

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE
COMMITTEE held remotely by Microsoft
Teams on Tuesday, 17 November 2020 at
10.00 am

Present:- Councillors S. Haslam (Chairman), S. Aitchison (Vice-Chairman),
C. Hamilton, S. Hamilton, E. Jardine, S. Mountford, M. Rowley, R. Tatler and
G. Turnbull

Apologies:- Councillors G. Edgar and T. Weatherston

In Attendance:- Executive Director Corporate Improvement & Economy, Executive Director
Finance & Regulatory, Service Director Assets & Infrastructure, Democratic
Services Team Leader, Democratic Services Officer (F. Walling).

1. **MINUTE**

There had been circulated copies of the Minute of the meeting of 6 October 2020.

DECISION

APPROVED for signature by the Chairman.

2. **MONITORING OF THE GENERAL FUND REVENUE BUDGET 2020/21**

2.1 There had been circulated copies of a report by the Executive Director Finance & Regulatory providing the budgetary control statements for the Council's General Fund based on actual expenditure and income to 30 September 2020 along with explanations of the major variances identified between projected outturn expenditure and income and the current approved budget. As reported to the Executive Committee of 15 September 2020 after the first quarter of 2020/21 a detailed budget review exercise had been undertaken to realign budgets in light of the financial implications of the COVID-19 response. The reported position after the first quarter was a residual budget pressure, based on forecasts at that point, of £1.393m. Forecasts had now been updated to the second quarter of 2021/21 at 30 September and the position had improved with a revised residual forecast pressure of £0.628m. This position reflected an improvement of £0.765m from the first quarter with the aim remaining to balance the revenue budget by the 31 March 2021 if at all possible. As previously reported, there was likely to be a significant impact on the delivery of planned Financial Plan savings during 2020/21 as a result of the emergency situation. Financial plan savings of £12.091m required to be delivered in 2020/21. An analysis of deliverability had been updated as shown in Appendix 4 to the report. Following the September month end £5.705m (47%) savings had been delivered permanently, £1.454m (12%) were profiled to be delivered by 31 March 2021 and £4.932m (41%) had been delivered on a temporary basis through alternative savings. Full details of 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. The report detailed key assumptions made in arriving at the figures; management actions for the remainder of the financial year with the aim of closing the current £0.628m gap; and a summary of the impact of COVID-19 related pressures on individual services.

2.2 Members discussed the report and received answers to their questions from the Executive Director, David Robertson. The Executive Member for Economic Regeneration and Finance thanked Mr Robertson and his team for their work in producing the report. He welcomed the efforts made over the recent quarter to halve the residual forecast pressure but emphasised the huge amount of work being carried out by officers to deliver

the savings required. He also noted the significant additional work being managed by the Council during the COVID-19 emergency to administer and deliver grants to local businesses. In response to a question about Specific Grant flexibility around the use of funds freed up from Early Years expansion Mr Robertson advised that the funding was ring-fenced within Education and available funds would be used to offset COVID-19 costs in that service during 2020/21. He confirmed that the Council had made a commitment in full in terms of Early Years expansion and delivery of 1140 funded hours. Mr Robertson agreed that, in terms of financial risk, it was Health & Social Care which was continuing to experience ongoing pressures as a result of the COVID-19 response. There had been a significant amount of funding to the IJB budget to address these pressures and more was expected. Mr Robertson gave assurance that the Corporate Management Team continued to closely monitor the service to ensure that pressures were minimised.

DECISION

AGREED to:-

- (a) note the projected corporate monitoring position reported at 30 September 2020, the remaining pressures identified, the underlying cost drivers of this position and the identified areas of financial risk as reflected in Appendix 1 to the report;**
- (b) approve the virements attached as Appendix 2;**
- (c) note the progress made in achieving Financial Plan savings in Appendix 3; and**
- (d) request the Corporate Management Team to continue to take all possible management action to balance the budget in the current year.**

