

# **Refresh of the Corporate Plan 2018-2023**

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## **1. Introduction and Purpose**

This document has a twofold purpose:

1. It refreshes and should be read in conjunction with the Council's Corporate Plan 2018-2023; and
2. It provides a start point and a framework for discussion about a new Corporate Plan for the period 2023-2028.

Scottish Borders Council agreed its present Corporate Plan in February 2018, together with a Staff Corporate Plan. It can safely be asserted that, judged from 2021, much has changed since then, as we detail in Section 2.

To be meaningful, the Corporate Plan needs to take account of such changes, and, as an organisation, the Council needs to begin to think about its ambition and responsibilities for the future as we look towards a new Corporate Plan for the period 2023-2028.

Importantly, neither the Corporate Plan nor this Refresh document can serve as repository for all and everything that the Council is doing or going to do. This Council, like others, is big and complex. It delivers around 100 different services, and has a locus in everything from Early Years education to the provision of burial services. As the Corporate Plan puts it:

*With employees and resources right across the Scottish Borders, SBC provides a huge range of services and leads a large range of initiatives and capital projects, for example the building of new schools. Like throwing a pebble into a pond, the impact of our work spreads out into people's lives, into businesses and into our communities.*

So, like the Corporate Plan, this document is about the big picture – about what we are aiming to achieve, what we do, why we do it and how we are going to go about doing it. Clearly, this needs to be seen through the prism of the world as we know it now, and as we expect it will develop over the medium and long-term.

We begin from the premise that the behaviours of organisations are driven by their values. So it's really important to think about what our values are and ensure that these sit at the heart of any refresh of our Corporate Plan, as well as any future Corporate Plan. We also need to revisit what our strategic challenges and opportunities are and how our values shape our strategic priorities. And, of course, we need reflect on whether we are making a difference and driving improved outcomes.

These are all elements of 'the Golden Thread' - a simple framework to explain how an organisation links what it does to its goals. It ensures that an organisation's goals, vision and values inform and are informed by its processes, systems and people. This alignment leads to a shared understanding of the organisation's vision. Thus, linking a 'golden thread' from our Corporate Plan through our business strategies and operations is crucial if our staff, our partners, the public and other stakeholders are to buy-in to our strategy and a shared purpose for the Council and the Scottish Borders.

Two further points must be emphasised:

- a) Any new Corporate Plan should be 'built from the ground up'. We begin very much from the notion that any Corporate Plan must develop out of a deliberative evidence-based assessment of issues with Elected Members, but that this must build on broad engagement and a clear commitment to co-production with public, partners, stakeholders and staff.

b) With a little more than a year to go until the next local government elections, the approach set out in the Refresh cannot be regarded as something which has been tested through engagement with the public and other stakeholders. Thus, we should see the proposals in this 'Refresh Document' as a suite of working principles designed to support to the existing Corporate Plan and our activity generally.

This document seeks to work through these points, but before we do that, let's reflect on what has changed.

## 2. What has changed?

Much has changed since Council agreed the existing Corporate Plan in 2018. We see these changes in terms of the following:

1. 'New' and enhanced challenges
2. Pre-existing strategic issues, particularly those impacted by new and enhanced challenges
3. 'New' tools, 'new' opportunities and new funding

As we will see, much recent experience has been difficult and painful, and very great challenges lie ahead. At the same time, many new opportunities exist and the Scottish Borders has a range of excellent assets: together, we need to grasp what is on offer if we are to deliver for our region.

### 2.1 New and enhanced challenges

Any review of our current situation cannot be contemplated, without acknowledging the considerable impact of 4 issues:

- **The COVID-19 pandemic** and the policy response to it. As the most visible issue, the COVID-19 pandemic has had a profound impact on our health, economy and society nationally and internationally, with significant impacts on our way of life and the wellbeing of people in the Scottish Borders (and much more widely).
- **The Climate Emergency.** While the need for action has been understood for some time, it is only comparatively recently that the scale of threat and its degree of urgency has begun to pervade public policy, catalysed by the Intergovernmental Panel on Climate Change's (IPCC) October 2018 Special Report on Global Warming of 1.5 °C.
- **The Nature Emergency.** As with the Climate Emergency, an international report has galvanised action. In May 2019, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) issued a report starkly warning about the damage human beings are causing to the planet, the ever increasing pressures on nature, the catastrophic loss of species and ecosystems, and the global and generational threat to human well-being that this poses.
- **EU Exit.** While the referendum on the UK's membership of the European Union took place in 2016, the shape and precise implications of EU Exit have become clearer largely since 2018; in particular, following the General Election of December 2019, and the end of the Transition Period from 1 January 2021.

Dominated by the immediate consequences of COVID, evidence suggests that our health, economy, societal and cultural outcomes have been deeply negatively impacted and continue to worsen with the passage of time as a consequence of the developing policy approach to get the mutating virus under control and to eradicate it. At its most basic level, as at 3 June 2021, there have been upwards of 10,122 by -6.5% between Q4 2019 and Q4 2020 deaths registered in Scotland where COVID-19 was mentioned on the death certificate, with the oldest age groups most affected. Surveys data from the Office for National Statistics (ONS) and from Scottish Government polls continue to show the impacts of COVID-19 on well-being and anxiety levels. Nearly half of adults in the UK feel that their well-being has been affected. Anxiety levels have declined and stabilised since the start of the first lockdown period but remain high.

The COVID-19 pandemic has resulted in the deepest and fastest economic contraction on record, with the Scottish economy contracting by -6.5% between Q4 2019 and Q4 2020%. Households in the

Scottish Borders have felt and are continuing to experience the economic impacts of the COVID-19 crisis in terms of job loss, furlough and earnings reductions.

