unanimous agreement that the Do Nothing or the Do Minimum options were not fit for purpose.

2.2.3 A pdf of the workshop which includes the agenda, the presentation explaining the background to the project, as well as the discussion topics is provided in **Appendix C**. Feedback from the workshop, including a list of attendees, is provided in **Appendix D**.

Table 1: Summary of Options Appraisals

OPTION 1	DO NOTHING = BUSINESS AS USUAL (BAU)
Description	Farmers continue to rely on financial support through AECS to undertake appropriate management of SRG, whilst financial incentives to enter their land into woodland afforestation schemes become ever more enticing, further incentivised by selling off carbon credits through the Woodland Carbon Code.
Net Costs	There are no costs to the Borderlands Deal associated with this scenario as it is <i>Business as Usual</i> reliant on the continuation of the existing agricultural and woodland support systems that the project currently has no influence over. This is therefore a nil return.
Advantages	Easy. No change required, system continues as before without the need for farmers or their agents to learn or adapt to a new agricultural payment system. There is often an initial resistance to change which would obviously be avoided.
Disadvantages	It is becoming increasingly difficult to enter land into the existing Agri-environment scheme (AECS). Currently the scheme, which is competitive, favours designated sites and larger farm holdings over biodiversity rich small farms. In addition, any capital expenditure is severely penalised under the current scoring system so measures, including fencing, or scrub control, are effectively not permitted. Farms therefore become less financially viable. This is set against the incentivised financial rewards from afforestation schemes with the additional bonus of selling off carbon credits and thus the continued threat to SRG and other semi-natural habitats from afforestation. BAU is therefore not an option unless we wish to witness the continued loss of important semi-natural habitats to afforestation and the decline of traditional agriculture, whilst in tandem witnessing local loss of SRG and extinctions of NBA, whilst monitoring NBA populations to document their steady decline and an increase in their threatened status.
Conclusion	The current system is not delivering for SRG, NBA or farmers. Data gathered by Butterfly Conservation volunteers established that 50% of assessed NBA colonies in the Borders were under threat. This pilot project was developed because of these alarming findings. Change is therefore required.
OPTION 2	DO MINIMUM = DO A LITTLE (DAL)
Description	It is not going to be possible to easily change either the current agri-environment scheme (AECS), or the enticing afforestation grants. However, it is possible to try and ensure that NBA colonies and SRG is better protected from afforestation by sharing our relevant butterfly and habitat data with Scottish Forestry.
Net Costs	The data is provided to Scottish Forestry under a data agreement free of charge. It is mostly collected, collated and verified by Butterfly Conservation volunteers. However, Butterfly Conservation staff input is required to train and co-ordinate the volunteers, undertake mapping, planning, reporting and data analysis. All these tasks are conducted at no cost to the Borderlands Deal. The cost of collecting and providing this data is estimated to cost Butterfly Conservation around £2k/year for staff time
Advantages	The use of alert maps indicating the presence of NBA and/or SRG at an early stage of the forestry grant application process will help protect current areas from afforestation schemes, by alerting applicants to their presence, although there is no legal requirement for applicants to amend their schemes should NBA be known to be present.
Disadvantages	There is no legal requirement for applicants, be they forest agents or landowners, to use the data. Although some sites will be saved directly from afforestation, SRG sites will deteriorate and lose their biodiversity interest in the absence of suitable grazing management, becoming either too rank or the floral interest grazed-out. Other SRG sites will also deteriorate due to