3. MONITORING OF THE CAPITAL FINANCIAL PLAN 2020/21

There had been circulated copies of a report by the Executive Director Finance & Regulatory providing an update on the progress of the 2020/21 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 30 September 2020. Key issues identified in the tables were summarised within the main report. The review of the capital budget, in light of financial implications of COVID-19 approved by Council on 27 August 2020, focussed on assessing the impact of the national “lockdown” of the construction industry and the associated inevitable delays in current and planned programmes of work. The assessment of COVID-19 impacts had continued during the second quarter of the year with a net budget variance of £1.878m now being identified. This was made up of net timing movements from 2020/21 of £3.610m. The most significant of which were Hawick Flood Protection Scheme £6.487m, Jedburgh High Street Building £0.500m, Play Areas and Outdoor Community Spaces £0.540m and a timing movement to bring budget forward from future years into 2020/21 for IT Transformation £4.376m. Appendix 2 of the report 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 2020/21 Capital Plan. A list of estimated whole project capital costs for single projects which would not be completed in the current financial year was contained in Appendix 3 to the report. In a discussion of the report, Members recognised the impact of COVID-19 in terms of delays in planned programmes of work but also noted progress being made with current projects, referring in particular to the development of the Tapestry Building in Galashiels.

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; and**
- (iii) **the list of whole project costs detailed in Appendix 3.**

4. **BALANCES AT 31 MARCH 2021**

There had been circulated copies of a report by the Executive Director Finance & Regulatory providing an analysis of the Council's balances as at 31 March 2020 and details of the projected balances at 31 March 2021. The report explained that the unaudited Council's General Fund useable reserve (non-earmarked) balance was £6.315m at 31 March 2020. The projected General Fund useable reserve was projected, to remain at £6.315m at 31 March 2021 in line with the Council's Financial Strategy. Any year end overspend as a result of the COVID-19 pandemic would, however, require to be funded from reserves. The total of all useable balances, excluding developer contributions, at 31 March 2021 was projected to be £22.262m, compared to £29.866m at 31 March 2020. The projected balance on the Capital Fund of £6.397m 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. Members noted the continuing pressure of costs relating to the COVID-19 pandemic.

**DECISION
NOTED:-**

- (a) **the audited 2019/20 revenue balances at 31 March 2020;**
- (b) **the projected revenue balances as at 31 March 2021 as contained in Appendices 1 & 2 to the report; and**
- (c) **the projected balance in the Capital Fund as contained in Appendix 3 to the report.**

5. **STRATEGIC HOUSING INVESTMENT PLAN 2021-2026 SUBMISSION**

There had been circulated copies of a report by the Executive Director Corporate Improvement and Economy seeking formal approval of the Strategic Housing Investment Plan (SHIP) 2021-2026, so that it could be submitted to Scottish Government as required by the mid-December deadline. The Chief Planning & Housing Officer, Ian Aikman, was in attendance and highlighted the main points of the report and the SHIP 2021-2026 which was attached as an Appendix. The SHIP articulated how the Council and its Registered Social Landlord (RSL) partners would seek to deliver the Border's affordable housing investment needs and priorities, identified in the Council's Local Housing Strategy (LHS) 2017-2022, over a rolling 5 year planning horizon. Based on available Resource Planning Allocations from Scottish Government and resource planning assumptions, RSL partner private sector borrowing and commitment from the Council's Affordable Housing Budget, approximately 122 new homes could be delivered during 2020/21 and potentially up to 1125 new affordable homes over the five-year SHIP 2021-2026 period, representing investment of around £166m. Mr Aikman explained that this was the Council's 12th SHIP submission and over that period the Council and partners had delivered a total of 1270 new affordable homes. The four main Borders RSLs now had an estimated stock of 12,093 homes for social and mid-market rent. 2019-2020 saw 141 affordable homes being delivered. Unfortunately due to the adverse impact of the COVID-19 pandemic and resultant construction site closures, which had delayed both site starts and programmed completions, it was anticipated that annual affordable housing completions in 2020-2021 would be reduced to around 122 new homes. This would fall slightly short of the LHS

annual target of 128 homes. Members welcomed the report and the ambitious plans, recognising the significance to the individuals involved in every single warm, affordable and sustainable home that was provided. They noted that the provision of affordable housing had been across the Borders and that the investment priorities had a particular emphasis on extra care housing for older people. In thanking the housing team responsible for the development of the SHIP, Members also made reference to the effective and important work carried out by the Council's Homelessness Service.

