

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE COMMITTEE held in the Council Chamber, Council Headquarters, Newtown St Boswells, TD6 0SA on Tuesday, 19 June, 2018 at 10.00 am

Present:- Councillors S. Haslam (Chairman), S. Aitchison, G. Edgar, C. Hamilton (from paragraph 12), E. Jardine, T. Miers, S. Mountford, M. Rowley (from para 4), G. Turnbull (from para 11)

Apologies:- Councillors W. McAteer, T. Weatherston.

Also present:- Councillors S. Bell, H. Scott, S. Scott, R. Tatler.

In Attendance:- Service Director – Neighbourhood Services, Financial Services Manager, Service Director – Regulatory Services, Project Manager Team Leader (E. Doyle), Democratic Services Team Leader, Democratic Services Officer (F. Henderson).

OTHER BUSINESS

1. **CHAIRMAN**

Councillor Haslam chaired the meeting for consideration of the ordinary Executive Business.

2. **ORDER OF BUSINESS**

The Chairman varied the order of business as shown on the agenda and the Minute reflects the order in which the items were considered at the meeting.

3. **MINUTE**

There had been circulated copies of the Minute of the meeting of Executive Committee held on 5 June 2018.

DECISION

APPROVED for signature by the Chairman.

4. **CORPORATE PERFORMANCE REPORT 2017/18 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 2017/18 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. The report explained that as SBC approved a new corporate plan in February 2018, this would be the last performance report in this format, and a revised performance management framework was currently being developed, including reporting at local level where possible. During 2017/18, SBC had made some significant progress, despite the ongoing challenging economic climate. Business Gateway continued to perform well, affordable housing targets were exceeded, secondary school exclusions were significantly lower than last year and the rate of council tax collection remained high (and amongst the best in Scotland). Through monitoring performance information regularly, known areas of challenge remained a priority. Mrs Watters answered members' questions regarding a number of areas including base figures, surplus properties and gas and electricity usage.

DECISION

(a) NOTED:-

- (i) any changes to performance indicators outlined in Section 5 of the report; and
 - (ii) that this would be the last report in the current format, and that a revised Performance Management Framework was being developed.
- (b) **ACKNOWLEDGED** the performance summarised in Section 6, and detailed within Appendices 1 and 2 of the report and the action that was being taken within services to improve or maintain performance.

5. **CORPORATE TRANSFORMATION PROGRESS REPORT**

There had been circulated copies of a report by the Service Director Human Resources which updated the Executive Committee on progress in developing and delivering the Council's revised Corporate Transformation Programme in the period to end May 2018 and set out planned activity in the reporting period to August 2018. The Corporate Transformation Programme was designed to help achieve the Council's priorities and support the delivery of significant savings as set out in the 5-year Financial Plan. A revised Transformation Programme was agreed by Council at its February meeting and comprised 5 work streams: Digital Transformation; Children & Young People; Integration of Health & Social Care; Workforce Transformation and Corporate Landlord. In the absence of Mrs Hepburn the Service Director Customer and Communities answered Members questions and it was noted that such reports would be provided quarterly.

DECISION

NOTED the continued progress made in delivering the Corporate Transformation Programme.

6. **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 2017/18 with the final approved budget for the year and explanations for significant variances. The report explained that an unaudited outturn underspend of £1.029m had been achieved in the 2017/18 revenue budget. The £1.029m underspend (0.4% of final approved budget) was delivered following a number of earmarked balances approved by the Executive Committee during 2017/18. In total, these amounted to £7.998 and related to a number of initiatives across departments and specifically included £2.442m of carry forward for Devolved School Management (DSM including PEF) and a £2m approved to support the 2018/19 Financial Plan. A review of the provision for bad debts had identified a requirement for funding of £0.165m to ensure the provision remained in line with management's assessment of high risk outstanding debts. This revised the outturn net balance after bad debts to £0.864m. A high level summary of the outturn position in each Council Department was detailed in section 4 of the report. The Financial Services Manager answered questions relating to temporary savings, the level of savings for future years and the budget for adverse weather.

DECISION

(a) **AGREED:-**

- (i) the content of the report and noted the outturn position for 2017/18 prior to Statutory Audit; and
- (ii) that the outturn net balance of £0.864m be directed to support delivery of the challenging 2018/19 Financial Plan; and
- (iii) the adjustments to previously approved earmarked balances noted in Appendix I to the report

- (b) **NOTED** that the draft unaudited outturn position would inform the budgetary control process during 2018/19 and financial planning process for the current and future years.

7. **BALANCES AT 31 MARCH 2018**

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 2018. 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 2017/18 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 2018/19 which, if not addressed during the financial year, might require the drawdown of further resources from the useable reserve. The total of all useable balances, excluding developer contributions, at 31 March 2018 was £28.793m compared to £25.467m at 31 March 2017. It was noted that the 2017/18 figures included £7.998m of balances earmarked for use in 2018/19 (2016/17 £6.554m of balances earmarked for use in 2017/18). The Financial Services Manager outlined the risk based approach which was taken when setting the level of balances.

