

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTES of the Blended Meeting of the EXECUTIVE COMMITTEE held in Council Chamber, Council Headquarters, Newtown St Boswells and via Microsoft Teams on Tuesday, 18th April, 2023 at 10.00 am

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

Also Present:- Councillors W. McAteer

Absent:- Councillor C. Cochrane

In Attendance:- Chief Executive, Director- Infrastructure and Environment, Director - Resilient Communities, Acting Chief Financial Officer, Chief Officer - Economic Development, Chief Planning Officer, Democratic Services Team Leader, Democratic Services Officer (D. Hall), Ms S Harkins (South of Scotland Enterprise)

ECONOMIC DEVELOPMENT BUSINESS

Present: Mr G Clark (Federation of Small Businesses), Ms S Petrie (Chamber of Commerce), Mr Trevor Jackson.

DECLARATION OF INTEREST

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

1. ECONOMIC DEVELOPMENT UPDATE

- 1.1 There had been circulated copies of a report by the Director of Resilient Communities which provided elected members with an update on key areas of economic development delivery affecting the Scottish Borders. The report identified the major policies and strategies that were driving regional economic development and detailed key pieces of work. The Local Employability Partnership (LEP) was established in September 2021 to drive the employability agenda and to foster a strong collaborative approach to delivery. The importance of the LEP had been recognised by the Scottish Government to ensure that there was further integration and alignment of employability and skills provision at local level. Over the last year the LEP had gained a stronger understanding of the local employability needs in the Scottish Borders supported by partners such as Skills Development Scotland (SDS), Department of Work and Pensions (DWP), South of Scotland Enterprise (SOSE), employability services, third sector, educational organisations and the NHS, and was working to deliver a more coordinated approach to service delivery. Scottish Borders Council (SBC) and SOSE agreed to form a strategic partnership in relation to the delivery of the Business Gateway Service in November 2020, with the transfer of services completed in April 2021. The report provided a regular update on delivery and confirms a general increase in Business Gateway activity over recent months. The refreshed Scottish Borders Strategic Events Plan was approved in August 2022 for a five year period to 2027. The new plan was ambitious and targeted support towards strategic events which had regional economic impact, were sustainable and worked towards the delivery of net zero. As a host venue Glentress and the Scottish Borders would have a major role during the Cycling World Championships which would

see around 1,000 riders representing national teams, international cycling media, and an anticipated 20,000 spectators come to the Tweed Valley from 6 to 13 August later in the year. There was an expected TV audience (across the entire World Championships) of one billion people, and the Tweed Valley would host five of the championship events. The South of Scotland Regional Economic Partnership (REP) held its first in-person meeting on 24 March 2023. Partnership members agreed that the key areas of focus for the REP over the next two years would be housing, skills and transport as the 'grand challenges' that were central to realising the ambitions detailed in the Regional Economic Strategy. The Chief Officer – Economic Development, Ms Sam Smith presented the report and responded to Members questions. Regarding the potential for cross-ticketing of appropriate attractions and events, Ms Smith confirmed that discussions had begun to ensure cohesion between the different Borderlands investments. In response to a question regarding the total financial support available through the Community Festivals and Small Grant Scheme, and the Council Community Cycling Scheme Grant Fund, the Principal Officer – Economic Development, confirmed that £125k was available for the former, and £70k for the latter. Ms Smith confirmed that the criteria for the Community Festivals Fund was published on the SBC website, and undertook to share the link with Members. In response to a question regarding creating links with the South of Scotland Destination, Ms Smith undertook to organise a members briefing at a future date.

