

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE
COMMITTEE held remotely by Microsoft
Teams on Tuesday, 16 November 2021 at
10.00 am

Present:- Councillors S. Haslam (Chairman), G. Edgar, C. Hamilton, S. Hamilton,
E. Jardine, S. Mountford, M. Rowley, R. Tatler, G. Turnbull & T. Weatherston
Also Present:- Councillors W. McAteer, E. Thornton-Nicol
Apologies:- Councillor S. Aitchison
In Attendance:- Director Finance & Corporate Governance, Director Infrastructure &
Environment, Director People, Performance & Change, Director Resilient
Communities, Director Social Work & Practice, Director Strategic
Commissioning & Partnerships, Democratic Services Team Leader,
Democratic Services Officer (D Hall).

1. MINUTE

There had been circulated copies of the Minute of the meeting held on 5 October 2021.

DECISION

APPROVED for signature by the Chairman.

2. MONITORING OF THE GENERAL FUND REVENUE BUDGET 2021/22

- 2.1 There had been circulated copies of a report by the Director Finance & Corporate Governance providing the Committee with budgetary control statements for the Council's General Fund based on actual expenditure and income on 30 September 2021, along with explanations of the major variances identified between projected outturn expenditure/income and the approved budget. The Council had continued to experience impacts from the COVID-19 pandemic into the new financial year with a number of variations from budget evident. The report explained that due to the very challenging operating environment it remained essential that the Council continued to operate as efficiently as possible to ensure that any financial implications not yet clear could be managed as the financial year progressed.
- 2.2 The approved new corporate structure had been reflected in the report. Forecasts had been completed at the second quarter of 2021/22 at 30 September that projected the Council to be in a balanced position at the financial year end. The position required a further draw down of £0.620m from the COVID-19 reserve compared to the reported position at the end of the first quarter of the current year. The forecast position included the carry forward of resources from 2020/21. Impacts from COVID-19 were expected to continue in to 2022/23, the COVID-19 reserve would be drawn down as required to meet identified financial pressures. The latest forecast included all known pressures including loss of income, confirmed Scottish Government funding, the effects of the continued freeze on discretionary spend and assumptions around delivery of Financial Plan savings.
- 2.3 The report outlined that significant confirmed funding was in place for 2021/22, with a commitment that additional expenditure incurred through the Integration Joint Board (IJB) delivering Health & Social Care services be funded by the Scottish Government.

The report detailed the breakdown of confirmed COVID-19 funding for 2021/22, stating that a total of £31.563M was available. The total COVID-19 funding was split between funding which had been ring-fenced to be used for a specific purpose (£13.411m) such as education recovery, IJB funding, admin funding and funding to support communities, and that which could be used more generally by the Council to address COVID-19 pressures (£18.152m). Full details of funding available was provided in Appendix 2 to the report. There had been an ongoing impact on the delivery of planned Financial Plan savings during 2021/22 as a result of the diversion of management time to the pandemic during 2020/21 and into 2021/22. The level of savings required by the financial plan, totalled £9.301, in 2021/22 and an analysis of delivery of savings had been updated and provided in Appendix 3 to the report. Following the September month end savings of £2.491m had been delivered permanently, £1.964m (21%) was profiled to be delivered by 31 March 2022 and £4.846m (52%) was to be delivered on a temporary basis through alternative savings. The Director, Finance & Corporate Governance answered Members questions regarding the report and explained that reports were made regularly to the Scottish Government on a range of matters, including the impact of COVID-19 on the Council's ability to deliver fiscal savings.