Education and outcomes for children have also been impacted negatively, with children and young people who have missed out on education during lockdown, re-entering education with considerable ground to catch up. There are particular and widespread concerns about negative impacts on future attainment for more disadvantaged students, who saw less educational input during lockdown. Meanwhile, young people are increasingly dependent on opportunities in local labour markets.

Those who rely on public transport for jobs and service, predominately the U25's and those on low incomes, have been disproportionately affected by reduced service provision on account of COVID restrictions and advice. The continued health warnings against using public transport are predicted to have medium term damage to the reputation and patronage of services, with negative economic and environmental impacts for the region.

Above all, the evidence indicates that the impacts of the COVID-19 pandemic and the public health measures taken to address the spread of the virus have been to widen the existing inequalities and exacerbate poorer outcomes. Demographic groups that were already disadvantaged before the pandemic are more likely to experience negative effects in many different areas of their life, including in educational opportunities, employment prospects, financial security, social outcomes and health and wellbeing. Among the most impacted groups are children and young people; older people who are isolated; people with pre-existing mental health problems; people with long-term disabling physical health conditions; unemployed people and those in insecure employment; Black, Asian, and minority ethnic communities; single parents and women. COVID has also clearly impacted on 'place'; most obviously our town centres, and some 'places' more acutely than others; again, typically, those places with more limited capacity and less resilience in the first place.

Alongside COVID, the need to adjust life outside the EU presents a concurrent challenge. Free movement of citizens between the UK and EU has ended and the UK is no longer part of the EU customs union and single market. Instead, it has a Co-operation and Trade Agreement that allows zero tariffs and zero quotas trading of goods on the basis of an agreed set of rules. While some initial trading and bureaucratic issues have eased, and can be expected to ease further as businesses become more familiar with new processes, it is unlikely that they will disappear completely. Among a range of requirements, new Customs & VAT requirements, health and rules of origin checks are a function of the Trade Agreement between the UK and EU. Unless those elements are superseded by new arrangements, they are likely to be permanent liabilities and a potential drag on businesses and business recovery. This has caused experts to predict that the UK economy will be much smaller going forward. It remains difficult to predict the precise impact of this on the Scottish Borders, but it has potential implications for everyone, most of all for the socially and economically vulnerable. Moreover, as already noted, businesses are not dealing only with the consequences of EU Exit, but also with the ongoing impact of COVID-19 and successive lockdowns, and the significant damage to the national and local economies these have already wrought.

**Public spending.** The UK Chancellor of the Exchequer's Budget in March 2021 was delivered in three parts. While the first part was, understandably, preoccupied with measures taken to continue to protect the livelihoods of individuals and businesses whilst health restrictions remain in place, and the third part with 'building the future economy', the second part was entitled 'fixing the public finances'. This was where the Chancellor highlighted the need for fiscal restraint in future years, given the likelihood that the economy will be permanently smaller as a result of COVID and, we

anticipate, EU Exit. Across the budget and November Spending Review in combination, the UK Government has cut more than £15 billion a year from departmental resource spending plans from 2022-23 onwards, compared to its pre-pandemic plans. Accordingly, while there is a surge in spending currently associated with COVID, long-term reductions in expenditure look likely and this will have an impact on Scottish Government spending through Barnett consequentials. The picture may be improved by better than anticipated economic recovery, but prognostications range from modest to pessimistic for economic recovery. Thus, over the next few years, the level of ‘unprecedented’ funding challenge for councils through to the present may actually be exceeded.

Moreover, at a time when businesses, communities, the third and public sectors are already under unprecedented pressure, they must address the twin challenges of the Climate and Nature Emergencies; COVID-19 having been described as ‘just a fire drill’ for what could follow from the Climate Crisis.

In response, the Council approved a Climate Emergency Declaration on 25 September 2020 and is scheduled to consider a Climate Change Route Map contemporaneously with this document on 17 June 2021. As we explain in section 2.3, the Council and partners are seeking to develop a strong response to the Climate and Nature Crises built on the region’s natural capital.

## 2.2 Pre-existing strategic issues

The challenges presented by COVID-19, the Climate and nature Crises and EU Exit need to be seen within the context of pre-existing strategic issues facing the Scottish Borders. These are:

1. Demography
2. Health and Social Care
3. Economy
4. Skills, Training, Employability and Transitions
5. Transport
6. Vulnerable Communities, including poverty and wider deprivation issues
7. Environment

In considering the impact of these deeply interrelated issues upon the Corporate Plan, we provide a few core facts and comments upon each of the strategic issues we’ve identified.

### 1. Demography

#### Facts

- (Pre Covid-19 Projections) Between 2018 and 2028 the population of the Scottish Borders is projected to increase by 1% (1.8% for Scotland). However those aged 75 and over is projected to increase by 29.6% (25.4% for Scotland). Those aged 45 to 64 are projected to decrease by 10.8% (compared to decrease of 5.5% for Scotland).
- The Dependency Ratio for the Scottish Borders was 70% for 2018 and is expected to increase to 80% in 2043. (Compared to Scotland 56% for 2018 increasing to 60% in 2043). The dependency ratio is a measure of the number of dependents aged zero to 14 and over the age of 65, compared

with the total population aged 15 to 64, so provides an insight into the number of people of non-working age, compared with the number of those of working age. The evidence suggests that the Scottish Borders has one of the highest dependency ratios in Scotland and that the position continues to escalate. This matters because higher and rising dependency ratios impact negatively on future growth, savings, consumption, taxation, pensions and public spending.

