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EXECUTIVE COMMITTEE TUESDAY, 24TH FEBRUARY, 2015

A MEETING of the EXECUTIVE COMMITTEE will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS, TD6 0SA on TUESDAY, 24 FEBRUARY 2015 at 10.00 am

J. J. WILKINSON,
Clerk to the Council,

17 February 2015

BUSINESS		
1.	Apologies for Absence	
2.	Order of Business	
3.	Declarations of Interest	
4.	Minute (Pages 1 - 6) Minute of Meeting of Executive Committee of 3 February 2015 to be approved and signed by the Chairman. (Copy attached).	2 mins
5.	Revenue Budget Monitoring Consider reports by Chief Financial Officer on:-	20 mins
	(a) Monitoring of General Fund Revenue Budget 2014/15 (Pages 7 - 32) detailing budgetary control statements for the Council's General Fund based on actual expenditure and income to 31 January 2015 and seeking approval for virements and earmarked balances; and	
	(b) Projected Balances to 31 March 2015 (Pages 33 - 44)	
6.	Monitoring of the Capital Financial Plan 2014/15 (Pages 45 - 68) Consider report by Chief Financial Officer on the progress of the 2014/15 Capital Financial Plan. (Copy attached.)	10 mins
7.	Request for Road Works to be included in the Council's Capital Financial Plan 2015/16 (Pages 69 - 72) Consider report by Service Director Regulatory Services seeking approval for the inclusion of the works associated with the completion of the roads within part of the housing development at Dingleton Road, Melrose in the	10 mins

	Council's Capital Financial Plan 2015/16. (Copy attached.)	
8.	School Health & Safety Refurbishment & Capacity and Equalities Block Capital Allocations 2015/16 (Pages 73 - 80) Consider report by Depute Chief Executive People relating to allocating the School Health & Safety, School Refurbishment & Capacity and School Equalities Act Blocks to a number of individual projects. (Copy attached.)	10 mins
9.	Stow Primary School Accommodation Works (Pages 81 - 86) Consider report by Service Director Capital Projects relating to additional accommodation works at Stow Primary School. (Copy attached.)	10 mins
10.	Health Resource Transfer of Mountview Services (Pages 87 - 96) Consider report by Chief Social Work Officer proposing that there is a transfer of funding from NHS Borders to Scottish Borders Council in relation to the services currently provided by NHS Borders in Mountview, Duns. (Copy attached.)	10 mins
11.	Scottish Borders Council Community Grant Scheme - Generic Budget (Pages 97 - 118) Consider report by Service Director Strategy and Policy recommending an application from Alchemy Film & Arts for funding. (Copy attached.)	5 mins
12.	Any Other Items Previously Circulated	
13.	Any Other Items which the Chairman Decides are Urgent	

NOTES

1. Timings given above are only indicative and not intended to inhibit Members' discussions.
2. Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.

Membership of Committee:- Councillors D Parker (Chairman), S. Aitchison, S Bell, C Bhatia, J Brown, M J Cook, V Davidson, G Edgar, J G Mitchell, D Moffat, D Paterson, F Renton and R Smith

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SCOTTISH BORDERS COUNCIL
EXECUTIVE COMMITTEE

MINUTE of MEETING of the EXECUTIVE
COMMITTEE held in the Council Chamber,
Council Headquarters, Newtown St. Boswells
on Tuesday, 3 February 2015 at 10.00 a.m.

Present:- Councillors D. Parker (Chairman), S. Bell (Chairman – Economic Development
Business), C. Bhatia, V. Davidson (from para.4), G. Edgar, J. Mitchell, D. Moffat,
D. Paterson, F. Renton, R. Smith.
Also Present:- Councillors M. Ballantyne, K. Cockburn.
Apologies:- Councillors S. Aitchison, J. Brown, M. J. Cook.
In Attendance:- Chief Executive, Depute Chief Executive – People, Chief Financial Officer, Chief
Officer Economic Development, Clerk to the Council, Democratic Services Officer
(F. Walling).

ECONOMIC DEVELOPMENT BUSINESS

Present:- Mr J. Clark, Mr G. Henderson.

CHAIRMAN

1. Councillor Bell chaired the meeting for consideration of the economic development business. He welcomed Mr Clark and Mr Henderson to this section of the Executive meeting and asked for a round of introductions.

MINUTE

2. The Minute of the Economic Development Group of 13 November 2014 had been circulated.

DECISION

APPROVED for signature by the Chairman.

ECONOMIC DEVELOPMENT UPDATE

3. Copies of a note providing an update on recent Economic Development activity had been circulated with the agenda. The update gave figures in relation to local business involvement with the Business Gateway team; the Scottish Borders Business Fund; Scottish Borders Business Loan Fund; Scottish Borders Council property leases and the Youth Employment Scotland Scheme. The update also covered recent developments in relation to town centre regeneration; tourism and events; European Funding programmes; strategic employment land projects and low carbon initiatives. Details were provided in particular in relation to the Borders Railway marketing campaign and the plans being developed by the Borders Railway Opening Celebrations Committee. In a further update provided by the Chief Officer Economic Development, Bryan McGrath, Members were informed that at the recent national Herald Business Awards, The Orde Food Group, Kelso and Glenrath Farm, Tweeddale, had received awards. A further business, A. Hume, Kelso, had received a commendation. The Chairman asked for congratulations to be passed to the businesses concerned.
4. Scottish Borders Business Forum Chairman, Jack Clark, informed Members of the success of the recent event held by the Forum about business opportunities in connection with the Borders Railway and rail services available. A panel of speakers had included Mike Kean, UK Rail Development Director for Abellio, Michael Moore, MP, and Councillor Stuart Bell. As the event had been hugely over-subscribed a further event was planned for 6 March 2015 in

addition to a series of regional meetings around Borders towns being organised to encourage the maximisation of business opportunities brought about by the railway. Members went on to discuss other issues in the update, including shopfront grants, property enquiries and cycle route signs. There was particular reference to cycling events and the Council's support of road and mountain biking. It was recognised that the development and popularity of the sport in the Scottish Borders was at a high level compared with other regions of Scotland. However it was agreed that the Council should continue to look for all opportunities to promote cycling further. In this respect reference was made to the particular situation of Newcastleton. Although the area was part of the 7Stanes trails it did not seem to feature in the wider programme. The view was that more effort should be made to promote this area including opportunities for cross border routes. The Chairman advised that there had been more publicity around Newcastleton subsequent to the opening of the new Whithaugh Bridge but he agreed to pass on the points made by Members to the 7Stanes Marketing Committee for their attention.

DECISION

NOTED the update.

MEMBER

Councillor Davidson joined the meeting during the above discussion.

CITY DEAL PROPOSAL

5. There had been circulated copies of a report by the Service Director Strategy and Policy seeking approval for Council participation in the development of a business case for a City Deal for the Edinburgh City-Region/East of Scotland. The business case would investigate the potential for City Deal to contribute to the funding of future economic infrastructure across the city-region. The background to the report explained that 'City Deals', initiated in 2011 as part of the UK Government's 'localism' agenda, sought to promote economic growth through investment in enabling infrastructure. The cost of the investment would then be recovered through increased tax revenue resulting from the economic growth. An outline was given, for information, of a City Deal for the Glasgow City-Region which was secured in July 2014. The City of Edinburgh Council was promoting a bid for the Edinburgh City-Region. The area being considered was that covered by SESPlan, i.e. City of Edinburgh, East Lothian, the southern part of Fife, Midlothian, West Lothian and Scottish Borders. The other Councils had already agreed to participate. There was also a possibility that Dundee City may also become involved in the project, due to its links with Fife. A City Deal for the city-region could bring significant investment in infrastructure and could support economic growth across the city-region. In order to assess the likely benefits, including potential investments in the Scottish Borders, and to fully assess risks, further work needed to be carried out to establish if a robust and verifiable business case existed. Funding support of up to £25,000 was required as the Council's contribution towards the development of the initial business case. This had been identified from existing Neighbourhood Services revenue budgets. Once that business case had been developed further consideration would be needed of the Council's future participation in a City Deal bid for the south east of Scotland.
6. In the ensuing discussion Members were in favour of pursuing the proposal to participate in the development of a business case, after which the Council should carefully consider the value of potential leverage of funding anticipated through the City Deal and the level of benefits the City Deal would offer to the Scottish Borders. Points were made that in view of the geography of the Borders and in particular the aspiration to extend the Borders Railway, there should also be consideration given to working with Carlisle. There was agreement that, with regard to investment in infrastructure in the Scottish Borders, equal attention should be given to projects to improve East - West communications/routes as well as to North - South developments. It was noted that the timescales for the bid outlined in the report were very tight. It was agreed that there should be a recognised person to lead the Council's contribution towards the development of a business plan, in order to provide political leadership and ownership. Mr McGrath was asked that, once the business case had been finalised, a briefing be arranged for Members in addition to a report, so that Members would

be in possession of comprehensive information around the benefits and risks of the proposal prior to a formal decision on participation.

DECISION

- (a) NOTED the potential for a City Deal.**
- (b) AGREED that:-**
 - (i) the Council participate in developing a potential submission;**
 - (ii) a contribution from the Council of up to £25,000 be made available to support the development of the business case; and**
 - (iii) officers provide a Members' briefing and bring a further report to Executive, outlining the benefits and risks of the proposal, prior to any formal decision on participation beyond the development of the business case.**

BUSINESS GATEWAY PROGRESS REPORT – 1 APRIL 2014 TO 31 DECEMBER 2014

7. With reference to paragraph 8 of the Economic Development Group Minute of 15 May 2014, there had been circulated copies of a report by the Service Director Strategy & Policy presenting an update on the performance of Business Gateway in the Scottish Borders, covering the period 1 April 2014 to 31 December 2014. The report advised that high numbers of clients continued to access Business Gateway services, reflected in the local advisory performance indicator sitting at 117% of target for the period to 31 December 2014. Performance in respect of business start-ups had remained strong over the period, at 99% of target. Performance against high value start-up and growth businesses remained lower than expected, although performance was improving. Three high growth businesses had been placed into the Scottish Enterprise Account Management Service (150% of target). The introduction of additional local growth support indicated that the pipeline of "local growth" businesses was beginning to come through and this would push up the outputs in relation to the growth service over time. In relation to qualitative measures of performance, the service continued to perform well with an overall customer satisfaction of 89% compared to a national level of 85%. Progress against key performance targets was detailed in a table within the report. The Business Gateway Business Plan 2014/15, which had been approved by the Economic Development Group, included a 13 point Improvement Plan for the service. An appendix to the report set out this Performance Improvement Plan and the progress made to date. The report went on to refer to the first Scottish Borders Business Week which had been held during the week commencing 29 September 2014. Almost 300 people had attended a series of workshops and events that raised the profile of local entrepreneurship and the Business Gateway service. Members welcomed the figures and improving performance of the Business Gateway Service. In answer to a question about geographical spread with regard to access to the services offered, Members were advised that Business Gateway Services were delivered across the whole Scottish Borders area. However consideration would be given to inclusion of an analysis of businesses accessing services on an area basis within the Business Gateway Business Plan 2015/16. The Plan would also focus on the delivery of services within deprived areas of the Borders. The Chairman thanked officers for the report and asked that the Committee's positive comments be fed back to the Business Gateway team.

DECISION

- (a) NOTED the improving performance of the Business Gateway Service to date and the actions planned for the future;**

(b) AGREED that:-

- (i) regular progress reports continue to be received to enable the performance of Business Gateway to be monitored; and**
- (ii) the Business Gateway Business Plan for 205/16 be presented for approval to the Executive Committee in May 2015.**

SCOTTISH LOCAL AUTHORITY BUSINESS LOAN FUND

8. There had been circulated copies of a report by the Service Director Strategy & Policy providing an overview of the proposed Scottish Local Authorities Business Loan Fund and seeking approval for the Council to become a member. It was explained that, following consultation with the Scottish Government, Scottish Local Authorities Economic Development Group (SLAED) and Scottish Enterprise, an opportunity had arisen to establish a Scotland-wide loan fund to support small and medium enterprises through the provision of loans of £5,000 to £100,000 in a new Scottish Local Authorities Business Loan Fund. By aiming to integrate the existing South of Scotland Loan Fund into this new Fund, the Council would be able to ensure that Scottish Borders businesses were also able to benefit from access to this new investment finance. It would create an excellent opportunity to provide local businesses with more flexible and easier access to loan funds, to sustain and grow their businesses and increase employment opportunities. The Fund would complement other business support activities that the Council and partners provided. The report outlined that the fund would be achieved through financial contributions from existing loan funds, namely the West of Scotland Loan Fund, East of Scotland Investment Fund and the South of Scotland Loan Fund. There would also be additional contributions from Local Authorities, Scottish Government, the European Regional Development Fund (ERDF) and clearing bank finance. It was intended that this new national fund would replace the Scottish Borders Business Loan Fund from April 2015. The latter fund had received 26 applications and approved 10 loans to the value of £87,000 since its launch in 2013. Each Member Authority's contribution to the integrated fund would be exclusively ring-fenced to be invested in the respective local area. The Business Gateway Team would act as the local point of contact for the fund, providing information and advice to potential applicants. Members discussed the report and recognised that this was a sound proposal which would open up further finance opportunities for Scottish Borders businesses. In consideration of the fact that there were certain exclusions associated with accessibility to businesses loans from the existing regional funds, Members emphasised the importance of the proposed national fund being accessible to all types of business, including those from the agricultural industry.

DECISION

- (a) NOTED the development of the proposed Scottish Local Authority Business Loan Fund.**

(b) AGREED:-

- (i) that Scottish Borders Council become a member of the new fund, subject to approval of appropriate funding from Scottish Enterprise;**
- (ii) to delegate, to the Service Director Strategy & Policy and the Chief Financial Officer, authority to finalise the operational arrangements for the Council's membership of the new fund; and**
- (iii) to the closure of the existing Scottish Borders Council Business Loan Fund at the end of March 2015.**

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 paragraph 6 of Part 1 of Schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

MINUTE

1. The Committee approved the private Economic Development Group Minute of 13 November 2014.

OTHER PUBLIC BUSINESS

CHAIRMAN

On the resumption of the meeting, Councillor Parker took the Chair for the remaining business.

MINUTE

9. The Minute of meeting of the Executive Committee of 20 January 2015 had been circulated.

DECISION

APPROVED for signature by the Chairman.

The meeting concluded at 11.15 a.m.

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MONITORING OF THE GENERAL FUND REVENUE BUDGET 2014/15

Report by the Chief Financial Officer

EXECUTIVE

24 February 2015

1 PURPOSE AND SUMMARY

1.1 To provide the Executive with

- **budgetary control statements for the Council's General Fund based on actual expenditure and income to 31 January 2015;**
- **explanation of the major variances between projected outturn expenditure/income and the current approved budget.**

1.2 The revenue monitoring position set out in this report is based on the actual income and expenditure to the 31 January 2015 and is currently reporting a projected breakeven position at 31st March to the end of this reporting period. Work continues across departments to deliver a programme of in-year savings measures put in place to address a number of significant cost and income pressures experienced during the financial year, the full delivery of which is required in order to ensure the above position and in particular, a breakeven outturn position across Chief Executive, People and Place departments.