DECISION

AGREED to:-

- (a) note the projected corporate monitoring position reported at 30 September 2021, 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) note the COVID-19 funding detailed in Appendix 2 to the report;**
- (c) note the progress made in achieving Financial Plan savings in Appendix 3; and**
- (d) approve the virements contained in Appendix 4 & 5 to the report.**

3. MONITORING OF THE CAPITAL FINANCIAL PLAN 2021/22

- 3.1** There had been circulated copies of a report by the Director Finance & Corporate Governance providing an update on the progress of the 2021/22 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 2021. Key issues identified in the tables were summarised within the main report. The report explained that the September month end position reflected a projected outturn of £84.229m with a net budget variance of £16.445m. Further timing movements were likely as the year progressed and there was further clarity on timing of major projects. Significant expenditure was anticipated in Hawick Flood Protection scheme at £23.4m and £12m IT investment during 2021/22. There were a number of macro-economic factors affecting the Capital Plan. It was noted that the construction materials supply chain had been subject to unprecedented disruption in recent months. A surge in demand, coupled with constraints on supply had led to price increases, shortages and longer lead times and the impact of this on the Capital Plan was being assessed.
- 3.2** Current legally committed projects had a small risk of impact and block programmes of work could operate within a cash constrained budget and were low risk. The report stated that the most significant risk lay in the small number of contracts to be tendered this year which might result in budget pressure. Any financial implications from these market conditions would be reported through the regular budget monitoring cycle, with any longer term impacts reflected in the financial planning process.

- 3.3 The list of block allocations approved for the year and various approved and proposed projects to be allocation from them within the 2021/22 Capital Plan was outlined in Appendix 2 to the report. The list of estimated whole project capital costs for single projects which would not be completed in the current financial year was outlined in Appendix 3 to the report. Members discussed the report, recognising the ongoing impact of COVID-19 upon the delivery of the Capital Plan.

DECISION

- (a) **AGREED the projected outturn 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 Director, Finance & Corporate Governance and the Director Infrastructure & Environment detailed in Appendix 2 to the report under delegated authority;**
 - (ii) **the list of block allocations detailed in Appendix 2 to the report; and**
 - (iii) **the list of whole project costs detailed in Appendix 3 to the report.**

4. BALANCES AT MARCH 31 2022

There had been circulated copies of a report by the Director Finance & Corporate Governance providing an analysis of the Council's balances as at 31 March 2021 and details of the projected balances at 31 March 2022. The report explained that the unaudited Council's General Fund useable reserve (non-earmarked) balance was £8.3831m at 31 March 2021. 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. The total of all useable balances, excluding developer contributions, at 31 March 2022 was projected to be £34.288m, compared to £48.264m at 31 March 2021. The reduction in balances between the two financial years could be attributed to funding carried from 2020/21 to 2021/22 through the COVID-19 reserve, part of which had been attributed to the revenue budget in 2021/22. The projected balance on the Capital Fund of £8.111m would be affected by any further capital receipts, developer contributions, interest credited and any expenditure authorised to be financed from the Fund during the remainder of the financial year. In response to a question regarding developer contributions relating to the railway, the Director explained that in 2017 the Council agreed to pay Transport Scotland developer costs up front, and then recoup the developer contributions over time. Regarding the adverse weather fund, the Director explained that the Fund acted as a reserve to be used once the allocated winter services budget had been exhausted.

DECISION

NOTED:-

- (a) **the audited 2020/21 revenue balances at 31 March 2021;**
- (b) **the projected revenue balances as at 31 March 2022 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. COVID-19 RESPONSE – UPDATE ON PROPOSALS TO FURTHER SUPPORT INDIVIDUALS FACING FINANCIAL HARDSHIP