### Comments

- a) Communities which face pre-existing demographic challenges, especially depopulation, are likely to experience a proportionately greater impact from lower levels of migration. Across the South Scotland, a modest population growth has been driven over recent years largely through inward migration, with EU migration an important component. Existing challenges around net outward migration in the 15-29 age group from our area are now likely to be augmented by the ending of free movement and the new UK Immigration Act. Conflating these issues is likely to see further pressure on the region's dependency ratio.
- b) Economic recession generally poses a challenge for communities with a relatively smaller working age population as is the position in many of our communities and broadly across the Scottish Borders. Regions, like our's, are more at risk for three reasons. Firstly, if migration slows down, the economic challenge of ageing population will become more severe as migrants tend to be in the working-age. Thus, dependency ratios might increase further. Secondly, as noted above, an ageing population puts further pressure on the provision of public services and spending. Thirdly, labour markets rely on access to workers, which again becomes increasingly difficult in areas with a relatively smaller population in the working age. This can have a particular impact, for example, in relation to recruitment to the Health and Social Care sector.
- c) It remains to be seen whether COVID-19 and, among a host of other drivers, the prospects of homeworking lead to a long-term reversal of internal migration trends from rural to urban. We should also recognise that local experience within the region will be different with some areas experiencing greater challenges than others.

## **2. Health and Social Care**

### Facts

- The number of over 75s is expected to increase by 33.5% in the Scottish Borders by 2026, which is even higher than the 27.3% increase in Scotland as a whole. This means more people in the Borders will be living with one or more complex health conditions and are likely to require more health and social care as they age.

### Comments

- a) Acknowledging demographic and resource pressures, and the report of Independent Review of Adult Social Care, what is the future of Health and Social Care in the Scottish Borders?
- b) Does the Scottish Borders have a credible strategy for addressing the level of challenge reflected in its developing demand pressures? Are we making the most of our digital infrastructure to support older people? Is accommodation suitable and is it connected to appropriate services and support systems? What are the resource implications for the Council, partners and the region more widely of changing system and increased demand?

c) Our ageing population is too often viewed negatively as “burden”, or “time bomb”. Not only does this overlook the achievements of modern medical and public health advances in promoting longevity, it ignores the high levels of happiness, health and wellbeing reported by people well into old age. Older people also make a valuable contribution to society and the economy; in paid work and volunteering, by spending, and as unpaid carers or grandparents. How do we marshal the contribution of older people more effectively while developing a place-based, person-centred model of care which delivers the outcomes for future care that are important to individuals, and deliver significant wider wellbeing and societal benefits.

### **3. Economy**

#### Facts

- Extraction of natural resources, agriculture and textile manufacturing dominated the Scottish Borders economy throughout most of the last century. However, globalisation and deindustrialisation have reinforced a decline in traditional industries and lack of inward investment in new opportunities. The region experienced a brief industrial revival as part of the Silicon Glen electronic industry surge in the central belt of Scotland in the 1980s and 1990s, but this too has largely dissipated. Like the rest of Scotland, the Scottish Borders has experienced a succession of closures and redundancies in manufacturing over the past few decades. A long-term decline in agricultural employment has occurred alongside growth in tourism, which has been one of the few sources of new employment, sometimes through the diversification of farm businesses. Although there are many successful and innovative businesses in the region and a strong bias toward micro-businesses, the public sector is the largest source of secure and relatively well-paid jobs.
- Productivity per worker in the Scottish Borders was £36,900 in Scottish Borders in 2020 compared to £45,500 for Scotland. GVA per capita in the Scottish Borders was £18,397 in 2014 compared to £26,134 for Scotland.
- Work Place Based Gross Weekly pay for full-time workers in the Scottish Borders is £507 which is 12.1% lower than the work place based gross weekly pay for Scotland (£577).
- [Paragraph dealing with the specific negative impacts on particular sectors such as tourism and retail and reference to the impacts on our town centres.]
- The South of Scotland Regional Economic Strategy being developed by Regional Economic Partnership and a wider recovery plan being developed by SBC (to which we refer in section 2.3) are crucial to our collective response in pursuing economic recovery and, specifically, ‘Green Recovery’.

#### Comments

- a) As a consequence of COVID-19, large parts of the economy have suffered unprecedented disruption. Consumption and expenditure may be fundamentally altered.
  - b) For many, if not a majority of businesses, short-term survival has been the only agenda item. That survival is feasible, is because governments (UK and Scottish) have acted as the ‘economy of last resort’ through a raft of support measures.
- The economic impact on the Scottish Borders is particularly acute. The reasons for this include the region’s high dependency on those sectors - hospitality, visitor services, and the food and drink industries – which are among those most severely affected by disruption. Additionally, with very high numbers of micro and small businesses and self-employed compared to national averages, there are profound concerns that, the limited capital of such businesses, makes them especially vulnerable to closure or downsizing operations.

- c) Yet, assessed by conventional economic measures, the Scottish Borders has performed poorly for many years, well below the Scottish and UK averages, even before the advent of COVID-19. The region has long suffered low productivity and stagnating wages and living standards, coupled with cuts to public services due to governmental fiscal austerity.
- d) How do we strengthen economic outcomes and promote an inclusive economy in the face of these challenges? What role has a 'Green Recovery' in this process and what role does connectivity have? Must we make trade-offs between economic opportunity and sustainable development? We consider these issues in section 2.3 New Tools, New Opportunities, New Funding.

#### **4. Skills, Training, Employability and Transitions**

##### Facts

- Unemployment claimants has more than doubled in the Scottish Borders since February 2020 and at April 2021 stood at 3,615 (2,140 males and 1,475 females, 16-24 age group - 750 - 21% of the total and the older age 50+ group - 955 - 26% of the total). The unemployment rate is forecast to increase nationally to be between 10% and 15% by 2022. This equates to between 5,500 and 8,200 people in the Scottish Borders
- [Paragraph setting out facts re unemployment, which highlight the particularly baleful impact on young people.]
- Number of jobs furloughed at 28 February 2021 in Scottish Borders was 7,200.
- In 2017, 23% of all vacancies in the Scottish Borders were skills shortage vacancies and 11% of establishments reported at least one staff member not fully proficient in their role. Further, 35% of establishments in the region had at least one member of staff who was under-utilised.

