

# 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 12 February at 10.00 am

Present:- Councillors S. Haslam (Chairman), S. Aitchison (Vice Chairman), E. Jardine, S. Mountford, M. Rowley (from Para. 2), R. Tatler, G. Turnbull, T. Weatherston

Also present:- Councillors H Anderson, J. Brown, S. Hamilton, S. Marshall, W. McAteer, H. Scott

Apologies:- Councillors G. Edgar, C. Hamilton

Absent:- Councillor T. Miers

In Attendance:- Executive Director (P. Barr), Service Director Customer & Communities, Chief Financial Officer, Democratic Services Team Leader, Trainee Democratic Services Officer

## 1. **MINUTE**

The Minute of the Meeting held on 29 January 2019 had been circulated.

## **DECISION**

**AGREED that the Minute be approved and signed by the Chairman.**

## 2. **MONITORING OF THE GENERAL FUND REVENUE BUDGET 2018/19**

2.1 There had been circulated copies of a report by the Chief Financial Officer providing the budgetary control statements for the Council's General Fund based on actual expenditure and income to 31 December 2018 and provided explanations of the major variances between projected outturn expenditure/income and the current approved budget. The report explained that the Council was experiencing significant financial pressures, primarily in Assets and Infrastructure and Health and Social Care, attributed to increased costs and delayed delivery of planned savings in the revenue budget. The underlying pressure in the account indicated that the pressures would result in an adverse variance at year-end of around £1m. The Corporate Management Team (CMT) had reviewed the position and had taken action through a range of alternative measures to identify savings which, if delivered, would offset the position and deliver a balanced budget by 31 March 2019. The Chief Financial Officer, Mr Robertson noted that compounding the service pressures were costs associated with national pay agreements for 2018/19. These costs were projected to be in the region of £2m in 2018/19. Of this total £1.019m would attract assumed funding from Scottish Government to fund additional teacher pay costs above the original Scottish Government pay offer. The remaining costs were based on estimates of a complicated and currently evolving position which did not yet have the agreement of the Trade Unions. The best estimates of the costs of the pay settlement were reflected in the outturn position. It was increasingly evident that the Council was finding it more and more difficult to balance the revenue budget given the sustained service demands e.g. the number and costs of care packages commissioned by Adult Social Care and the pressures associated with pay and price inflation. It was essential to ensure the financial sustainability of the Council that the revenue budget was balanced and that this was achieved through the delivery of permanent savings in line with the timescales approved in the financial plan. CMT had recognised the need to enhance the delivery of service change and savings through a revised approach, which if approved would commence in 2019/20. This would be designed to deliver savings in a more cross cutting, permanent and sustainable way in the future.

2.2 As shown in Appendix 4 to the report as at 31 December 2018, 100% (£16.414m) of the financial plan savings had been delivered within the current year. Emphasis during 2018/19 needed to be placed on delivering the savings permanently as planned. The original plan for

£3.3m of savings delivered temporarily in 2018/19 would now be addressed on a permanent basis from new proposals as part of the 2019/20 financial planning process. These revised plans would result in permanent cost reductions and had been reflected as being delivered on a permanent basis. The remaining £4.650m of planned permanent savings, which were delayed in the current year and required to offset temporary measures, would now be delivered on a permanent basis in 2019/20. Mr Robertson further reported that the Council continued to experience considerable financial pressures that could result in an adverse variance at year-end of around £1m and CMT had issued further instruction to all budget holders re-emphasising the importance of services operating within revised budgets for the remainder of the financial year. In response to a concern on the unitary charge in schools, Mr Robertson explained that this included the costs of energy, domestic rates and the school lifestyle maintenance. The forecasted underspend in Customer & Communities would be available to support pressures across the Council. This was as a result of an overall accrual of housing benefit in previous years. The Health & Social Care budget pressures continued in the Older People's Services and People with Physical Disabilities with a long term trend of demand for more complex and expensive packages of homecare. Mr Robertson reported that plans were in place to deal with the significant increase in older people with the Council providing extra dementia provision of extra care housing and re-provisioning hospital to home services and the discharge to assess centre in Waverley Care. The new facilities at Crawwood (now Garden View) had played a major part and effort had taken place to plan for increases in demography in the Borders in partnership with NHS Borders. In response to a concern on the pressures of £0.275m within Neighbourhood Services and Catering Services, Mr Robertson reported that this was as a result of demand pressures in the services following a re-tendering process where Scotland Excel went out to market to achieve the best prices for goods and commodities. Mr Robertson further explained the details of the budget adjustments going forward in Appendix 3 and the financial plan efficiency progress for 2018/19 as shown in Appendix 4 to the report.

