

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE COMMITTEE held in Council Chamber, Council Headquarters, Newtown St Boswells, on Tuesday, 20th June, 2017 at 10.00 am

Present:- Councillors S. Haslam (Chairman), S. Aitchison, G. Edgar, C. Hamilton (from para. 2), E. Jardine, W. McAteer, T. Miers (from para. 5), S. Mountford, M. Rowley, G. Turnbull and T. Weatherston

Also Present:- Councillors S. Bell, J. Greenwell, S. Marshall.

In Attendance:- Chief Executive, Executive Director (P. Barr) Executive Director (R. Dickson), Service Director Assets & Infrastructure, Service Director Customer & Communities, Service Director Regulatory Services, Chief Financial Officer, Democratic Services Team Leader.

1. **MINUTE**

The Minute of meeting of the Executive Committee of 21 March 2017 had been circulated.

DECISION

NOTED for signature by the Chairman.

- 1.1 With reference to paragraph 2 of the Minute, regarding the delivery of 1140 hours funded early learning and childcare, specifically the decision to bring a report on the revenue and capital implications, the Chief Executive advised that it had not been possible to prepare this report as information on funding was awaited from Scottish Government.

DECISION

NOTED.

MEMBER

Councillor C. Hamilton joined the meeting.

2. **CORPORATE PERFORMANCE REPORT 2016/17 ANNUAL SUMMARY AND DATA FOR QUARTER 4**

There had been circulated copies of a report by the Chief Executive presenting a high level summary of 2016/17 performance information for Members, with details contained within Appendix 1 to the report. Appendix 2 to the report presented the information on a quarterly basis, with detailed commentary about performance. Mrs Watters, Policy, Performance and Planning Manager, gave a presentation to Members on how performance monitoring was currently carried out within the Council which included a short animation which was proposed to be used as an alternative way to communicate the information on the Council's website with the aim of making the information accessible to a wider audience. In response to a question on the use of percentage figures, the Chief Executive advised that numbers could also be presented for some indicators in numerical format e.g. number of looked after children. Members also requested that more commentary be provided to give clarification in some areas. The Chairman advised that annual measures in respect of the new Corporate Plan would also be added.

DECISION

AGREED to:-

- (a) **note the changes to performance indicators outlined in Section 4 of the report; and**

- (b) **acknowledge and note the performance summarised in Section 5 of the report and detailed within Appendices 1 and 2 together with the action that was being taken within Services to improve or maintain performance.**

3. 2016/17 UNAUDITED REVENUE OUTTURN

There had been circulated copies of a report by the Chief Financial Officer providing a statement comparing final revenue outturn expenditure and income for 2016/17 with the final approved budget for the year and explanations for significant variances. The report explained that an unaudited outturn underspend of £0.128m had been achieved in the 2016/17 revenue budget. The £0.128m underspend (0.05% of final approved budget) was delivered following a number of earmarked balances approved by the Executive Committee during 2016/17. In total, these amounted to £6.554m and related to a number of initiatives across departments and specifically included £1.69m of carry forward for Devolved School Management (DSM). A high level summary of the outturn position in each Council department was detailed in section 4 of the report. Overall, as required in the Financial Plan, savings of £12.36m were successfully delivered during 2016/17. Of these, £8.963m (73%) were delivered permanently. The remaining £3.397m (27%) of savings were achieved on a temporary basis and thus particular emphasis was being placed on permanent delivery of these savings during the early part of 2017/18.