Current pressures on the budget requiring remedial action are due to 2 main factors:

- Unfunded Compulsory Redundancies (£99k)
- Shortfall in income from Commercial Rents (£69k)

Specifically, further actions have been identified within People and Place of £89k and £67k respectively to address new arising pressures, the assumed delivery of which are factored into the projected position. A projected underspend in Children and Young People of £199k is directly offsetting projected pressures in Adult Services of the same value. Additional projected income from Council Tax (£168k) has been used to offset the position in Other Services enabling a breakeven position overall to be reported.

1.3 80% (£6,466k) of 2014/15 Financial Plan savings remain achieved as planned with 13% (£1,052k) being achieved through alternative means. This leaves 4% (£362k) of the current savings which are profiled to be

achieved during the remainder of this financial year and the reported balanced outturn position is therefore dependent on their delivery by 31 March 2015. Progress on achievement of Financial Plan savings is detailed in Appendix 5 to this report.

- 1.4 Full details of pressures, risks and challenges are detailed in Appendix 1 to this report. Proposed virements and earmarked balances are detailed in Appendices 2 and 3 respectively. Appendix 4 contains the Council's position on budget movements for the year 20 31st January 2015.

2 RECOMMENDATIONS

2.1 It is recommended that Members:-

- (a) Note the projected balanced breakeven position reported at 31 January 2015;**
- (b) Agree that the Depute Chief Executives for People and Place and their Service Directors will continue to work with their management teams to deliver all planned savings measures and if necessary, bring forward further actions to ensure this outturn position is delivered 2014/15;**
- (c) Agree proposals for budget virements and earmarked balances detailed in Appendices 2 and 3 respectively;**
- (d) Note the efficiency savings detailed in Appendix 5 and reviews all previously identified savings proposals for deliverability, including those where no or only partial process has been made and are being met by other temporary measures;**

3 PROJECTED OUTTURN

- 3.1 The summary included in Appendix 1 is reporting an overall projected breakeven position at 31st January 2015 with additional proposals to meet pressures having been identified. Department management teams continue to work to deliver a range of measures to address a range of further pressures across their services and continue to work with Finance to enable the delivery of a balanced outturn across Chief Executive, People and Place departments. Appendix 5 sets out the progress made by the end of month 9 to deliver the savings approved in the Financial Plan on the 6 February 2014 and prior year savings achieved by temporary means.

Chief Executive's

- 3.2 The Chief Executive's department is currently projecting a balanced outturn position and is managing pressures within the department to achieve this position. The main area of ongoing pressure relates to the Small Business Grants Scheme. No further grants will be made during the remainder of 2014/15, although applications will continue to be considered in advance of 2015/16.

People

- 3.3 The People Department is currently reporting a balanced position at the 31st January as a result of a remedial action plan currently being delivered in order to enable a balanced outturn position to be achieved and the offset of £199k of projected savings within Children and Young People to pressures of the same value in Adult Services.
- 3.4 Budgets have been considerably realigned within the department in order to address a range of identified pressures, including those pertaining to the cost of Out of Authority Care. Transport of children to/from school continues also to be an area of financial pressure and a combination of additional investment into the service, a review of discretionary spend and the identification of savings from the profiled implementation of the Early Years additional hours for nursery provision have all been required to enable the above position to be reported.
- 3.5 Within Adult Services, projected pressures of £199k are currently projected. This is predicated however on the delivery of planned actions to deliver a further £250k of proposed savings during the remainder of the financial year. £220k of savings have already been delivered as part of the department's action plan during October and November and all remaining actions, including those newly identified to deal with further pressures of £89k, must now be delivered.
- 3.6 Beyond the action plan currently being delivered, further additional savings within Generic Services of £239k arising from ongoing staff turnover management and discretionary spend budgets are meeting additional demand pressures across Older People services.

Place

- 3.7 The Place department is currently projecting a breakeven position having brought planned savings forward to address £67k of further pressures identified during January. Planned savings within Regulatory Services and Asset Management, together with additional Passenger Transport income are being used to offset shortfalls in income across Fleet Management, Design and SBC Contracts and further savings will be identified and delivered to fully offset this going forward.

Other

- 3.8 Budget available to meet ERVS/compulsory redundancies during 2014/15 has now been fully utilised, including an additional £100k allocated from reserves. This has left a residual pressure of £99k requiring addressing along with £69k in respect of a shortfall in income from Commercial Rents. It is proposed within Appendix 2 to utilise £168k of additional income from Council Tax in order to offset these two remaining areas of financial pressure.
- 3.9 Significant savings of £132k in Loans Charges has been used to offset pressures across the Council in Chief Executive and People departments. £115k budget is being earmarked into 2015/16 to support Corporate Transformation and £60k budget is being earmarked to support the implementation of the Culture Trust to correspond with planned activity.

4 IMPLICATIONS

4.1 Financial Recommendations

There are no costs attached to any of the recommendations contained in this report its content being specifically related to the performance of the revenue budget in 2014/15.

4.2 Risk and Mitigations

There is a risk that management action does not deliver the necessary measures to balance the budget and ensure the delivery of the 2014/15 Financial Plan. There is also a risk that further cost pressures may emerge in-year which may then impact further on the bottom line. Every effort must continue to be made by Service Directors to contain projected spend in the remainder of the year. Within all departments but in particular, People, a substantial level of savings require to be delivered through actions plans during the remainder of the financial year and accordingly, every effort must also be made to ensure that this is achieved and where there is any risk of non-delivery, further mitigating actions are identified.

- 4.3 It is imperative therefore that review is undertaken across all departments of savings identified within the 2014/15 and previous financial plans that have yet to be delivered or which are currently being met by other temporary means and alternatives, where appropriate, identified to ensure permanent affordability and budget sustainability.

The risks identified above are being managed and mitigated through:-

- (a) monthly reports of actual expenditure and income against approved budgets being made available to budget managers from the Council's Financial Information System.
- (b) review of budget variances and monitoring of management actions to control expenditure by Finance, Service staff and Directors and monthly reporting to CMT including a series of budget challenge meetings between the above key stakeholders.
- (c) engagement with Departments and review of monthly management accounts by departmental management teams.

- (d) supporting departmental business transformation boards to monitor and deliver the planned business transformation savings in the medium-term Financial Plan.

4.4 **Equalities**

It is anticipated there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.

4.5 **Acting Sustainably**

There are no significant effects on the economy, community or environment.

4.6 **Carbon Management**

No effect on carbon emissions are anticipated from the recommendation of this report.

4.7 **Rural Proofing**

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

4.8 **Changes to Scheme of Administration or Scheme of Delegation**

No changes to either the Scheme of Administration or the Scheme of Delegation is required as a result of this report.

5 CONSULTATION

- 5.1 Depute Chief Executives, Service Directors and their relevant staff have been involved in and agreed the compilation of the budgetary control statements appended.
- 5.2 The Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit & Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and any comments received have been reflected in the report.

Approved by

David Robertson
Chief Financial Officer

Signature

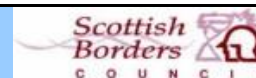
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MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2014/15**
PEOPLE

AT END OF MONTH: Jan-15

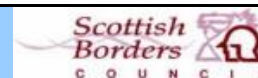


People	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Children & Young People								
Early Years	5,965	4,520	5,917	5,565	352	(153)	199	Transfer £375k to Transportation and ICS due to lower than anticipated implementation costs relating to 600 hours nursery provision and also 2 year old nursery provision. Includes RSG Funding (£222k) for additional two year olds and Workforce Development funding (£52k). Saving of £199k relating to fund 2015-16 600 hours provision and the £52k Workforce Development budget
Primary Schools	31,503	26,137	32,307	31,811	496	(496)	0	Earmark projected DSM carry forward into 2015/16 (£656k). Long term absence costs and under-achieved savings of £155k. £9k received from Central Schools following a bidding process relating to a language initiative. £5k transfer of budget to Capital in line with expenditure (CFCR).
Secondary Schools	39,404	33,247	40,358	39,813	545	(545)	0	Earmark projected DSM carry forward into 2015/16 (£466k). Net savings of £70k in Premises costs (from lower than anticipated utility spends) being transferred to Transportation and ICS to support projected pressures. £9k transfer of budget to Capital in line with expenditure (CFCR)
Central Schools	4,047	2,106	2,739	2,574	165	(165)	0	£117k savings from various areas including unfilled vacancies, being transferred to Primary Schools and Transportation to support projected pressures in these services. £9k transferred to Primary Schools in relation to a language initiative. £38k Curriculum for Excellence budget being earmarked into 2015-16 in relation to Modern Language and Standardised Testing initiatives.
Transportation	3,202	2,447	3,202	3,533	(331)	331	0	Home to School transport pressure (£331k) being addressed by savings from reduced implementation costs of Early Years and also savings in Central Schools, utility costs and also in Performance & Improvement.
School Meals	1,057	976	1,438	1,338	100	(100)	0	Projected savings in free school meals for Primary 1- 3 children due to lower than anticipated uptake (£100k) being transferred to ICS.
Community Learning & Development	1,078	815	1,063	1,063	0	0	0	
Integrated Children's Services (ICS)	24,323	21,371	25,108	25,418	(310)	310	0	Transfer of budget into ICS per June Action Plan to address Out of Authority Placement costs (£100k from School Meals and £96k from Loans Charges within "Other"). Projected pressure has increased by £117k from November due to extended placements, being addressed by savings in Early Years and reduced utility costs.
Sub-total Children & Young People	110,579	91,619	112,132	111,115	1,017	(818)	199	

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL
PEOPLE

2014/15

AT END OF MONTH: Jan-15



People	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Chief Social Work Officer								
Services in the Criminal Justice System								
Gross Expenditure	1,228	875	1,357	1,357	0	0	0	
Income	(1,228)	(720)	(1,357)	(1,357)	0	0	0	
	0	155	0	0	0	0	0	
Adult Services								
Older People	23,032	18,145	23,695	23,877	(182)	0	(182)	External Bed and Homecare packages now being evaluated by a Panel. with this additional challenge resulting in a reduction in the pressure and demand for services being met. Financial plan savings of £181k are expected to be delivered by year end to achieve this position together with the delivery of £40k in other in-year targeted efficiencies. Pressure from a shortfall in client contribution income.
Adults with Learning Disabilities (AWLD)	13,904	10,888	13,859	13,857	2	0	2	A managed reduction in the use of overtime has reduced projected pressures to a breakeven position. This is dependent on £59k financial plan savings and £40k in in-year package reductions being also delivered by the year end.
People with Physical Disabilities (PWPD)	2,817	2,660	2,836	3,087	(251)	0	(251)	Increase on last month due to large new packages of care. £53k financial plan savings still to be achieved by end of Financial Year and £60k package reductions are also requiring delivery as part of in-year remedial action plan in order to achieve reported position at outturn. Pressure from a shortfall in client contribution income.
People with Mental Health Needs	2,239	1,606	2,231	2,238	(7)	0	(7)	No change from last month, small financial plan saving of £12k still requiring delivery to achieve outturn result by year end.
Generic Services & Staff Teams	5,724	4,110	5,592	5,353	239	0	239	Additional work carried out this month on reviewing vacancies and staff transfers resulting in a reduction of £100k, a temporary saving, but able to contribute this year to meeting budget pressures. £27k in financial plan savings still to be delivered along with £60k of management actions to achieve reported outturn position.
Adult Services	47,716	37,410	48,213	48,412	(199)	0	(199)	
Business Support								
SW Performance & Improvement	3,061	2,630	3,256	3,231	25	(25)	0	Transfer of budget to Transportation to support projected pressure as well as general projected savings in various areas (£9k) to support under-achieved saving in Primary Schools .
E&LL Strategic Support	1,668	1,033	1,901	1,685	216	(216)	0	Earmark £200k into 2015/16 for phased openings of Early Learning Centres. Transfer of additionally generated evening lets income (£19k).
Sub-total Business Support	4,729	3,663	5,157	4,916	241	(241)	0	
Total - People	163,024	132,847	165,502	164,443	1,059	(1,059)	0	

Key Highlights

Additional pressures have been addressed in Out of Authority children's placements (£117k) and additional Transportation pressure of £51k (total pressure now totalling £331k) being addressed through monitoring with savings being made in other services as detailed above. Budget available in Early Years due to a phased introduction of a more flexible early learning and childcare service being used to fund pressures elsewhere in the department and also being earmarked into 2015-16 to fund increased business transformation costs and implement school property improvements linked to HMIe inspections.

Schools indicative DSM carry forwards are £656k in Primary and £466k in Secondary schools.

Utility cost projections are reducing in relation to the milder than anticipated winter to the end of December. Savings are being transferred to support pressures elsewhere in the department as detailed above.

Significant savings are being delivered within Adult Services in order to address projected pressures. In particular, rigorous management within Older People and AWLD is having a significant impact in ensuring the delivery of a balanced outturn position for the department.

Key Challenges

A key and immediate challenge is the management of variable demand for Out of Authority placements. Overall, projected costs across the Children & Young People's service have increased in December by £117k and have increased by £223k since June. This position will require close management but may be exacerbated before the end of the year by the need for further placements which currently are being considered.

Managing long term teachers absences continues to be a challenge for the department.

Containing the costs of increasing client numbers across Older People, AWLD and PWPD continues to be a further key challenge. A range of measures have been identified and implemented to address the pressures and enable a balanced outturn to be delivered. With action plans to deliver efficiencies in the region of £200k remaining, their delivery during the remainder of the financial year is paramount, in order to ensure the above outturn position is achieved. Additionally, there is a shortfall income from client contributions towards the cost of their care in Older People and PWPD which is contributing considerably to the residual pressure within Adults.

Key Risks

There is a risk to the department in relation to the number of and costs relating to Out of Authority Placements and also the, as yet, unknown uptake of free school meals for P1-3. Increasing long term absence costs in schools also cause a risk of budget pressures if they continue to rise significantly between now and the year end.

An additional risk to the Schools service is the number of emerging schools budget pressures that have an impact on central budgets. Although these are currently being absorbed, if further additional budget is allocated to schools, there is a risk that the service will pressure at the year end.

Within Adult Services, ongoing increased demand for services may put further pressure on the department. The key challenge currently is in relation to the delivery of an extensive list of remedial savings actions during the remainder of the year, in the region of £200k. Over the last 2 months however, £400k of savings have already been delivered and work continues to deliver the remainder in order to provide assurance over the delivery of the above projected breakeven position. £330k of savings profiled within the 2014/15 Financial Plan also require delivery before the end of the financial year.

Should the projected saving in Children & Young People be required to meet the additional pressures within Adults, this will have an impact on the level of ERVS budget available in 2015/16 as there will no longer be provision for c/f.

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Budget Virement Requirement **Place** **No. of Virements** **6**

1 Virement is required from

Department	Place	2014/15	2015/16	2016/17
Service	Asset & Infrastructure	£	£	£
Budget Head	Supplies & Services	(1,000)	0	0
Service	Properties & Facilities Management	£	£	£
Budget Head	Supplies and Services	(10,076)	0	0
Service	Built & Natural Heritage	£	£	£
Budget Head	Supplies & Services	(1,188)	0	0
Service	Trading Contribution	£	£	£
Budget Head	Supplies & Services	(6,870)	0	0
Service	Assessors & Electoral Register	£	£	£
Budget Head	Supplies & Services	(2,408)	0	0
Total		(21,542)	0	0

To

Department	Other	2014/15	2015/16	2016/17
Service	Capital Financing Costs	£	£	£
Budget Head	Supplies & Services	21,542	0	0

Because

To transfer Revenue budget from (1) Built & Natural Heritage for IT equipment (2) Trading Contribution for IT equipment (3) Infrastructure & Asset Management for IT equipment (4) Assessors & Electoral Registration Officer for IT equipment and (5) Properties & Facilities Management for catering equipment to Capital as CFCR.

