

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTES of Meeting of the EXECUTIVE COMMITTEE held in Council Chamber, Council Headquarters, Newtown St Boswells, TD6 0SA on Wednesday, 14th February, 2018 at 10.00 am

Present:- Councillors S. Haslam (Chairman), S. Aitchison (Vice-Chairman), G. Edgar, C. Hamilton, E. Jardine, S. Mountford, G. Turnbull and T. Weatherston.
Apologies:- Councillors W McAteer, T Miers, M Rowley.
Also present:- Councillors A Anderson, S Bell.
In Attendance:- Chief Financial Officer, Executive Director (P Barr), Cultural Service Manager, Policy, Planning & Performance Manager, Democratic Services Team Leader, Democratic Services Officer (J Turnbull).

1. **MINUTE**

The Minute of the meeting of the Executive Committee of 30 January 2018 had been circulated.

DECISION

APPROVED for signature by the Chairman.

2. **COMMITTEE MINUTE RECOMMENDATION**

With reference to the Item 8 of the Audit and Scrutiny Committee Minute of 15 January 2018, copies of which had been circulated with the Agenda, it had been agreed to recommend to the Executive Committee that:

“They consider reviewing Key Performance indicators for the Housing Benefit service as part of their regular review of performance”.

2.2 Councillor Mountford advised that he had discussed with the Service Director Customer and Communities, and the Executive Committee agreed the recommendation.

DECISION

AGREED to approve the recommendation of the Audit and Scrutiny Committee as detailed above.

3. **QUARTERLY CORPORATE PERFORMANCE (QUARTER 3, 2017/18)**

3.1 With reference to paragraph 7 of the Minute of 21 November, there had been circulated copies of a report by the Chief Executive presenting a summary of Scottish Borders Council's quarterly performance information with details contained within Appendix 1 to the report. Appendix 2, to the report also provided details of Live Borders performance. The report advised that the Council had approved a Corporate Plan in April 2013, with eight priorities that it wished to address for the Scottish Borders over a five year period. In order to monitor progress against the eight priorities, a review of performance information was undertaken quarterly and presented to Executive Committee, as well as an annual summary in June each year. A summary of any changes made to performance indicators was provided at Section 4 of the report, followed by a high level summary of performance in Section 5. Appendix 1 provided more detail for each Performance Indicator (PI). All information contained within the report and appendices was also made available on the

Scottish Borders Council (SBC) website using the public facing part of SBC's Performance Management software (Covalent). This could be accessed at www.scotborders.gov.uk/performance and by clicking on "Scottish Borders Performs". Section 6 and Appendix 2 of the report presented summaries of performance during 2017/18 for Live Borders (who had delivered sport and cultural services as part of an integrated trust since April 2016). Reporting performance in February and August/September each year to Executive Committee was agreed within the Performance Management Framework, approved when services were transferred to Live Borders.

- 3.2 Members discussed the report and received answers to their questions. With regard to the Scottish Borders Business Loan Fund, it was explained that companies were now accessing funding via the Scottish Government Scheme and Economic Development were reviewing the continued need for a local fund. The Committee referred to the increase in recorded crime, it was noted that this reflected a national trend and would be scrutinised in more detail by the Police, Fire & Rescue and Safer Communities Board. With regard to the business sector providing work experience for young adults, it was advised that secondary schools had developed links with local businesses and were proactive in arranging work experience. It was also noted that the Council's modern apprenticeship scheme currently employed 40 young adults. The Committee then asked for an update on the Union Chain Bridge project. The Executive Member for Roads and Infrastructure advised that an application for funding had been submitted to the Heritage Lottery Fund, a decision was anticipated in March.
- 3.3 The Committee then discussed the performance indicators relating to Live Borders. The Executive Director, Mr Barr, explained that Live Borders' Trustees and the Council were examining strategic outcomes, which would be reflected in performance monitoring. In response to a question regarding Live Borders' charging policy, Mr Barr advised that Live Borders were not undercutting the private sector. He further advised that ownership of the facility impacted on the charge, for example dependent on whether there was a service level agreement in place or if the facility was managed by the community. He suggested that he bring a report on Live Borders' Charging Policy to a future Executive Committee and this was agreed. He also suggested that the Executive Committee, or Council, received an update from Live Borders and SBCares on their achievements and aspirations for the future. The Chairman thanked officers for their attendance and it was noted that the performance management framework and indicators would be refreshed in the next financial year to align with the new performance framework.