##### Comments

- a) What more does the Council need to do with partners to develop an effective evidenced based model to Employability, Skills and Training within the Scottish Borders, which is commensurate with the developing challenge?
- b) Can we, working with partners (including SOSE, SDS, further and higher education and businesses) to develop more effective mechanisms and linkages to connect people with jobs?
- c) Is the employment, skills and training support being given to our post school young people adequate to meet the challenges ahead?
- d) What role does the Council and its partners have to play in supporting the retraining and skills development of older workers, enabling them to remain in or return to the workplace?
- e) How should the Scottish Borders respond to the Logan Review's national assessment of the Scottish tech ecosystem combining education, broader entrepreneurial skills development, funding, and support to businesses?

For schools

- f) What do we need to do stop children from falling behind?
- g) What more do we need to do support vulnerable families economically and socially – free school meals, clothing, digital support, 'child care'?

- h) How do we support pupils transitioning from Primary School to High School and from High School to positive educational, training and employment destinations?

## 5. Transport

### Facts

It is widely recognised that there have been significant adverse transport connectivity impacts on the ability of citizens to sustain learning, training and work. While the Scottish Borders is characterised by high ownership and use of the private car, the region's U25s have a predominate reliance on public transport. The following issues affect the public transport provisions in the region:

- I. Patronage decline on the bus network since 2010,
- II. 9% of the population not connected to the public transport system (circa 10k residents) - (SEStrans RTS Main Issues Report 2020),
- III. The majority of region is in medium and high transport poverty (SEStrans, RTS Main Issues Report 2020),
- IV. The cost of public transport is high compared to urban Scotland;
- V. Multiple points of travel information making the landscape complex for the user,
- VI. A plethora of ticketing structures/subsidies/concessions make it difficult to undertake cross boundary journeys,
- VII. Unintended consequences of existing subsidies/concessions that cause inefficiencies in the public transport network,
- VIII. The lack of data based route optimisation for public transport operators and planners to optimise investment decisions, and
- IX. Poor east/west links within the region and across the south of Scotland make journeys difficult and add an extra layer of complexity to providing commercially viable public transport. North south links are only perceived to be good when compared to east/west links but in relation to the likes of Fife and Lothian's the quality is low also.

### Comments

- 1 Transport is a pervasive issue for the Scottish Borders, reflecting our physical geography and demography and historically weak connectivity both internally and beyond the region.
- 2 The transport challenge within the region has been exacerbated by the COVID-19 pandemic with patronage of public transport (bus and rail) reduced, and issues of service sustainability raised, particularly for bus passenger transport.
- 3 One of the key barriers to sustainable inclusive economic growth in the South of Scotland is the lack of good transport infrastructure and the decline in the provision of public transport that fits in with people's needs, leading to high levels of dependency on private cars. Low population density makes it difficult to switch to other modes of transport. The consequent lack of transport options in the South of Scotland, with poor roads and rail infrastructure, is a frustration for the majority.

- 4 Once you travel away from the key travel corridors network connectivity deteriorates and workers find it increasingly difficult to access employment. It is widely recognised that transport connectivity impacts on the ability of citizens to sustain learning, training and work.
- 5 Scottish Borders Council is leading on Workforce Mobility Project within Edinburgh and South East Scotland City Region Deal that is tackling challenges around transport, beyond the perceived barrier of just cost, by seeking to address public transport complexity, improve network penetration in rural areas, and provide more relevant operational models and better partnership working.

The strategy and policy landscape is changing to positively promote and stimulate the delivery of inclusive economic growth, equality, just transition and net-zero that will deliver opportunities to reduce the workforce mobility barriers. However, the scale and complexity of the mobility barriers, the partners' involved and regional/national changes required to make a sustainable difference, means there are no quick solutions and change can only be delivered through partnership working. It is acknowledged that transport has a key role to play in the delivery of the targets outlined in the Climate Change Bill and in the promotion of an inclusive society and a low carbon economy.

- 6 The development of a Scottish Borders Council or South of Scotland Mobility Plan (to replace the 2008 Local Access & Transport Strategy) is required to reflect the national policy direction and the need for the region to benefit from a change to a net-zero economy to reduce inequalities. This can only be achieved with a strategic review of the region, its aspirations, the current barriers and opportunities.

## 6. Vulnerable Communities

### Facts

- According to the Oxford Economics Vulnerability Index, the Scottish Borders is the 3<sup>rd</sup> most vulnerable local authority area in relation to the economic shock resulting from COVID-19, reflecting (lack of) economic diversity, business environment, and digital connectivity.
- Universal Credit Claimants increased from 4,600 in Scottish Borders in March 2020 to 8,600 in February 2021.

### Comments

- a) We have to respond to two unprecedented challenges in combination in the form of COVID-19 and EU Exit. More people are vulnerable than was the case before COVID-19, and those who were insecure before advent of the pandemic are now more insecure than they were previously; reinforcing inequalities.
- b) Issues for us include:
  - Income Deprivation – Higher levels of deprivation make a community less resilient to large scale socio-economic shocks.
  - Workers in 'COVID and Brexit-sensitive' sectors.
  - Access to Services – measured as travel time to core public and private services, such as GP Surgeries, shops, banks and cash machines Post Offices as a proxy for geographical remoteness.
  - Access to food - Increased inflation – higher food prices and other costs (anecdotal)
  - Connectedness to digital and transport, and affordable transport.

