

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, 11 February 2020 at 10.00 am

Present:- Councillors S. Haslam (Chairman), S. Aitchison (Vice Chairman), G. Edgar, C. Hamilton, E. Jardine, T. Miers, M. Rowley, R. Tatler, G. Turnbull, T. Weatherston

Also present:- Councillors H. Anderson, S. Bell, S. Mountford, D. Parker, N. Richards

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

1. 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.

2. MINUTE

There had been circulated copies of the Minute of the meeting of 21 January 2020.

DECISION

APPROVED for signature by the Chairman.

3. MONITORING OF THE GENERAL FUND REVENUE BUDGET 2019/20

- 3.1 There had been circulated copies of a report by the Executive Director Finance and Regulatory providing the budgetary control statements for the Council's General Fund based on actual expenditure and income to 31 December 2019 and providing explanations of the major variances identified between projected outturn expenditure/income and the current approved budget. The report explained that after the third quarter of 2019/20, the Council was projecting a balanced position with significant budget pressures, primarily from delays in delivery of financial plan savings, being addressed from one-off underspends elsewhere in the Council. In total, budget pressures of £1.8m were being offset from a successful Non Domestic Rates appeal generating a one-off benefit of £0.670m, an underspend in Loans Charges as a result of tactical borrowing decisions of £0.844m and a range of service underspends across the Council as a result of the Corporate Management Team (CMT) instruction to implement a freeze on discretionary spend. Total budget pressures within Health & Social Care (H&SC) which had required support from other areas of the Council and additional support from the Integration Joint Board (IJB). In total, the H&SC budget had required additional support of £3.1m beyond the approved budget. The Executive Director Finance and Regulatory, Mr Robertson reminded Members that the Integration Joint Board overspent their budget by a similar figure in 2018/19 which was addressed through the financial planning process for 2019/20 and the level of expenditure being incurred by H&SC was unsustainable. Finance staff had continued to support managers in their forecasting responsibilities with month-end forecasting tools being automatically emailed out to all budget managers directly from Business World. Whilst further progress had been made in engaging and training of managers over the last quarter, there were still a number of areas where further work was still required to ensure universal ownership of the budget by managers, their full engagement in the monitoring process and the robustness and accuracy of projections.

- 3.2 The report also explained that savings had been made as shown in Appendix 4 to the report. As at 31 December 2019, 69% (£9.116m) of the savings required by the approved budget had been delivered permanently within the current year. A further 2% (£0.289m) was profiled to be delivered during the remainder of 2019/20, with the remaining 29% (£3.858m) having temporary in-year mitigations to deliver alternative savings. Emphasis during the remainder of 2019/20 needed to be placed on ensuring those savings were delivered permanently in 2020/21. This was particularly important due to the requirement to deliver ambitious savings plans in future financial years within the Financial Plan. Mr Robertson explained that full details of the pressures, risks and challenges and the significant majority of areas of the Council's operation where budget plans remained on track were detailed in Appendix 1 to the report.
- 3.3 After the third quarter of 2019/20 the projected balanced position with significant budget pressures, primarily from delayed delivery of financial plan savings, were being addressed from one-off underspends elsewhere in the Council. The failure to control expenditure within the approved budget levels during 2019/20 within H&SC had destabilised the financial position of the Council, reducing resources to be spent on other key service areas hampered the ability to invest in key services developments which would modernise Council services. The continued overspend in the H&SC budget delegated from the IJB was not sustainable. Mr Robertson explained that consideration of the permanent effects of both increases in service delivery of the current scale within H&SC and non-delivery of savings across the Council must be considered as part of the 2020/21 financial planning process to ensure the budget was as robust as possible. Permanent delivery of savings remained the key financial challenge facing the Council and a key requirement to ensure the Council could operate a sustainable budget. Full details of the pressures, risks and challenges and the significant majority of areas of the Council's operation where budget plans remained on track were detailed in Appendix 1 to this report.
- 3.4 Mr Robertson responded to Members' questions relating to the successful non domestic rate appeal, concerns regarding the Planning Service forecast of a £400k pressure within the planning fee income due to a drop in application numbers and better future planning for the funding of health and social care. In response to a comment regarding the lack of savings from recycling it was suggested that this could be considered by the Sustainable Development Committee. The virements contained in Appendices 2 and 3 were discussed and Mr Robertson emphasised that every effort would continue to be made by Service Directors to contain projected spend in the remainder of the year and identified savings were delivered permanently to ensure affordability and budget sustainability. Members noted the position.

