

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTES of the Blended Meeting of the EXECUTIVE COMMITTEE held in the Council Chamber, Council Headquarters, Newtown St Boswells and via Microsoft Teams on Tuesday, 13th September, 2022 at 10.00 am

Present:- Councillors S. Hamilton (Chair), L. Douglas, J. Greenwell, C. Hamilton, S. Hamilton, J. Linehan, S. Mountford, D. Parker, J. Pirone, E. Robson, M. Rowley, R. Tatler, E. Thornton-Nicol and T. Weatherston.

Also Present:- Councillors W. McAteer, S. Scott.

Apologies:- Councillor E. Jardine

Absent:- Councillors C. Cochrane

In Attendance:- Acting Chief Executive, Director - Resilient Communities, Director - People Performance & Change, Acting Chief Executive and Chief Officer - Economic Development, Acting Chief Financial Officer, Democratic Services Team Leader, Democratic Services Officer (D. Hall); Ms S Harkins (South of Scotland Enterprise) and Mr D. Nisbet (Scottish Government).

ECONOMIC DEVELOPMENT BUSINESS

Present: Mr G Clark (Federation of Small Businesses)

CHAIRMAN

In the absence of Councillor Jardine, Councillor S. Hamilton chaired the meeting. The Chairman advised those in attendance that a book of condolence was available at Council Headquarters following the passing of Her Majesty Queen Elizabeth II.

1. ORDER OF BUSINESS

The Chairman varied the order of business as shown on the agenda and the Minute reflects the order in which the items were considered at the meeting.

2. DECLARATIONS OF INTEREST

Councillor Rowley declared an interest in the following three items of business in terms of Section 5 of the Councillors Code of Conduct and left the meeting during the discussion.

3. ECONOMIC DEVELOPMENT UPDATE

There had been circulated copies of a report by the Director of Resilient Communities which provided Elected Members with an update on the current economic development landscape affecting the Scottish Borders. The report identified the major policies and strategies that were driving economic development. The UK Shared Prosperity Fund (UKSPF) was a central pillar of the UK Government's Levelling Up policy agenda. The Scottish Borders had been allocated funding of £4,442,628 for UKSPF and a further £927,345 for Multiply, which was concerned with improving numeracy for employability purposes. It was anticipated that the investment plans for that funding would be agreed by the UK Government in October. The Levelling Up Fund (LUF) was established by the UK Government during the 2020 Spending Review and prioritised regeneration and growth. The UK Government issued a Prospectus for a Second Round of bids to the LUF as part of the Chancellor of the Exchequers Spring Statement. Scottish Borders Council had submitted three funding applications to the LUF for that round, which consisted of applications for its two parliamentary constituencies, each for approximately £20m, and

also a Scottish Borders transport bid. The Scottish Government's National Strategy for Economic Transformation (March 2022) was a 10 year strategy which contained priorities and actions towards a wellbeing economy. Within the Borderlands Inclusive Growth Deal, the Scottish Borders would benefit from £64m of Government investment in ten programmes and projects. The initial group of projects that had reached Full Business Case stage would be reporting on progress to the Council in the autumn and winter of 2022/23. The Regional Prosperity Framework (RPF) would build on the ambitions of the Edinburgh and South East Scotland Region Deal. A 'Regional Prosperity Delivery Framework' which took the previously identified nine 'Big Moves' and translated those into a Delivery Framework of eight Delivery Programmes supported by a number of specific projects had been developed. The Regional Economic Strategy (RES) for the South of Scotland of 2021 was a ten-year strategy that sought to maximise economic opportunities in the South of Scotland, which took account of the area's key challenges. The six priority themes identified in the RES provided the ambition and intent for the South of Scotland RES Delivery Plan 2022-2025, which comprised actions by South of Scotland Regional Economic Partnership partner organisations, including Scottish Borders Council, and others, based on priorities identified under each theme. The Director, Resilient Communities welcomed Mr Garry Clark of the Federation of Small Businesses to the first Economic Development themed meeting of the Executive Committee of the new administration and expressed hope that future meetings would be attended by the new representative from the Borders Chambers of Commerce. The Chief Officer – Economic Development, Ms Samantha Smith presented the report and, in response to comments from Members, explained that work was ongoing to help address the cost of business crisis faced by businesses across the region. Ms Smith highlighted that further discussions on supporting businesses would be addressed specifically later in the meeting. Members thanked Officers for their thorough update.