2 Virement is required from

Department	Place	2014/15	2015/16	2016/17
Service	Infrastructure & Asset Management	£	£	£
Budget Head	Premises Related Expenses	(60,000)	0	0

To

Department	Place	2014/15	2015/16	2016/17
Service	Property & Facilities Management	£	£	£
Budget Head	Supplies & Services	60,000	0	0

Because

To transfer budget as a result of reduced Electricity cost projection to cover Carbon Tax pressure arising from inclusion of Street Lighting in Carbon Tax regime for the first time.

3 Virement is required from

Department	Place	2014/15	2015/16	2016/17
Service	Infrastructure Asset Management	£	£	£
Budget Head	Third Party Payments	(10,000)	0	0

To

Department	Place	2014/15	2015/16	2016/17
Service	Neighbourhoods	£	£	£
Budget Head	Supplies & Services	10,000	0	0

Because

Transfer of budget to Neighbourhood Services to allow additional bridges works to commence.

4 Virement is required from

Department	Place	2014/15	2015/16	2016/17
Service	Built & Natural Heritage	£	£	£
Budget Head	Employee Cost	(15,300)	0	0

To

Department	Other	2014/15	2015/16	2016/17
Service	Transformation (Projects)	£	£	£
Budget Head	Employee Costs	15,300	0	0

Because

Transfer of staffing budget and related expenditure to maximise drawdown of capital funds for Kelso THI (£15k).

5 Virement is required from

Department	Place	2014/15	2015/16	2016/17
Service	Properties & Facilities Management	£	£	£
Budget Head	Employee Costs	(6,000)	0	0
	Supplies and Services	(1,561)	0	0
	Third Party Payments	(7,500)	0	0
	Income	(6,500)	0	0
	Total	(21,561)	0	0

To

Department	Place	2014/15	2015/16	2016/17
Service	Capital Projects	£	£	£
Budget Head	Third Party Payments	21,561	0	0

Because

Transfer of budget from Revenue to cover additional Capital expenditure on new Cleaning equipment across various establishments, in excess of 14/15 Capital Plan budget provision.
--

6 Virement is required from

Department	Place	2014/15	2015/16	2016/17
Service	Infrastructure Asset Management	£	£	£
Budget Head	Premises Related Expenses	(20,000)	0	0
	Income	(13,000)	0	0

Service	Passenger Transport	£	£	£
Budget Head	Transport Related Expenses	(28,000)	0	0
	Support Services	(10,000)	0	0
	Income	(47,000)	0	0

Service	Projects	£	£	£
Budget Head	Income	(5,000)	0	0

Service	Property & Facilities Management	£	£	£
Budget Head	Supplies & Services	(8,000)	0	0

Service	Assessor & Electoral Registration Officer	£	£	£
Budget Head	Employee Costs	(3,000)	0	0

Service	Waste	£	£	£
Budget Head	Third Party Payments	(36,000)	0	0

Service	Legal Services	£	£	£
Budget Head	Employee Costs	(17,000)	0	0

Service	Regulatory Services	£	£	£
Budget Head	Employee Costs	(51,000)	0	0

Service	Built & Natural Heritage	£	£	£
Budget Head	Third Party Payments	(15,000)	0	0

Service	Business Support	£	£	£
Budget Head	Employee Costs	(5,000)	0	0

	Total	(258,000)	0	0
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To

Department	Place	2014/15	2015/16	2016/17
Service	Fleet Management	£	£	£
Budget Head	Income	128,000	0	0

Service	Design Services	£	£	£
Budget Head	Income	48,000	0	0

Service	Trading Contribution	£	£	£
Budget Head	Income	55,000	0	0

Service	Planning	£	£	£
Budget Head	Employee Costs	8,000	0	0
	Transport Related Expenses	2,000	0	0
	Supplies & Services	12,800	0	0
	Income	4,200	0	0

	Total	258,000	0	0
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Because

To transfer available budget identified through the budget monitoring process to cover pressure areas identified within Fleet Management, Design Services, Trading Contribution and Planning.

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Budget Virement Requirement Other No. of Virements 5

1 Virement is required from

Department	Other	2014/15	2015/16	2016/17
Service	Transformation (Projects)	£	£	£
Budget Head	Supplies & Services	(59,500)	59,500	0
	Third Party Payments	(114,547)	114,547	0
Total		(174,047)	174,047	(174,047)

To

Department		2014/15	2015/16	2016/17
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	174,047	(174,047)	174,047

Because

To earmark Culture Trust Review implementation budget in to 2015/16 (£60k) and carry forward underspend in project budget to fund corporate transformation projects in 2015/16 (£115k).

2 Virement is required from

Department	Other	2014/15	2015/16	2016/17
Service	Discretionary Housing Payments	£	£	£
Budget Head	Supplies & Services	(232,000)	232,000	0

To

Department		2014/15	2015/16	2016/17
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	232,000	(232,000)	0

Because

To earmark balance in Discretionary Housing Payment budget to fund Welfare Reform Project Manager post (45k), system licenses (£32k) and Scottish Welfare Fund system costs of £60k. Balance of funds (£95k) to be used for the continuation of the Scottish Welfare Fund project in 15/16 with reduced staff.

3 Virement is required from

Department	Other	2014/15	2015/16	2016/17
Service	Council Tax Reduction Scheme	£	£	£
Budget Head	Supplies & Services	(33,000)	33,000	0

To

Department		2014/15	2015/16	2016/17
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	33,000	(33,000)	0

Because

To earmark balance in Council Tax Reduction Scheme budget to resource the continuation of the Scottish Welfare Fund project (£33k).

4 Virement is required from

Department	Other	2014/15	2015/16	2016/17
Service	Scottish Welfare Fund	£	£	£
Budget Head	Transfer Payments	(32,000)	32,000	0

To

Department		2014/15	2015/16	2016/17
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	32,000	(32,000)	0

Because

To earmark balance in Scottish Welfare Fund budget to resource the continuation of the Scottish Welfare Fund project (£32k).

5 Virement is required from

Department	Other	2014/15	2015/16	2016/17
Service	Loan Charges	£	£	£
Budget Head	Capital Financing Costs	(800,000)	0	0

Service	Early Retirement/Voluntary Severance	£	£	£
Budget Head	Employee Costs	0	300,000	0

Service	Transformation (Projects)	£	£	£
Budget Head	Third Party Payments	0	300,000	0

Department	Chief Executive	2014/15	2015/16	2016/17
Service	Economic Development	£	£	£
Budget Head	Third Party Payments	0	200,000	0

Total		(800,000)	800,000	0
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To

Department		2014/15	2015/16	2016/17
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	800,000	0	0

Because

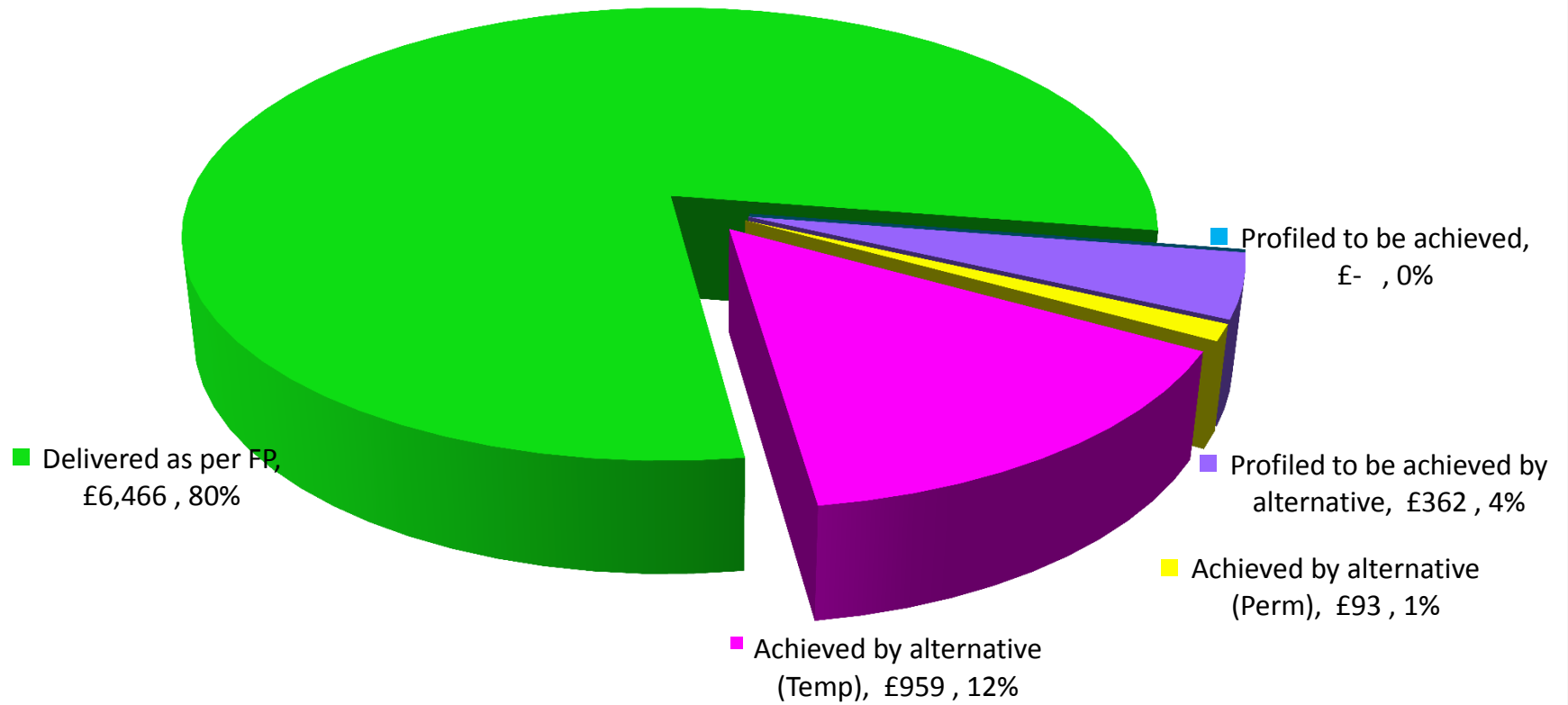
To earmark balance of underspend in Loan Charges (£800k) to provide for ER/VS costs (£300k), Corporate Transformation (£300k) and Economic Development activity and infrastructure (£200k) in 2015/16.

Revenue Budget Reconciliation 2014/15

	Chief Executive £'000	People £'000	Place £'000	Other £'000	Total £'000
Base budget approved 6 February 2014	27,991	163,024	36,262	24,932	252,209
Earmarked balances b/f from 2013/14	1,751	1,691	81	852	4,375
RSG deferred from 2013/14	23		152		175
Capital Financed from Current Revenue (CFCR)					0
Earmarked balances c/f to future years		(420)		(1,500)	(1,920)
RSG deferred to future years					0
Add'l budgets (net) funded from additional Council Tax					0
Reduction in budgets funded by RSG					0
Additional budgets funded from additional RSG	7	1,239	186	6,097	7,529
Additional budgets funded from General Fund Reserves	119	17	76	749	961
Surplus budgets transferred to General Fund Reserves					0
Other inter-departmental virements	463	225	78	(766)	0
	30,354	165,776	36,835	30,364	263,329

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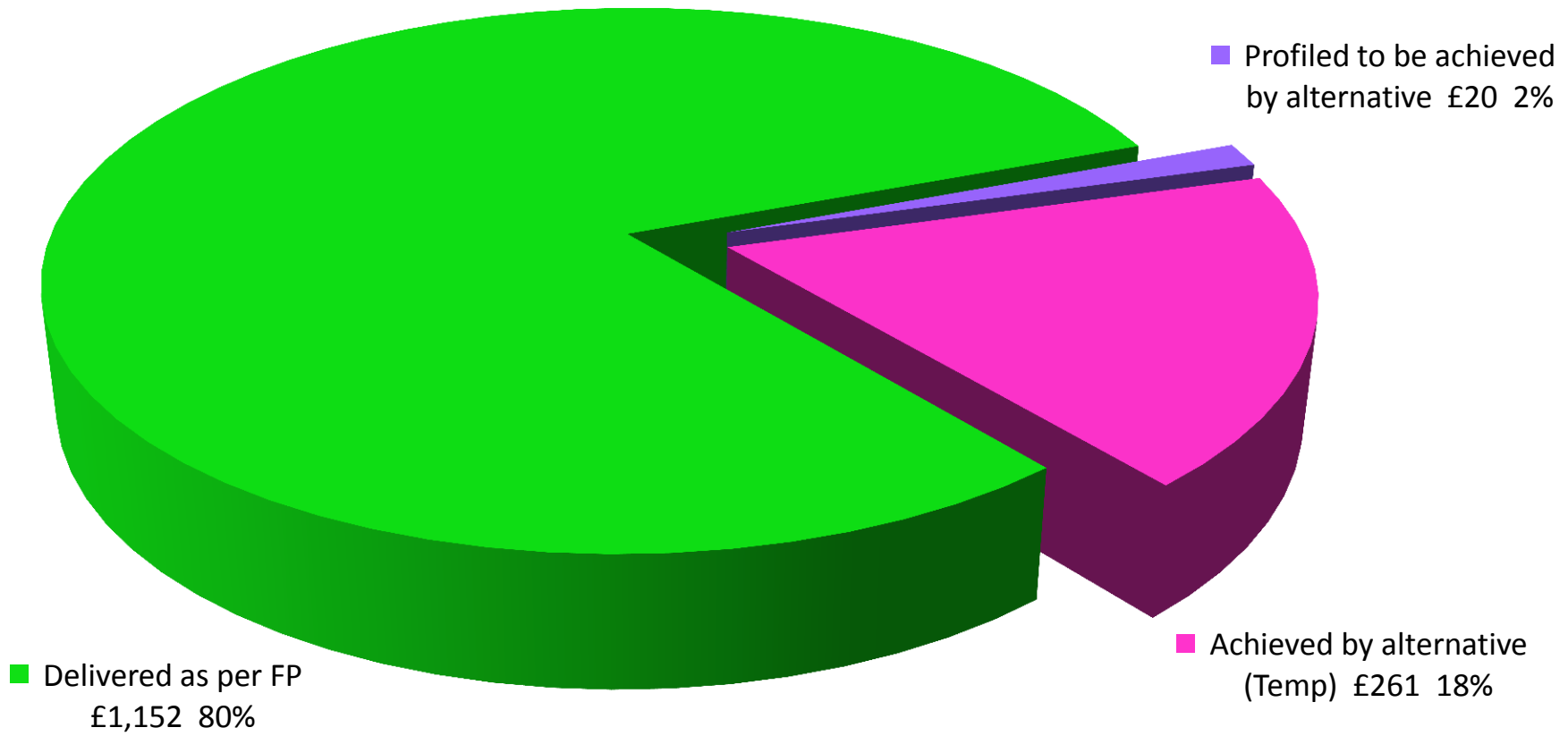
SBC (Total) Efficiency Savings Progress £'000