- Affordable housing/affordable warmth
- Population Change and Working Age Population (as share of total population) – see Demography.
- Securing and deploying funding support effectively, including under the UK Build Back Better Funds.

## 7. Environment

### Facts

- On Climate Change, Scotland as a whole has a 75% emissions reductions target for greenhouse gases by 2030, 90% by 2040, and a net zero target for emissions by 2045. The Scottish Borders has a responsibility and the Council a legal duty to play their parts in meeting these targets.
- 1 in 11 native species (plants and animals) in Scotland is endangered.

### Comments

- a) That 'Scotland as a whole has a 75% emissions reductions target by 2030...' means lots of the 'difficult' issues like transport/building emissions need to be well on track to zero by then... so leadership for local authorities is likely to involve net zero targets by 2030 or the few years after that...and it must be seen as an investment opportunity if it is not to be down-graded against other priorities.
- b) When are we going to prioritise nature loss?
- c) Natural capital is one of our greatest assets and is central to our future net zero economy, developing thriving rural economies based around woodland creation, peatland restoration and biodiversity as well as sustainable tourism, farming, food and drink and energy.

### 2.3 New tools, New Opportunities, New Funding

The challenges the Scottish Borders faces, both new and pre-existing, could be viewed as a basis for pessimism. They should not be. Without downplaying the scale of the challenge, for the first time in many decades, the Scottish Borders stands on the cusp of unprecedented prospects. It has new tools, new opportunities and new funding.

#### **1. Support for Economic Development**

These prospects arise out of an alignment of circumstances in which the Scottish and UK Governments have accepted that rural regions, like the Scottish Borders, require bespoke solutions if they are not merely to meet the challenges which lie ahead, but to grasp future opportunities for prosperity, inclusion and sustainability.

**The South of Scotland and South of Scotland Enterprise (SOSE)** – Having commenced its formal operation from 1st April 2020, Scottish Government has established a new non-departmental public body, South of Scotland Enterprise (SOSE), in the local authority areas of the Scottish Borders and Dumfries and Galloway. The overarching aims of SOSE is to drive inclusive growth and ensure the region benefits from a new approach that supports a diverse and resilient economy, sustains and grows communities, and harnesses the potential of people and resources.

Though 'the South of Scotland' has a well-established pedigree of joint working between partners in Dumfries and Galloway and the Scottish Borders, led by the respective Councils, the creation of SOSE

represents an increased sensitivity to the needs of our region as a place. As the then Cabinet Secretary put it in the Scottish Government's March 2018 'Consultation on a new Enterprise Agency for the South of Scotland': "We want the South of Scotland to drive forward its own future, a future created of the South, by the South and for the South. And we want to ensure we're doing all we can to see that this future is one of fair work and inclusive growth."

Though the South of Scotland may not be new, SOSE is new and reflects a rejuvenated sense of purpose in the South of Scotland which is finding form in other activity:

### **South of Scotland Regional Economic Strategy**

The South of Scotland Regional Economic Partnership is formulating a ten year regional economic strategy for the South of Scotland. This will be accompanied by a programme of actions that will be reviewed annually. The strategy will provide direction in relation to economic development related interventions for the main public, private, voluntary, and community stakeholders in the South of Scotland, and it will support the work of the South of Scotland Enterprise. In the Scottish Borders it is intended that this strategy be adopted as the economic strategy of the Scottish Borders Community Planning Strategy. The draft strategy will be available for public consultation in mid-June 2021.

**Borderlands Inclusive Growth Deal** covers the largest geographical area of any regional growth deal negotiated with the UK and Scottish Governments and is the first cross-border deal (comprising Carlisle City Council, Cumbria County Council, Dumfries and Galloway Council, Northumberland County Council and Scottish Borders Council). Signed on 18 March 2021, the Deal aims to bring £452 million of fresh investment to the Borderlands area, and is focused on increasing productivity, growing the working age population, and delivering a more inclusive economy. It aims to create up to 5,500 jobs and provide a £1.1billion GVA boost to the region's economy over 10-15 years.

**Edinburgh and South-East Scotland City Deal** – comprising the local authority authorities of Edinburgh, East Lothian, Midlothian, West Lothian, Fife and Scottish Borders, together with regional universities, colleges and the private sector, is a mechanism for accelerating growth by pulling in significant government investment. In addition to pulling around £1.3 billion of investment across the region over 15 years, partners within the City Deal are due (commencing June 2021) to consult on a Regional Prosperity Framework. This sets out a 20-year vision to help address the significant challenges and opportunities ahead. In addition to supporting a post-COVID-19 economic recovery, the region aims to be in a position to address national priorities such as Scotland becoming a more sustainable, inclusive and net zero carbon economy, while supporting wellbeing for all of its people.

### **Indicative Regional Spatial Strategy for the South of Scotland and Indicative Regional Spatial Strategy for the Edinburgh and South East Scotland City Region (iRSS)**

Flowing from its duties under the Planning (Scotland) Act 2019 (as a planning authority, or acting jointly with other planning authorities), the Council has worked with partners in respectively the South of Scotland and the City Region to prepare and adopt a regional spatial strategy. Each iRSS articulates a number of shared outcomes and strategic development projects we wish to see achieved and delivered in our region by 2050 across areas including housing, transport, planning, economic development, land use and health and wellbeing, through the prism of sustainability and inclusion. The timescale for the programme set out in each iRSS is to 2050, with a 10-year review.