- 1.2 The Chair welcomed Ms Susan Harkins of SOSE to the meeting. Ms Harkins delivered a presentation on Driving Entrepreneurs in the South of Scotland. An overview of the SOSE Entrepreneurial lifecycle was presented, which outlined how support was provided to supporting people and enterprise explained. The focus was on individuals, with no set rules on where to find or define entrepreneurs. There were 4 pillars of activity, aimed at inspiring individuals to start a business and provide a cycle of support throughout that process. Ms Harkins explained that a gap had been identified in the region regarding inspiring people to start businesses. Whilst Business Gateway could assist individuals who had already decided to start a business, there was little impetus on inspiring new entrepreneurs. It was hoped that by offering a full suite of support potential entrepreneurs would be inspired to start a business. An inclusive approach had been developed, and work was expected to take place in communities, and within educational facilities. Ms Harkins highlighted that a Game Freak event in Galashiels had been well received by attendees. Connection and networking events had been held in Eyemouth, Hawick, Peebles, Kelso and Galashiels, at which 20-20 people had been in attendance. Members thanked Ms Harkins for her insightful presentation and highlighted that working in partnership was key to success in the area. It was agreed that copies of the slide presentation would be shared.

DECISION

AGREED to:-

- (a) note the information that was provided regarding the current economic development landscape affecting the Scottish Borders; and**
- (b) note where future delivery updates will be reported back to Executive.**

2. COMMUNITY LED LOCAL DEVELOPMENT FUND

There had been circulated copies of a report by the Director, Resilient Communities which provided an update on the delivery of the Scottish Government's Community Led Local Development (CLLD) Fund 2022/23. The CLLD Fund was a specific fund for rural areas of Scotland provided by the Scottish Government since 2020. The report explained that the term CLLD was used to indicate that the decisions on funding allocations should be made locally rather than nationally. The fund was distributed to Local Action Groups (LAGs) across rural Scotland and could overlap with Local Authority areas such as Dumfries and Galloway, whereas other LAGs could cover parts of a number of Local Authorities such as in the case of the Cairngorms. The Scottish Borders had its own LAG that was made up of Public, Private and Third Sector organisations. Membership was open to anyone

resident or working within the Scottish Borders region. Scottish Borders Council acted as Lead Partner for the Local Action Group and distributed the funding based on the recommendations of the LAG. The Scottish Government announced in December 2021 that additional funding of £11.6 million would be made available for a new Community CLLD Fund in financial year 2022/23. The Place and Enterprise Manager – Economic Development, Mr Graeme Johnstone, presented the report, highlighted that since the publication of the report it had been announced that SBC would be allocated £391k of funding for the current financial year, and responded to Members questions. Regarding evaluations of successful projects, Mr Johnstone confirmed that they would occur, and that they were expected to be presented to the Committee at a future date. Work to ensure that interested parties were aware of the latest round of funding would be undertaken as soon as was practicable. Mr Johnstone confirmed that applicants could utilise other sources of funding, such as applications to Area Partnerships. Members thanked Mr Johnstone for the report, and welcomed the positive impact that the funding had made on communities across the region.

DECISION

AGREED:-

- (a) to note the progress made regarding the allocation of Community Led Local Development funding during the financial year 2022/23;**
- (b) that Scottish Borders Council continued to administer the Community Led Local Development Funding on behalf of the Local Action Group during financial year 2023/24; and**
- (c) that regular progress reports on the funding allocation were brought back to the Executive Committee.**

3. UK COMMUNITY RENEWAL FUND (CRF)

There had been circulated copies of a report by the Director, Resilient Communities which provided an update on the delivery of the UK Community Renewal Fund (CRF) for Scottish Borders and noted the outcome of the 2021/2022 Fund. The UK Government announced the Build Back Better Community Renewal Fund in the UK Budget in March 2021. The Community Renewal Fund (CRF) was a competitive one-off revenue fund with spending required to be undertaken by successful projects initially by the end of March 2022 but this was later extended by UK Government to 31st December 2022. The aim of the Fund was to pilot projects across the UK and prepare the way for the UK Prosperity Fund from 2022/23 onwards. Projects were required to align with at least one of the following investment priorities:

- Investment in skills;
- Investment for local business;
- Investment in communities and place; and
- Supporting people into employment.