DECISION

AGREED to:-

- (a) note the information that was provided regarding the current economic development landscape affecting the Scottish Borders; and**
- (b) support those projects within the Scottish Borders that had been developed from the various policies and strategy, and also note where future progress on the projects was to be reported to Council.**

4. LOCAL AUTHORITY COVID ECONOMIC RECOVERY FUND

There had been circulated copies of a report by the Director, Resilient Communities which provided an update on additional funding from the Scottish Government that had been allocated to Local Authorities to provide a flexible response to assist economic recovery and provide additional support for local businesses during the current financial year. Scottish Government announced an £80m Local Authority Covid Economic Recovery (LACER) fund in February 2022. The purpose of that funding was to help support local economic recovery and potentially provide additional funding for low-income households and local businesses. Scottish Borders Council was allocated funding of £1.724m for that purpose. A report was taken to Scottish Borders Council in March 2022 which recommended that £1.407m of the allocation was distributed immediately, which left £317k of funding to be allocated for business support at a later date. A further report was taken to Scottish Borders Council in August 2022 which agreed that £200k of financial support from reserves could be released to top up existing support to businesses which provided a total business support fund of £517k. Following discussions with strategic partners the most appropriate and effective way to utilise the available funding was to work with South of Scotland Enterprise (SOSE) to establish an Emergency Fund that would provide immediate financial support to businesses where significant jobs were at risk in the Scottish Borders. The Director, Resilient Communities presented the report, highlighted that the key focus was on securing the future of jobs at risk and responded to Members questions. In response to a question regarding the thresholds for qualifying for

support, the Director explained that access to the Emergency Fund would be flexible, holistic and administered in such a way as to avoid being too prescriptive. In response to a question regarding the process that would be in place to get support, Ms Smith explained that the message to businesses was to contact Business Gateway and SOSE for assistance in the first instance, and that further interventions would be made as part of the wider package of support. Members welcomed the report and highlighted its importance to businesses across the region.

**DECISION
AGREED:-**

- (a) to approve the allocation of £317k from the Scottish Government Local Authority Covid Economic Recovery Fund and the release of a £200k underspend from the 2021/22 outturn from reserves to provide support to businesses during 2022/23;**
- (b) that officers work with colleagues in South of Scotland Enterprise (SOSE) to establish an Emergency Fund that would provide immediate financial support for businesses where significant jobs are at risk in the Scottish Borders;**
- (c) to delegate authority to the Director of Resilient Communities and the Chief Financial Officer to distribute the allocation identified in section 4 of the report; and**
- (d) that officers bring back a report to Elected Members at a later date detailing the support provided to businesses.**

5. SUPPORTING ENTERPRISE IN THE SCOTTISH BORDERS

The Chief Officer, Economic Development introduced Ms Susan Harkins of SOSE to the meeting to make a joint presentation on supporting enterprise in the Scottish Borders. Ms Smith explained that SOSE was established in April 2020, and that in November 2020 a strategic partnership protocol was signed between SBC and SOSE. SOSE remained an independent organisation, and the agreement between the two parties did not affect the statutory responsibilities of SBC. Ms Harkins made a presentation to the Committee on the background, operation and work of SOSE. The overarching aim of SOSE was to drive inclusive growth, increase competitiveness and tackle inequality in the South of Scotland. The first quarter of 2021 had been focussed on recruitment, with the number of front facing staff increased from 1 to 5. SOSE was happy to work with businesses at any stage in the business life cycle, and was not restricted to any specific sector or business size. It was explained that the Business Gateway service had been aligned to focus on pre-start and the initial stages of start-ups and trading. SOSE had further added support to the Business Gateway service by employing three coaches focused on women, young enterprise and innovation and entrepreneurship coaches. One to one support was available for those developing business plans, with industry specific expert help also available. Considerable focus was placed on the creation of a culture of fair work, and SOSE encouraged businesses that it supported to consider adopting low carbon practises. A key part of the approach to the work of SOSE was a focus on real, effective partnerships. The Chief Officer, Economic Development explained that regular reports on delivery would be brought back to the Committee, and that joint communications would be issued in the future. Members welcomed the presentation and thanked Ms Harkins for her update. Regarding the issue of low wages in the Scottish Borders, Ms Smith highlighted that the fair work element of SOSE's approach was in place to encourage businesses to provide a living wage. Ms Smith explained that the approach to working with businesses on the issue of low wages was not exclusionary, instead a focus was on encouraging the adoption of best practise and development. Mr Clarke highlighted that the approach by SOSE had been well joined up and that they had provided an excellent service.