	the lack of an effective agri-environment scheme and farm businesses become less financially viable. Both scenarios, over time, will result in a species poor sward and loss of NBA and other biodiversity.
Conclusion	The management and importance of NBA and SRG needs to be prioritised and financially incentivised under AECS, or its equivalent, and both need to be better protected from afforestation.
OPTION 3	DO MORE = IMPLEMENT NATURAL CAPITAL PILOT (INCP)
Description	Design and implementation of a new Scottish Agri-environment Scheme that values the importance of NBA and SRG, as well as carbon capture capability of permanent grasslands i.e. farmers being paid for delivering public benefits. SRG restoration techniques have been fully trialled and costed. The importance of the regions' NBA populations and SRG is recognised. Additional funding brought in through private and public investment in Natural Capital.
Net Costs	The net cost of the project to the Borderlands Deal is £727,160. An annual breakdown of this spend by capital and revenue is given below in section 4.1. A more thorough breakdown is provided in Appendix O - Annual Financial Breakdown Revenue and Capital Spend. This appendix also outlines and estimates potential income streams.
Advantages	New agri-environment scheme delivers for SRG, NBA and farmers. Current areas of SRG are maintained and enhanced, whilst former areas of SRG are restored. More flexible land management system that is bespoke and delivered by the farmer rather than adhering to off-the-shelf prescribed options. The value and importance of NBA, SRG and Natural Capital is valued and recognised. Pilot acts as a blueprint to be rolled out across Scotland and potentially Northern England where NBA also occurs. Farm income enhanced through additional sources of funding including Grassland Carbon Credits scheme, Biodiversity Offsetting, introduction of a premium meat marketing scheme.
Disadvantages	A brand-new approach is required with buy-in from farmers who will require good knowledge of what they are trying to achieve and how they will achieve it. The scheme maybe trying to do too-much and could be overly complex, expensive to administer and potentially not deliver for SRG or NBA. The financial incentives will have to be equal to or greater than competing woodland schemes for it to work. It won't be easy, but similar schemes have been set up in other countries including Ireland, Belgium, Spain and Sweden. More information available on the Results Based Payments Network website https://www.rbpnetwork.eu/about/

2.3 Recommended option

The recommended option is Option 3, delivery of this pilot Natural Capital project. The conclusions from the Options Appraisal above clearly highlight that Option 1 Business as Usual, and Option 2 Do a Little, will not solve the current issue of loss of SRG to either afforestation schemes or unsuitable management, with farm businesses becoming less financially viable. Investment now in this pilot, as previously outlined, will have multiple benefits and beneficiaries through the development of a costed, tiered, bespoke support package designed with and for farmers to reward them for the benefits in terms of Natural Capital they are providing to the public, including benefits to biodiversity. Investigating other sources of Natural Capital income will also bring further monies into the project and to farmers. These sources include applications to NatureScot's Nature Recovery Fund to finance larger scale habitat restoration. In 2022, Butterfly Conservation successfully applied to NRF for c£27K

for a project Restoring Flower-Rich Grasslands Along the Tweed, which aimed to clear scrub to benefit Northern Brown Argus and enhance Species-rich Grassland in the pilot area. Unfortunately, BC were unable to implement the project due to lack of staff capacity as it had been hoped that the Borderlands PO would have been in post by then. The pilot is not reliant on this funding, but this clearly demonstrates that funding through NRF is available and permissible and can provide very worthwhile additionality to the project. The likelihood of using this fund to enhance the project is therefore high. Similarly, the Scottish Landfill Community Fund and Community Windfarm Fund can pay for habitat maintenance and enhancement work. Farmers will also be encouraged to enter their land, where feasible, into the current, AECS, and future agri-environment schemes thus bringing further monies into the project and to farmers. There is also huge potential income from other green funding initiatives including Biodiversity Offsetting and the development of a Biodiversity Metric and Grassland Carbon Credits. Monies from these sources are outlined in **Appendix O** - Annual Financial Breakdown Revenue and Capital Spend, where they are estimated to exceed £2.5 million over the eight years of the pilot and an addition £1.5 million over the subsequent 5 years.

An assessment of each of the three Options Appraisals against Critical Success Factors is provided in **Appendix P**.

3. COMMERCIAL CASE

3.1.1 As the project will be led by Butterfly Conservation, it will be adhering to our procurement rules and policies as outlined below with several supporting documents supplied in the Appendices.

Butterfly Conservation’s authorisation levels for procurement are as follows.

Authorisation Limits (inclusive of VAT)

Ordering of goods, contracts, approval of invoices

Grade	Limit
Council	> £50,000
SMT	< £50,000
Chief Executive	< £10,000
Band F – Director	< £10,000
Band E – Head of Section	< £2,500
Band D – Budget Holder	< £2,000
Band C – Budget Holder	< £1,000
Band B – petty cash only	< £30
Band A – petty cash only	< £30
Branch signatories	< £2,500

Details of Butterfly Conservation’s tendering processes are given in **Appendix E** and are summarised in the table below.

