SCOTTISH BORDERS COUNCIL
EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE COMMITTEE held remotely by Microsoft Teams on Tuesday, 8 June 2021 at 10.00 am

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Present:-	Councillors S. Haslam (Chairman), S. Aitchison (Vice-Chairman), G. Edgar, C. Hamilton, S. Hamilton, E. Jardine, S. Mountford, M. Rowley, R. Tatler, G. Turnbull and T. Weatherston
Apologies:-	Councillor S. Aitchison
Also present:-	Councillors W. McAteer, S. Scott.
In Attendance:-	Executive Director Corporate Improvement & Economy, Service Director Customer & Communities, Financial Services Manager, Principal Officer (Housing Strategy, Policy & Development), Democratic Services Team Leader, Democratic Services Officer (F. Henderson).

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1. **MINUTE**
There had been circulated copies of the Minute of the meeting of 18 May 2021.

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 a statement comparing final revenue outturn expenditure and income for 2020/21 with the final approved budget for the year along with explanations for significant variances. The report explained that an unaudited outturn net underspend of £2.516m was achieved in the 2020/21 revenue budget. The £2.516m net underspend (0.9% of final approved budget) was delivered following a number of earmarked balances being carried forward from 2020/21 into 2021/22. In total, these amounted to £25.582m and related to a number of initiatives across the Council and specifically included £15.682m of carry forward into the Council's COVID-19 reserve and £1.220m of carry forward by schools under the Devolved School Management scheme (DSM). Council services had delivered an underspend position whilst delivering significant financial plan savings totalling £12.091m. A high level summary of the outturn position in each Service was detailed within the report.

2.2 The COVID-19 emergency situation, which had affected the UK throughout 2020/21, had caused unprecedented pressure to society and the economy with significant financial challenges. The pandemic had caused a major impact on delivery of public services. In response the Council made major changes to its service delivery model during the year with the Council playing a key role in supporting Borders communities, businesses and residents. The Council had received significant support from Scottish Government to maintain public services during the pandemic and had administered over £70m of funding which had been passed to over 5,770 businesses through a variety of business grants. During 2020/21 detailed Revenue Monitoring Reports were reviewed by CMT on a monthly basis allowing proactive corporate management action to be taken during the year where required. Council approved a major in-year budget review in August 2020 to reflect the impact of COVID-19 on the budget. In line with Financial Regulations quarterly monitoring reports were approved by the Executive Committee, authorising the necessary adjustments to the budget throughout the year. The financial impacts of COVID-19 during 2020/21 provided the basis to inform 2021/22 forecasting. The 2020/21 outturn information would be used to inform and influence the monitoring of the 2021/22 revenue budget and the 2022/23 financial planning process.

2.3 As previously reported, there had been a significant impact on the delivery of approved Financial Plan savings during 2020/21 as a result of the emergency situation with slippage experienced in the delivery of planned savings. The level of savings required by the financial plan, totalled £12.091m, in 2020/21 and analysis of delivery of savings was provided in Appendix 2 to the report. The outturn position showed that £7.938m (66%) savings were delivered permanently in line with approved plans, with £4.153m (34%) delivered on a temporary basis through alternative savings. Particular emphasis was being placed on the permanent delivery of these savings during the early part of 2021/22.

2.4 The Members acknowledged the exceptional year and the efforts from Officers across the Council in achieving this position. In response to a question in terms of further savings requiring cutting services, the Financial Services Manager advised that the investment in CGI should enable efficiency savings to continue to be made but acknowledged that making savings would become increasingly more difficult. In terms of Live Borders, it was explained that the Management Fee had been paid and government support had been received through the staff furlough scheme which had resulted in a balanced position for 2020/21. However, there were significant challenges ahead as they re-opened services.

DECISION
AGREED:-

(a) the content of the report and noted the favourable outturn position for 2020/21 prior to Statutory Audit; and

(b) to endorse the CMT proposals for the balance of £2.516m identified in the report.

(c) To approve the adjustments to previously approved non-COVID-19 related earmarked balances noted in Appendix 1 to the report.

(d) to note:-

(i) that the draft unaudited outturn position would inform the budgetary control process during 2021/22, especially in relation to ongoing COVID-19 impacts, and inform the financial planning process for future years; and

(ii) the sums earmarked under delegated authority by the Executive Director, Finance & Regulatory as shown in Appendix 1 to the report.