DECISION

NOTED:-

- (a) **the revenue balances as at 31 March 2018 as per Appendices 1 & 2 of 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.**

8. **CAPITAL FINANCIAL PLAN 2017/18 – FINAL UNAUDITED OUTTURN**

There had been circulated copies of report by the Chief Financial Officer which provided a statement comparing the final capital outturn for 2017/18 with the final budget for the year and identified the main reasons for any significant variations. The final capital outturn statement for 2017/18 was included at Appendix 1 of 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 £36.016m which was £7.378m below the final revised budget of £43.394m.

DECISION

(a) **AGREED:-**

- (i) **the final outturn statement contained in Appendix 1 to the report;**
- (ii) **the additional allocation of £0.121m to the Roads network from Emergency & Unplanned funds including surface defect rectification following the winter; and**
- (iii) **to approve the block allocations detailed in Appendix 3 to the report.**

(b) **NOTED:-**

- (i) **the adjustments to funding 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.**

9. **COPORATE DEBTS – WRITE OFFS IN 2017/18**

There had been circulated copies of a report by the Chief Financial Officer which detailed the aggregate amounts of debt written off during 2017/18 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 had reduced from £0.645m in 2016/17 to £0.259m in 2017/18. There were ongoing risks associated with the management of the Council's debts and these might lead to an increase in the level of debts that would require to be written off as irrecoverable in future years. These had been identified in the report. The Council maintained an appropriate bad debt provision to help manage those risks.

DECISION

NOTED the debtor balances written off during 2017/18 under delegated authority.

10. **STRATEGIC HOUSING INVESTMENT PLAN PROGRESS FOR 2017/18**

There had been circulated copies of a report by the Service Director of Regulatory Services advising of the affordable housing annual completions and progress made in the delivery of the Strategic Housing Investment Plan (SHIP) projects for the period 2017-18. The report explained that the Strategic Housing Investment Plan (SHIP) was the sole document for targeting affordable housing investment in Scottish Borders. This provided a rolling 5 year planning horizon of identified and prioritised affordable housing development intentions. Current Scottish Government Guidance required that each Council submit a SHIP on an annual basis. The Council's current SHIP 2018-2023 was agreed by Council and submitted in November 2017 and had again received very positive feedback from Scottish Government Officials. The report advised Members that for the financial period 2017-2018, 145 affordable houses were delivered against envisaged projects set out in the current SHIP. This exceeded the Council's Local Housing Strategy 2017-2022 (LHS) annual target of 128 new affordable homes and was more than the 83 homes originally envisaged in SHIP 2018/23 for 2017/18. Members welcomed the report.

DECISION

AGREED to endorse the progress made in the delivery of affordable housing projects in 2017-2018.

11. **REGENERATION OF GALASHIELS – GREAT TAPESTRY OF SCOTLAND VISITOR CENTRE – PROJECT UPDATE**

With reference to paragraph 13 of the Council Minute of 22 December 2016, there had been circulated copies of a report by the Executive Director which provided an update on the external funding application and what the funding would deliver as part of the project. The report explained that the Council were progressing through the application process for an HES Repair Grant and expected to receive up to £40k when contracts were in place, as per the mandated process by HES. Following a two stage application process a confirmation letter was received on 12 March 2018 from the Regeneration Capital Grant Fund that they would commit £1.18M to the project. This provided an additional £480k to the project to deliver external aspects of the Galashiels Master Plan defined in the application (following community consultation on priorities), in parallel with the recommencement of the Galashiels Inner Relief Road Phase 5 project which was put on hold until the outcome of the external funding applications was known. This would allow £896k to be invested in the delivery of key aspirations from the Galashiels Master Plan that would enhance the visitor experience of the new attraction. It was proposed to incorporate the existing £416k Galashiels Inner Relief Road Phase 5 budget and the additional £480k regeneration Capital Grant Fund into a new Capital budget line call 'Galashiels Town Centre Regeneration' to allow the external improvements to be delivered and managed as one project. Mr Doyle answered Members questions and advised that there had been several meetings with the Community to agree the key projects. A marketing and branding strategy would be developed with the BID team.