A call was put out for project bids in April 2021 which attracted 29 applications totalling £9million (Local Authorities could bid for up to £3million of UK CRF monies). Those were assessed by an Independent Panel and a shortlist of projects devised for Council approval in June 2021. Eighteen project bids totalling £2,999,040 were submitted to UK Government for consideration. The UK Government announced in November 2021 that eight projects were successful, totalling £1,296,814. All eight projects were successfully delivered by the deadline of 31st December 2022 with final grant funds of £1,251,018 drawn down from UK Government. In response to a question regarding feedback on the projects which had not been successful, the External Funding programme Co-ordinator, Ms Linda Cornwall, explained that only basic feedback had been received from the UK Government. Regarding the underspend detailed within the report, Ms Cornwall explained that some of the projects had been able to source materials at a cheaper rate, and that one planned workshop had been unable to go ahead as planned due to the workshop lead being unavailable. In response to a question poor attendance and malaise

at Area Partnerships, Ms Smith outlined that it was hoped that a shift to funding more sustainable projects would take place, and that placemaking and shared prosperity could help improve attendance levels and improve engagement. The Director – Resilient Communities confirmed that work would be undertaken to provide clarity on the different sources of funding available across the various sources. Regarding the funding for Borders Employment Advice and Mentoring (BEAM) being separate from existing services, Ms Smith explained that due to the timing of the project and funding source it had not been possible to link the service to other services. It was not expected that a different funding source would be a barrier to partnership working. In response to a question regarding four employment coaches at Berwickshire Housing Association as part of the BEAM project, Ms Cornwall confirmed that the coaches had been contracted for the lifespan of the project, and that Berwickshire Housing Association were exploring deploying the coaches in a similar role in the future.

DECISION

AGREED to note the outcome of the UK Community Renewal Fund in relation to project delivery.

4. PLACE MAKING UPDATE

There had been circulated copies of a report by the Director – Resilient Communities which provided an update on progress made with Place Making since Council agreed to take a collaborative approach with Area Partnerships to roll-out Place Making across Borders Communities. In August 2021, Council agreed an approach, working with Area Partnerships, to develop and enable place making activity across Borders communities. The approach was intended to complement the related Place Programme under the Borderlands Inclusive Growth Deal which focused on the four target towns of Eyemouth, Galashiels, Hawick and Jedburgh. In practice, all place making activity, whether it's Borderlands or the wider Area Partnership-led approach, shared the same core characteristic – it was about communities leading on the development and delivery of an action plan for their place which identified local needs and ambitions, and which then prioritised actions and projects to address them. By taking an inclusive approach open to all communities, the five Area Partnerships had between them, identified over 40 communities that were interested in developing community-led action plans. Those communities were set out in in the report. The report highlighted the progress in supporting the development in the overall approach and the practical progress that was being made in communities including the four Borderlands target towns of Eyemouth, Galashiels, Hawick, and Jedburgh. The report outlined the support for place making from SBC and CPP partner staff and further support which was being put in place in terms of additional capacity and funds that could support communities in the development and delivery of their plans. Place making represented a significant opportunity for communities across the Borders and was increasingly the key to unlocking external funding opportunities by evidencing the need and will of the community through demonstrable inclusive engagement. That also facilitated a community led approach to shaping and informing the planning and delivery of critical public services. The approach was increasingly built into legislation (e.g. the Page 23 Planning (Scotland), Joint Working (Scotland) and Community Empowerment Acts) and would impact on – and needed to transform – the way both the Council and its Community Planning Partners worked together with communities to understand, support and respond to local needs and ambitions. Over the coming year, the main focus of place making activity would be around three main areas of work: a) Continuing to support all participating communities to progress their plans and ambitions; b) Ensuring that funds, such as the Shared Prosperity Fund, and the Place Based Investment Fund were used to best effect in supporting communities deliver credible investment proposals, built on a body of community led evidence; and c) Ensuring that place making was seen as “the way things get done” – informing service and community planning, the way that projects were identified and developed and the key to accessing external funding – all built on community needs, aspirations and priorities. It was explained that whilst Selkirk had been highlighted in the report as part of the Borderlands Inclusive Growth Deal, it was not part of that Deal.

