

SCOTTISH BORDERS COUNCIL EXECUTIVE COMMITTEE

MINUTE of Meeting of the EXECUTIVE COMMITTEE held in the Council Chamber, Council Headquarters, Newtown St Boswells, TD6 0SA on Tuesday, 16 February, 2016 at 10.00 am

Present:- Councillors J. Mitchell (Chairman), S. Aitchison, S. Bell, J. Brown, M. J. Cook, V. Davidson, G. Edgar (from para 3), D. Paterson, F. Renton.

Also Present:- Councillor I. Gillespie.

Apologies:- Councillors D. Moffat, D. Parker, R. Smith.

Absent:- Councillor C. Bhatia.

In Attendance:- Depute Chief Executive (People), Depute Chief Executive (Place), Chief Financial Officer, Service Director Regulatory Services, Corporate Transformation and Services Director, Democratic Services Team Leader, Democratic Services Officer (K. Mason).

CHAIRMAN

In the absence of the Chairman the meeting was chaired by Councillor Mitchell

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. MINUTE

The Minute of meeting of the Executive Committee of 2 February 2016 had been circulated.

DECISION

APPROVED for signature by the Chairman.

3. QUARTERLY CORPORATE PERFORMANCE REPORT (QUARTER 3, 2015/16)

There had been circulated copies of a report by the Chief Executive presenting a summary of quarterly performance information for Members, with details contained within Appendix 1. A summary of the main changes made to performance indicators was provided at Section 4 of the report, followed by a high level summary of performance in Section 5. Appendix 1 provided a more detailed presentation and explanation of each Performance Indicator (PI). Where possible, information which was collected on a quarterly basis was presented but this was not possible for all areas of Council business, for example, school attainment. The presentation used in Appendix 1 was consistent with what was presented to Council on 26 June 2014 and to the Executive Committee each quarter thereafter. All information contained within the report was also made available on the SBC website using the public facing part of SBC's Performance Management software (Covalent). This could be accessed at

http://www.scotborders.gov.uk/info/691/council_performance/1353/our_performance_as_a_council and by clicking on "Scottish Borders Performs".

Based on feedback from Elected Members, a number of changes would be made to the infographic summaries presented within Appendix 1 for the June 2016 meeting of the Executive Committee, showing clearly the difference between PIs that SBC had direct influence over and those that were provided for context only. Members discussed the performance report and received answers to their questions in relation to the Council's volunteering policy and lottery funding from the Corporate Performance and Information Manager. The Customer Services Manager Mr Les Grant, gave Members a presentation on

the performance monitoring of Customer Services and improvements to the service. The focus was on outcomes for the customer and performance information was collected in respect of a number of areas including interactions through the CRM, complaints and SPSO indicators. The volume of complaints was relatively small but improvements in dealing with complaints at stage 1 were needed. The importance of learning from complaints was highlighted. Current and future challenges included the introduction of a customer portal, moving more processes to “on-line” and social media channels and working across the Council to deliver more services front-line. Members commented on the importance of the management of customer complaints through to completion. There were comparatively few complaints in relation to the volume of business and there was a requirement on how to positively solicit complaints and how to tap into those people who were not minded to complain. Older people were less inclined to use social media but younger people preferred and expected to use social media which was more cost effective than face to face contact. It was emphasised that all contact options needed to be available for customers.

**DECISION
AGREED to**

- (a) note the changes to performance indicators in Section 4 of this report;**
- (b) to acknowledge and note the performance presented in Section 5 and within Appendix 1 and the action that was being taken within Services to improve or maintain performance; and**
- (c) note that improvements would be made for the next Executive report to enhance public performance reporting.**

MEMBER

Councillor Edgar joined the meeting during discussion of the above item.