FINANCIAL PLAN EFFICIENCY PROGRESS 2014/15

Status	Saving £'000	
Delivered as per FP	£	6,466
Profiled to be achieved	£	-
Profiled to be achieved by alternative	£	362
Achieved by alternative (Perm)	£	93
Achieved by alternative (Temp)	£	1,195
Not Achieved - Risk	£	-
		<u>8,116</u>

Chief Executive & Other Efficiency Savings Progress £'000



FINANCIAL PLAN EFFICIENCY PROGRESS 2014/15

CHIEF EXECUTIVE & OTHER

Savings :

£'000	Delivered as per FP	Profiled to be achieved	Profiled to be achieved by alternative	Achieved by alternative (Perm)	Achieved by alternative (Temp)	Not Achieved - Risk	Comment	Perm/Temp	Status	Saving £'000
Savings in Executive Support	14	14						P	Delivered as per FP	£ 1,152
Savings in Finance	140	140						P	Profiled to be achieved	£ -
Savings in HRSS	26	19			7				Profiled to be achieved by alternative	£ 20
Savings in Communications	19	19						P	Achieved by alternative (Perm)	£ -
Adopt self insurance model for delivery of life insurance	39	39						P	Achieved by alternative (Temp)	£ 261
Savings in Audit & Risk Management / Health & Wellbeing	1	1						T	Not Achieved - Risk	£ -
Savings in HR & Workforce Planning	54	54								1,433
Savings in Democratic Services	21	21						P		
Savings in Information Technology	153	78			75			P		
Savings in Business Transformation	85				85					
Bring private sector leasing service in-house	100	100						P		
Savings in Housing Strategy & Services	3	3								
Savings in Strategic Policy Unit	1				1					
Savings in Economic Development	1				1					
Terms & Conditions	91	91						P		
Savings in Housing Business Support Services	11	5			6					
Cultural Services Review	65	65								
Review of Heritage Hub budget (Heart of Hawick)	20		20						Funded temporarily from projected savings in Comm/ Services	
Community asset Transfer (CC's) (2012-13 FYE)	20				20				Saving requirement brought forward from 2013/14 as only met temporarily last year	
Arts development (Prior Yrs NOT Met Permanently)	9	3			6				Saving requirement brought forward from 2013/14 as only met temporarily last year	
Review of Comm. Serv Management (Prior Yrs NOT Met Permanently)	60				60				Saving requirement brought forward from 2013/14 as only met temporarily last year	
Reduction in Loan Charges	500	500								
	1,433	1,152	0	20	0	261				0

People Efficiency Savings Progress £'000

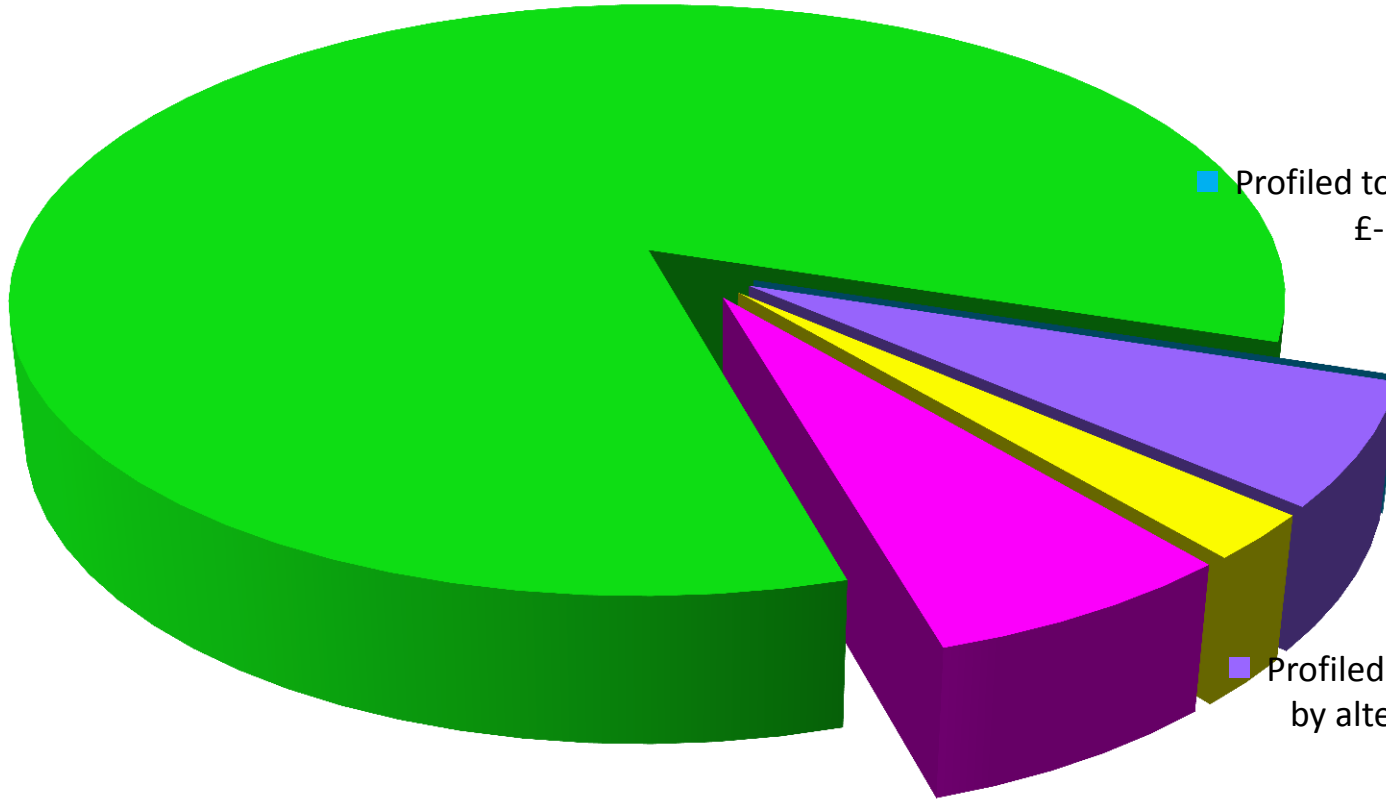
■ Delivered as per FP
£3,198 84%

■ Profiled to be achieved
£- 0%

■ Profiled to be achieved
by alternative £245
7%

■ Achieved by alternative
means (Temp) £255
7%

■ Achieved by alternative
means (Perm) £93 2%



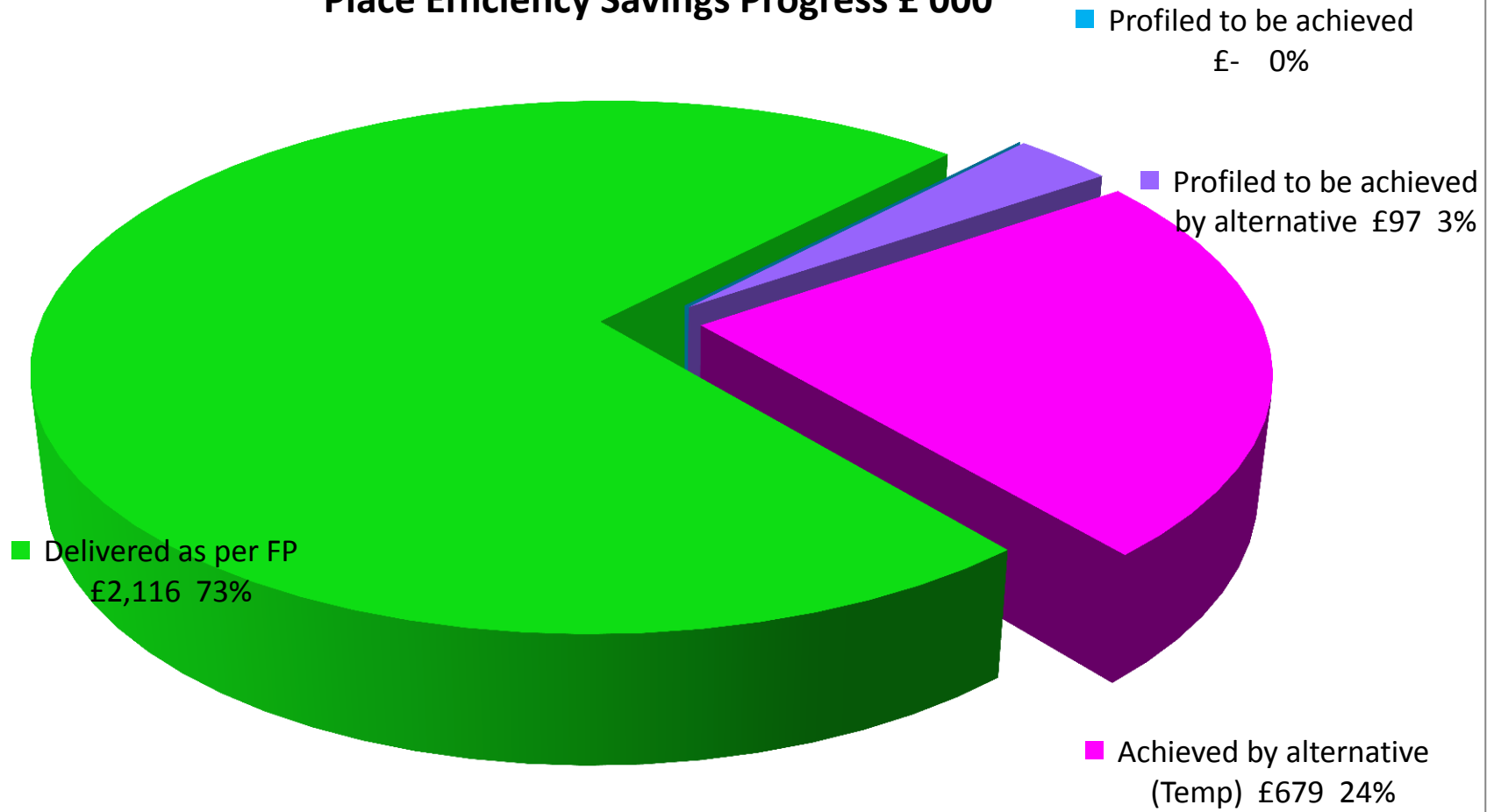
FINANCIAL PLAN EFFICIENCY PROGRESS 2014/15

PEOPLE

Savings :

	£'000	Delivered as per FP	Profiled to be achieved	Profiled to be achieved by alternative	Achieved by alternative (Perm)	Achieved by alternative (Temp)	Not Achieved - Risk	Comment	Perm/Temp	Status	Saving £'000
Review Provision of Primary Education	390	390							P	Delivered as per FP	£ 3,198
Review Provision of Secondary Education	860	816				44			P / T	Profiled to be achieved	£ -
Review SJC staffing allocation model	150	150							P	Profiled to be achieved by alternative	£ 245
Review of Early Years	150	150							P	Achieved by alternative means (Perm)	£ 93
Extend peripatetic janitor model	20	20							P	Achieved by alternative means (Temp)	£ 255
Review Music Instruction	18	18							P	Not Achieved - Risk	£ -
Targeted efficiency saving from Outdoor Education	10	10							P		3,791
Targeted DSM cash saving	43	43							P		
Review CPD provision	14	14							P		
Reduce Management Fee to Sports Trusts	60	60							P		
Removal of copyright budget for schools (centralised SG)	25	25							P		
Review National Grid for Learning (NGfL) staffing	25	25							P		
More efficient use of premises for evening lets (2013-14 Part Year)	14					14		Now fully achieved by way of budget allocation from ICT	P		
More efficient use of premises for evening lets (2014-15 Full Year Effect)	55					55		Temporarily achieved by alternative in 2014-15			
Review pricing of Primary School meals	18	18						Temporarily achieved by alternative in 2014-15			
Reduce Community Learning & Development budgets	30	30						Fully achieved in 2014-15 per current monitoring			
Reduce commissioned services from Children and Young People's Planning Partnership (CYPPP)	50	50						Fully achieved in 2014-15 per current monitoring	P		
Review cleaning arrangements in Schools	20					20		Achieved by other means 2014-15			
Charge for Privilege lifts	12	12						Achieved as part of overall transport pressure			
Savings from ERVS applications	27	15				12		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Transportation (2012-13 FYE)	75					75		£118k pressure overall, offset by available budget elsewhere in dept.			
Review delivery model for ICS short-term outreach service	35					35			T		
Review Music Instruction	27	27						Fully achieved in 2014-15 per current monitoring			
Manpower Terms & Conditions	310	310							P		
Review of all Social Work Business Support Services	109	109							P		
Review of Night Time support	59	59							P		
Review of Social Care & Health Specialist Support services	36	36							P		
Reduce cost of commissioned spend by a further 1% p.a.	125	125							P		
Reduce self-directed support price point	100				100				P		
Bring specific AWLD into local provision	50				7	43			P		
Review of home care charge taper rate	150	150							P		
Inflationary increase on Bordercare charges	4	4							P		
Use a proportion of current Care beds in a more flexible manner	120	120									
Review of care packages to include a reablement approach	362	362						Saving requirement brought forward from 2013/14 as only met temporarily last year			
Bring specific AWLD disabilities into local provision	50					50		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Revise specific contract from block commitment to spot	50	50						Saving requirement brought forward from 2013/14 as only met temporarily last year			
Review of home care charge taper rate	138				138			Saving requirement brought forward from 2013/14 as only met temporarily last year			
	3,791	3,198	0	245	93	255	0				

Place Efficiency Savings Progress £'000



FINANCIAL PLAN EFFICIENCY PROGRESS 2014/15

PLACE	£'000	Delivered as per FP	Profiled to be achieved	Profiled to be achieved by alternative	Achieved by alternative (Perm)	Achieved by alternative (Temp)	Not Achieved - Risk	Comment	Perm/Temp	Status	Saving £'000
Savings in Assessors Service	26	26							P		
Estates rationalisation/savings in Property & Facilities Mgt	123	123							P		
Savings in Customer Services	45	45							P		
Savings in Legal Services	21	21							P		
Savings from rates appeals	65			65				Saving requirement brought forward from 2013/14 as only met temporarily last year			
Estates rationalisation	42	42						Saving requirement brought forward from 2013/14 as only met temporarily last year			
Extend non-competitive action with bring bank provider - textiles	9	9						Saving requirement brought forward from 2013/14 as only met temporarily last year			
Charge for privilege lifts	12			12				Saving requirement brought forward from 2013/14 as only met temporarily last year			
E&I transformation savings	704	455				249		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Additional income from transformation of aggregates	40					40		Saving requirement brought forward from 2013/14 as only met temporarily last year			
Savings from rates appeals	20			20				Saving requirement brought forward from 2013/14 as only met temporarily last year			
Review of Fees & Charges	80	80							P	Delivered as per FP	£ 2,116
Terms & Conditions	128	128							P	Profiled to be achieved	£ -
Review of SB Wardens	200	200							P	Profiled to be achieved by alternativ	£ -
Integrated Waste Strategy	500	500							P	Achieved by alternative (Perm)	£ 97
Changes to E&I Working Patterns	250	250							P	Achieved by alternative (Temp)	£ -
Review of Parks & Open Spaces	250	145				105				Achieved by alternative (Temp)	£ 679
Energy Efficient Street Lighting	66	66								Not Achieved - Risk	£ -
Review of Passenger Transport	270					270					
Increase in Regulated Bus Fares	26	26									
Introduction of charges for pre-planning application advice	15					15		Temporarily achieved by alternative in 2013/14			
	2,892	2,116	0	97	0	679	0				2,892

PROJECTED BALANCES AT 31 MARCH 2015

Report by CHIEF FINANCIAL OFFICER

EXECUTIVE COMMITTEE

24 February 2015

1 PURPOSE AND SUMMARY

- 1.1 **This report provides the Executive with an analysis of the Council's opening balances as at 31 March 2014 and advises Members of the Council's projected closing balances at 31 March 2015.**
- 1.2 The Council's General Fund useable reserve (non-earmarked) balance was £6.756m at 31 March 2014. The total of all useable balances excluding developer contributions at 31 March 2015 is projected to remain at £6.756m.
- 1.3 The current balance on the Capital Fund £5.510m will 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 this financial year.