Selkirk had been pro-active and had followed the same timeline as the Borderlands towns. In response to a question regarding capacity within the Communities and Partnerships team, the Director – Resilient Communities explained that a collaborative approach had been developed to ensure that there was capacity across the Council to assist with placemaking, including officers in planning and the economic development team. It was highlighted that communities were responsible for leading the placemaking process. Members highlighted that the various funding streams, rules and where to apply could be complex for communities. The Director – Resilient Communities undertook to update out-of-date infographics which outlined the various sources of funding available to communities and other interested parties in a simplified manner. In response to a question regarding reporting of what progress each community was making, in order to allow comparisons, the Director confirmed that regular reports would be made to allow communities a sense of timelines and to provide local competition. Regarding Energise Galashiels, the Director confirmed that it was important not to side-line already established local groups, and that each community would have to incorporate such groups on an individual case-by-case basis.

DECISION

AGREED:-

- (a) to note the progress that had been made in relation to place making activity across the Borders; and**
- (b) that regular progress reports be brought back to the Executive Committee.**

5. UPDATE ON THE BORDERLANDS INCLUSIVE GROWTH DEAL AND THE EDINBURGH SOUTH-EAST SCOTLAND CITY REGION DEAL

There had been circulated copies of a report by the Director – Resilient Communities which provided an update on progress with the Borderlands Inclusive Growth Deal and the Edinburgh and South-East Scotland City Region Deal, particularly the programmes and projects that directly affected the Scottish Borders. The Borderlands Inclusive Growth Deal, was signed in March 2021 by the Borderlands Partnership, the UK and Scottish Governments, and the five local authorities within the Borderlands area: Carlisle City Council, Cumbria County Council, Dumfries and Galloway Council, Northumberland Council, and Scottish Borders Council. The Deal would provide a total funding package of £452m over 10 years for the Borderlands area, with £150m available for the South of Scotland, comprising £65m from the UK Government and £85m from the Scottish Government. The report described the progress being made with the programmes and projects affecting the Scottish Borders. The Edinburgh and South-East Scotland City Region Deal was signed in August 2018 and involved East Lothian, Midlothian, West Lothian, Fife, City of Edinburgh and Scottish Borders Councils along with universities and colleges, the private sector, the third sector and relevant public sector agencies. The 15-year Deal was worth £1.3bn, which included £600m of Government funding and £700m of funding from other partners. This report gave an update on those City Region Deal projects that directly affected the Scottish Borders. Members highlighted that the revised business cases referred to in the report did not represent failures, but that the Council had recognised that it needed to invest in the right projects for the right reasons. The Director confirmed that discussions were regularly held with officers and partners regarding the skills programme and the regional prosperity framework.

DECISION

AGREED:-

- (a) to note the progress that had been made on the Borderlands Inclusive Growth Deal and the Edinburgh and South-East Scotland City Region Deal;**

- (b) to note that a number of business cases related to the Borderlands and City Deal programmes would be brought back to Scottish Borders Council for approval in 2023 as detailed in the report; and
- (c) that regular progress reports on both growth deals were brought back to the Executive Committee.

OTHER BUSINESS

6. **MINUTE**

There had been circulated copies of the Minute of the meeting held on 14 March 2023.

DECISION

APPROVED for signature by the Chairman.