## **DECISION**

### **AGREED to:-**

- (a) note the projected corporate monitoring position reported at 31 December 2018, the underlying cost drivers of this position and the identified areas of financial risk including the position reflected in Appendix 1 to the report;**
- (b) approve the virements contained in Appendices 2 and 3 to the report;**
- (c) note the progress made and the risks involved in achieving Financial Plan savings shown in Appendix 4 to the report; and**
- (d) note the Corporate Management team directive to ensure all managers operate within agreed budgets therefore ensuring a balanced outturn position was delivered in 2018/19**

### **3. BALANCES AT 31 MARCH 2019**

With reference to paragraph 3 of Minute of Executive Committee dated 20 November 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 and advised Members of the projected balance at 31 March 2019. The report explained that the unaudited Council's General Fund useable reserve (non-earmarked) balance was £6.672m at 31 March 2017. This reflected a balance of £6.315m in line with the approved Financial Strategy presented to Members in November 2018. The projected balance as at 31 March 2019 remains £6.315m. It was noted that any increase from the level budgeted would require to be drawn down from reserves in 2018/19. The Council's allocated reserve balance was £5.058m at 31 March 2018. The projected balance in the allocated reserve at 31 March 2019 was £2.627m and was as a result of approved planned draw-downs during 2018/19. The total of all useable balances, excluding developer contributions, at 31 March 2019 was projected to be £21.071m, compared to £28.793 at 31 March 2018. The projected balance on the Capital Fund of £4.975mm 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. In response to a question raised on the developer contributions for the Borders Railway, it was agreed that as financial contributions were used

to repay the loan for the funding given to Transport Scotland this would now be removed from the summary of the Capital Fund table in Appendix 3 to the report.

#### **DECISION**

##### **NOTED:-**

- (a) **the projected revenue balances as at 31 March 2019 as per Appendices 1 & 2 to the report;**
- (b) **that any shortfall associated with pay award negotiations would require to be drawn down from reserves in 2018/19; and**
- (c) **the projected balance in the Capital Fund as per Appendix 3 to the report.**

#### **4. MONITORING OF THE CAPITAL FINANCIAL PLAN 2018/19**

There had been circulated copies of a report by the Chief Financial Officer providing an update on the progress of the 2018/19 Capital Financial Plan and seeking approval for projected outturns and associated virements and the relocation of funds. The monitoring tables in Appendix 1 to the report detailed actual expenditure to 31 December 2018. Key issues identified in these tables were summarised within the main report. The tables identified a projected net variance of £1.52m against the approved budget. The net in year budget decrease of £1.52m was primarily due to net budget timing movements to future years of £2.722m, the most significant of which Reston Station £0.600m, Depot enhancement £0.297m, Play Areas and Outdoor Community Spaces £0.267m, Jim Clark Museum £0.244m, Hawick Regeneration £0.200m, Energy Efficiency £0.200m and Asset Rationalisation £0.200m. These timing movements were offset by budget increases of £1.2m primarily relating to £0.738m in Roads and Bridges, £0.225m Wilton Lodge Park and £0.153m Electric Vehicles. Appendix 2 contained a list of the block allocations approved for the year and the various approved and proposed projects to be allocated from them within the 2018/19 Capital Plan. Appendix 3 contained a list of estimated whole project capital costs for single projects which would not be completed in the current financial year. A short animation explaining the Council Budget and the difference between Revenue and Capital had been circulated with the link to the video for information: [Revenue and Capital](#).

#### **DECISION**

##### **AGREED:-**

- (a) **the projected outturns in Appendix 1 to the report as the revised capital budget and approves the virements required;**
- (b) **to note the budget virements previously approved by the Chief Financial Officer and Service Director Assets & Infrastructure detailed in Appendix 2 to the report under delegated authority;**
- (c) **to note the list of block allocations detailed in Appendix 2 to the report; and**
- (d) **to note the list of whole project costs detailed in Appendix 3 to the report**

#### **MEMBER**

Councillor Rowley left the meeting.