2 RECOMMENDATIONS

- 2.1 It is recommend that the Executive Committee:-**
- (a) Notes the projected revenue balances as per Appendices 1 & 2.**
 - (b) Notes the current balance in the Capital Fund as per Appendix 3.**

3 ACCOUNTS AND FUNDS OPERATED BY THE COUNCIL

3.1 Income and expenditure relating to the Council's services are accounted for and financed through the following funds (as required or permitted by statute):-

- General Fund
- Corporate Property Repairs & Renewals Fund
- Insurance Fund
- Plant & Vehicles renewals Fund
- Capital Fund

3.2 The total useable balances excluding developer contributions at 31/03/2015 is forecast at £22.822m compared to £25.720m at 31/03/2014 detailed as follows:-

BALANCES	2013/14 £000	2014/15 £000
Earmarked Balances (non DSM)	4,246	3,864
Earmarked Balances (DSM)	1,274	1,121
Allocated Reserves	4,861	2,600
Revenue (Unallocated Reserve)	6,756	6,756
Corporate Property Repairs & Renewals Fund	300	*0
Insurance Fund	1,361	^1,161
Plant & Vehicles Renewals Fund	5,416	5,379
Capital Fund (exc. Developer Contributions)	1,506	1,941
	25,720	22,822

* Balance for carry forward will be identified once remaining spend is known prior to the 31st March

^ Previous reported carry forward balance was £1,238k, a decrease of £77k. This is attributable to further additional settlement of claims beyond those forecast at the end of September

3.3 Non DSM earmarked balances have decreased to £3.864m. The Council also established a treasury reserve of £1.500m. This reflects the Council agreement on 25 September 2014 to establish a Treasury Management earmarked balance within the General Fund Reserve. This available budget is as a result of current favourable interest rates and will contribute towards the Council's ability to smooth the impact of increasing costs of future interest rates on revenue resources over the medium term.

3.4 While budgetary control reports are regularly submitted to Members during the financial year in respect of services comprising the General Fund and the significant Trading Operation, these only compare projected revenue expenditure and income against approved budgets. In order to complete the picture it is necessary to report the position on the remaining Funds and to bring into account the Fund balances at end of the last financial year.

4 PROJECTED BALANCES AT 31 MARCH 2015

- 4.1 Appendix 1 summarises the projected transactions and resultant balances at 31 March 2015 on the General Fund and Appendix 2 shows the projected non-General Fund balances. The net effect is to project the useable General Fund balance after earmarked funds and allocated reserves at **£6.756m** at 31 March 2015. Current allocated reserves is £2.6m as at 31 December 2014 as agreed with members as part of the Council's Financial Strategy and revenue outturn for 2013/14 as set out in the table below:-

ALLOCATED RESERVES	2014/15 £000
Winter maintenance	650
Children's Placements	650
Financial Plan – Selkirk Pitches	450
Project funding from Police & Fire reserves	450
Municipal Mutual	400
	2,600

- 4.2 The Corporate Financial Risk Register was considered at the Council Meeting on 12 February 2015 and identifies potential risks which include failure to control budgets within approved limits, severe weather events, the economic downturn, potential contractual claims and unplanned emergencies. The accumulated financial risk in the Risk Register is assessed to be at £10.295m and the projected useable General Fund balance, at £6.756m, is sufficient to cover 66% of risks identified at that time. The recommended balance to be maintained on the general fund reserve will continue to be monitored through the Corporate Financial Risk Register on a regular basis. The projections in the statement appended are based on actual expenditure and income to 31 January 2015.
- 4.3 Appendix 3 details the balances currently held in the Capital Fund. These balances are temporarily held in the Loans Fund and will attract interest at the end of the financial year. The Fund can be used for capital purposes or to repay external debt.
- 4.4 It should be noted that the projected balances exclude any technical adjustments which are required as part of year end accounting processes. In 2013/14 these adjustments were broadly neutral and did not materially affect the level of reserves but it is possible that future adjustments may make a material impact, positively or negatively, on the final balances.

Balance Sheet Review

- 4.5 As reported to both the Executive committee and Scottish Borders Council on the 17 September 2013 and the 25 September 2013 respectively, Finance staff undertook a review of the Council's Balance Sheet at 31 March 2013 which identified additional resources not included in the 5 year Financial Plan of £0.326m. This was used on a one-off basis to fund

additional investment priorities of members, supplementing £810k of additional resources approved from the return of Police and Fire reserves to the Council. At that time, the Chief Financial Officer committed to an annual review of the Balance Sheet, which has again been undertaken during 2014/15 and which has identified further additional resources of £500k not included in the 2015/16 Financial Plan. It is proposed to ring-fence this resource in order to support Economic Development activity and infrastructure, the Borders Railway blueprint and associated action plan and the development of locality planning during 2015/16.

5 IMPLICATIONS

5.1 Financial

There are no financial implications beyond those contained in the report and appendices.

5.2 Risk and Mitigations

The major risks associated with this report are that the level of projected balances proves to be inaccurate and / or insufficient. Service budget pressures (as identified in the General Fund Revenue Monitoring report) plus unexpected liabilities are the most likely sources of pressure on reserves. These risks are being managed through regular monitoring of financial activity in all funds of the Council, including regular revenue and capital budgetary control reports to the Executive. In addition the Corporate Financial Risk Register is regularly reviewed by senior Finance staff.

5.3 Equalities

There are no adverse equality issues arising from the report.

5.4 Acting Sustainably

There are no economic, social or environmental effects associated with this report.

5.5 Carbon Management

There are no effects on carbon emissions associated with this report.

5.6 Rural Proofing

This report does not relate to a new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

5.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to the Schemes of Administration or Delegation as a result of this report.

6 CONSULTATION

6.1 The Corporate Management Team, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit & Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and any comments received have been reflected in the report.

Approved by

David Robertson

Chief Financial Officer

Signature

Author(s)

Paul McMenamin	Finance Business Partner
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Background Papers:

Previous Minute Reference: Executive 10 June 2014

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Financial Services can also give information on other language translations as well as providing additional copies.

SCOTTISH BORDERS COUNCIL

Appendix 1

PROJECTED GENERAL FUND BALANCES AT 31 MARCH 2015

	GENERAL FUND £'000's	GENERAL FUND (DSM) £'000's	GENERAL FUND (EAR-MARKED) £'000's	ALLOCATED RESERVES £'000's	TOTAL £'000's
Balance at 1 April 2014	6,756	1,274	4,246	4,861	17,137
Projected Income (RSG, NDR, Council Tax)	257,904				257,904
Projected Net Revenue Expenditure	-260,701				-260,701
Earmarked Balances from previous year	5,352	-1,274	-4,077		0
Earmarked Balances to future years	-4,816	1,121	3,695		0
Funding allocated Financial Plan Revenue	1,200			-1200	0
Business Transformation	101			-101	0
Road repairs	50			-50	0
ER/VS	100			-100	0
Committed Project spend from returned Police & Fire reserves	810			-810	0
Projected Balance at 31 March 2015	6,756	1,121	3,864	2,600	14,340

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SCOTTISH BORDERS COUNCIL
PROJECTED REVENUE FUND BALANCES AT 31 MARCH 2015
(EXCLUDING GENERAL FUND)

	CORPORATE PROPERTY REPAIRS & RENEWALS FUND £'000's	PLANT & VEHICLES RENEWAL FUND £'000's	INSURANCE FUND £'000's	TOTAL £'000's
Balance at 1 April 2014	300	5,416	1,361	7,077
Projected Income	2,218	1,683	1,421	5,322
	2,518	7,099	2,782	12,399
Projected Expenditure	2,518	1,720	1,621	5,859
Contribution to Reserves				-
Transfer to/from General Fund				-
Projected Balance at 31 March 2015	-	5,379	1,161	6,540

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SUMMARY OF CAPITAL FUND

	Balance as at 31/03/14 £'000	Balance as at 31/03/15 £'000
DEVELOPER CONTRIBUTIONS		
Waverley Railway	847	903
Technical Services	238	273
Education & Lifelong Learning	1,226	1,456
Planning & Economic Development	0	-
Social Work - Affordable Housing	288	391
Accrued Interest	546	546
Sub Total Developer Contributions	3,145	3,569
Capital Receipts	1,506	1,941
Total	4,651	5,510

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MONITORING OF THE CAPITAL FINANCIAL PLAN 2014/15

Report by Chief Financial Officer

EXECUTIVE COMMITTEE

24 February 2015

1 PURPOSE AND SUMMARY

- 1.1 This report is to update the Executive Committee on the progress of the 2014/15 Capital Financial Plan and to propose recommendations, as appropriate.**
- 1.2 The monitoring tables in Appendix 1 report on actual expenditure to 31 January 2015. Key issues identified in these tables are summarised within the main report and identify a net variance of £3.7million.
- 1.3 The net budget timing movements amount to £4.5m, of which the most significant are due to the re-profiling of the following projects – Galashiels Transport Interchange, Easter Langlee Cell Provision, Easter Langlee Leachate Management, HQ Main Office Block, Duns Primary School, Kelso High School, Early Learning and Childcare, Strategic Business Land, Sunnybrae Walkerburn, and Corporate IT Equipment Fund.
- 1.4 Appendix 2 contains a list of the block allocations approved for this year and the various approved and proposed projects to be allocated from them within the 2014/15 Capital Plan.

2 RECOMMENDATIONS

- 2.1 It is recommended that the Executive Committee:**
 - (a) Agrees the projected outturns and associated virements as identified in Appendix 1 as the revised capital budget; and**
 - (b) Instructs project managers and budget holders to ensure that robust arrangements are in place to achieve the projected out-turns.**

3 BACKGROUND

- 3.1 The Council approved the Plan for the period 2014/15 to 2023/24 on 6 February 2014, which has subsequently been updated to reflect budget adjustments associated timing movements and other approvals. The movements to the total available budget since the Executive on 9 December 2014 is as follows:

	£000s
Capital Plan 2014/15 as Approved at Executive 9 December 2014	38,060
Forward Budget Movement from 2016/17 – Emergency Powers approved 14 December 2014	80
Latest Approved Capital Plan 2014/15 at 31 January 2015	38,140

- 3.2 The presentation of the monitoring tables in Appendix 1 focuses on the 3 year Operational Plan of the approved 10 year Capital Financial Plan. The first section of the tables in Appendix 1 focuses in detail on the 2014/15 position and then there are 3 columns each for 2015/16 and 2016/17. For 2014/15 the variance between the latest approved budget and the projected outturn is analysed between timing movements between financial years and absolute changes in costs (budget movements). For 2015/16 and 2016/17 the table presents the impact of the total variance projected between the latest approved budget and projected outturn. Below the tables, a narrative is provided where appropriate.
- 3.3 This report is the fourth monitoring report in the planned reporting schedule for 2014/15.

4 MONITORING THE PLAN

- 4.1 Appendix 1 to this report contains the budget monitoring tables. The actual expenditure to 31 January 2015 is shown together with the projected outturn for the full financial year and where appropriate contains an explanation of budget movements.
- 4.2 The actual expenditure to 31 January 2015 has been adjusted for any credit balances for accrued expenses from 2013/14 which have not yet been invoiced.
- 4.3 Appendix 2 contains a summary for each block allocations within the 2014/15 Capital Plan of approved and proposed proposals for various projects and programmes.
- 4.4 Appendix 3 contains a summary of budget virements and timing movements proposed for 2014/15 as part of this report.

5 SPECIFIC ISSUES

- 5.1 The following sections identify the other key areas of note within the Appendix 1 tables.
- 5.2 **Place – Roads, Bridges, Lighting and Transport:**

(a) **Galashiels Developments – Transport Interchange**

The contractor on site is six weeks behind schedule. This is planned to be rectified to still meet the target completion date, however, based on the latest construction cost profile estimate received, a timing movement of £0.650m is requested to 2015/16.

(b) **Bongate Mill Industrial Area (roads)**

Works due to commence in March 2015 are not expected to be complete until the next financial year, resulting in a request for a timing movement of £0.025m to 2015/16. Tender prices are higher than estimated, hence request for allocation of £0.019m in 2015/16 from Emergency & Unplanned Schemes.

(c) **Kelso Town Centre Traffic Management Scheme**

Final measurement still to be confirmed but latest projection indicates a budget shortfall in 2014/15 of £0.095m requested to be funded from Emergency & Unplanned Schemes.

5.3 **Place – Neighbourhood**

(a) **Easter Langlee Cell Provision**

Ongoing option appraisal has delayed the start of works on the new access road, resulting in a timing movement of £0.123m to 2015/16.

(b) **Easter Langlee Leachate Management**

A timing movement of £0.066m is requested to 2015/16 due to the outcome of an options appraisal.

(c) **Food Waste Collections**

A grant for £0.135m in both 2014/15 and 2015/16 for four vehicles has been awarded from Zero Waste Scotland. The budgets for each year have been grossed down by to reflect this, however, the 2014/15 expenditure overall has increased by £0.008m so the gross down is a net £0.127m. This also reduces the additional borrowing requirement for the project. A timing movement of £0.018m is requested to 2015/16 for items ordered but not receivable until after 31 March.

(d) **District Heating Scheme**

The budget allocation of £0.110m is requested to be returned to the Emergency & Unplanned Schemes budget as this project will not be progressed in 2014/15. Officers are currently in negotiations to obtain a new offer from Network Rail.

5.4 **Place – Fleet**

(a) **Plant & Vehicle Replacement**

A review of the items likely to be delivered by 31 March 2015 has resulted in a requirement to reduce the budget for 2014/15 by £0.179m. A virement is requested of £0.028m to Other Fleet as a 50% contribution to the purchase of plant for Kelso Community Recycling Centre.

5.5 **Place – Other**

(a) **HQ Main Office Block**

A timing movement of £0.299m to 2015/16 is requested due to delays in receiving a sample window which will delay ordering, fabrication and fitting until the next financial year.

5.6 **People – School Estate**

(a) **Duns Primary School & Locality Support Centre**

The project delivery and procurement by the Council's public/private development company has not been as forecast resulting in a requirement for a further timing movement of £0.411m to 2015/16.

(b) **Kelso High School**

Delays by Hubco have impacted on the start of off-site works and this has resulted in a requirement for a £1.800m timing movement to 2015/16. A separate report to update the project status will be submitted to the Executive meeting.

(c) **School Kitchen Improvements Programme**

Gross up of budget by £0.050m to reflect grant award for Universal Free School Meals P1-3 initiative.