7. **CAPITAL PROGRAMME 2023/24 - BLOCK ALLOCATIONS**

There had been circulated copies of a report by the Acting Chief Financial Officer which sought approval for the proposed individual projects and programmes within the various block allocations in the 2023/24 Capital Financial Plan. Appendices A-R to the report contained proposals for various projects to be allocated from the block allocations. Those overall block allocations were approved in the 2023/24 Capital Financial Plan at the meeting of Scottish Borders Council on 23 February 2023. Not all projects had been fully identified at the point of production of the report and as and when this information was available this would be brought to the Committee for consideration as part of the quarterly monitoring reports. In response to a question regarding electric vehicle charging points, the Acting Chief Financial Officer, Mrs Suzy Douglas, undertook to contact the appropriate service to discuss the proposed locations of points and update members. In response to a question regarding the proposed spend on Council HQ, the Director – Infrastructure and Environment explained that the proposed works included refurbishment, upgrading the Council Chamber, EV charger installations, and further blended meeting room provision amongst other improvements. Regarding the merits of undertaking £136k of proposed works to Lowood lodge, the Director and the Chief Executive provided assurance that the works were required to bring the building in to a habitable state as a consequence of damp problems, and were essential to preserve the value of the building. With regards to play parks, more projects than outlined in the report would be undertaken due to agreements made at a national level. In response to a question regarding the level of detail provided on the proposed Roads & Bridges allocation, the Director – Infrastructure and Environment outlined that works which were planned 3 years into the future had been shared with Members, and that the full details of the planned works had been held back to allow for the plans to be presented in a more professional form, including using correct road names in place of colloquial or local names. In response to a question regarding the inconsistent Wi-Fi connections in schools, the Chief Executive provided assurance that there should be no issue with students being connected to the Wi-Fi in any building of the school estate, and that all of the school buildings had been surveyed and no issues had been detected. Regarding Appendix G to the report, the Director confirmed that the works related to the expansion of facilities to allow the provision of free school meals to a greater number of students. The Director undertook to investigate whether the works to upgrade windows at Chirnside Primary School involved all of the windows. Members agreed to defer the decision on approving the works to Peebles swimming pool as it would be discussed in detail later in the meeting. Follow extensive discussion regarding the proposed works to upgrade Council Headquarters, it was agreed that a report would be produced which outlined all of the works to be undertaken, and the benefits which would be realised from the planned spend.

DECISION

AGREED to approve:-

- (a) **the block allocation breakdowns as contained in Appendices A-R to the report, with exception of:**
 - (i) **the £480k Council HQ Building Upgrade Works, which was deferred to allow the production of a strategy report outlining the details and benefits of the proposed spend; and**
 - (ii) **the £500k Peebles Swimming Pool Roofing Upgrade, which was deferred for consideration later in the meeting.**
- (b) **the re-allocation of available budget in the Health and Safety Works Block to the Building Upgrades Block of £63k; and**
- (c) **a timing movement of £440k from 2023/24 to 2024/25 in the Play Areas and Outdoor Community Spaces Block.**

8. SCOTTISH BORDERS CONSULTATIVE DRAFT LOCAL HOUSING STRATEGY 2023-2028

With reference to paragraph 6 of the Minute of the meeting held on 17 November 2020 there had been circulated copies of a report by the Director – Infrastructure and Environment which provided an update on the consultative draft Local Housing Strategy 2023 to 2028 and information on further planned consultation. The report explained that the Housing (Scotland) Act 2001 placed a statutory requirement on local authorities to develop a Local Housing Strategy (LHS), supported by an assessment of housing need and demand. The LHS provided direction for tackling housing issues and informs future investment in housing and related services. The current Scottish Borders Local Housing Strategy (LHS) covered the period 2017-2022 and was approved by the Executive Committee in June 2017. In November 2020 the Executive Committee agreed to the deferral of the next LHS to 2023. The new, proposed, consultative draft LHS had been prepared in accordance with Scottish Government Guidance which set out the statutory requirements, essential links and outcomes that should be considered within the strategy. The Lead Officer, Housing Strategy and Development, Ms Donna Bogdanovic presented the report and responded to Members questions. In response to a question regarding Strategic Environmental Impact Assessment Screening Report and full Strategic Environmental Assessments (SEA) the Chief Planning Officer, Mr Ian Aikman, explained that SEA was a statutory process, and that they formed part of a cumulative process which were taken into account as part of the Local Development Plan. The Local Housing Strategy formed a key part of the LDP. Regarding feedback, in particular from landlords and Registered Social Landlords (RSL), Ms Bogdanovic explained that RSLs had been a key partner as part of the formal consultation and had done excellent work in helping tenants share their opinions and needs through tenant groups and meetings. In response to a question regarding the pattern of non full-time occupation of homes across the Borders, Ms Bogdanovic undertook to highlight the area as requiring work in the LHS action plan. Members thanked Ms Bogdanovic for her report, and highlighted the importance of the LHS to the region.