4. MONITORING OF THE GENERAL FUND REVENUE BUDGET 2015/16

There had been circulated copies of a report by the Chief Financial Officer providing budgetary control statements for the Council’s General Fund based on actual expenditure and income to 31 December 2015 and explanations of the major variances between projected outturn expenditure/income and the current approved budget. The revenue monitoring position set out in this report was based on actual income and expenditure to 31 December 2015. All Services were projecting a balanced outturn position with management teams confident that any remaining pressures on budget would be managed within existing departmental budgets. Pressures evident at month 9 (31 December 2015), which were being managed within departmental budgets, continued to be within out of area children’s placements, higher than anticipated cost of care for Older People in Residential Care and people with Physical Disabilities and also within Neighbourhood Services for Materials, Sub-contract and Hire in the Roads service. At 31 December 2015, 74% (£5.767m) of planned efficiency savings had been delivered as per the Financial Plan. Of the remaining 26%, 9% (£0.696m) had been achieved by alternative, permanent measures and 17% (£1.347m) temporarily. A further £0.015m remained profiled to be achieved by alternative means. Full details of pressures, risks and challenges and the significant majority of areas of the Council’s operation where budget plans remained on track were detailed in Appendix 1 to this report. In referring to pressures currently identified in Out of Authority placements the Deputy Chief Executive – People explained there were always additional children needing placements and it was noted that regular discussions took place to see if children could be brought back into the Borders. Concerns were submitted in relation to Neighbourhood Services in the Tweeddale area with some members of staff having left and not been replaced and the Deputy Chief Executive – Place undertook to determine if current resources were adequate in the Tweeddale Area and in Jedburgh. Members sought

reassurance that the budget in respect of the Borders Guarantee Co-ordinator post would be tightly controlled and the Chief Financial Officer undertook to bring back a briefing note on this to the next meeting.

DECISION

AGREED:-

- (a) **to note the projected corporate monitoring position reported at 30 December 2015, the underlying cost drivers of this position, the significant pressures highlighted and the identified areas of financial risk;**
- (b) **that the Depute Chief Executives for People and Place and their Service Directors would continue to work with their management teams to ensure a balanced budget position was delivered in 2015/16;**
- (c) **to approve the budget virements set out in appendices 2 & 3 to the report; and**
- (d) **to note the progress made in achieving Financial Plan savings as detailed in appendix 4 to the report.**

5. PROJECTED BALANCES TO 31 MARCH 2016

There had been circulated copies of a report by the Chief Financial Officer providing an analysis of the Council's balances as at 31 March 2015 and advising Members of the projected balances at 31 March 2016. The Council's General Fund useable reserve (non-earmarked) balance was £8.121m at 31 March 2015. The comparative figure at 31 March 2016 was projected at £5.638m. Approval was given in the November 2015 revenue monitoring report to draw down an estimated £0.700m to fund the shortfall in funding associated with the phasing of the pay award in 2015/16. Following payment in November 2015 backdated to 1 April 2015 the confirmed draw down reflected in this report was £0.679m including £0.077m associated with an increase in the nationally agreed Living Wage. A further draw down from reserves totalling £0.049m was required following an HMRC compliance audit and agreed settlement of the outstanding liabilities. The Council's allocated reserve balance was £3.379m at 31 March 2015 and was projected to be £4.328m at 31 March 2016. This movement was as a result of the draw down of allocated reserves to fund the 2015/16 Financial Plan (£0.508m), Police & Fire Reserves (£0.091m) and provision for Roads Maintenance (£0.100m), an increase in allocated reserves to support the ER/VS scheme (£1.139m) and an increase in allocated reserves to provide for the contribution to the Bellwin Scheme (£0.509m). The projected balance on the Capital Fund of £5.498m 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.

DECISION

AGREED to:-

- (a) **note the projected revenue balances as at 31 March 2016 as detailed in Appendices 1 & 2 to the report;**
- (b) **note the projected balance in the Capital Fund as detailed in Appendix 3 to the report;**
- (c) **approve the draw down of £0.679m reserves to address a shortfall in funding associated with the phasing of the pay award in 2015/16 and the draw down of £0.049m in settlement of an HMRC compliance audit; and**

- (d) **approve the transfer of Reserves into Allocated Reserves to provide for the required 0.2% of net budget contribution to the Bellwin Scheme (£0.509m).**

6. MONITORING OF THE CAPITAL FINANCIAL PLAN 2015/16

There had been circulated copies of a report by the Chief Financial Officer providing an update on the progress of the 2015/16 Capital Financial Plan and seeking approval for projected outturns and associated virements, and the reallocation of funds. The monitoring tables in Appendix 1 detailed the actual expenditure to 31 December 2015. Key issues identified in these tables were summarised within the main report. The tables identified a net variance of £3.101m against the approved budget. The net in-year budget increase of £0.062m was primarily due to a number of items due to be delivered for the Plant & Vehicle fleet totalling £0.275m, fully funded from the Plant & Vehicle Replacement Fund, offset by a saving identified for Galashiels Flood Protection. The net budget timing movements to future years amounted to £3.163m of which the most significant were £0.682m for Duns Primary School, £0.8m for Kelso High School, £0.604m for Langlee Primary School and £0.678m for Residential Care Home Upgrade Block partly offset by a £2.08m forward timing movement for Selkirk Flood Protection. Appendix 3 contained a summarised list of timing and budget movements within the 2015/16 Capital Plan. Appendix 2 contained a list of the block allocations approved for this year and the various approved and proposed projects to be allocated from them within the 2015/16 Capital Plan. In response to a request for information on the progress in respect of the Innerleithen to Walkerburn shared access route, the Depute Chief Executive – Place undertook to investigate and report back.