Total value and procedure	Up to £1,000	£1,001 - £5,000	Branches > £2,500	£5,001 - £10,000 (or multiple contracts of this amount)	£10,001 - £50,000 (or multiple contracts of this amount)	£50,000 (or multiple contracts of this amount)
Budget Holder	1 quote	3 quotes or single tender approval	SMT approval	3 quotes or single tender approval	Competitive tender or single tender approval	Competitive tender or single tender approval

3.1.2 Other documents provided in the Appendices include:

- Butterfly Conservation’s recruitment guidance and sample job description is given in **Appendix F**.
- Butterfly Conservation’s Standard Terms and Conditions are given in **Appendix G**.
- Butterfly Conservation’s Ethical Policy for Fundraising, Investments and Purchasing is given in **Appendix H**.

- Butterfly Conservation’s Equal Opportunities Policy is given in **Appendix I**.
 - Butterfly Conservation’s Environmental Policy is given in **Appendix J**.
 - Butterfly Conservation’s generic work plan for a similar role is provided in **Appendix K**.
- 3.1.3 The majority of invoices will be paid on delivery of services e.g., purchase/rental of No Fence technology, contractors clearing scrub etc. In similar projects BC usually claims quarterly in arrears and this therefore is the proposed model. Goods and services will be procured in adherence to Butterfly Conservation’s policies as outlined above.
- 3.1.4 The goods, services and works that will be procured to implement the recommended option include the following:
- Butterfly Conservation to project manage, appoint and line manage Project Officer, etc.
 - Provision of certified training via approved organisations e.g., in First Aid, pesticides and safe use of machinery e.g., brushcutters.
 - Capital items e.g., handtools, SRG seed and plug plants etc in accordance with BC procedures.
 - PO and volunteer expenses e.g., T&S in accordance with BC procedures.
 - Contractors to deliver mechanical scrub removal and follow up treatments.
- 3.1.5 Goods and services will be paid for on delivery and claimed back quarterly. Bespoke contracts will be required to ensure delivery of the specialised aspects of the project.
- 3.1.6 Much of the project will be delivered directly through a Project Officer, employed by Butterfly Conservation. The recruitment and employment process will adhere to Butterfly Conservation’s relevant codes and policies. The Project Officer will be line managed by the Head of Conservation (Scotland) and be a welcomed and much valued part of Butterfly Conservation’s small yet dynamic team of staff working across Scotland.
- 3.1.7 Butterfly Conservation is a Real Living Wage employee and ensures that all contractors also meet this criteria. In March 2023 BC used the Fairwork Assessment Tool and subsequently produced a Fair Work Plan that identifies the next steps required to progress knowledge and understanding of the Five Dimensions of The Fair Work Framework.
- 3.1.8 Butterfly Conservation's procurement route is outlined in appendix F - Purchasing Control Guidance Notes. This includes the ability to use a single tender procedure that can be used in exceptional circumstances, this will include favouring local suppliers over national or large corporations.
- 3.1.9 Butterfly Conservation offers a generous package of benefits to all employees. This includes
- 1) Flexible working which ensures everyone can achieve their own version of a work life balance.
 - 2) 8% employer pension contributions. According to the Office of National Statistics, around 80% of employing organisations of a similar size pay less than 8% contributions. That puts us in the top 20% of small organisations.

- 3) 28 days annual leave. Our generous annual leave allowance plus bank holidays means you have plenty of time to do the things you love outside of work.
- 4) Wellbeing. All employees and their immediate families have 24-hour access to our Employee Assistance Programme. This is a confidential portal which offers expert advice and compassionate guidance 24/7, covering a wide range of issues that could be affecting your home life or work life, health and general wellbeing.
- 5) Learning and Development. We have a comprehensive basic training package for all staff to cover the range of topics you need to know about whilst working for us.
- 6) Living wage employer. This means that we're committed to paying not just the minimum wage but the real Living Wage for all staff and sub-contractors.

4. FINANCIAL CASE

4.1 A financial spreadsheet giving the annual breakdown of revenue and capital spend across financial years 2023-24 (year 1) to 2030-31 (year 8) along with potential income sources is provided in **Appendix O**. A summary is provided here:

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Totals
Revenue (£)	500	37,878	52,657	54,105	45,625	23,774	23,333	26,096	263,969
Capital (£)		61,684	94,799	75,759	76,767	64,825	45,936	43,240	463,190
Totals (£)	500	99,743	147,456	129,864	122,392	88,599	69,269	69,337	727,159

4.2 The current overall budget is split as 37% Revenue spend and 63% Capital spend. This does vary across the years with a maximum Revenue spend in any one year being 40%, the lowest 27%, apart from the shortened first year when it is 55%. Several of the lines under Capital spend may more traditionally be considered Revenue items. However, their inclusion under Capital spend is because the Natural Capital, in this case Species-rich Grassland, is viewed as a fixed asset, in the same way that a building would be viewed as a fixed asset, and the expenditure is extending the life of that fixed and useful asset. Under suitable management, SRG should be considered a longer-term asset rather than a building, fence or item of machinery/equipment. Therefore, any monies spent on enhancing or repairing it, or in the case of the pilot maintaining and restoring, will add to its value and is thus considered as Capital expenditure.