DECISION

(a) AGREED:-

- (i) the virements as detailed in Appendices 2 and 3 to the report; and**
- (ii) to continue to actively promote a culture of sound financial; management across the Council, and that budget affordability be fully considered in service delivery decisions in order to ensure the ongoing financial sustainability of the Council.**

(b) NOTED:-

- (i) the projected corporate monitoring position reported at 31 December 2019, the pressures identified, the underlying cost drivers of this position and the identified areas of financial risk as reflected in Appendix 1; and**
- (ii) the progress made in achieving Financial Plan savings in Appendix 4.**

4. **MONITORING OF THE CAPITAL FINANCIAL PLAN 2019/20**

There had been circulated copies of a report by the Executive Director Finance and Regulatory providing an update on the progress of the 2019/20 Capital Financial Plan and seeking approval for virements and the reallocation of funds. The monitoring tables in Appendix 1 to the report detailed actual expenditure to 31 December 2019. Key issues identified in the tables were summarised within the main report. The tables identified a projected net budget variance of £13.138m, which was made up of timing movements £13.883m to future years. The most significant of which were movements into 2020/21 for Early Learning and Childcare £4.053m, Extra Care Housing £1.45m, Borders Innovation Park £2.424m and Energy Efficiency works £0.9m. 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 2019/20 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. The Executive Director Finance and Regulatory, Mr Robertson advised that a review of the Capital Programme was being undertaken as part of the 2020/21 Financial Planning process and the Capital Plan had subsequently been updated to reflect budget adjustments, associated timing movements and other approvals. This would allow the Council to better profile spend within the blocks, which in turn would optimise available funding for specific projects within the Capital Financial Plan. He further advised that the emergency and unplanned schemes projected balance was now zero with an analysis of the financial summary, block allocations, slippage and proposed actions outlined in the Appendices to the report. In response to a question Mr Robertson advised that details of capital receipts could be provided and these were not ringfenced for particular projects. Members welcomed the review to improve the accuracy of the Capital Planning process.

DECISION

(a) **AGREED the projected outturns in Appendix 1 to the report as the revised capital budget and approved the virements required.**

(b) **NOTED:-**

(i) **the budget virements previously approved by the Executive Director Finance & Regulatory and the Service Director Assets and Infrastructure detailed in Appendix 2 under delegated authority;**

(ii) **the list of block allocations detailed in Appendix 2 to the report; and**

(iii) **the list of whole project costs detailed in Appendix 3 of the report**

5. **BALANCES AT 31 MARCH 2020**

There had been circulated copies of a report by the Executive Director Finance and Regulatory providing an analysis of the Council's balances as at 31 March 2019 and details of the projected balances at 31 March 2020. The report explained that the unaudited Council's General Fund useable reserve (non-earmarked) balance was £6.315m at 31 March 2019. The projected General Fund useable reserve was projected to remain at £6.315m at the 31 March 2020 in line with the Council's Financial Strategy. The total of all useable balances, excluding developer contributions, at 31 March 2020 was projected to be £27.266m, compared to £27.799m at 31 March 2019. The projected balance on the Capital Fund of £8.150m 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, Mr Robertson confirmed that the risk profile was reviewed on a regular basis.

DECISION

NOTED:-

- (a) the projected revenue balances as at 31 March 2020 as contained in Appendices 1 & 2 to the report; and
- (b) the projected balance in the Capital Fund as contained in Appendix 3 to the report.

6. **LIVE BORDERS PERFORMANCE REPORT QUARTER 2 2019/20 (BI-ANNUAL SUMMARY AND DATA FOR QUARTERS 1 & 2 2019/20)**

- 6.1 With reference to paragraph 10 of the Minute of 20 August 2019, there had been circulated copies of a report by the Executive Director providing a high level summary of Live Borders' performance during Quarters 1 and 2 2019/20, with details contained in 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 had been used to report performance to Executive Committee. 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 Quarters 1 and 2 2019/20 and the work being carried out 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.
- 6.2 Members considered the performance information presented for Live Borders and the key successes during the two quarters which included active membership and to communicate charitable objectives. The key challenges were the 'learn to swim' programme, staff absences and other sports participation. The table contained in the report showed how the Strategic Plan goals would assist Live Borders in working towards the 6 outcomes in the contract with Scottish Borders Council. A range of Key Strategic Indicators (KSI) had been developed under the 6 strategic goals, along with a range of financial measures presented in Appendix 1 to the report. The case studies to showcase the work being done across Live Borders and the impact that it was having on people's health and wellbeing in the Scottish Borders was presented in Appendix 2 to the report. The Director of Business Services for Live Borders, Ms Linda Ross was present to answer Members questions and highlighted the key successes along with a number of key questions and challenges.