DECISION

AGREED to approve the SHIP 2021-2026, attached as Appendix 1 to the report, for submission to the Scottish Government – More Homes Division.

6. DEFERRAL OF THE NEXT LOCAL HOUSING STRATEGY BY ONE YEAR TO 2023

There had been circulated copies of a report by the Executive Director Corporate Improvement and Economy seeking agreement on the proposed deferral of the development of the next Local Housing Strategy (LHS) by one year. The Housing (Scotland) Act 2001 placed a statutory requirement on Local Authorities to develop a LHS, supported by an assessment of housing need and demand for a five year period. The current Scottish Borders LHS covered the period 2017-2022 and was approved by the Executive Committee in June 2017. The next LHS would be expected to cover a period of five years from 2022-2027. For the reasons outlined in the report, principally the timings identified for the development of the next regional Housing Need and Demand Assessment (HNDA) and the setting of Housing Supply Targets, Council Officers recommended deferring the development of the next LHS by one year. It was proposed that the new LHS would cover the five year period from 2023-2028. The Chief Planning & Housing Officer gave Members further information about the regional spatial strategies and the associated HNDA. He emphasised that outputs from the regional assessment were essential to the development of the next LHS. The Scottish Government had indicated support for deferring development of Local Housing Strategies where an up to date HNDA was not yet available. This was the case for four out of the six local Authorities in the South East Scotland Region.

DECISION

(a) AGREED to the deferral of the next Local Housing Strategy by one year to cover the five year period 2023-2028.

(b) NOTED that discussions with the Scottish Government indicated support for this proposal.

7. WHEELCHAIR ACCESSIBLE HOUSING TARGET

There had been circulated copies of a report by the Executive Director Corporate Improvement & Economy proposing that the Council set an all tenure annual wheelchair accessible housing delivery target of 20 homes. The report explained that revised Scottish Government Guidance required Councils to set all tenure wheelchair accessible housing targets by end of April 2020. However the COVID-19 pandemic had adversely impacted on this being done as intended. Scottish Government indicated that the Strategic Housing Investment Plan 2021-26 should include further update and timescales for implementation. The Council had commissioned Consultants to carry out research regarding the need for wheelchair accessible housing in the Scottish Borders, which was completed in January 2020. The Consultants had been supported by a working group consisting of Council officers, and representatives from other related communities of interest including service users and carers, voluntary sector service providers and the Registered Social Landlord sector. The final report recommended 20 additional wheelchair accessible homes as an annual all tenure wheelchair accessible housing target, and also provided a proposed action plan. It was proposed that the action plan be consolidated into the actions developed to implement the Council's Local Housing Strategy 2017-22. The Chief Planning & Housing Officer advised that it was proposed

that delivery of the 20 homes be proportioned as 15 from RSLs and the balance from private sector providers. The consultants also identified a range of other challenges and actions in order to make best use of available wheelchair accessible and adapted housing stock across all tenures. It was proposed that these actions would be consolidated within the LHS 2017-22 action plan. Members welcomed the report. They emphasised the need to ensure the provision covered the geographical spread of the Borders and encouraged the Council to work closely with private developers at the early planning stage in order to deliver wheelchair accessible housing within the private sector. In response to a Member's question Mr Aikman gave assurance that the Council would work closely with all stakeholders and voluntary sector representatives in the delivery of wheelchair accessible housing and the adaptation of the existing housing stock. In terms of the recommendations it was agreed to amend recommendation (c) of the report to require a review report to Executive Committee on an annual basis.

DECISION

AGREED to:-

- (a) approve 20 new wheelchair accessible houses as an annual delivery target, with Registered Social Landlords to deliver 15 of these each year;**
- (b) remit the Executive Director to consolidate the research final report actions into the Local Housing Strategy 2017-22 action plans and monitor and report progress via Local Housing Strategy related processes; and**
- (c) remit the Executive Director to bring forward on an annual basis a report on the delivery of the wheelchair accessible annual target.**