4.3 This stance has been taken with the following items.

- A proportion of the Project Officer Salary and associated costs e.g., FCR and T&S - this is allocated as Capital spend as it is an estimation of the PO’s time and associated costs enhancing Natural Capital fixed assets i.e., SRG.
- Contractor costs to maintain and enhance SRG - as above, these costs are increasing the capital value of these very important natural fixed assets.
- Wildflower seeds and plug plants - although individual plants and seedlings will be relatively short-lived, probably 5-10 years, under the correct management regime their future seed will allow these plants to spread and flourish across the site where they were sown/planted. They are therefore regarded as a permanent and increasing fixed asset.

There are no contractor costs in year 1 of the project (2023-24). Annual estimated contractor costs are itemised in the financial spreadsheet in **Appendix O**.

4.4 Claiming and Balance Sheet Treatment

This project will submit its funding claims to Dumfries and Galloway Council, which is the accountable body for the Borderlands Inclusive Growth Deal finances in Scotland. Stewardship will be provided by the Natural Capital Programme Board and membership will include a Section 95 Officer to provide assurance of the project's finances and ensure that the financial requirements agreed with both the UK and Scottish Governments are met. The project will also be aligned with Dumfries and Galloway Council's financial regulations and, where appropriate, those of the regional partners. Should the project present any risks to the overall Borderlands programme, it will be held to account by Dumfries and Galloway Council.

Should this BJC be approved, formal Government approval will be sought to enable Borderlands Inclusive Growth Deal funds to flow to the project. Funding will be provided by the Scottish Government to Scottish Borders Council via Dumfries and Galloway Council in the respective roles of the local authorities as the delivery and the accountable bodies. This funding will be claimed quarterly in arrears from Dumfries and Galloway Council upon receipt of a completed Grant Claim Form and appropriate supporting evidence, which will initially be provided by Butterfly Conservation Scotland to Scottish Borders Council as the grant recipient.

The proposed model for Butterfly Conservation to claim monies quarterly in arrears, is identical to how it operates many other similar projects. There will be no balance sheet implications.