DECISION

NOTED the presentation.

MEMBER

Councillor Rowley re-joined the meeting following the discussion of the above item.

6. R100 BROADBAND ROLLOUT

- 6.1 The Chair welcomed Mr Duncan Nisbet, who had been seconded to the Scottish Government as a Stakeholder Director. Mr Nisbet provided a presentation on the R100 broadband rollout in Scotland and responded to Members questions. Mr Nisbet explained that over £1billion had already been invested to transform Scotland's rural, remote and island communities in terms of digital connectivity. The Scottish Government had received £28.5million of the UK Government's Project Gigabit and as part of the principle of 'No One Left Behind' central to the Scottish Governments joint Digital strategy with COSLA, the investment had been focused on the R100 programme. As part of the programme, £600m would be invested, which would focus on areas that would not normally be picked up by commercial developments or investment. Scotland had been split into three regional lots, North, Central and South. The approach had been designed to maximise interest from telecoms suppliers. There had also been mandated areas, which forced bidders to provide service in certain areas. The South contract, worth £133m had been awarded to BT in December 2019. Mr Nisbet explained that there had been contract extensions for the North and South regions, with £36million further invested into the two areas, with revised development plans extended to March 2025 in the South. The plans were subject to revision in the South, with work in some areas pushed back and others brought forward.
- 6.2 Mr Nisbet explained that R100 Scottish Broadband Voucher Scheme provided those that were not in any deployment plans and received less than 30 Mbps with up to £5k to assist in the provision of superfast broadband to their property. There were 64 registered suppliers nationwide, with 19 active in the Scottish Borders. Mr Nisbet explained that in the Scottish Borders 91% of properties had superfast broadband. 773 properties had been delivered full fibre to the property (FFTP), with 6,362 planned installations of FFTP. 2165 properties were eligible for vouchers, with 317 vouchers delivered. Mr Nisbet stressed that the figures were likely to have a margin for error. A data portal had been set up, with access to data on R100 contracts and voucher data with Local Authorities. Full fibre coverage had trebled in the preceding 3 years.
- 6.3 The Chair thanked Mr Nisbet for his presentation. In response to a question regarding the uptake levels of vouchers within the Scottish Borders, Mr Nisbet explained that a key part of ensuring higher levels of uptake was awareness, and that there was often a reluctance from the public to seek the alternative. Members highlighted the importance of the need to future proof the digital infrastructure in Scotland, in particular in rural areas where commercial action was unlikely to reach. Regarding aggressive marketing practises in the retail market, Mr Nisbet acknowledged the nature of the market and explained that there were account managers in place that worked with voucher suppliers to manage issues. In response to a question regarding refusal to provide services, Mr Nisbet undertook to communicate directly with Members as required. In response to a question regarding 4G infill and the provision of services via masts, Mr Nisbet explained that masts were often built as part of the emergency services network, and that if an operator wished to provide service it was then possible for commercial services to be delivered via that mast. Members highlighted their hopes that the provision of broadband was genuinely future proofed given the rise of homeworking. In response to a question Mr Nisbet explained that the method used to identify qualifying properties focused on the broadband speed at the property, and that work would proceed across the region to upgrade exchanges up to 2026.