3. **CAPITAL FINACIAL PLAN 2020/21 – FINAL UNAUDITED OUTTURN**

There had been circulated copies of a report by the Executive Director Finance & Regulatory which provided a statement comparing the final capital outturn for 2020/21 with the final budget for the year and identified the main reasons for any significant variations. The final capital outturn statement for 2020/21 was included at Appendix 1 to the report and included the reasons identified by the Project Managers and Budget Holders for the variances to the final approved budget. These identified an outturn expenditure of £54.787m which was £9.531m below the final revised budget of £64.318m.

The Capital Plan was materially impacted by COVID-19 and the resultant national "lockdown" of the construction industry and the associated inevitable delays in planned programmes of work during 2020/21. The overall impact on the capital plan was that net £44.872m of budget within the Capital Plan had been moved as a timing movement to future years as a result of delays and re-profiling of programmes of work. The Financial Services Manager answered Members questions. In response to a question on increased costs of building supplies, Mr Curry advised that he was currently looking into this and would provide an update for Members at their next briefing.

DECISION

(a) AGREED:-

(i) the projected outturns in Appendix 1 to the report as the revised capital budget and approved the virements required;

(ii) the remaining budget of £0.16m from Emergency & unplanned was allocated to IT transformation as reflected in Appendix 1 to the report; and

(iii) The block allocations detailed in Appendix 3 of the report.

(b) NOTED:-

(iii) the adjustments to funding in Appendix 1 to the report;

(iv) the final block allocations in Appendix 2 to the report

(v) the whole project costs detailed in Appendix 4 to the report.

4. **BALANCES AT 31 MARCH 2021**

There had been circulated copies of a report by the Executive Director Finance & Regulatory which provided an analysis of the Council's balances as 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 2021. The balances for 2020/21 were prior to a series of technical accounting adjustments, the effect of which were expected to be broadly neutral. Adjustments required as a result of the Statutory Audit process would be reported at the conclusion of the Audit. The total of all useable balances, excluding developer contributions, at 31 March 2021 was £47.672m compared to £29.866m at 31 March 2020. The increase in balances between 2019/20 and 2020/21 can be attributed to the COVID-19 reserve of £15.682m being carried forward through earmarked balances from 2020/21 to support financial impacts in 2021/22 along with the allocation of the 2020/21 revenue underspend of £2.516m to balances. The Financial Services Manager answered Members questions.

DECISION
NOTED:-

(a) the revenue balances as at 31 March 2021 as contained in Appendices 1 & 2 to the report, including movement in the allocated Reserve since the last reporting period; and

(b) the balance in the Capital Fund as contained in Appendix 3 to the report.

5. **CORPORATE DEBTS – WRITE OFFS IN 2020/21**

5.1 There had been circulated copies of a report by the Executive Director, Finance & Regulatory as required by the Financial Regulations, the report detailed the aggregate amounts of debt written off during 2020/21 under delegated authority. The report covered the areas of Council Tax, Non-Domestic Rates, Sundry Debtors, Housing Benefit Overpayments and aged debt from the balance sheet and it was noted that the total value of write-offs decreased from £1.872m in 2019/20 to £0.726m in 2020/21. There were ongoing risks associated with the management of the Council's debts and these may lead to an increase in the level of debts that may require to be written off as irrecoverable in future years and were detailed in paragraph 6.2 of the report. The Council maintained an appropriate bad debt provision to help manage these risks. It was highlighted that, within Sundry Debt, the Council continues to encounter difficulties in recovering social care debt and liquidations/sequestrations, however a decision to reduce debt recovery action during 2020/21 due to Covid 19 had resulted in lower write-offs than initially expected. The amount of Sundry Debt currently owed to the Council, and deemed to be at risk, stood at £1.05m. The Bad Debt Provision as at 31 March 2021 stood at £0.93m with an additional £0.12m to be added in 2021/22. The Council Tax debts which had been written off in 2020/21 were detailed in table 2 of the report and had been categorised by reason for the write off. The Financial Services Manager answered Members questions. It was highlighted that the impact of Covid would continue to be felt for some time and it had been a strategic decision not to pursue debt recovery during the pandemic.

DECISION
NOTED the debtor balances written off during 2020/21 under delegated authority.