DECISION

NOTED Live Borders' performance and the action being taken to maintain or improve performance.

7. **OUR PLAN AND YOUR PART IN IT: SBC'S CORPORATE PERFORMANCE AND IMPROVEMENT REPORT QUARTER 3 2019/20**

- 7.1 There had been circulated copies of a report by the Service Director Customer & Communities which presented a high level summary of Scottish Borders Council's Quarter 3 2019/20 performance information with more detail contained within Appendices 1, 2a and 3 attached to the report. The report included reporting on the progress of change and improvement projects across Scottish Borders Council (SBC) under the Fit for 2024 programme. The report explained that 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 as well as an annual summary in June each year. During Quarter 3 2019/20, SBC had continued to press ahead with a range of important initiatives and innovation which included:-

- (a) Achieving the Living Wage accreditation;

- (b) Continuing to progress our innovative Inspire Learning programme, completing deployment of iPads to pupils in 4 secondary schools; and
 - (c) Launching AskSARA, a website tool developed to help people stay more independent in their own homes for longer, the first of its kind in Scotland
- 7.2 The information contained within the report and the appendices were also available on the SBC website and could be accessed at www.scotborders.gov.uk/performance. The Appendices reflected a quarterly reporting format structured around the four corporate themes, and use a mixture of narratives, highlights, performance and context indicators. Appendix 1 to the report contained updates on Fit for 2024, change and improvement projects. These were monitored by Corporate Management Team (CMT) and through the SBC Financial Plan and associated monitoring. Appendix 2a to the report contained updates on specific performance and context indicators structured around the corporate themes. A schedule of indicators was provided at Appendix 2b to the report covering quarterly and annual reporting through the Local Government Benchmarking Framework provided for information. To reflect the significant investment made by SBC, an overview of the work and impact of the Police Scotland's Community Action Team was provided within Appendix 3 to the report.
- 7.3 The Service Director Customer & Communities advised that all projects were delivering the savings in the monitoring report and the performance indicators were back on track. Ms Craig further advised that overall the report continued to demonstrate the level of work ongoing to deliver financial savings as well as meeting the ongoing challenges. In response to a question on school absences compared to other areas, Ms Craig undertook to circulate this information. Members commented on the layout and some of the terminology used in the report and were assured that the presentation of the report would continue to be refined.

**DECISION
NOTED:-**

- (a) **the progress update relating to Change and Improvement Projects, referenced in Section 4 and detailed further in Appendix 1;**
- (b) **the changes to performance indicators outlined in Section 5 of the report; and**
- (c) **the performance summarised in Sections 6 and 7, and detailed within Appendices 1, 2a and 3 and the action that was being taken within services to improve or maintain performance.**

8. SCOTTISH BORDERS COUNCIL'S COMPLAINTS ANNUAL PERFORMANCE REPORT 2018/19

- 8.1 With reference to paragraph 3 of the Minute of the Executive Committee held on 4 September 2018, there had been circulated copies of a report by the Service Director Customer & Communities which presented a summary of Scottish Borders Council's Complaints Annual Performance Report 2018-19 contained in Appendix 1 to the report. This set out how many complaints had been received, how effectively complaints had been dealt with, trends over time and how Scottish Borders Council (SBC) compared to other similar rural Local Authorities and the national average. It also provided a summary of the eight performance indicators that the Scottish Public Services Ombudsman (SPSO) required all Local Authorities to report against each year. The Annual Report was a requirement of all Councils and allowed the SPSO to assess the effectiveness of Councils' Complaint Handling Procedures (CHP). It also ensured an ongoing focus on improving the way complaints were handled and ensured that Councils learned from the complaints received. Councils could also learn from best practice through a network of complaint handling practitioners, the Local Authority Complaints Handling Network (LACHN). The

report explained that during 2018/19, SBC received 826 complaints, of which 625 were defined as valid. Scottish Borders Council continued to perform well against the Scottish average and similar Scottish Local Authorities in relation to the 8 SPSO performance indicators. Resolving more complaints at the frontline would continue to remain a priority.