DECISION

NOTED the presentation.

OTHER BUSINESS

7. WINTER SERVICE PLAN FOR YEAR 2022/23

There had been circulated copies of a report by the Director of Infrastructure and Environment which provided a review of the performance of Scottish Borders Council's Winter Service during 2021/22 and presented SBC's proposed Winter Service Plan for 2022/23. SBC provided a winter service on almost 3,000km of roads and 800 km of footway across the Scottish Borders. The Winter Service Plan was reviewed annually and presented to Elected Members to outline the steps that aimed to ensure, within available resources, that the road and footway network was safe in the upcoming winter. As part of the Fit for 2024 programme of transformational change, the Council was required to modernise and adapt all of its services to meet present and anticipated future needs in a responsive and agile manner, ensuring that services could continue to be delivered cost effectively and sustainably, while delivering efficiencies and savings where required. The winter of 2021/22 was not significant in terms of snowfall, which was limited to a few occasions. Incidents of ice and prolonged frost were also less than the previous five year average and significantly down on those experienced the previous winter. In particular, this led to a reduced need to treat primary and secondary routes as frequently and resulted in lower than average salt usage. The Winter Service Plan for 2022/23 was on similar lines to the previous 2021/22 Plan in terms of policy, priorities, routes, call out arrangements and resource planning. Section 5 of the report provided details on a revised salt spread rate regime that was being trialled on approximately half of the primary precautionary salting routes this winter. Infrastructure Manager, Mr Brian Young, presented the report and responded to Members questions. Regarding whether less salt would be used with the same positive impacts, Mr Young explained that depending on conditions more or less could be used, however, that at minus 1 degrees Celsius slightly less salt would be used than previously. In response to a request to share the details of which routes would be part of the trial in relation to salting spread rates, Mr Young agreed to share the specific routes with Members if they desired. Regarding salt boxes, and whether communities could use them to salt footways and other areas, Mr Young explained that the salt in the boxes was for the salting of the road network, and that he discouraged the use of salt from the boxes by communities where possible.

DECISION

AGREED to:-

- (a) note the performance of the SBC winter service during 2021/22;**
- (b) endorse the Winter Service Plan for 2022/23; and**
- (c) note the continuation of a trial in relation to the salting spread rates applied on 50% of the primary precautionary salting routes.**

8. MINUTE

There had been circulated copies of the Minute of the meeting held on 16 August 2022.

DECISION

APPROVED for signature by the Chairman.

9. COUNCIL TAX AND NON DOMESTIC RATES WRITE OFFS REPORT - 1 APRIL 22 TO 30 JUNE 22

With reference to paragraph 5 of the Minute of 14 June 2022, there had been circulated copies of a report by the Director of Resilient Communities which reported on the levels of both Council Tax and Non-Domestic Rates debt written off under delegated authority in the first quarter of 2021/23. The total net value of write-offs for those categories during the first quarter was £40,263 as detailed in the report. There were ongoing risks

associated with the management of the Council's debts and those might lead to an increase in the level of debts that could require to be written off as irrecoverable in future years. Those were identified in the report, and the Council maintained an appropriate bad debt provision to manage those risks. The Director of Resilient Communities presented the report and highlighted that comparisons between different financial years and quarters would be a difficult exercise due to differing levels of write off activity. In particular the Director highlighted that considerable work had been undertaken in 2019 to clear a backlog of write-offs and to tidy up the Councils accounts. In response to a question regarding how up-to-date the figures were, the Director explained that there was no backlog, and that standard write off activity continued to proceed as routine. Regarding what levels of write-offs were planned for in the context of setting the Council budget, the Acting Chief Executive explained that the Council did not budget for a 100% collection rate of Council Tax, and that provision was also made for bad debts that the Council would incur.

DECISION

AGREED to note the update provided on debtor balances written off during the first quarter, under delegated authority, as requested by the Committee at its meeting on 14 June 2022.

MEMBERS

Councillors Linehan and Thornton-Nicol left the meeting following the discussion of the above item.