6. **OUR PLAN AND YOUR PART IN IT: SBC'S CORPORATE PERFORMANCE IMPROVEMENT REPORT 2020/21**

There had been circulated copies of a report by the Executive Director, Corporate Improvement and Economy which presented a high level summary of Scottish Borders Council's 2020/21 performance information with more detail contained within Appendices 1 – 5 to the report. The report included reporting on the progress of change and improvement projects across Scottish Borders Council (SBC), under Fit for 2021 programme and highlighted the work undertaken during the course of the organisation's response to the Covid -19 pandemic. During 2020/21, SBC had continued to press ahead with a range of important initiatives and innovation, including the progression of a number of key projects including commencement of the Reston Station project works in March 2021 and the appointment of McLaughlin & Harvey as the Main Works contractor for the Hawick Flood Protection Scheme; the accelerated implementation of the Inspire Learning programme, with every student, from Primary 4 onwards, and teachers receiving an iPad, enabling SBC to adapt quickly to remote learning when required throughout the pandemic; the accelerated roll out of MS Teams across the entire organisation, providing a digital platform for staff to collaborate virtually online as well as enabling the vast majority of office based staff to transition to home working with minimal disruption; continued engagement with the Borderlands Inclusive Growth deal, formally signed on 18 March 2021, which would deliver multiple benefits to the Scottish Borders; d the contract with CGI for the delivery of end-to-end managed IT Services until 2040, positioning the Scottish Borders as the UK's first Smart Rural Region; Developed a group of Young People from across the Borders to become Youth Ambassadors for Sustainability. The Youth Ambassadors would focus on highlighting the climate emergency and encouraging local people to take action under the campaign **#OurPromiseToThePlanet** and an Award Winning Council, with the work on both the Inspire Learning Project and Dirtpot Corner Improvement works receiving a total of 3 National awards. Members welcomed the report and the continued improvement, highlighting the improvements in waste recycling, payment of invoices and the CAT team successes in tackling drugs.

DECISION

AGREED to:-

(a) **Note the progress update relating to Change and Improvement Projects, referenced in Section 5 and detailed further in Appendix 2;**

(b) **Note the changes to performance indicators outlined in Section 6 of this**

report;

(c) **Note the performance summarised in Sections 7 and 8, and Approves the Annual Reports set out at Appendices 1, 2 and 3 and the action that is being taken within services to improve or maintain performance.**

7. **LOCAL HOUSING STRATEGY (LHS) 2017-22 YEAR 4 PROGRESS**
With reference to paragraph 6 of the Minute of 9 February 2021, there had been circulated copies of a report by the Executive Director Corporate Improvement and Economy seeking agreement of the Annual Progress Report, setting out what had been achieved in the delivery of year four of the Local Housing Strategy (LHS) 2017-22, contained in Appendix 1 of the report and approval to submit this to the Scottish Government More Homes Division. The report explained that the Housing (Scotland) Act 2001 placed a statutory requirement on local authorities to develop a Local Housing Strategy, supported by an assessment of housing need and demand. This strategy set out the strategic direction for housing investment and service delivery in the Scottish Borders for 2017-22 and was approved by Scottish Borders Council and submitted to the Scottish Government in September 2017. The report went on to explain that the Council and its partners had made good progress since the LHS was formally approved. Year four had seen some challenges as a result of the ongoing Covid-19 pandemic, however, work during 2020/21 included the delivery of 107 affordable homes, the submission of an ambitious Strategic Housing Investment Plan (2021-2026) underpinned by up to £163m of investment, implementing the second year of the Affordable Warmth and Energy Efficiency Strategy, delivering the Warm and Wells Borders project and 41 major adaptations being completed in the private sector were just some of the achievements and progress made over the year. It was highlighted that Scottish Borders Council were awarded £1.34m in Energy Efficient Scotland: Area Based Scheme funding. The Covid-19 pandemic had had a significant impact on the programme's delivery, despite this it was still possible to install 100 of the planned 278 energy efficiency measures supporting over 75 households. £550,000 of the £1.34m grant allocation was drawn down over that period. For the 2020/21 programme (expected to complete in December 2021) Scottish Borders Council had been allocated over £1.7m, and this would support over 250 measures; result in over £900,000 in lifetime financial savings and save over 700 tonnes of carbon. RSL's had continued to make good progress towards the Energy Efficiency Standard for Social Housing (EESSH) and the Borders Home Energy Forum celebrated its second year of operation. SBC also secured two years of funding amounting to £551,000 from National Grid's Warm Homes Fund to deliver the "Warm and Well Borders" project. Over 300 households have been supported with benefits and energy savings of £300,000 having been realised. Members welcomed the report and the positive news it conveyed given the challenges faced over the last year.