(d) **Early Years Centres**

In order to progress works at Burnfoot, Eyemouth and Philiphaugh a forward timing movement of £0.083m from 2015/16 is requested. These projects are fully funded by Revenue budget contribution.

(e) **Early Learning and Childcare**

Gross up of budget by £1.016m to reflect additional grant funding received for two year olds. A reprioritisation exercise has identified the deliverables achievable in 2014/15 and this has led to a request for a timing movement of £0.869m to 2015/16.

5.7 **Chief Executive – Community Services**

(a) **Sports Trust – Plant & Services**

The budget is being reduced by £0.040m as two projects at facilities at Tweedbank are being partly funded by external grant direct to BSLT from Sport Scotland. Timing movement of £0.050m to 2015/16 requested for Eyemouth Leisure Centre as consultation with community required before works commence.

5.8 **Chief Executive – Regeneration**

(a) **LUPS Strategic Business Land**

The remaining work at Coldstream will not commence until March, resulting in a requirement for a timing movement of £0.086m to 2015/16.

(b) **Sunnybrae, Walkerburn**

The delay in securing formal approval for the compulsory purchase order for the building and land has delayed the tendering process resulting in a requirement for a timing movement of £0.137m to 2015/16.

5.9 **Technical IT Infrastructure**

(a) **Corporate IT Equipment Fund**

Request for acceleration of £0.100m budget from 2015/16 and £0.059m budget from 2016/17 to enable early adoption of PCs and laptops capable of running Windows 7 enabling greater home and mobile working and facilitation of business initiatives with PSN accreditation.

5.10 Chief Executive – Other

(a) Work Style Transformation/Office Accommodation

Works required for SBC/NHS office moves to Earlston have resulted in a request for £0.040m from Emergency & Unplanned Schemes. Due to unavailability of IT resources on other projects, a timing movement to 2015/16 for £0.020m is requested to facilitate required office moves.

5.11 Emergency & Unplanned Schemes

(a) The table below provides an update on the projected position of the Emergency & Unplanned Schemes:

	£000s
Previously report Budget as at 9 December 2014	28
Return of funds previously allocated to District Heating Project	110
Allocation to Kelso Town Centre	(95)
Allocation to Workstyle Transformation/Office Accommodation	(40)
Projected Balance	3

5.12 Capital Funding

(a) As a result of the £3.718m in year net timing and budget movement identified in the programme (see Appendix 1), the estimated borrowing element of the capital financing for 2014/15 has been reduced.

6 IMPLICATIONS

6.1 Financial

- (a) There are no financial implications beyond those contained in the report and appendices.
- (b) Any capital borrowing requirements associated with these changes will be managed in line with the approved Treasury Strategy from approved budgets. The principal part of the capital financial plan is funded by long term loans and the resultant loan charges are reported within the revenue monitoring reports.

6.2 Risk and Mitigations

- (a) At the end of January 2015, actual expenditure totalled £19.6million which represents 57.0% of the projected outturn, excluding the impact of large accruals. There is still a risk of timing movements this financial year some of which has already been highlighted in narrative in Appendix 1. It is vital that capital budgets continue to be monitored carefully through the Project Managers and that their outturn projections are as accurate as possible.
- (b) Key risks associated with individual projects have been identified within the narrative and the individual project managers are undertaking the appropriate work to manage these.

6.3 Equalities

No Equalities Impact Assessment has been carried out in relation to the Capital Monitoring report; it is, however, expected that for individual projects this work will have been undertaken by the relevant project manager/budget holder.

6.4 **Acting Sustainably**

There are no direct economic, social or environmental issues with this report although there may be within individual projects and these will be identified and addressed as appropriate as part of their specific governance arrangements.

6.5 **Carbon Management**

There are no direct carbon emissions impacts as a result of this monitoring report; however, there may be within individual projects and these will be identified and addressed as appropriate as part of their specific governance arrangements.

6.6 **Rural Proofing**

This report does not relate to new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

6.7 **Changes to Scheme of Administration or Scheme of Delegation**

No changes to the Scheme of Administration or Delegation are required as a result of this report.

7 CONSULTATION

7.1 The Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted in the preparation of this report and any comments received on the report have been incorporated into the report.

7.2 The Service Director Capital Projects and the Service Director Commercial Services have been consulted in the preparation of this report and the content of the appendices and any comments incorporated.

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

Name	Designation and Contact Number
Kirsty Robb	Capital and Investment Manager, 01835 825349
Doreen Pringle	Senior Finance Officer - Capital, 01835 824000 Ext 5961

Background Papers: None

Previous Minute Reference: None

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Capital & Investment Team can also give information on other language translations as well as providing additional copies.

Contact us at

Capital & Investment Team, Council HQ, treasuryteam@scotborders.gov.uk, 01835 825249

2014/15 BLOCK ALLOCATIONS

Project Name	Initial Allocation Approval	Latest Approved Budget	Proposed Move-ment	Projected Outturn	Actual Spend 31/01/15
		£'000	£'000	£'000	£'000
PLACE					
Roads, Bridges, Lighting and Transport					
Roads (incl. RAMP and Winter Damage)					
Footways	27/03/2014	33.0		33.0	25.0
Surface Dressing	27/03/2014	1,230.0		1,230.0	1199.0
Patching	27/03/2014	355.0		355.0	292.0
Overlays	27/03/2014	952.0		952.0	543.0
Walls and Structures	27/03/2014	45.0		45.0	41.0
		2,615.0	0.0	2,615.0	2100.0
Bridges Asset Management Plan					
C8 Carlows Bridge	27/03/2014	571.0		571.0	420.0
D84-5 Greenlawdene	27/03/2014	53.0		53.0	62.0
		624.0	0.0	624.0	482.0
Lighting Asset Management Plan					
Replace Cut Down Columns	27/03/2014	15.0		15.0	7.0
Kingsmeadow Road, Peebles	27/03/2014	9.0		9.0	10.0
Main Road, Stow	27/03/2014	55.0	(7.0)	48.0	46.0
Burnfoot Road, Hawick	27/03/2014	55.0	44.0	99.0	39.0
Langlee Street Lighting	27/03/2014	12.0		12.0	4.0
A72 Walkerburn	27/03/2014	55.0		55.0	4.0
Main Street, Greenlaw	27/03/2014	35.0	(6.0)	29.0	28.0
Leslie Place, Selkirk	27/03/2014	30.0	(7.0)	23.0	22.0
Winston Road, Galashiels	27/03/2014	40.0	(10.0)	30.0	17.0
Wallace Court, Hawick	27/03/2014	15.0	(14.0)	1.0	1.0
		321.0	0.0	321.0	178.0
Accident Investigation Prevention Schemes					
Traffic Calming	18/03/2014	8.0		8.0	1.0
Road Safety Measures	18/03/2014	42.0		42.0	19.0
		50.0	0.0	50.0	20.0
Cycling, Walking & Safer Streets					
Cycling Related Activities	18/03/2014	65.0	45.0	110.0	103.0
School Travel Plan Road Safety	18/03/2014	112.0	(45.0)	67.0	56.0
		177.0	0.0	177.0	159.0

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Movement £'000	Projected Outturn £'000	Actual Spend 31/01/15 £'000
Railway Black Path					
Tweedbank Drive to New Station	19/08/2014	160.0	(20.0)	140.0	6.0
Winston Road, Galashiels	19/08/2014	70.0	(20.0)	50.0	3.0
Kilknowe Caravan Park	19/08/2014	66.0		66.0	11.0
Low Buckholmside	19/08/2014	52.0		52.0	2.0
Galafoot Link	19/08/2014	40.0	8.0	48.0	5.0
Steps to the Haugh	19/08/2014	4.0		4.0	2.0
Signing Strategy	19/08/2014	6.0	10.0	16.0	6.0
		398.0	(22.0)	376.0	35.0

Flood & Coast Protection

Flood Protection Works, Efficiency and Emergency Measures

Programme Management	06/02/2014	31.0	(3.5)	27.5	14.0
Community Resilience	13/05/2014	10.0	(5.0)	5.0	0.0
Merlindale Flood Protection	13/05/2014	50.0	(48.5)	1.5	1.0
Burnmouth Rail Culvert	NEW	0.0	21.5	21.5	1.0
Meigle View/Riddle Dumble Park	NEW	0.0	5.5	5.5	4.0
		91.0	(30.0)	61.0	20.0

Neighbourhood

Improve Skip Infrastructure - Community Recycling Centres

Eshiels Recycling Centre	18/02/2014	93.0		93.0	14.0
Hawick CRC Skip	18/03/2014	5.0	14.5	19.5	1.0
Galashiels CRC Skip	11/11/2014	30.0	(23.5)	6.5	4.0
		128.0	(9.0)	119.0	19.0

CCTV Community Recycling Centres

Selkirk CRC	18/03/2014	3.0		3.0	1.0
Eyemouth CRC	18/03/2014	3.0		3.0	2.0
Hawick CRC	11/11/2014	5.0		5.0	5.0
		11.0	0.0	11.0	8.0

Play Facilities

Newcastleton Park	18/03/2014	29.0		29.0	29.0
Stitchill Play Park	18/03/2014	25.0		25.0	25.0
Ancrum Play Area	29/04/2014	18.0		18.0	18.0
Duns Park Play Area	08/09/2014	22.0		22.0	0.0
		94.0	0.0	94.0	72.0

Cemetery Land Acquisition & Development

Lennel Cemetery, Coldstream	11/11/2014	13.0		13.0	0.0
		13.0	0.0	13.0	0.0

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Movement £'000	Projected Outturn £'000	Actual Spend 31/01/15 £'000
Drainage in Parks and Open Spaces					
Duns Public Park	18/03/2014	25.0	(10.0)	15.0	6.0
Innerleithen PS Drainage	18/03/2014	37.0	1.0	38.0	38.0
Eliots Park, Jedburgh	09/12/2014	5.0		5.0	5.0
Gibson Park, Melrose	09/12/2014	12.0		12.0	12.0
Greenyards Triangle, Melrose	10/06/2014	2.0		2.0	1.0
Newcastleton Park	09/12/2014	1.0		1.0	1.0
		82.0	(9.0)	73.0	63.0

Additional Drainage in Parks and Open Spaces

Stow Public Park	18/03/2014	50.0	5.0	55.0	55.0
Newtown St Boswells	18/03/2014	29.0	5.0	34.0	30.0
St Boswells	18/03/2014	15.0	(15.0)	0.0	0.0
Haylodge Play Park	09/12/2014	5.5		5.5	0.0
		99.5	(5.0)	94.5	85.0

Property & Asset Programme

Structural / H&S Works

Drumlanrig Tower Structural Works	18/03/2014	13.5	1.0	14.5	17.0
Oxnam Cemetery Structural Works	18/03/2014	11.0		11.0	11.0
Kelso Park Surfacing Work	18/03/2014	11.0	(2.0)	9.0	9.0
Tait Hall Car Park	18/03/2014	52.0		52.0	0.0
Cleaning Equipment	18/03/2014	27.0	12.0	39.0	49.0
Galashiels Academy Games Hall Floor	18/03/2014	14.0		14.0	14.0
Chirnside PS Structural Wall Work	18/03/2014	15.0		15.0	0.0
Old Gala House Room Upgrade	09/12/2014	1.0		1.0	1.0
Hawick HS Assembly Room Floor	11/11/2014	12.0		12.0	12.0
Lanark Lodge Services Upgrade	11/11/2014	20.0		20.0	1.0
Selkirk Municipal Building Fire Alarm	11/11/2014	9.0		9.0	0.0
Eyemouth Community Centre Roof Upgrade	11/11/2014	9.0		9.0	0.0
Abbotsford Road Offices Heating Upgrade	11/11/2014	22.0		22.0	11.0
Balmoral PS Nursery Heating Upgrade	11/11/2014	6.5		6.5	3.0
Waverly Home Lift Upgrade	09/12/2014	26.0	(0.5)	25.5	25.0
Tweedbank Bowling Club Lighting	09/12/2014	10.0		10.0	0.0
Burnfoot PS Electrical H&S	09/12/2014	9.0		9.0	0.0
Jedburgh GS Electrical H&S	09/12/2014	13.5		13.5	0.0
Newcastleton PS Electrical H&S	09/12/2014	8.5		8.5	0.0
Selkirk Town Hall Structural Wall Work	NEW		6.0	6.0	0.0
Selkirk Library Upgrade	NEW		11.0	11.0	0.0
Unallocated	06/02/2014	15.0	(14.5)	0.5	0.0
		305.0	13.0	318.0	153.0

Asbestos Management

Coldstream PS Asbestos Work	09/12/2014	19.0		19.0	20.0
Coldingham PS Asbestos	11/11/2014	9.0		9.0	5.0
Balmoral Primary School Nursery Asbestos	NEW	10.0		10.0	6.0
Unallocated		12.0		12.0	0.0
		50.0	0.0	50.0	28.0

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Move-ment £'000	Projected Outturn 31/01/15 £'000	Actual Spend 31/01/15 £'000
Building Systems Efficiency Upgrades					
Trinity PS Boiler Upgrade	18/03/2014	38.0	(13.0)	25.0	25.0
Hawick HS Boiler Upgrade	18/03/2014	55.5	1.5	57.0	57.0
Kelso Day Centre Hot Water Sys Upgrade	09/12/2014	6.5	(2.5)	4.0	4.0
Langlee Community Centre Elec Upgrade	NEW	0.0	11.0	11.0	0.0
Unallocated		0.0	3.0	3.0	0.0
		100.0	0.0	100.0	86.0
Electrical Infrastructure Upgrades					
St Boswells PS Electrical Upgrade	18/03/2014	85.0		85.0	77.0
Galashiels Academy Electrical Upgrade	18/03/2014	65.0		65.0	59.0
Electrical Infrastructure Management		0.0		0.0	2.0
		150.0	0.0	150.0	138.0
Building Thermal Efficiency Upgrades					
Burnfoot Community School Skylights	18/03/2014	11.0		11.0	11.0
Jedburgh GS Roof	18/03/2014	37.0		37.0	37.0
Wilton PS Roof Phase 3	18/03/2014	27.0		27.0	27.0
Morebattle PS Windows Phase 2	18/03/2014	41.5	(2.0)	39.5	40.0
St Boswells PS Roof	18/03/2014	5.0		5.0	5.0
St Ronans PS Windows Phase 3	18/03/2014	19.0		19.0	19.0
Walkerburn PS Windows Phase 2	18/03/2014	12.0		12.0	12.0
Greenlaw PS Windows Phase 1	18/03/2014	12.0		12.0	0.0
Langlee CPD Centre Roof & Windows	18/03/2014	33.0		33.0	17.0
Langlee Community Centre Roof	18/03/2014	22.0	(22.0)	0.0	0.0
Gala Park Windows Phase 1	18/03/2014	34.0		34.0	1.0
Selkirk HS Windows Phase 5	18/03/2014	22.0	4.0	26.0	26.0
St Marys Mill Roof Phase 1	18/03/2014	11.0	(2.0)	9.0	9.0
Parkside PS Heating Upgrade	18/03/2014	50.0	17.0	67.0	67.0
Fogo Nursery Phase 2	NEW	10.0	(1.0)	9.0	9.0
Coldstream PS Roof Upgrade	NEW		10.0	10.0	0.0
Old School Heating Upgrade	NEW		8.0	8.0	0.0
Waverley Residential Boiler Replacement	NEW		20.0	20.0	0.0
Eyemouth PS Roof	NEW		9.0	9.0	0.0
Wilton PS Roof	NEW		(3.0)	(3.0)	(3.0)
Unallocated	06/02/2014	63.0	(50.0)	13.0	0.0
		409.5	(12.0)	397.5	277.0
Place - Other					
Contaminated Land					
Redbraes	11/11/2014	34.0		34.0	24.0
Ayton	09/12/2014	24.0		24.0	0.0
		58.0	0.0	58.0	22.0