- 5.1 With reference to paragraph 5 of the Minute of 9 February 2021, there had been circulated copies of a report by the Director - Resilient Communities providing an update in relation to the allocation of the Scottish Government “Addressing future need to support individuals at financial risk 2020/21” Fund. The report also included further proposals to provide wider financial support to individuals who require additional help. A previous paper, approved by the Committee on 9 February 2021, detailed £20m of funding that had been announced by Scottish Government to be made available to Local Authorities to support those in financial hardship, £330k of which was available to Scottish Borders Council for Food and Financial Insecurity. Additional funding announced by the Scottish Government meant that a further £330k was available, to a total of £660k. Funding to both foodbanks/FareShare providers and Eildon Housing had provided much needed assistance in the provision of white goods, transport and top up of food banks for those who were self-isolating. Hardship payments of £75 had been made to approximately 1300 families across the borders, totalling over £99k.
- 5.2 Additional funding was sought for a range of initiatives, including £100k in relation to the extension of the Warm and Well scheme, £26k for a Scottish Child Bridging Payment, £117k to enhance the Clothing Grants Scheme, £121k to create an Inclusion Fund and £45k for a range of existing third sector networks, Community Planning Partners and other groups or organisations. A Financial Insecurity Group made up of relevant Officers and led by the Director - Resilient Communities, had continued to meet on a regular basis to discuss the funding. The proposed allocation of the next phase of funding was presented at Sections 5 and 6 of the report, which was based on the Scottish Government guidance, main objectives and the expected outcomes of the fund. The Director gave a summary of the new proposals detailed within the report and made reference to the case studies included as Appendices to the report. Members discussed the report, praised the excellent work of the officers involved, and recommended that anyone facing hardship as a result of COVID-19 utilise the funding on offer.

**DECISION
AGREED:-**

- (a) to note the funding that has been awarded to date in Appendix A to the report, and the available balances;**
- (b) to delegate authority to the Director - Resilient Communities to allocate funding as detailed in the report in respect of the following:**
 - (i) The extension of the Warm & Well Borders Scheme;**
 - (ii) Scottish Child Payments Bridging Payments, enhancing the Clothing Grants Scheme and the creation of an Inclusion Grant Scheme;**
 - (iii) Allocation of funding to a range of existing third sector networks, Community Planning Partners (including Registered Social Landlords) and any other partnerships, networks, resilience groups or other organisations who were already working with vulnerable individuals, to assist with essentials in accordance with the guidance, based on the principles of digital, fuel and food poverty and other items deemed as emergency essentials.**

- (c) to delegate authority to the Director Finance & Corporate Governance to reflect in the budget any further funding which might be allocated to support households over the winter of 2021-22 in line with the Scottish Government's states policy intent; and
- (d) that all claims, financial monitoring and evaluation will be undertaken in accordance with the guidance and requirements of the Fund by officers delegated by the Director of Resilient Communities.

6. REVISED COMPLAINTS HANDLING PROCEDURE

There had been circulated copies of a report by the Director, Resilient Communities that proposed the endorsement of the revised Complaints Handling Procedure. The report also outlined key changes being introduced in the revised Complaints Handling Procedure which had been developed following a review by the Scottish Public Services Ombudsman. In response to a question, Mrs Craig explained that the key factor behind the proposed changes was the desire to simplify the system and allow front line officers more flexibility in how they worked.

DECISION

AGREED to endorse the revised Complaint Handling Procedure for all Council Departments.

7. CORONAVIRUS (COVID-19) TENANT GRANT FUND – OUTLINE OF FUND AND PROPOSALS FOR ADMINISTRATION OF FUND

There had been circulated copies of a report by the Director, Resilient Communities, which described the Scottish Government's Tenant Grant Fund and requested delegated authority for the Director to allocate, monitor and evaluate the Scottish Borders allocation from the fund. The Deputy First Minister announced on 23 June 2021 a new £10m Tenant grant Fund as a way of preventing evictions as a result of COVID-19 related rent arrears. The Scottish Government wrote to Local Authorities (LA) on 10 September 2021 outlining the aims of the Fund and stated the level of award to each LA. Scottish Borders Council had been awarded £175k Grant Fund and £9k for the administration of the fund. Officers were liaising with partners, including 4 locally based RSLs, to assess the scale of demand for the fund and to inform the development of mechanisms for delivering the fund appropriately and effectively. The Director summarised the key elements of the report, explained that the fund was specifically for rent arrears built up between 23 March 2020 and 9 August 2021, and clarified that discussions were ongoing to ensure that private sector tenants could also access the fund on a fair basis.