**UK Government Build Back Better Funds.** In relation to the following funds so far announced by UK Government to replace EU Funding, namely:

- The Community Renewal Fund - a competitive fund set to provide £220 million worth of revenue funding across the UK to support pilot projects in preparation for the introduction of the UK Shared Prosperity Fund in April 2022, the Scottish Borders is identified as one of 100 priority places which will be prioritised to target investment at communities in need.
- The Levelling-Up Fund - a competitive UK-wide capital fund for local infrastructure, aimed at having a visible impact on people and their communities, will set aside at least £800 million across Scotland, Wales and Northern Ireland over four years for annual funding rounds from 2021-2022 to 2024-2025. Again, the Scottish Borders is identified as a Category 1 area, to which preference will be given in the bidding process.
- The Community Ownership Fund – a £150 Community Ownership Fund was also announced to allow community groups to buy local assets to run as community-owned businesses such as pubs, sports clubs, theatres etc. Projects can bid up to £250,000 and in exceptional cases £1million, with the funding cycle due to start in June 2021 and available for four years.

**2. Sustainability: Climate, Biodiversity and Natural Capital.** As already noted, natural capital (by which we mean our stock of natural assets – our geology, our soils, our seas and freshwater, our air, our habitats and greenspaces and all the living things that these support) is one of our greatest assets and is central to our future net zero economy.

It is estimated that nature-based jobs (including the energy sector) currently represent around 20% of employment in the South of Scotland including 24,000 jobs in agriculture and food, and around 2,000 jobs in forestry (Borderlands Inclusive Growth Deal analysis). There are significant opportunities to build on the natural capital strengths in South of Scotland to deliver GVA, jobs and wider wellbeing economy outcomes. These natural capital strengths lie with the widespread recognition of the high quality of the Region’s environment, with the considerable natural capital experience and expertise that is contained within the Dumfries & Galloway and Scottish Borders local authorities and their public sector partners (Scottish Forestry, Forestry & Land Scotland, NatureScot, SEPA), with the long-established cross-sector partnership approaches to rural economic development and land management across the Region, and with the commitment of local further education to support the employment opportunities that the Region’s natural capital offers.

The South of Scotland’s recent designation as a **Regional Land Use Partnership Pilot** responds to this context. The Pilots will help national and local government, communities, land owners and stakeholders explore ways to optimise land use in a fair and inclusive way in seeking to tackle the twin crisis of climate change and biodiversity loss. It is intended the work of this Pilot will complement the development and implement the projects to be taken forward by Borderlands Natural Capital programme.

In short, the interdependencies in climate, biodiversity, land use, afforestation, carbon storage, renewables, energy, skills, jobs, a just transition, among others, represent a rediscovered pillar of our future wellbeing.

The Council’s Climate Change Route Map; Borderlands, not only in relation to the Natural Capital Proposition, but also in relation to other projects with a strong natural capital dimension such as Destination Tweed; the Regional Economic Strategy; the development of City-region approach to Climate Adaptation; and the Regional Land Use Partnership Pilot should be seen elements of a wider strategy which builds on existing partnerships and best practice and offers a strategic vision for

sustainability which optimises our assets in the public interest aligned to national policy, through strong and effective engagement.

At the same time, our approach to transition and to sustainable development must be 'just'. It is imperative that we design and implement our policies in a way that ensures the benefits of climate change action are shared widely, while the costs do not unfairly burden those less able to pay, or whose livelihoods are directly or indirectly at risk as the economy shifts and changes.

### **3. Connectedness Investment in Digital Infrastructure**

Significant investment is being carried out in the digital infrastructure of the Scottish Borders. The combination of the Scottish Government's Superfast Broadband and the current R100 programme will lead to almost all premises in the Scottish Borders having access to superfast broadband by the end of 2023. In relation to 4G mobile technology coverage the combination of the recently announced UK Government's Rural Network programme and the proposed 4G mobile network digital programme in the Borderlands Inclusive Deal should provide comprehensive 4G mobile phone coverage in the next few years.

Scottish Borders Council is leading on Workforce Mobility Project within Edinburgh and South East Scotland City Region Deal that is tackling challenges around transport, beyond the perceived barrier of just cost, by seeking to address public transport complexity, improve network penetration in rural areas, and provide more relevant operational models and better partnership working. It is intended that many of the outputs of this project can be applied across Scotland.

The National Transport Strategy 2 (Feb 2020) and the subsequent Delivery Plan (Dec 2020) have the underlying principle of changing the priorities of national investment away from Benefit Cost Ratio's towards reducing inequalities, inclusive growth, Net-zero and the environment. This has the potential to de-centralise the investment focus and provide opportunities for more rural initiatives, especially through partners like SUStran and SEStran. There are a number of investment opportunities that have been set out in the first Delivery plan that the region could benefit from if the aspirations are aligned and supported by local policy and strategy

### **4. Independent Review of Adult Social Care**

Commissioned by Scottish Government in September 2020, the Independent Review of Adult Social Care published its report on 3 February 2021, asserting a new delivery system is needed to achieve the full potential of social care support in Scotland. The report argues that a National Care Service is needed to:

- Achieve consistency across the country;
- Drive national improvements;
- Ensure strategic integration with the NHS;
- Set national standards and terms and conditions; and
- Bring national oversight and accountability.

Assuming that the recommendations of the IRASC are implemented as the policy of new Scottish Government from May 2021, for the Scottish Borders, the question arises as to how we ensure that national arrangements are sensitive to the place-based concerns of stakeholders in the region and that individual and collective outcomes are optimised?

### **5. Other challenges and opportunities**

We should recognise that many other changes are reshaping the world around us. The Council and its partners must be perceptive and agile in responding to these, if we are to attenuate challenges and translate change into opportunity and opportunity into tangible benefit to our region and its people.