10. HIGH STREET / MARKET PLACE, JEDBURGH

There had been circulated copies of a report by the Director – Infrastructure and Environment which provided an update on the demolition of the dangerous building at High Street / Market Place, Jedburgh. The report identified how the Council would deliver a replacement building on the site in conjunction with Eildon Housing Association and sought approval to use £2.2m from the second homes council tax affordable housing investment budget. The Director – Infrastructure and Environment presented the report and responded to Members questions. In response to a question, the Director confirmed that the schedule for construction was on track, and that monitoring was ongoing to manage inflation as far was possible. Regarding whether lessons could be learned from the delays experienced to the project, the Director explained that a range of different services within the Council were involved in the project, and therefore a structured session would be planned to ensure that lessons would be learned.

DECISION

AGREED to:-

- (a) note the progress made in relation to demolition on the site and future development proposals; and**
- (b) approve the use of £2.2m from the second homes council tax affordable housing investment budget to fund abnormal costs in relation to demolition and the replacement building. That included the £0.1m additional cost associated with the dismantling of the dangerous building and the £2.1m costs in relation to the replacement building.**

11. ANNUAL PROCUREMENT REPORT 2021/22

There had been circulated copies of a report by the Acting Chief Financial Officer which presented the 2021/22 Annual Procurement Report (APR) for review, a mandatory report required by the Procurement Reform (Scotland) Act 2014. Organisations required to prepare a procurement strategy were required to also publish an annual procurement report. Those documents were part of the reporting landscape for the public sector to support increased transparency and visibility of public expenditure and to embed sustainability into public sector procurement. The purpose was to demonstrate to

stakeholders that procurement spend was being used to best achieve better public services; social, economic and environmental outcomes in the area; and compliance with a range of local and national policies. The report included a dedicated section which noted the support and service provided the reporting period. The Acting Chief Financial Officer, Ms Suzanne Douglas, presented the report and highlighted substantial work that Kathryn Dickson had carried out to produce the report. Members thanked officers and highlighted the positive nature of the report. In response to a question in terms of invoicing, Ms Douglas explained that work was continually ongoing to engage better with companies, and that recent work had streamlined the invoicing process with care providers to ensure that payments were made as quickly as possible. Ms Douglas confirmed that early warnings were often shared with local industries and companies on procurements issues and product availability that were being faced by the Council. In response to a question regarding community benefits, the Acting Chief Executive explained that the Appendix to the report set out an analysis of job creation, modern apprenticeships and the benefit to local economies of other contracts awarded by the Council.

DECISION

AGREED to approve the Annual Procurement Report 2021/2022, as appended to the report, for submission to Scottish Government.

12. SCOTTISH BORDERS COUNCIL'S QUARTER 1 2022/23 PERFORMANCE INFORMATION

With reference to paragraph 6 of the Minute of the Meeting of 14 June 2022, there had been circulated copies of a report by the Director – People, Performance and Change which presented a summary of Scottish Borders Council's Quarter 1 2022/23 performance information. The information contained within the report would be made available on the SBC website. The Director presented the report, explained that a new report format had been used, and welcomed feedback and input into the report. Members highlighted that previous tables in the report had been easier to read and analyse, and the Director undertook to re-assess how the tables were presented. Regarding unpopulated figures in tables, the Director confirmed that due to the timescales of reporting no data had been available for the quarter and that future versions of the report would be populated with data.

DECISION

AGREED to:-

- (a) note the Quarter 1 2022/23 Council Plan Performance Report in Appendix 1 to the report;**
- (b) note the Quarter 1 2022/23 Community Action Team Performance Report in Appendix 2 to the report;**
- (c) note the Quarter 1 2022/23 Performance indicators summary in Appendix 3 to the report; and**
- (d) note the approach being taken for the performance indicators as detailed in the report.**

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

SUMMARY OF PRIVATE BUSINESS

14. **MINUTE**

The Private section of the Minute of the Meeting held on 16 August 2022 was approved.

The meeting concluded at 12.30 pm