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Movement £'000	Projected Outturn 31/01/15 £'000	Actual Spend 31/01/15 £'000
PEOPLE					
School Estate					
School Health & Safety Projects					
Coldstream Toilets	18/02/2014	5.0	(5.0)	0.0	0.0
Greenlaw PS Nursery	18/02/2014	5.0	(5.0)	0.0	0.0
Lilliesleaf PS Nursery	18/02/2014	5.0	(4.5)	0.5	0.0
Priorsford PS Nursery	18/02/2014	5.0		5.0	7.0
Gordon PS Secure Entrance	18/02/2014	15.0	6.0	21.0	17.0
Greenlaw PS Secure Entrance	18/02/2014	20.0		20.0	18.0
Swinton PS Secure Entrance	18/02/2014	19.0	5.0	24.0	28.0
Jedburgh GS Equalities Work	18/02/2014	48.0		48.0	29.0
St Rohans PS H&S Works	26/05/2014	40.0		40.0	32.0
Broughton PS Secure Entrance	11/11/2014	8.0		8.0	8.0
Gala Academy DDA Works	11/11/2014	10.0	4.0	14.0	5.0
Peebles HS Fire Alarm	11/11/2014	15.0		15.0	0.0
Priorsford PS Nursery Fire Alarm	NEW	0.0	4.0	4.0	4.0
Reston Toilets	NEW	0.0	2.0	2.0	2.0
Stow Toilets	NEW	0.0	0.5	0.5	0.0
Unallocated	06/02/2014	2.0	(2.0)	0.0	1.0
		197.0	0.0	197.0	151.0
School Refurbishment & Capacity Projects					
Chirnside PS Classroom	18/02/2014	56.0		56.0	56.0
Westruther PS Extension	18/02/2014	370.0		370.0	119.0
		426.0	0.0	426.0	175.0
School Kitchen Improvement Programme					
Sprouston PS Kitchen Upgrade	19/08/2014	32.0		32.0	32.0
Balmoral PS Kitchen Upgrade	19/08/2014	40.0	(1.0)	39.0	30.0
Yetholm PS Kitchen Upgrade	19/08/2014	15.0		15.0	9.0
Broomlands PS Kitchen Upgrade	19/08/2014	11.0	1.0	12.0	12.0
Universal Free School Meals P1-P3	09/12/2014	55.0	50.0	105.0	0.0
		153.0	50.0	203.0	83.0
Early Years Centres					
Langlee PS Early Years Centre	19/08/2014	13.0	(5.0)	8.0	8.0
Philiphaugh PS Early Years Centre	19/08/2014	97.0	13.0	110.0	76.0
Burnfoot PS Early Years Centre	11/11/2014	40.0	30.0	70.0	5.0
Eyemouth PS Early Years Centre	11/11/2014	5.0	45.0	50.0	2.0
		155.0	83.0	238.0	91.0

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Movement £'000	Projected Outturn 31/01/15 £'000	Actual Spend 31/01/15 £'000
Early Learning and Childcare					
Balmoral PS	19/08/2014	95.0	(95.0)	0.0	1.0
Howdenburn PS	19/08/2014	50.0	6.0	56.0	12.0
Trinity PS	19/08/2014	65.0	(65.0)	0.0	0.0
Tweedbank PS	19/08/2014	15.0	(15.0)	0.0	0.0
Coldstream PS	09/12/2014	10.0	(5.0)	5.0	1.0
Edenside PS	09/12/2014	35.0	15.0	50.0	23.0
Stow PS	09/12/2014	10.0	(10.0)	0.0	0.0
Balmoral PS	NEW	0.0	95.0	95.0	90.0
Balmoral PS	NEW	0.0	40.0	40.0	15.0
Trinity PS	NEW	0.0	46.0	46.0	46.0
Burnfoot PS	NEW	0.0	80.0	80.0	0.0
Cockburnspath PS	NEW	0.0	5.0	5.0	0.0
Trinity PS	NEW	0.0	40.0	40.0	0.0
Tweedbank PS	NEW	0.0	10.0	10.0	0.0
		280.0	147.0	427.0	188.0

Social Work

Residential Care Home Upgrades

Saltgreens, Eyemouth	11/11/2014	19.0	(13.0)	6.0	0.0
Waverly, Galashiels	11/11/2014	24.0		24.0	13.0
Deanfield, Hawick	11/11/2014	2.0		2.0	2.0
		45.0	(13.0)	32.0	15.0

Fire Compartments in Care Homes

Deanfield, Hawick	11/11/2014	5.0	(4.0)	1.0	1.0
Grove House, Kelso	11/11/2014	5.0	(4.0)	1.0	1.0
Saltgreens, Eyemouth	11/11/2014	5.0	28.0	33.0	0.0
St Ronans, Innerleithen	11/11/2014	5.0	(4.0)	1.0	0.0
Waverly, Galashiels	11/11/2014	5.0	(4.0)	1.0	0.0
Unallocated	06/02/2014	37.0	(37.0)	0.0	0.0
		62.0	(25.0)	37.0	2.0

CHIEF EXECUTIVE

Community Services

Sports Trusts - Plant & Services

Energy Savings Projects	10/06/2014	31.00		31.0	0.0
Teviotdale LC Refurb	10/06/2014	7.00		7.0	0.0
Tweedbank BC Works	10/06/2014	46.00		46.0	0.0
Tweedbank Fitness Ctr Lighting	10/06/2014	42.00	(40.0)	2.0	0.0
Duns Swimming Pool Upgrade	11/11/2014	11.00		11.0	0.0
Eyemouth LC Refurbishment	NEW	50.00	(50.0)	0.0	0.0
Unallocated		6.00		6.0	0.0
		193.0	(90.0)	103.0	0.0

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Movement £'000	Projected Outturn £'000	Actual Spend 31/01/15 £'000
Regeneration					
Demolition and Site Preparation					
Earlston HS	18/03/2014	77.5	(8.0)	69.5	70.0
Scott House	18/03/2014	73.5	(3.0)	70.5	56.0
Eyemouth HS	18/03/2014	151.0	16.5	167.5	28.0
Duns Public Toilet	09/12/2014	28.0	0.0	28.0	0.0
Chirnside Community Centre	09/12/2014	20.0	(5.5)	14.5	0.0
		350.0	0.0	350.0	154.0

Business Applications

Business System Development & Minor IT Projects

Domestic Abuse MIS	10/06/2014	23.00	0.0	23.0	0.0
IT Service Desk Development	10/06/2014	8.00	0.0	8.0	6.0
Iguana Public Web Access Upgrade	10/06/2014	2.50	0.0	2.5	0.0
Uniform Upgrade	10/06/2014	12.00	(10.0)	2.0	2.0
Corona Modular Implementation	10/06/2014	8.00	0.0	8.0	1.0
Lagan Upgrade	10/06/2014	20.00	0.0	20.0	7.0
Local View GIS Upgrade	10/06/2014	2.00	3.0	5.0	0.0
Business Objects Upgrade	19/08/2014	8.00	0.0	8.0	8.0
PSN Improvement Work	19/08/2014	25.00	15.0	40.0	34.0
Servitor Upgrade	11/11/2014	17.00	0.0	17.0	8.0
Parking Gateway Server Upgrade	11/11/2014	2.50	0.0	2.5	0.0
Mobile Device Management	19/08/2014	17.00	0.0	17.0	38.0
Corporate Mngt Boardroom AV Equipment	NEW	0.0	17.0	17.0	0.0
Unallocated	06/02/2014	24.0	(24.0)	0.0	0.0
		169.0	1.0	170.0	104.0

Other

Work Style Transformation/Office Accommodation

Corporate Resources	11/11/2014	24.0		24.0	7.0
Area Hot Desk/Drop in Facility	11/11/2014	12.0		12.0	12.0
E & I Moves	11/11/2014	55.0	(10.0)	45.0	46.0
Post Room & Cleaning Service	19/08/2014	25.0	(25.0)	0.0	0.0
SBC/NHS Office Moves - Earlston	NEW	0.0	55.0	55.0	0.0
		116.0	20.0	136.0	65.0

Capital Financial Plan 2014/15

Analysis of Variance to Latest Approved Budget

	Timing Movement Budget (Backward)/ Forward	Budget Movement Budget linked to Increase/ (Decrease) in funding	Budget Movement in year - Virement
	£000	£000	£000
Transport Interchange	(650)		
Railway Black Path - timing movement and gross down	(11)	(11)	
Bongate Mill Industrial Area (roads)	(25)		
Kelso Town Traffic Mgt Scheme - additional funds			95
Engineering Minor Works	(30)		
Hawick Flood Protection	50		
Jedburgh Flood Protection	10		
Flood Protection Works, Efficiency and Emergency Measures	(30)		
Easter Langlee Cell Provision - reprofile	(123)		
Easter Langlee Cell 3			(1)
Easter Langlee Cell 3 Leachate Pumping System	(35)		(9)
Easter Langlee Leachate Management	(66)		
Improve Skip Infrastructure - Community Recycling Centres	(9)		
Community Recycling Centres - Enhancements	(14)		10
Food Waste Collections - reprofile and funding change	(18)	(127)	
Kelso Community Recycling Centre - virement to Other Fleet			(28)
District Heating Scheme - not being progressed in 2014/15			(110)
Drainage in Parks and Open Spaces			(9)
Additional Drainage in Parks and Open Spaces	(15)		9
Structural / H&S Works		21	
Property & Asset - Projects funded by Revenue		4	
Plant & Vehicle Replacement		(179)	(28)
Other Fleet - virement from Kelso CRC and P&V Fund			56
HQ Main Office Block	(299)		
TOTAL PLACE	(1,265)	(292)	(15)
Duns Primary School	(411)		
Kelso High School	(1,800)		
Peebles HS Sports Facilities - gross up		9	
School Health & Safety Projects		5	
School Kitchen Improvements Programme		50	
Early Years Centres	83		
Early Learning and Childcare	(869)	1,016	
Projects Funded from Revenue (SE)		6	
Residential Care Home Upgrades	(13)		
Complex Needs - Central Education Base	(12)		
SEBN Facilities	(3)		
Fire Compartments in Care Homes	(25)		
Projects Funded from Revenue (SW)		3	
TOTAL PEOPLE	(3,050)	1,089	0

	Timing Movement Budget (Backward)/ Forward	Budget Movement Budget linked to Increase/ (Decrease) in funding	Budget Movement in year - Virement
	£000	£000	£000
Sports Trusts - Plant & Services	(50)	(40)	
Jedburgh 3G Pitch	(5)		
Hawick 3G Pitch - from 2019/20	20		
Tower Mill Kitchen Equipment		(11)	
LUPS Strategic Business Land	(86)		
Sunnybrae, Walkerburn	(137)		
Rent Management & Accounting System	(31)		
Business Systems Development & Minor IT Projects	(10)		10
Corporate IT Equipment Fund	159		
PSN Server Log Monitoring			(6)
Security Software			(4)
Projects funded from revenue (IT)		11	
Work Style Transformation/Office Accommodation	(20)		40
TOTAL CHIEF EXECUTIVE	(160)	(40)	40
Kelso Town Centre - additional funds			(95)
District Heating Scheme - funds returned			110
Office accommodation, Earlston - SBC/NHS			(40)
TOTAL EMERGENCY & UNPLANNED SCHEMES	0	0	(25)
Total Budget Movement	(4,475)	757	0

SUMMARY

PLACE

Roads, Bridges, Lighting & Transport
Flood & Coast Protection
Neighbourhood
Property & Asset Programme
Fleet
Other

TOTAL PLACE

PEOPLE

School Estate
Social Work

TOTAL PEOPLE

CHIEF EXECUTIVE

Community Services
Regeneration
Business Applications
Technical IT Infrastructure
CE - Other

TOTAL CHIEF EXECUTIVE

Emergency & Unplanned Schemes

Total SBC Capital Programme

Previously Reported Budget	2014/15						2015/16			2016/17		
	Actual to 31/01/2015	Projected Outturn	Latest Approved Budget	Variance	Timing Movement Fwd (Bwd)	Budget Movement	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
10,590	7,045	9,958	10,590	(632)	(716)	84	6,259	790	7,049	5,765	0	5,765
9,697	4,605	9,727	9,697	30	30	0	16,788	(30)	16,758	5,049	0	5,049
2,886	1,162	2,341	2,886	(545)	(280)	(265)	2,023	145	2,168	1,061	0	1,061
1,035	704	1,060	1,035	25	0	25	1,000	0	1,000	1,165	0	1,165
2,144	1,212	1,993	2,144	(151)	0	(151)	750	0	750	0	0	0
358	24	59	358	(299)	(299)	0	46	299	345	52	0	52
26,710	14,752	25,138	26,710	(1,572)	(1,265)	(307)	26,866	1,204	28,070	13,092	0	13,092
4,762	1,484	2,851	4,762	(1,911)	(2,997)	1,086	26,177	2,997	29,174	1,377	0	1,377
382	154	332	382	(50)	(53)	3	2,614	53	2,667	729	0	729
5,144	1,638	3,183	5,144	(1,961)	(3,050)	1,089	28,791	3,050	31,841	2,106	0	2,106
369	65	283	369	(86)	(35)	(51)	2,153	55	2,208	325	0	325
3,342	1,598	3,199	3,422	(223)	(223)	0	1,536	223	1,759	922	0	922
287	126	256	287	(31)	(41)	10	150	41	191	295	0	295
1,709	1,232	1,869	1,709	160	159	1	608	(100)	508	5,389	(59)	5,330
471	199	491	471	20	(20)	40	740	20	760	675	0	675
6,178	3,220	6,098	6,258	(160)	(160)	0	5,187	239	5,426	7,606	(59)	7,547
28	0	3	28	(25)	0	(25)	320	(19)	301	300	0	300
38,060	19,610	34,422	38,140	(3,718)	(4,475)	757	61,164	4,474	65,638	23,104	(59)	23,045

PLACE	RAG	2014/15						2015/16			2016/17			
		Previously Reported Budget	Actual to 31/01/2015	Projected Outturn	Latest Approved Budget	Variance	Timing Movement Fwd (Bwd)	Budget Movement	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Roads, Bridges, Lighting & Transport														
Galashiels Developments														
Inner Relief Road 4	G	29	24	29	29	0	0	0	0	0	0	0	0	0
Inner Relief Road 5	G	10	0	10	10	0	0	0	15	0	15	276	0	276
Transport Interchange	A	4,093	2,262	3,443	4,093	(650)	(650)	0	1,403	650	2,053	0	0	0
GIRR 1-3 Claims	G	0	0	0	0	0	0	0	100	0	100	150	0	150
Roads (including RAMP & Winter Damage)	G	2,615	2,101	2,615	2,615	0	0	0	3,310	(30)	3,280	3,160	0	3,160
Bridges Asset Management Plan	G	624	484	624	624	0	0	0	400	0	400	400	0	400
Lighting Asset Management Plan	A	321	178	321	321	0	0	0	200	0	200	200	0	200
Energy Efficient Street Lighting	G	1,064	850	1,064	1,064	0	0	0	400	0	400	1,000	0	1,000
Accident Investigation Prevention Schemes	G	50	19	50	50	0	0	0	50	0	50	50	0	50
Cycling, Walking & Safer Streets	A	177	159	177	177	0	0	0	138	0	138	138	0	138
Railway Black Path	A	398	35	376	398	(22)	(11)	(11)	155	11	166	0	0	0
A72 Dirtpot Corner - Road Re-alignment	G	0	0	0	0	0	0	0	0	0	0	150	0	150
A72 Neidpath Corner Traffic Management	G	0	0	0	0	0	0	0	30	0	30	170	0	170
Selkirk Town Centre (Streetscape Works)	G	0	0	0	0	0	0	0	0	0	0	50	0	50
Bongate Mill Industrial Area (roads)	A	86	3	61	86	(25)	(25)	0	2	44	46	0	0	0
Tweedbank Traffic Calming	G	30	0	30	30	0	0	0	26	0	26	0	0	0
Kelso Town Traffic Mgt Scheme	A	729	733	824	729	95	0	95	0	0	0	0	0	0
CCTV Renewals	A	23	0	23	23	0	0	0	0	0	0	0	0	0
Engineering Minor Works	A	273	161	243	273	(30)	(30)	0	0	115	115	0	0	0
Festive Lights	G	38	17	38	38	0	0	0	0	0	0	0	0	0
Innerleithen - Walkerburn Shared Access Route	G	30	19	30	30	0	0	0	30	0	30	21	0	21
Total Roads, Bridges, Lighting & Transport		10,590	7,045	9,958	10,590	(632)	(716)	84	6,259	790	7,049	5,765	0	5,765

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Transport Interchange Contractor at least 6 weeks behind programme. Construction cost profile received, resulting in £650k timing movement.