5. MANAGEMENT CASE

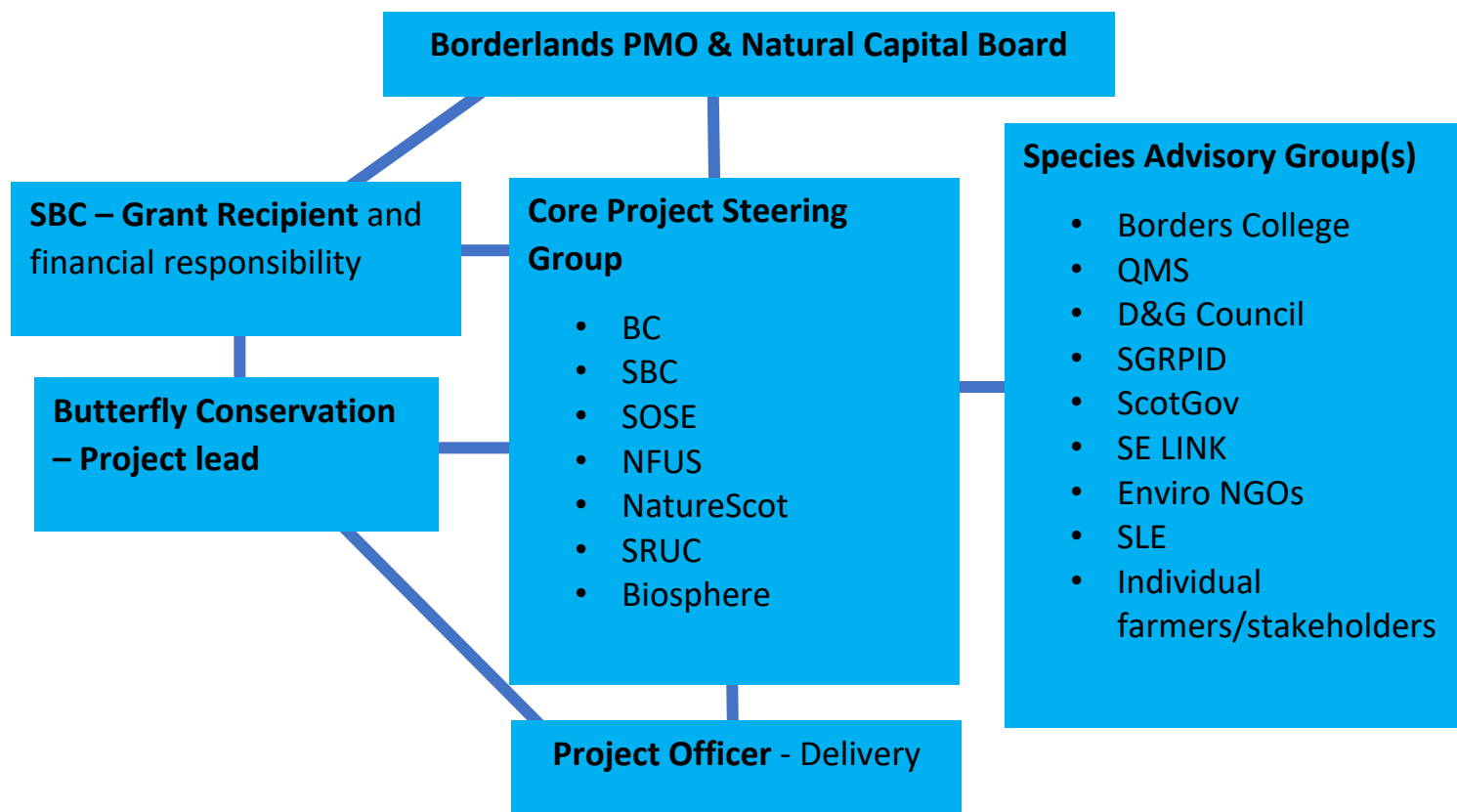
- 5.1 The Project Lead will be from South of Scotland Enterprise (SOSE) and Scottish Borders Council (SBC) and represented on the Natural Capital Scotland Working Group. Scottish Borders Council will be the grant recipient, but Butterfly Conservation will be the project lead.
- 5.2 The project will be managed and delivered by the lead delivery partner, Butterfly Conservation, via a Project Officer employed by Butterfly Conservation. The project will be overseen by a Core Project Steering Group (CPSG) who will meet at least twice a year though it is likely that the CPSG will need to meet more regularly during the initial stages of the project to provide the necessary steer and support to the pilot and to the Project Officer.
- 5.3 Butterfly Conservation has been selected as the delivery partner as they were one of the first organisations to recognise the fragility of the hill livestock sector in the Borders. This was identified following targeted surveys of Northern Brown Argus that commenced in 2016 to determine the status of the butterfly in the region. The results highlighted the lack of appropriate management at the majority of colonies, the threat of afforestation due to the lack of an effective agri-environment scheme and recognition of the importance and value of Species-rich Grassland. Butterfly Conservation is the UK charity dedicated to saving butterflies, moths and our environment, and its vision is a world where butterflies and moths thrive and can be enjoyed by everyone, forever. It has more than 40,000 members in the UK and 32 volunteer-run branches throughout the British Isles. It employs almost 100 people, including many highly qualified scientists, making it one of the world's largest research institutes for butterflies and moths. Butterfly Conservation has a history of successfully delivering very similar large landscape-scale restoration projects across the country. Through the surveys Butterfly Conservation has established excellent working relationships with several local landowners and farmers, has a trained, knowledgeable and enthusiastic group of engaged local volunteers, and has the knowledge, experience and track record to manage and deliver the project to time and budget. Butterfly Conservation has been fully involved in putting the project together from its inception to the production of this Business Justification Case. Butterfly Conservation therefore makes the ideal delivery partner, a decision supported by Scottish Borders Council and South of Scotland Enterprise.
- 5.4 It is recommended that the CPSG will comprise:
- Borderlands SRG & NBA Natural Capital Project Officer.
 - Tom Prescott - Head of Conservation (Scotland), Butterfly Conservation Scotland.
 - Louise Cox - Sustainability Manager, Scottish Borders Council.
 - Malcolm Ginns – Ecology Officer, Scottish Borders Council.
 - Andy Tharme – Natural Resources Strategy Manager, South of Scotland Enterprise.
 - Lindsay Brown - Lothians and the Borders Regional Manager, National Farmers Union Scotland.
 - Kirsty Hutchison – Agricultural Officer, NatureScot.
 - Reuben Singleton – Director, Tweed Ecology.
 - Davy McCracken - Professor of Agricultural Ecology and Head of both SRUC's Hill & Mountain Research Centre and Integrated Land Management Department.