DECISION

AGREED:-

- (a) To note changes to performance indicators outlined in Section 4 of the report;**
- (b) To acknowledge and note the performance summarised in Section 5 and 6 of the report and detailed within Appendices 1 and 2, and the action being taken within services to improve or maintain performance;**
- (c) To provide details of Live Borders' Charging Policy; and**
- (d) To request a presentation, in the next financial year, from Live Borders and SBCares on their achievements to date and their plans for the future.**

MEMBER

Councillor Aitchison joined the meeting during consideration of the above report.

4. MONITORING OF GENERAL FUND REVENUE BUDGET

- 4.1 With reference to paragraph 11 of the Minute of 21 November, there had been circulated copies of a report by the Chief Financial Officer providing budgetary control statements for

the Council's General Fund based on actual expenditure and income to 31 December 2017 and explanations of the major variances between projected outturn expenditure/income and the current approved budget. The report explained that after the third quarter of 2017/18 the Council overall was projecting a balanced position at 31 March 2018 with all known pressures and risks being managed within the 2017/18 revenue budget. The Chief Financial Officer referred to paragraph 3.1 of the report and advised that the additional funding of £601k being directed from IJB had been received, removing this risk. The Chief Executive's instruction to restrict discretionary spend for the remainder of 2017/18 had contributed to this forecasted balanced position and would remain in place for the remainder of 2017/18. This budgetary action aimed to mitigate any further budget pressures which might arise during the remainder of 2017/18 and maximise year end underspend opportunities to support the financial position of the Council. The approach adopted around restricting discretionary spend towards the end of the financial year had been very beneficial to the Council in previous years. Previous monitoring reports in 2017/18 had highlighted to Members that work was ongoing to stabilise the new Business World ERP system. Ongoing technical difficulties were still being experienced including bank reconciliation and payroll, the resolution of these issues was being managed by external consultants and being paid for by CGI. Work to enhance Business World functionality was progressing with CGI and steady progress continued to be made against an agreed rectification plan. Appendix 4 showed the savings that had been delivered within the current year. The remaining 3% (£0.430m) were profiled to be delivered during the remainder of 2017/18. Emphasis during the remaining three months of 2017/18 needed to be placed on delivering as many savings as possible permanently as per the Financial Plan. Full details of pressures, risks and challenges were detailed in Appendix 1 to the report. Appendix 2 reflected virements required to realign budgets in line with current forecasts. Appendix 3 included earmarking of £1m which had been transferred to Allocated Balances to support the 2018/19 Financial Plan.

- 4.2 The Committee discussed the report and noted that at present only 58% of the savings had been made on a permanent basis. Mr Robertson explained that the Corporate Management Team was working on making permanent savings and progress with the implementation of Business World, and the Roads Review was being tracked. Mr Robertson explained that a remediation plan had been agreed with CGI, prioritising Business World's workstreams. However, it was anticipated this would not be completed until the autumn. The Executive Committee would continue to receive updates on progress through quarterly monitoring reports.

DECISION

(a) NOTED:-

- (i) the corporate monitoring position projected at 31 December 2017, the underlying cost drivers and the identified areas of financial risk as reflected in Appendix 1 to the report;**
- (ii) progress made in achieving Financial Plan savings in Appendix 4 to the report; and**
- (iii) the action taken by Corporate Management team to deliver a balanced budget in the current year.**

(b) AGREED:-

- (i) the virements attached as Appendix 2 in order to realign budgets in 2017/18 in line with current forecasts; and**
- (ii) the earmarking of budget from 2017/18 attached as Appendix 3 to the report.**

5. **BALANCES AS AT 31 MARCH 2018**

With reference to paragraph 12 of the Minute of 21 November 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 and advising of the projected balances at 31 March 2018. The report explained that the unaudited Council's General Fund useable reserve (non-earmarked) balance was £5.842m at 31 March 2017. This reflected a balance of £5.638m in line with the approved Financial Strategy. The projected balance as at 31 March 2018 remained at £5.63m. The Council's allocated reserve balance was £6.049m at 31 March 2017. The projected balance in the allocated reserve at 31 March 2018 was £4.147m as a result of approved planned draw downs and further allocations during 2017/18. A total of £2m had been transferred from Earmarked Balances to Allocated Balances to reflect budget being allocated to support the 2018/19 Financial Plan. The total of all useable balances, excluding developer contributions, at 31 March 2018 was projected to be £20.806m, compared to £19.705m at 31 March 2017. The projected balance on the Capital Fund of £4.796m would be affected by any further capital receipts, developer contributions, interest credited and any expenditure authorised to be financed from the Fund during the remainder of the financial year.