DECISION

AGREED:-

- (a) **the content of the report and to note the outturn position prior to Statutory Audit;**
- (b) **to note that the draft unaudited outturn position would inform the budgetary control process and financial planning process for the current and future years;**
- (c) **to approve the adjustments to earmarked balances as detailed in Appendix 1 to the report; and**
- (d) **subject to the Statutory Audit, to approve the allocation of the 2016/17 underspend to the Early Retirement/Voluntary Severance (ER/VS) budget in 2017/18.**

4. BALANCES AT 31 MARCH 2017

There had been circulated copies of a report by the Chief Financial Officer providing an analysis of the Council's balances as at 31 March 2017. The report explained that the Council's General Fund useable reserve (non-earmarked) balance was £5.638m at the end of the financial year. The 2016/17 balances were before a series of technical accounting adjustments, the effect of which were expected to be broadly neutral. Adjustments required as a result of the Statutory Audit process would be reported at the conclusion of the Audit. There were a number of areas of potential pressures identified for 2017/18 which, if not addressed during the financial year, may require the drawdown of further resources from the useable reserve. The total of all useable balances, excluding developer contributions, at 31 March 2017 was £25.467m compared to £29.910m at 31 March 2016. It was noted that the 2016/17 figures included £6.554m of balances earmarked for use in 2017/18 and future years compared to 2015/16 when £12.720m of balances were earmarked for use in 2016/17 and future years. The Chief Financial Officer outlined the risk based approach which was taken when setting the level of balances.

DECISION

NOTED:-

- (a) **the revenue balances as at 31 March 2017 as per Appendices 1 & 2 to the report including movement in the Allocated Reserve since the last reporting period; and**

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

MEMBER

Councillor Miers joined the meeting.

5. CAPITAL FINANCIAL PLAN 2016/17 - FINAL UNAUDITED OUTTURN

There had been circulated copies of a report by the Chief Financial Officer providing a statement comparing the final capital outturn for 2016/17 with the final budget for the year and identifying the main reasons for any significant variations. The final capital outturn statement for 2016/17 was included at Appendix 1 to the report and included reasons that had been identified by the Project Managers and Budget Holders for the variances to the final approved budget. This identified an outturn expenditure of £51.547m which was £7.740m below the final revised budget of £59.266m. The chart in paragraph 4.9 of the report showed that there had been an increase in the cumulative net movement during 2016/17, compared to the previous financial years. Mr Robertson answered Members' questions including the level of borrowing, debt re-scheduling and the additional funding received from the Timber Transport Fund.

DECISION

(a) AGREED:

- (i) the final outturn statement contained in Appendix 1 to the report; and**
- (ii) to approve the block allocations detailed in Appendix 3 to the report.**

(b) NOTED:

- (i) the adjustments to funding detailed in Appendix 1 to the report;**
- (ii) the final block allocations contained in Appendix 2 to the report; and**
- (iii) the whole project costs detailed in Appendix 4 to the report.**

6. CORPORATE DEBTS - WRITE OFFS IN 2016/17

There had been circulated copies of a report by the Chief Financial Officer detailing the aggregate amounts of debt written off during 2016/17 under delegated authority, as required by the Financial Regulations. The report covered the areas of Council Tax, Non-Domestic Rates, Sundry Debtors, Housing Benefit Overpayments and aged debt from the balance sheet. The total value of write-offs reduced from £0.679m in 2015/16 to £0.645m in 2016/17.

There were ongoing risks associated with the management of the Council's debts and these could lead to an increase in the level of debts that required to be written off as irrecoverable in future years; these were identified in paragraph 6.2 of the report.

DECISION

NOTED the debtor balances written off during 2016/17 under delegated authority.

7. PRIVATE BUSINESS

DECISION

AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this minute on the grounds that it involved the likely disclosure of exempt information as defined in the relevant paragraphs of part 1 of schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

8. **MINUTE**
The private section of the Minute of 21 March 2017 was noted.
9. **MINUTE OF SOCIAL WORK COMPLAINTS REVIEW COMMITTEE**
The Minute of the meeting held on 6 April 2017 was approved.
10. **URGENT BUSINESS**
11. **SCOTTISH WIDE AREA NETWORK (SWAN)**
The Chief Financial Officer updated Members on the contract.

The meeting concluded at 11.10 am