- Representative from Galloway Biosphere Borderlands Natural Capital Integrated Whole Farm Plans Pilot Project.

5.5 In addition, specialist expertise will be brought in to join the CPSG either permanently or ad hoc as and when required, or small Specialist Advisory Groups (SAGs) will be established to focus on specific topics. This could include representatives from:

- Borders College.
- Quality Meat Scotland (QMS).
- D&G Council.
- Scottish Government Rural Payments and Inspections Directorate (SGRPID).
- Scottish Government.
- Scottish Environmental LINK.
- Individual farmers.
- Environmental NGOs.

5.6 The diagram below sets out the governance structure.



5.7 The pilot’s governance structure is clearly outlined above. The role of the PO, with guidance and support from the Core Project Steering Group (CPSG), is to implement the project. This will include establishing the two farmer groups and associated demonstration sites, and identify the most appropriate sites for the trial management. The latter will be undertaken by either contractors, or volunteers, or in some cases a combination of both. This blueprint is identical to how Butterfly Conservation is running the Rocking the Blues Project in Species on the Edge, with the PO having the necessary skills to manage volunteers and contractors and work closely with landowners and farmers and their agents, whilst also have good ecological knowledge of the priority species. As with any project, but particularly one dealing with landowners and managers, as well as volunteers and contractors, it is necessary to be pragmatic and flexible to be able to quickly change as new opportunities arise and potential one’s falter. The size of the CPSG and any SAGs established will be kept to a minimum to ensure effective decision making.

5.8 Dumfries and Galloway Council, being the Accountable Body for the Borderlands Deal in Scotland, will prepare a Grant Funding Agreement that will set out the terms and conditions of award and grant payment profile. Funds from the Borderlands Inclusive Growth Deal will be distributed by the Accountable Body to Scottish Borders Council on a quarterly basis in arrears as will be set out in a grant offer letter. Scottish Borders Council will then release these funds to Butterfly Conservation and will be responsible for all monitoring and reporting of spend to the Accountable

Body. A Memorandum of Understanding (MOU) will be drawn up between Butterfly Conservation and Scottish Borders Council that will outline the terms and understanding between the two parties, the roles and responsibilities of each party and clarify their contributions to the collaboration and delivery arrangements. Following an initial Project Engagement Visit by the Accountable Body and Borderlands PMO, Butterfly Conservation will be required to provide a monthly update and quarterly claim via Scottish Borders Council based on activities undertaken and identify any issues. These will be escalated as required including for change controls and be discussed at the regular Natural Capital Scotland Working Group.

5.9 A full monitoring and evaluation framework will be developed for the Natural Capital Programme to guide all monitoring and evaluation activity. The framework design will be based on the Programme Logic Model and will be consistent with the Borderlands Inclusive Growth Deal Monitoring and Evaluation Framework. In line with the overall monitoring and evaluation approach, the Natural Capital Programme specific activity will be to show that the Natural Capital Scotland Programme is making a difference in the Borderlands area, including:

- Contributing to the three challenges of the Borderlands Inclusive Growth Deal (increasing the working age population; boosting productivity; delivering inclusive economic growth).
- Achieving the Strategic Objectives of the Agri-Environment Project: Farmers, Landowners, Northern Brown Argus (NBA) and Species-rich Grassland (SRG) Pilot Project and the Natural Capital Scotland Programme.
- This will feed into the overall evaluation of the Deal evidencing both the direct outputs generated by the investment but also the longer-term strategic impact in ensuring the natural environment of the Borderlands region is recognised as an economically productive asset and is developed sustainably and protected. The initial approach will focus on regular monitoring of delivery and the resulting outputs (KPIs) directly generated as part of the quarterly and annual review approach for all projects. This will capture both delivery against spend but also the delivery of key direct outputs in relation to the project's baselines established at the start of the programme.
- The Natural Capital Scotland Programme has a focus on measuring and quantifying the benefits of the region's Natural Capital. The Agri-Environment Project: Farmers, Landowners, Northern Brown Argus (NBA) and Species-rich Grassland (SRG) Pilot Project may include specific engagement and evaluation activities such as surveys and case studies undertaken throughout the delivery of the project; this activity is covered in Section 1.2.4, Main benefits and evaluation of Impacts, above.