While it feels contradictory to seek positives from the COVID-19 pandemic, they do exist, most obviously, in relation to the reduction in carbon emissions, the acceleration of change in the ways in which we work, learn and procure goods. The development of homeworking and how we interface with each other in delivering services open up significant potentialities about better design around customer needs and the needs of employees. The importance of digital investment has been particularly highlighted by the need for social distancing. We do not yet quite know where the 'new normal' will be, but it is difficult to imagine that the pace of trends to increased digitisation will not increase.

While digitisation gives rise to fears of increasing detachment from direct human interaction and loneliness, there is some counter-evidence that the need to respond to COVID-19 rejuvenated and reinforced community relationships and resilience.

[https://nationalperformance.gov.scot/sites/default/files/documents/NPF\\_Impact\\_of\\_COVID-19\\_December\\_2020.pdf](https://nationalperformance.gov.scot/sites/default/files/documents/NPF_Impact_of_COVID-19_December_2020.pdf)

Just as we have noted the potential for future fiscal retrenchment by governments from 2022/23, we must acknowledge the extent to which the present context has seen a significant surge in resources. During COVID, this has been manifest in the Coronavirus Job Retention Scheme and a range of supports from the UK and Scottish Governments to businesses, third sector and public organisations. As vaccinations rolled out regionally and nationally and infection rates have been suppressed by sustained lockdown measures, significant funding opportunities have begun to emerge around Green Recovery and the replacement of EU Funding through the UK Government's Build Back Better Funds. These funding opportunities include the Community Renewal Fund, Levelling Up Fund (as a precursor to the UK Shared Prosperity Fund), and Community Ownership Fund. Indeed, the challenge, given the austerity and reductions of the previous decade, is how the public sector effectively absorbs and channels these resources for optimal benefit.

### 3. Change and the Corporate Plan

Given the scale and nature of the change described in section 2, it is worth amplifying the notion that this refresh document and any Corporate Plan can only ever be a framework for what guides us, what we want to do, and how we want to go about it. “The best laid schemes o' mice an' men / Gang aft a-gley.” However, by ensuring a flexible framework based on sound values and building resilience into our systems, we strengthen our ability to grasp opportunities, and respond to challenges.

Thus, the next step is to look at our Corporate Plan and consider how this should change or be augmented to respond to our context as it is now rather than as it was in 2018.

Our existing Corporate Plan 2018/23 made a very deliberate effort to move the dial from what ‘we, as a Council, were going to do’ to ‘asking you to play your part- as individuals, families, businesses, partners and communities.’

The heart of the Plan is #Our Part/Your Part – the recognition that, if the Scottish Borders is to successfully meet future challenges and grasp future opportunities, then this requires everyone to play their part, from the Council delivering services to the diligence of students and lifelong learners striving to volunteers in communities throughout the Scottish Borders.

The notion that we need everyone to play their part remains essential. If it was true previously that the challenges we faced and the opportunities available to us required a mobilisation of all our capacities across the Scottish Borders, whether public sector, private sector, third sector, or private citizen, then this even ‘more true’ now. #Our Part/Your Part remains a clarion call in future plans. The scale and complexity of challenges faced, the need to optimise whatever opportunities exist make it essential we all play ‘Our Part’.

The Plan also set out a series of commitments under the following 4 themes:

1. Our services for you
2. Independent, achieving people
3. A thriving economy, with opportunities for everyone
4. Empowered, vibrant communities

If we unpack these themes, it is clear that themes 2, 3 and 4 are focused on ‘wellbeing’, while theme 1 is concerned with the quality of decision-making, services and delivery. None of these aspirations are negotiable. However, the exceptional period of change since 2018 and the continuing fluidity of our situation strongly suggests that there would be merit in reinforcing our sense of purpose as a Council.

Councils have a multitude of functions, but 3 essential roles sit at the heart of what we do: Community Leader, deliverer of a comprehensive range of services and infrastructure required by our communities, and regulator of those provisions which protect peoples’ interests. The Council’s scale breadth and influence directly and indirectly touches every aspect of people’s lives across the region. At the same time, the democratic character of the Council invests it with a uniquely powerful voice, representative of the local electorate. Moreover, legislation places a leadership responsibility upon us as a local authority, which is unique among public bodies.

The events of the last few years see an unmatched level and complexity of challenge, but they also see the Council able to call upon a set of new tools and ready to grasp new opportunities.

Given all this, 'now' is a moment for the Council to revisit what 'we, as a Council, are going to do', while continuing to ask you 'to play your part- as individuals, families, businesses, partners and communities.' We cannot do it without you.

#### **4. Working Principles: Values, Mission and Strategic Priorities**

What might a suite of working principles to support our Corporate Plan and activity for the remainder of the present Council term look like?

##### **Our Values**

The following values are proposed:

##### **People-focused**

- We work collaboratively with colleagues and partners, recognising that everything we do is for the benefit of our residents
- Less judgment, more empathy: We treat people with respect rather than making assumptions about their needs or behaviour
- No decision about me, without me: We believe that everyone has the right to be involved in decisions that affect them.

##### **Agile**

- We take advantage of new opportunities and manage risk effectively
- We work with the public, communities, partners and stakeholders to make the best use of public resources and are robust in our business relationships to ensure that we deliver good value for money
- We are always looking for new ideas, learning from our own experiences, each other, and the best in the world
- We actively try new things; we understand that mistakes create opportunities to learn and we manage the risks that arise

##### **Inclusive**

- We are passionate about everyone having the best opportunities
- We carefully consider the impact of our decisions, and we always seek to act fairly
- We recognise that diversity is about understanding that people are different and have different strengths as well as needs, rather than simply treating everyone the same
- We recognise that equality is the right of all human beings to be equal in dignity, to be treated with respect and consideration and to participate on an equal basis with others in any area of economic, social, political, cultural or civil life; all of which ensure that people feel welcome, valued and accepted

##### **Sustainable**

- We are passionate about the prospects of future generations and ensuring we live within our means
- We are determined to ensure that the Scottish Borders should become a leader in the environmental sphere and enjoy the benefits of dealing simultaneously with health inequalities and environmental sustainability
- We think creatively, look for solutions and solve problems based upon an understanding of the long-term

## **Our Mission**

The Council's overarching goal, or mission will be to optimise the wellbeing of our citizens.