DECISION

(a) AGREED to:-

- (i) approve the projects identified in Section 8.6 of the report to be delivered within this first phase of investment; and**
- (ii) approve the re-proofing of the Capital Budgets as per tables 2 and 3 of the report.**

(b) NOTED:-

- (i) the progress achieved with external funding applications to close the project funding gap; and**
- (ii) Noted that the £416k Galashiels Inner Relief Road Phase 5 budget and the additional £480k of Regeneration Capital Grand Fund had been moved into a new Capital budget line called 'Galashiels Town Centre Regeneration' as per Table 3 contained in the report.**

12. THE MONITORING & REGULATION OF PRIVATE WATER SUPPLIES IN THE SCOTTISH BORDERS 2018-2011

There had been circulated copies of a report by Service Director Regulatory which provided an update on the changes arising from new legislation enacted in October 2017 in relation to private water supplies (PWS) under the '*Water Intended for Human Consumption (Private Supplies)(Scotland) Regulations 2017*'. The report sought approval for changes to the charging regime for private water supplies permitted under the new regulations which were essential to fund the increased level of resource that would be required for the Council to be able to meet the statutory requirements of the legislation. The report detailed the background, the legislative position and its impact, resource requirements and the proposed charging structure. The Scottish Government had been clear that no extra funding would be made available to local authorities to implement the new legislation and the most significant change was the proposed introduction of an hourly rate of £49.03 for the investigation time associated with sample failures and undertaking a risk assessment of a supply and writing up a report of the risk assessment. Members asked that the charge be rounded to the nearest pound. Members noted that there was a comprehensive communications strategy to publicise this change.

DECISION

- (a) APPROVED the proposed changes to the Fees & Charges regime in Appendix III to the report, as permitted by the new legislation and that the hourly rate would be rounded to the nearest pound.**

(b) NOTED:-

- (i) the impacts of the legislative changes on the Council's obligations to monitor and regulate private water supplies in its area and the requirement for the council to be fully compliant with the legislation; and**
- (ii) the additional workload and resource requirements that would be incurred as a result of implementing the legislation.**

13. COMMUNITY GRANT SCHEME - GENERIC BUDGET 2018/19

13.1 With reference to paragraph 3.4 of the Minute of 5 June 2018, there had been re-circulated for information copies of the report by the Service Director Customer & Communities in respect of First Light Trust. The Communities & Partnership Manager provided details of the application previously considered and advised that Firstlight Trust had been able to evidence the need for their services via a high concentration of armed forces and emergency service veteran's in Hawick and the Scottish Borders. The Trust

would undertake outreach work across the Borders in order to access veterans who lived in more remote, rural areas and had confirmed partnership working arrangements which included the Royal British Legion, First Point, CAB and local Housing Associations. In view of the additional information provided, the Committee agreed to award the grant.

DECISION

AGREED the award of a grant of £5,000 to Firstlight Trust.

- 13.2 There had been circulated copies of a report by the Service Director Customer & Communities recommending an application for funding from the Community Grant Scheme (CGS) generic budget. The report explained that the CGS could provide grants to groups who were constituted as working Borders-wide. It could also provide grants to groups who were non-Borders based but who delivered projects which provided direct benefits to identified groups in the Borders. The Communities & Partnership Manager provided details of the application from Borders Youth Theatre which was to contribute towards the cost of running a two week performance project for young Borderers aged 8-25. This included 12 days of devising and rehearsing at Langlee Community Centre and 3 days of performances at Traquair House, Paxton House and The Haining. The performance piece would be - A Tale of Beatrix Potter and would include up to 40 performers. The report further reported that Borders Youth Theatre operated Borders wide and ran weekly workshops across 5 towns which see over 150 participants from the ages of 8-25 years. The organisation had been successful in generating some income from box office ticket sales and the regular fundraising which helped towards their sustainability. A grant of £3,220 would assist with the cost of this stand alone, performance project.

DECISION

AGREED to award a grant of £3,220 to Borders Youth Theatre.

EDUCATION BUSINESS

Present: Ms C. Thorburn, Ms A. Ferahi, Mr I. Topping.
Apologies :- Mr G. Jarvie.

14. **CHAIRMAN**

Councillor Carol Hamilton took the chair for the remaining business.

15. **CONSULTATION ON INCLUSION STRATEGY AND POLICY**

There had been circulated copies of a report by the Service Director Children and Young People which sought agreement on an initial consultation period for the Inclusion Strategy and Inclusion Policy. The report explained that National Legislation and Guidance had recently been published which outlined the vision and underlying principles of inclusion; Included, Engaged, and Involved (Part 2) A Positive Approach to Preventing and Managing School Exclusions (2017); Better Relationships, Better Learning, Better Behaviour (2013); Children and Young People (Scotland) Act (2014); National Improvement Framework (2016); Getting it Right for Looked After Children and Young People Strategy (2015 – 2020). Scottish Borders Council's Inclusion Strategy contained in Appendix 1 to the report and Inclusion Policy contained at Appendix 2 of the report for learning settings aimed to reflect this guidance and provide a clear strategic direction for schools and early years settings. Members welcomed this comprehensive document. And the Service Director answered questions and commented on the plans to reduce exclusions.

DECISION

AGREED

- (a) an initial consultation period for the Inclusion Strategy and Inclusion Policy commencing August 2018 to October 2018.
- (b) that the final draft of the Inclusion Strategy and Inclusion Policy be brought back to the Executive in December 2018 for approval.

16. **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.

SUMMARY OF PRIVATE BUSINESS

17. **Minute**

The private Minute for the meeting held on 5 June 2018 was approved.

The meeting concluded at 11.50 a.m.