**DECISION
AGREED:-**

- (a) **to approve plans for formal consultation and engagement;**
- (b) **to approve submission of the Draft Local Housing Strategy 2023 to 2028 to the Scottish Government More Homes Division for Peer Review; and**
- (c) **to note plans for finalising the strategy.**

9. COMMUNITY ENHANCEMENT SMALL SCHEMES

There had been circulated copies of a report by the Director – Infrastructure and Environment which provided draft guidance to Elected Members on the arrangements for undertaking Community Enhancement Small Scheme Projects. The Director presented the report and responded to Members questions. Following discussions regarding the procedure for instances where there was no clear majority for or against a proposal, it was agreed to amend paragraph 5.1 (f) to substitute “the matter can be referred to Council for a decision” with “the Chairman of the relevant Area Partnership shall have the casting vote”. In response to a question regarding the process for requesting works to private property, the Director explained that it was up to Members to reach a consensus on whether there was demonstrable public benefit, or legitimate reason for the public to undertake the work, and to decide whether or not to proceed. Regarding the evaluation of the impact of works once they had been completed, the Chief Executive explained that the capacity of officers to undertake such assessments was unclear. In response to a question regarding whether funding could be further divided to Ward level, the Chief Executive confirmed that it was for all of the respective Area Partnership Members to decide.

DECISION

AGREED to approve the operational arrangements associated with the Community Enhancement Small Schemes Budget as amended.

DECLARATION OF INTEREST

Councillor Weatherston declared an interest in the following item of business in terms of Section 5 of the Councillors Code of Conduct and left the Chamber during the discussion.

10. PEBBLES SWIMMING POOL

There had been circulated copies of a report by the Director – Infrastructure and Environment which provided an update on the repair works to Peebles Swimming Pool and sought approval for further repair works to be carried out. Reinstatement works began in January 2023 focused on repairs to the damaged roof, plant room, and the internal fabric of the main pool hall. Works were due to be completed to enable reopening of the swimming pool for operation by Live Borders by the end of April 2023. During works, a number of other issues had been identified which the Council intended to address whilst progressing with the reinstatement works, however this was expected to delay completion of the works until July 2023. In response to a question regarding what activities had been undertaken at the site between June 2022 and January 2023, the Director – Infrastructure and Environment explained that various groups had accessed the building and undertaken a range of activity. Specialist decontamination teams had checked the building for the presence of asbestos. Engineers had undertaken assessments of structural problems and damage to the plant equipment. The entire process had been complicated due to the building being occupied by LiveBorders, a third party. That arrangement had led to two teams of insurers and two teams of loss adjustors working at the site. Following that process, SBContracts had accessed in the site in January 2023 and uncovered damage to the electrical systems, fire alarms, security system, and roof which had not been detected to that point. The Director confirmed that a full breakdown of all of the costs involved was being worked on, and conversations were ongoing regarding settlement of the insurance claim. The Director agreed to undertake the production of a lessons learned report which would outline where problems had arisen and how they could be avoided on future projects. The Chief Executive confirmed that the insurance claim, which would only cover works to reinstate the pool to its previous condition, and not the additional works under discussion, represented a net payment of £450k to SBC. Following an extensive debate on whether to fund the additional works from financial reserves or the capital budget, Members agreed not to use financial reserves to fund the additional works, and agreed that a report should be produced which would explore alternative methods of financing the works.

DECISION

AGREED:-

- (a) to note the continued reinstatement works at Peebles Swimming Pool;
- (b) to approve the work required to the remaining roof as identified in the report as part of the Capital Programme 2023/24 Block Allocation;
- (c) to approve the additional works identified in the report which were estimated to cost in the region of £200k;
- (d) that an additional report would be brought back to the Executive Committee in the event that additional costs were incurred or works required;
- (e) that a lessons learned report evaluating the project be prepared; and
- (f) that a report exploring alternative methods of funding the additional works agreed at B and C be brought back to the Executive Committee.

MEMBER

Councillor Weatherston re-joined the meeting.

11. **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 Paragraph 14 of Part I of Schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

12. **AMENDMENT TO HOUSING BENEFIT & COUNCIL TAX REDUCTION VERIFICATION POLICY**

A report by the Director – Resilient Communities was considered and the recommendations approved.

The meeting concluded at 13.35 pm