- 8.2 In presenting the report the Service Director Customer & Communities advised that complaints made to SBC about its services accounted for a very small proportion of all the customer interactions recorded in the Council's Relationship Management System in 2018/19 (0.5%, or 896 out of 173,133 interactions). There had been a 3.3% decrease in all complaints received (Valid or Invalid) compared to 2017/18 (927). The year 2018/19 again saw an increase in the number of complaints received online (429, compared to 411 in 2017/18) but between 2017/18 and 2018/19 there had been a 4.3% increase over the previous year (22% increase from 2016/17 to 2017/18). It was noted that fewer complaints were received in 2018/19 compared to 2017/18 and the number that were classified as 'valid' decreased; 625 valid compared to 670 in the previous year. The proportion of 'invalid' complaints for 2018/19 increased to 30% from 28% in 2017/18 which indicated that customers, in some instances, had unintentionally submitted complaints rather than requests for service. In 2018/19 the SPSO received 11 complaints about Scottish Borders Council and this was equal to 0.8% of all complaints received by the SPSO in relation to the Local Authority sector. Of the 24 SPSO closed complaints in 2018/19, only 1 was upheld or partially upheld compared to 5 in 2017/18, the details of which were presented within Appendix 1 to the report. Ms Craig confirmed that Live Borders had a Complaints Handling Procedure that aligned with Scottish Borders Council's procedure and a summary of their performance was included in Appendix 1 to the report as well as Live Borders learning process from complaints. Members were pleased to see the improvements within the report. It was noted that the reporting of complaints from Health and Social Care clients needed to be reviewed as they could be submitted to either SBC or the NHS.

DECISION

AGREED to:-

- (a) **note the performance of handling complaints for the period 1 April 2018 to 31 March 2019;**
- (b) **endorse the identified improvement actions presented at Section 4.9 of this report and within the "Next Steps" of the Appendix 1; and**
- (c) **approve the annual report at the Appendix 1, that would now be submitted to the SPSO and published on SBC's website.**

9. 75TH ANNIVERSARY VE CELEBRATION FUND

There had been circulated copies of a report by the Service Director Customer & Communities which presented a proposal for the creation of a Victory in Europe Day (VE) Celebration Fund to be launched on Monday 24 February 2020, to enable non-profit making community or voluntary groups, schools and churches to apply for funding to undertake special celebratory projects to mark the 75th anniversary of VE Day. The Scottish Borders VE Celebration Fund would give community councils, schools, churches and community and voluntary organisations the chance to apply for grant funding that would enable them to hold special celebratory events or projects for the benefit of their local and wider communities. The report explained that a total of £60,000 had been set aside for the fund and typical grants were expected to be in the region of £1,000, but grants up to a maximum of £2,500 would be considered for larger projects or for projects that would create a lasting legacy of VE Day. Applicants would need to be able to demonstrate that they would use the fund to provide more opportunities for communities to come together. To enable applications to be processed quickly and efficiently on a fast track basis, it was proposed that decision-making would be agreed at Officer level, with final approval and sign off by the Service Director Customer and Communities. It was

proposed that each Area Partnership would contribute from their Community Fund on a per-head of population basis to enable a fund of £60,000 to be created. The VE Celebration Fund would close on 31 May 2020. Ms Craig advised that the early May Bank Holiday in 2020 had been moved from Monday 4 May to Friday 8 May to encourage communities to come together and commemorate this significant historical event. It was confirmed that an evaluation process on feedback would be carried out and a report prepared for Members.

DECISION

(a) APPROVED:-

- (i) the creation of a VE Celebration Fund of £60,000 which was funded on a per head of population basis from each Area Partnership's Community Fund: and**
- (ii) for decision-making for the Council's VE Celebration Fund to be agreed at Officer level, with final approval and sign-off by the Service Director Customer and Communities**

(b) AGREED a report detailing the evaluation and outcomes of the VE Celebration Fund would be brought back to Executive in late 2020.

**10. 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 4 to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 1, 6, 8 and 9 of Part I of Schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

11. SOUTH OF SCOTLAND ECONOMIC PARTNERSHIP FUNDING - UPDATE
The private report by the Executive Director was approved.

The meeting concluded at 11:43 a.m.