5.10 The change management process is set out in the Borderlands Programme Handbook and involves three levels of change or variation: minor, notable, and significant, which will affect the level of information required to secure approval. The current process is as follows, any changes to this require approval from the Borderlands Partnership Board on advice of the PMO, Accountable Bodies, and UK Government and Scottish Government:

- The project delivery partner (Butterfly Conservation) identifies the change, why it is needed, and secures agreement from their project team.
 - Butterfly Conservation notifies the PMO of the proposed change by completing a 'change request form'. In discussion with the relevant Accountable Body, the PMO will determine whether the proposed change is minor, notable or significant, which will determine the relevant level of approval required.
- 5.11 Multiple benefits will accrue from this pilot project. These are detailed in Section 1.2.4 Main benefits and evaluation of impacts, above. A Benefits Realisation Plan is presented in **Appendix A**. This summarises the benefits under the following six categories for each of the eight years of the pilot:
- Project Management.
 - Develop an effective Result-based Agri-environment Payment Scheme (RBAPS) for SRG & NBA.
 - NBA.
 - Outreach/Education/Research/Promotion.
 - Habitat Management.
 - Monitoring Habitat Restoration Trials.
- 5.12 Risks will be managed at two levels:
- Project-level. Managing the risks associated with the delivery of the individual project benefitting from funding.
 - Programme-level. Managing the risks associated with delivery of a complex, high-value, multi-faceted Borderlands wide investment programme.
- 5.13 Please see **Appendix B** for a project-level risk register. Butterfly Conservation will manage their own risk register and will report on a quarterly basis to the programme team/PMO to highlight any changes to the register, either in level of risks or new risks emerging. These will be assessed and added to the Programme-level risk register as appropriate. Risks will be identified, monitored, and managed through the following process:
- Application and appraisal. Risk management will be integrated as a core element of the process of developing the individual project. As part of preparing this Business Justification Case (BJC) the project has developed a project risk register. The PMO and Programme team will undertake an assessment of risk at individual project-level as part of the overall appraisal of each BJC.
 - Contracting and monitoring. Once the BJC for the project is approved by the Programme team and the Borderlands Partnership Board, the risk register will form part of the Grant Agreement between the Accountable Body and the lead Local Authority/Delivery Partner. This will place a responsibility on the lead Local Authority to manage and monitor risk at the project level. As part of the Quarterly Monitoring Returns, the lead Local Authority

and project delivery partner will be required to report to the Accountable Body on risk management. On a quarterly basis, the Accountable Body and the PMO will report these into the overall Programme-level risk register.

- 5.14 Risks to the Natural Capital Scotland Programme will be identified, recorded and managed by the Head of the Borderlands Programme Management Office (PMO) who will be responsible for risk management at the overall Programme level, while ultimate accountability will rest with the Borderlands Partnership Board.
- 5.15 The Natural Capital Scotland Programme risk register will be monitored and updated on an ongoing basis by the PMO/Programme team, who will be responsible for identifying and implementing actions to mitigate each of the risks recorded in the register.
- 5.16 The PMO will provide risk management updates on a quarterly basis to the Natural Capital Programme Board and will escalate key risks, or significant changes to risk, to the Borderlands Partnership Board.
- 5.17 The PMO will amalgamate output, outcome, and impact data for individual Projects, reporting on their performance to the Partnership Board. The Accountable Body will review, and process grant claims, making payments quarterly and in arrears to each project delivery organisation on submission of a complete and evidenced grant claim.
- 5.18 The Programme has developed a change management and contract management process, based on existing good practice, to ensure all changes are handled fairly, consistently, and transparently. The process will apply to changes or variations within Project Plans that have been formally agreed.
- 5.19 An independent evaluation will be commissioned at the commencement of the Natural Capital Scotland Programme to undertake a longitudinal evaluation covering the full 8-year life of the Programme.
- 5.20 The evaluation will commence with a comprehensive baseline study which will help establish the current Natural Capital of the Borderlands area; this work is already underway as part of the wider Borderlands Inclusive Growth Deal benefits realisation work. This will be followed with a comprehensive evaluation study, repeated at regular intervals throughout the programme and funded from the Borderlands programme budget.
- 5.21 At a Project level, the funding allocation includes 3% for contingencies split between Revenue and Capital:
- Revenue: £7,859.
 - Capital: £13,308.