DECISION

- (a) **AGREED the projected outturns and associated virements as identified in Appendix 1 to the report as the revised capital budget.**

- (b) **NOTED the list of block allocations detailed in Appendix 2 to the report.**

7. CORPORATE TRANSFORMATION PROGRESS

There had been circulated copies of a report by the Corporate Transformation Services Director on progress in developing and delivering the Council's Corporate Transformation Programme since the last update report on 1 December 2015 and setting out planned activity in the reporting period to the end of May 2016. Corporate Transformation Progress Reports were brought to the Executive Committee on a quarterly basis. This was the fourth quarterly progress report since the Programme was established in February 2015. On 11 February 2016, the Council also considered an annual progress report on Corporate Transformation which set out how it would continue to support the delivery of the Council's 8 Priorities, its Financial Strategy and significant service improvements moving forward. The current areas of work within the Programme were set out in the tracker in Appendix 1 under the 8 Corporate Priorities and included a brief description of the purpose of each, summarised progress made to date (rating them Red, Amber or Green) and setting out key milestones in the next quarter. A summary of progress across the whole transformation programme was set out in Appendix 1. This report focussed on progress made in 4 key programmes: (a) Children & Young People; (b) Integration of Health and Social Care; (c) Workforce Transformation; and (d) Customer First. Detailed performance reporting infographics for each of these areas were set out in Appendices 2 to 5 and outlined in Section 4 of the report. The Corporate Transformation Services confirmed that financial monitoring in relation to the Borders Railway blueprint would be made available in March. A clearer update had been requested 2 months ago in regard to the localities programme the Chief Executive – People highlighted the significant work which was currently being undertaken and advised that an update would be provided at the next meeting of the Executive Committee. Members noted that an update on digital connectivity would be provided to Members in the April / June quarter following ICT decisions made at Council. In conclusion the Corporate Transformation and Services Director advised that if there were

any gaps Officers would do their best to ensure commentary in the report reflected whether shown as amber or green and Members would be advised at meetings of the Executive Committee if Officers had concerns about service delivery

DECISION

AGREED to note the continued progress made in developing and delivering the Corporate Transformation Programme.

8. SBC COMMUNITY GRANT SCHEME – YEAR END POSITION 2015/16

There had been circulated copies of a report by the Chief Executive advising on the estimated year end balances in the Community Grant Scheme (CGS) for 2015/16 and recommending that any final year end balances were carried forward into 2016/17, in line with the agreed CGS processes. The current budget position of the CGS 2015/16 and estimated year end balances were as follows:

Budget Heading	Total Budget 2015/16	Expenditure to Date	Applications Pending	Estimated year end balance as at end Dec 2015
Berwickshire	£22,481	£22,481	£0	£0
Cheviot	£22,669	£13,482	£5,000	£4,187
Eildon	£43,912	£39,190	£1,345	£3,377
Teviot & Liddesdale	£28,198	£8,996	£8,541	£10,661
Tweeddale	£35,260	£15,661	£4,028	£15,571
Generic	£15,056	£13,840	£0	£1,216
Totals	£167,576	£113,650	£18,914	£35,012

If the recommendations of this report were approved, the estimated year end balance of £35,012 would be detailed as a virement request for ear-marking in the Financial Services report to Executive Committee in March 2016. Members were asked to note that year end balances were estimated as at January 2016 and final carry forwards as at March 2016 might be lower. The Funding and Project Officer was in attendance and confirmed that that the estimated year end balance was now £17,902 and this would be further reduced by 31 March 2016.