DECISION

NOTED:-

- (a) **the projected revenue balances as at 31 March 2018 as per Appendices 1 and 2; and**
- (b) **the projected balance in the Capital Fund as per Appendix 3.**

6. **MONITORING OF THE CAPITAL FINANCIAL PLAN**

With reference to paragraph 13 of the Minute of 21 November, there had been circulated copies of a report by the Chief Financial Officer providing an update on the progress of the 2017/18 Capital Financial Plan and seeking approval for projected outturns, associated virements and the reallocation of funds. The monitoring tables in Appendix 1 to the report showed actual expenditure to 31 December 2017. Key issues identified in these tables were summarised within the main report. The tables identified a projected net variance of £12.951m against the approved budget. The most significant items for the variance were budget timing movements to future years of £12.909m, with the majority of the movement relating to £5.022m for the Easter Langlee Waste Transfer Station, £2.5m for the Central Borders Business Park and £2.554m for the Hawick Regeneration project. Appendix 2 contained a list of the block allocations approved for this year and the various approved and proposed projects to be allocated from them within the 2017/18 Capital Plan. Appendix 3 contained a summarised list of timing and budget movements within the 2017/18 Capital Plan. Appendix 4 contained a list of estimated whole project capital costs for single projects which would not be completed in the current financial year. In response to questions, it was noted that the proposed CARS scheme was outwith the Hawick Regeneration project and additional funding. With reference to the Jim Clark Museum it was advised that works were anticipated to commence in the Summer 2018. With regard to the Great Tapestry of Scotland project, an application for funding had been made to the Heritage Lottery Fund.

DECISION

(a) **AGREED:-**

- (i) **the projected outturns in Appendix 1 to the report as the revised capital budget; and**
- (ii) **to approve the virements as detailed in Appendix 3 to the report.**

(b) **NOTED:-**

- (i) **the budget virements previously approved by the Chief Financial Officer and Service Director Assets & Infrastructure under delegated authority detailed in Appendix 2 to the report;**
- (ii) **the block allocations detailed in Appendix 2 to the report; and**
- (iii) **the whole project costs detailed in Appendix 4 to the report.**

7. SCOTTISH BORDERS COUNCIL/LIVE BORDERS MUSEUM & GALLERIES COLLECTIONS DEVELOPMENT POLICY 2018-2023

- 7.1 There had been circulated copies of a report proposing some amendments to the current SBC Museum and Gallery Collections Development Policy 2014-19 and its subsequent redrafting as the Collections Development Policy 2018-23. The report explained that although the responsibility for managing the Council's heritage and art collections passed to Live Borders in 2016 the ownership of these collections remained with Scottish Borders Council. The parameters for collecting and the procedures for disposing of material to and from the collections therefore required to be set and approved by SBC based on comment and advice received from Live Borders Museums & Galleries Manager. Under the terms of the Arts Council England's (ACE) UK Museum Accreditation Scheme (administered in Scotland by Museums Galleries Scotland (MGS) – a Museum and Gallery was required to have in place an approved Collections Development Policy to cover the acquisitions and disposals of material into and from its permanent museum object and art collections. Having such a policy in place was a recognised and accepted indicator of good museum practice and management. Live Borders Museums & Galleries was in the process of reapplying for Museum Accreditation and was therefore required to present an updated Collections Development Policy that had been approved by SBC. The current Collections Management Policy was approved by SBC on 21 January 2014 and was due to run until 2019. However, since its approval there had been minor changes made to the model policy issued by ACE as representing best practice and which needed to be adopted. In addition, the new policy needed to acknowledge the change in management arrangements for the museum and art collections was devolved to Live Borders in March 2016. In line with ACE Museum Accreditation Standard requirements, these changes had been incorporated in the policy which had now been renamed Scottish Borders Council/Live Borders Museums & Galleries Collections Development Policy 2018-2023. The revised Policy was attached as Appendix 1 to the report, with the necessary changes, which were relatively minor, detailed in section 3.
- 7.2 The Cultural Services Manager was in attendance and in response to questions advised that it would be possible to display artefacts in other venues, providing funding was available to cover any environmental and security issues. Items could be borrowed or loaned and associated costs depended on the circumstance of the request. With regard to independent museums, arrangements were in place to provide advice and support. Live Borders and the Council would also work together to protect independent collections whenever practical.

DECISION

AGREED the amended Scottish Borders Council/Live Borders Museums & Galleries Collections Development Policy 2018-2023.

8. PRIVATE BUSINESS

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.

9. **PRIVATE MINUTE**
The Private Minute of 30 January 2018 had been circulated.

DECISION
APPROVED for signature by the Chairman.

The meeting concluded at 10.55 am.