We will do this by pursuing and promoting:

- Prosperity, economic resilience and Community Wealth Building, reinforced by notions of fairness, equality and inclusion;
- Good physical and mental health and wellbeing;
- Fairness and equality based on the notions of personal freedom, equality of treatment, respect for all human beings and a belief that one's views matter;
- Sustainability. As Scottish Government has noted, 'If everyone in the world lived as we currently do in Scotland, it would require the resources of more than three planets.' To enable all people throughout Scotland, and the wider world to satisfy their basic needs and enjoy a better quality of life, it is essential that we live, work and consume sustainably.

Each of these aspirations is strongly manifested in Scottish Government policy through the National Performance Framework; and, for the Council, through the Embedding Sustainable Development Report of 29 August 2019, which formally committed the local authority to implementing the UN Sustainable Development Goals as they relate to local government.

Natural capital will be a particular focus for our efforts. By natural capital we mean our stock of natural assets – our geology, our soils, our seas and freshwater, our air, our habitats and greenspaces and all the living things that these support. These natural assets underpin many of the services that we depend on – e.g. soils for food production, water supply and quality for industry, wind and tides for energy, forestry and peatlands for carbon storage, wildlife and landscapes for tourism. Natural capital represents one of the Scottish Borders' greatest assets, and is central to our future net zero economy. There is also strong resonance with the Four Capitals approach of the Report of the Advisory Group on Economic Recovery, and 'the Green Recovery' ambitions of the Scottish and UK Governments, set out (among other commitments) in the Update of the Climate Change Plan 2018–2032, the multi-year investments of the Programme for Government 2020-2021, and in the Build Back Better Funds. Thus, the Council's Climate Change Route Map, the South of Scotland Regional Economic Strategy, the Borderlands Inclusive Growth Deal, the Edinburgh and South-East Scotland City Regional Deal and the South of Scotland Regional Land Use Partnerships (RLUP) Pilot should be seen as elements of a wider strategy – which builds on existing partnerships and best practice and our natural capital assets as a regional unique selling point. For the Scottish Borders focus on natural capital represents a virtuous circle.

## **Our Strategic Priorities**

A further link in the chain of values and mission, is clarity around the Council's strategic priorities. Now viewed through the prism of COVID-19, EU Exit and the Climate and Nature Emergencies, the pre-existing issues and challenges identified in section 2 of this document, provide a context for discussion. As priorities, they are probably too broad to provide the specific focus that should be a feature of a corporate plan, but they provide a helpful baseline from which to determine what the Council's key strategic priorities should be.

1. Demography
2. Health and Social Care

3. Economy
4. Skills, Training, Employability and Transitions
5. Transport
6. Vulnerable Communities
7. Environment

Elected Members have a critical role to play in shaping and determining the Council's future strategic priorities. For the present, Council should continue to frame its approach to pursuing its strategic priorities around the 4 themes of the existing Corporate Plan:

- Our services for you
- Independent, achieving people
- A thriving economy, with opportunities for everyone
- Empowered, vibrant communities

## **5. Making a Difference: Monitoring Progress**

What we're aiming for is an unbroken link between values and goals which manifests itself ultimately in results. It's when what we think and what we say and what we do all line up: analysis, systems and people making sure that our values and goals are mirrored within our strategies, plans and policies and delivered through our actions.

A review of the Council's Performance Management Framework has been initiated to support this process. We expect the Review to include:

- A business manager approach to providing expertise, alignment and support.
- Using the Council's Competency and Appraisal Process for staff to embed the right behaviours in respect of performance management.
- Progress of the Business Intelligence Programme to create data resource and analytical tools to drive improvement of our priorities/outcomes.

The performance-management process involves clearly communicating to every member of staff the aims and objectives most directly relevant to them, enabling them to think for themselves about how they can make their best contribution, then supporting and developing them, both professionally and personally, so that they can optimise that contribution.

Our goal is that managers own the performance-management system as something live, useful and essential to achieving continuously improving performance at the Council. It is not a bureaucratic add-on: it's as necessary and as regular to the Council as breathing is to all of us.

The Business Intelligence Programme is the means by which we will secure, develop and analyse the right kind of information.

## **6. Engagement**

This refresh is about generating a framework for future thinking so that when we develop a new corporate plan this has been fully tested within and beyond the Council to ensure that we have something that speaks universally and builds serious buy-in.

It's no overstatement to suggest that councils have the opportunity to make a real difference to people's lives by creating opportunities that enable them to live, connect, grow and flourish. However, our chances of influencing real change are much greater if we shift focus away from services that simply react to demand, and towards services that build trusting relationships and respond to those we are here to serve. Ultimately, the aim is to co-produce our ambition for the Borders, and this means agreeing issues, a shared purpose and how we need to work together to contribute to building towards that ambition.

In turn, this requires rethinking our engagement with the Scottish Borders public, with businesses, partners and stakeholders. Of course, it is easy to say that we want a fundamentally different type of engagement. It's much more difficult to achieve it.

However, we've begun the process, developing our approach to Place-making and the interaction, which is integral to this.

We envisage not a single conversation with the public, communities and other stakeholders, but an evolving and extended dialogue with much stronger process which builds a fundamental difference in approach. That dialogue starts softly but starts now.