#### **5. OUR PLAN AND YOUR PART IN IT: SBC'S CORPORATE PERFORMANCE AND IMPROVEMENT REPORT (QUARTER 3 2018/19)**

- 5.1 With reference to paragraph 5 of the Minute of Executive Committee dated 20 November 2018, there had circulated copies of a report by the Chief Executive presenting a summary of Scottish Borders Council's quarterly performance information with details contained within Appendices 1a, 1b, and 2 of the report. The report also included reporting on the progress of change and improvement across the Council, replacing what was the separate Corporate Transformation report. Council had approved a revised Corporate Plan ([Our Plan and Your Part in it 2018-2023](#)) in February 2018, with four corporate themes. In order to monitor progress against the four themes, a review of performance and context information would be undertaken quarterly and presented to Executive Committee. Section 4 provided a summary

of the progress of Change and Improvement projects, with further information contained in Appendix 1a to the report. Change and Improvement Projects were monitored on a weekly basis by Corporate Management Team and through the SBC Financial Plan and associated monitoring. Section 5 set out any additions or changes to SBC performance indicators in this report, followed by a high level summary of performance in Section 6, with details provided in Appendix 1b to the report. To reflect the significant investment made by the Council during 2018/19, an overview of the work and impact of Police Scotland's Community Action Team was provided at Section 7 and within Appendix 2 to the report. The information contained within the report and appendices was also made available on the Council website using the public facing part of SBC's Performance Management software (Pentana). This could be accessed at [www.scotborders.gov.uk/performance](http://www.scotborders.gov.uk/performance).

- 5.2 The Service Director Customer & Communities gave a brief introduction on the detailed report and advised Members that the report reflected the four corporate themes with the focus on two key projects mainly Garden View and Waverley Care Home as the major projects in terms of outcomes and performance indicators. CMT regularly reviewed the progress of all transformational projects tied in to financial monitoring on what was achieved on a temporary and permanent basis and, due to the financial challenges the Council had, the overall change programmes. The Senior Business Services Officer, Mr Collison summarised the successes and challenges outlined within the report. In the ensuing discussion, Members commended the very detailed report showing transformation and performance indicators and the cut across over a number of services. Mrs Craig reported that the reports would be expanded on the performance of Universal Credit, Waste & Recycling Services and further discussions would be held on the Occupancy Rates of Industrial and Commercial Units owned by the Council. It was noted that Members requested a wider discussion on the reduced figures on Food Waste Recycling at a future meeting. The Safer Communities Community Justice Manager, Mr Jones reported that the Community Action Team (CAT) had been broken down to 5 localities and in Quarters 1, 2 and 3 there had been 2,650 recorded group 1-5 crimes and offences, a 2.9% decrease on the previous year. They had issued 172 parking tickets and carried out 94 hours of High Visibility foot patrols and 173 hours of mobile patrols. There had been a noticeable upward trend of drug searches on persons and premises. Overall these were extremely encouraging results.

## **DECISION**

### **AGREED to:-**

- (a) note the progress update relating to Change and Improvement Projects, referenced in Section 4 and detailed further in Appendix 1a to the report;**
- (b) note the changes to performance indicators outlined in Section 5 of this report; and**
- (c) acknowledge and note the performance summarised in Sections 6 and 7 of the report, and detailed within Appendices 1b and 2 and the action that was being taken within services to improve or maintain performance.**

## **6. LIVE BORDERS PERFORMANCE REPORT (QUARTER 2 2018/19)**

With reference to paragraph 8 of the Minute of the Executive Committee dated 8 March 2016 and paragraph 2 of the Minute of Executive dated 8 September 2018, there had been circulated copies of a report by the Executive Director providing a high level summary of Live Borders' performance during Quarter 2 of 2018/19, with details contained within Appendices 1 and 2 to the report. On 1 April 2016, a new Integrated Culture and Sport Trust, Live Borders was established. As part of the Service Provision Agreement (the contract), SBC developed a Performance Management Framework to ensure effective oversight of the work of the Integrated Trust, ensuring that six key outcomes were being addressed. A set of performance indicators were developed at this time and have been used to report performance to Executive Committee during 2016/17 and 2017/18, in August and February. During 2018, Live Borders developed and agreed a new Strategic Plan, with a vision and 6 strategic goals. Underpinning this was a revised set of performance indicators. As a result, a new format for performance reporting had been established and was presented at Appendices 1 and 2 to the report. Section 4 summarised the key successes and challenges