DECISION

AGREED to

- (a) **note the estimated year end balances for 2015/16; and**
- (b) **approve the carry forward of any year-end balances from 2015/16 into 2016/17.**

9. PROGRESS REPORT ON SECURING AND SPEND OF DEVELOPMENT CONTRIBUTIONS

With reference to paragraph 3 of the Minute of the Executive Committee of 21 October 2014, there had been circulated copies of a report by the Service Director Regulatory Services presenting an update on the collection and spend of Development Contributions since the Executive meeting on 21 October 2014. The format in which Development Contribution data was presented illustrated: (a) Current contribution balances; (b) Contributions received; (c) Contributions returned; (d) Spend applied; and (e) Contributions anticipated. The Service Director Regulatory Services and the Development Negotiator answered Member's questions in relation to a comment in regard to the challenges of providing affordable housing and plans on spending commuted sums and referred to national policy and the SHIP. With regard to Biodiversity contributions it was suggested that further work be done to explore the overall balance of contributions.

DECISION AGREED

- (a) to note the current contribution balances, those received, returned, spent and anticipated;**
- (b) to note that existing protocols and guidance governing the collection and spend of contributions were being reviewed and applied, where appropriate, subject to approval by Planning & Building Standards Committee; and**
- (c) that the Development Contributions Progress Report – detailing contribution balances, received, returned, spent and anticipated – continued to be reported annually to the Executive Committee.**

10. UPDATE ON FLOOD DAMAGE AND BELLWIN SCHEME INTERVENTION

There had been circulated copies of a report by the Chief Financial Officer and the Depute Chief Executive - Place providing an update on the extent of damage caused by recent winter storms and the measures being taken and required to rectify this damage in a timely fashion which fitted with the Government's Bellwin Scheme. Since the start of December 2015 the Council's Emergency Planning Bunker had been open 23 days, including eight consecutive days from 3 to 10 December 2015, to plan and respond to weather events. Four 'named storms' had affected the area to varying degrees since the start of December 2015 – Desmond, Frank, Gertrude and a further damaging unnamed storm on 27 January 2016. During the period a total of 96 flood warnings were issued by SEPA, including five Severe Flood Warnings – issued only where there was danger to life. Evacuations were undertaken in Hawick (2), Peebles, Jedburgh and Newcastleton. In total, several hundred homes were evacuated during this period. The storms had caused widespread damage across the Scottish Borders and created a large volume of remedial works which needed to take place on the Council's infra-structure. This report outlined the key features of the Bellwin Scheme and its relevance to these major flooding events caused by storms Desmond, Frank and other flooding so far this financial year; outlined the work that had been done to date in responding to the initial aftermath of storm damage and actions taken to date. Critically, the report also outlined the extent of remedial works that still needed to be undertaken and the measures that would be required to support completion of these works within the Bellwin timeframe. It was also important to note that under the Bellwin Scheme the Local Authority had to meet the first portion of costs equivalent to 0.2% of the Local Authority's total net revenue budget. In the case of Scottish Borders Council, this equated to £508k that would have to be met from reserves with the Bellwin Scheme picking up all eligible costs beyond this level. It was noted that a further report covering progress with the flood assistance for businesses and houses was being prepared and would be reported separately to Committee. Members were advised that the Bellwin Scheme had been extended to 4 months. In response to a concern about part of a wall bordering the River Teviot when it was stated that Council Officers had inspected the wall and said it was safe but residents still considered the wall to be unsafe, the Depute Director – Place undertook to ensure that a more detailed response in relation to the inspection of the wall be issued by Officers. In response to questions regarding three problem areas of the River Tweed near Walkerburn and Innerleithen, the Depute Chief Executive – Place advised that engineers could give a full response. A comment was made that failure to maintain the clearance of roadside ditches created a core problem in relation to flooding on roadsides and it was suggested that funding could be set aside in the Council's budget for local farmers to undertake this work and the Depute Director – Place undertook to investigate this.

DECISION

AGREED

- (a) to note the extent and costs of works undertaken to date in response to the three major flooding weather events;
- (b) to note the scale and extent of works that remained to be done to re-instate a wide range of damaged Borders infrastructure;
- (c) that wherever possible, discretionary Council spending was delayed until the 2016/17 financial year to free up internal Neighbourhood Services Roads and SBc Contracts capacity to concentrate on Bellwin Scheme related works; and
- (d) that £508K from General Reserves would be required as the Council's contribution towards flooding costs as per the Bellwin guidelines.

11. PRIVATE BUSINESS DECISION

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 paragraphs 6 and 9 of part 1 of schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

12. MINUTE

The Committee approved the private Minute of 2 February 2016.

13. REQUEST FOR ROAD WORKS TO BE INCLUDED IN THE COUNCIL'S CAPITAL FINANCIAL PLAN 2016/2017

The Committee considered a report and agreed with the recommendations contained therein.

The meeting concluded at 12.40 p.m.