DECISION
AGREED to:-

(a) **note the progress made in delivering on the strategic actions as set out in the appended Annual Progress Report and Monitoring and Evaluation Matrix; and**

(b) **approve submission of the Annual Progress Report and Matrix to the Scottish Government More Homes division.**

8. **SCOTTISH BORDERS RAPID REHOUSING TRANSITION PLAN 2019-2024**

8.1 There had been circulated copies of a report by the Service Director- Customer and Communities which provided an update on progress with the Scottish Borders Rapid Rehousing Transition Plan 2019/2020 – 2023/2024 (RRTP) (Appendix 1), and sought endorsement of the reviewed Scottish Borders RRTP – Action Plan (Appendix 2), Integrated Impact Assessment (Appendix 3) and Funding and Activity Monitoring Return

(Appendix 4) for submission to the Scottish Government. The report explained that the Scottish Government was committed to making “radical changes to end homelessness in Scotland” and saw “Rapid Rehousing by default” as a cornerstone of this commitment. In 2018 the Scottish Government requested that all Local Authorities submit a 5- year RRTP for the period 2019/20 – 2023/24 by the end of March 2019. Development of the Scottish Borders RRTP was led by the Borders Homelessness and Health Strategic Partnership and included consultation with key partners including the Borders Housing Alliance and the Health and Social Care Integration Strategic Planning Group. The Council formally approved the Scottish Borders RRTP at its meeting on 28 March 2019 and it was submitted to the Scottish Government in March 2019. The Scottish Government had provided funding to local authorities for the development of RRTP from the ‘Ending Homelessness Together Fund’ and further detail were contained in Section 4 of the report. The RRTP Action Plan had been reviewed and updated by the Homelessness and Health Strategic Partnership, particularly in light of the impact of the pandemic, and a Funding and Activity Monitoring Return had been prepared for submission to the Scottish Government.

8.2 It was highlighted that there had been significant delays to progress on the RRTP, particularly in light of the impact of the pandemic, when Borders Homelessness and Health Partnership (BHHSP) members had been on the front line of the crisis and had worked closely together throughout the pandemic to ensure that tenants, customers and those at risk of homelessness continued to receive the services and support they required. Homelessness services were delivered by telephone wherever possible, however, given the vulnerable nature of many homeless households, face to face access and support was retained where required. Early actions in response to the pandemic were focused around ensuring homeless or potentially homeless households within the Scottish Borders had suitable accommodation available to them that allowed them to comply with the imposed lockdown measures. To achieve this homelessness services and RSLs worked in partnership to increase the availability of temporary homeless accommodation by 15 properties, and ensured homeless applicants had continued access to permanent accommodation and support. The report further detailed the Rapid Rehousing Transition Plan Funding, the Scottish Borders Rapid Rehousing transition plan 219/2020 – 2023/2024 and financial implications. In response to a question about the average length of tenure of homelessness accommodation, Jordan Manning advised that it had been 123 days last year and 116 days the year before.

DECISION
AGREED to:-

(a) note the progress made with delivery of the Scottish Borders RRTP.

(b) approve submission of the reviewed and updated Scottish Borders RRTP Action Plan, Integrated Impact Assessment, and Funding and Activity Monitoring Return to the Scottish Government.

9. **PAY AND DISPLAY PARKING**

With reference to paragraph 7 of the Minute of 18 May 2021, there had bene circulated copies of a report by the Service Director Assets and Infrastructure which examined the current scope of Pay and Display operations in the Scottish Borders and proposed a number of changes to standardise these. The report provided the further information as requested by Councillors at the meeting on 18 May 2021. The report also provided feedback on the recent suspension of Pay and Display in the run up to Christmas 2020. Members welcomed the more detailed report which they were now happy to support.

DECISION
AGREED:-

(a) **to standardise the daily operational period across Pay & Display car parks at 08.30 to 17.00.**

(b) **that Pay & Display operating days be Monday to Saturday, but with the specific exceptions detailed in (c), (d) and (e) below.**

(c) **Buccleuch Street, Melrose additionally operating on a Sunday.**

(d) **St Abbs Car Park additionally operating on a Sunday.**

(e) **Edinburgh Road, Peebles operating on a Saturday only.**

(f) **to standardise tariff bands across all Pay & Display car parks as:**

- **Up to 2 hours**
- **Between 2 to 4 hours**
- **Between 4 to 6 hours**
- **Over 6 hours (in any one day)**

And that a separate daily charge for buses and coaches can still apply in those car parks that provide that facility.

(g) **to set costs for the proposed tariff bands as follows:**

- **50p for up to 2 hours**
- **£1.50 for between 2 to 4 hours**
- **£3.00 for between 4 to 6 hours**
- **£5.00 for over 6 hours (in any one day)**

(h) **to set a standardised charge of £40 (with a reduced charge of £20 if payment is received within 10 days) across all towns for any surcharges / Excess Charges / Irregular Parking Charges that may be incurred.**

(i) **to improve signage in existing Pay & Display car parks including emphasising the ability to pay by smart phone.**

The meeting concluded at 11.35 a.m.