during Q2 2018/19 and the work being done to either maintain or improve performance. Section 5 summarised financial performance. The information contained within the appendices would be made available on [SBC's website](#), ensuring that the duty to report publicly and demonstrate Best Value was met. The Director of Business Services, Mrs Ross for Live Borders was present and reported that the report highlighted a number of key questions and challenges. In response to a number of questions Mrs Ross reported that sports participation numbers had been lower than target which had affected total participation. Culture participation had been down by 23k visitors and to improve this figure the programme was heavily dependent on national provision and work had been carried out with their marketing team to promote this. Sport Active Membership numbers dropped due to some members being lost during the switch over to 12 month membership contracts. This had been resolved through campaign work and reinvestment and Live Borders was working hard to secure new members.

## **DECISION NOTED:-**

- (a) the changes that have been made to Live Borders' performance reporting; and**
- (b) Live Borders' performance and the action being taken to maintain or improve performance.**

## **7. HOUSEHOLD SURVEY 2018 – RESULTS**

7.1 There had been circulated copies of a report by the Service Director Customer & Communities providing the results of the Scottish Borders Household Survey 2018. The key results from the perception based survey were highlighted, alongside relevant performance information and current pieces of work. The Scottish Borders Household Survey 2018 asked questions about life in the Borders and a range of services provided by the Council. 905 responses were received of these 800 were online and 105 were paper copies. The Household Survey had been used since 2006 to gather customer perception/satisfaction on a range of Council Services and was one of the tools available to the Council for collecting such information. The Council also used service specific customer surveys, engagement events and feedback mechanisms, such as our complaints process, to gather information on how well the Borders' community felt the Council was doing in meeting its needs. This was used alongside a range of performance information which was presented to Executive Committee on a quarterly basis. The 2018 survey included the following themes which were covered in the report:

- (a) Life in the Scottish Borders
- (b) Scottish Borders Council
- (c) Household Waste Collection, Recycling and Waste Services
- (d) Local services provided by Scottish Borders Council
- (e) Local services managed by Live Borders
- (f) Involvement in local decision making
- (g) Community Safety
- (h) Health & Wellbeing
- (i) Transport
- (j) The Internet/Web
- (k) Future use of the Internet

7.2 Over the three years since the last household survey the Council had continued to face major financial challenges and had worked to maintain high quality services with reducing resources. During this time some services had had to be reshaped which almost certainly had an impact on levels of customer satisfaction. However, the majority of respondents had told us that their neighbourhood was a good place to live (95%) with 50% saying it was a 'very good' place to live. Feelings of personal safety were also high with 97% saying they feel safe walking alone in their local area during the day and 94% saying they feel safe alone in their home at night. The Service Director Customer & Communities gave a brief introduction on the detailed report and advised Members that the last survey was carried out in 2015. Due to the change in methodology, comparisons could not be made with the results from previous years but a benchmark was being set for future survey results. The Strategic Community Engagement Officer, Ms Malster reported that the results showed strong positive statements that people were satisfied with living in the Borders and that it was a good place

to live. An overwhelming opinion in response to this survey was that 90% of respondents would like to be more involved. This would be a great opportunity to build on through the Area Partnerships and People Panels. The report highlighted that SBC also gave a high quality service. Members reported that the survey gave a good indication of life in the Borders with the need to get more community involvement to strengthen the Area Partnerships. There was concern raised on the result that 33% respondents did experience the feeling of loneliness or isolation. Ms Craig reported that progress would be made to work closely with local Area Partnerships and Community Councils. Detailed information on the number of contacts from each of the locality areas would be incorporated into the report.

## **DECISION**

**NOTED the results of the Scottish Borders Household Survey 2018**

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.**

### **SUMMARY OF PRIVATE BUSINESS**

9. **12 MARKET PLACE / 2 HIGH STREET, JEDBURGH, EMERGENCY EXPENDITURE**

The Committee approved a report by the Service Director Regulatory Services on proposals to deal with the building in Jedburgh.

*The meeting concluded at 12:20 p.m.*