8. LOCAL BUS SERVICE IMPROVEMENTS

There had been circulated copies of a report by the Service Director Assets & Infrastructure proposing enhancements to the local bus service in the Eildon, Berwickshire and Cheviot localities. The Service Director introduced the report which explained that a review of the Council's In-House Fleet had identified a number of opportunities to enhance local bus services in the Eildon, Berwickshire and Cheviot localities as detailed in Appendix 1 to the report. In order to deliver the proposed service changes the Council would need to make minor changes to bus timetables; operate services on the back of School contracts; register dead mileage (where a vehicle operated out of service between two points) to qualify for Bus Service Operators grant at 14.4p per Km; and utilise Melrose Gait Development Contribution of £26k per annum for three years, thus reducing the need to draw on bus subsidies. It was anticipated that these proposed changes would deliver savings of £44,000 per annum towards existing Fit for 2024 savings targets within both Passenger Transport and Education; increase contract and revenue income generated by the Councils in-house fleet; improve connections and service efficiency; and enhance the service provided in the Eildon, Cheviot and Berwickshire localities providing improved links between communities and the wider local bus network. Members fully supported the proposals and innovative thinking reflected in the report and referred in particular to the proposed changes to the 964 Border Weaver Service by providing additional links to the BGH and Melrose Gait. In response to Members' questions officers confirmed that there would be continued monitoring of patronage numbers on services and that the proposals were the start of a wider review of bus services to be carried out in partnership with bus operators and in consultation with local communities.

DECISION

- (a) AGREED to implement the proposed bus service changes outlined in the report.**
- (b) NOTED the utilisation of Melrose Gait Development Contribution of £26k per annum for 3 years.**

9. **TEMPORARY SUSPENSION OF PAY & DISPLAY PARKING CHARGING**

- 9.1 There had been circulated copies of a report by the Service Director Assets & Infrastructure proposing that Pay & Display Parking be temporarily suspended from 1 December 2020 with the intention of providing a boost to the ability of towns to attract local shoppers in the lead up to Christmas. In the light of continuing COVID-19 restrictions, Members were invited to consider whether pay parking charges should be suspended just over the festive period until 4 January 2021 or until the end of the financial year on 31 March 2021. The main rationale for introducing Pay & Display operations was to provide an efficient turn-over of vehicles in key town centre locations and to assist in providing vibrant town centres. For this reason Members were presented with a third option for consideration of retaining the current pay parking regime in its current operational form. The Infrastructure Manager explained that Pay & Display operations currently took place in five towns across the Scottish Borders and typically provided a surplus in each town that could be utilised on roads and environmental improvements or initiatives in that area. The operation of Pay & Display was suspended during the initial lockdown period but resumed again in early August 2020. There had however been requests from some areas to suspend the operation again in the run-up to Christmas and potentially for the remainder of this financial year. It was anticipated that such a move would encourage people to shop local and be particularly beneficial to Christmas trade.
- 9.2 Members discussed the report and options presented for consideration. There was general support for a temporary suspension of charging to boost local spending and to encourage shoppers into the towns but only for the festive period rather than for the longer period to 31 March 2021. They also strongly supported the proposal to undertake a review of the scope of pay parking. In terms of a temporary suspension and in response to concern about the risk of people parking for longer periods and possibly using free car parking spaces to facilitate trips to Edinburgh Mr Young confirmed that attendants would still be utilised to monitor use of the car parks and possible all day parking. However, it was accepted that attendants would not have a reasonable way of enforcing turnover without operation of the ticket machines. In response to a question, Mr Young said it was technically possible to amend the machines to issue tickets without payment but this was complex and likely to be cost prohibitive if it was just to serve a short period of time. A suggestion was made for signage to be used to dissuade people from occupying a space for long periods. In further discussion Members stressed the importance of effective communication messages to encourage support of local businesses. Mr Young agreed to look at these matters and also to consider a method of measuring whether the initiative had been successful, perhaps by way of a short Citizen Space consultation.

DECISION

AGREED to:-

- (a) **the suspension of Pay & Display operations over the festive period from 1 December 2020 to 4 January 2021; and**
- (b) **authorise the Director of Assets & Infrastructure to undertake a review of the scope of pay parking, the current charging regimes and charging times for Pay & Display parking and that a further report be brought forward within a 6 month period.**

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

SUMMARY OF PRIVATE BUSINESS

11. **NETHERDALE SPECTATOR STAND, GALASHIELS - UPDATE REPORT**
Members considered an update from the Service Director Assets & Infrastructure.

The meeting concluded at 11.50 am