A project Gantt Chart can also be found in **Appendix L**.

5.20 Project Milestones

The Table below itemises key project milestones and reporting dates/frequency.

Project Management

Milestone	Date
Establish Core Project Steering Group	By end of 2023
CPSG meetings	Minimum twice a year
Recruit Project Officer	End of 2023
Produce 1/4ly reports	4/year
Annual report to stakeholders	1/year
Production of final evaluation report	Year 8

Develop RBAPS

Milestone	Date
Establish two farmer led Natural Capital groups, meeting annually	From year 2
Develop a SRG/NBA Score Card	Year 2
Trial and adapt SRG/NBA scorecard with farmers. Target 12	4 year 3 & each subsequent year
Develop a tiered payment scheme	Year 3
Trial a tiered payment scheme with farmers (no. of farmers). Target 12	4 year 4 & each subsequent year
Implement SRG/NBA option in new Post Brexit agri-enviro scheme	By year 6
Adoption of a Natural Capital Biodiversity Metric	Year 6

Northern Brown Argus

Milestone	Date
No. of participating trained volunteers	30 year 2, 40 year 3 50 from year 4
No. of NBA sites surveyed annually.	30 year 2 40 year 3 50 from year 4
No. of NBA sites monitored target 10/year	3 year 2, 6 year 3 10 from year 4
Production of annual NBA population index	Annual index with trend after 5 years of robust data
Develop NBA landscape connectivity metric	Year 3
Use metric to measure impact	Assess annually from year 4

Outreach/Education/Research/Promotion

Milestone	Date
Establish demonstration sites	1 year 2, 2 by year 3
Demonstration event(s)	2/year from year 3
Farmer led Natural Capital groups established	1 year 3, 2 nd year 4
Online/in-person talks to students	2/year from year 2
Student undergraduate projects and/or work placements	1 year 2, 2 from year 3
Annual input into PhD projects	Minimum of 1 annually
No. of Press Releases, talks, blogs and other promotion opportunities	Up to 4/year by year 3
No. of local community liaison or volunteer groups established and/or supported	1 year 1 2 from year 2
No. of participating and engaged farmers. Target 40	Annually

Habitat Management

Milestone	Date
No. of volunteer work parties	4/year from year 2
No. of volunteers undertaking practical conservation to benefit NBA & SRG	20/year 1 40/year 2 onwards
No. of management trial sites	1 year 2, 4 from year 3
Area of scrub cleared (ha) - reported annually	2ha year 2, 3ha, year 3 4ha from year 4
Area of scrub follow-up management - reported annually	2ha year 3, 5ha, year 4 additional 4ha from year 5
Area where restoration grazing being implemented	50ha/year from year 2
Determination of the most effective, efficient and costed SRG restoration technique	Year 5
Publish management case studies	1 year 7, 1 year 8

Funding

Milestone	Date
Measure of match funding brought in	Annually
Successful evaluation of feasibility of establishing a premium meat marketing scheme	Year 5

List of Appendices (submitted separately)

- A. Benefits Realisation Plan.
- B. Risk Register.
- C. Stakeholders Workshop – Agenda, Presentation and Discussion Points.
- D. Stakeholders Workshop – Attendees and Feedback.
- E. Butterfly Conservation’s Purchasing Control Guidance.
- F. Butterfly Conservation’s Recruitment Guidance and sample Job Description.
- G. Butterfly Conservation’s Standard Terms and Conditions.
- H. Butterfly Conservation’s Ethical Policy for Fundraising, Investments and Purchasing.
- I. Butterfly Conservation’s Equal Opportunities Policy.
- J. Butterfly Conservation’s Environmental Policy.
- K. Butterfly Conservation’s Generic Work Plan (for a similar role).
- L. Gantt Chart.
- M. Integrated Impact Assessment.
- N. Carbon Categorisation Form.
- O. Annual Financial Breakdown Revenue and Capital Spend.
- P. Assessment of Options Appraisals against Critical Success Factors
- Q. Monitoring and Evaluation Plan

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