DECISION

AGREED to:

- (a) note the aims of the Fund and the funding that has been awarded as per the Scottish Government letter of 10 September 2021 per Appendix 1 to the report; and
- (b) delegate authority to the Director – Resilient Communities to allocate, monitor and evaluate funding in accordance with the Coronavirus (COVID-19) Tenant Grant Fund Guidance for Local Authorities.

8. SCOTTISH BORDERS COUNCIL QUEEN'S PLATINUM JUBILEE FUND

There had been circulated copies of a report by the Director – Resilient Communities proposing that a sum of £70k would be allocated to create a Queen’s Platinum Jubilee Fund. The purpose of the Fund would be to enable non-profit making community/voluntary groups, schools and churches within the Borders whose project or activity was for the benefit of the wider community, to apply for grant funding to take part in celebratory events/community and legacy projects to mark the Queen’s Platinum Jubilee Weekend 2-5 June 2022. It was proposed that the Fund would open on 5 January 2022 to allow communities to plan events and activities, and close on 30 April 2022 to allow grant award payments to be processed before the Jubilee weekend. Awards up to a maximum of £2,500 would be available. In response to a question, the Director clarified that groups that had financial reserves would not be restricted from accessing the fund. Regarding the promotion of the Fund, Mrs Craig explained that a communication plan would be drawn up that aimed to ensure that the message was disseminated as widely as possible.

**DECISION
AGREED:-**

- (a) to the creation of a Queen’s Platinum Jubilee Fund of £70k; and**
- (b) that the decision making for the Council’s Queen’s Platinum Jubilee Fund is to be agreed at Officer level, with final approval and sign off by the Director, Resilient Communities.**

9. OUR PLAN AND YOUR PART IN IT: SBC’S CORPORATE PERFORMANCE AND IMPROVEMENT REPORT QUARTER 2 2021/22

There had been circulated copies of a report by the Director People, Performance & Change which presented a high level summary of Scottish Borders Council’s Quarter 2 2021/22 performance information with more detail contained within Appendices 1-3 to the report, and a summary of the Community Action Team’s activity provided in Appendix 5. The report also included highlights on the progress of change and improvement projects across Scottish Borders Council (SBC) under the Fit for 2024 programme and monitored progress of the Recovery Plan. During Quarter 2 2021/22, SBC had continued to press ahead with a range of important initiatives and innovations, including the launch of the Digital Skills programme aimed at improving overall digital skills of the workforce; improving outcomes for young people and their families through Family Group Decision Making and the utilisation of technology to automate and streamline processes. In response to a question on absence rates in schools, Mrs Hepburn undertook to investigate the matter further and explained that following the easing of COVID restrictions cases of minor illness appeared to be more common than usual, contributing to a higher than expected absence rate amongst staff and pupils. Regarding the cost per home spent by SBC collecting council tax, the Director, Finance & Corporate Governance clarified that the graph included in Appendix 1 to the report was a comparison of SBC and its local authority “family group” of comparable rural local authority areas.

DECISION

- (a) AGREED to approve the Quarterly Reports set out at Appendices 1-4 to the report.**
- (b) NOTED:-**
 - (i) the progress update relating to Change and Improvement Projects detailed in Appendix 1 of the report;**

- (ii) the changes to performance indicators outlined in report; and
- (iii) the performance summarised in the report and the action that were being undertaken within services to improve or maintain performance.

- 10 **PRIVATE BUSINESS**
AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 8 of Part I of Schedule 7A to the Act

SUMMARY OF PRIVATE BUSINESS

- 11 **MINUTE**
The Committee noted the Private Minute of the Meeting on 5 October 2021

The meeting concluded at 11.30 am.