Lighting Asset Management Plan Amendments to the current year allocations are shown in Appendix 2.

Cycling, Walking & Safer Streets Amendments to the current year allocations are shown in Appendix 2.

Railway Black Path Timing movement (£11k) to 2015/16 and reduction in grant (£11k) from Sestrans in 2014/15. Reallocation between projects in current year are shown in

Bongate Mill Industrial Area (roads) Tenders received indicate a projected outturn higher than allocated budget. The scheme will be completed over a 6 week period from March 2015. A reprofiling of budget is required with an additional £19k sought from Emergency and Unplanned Schemes in 2015/16.

Kelso Town Traffic Mgt Scheme Discussions ongoing to agree final measurement with contractor (SBc Contracts). Latest projection indicates an additional £95k for financial completion which is being sought from Emergency and Unplanned Schemes.

CCTV A proposal to re-allocate budget to other projects was agreed by ABWG but it will also be tabled at the next Scottish Borders Police, Fire and Rescue and Safer Communities Board before seeking approval at a future Executive meeting.

Engineering Minor Works A report will be taken to Executive regarding the road bond currently held for works to be undertaken in 2015/16. A project funded by developer contribution has been delayed and will now commence work in 2015/16. The budget for Oxnam Road is being reprofiled to 15/16 in order to allow a full option appraisal to be undertaken.

PLACE	RAG	2014/15							2015/16			2016/17		
		Previously Reported Budget	Actual to 31/01/2015	Projected Outturn	Latest Approved Budget	Variance	Timing Movement Fwd (Bwd)	Budget Movement	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Flood & Coast Protection														
Galashiels Flood Protection	G	2,754	1,286	2,754	2,754	0	0	0	0	0	0	0	0	0
Selkirk Flood Protection	G	6,362	2,952	6,362	6,362	0	0	0	15,896	0	15,896	4,499	0	4,499
Hawick Flood Protection	A	350	238	400	350	50	50	0	544	(50)	494	450	0	450
Jedburgh Flood Protection	A	140	99	150	140	10	10	0	248	(10)	238	0	0	0
Flood Protection Works, Efficiency and Emergency Measures	G	91	30	61	91	(30)	(30)	0	100	30	130	100	0	100
Total Flood & Coast Protection		9,697	4,605	9,727	9,697	30	30	0	16,788	(30)	16,758	5,049	0	5,049
Neighbourhood														
Management of Closed Landfill Sites - Dunion	G	56	47	56	56	0	0	0	0	0	0	0	0	0
Management of Closed Landfill Sites - Cleugh	G	62	39	62	62	0	0	0	0	0	0	0	0	0
Easter Langlee Cell Provision	A	171	29	48	171	(123)	(123)	0	781	123	904	90	0	90
Easter Langlee Cell 3	A	4	3	3	4	(1)	0	(1)	0	0	0	0	0	0
Waste Treatment Facility	G	188	131	188	188	0	0	0	100	0	100	587	0	587
Wheeled Bins	G	38	29	38	38	0	0	0	32	0	32	32	0	32
Easter Langlee Cell 3 Leachate Pumping System	A	45	0	1	45	(44)	(35)	(9)	0	35	35	0	0	0
Easter Langlee Leachate Management	A	167	89	101	167	(66)	(66)	0	70	66	136	216	0	216
Improve Skip Infrastructure - Community Recycling Centres	G	128	19	119	128	(9)	(9)	0	100	9	109	5	0	5
Community Recycling Centres - Enhancements	A	17	10	13	17	(4)	(14)	10	0	14	14	0	0	0
Waste Transfer Station Health and Safety Works	G	0	0	0	0	0	0	0	18	0	18	18	0	18
Food Waste Collections	A	306	38	161	306	(145)	(18)	(127)	311	(117)	194	13	0	13
Kelso Community Recycling Centre	A	1,003	212	975	1,003	(28)	0	(28)	172	0	172	0	0	0
CR TV Community Recycling Centres	G	11	8	11	11	0	0	0	0	0	0	0	0	0
District Heating Scheme	R	110	0	0	110	(110)	0	(110)	0	0	0	0	0	0
Play Facilities	G	94	72	94	94	0	0	0	46	0	46	50	0	50
Cemetery Land Acquisition & Development	G	13	0	13	13	0	0	0	338	0	338	0	0	0
Haylodge Park, Peebles	G	23	23	23	23	0	0	0	0	0	0	0	0	0
Drainage in Parks and Open Spaces	A	82	57	73	82	(9)	0	(9)	55	0	55	50	0	50
Additional Drainage in Parks and Open Spaces	A	100	85	94	100	(6)	(15)	9	0	15	15	0	0	0
Bannerfield Play Area	G	268	265	268	268	0	0	0	0	0	0	0	0	0
Clovenfords Play Park	G	0	6	0	0	0	0	0	0	0	0	0	0	0
Total Neighbourhood		2,886	1,162	2,341	2,886	(545)	(280)	(265)	2,023	145	2,168	1,061	0	1,061

Hawick Flood Protection Design consultant procurement underway. Ground investigation and topographical surveys ongoing. Due to the progress with the project there is a requirement to bring back some of the budget previously moved to 2015/16.

Jedburgh Flood Protection Progress with design and the timing of Phase 1A works to avoid nesting season requires a budget movement from 2015/16.

Flood Protection Works, Efficiency and Emergency Measures Due to a requirement to deliver works near the rail line at Burnmouth in 2014/15, the works at Merlindale cannot be started this financial year, resulting in a timing movement of £0.030m to 2015/16. Amendments to the block allocation are shown in Appendix 2.

Easter Langlee Cell Provision The new access road at Easter Langlee has been delayed due to undertaking options appraisals. Early January the procurement and tender process will be implemented with a view to being on site early April 2015.

Easter Langlee Cell 3 Leachate Pumping System Identified costs of new cabling less than originally thought. A timing movement to 2015/16 is sought along with a reallocation of £9k to CRC enhancements. A timing movement is also sought to 2015/16 to allow the purchase of a new compressor after full specification identified.

Easter Langlee Leachate Management The outcome of the options appraisal for the leachate management requires a timing movement to 2015/16.

Improve Skip Infrastructure - Community Recycling Centres A reallocation of the budget is required in 14/15 along with a timing movement to 15/16 to allow advanced works to be finalised. Amendments to the allocations are shown in Appendix 2.

Community Recycling Centres - Enhancements A timing movement from 14/15 budgets in to 15/16 specifically allocated to CRC enhancement from identified variances within wastes services budgets as known pressures identified in 15/16.

Food Waste Collections A grant from Zero Waste Scotland for 4 food waste collection vehicles has removed the need for SBC to purchase these therefore the reduction in budget reflects this position. This ultimately reduces the requirement for additional borrowing. A timing movement is sought to 2015/16 for £18k.

Kelso Community Recycling Centre A virement of £28k is sought between Kelso CRC and Other Fleet to allow the purchase of a specific piece of plant for the Kelso CRC being funded 50% each by the project and the P&V fund.

District Heating An acceptable contract position with Network Rail could not be reached within their tight timescale. The current offer has been removed by Network Rail, but officers are in negotiations to obtain a new offer. Therefore the budget will be returned to Emergency & Unplanned Schemes.

Drainage and Additional Drainage in Parks and Open Spaces Amendments to the current year allocations are shown in Appendix 2.

PLACE	RAG	2014/15						2015/16			2016/17			
		Previously Reported Budget	Actual to 31/01/2015	Projected Outturn	Latest Approved Budget	Variance	Timing Movement Fwd (Bwd)	Budget Movement	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Property & Asset Programme														
Structural / H&S Works	A	306	153	339	306	33	0	33	280	0	280	445	0	445
Asbestos Management	G	50	35	50	50	0	0	0	50	0	50	50	0	50
Building Systems Efficiency Upgrades	G	100	86	100	100	0	0	0	100	0	100	100	0	100
Electrical Infrastructure Upgrades	G	150	139	150	150	0	0	0	150	0	150	150	0	150
Fixed Assets	G	20	11	20	20	0	0	0	20	0	20	20	0	20
Building Thermal Efficiency Upgrades	G	409	276	397	409	(12)	0	(12)	400	0	400	400	0	400
Projects funded from Revenue	A	0	4	4	0	4	0	4	0	0	0	0	0	0
Total Property & Asset Programme		1,035	704	1,060	1,035	25	0	25	1,000	0	1,000	1,165	0	1,165
Fleet														
Plant Other - Waste Collection Lorries	G	0	0	0	0	0	0	0	750	0	750	0	0	0
Plant & Vehicle Replacement	G	2,000	1,086	1,821	2,000	(207)	0	(207)	0	0	0	0	0	0
Other Fleet	G	144	126	172	144	56	0	56	0	0	0	0	0	0
Total Fleet		2,144	1,212	1,993	2,144	(151)	0	(151)	750	0	750	0	0	0
Place - Other														
Contaminated Land	G	58	24	58	58	0	0	0	46	0	46	52	0	52
HQ Main Office Block	R	300	0	1	300	(299)	(299)	0	0	299	299	0	0	0
Total Other		358	24	59	358	(299)	(299)	0	46	299	345	52	0	52
TOTAL PLACE		26,710	14,752	25,138	26,710	(1,572)	(1,265)	(307)	26,866	1,204	28,070	13,092	0	13,092

Structural / H&S Works

Virement from Building Thermal Efficiency Upgrades (£12k) to fund additional cleaning equipment purchases as detailed in Appendix 2. Gross up of budget to reflect revenue contribution to cleaning equipment purchases (£21k).

Building Thermal Efficiency Upgrades

Virement to Structural / H&S Works (£12k) as shown in Appendix 2.

Projects funded from Revenue

Inclusion of capital items transferred from Revenue expenditure, fully funded by CFCR

Plant & Vehicle Replacement

A review of the items that will be delivered by 31st March has resulted in a reduction in the budget requirement for the current financial year. Virement requested (£28k) to Other Fleet for a 50% contribution to purchase of plant at Kelso Community Recycling Centre.

Other Fleet

Budget increase to reflect virement from Kelso Community Recycling Centre project to part fund purchase of plant.

Contaminated Land

Amendments to the current year allocations are shown in Appendix 2.

HQ Main Office Block

Sample window requested not yet received. Due to timelines for ordering and fabrication will not be in 2014/15.

PEOPLE	RAG	2014/15						2015/16			2016/17			
		Previously Reported Budget	Actual to 31/01/2015	Projected Outturn	Latest Approved Budget	Variance	Timing Movement Fwd (Bwd)	Budget Movement	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Schools Estate														
Clovenfords PS	G	(14)	(22)	(14)	(14)	0	0	0	0	0	0	0	0	0
West Linton PS	G	58	113	58	58	0	0	0	10	0	10	10	0	10
Duns Primary School & Locality Support Centre	A	773	43	362	773	(411)	(411)	0	6,412	411	6,823	667	0	667
Peebles HS Sports Facilities	G	161	146	170	161	9	0	9	9	0	9	0	0	0
Kelso High School	A	2,358	454	558	2,358	(1,800)	(1,800)	0	17,540	1,800	19,340	0	0	0
Galashiels School Review	A	50	0	50	50	0	0	0	60	0	60	0	0	0
Former Eyemouth School Site Review	G	15	0	15	15	0	0	0	0	0	0	0	0	0
Langlee Primary School	G	75	11	75	75	0	0	0	0	0	0	0	0	0
Broomlands Primary School	G	75	11	75	75	0	0	0	0	0	0	0	0	0
School Health & Safety Projects	A	198	150	202	197	5	0	5	385	0	385	200	0	200
School Refurbishment & Capacity Projects	G	435	209	426	426	0	0	0	200	0	200	500	0	500
School Kitchen Improvements Programme	A	153	84	203	153	50	0	50	282	0	282	0	0	0
Early Years Centres	A	155	91	238	155	83	83	0	150	(83)	67	0	0	0
Early Learning and Childcare	A	270	188	427	280	147	(869)	1,016	1,129	869	1,998	0	0	0
Projects Funded from Revenue (SE)	G	0	6	6	0	6	0	6	0	0	0	0	0	0
Total School Estate		4,762	1,484	2,851	4,762	(1,911)	(2,997)	1,086	26,177	2,997	29,174	1,377	0	1,377
Social Work														
Residential Care Home Upgrades	A	45	15	32	45	(13)	(13)	0	759	13	772	7	0	7
Care	G	50	27	50	50	0	0	0	75	0	75	0	0	0
Complex Needs - Central Education Base	A	88	42	76	88	(12)	(12)	0	1,460	12	1,472	20	0	20
Learning Disability Day Services	G	14	16	14	14	0	0	0	0	0	0	0	0	0
SEBN Facilities	G	52	49	49	52	(3)	(3)	0	108	3	111	490	0	490
Equality Act Work for Schools (DDA)	G	3	0	3	3	0	0	0	150	0	150	150	0	150
Development of Extra Care Housing	G	37	0	37	37	0	0	0	0	0	0	0	0	0
Fire Compartments in Care Homes	A	62	2	37	62	(25)	(25)	0	62	25	87	62	0	62
Mountview, Duns	G	31	0	31	31	0	0	0	0	0	0	0	0	0
Projects Funded from Revenue (SW)	A	0	3	3	0	3	0	3	0	0	0	0	0	0
Total Social Work		382	154	332	382	(50)	(53)	3	2,614	53	2,667	729	0	729
TOTAL PEOPLE		5,144	1,638	3,183	5,144	(1,961)	(3,050)	1,089	28,791	3,050	31,841	2,106	0	2,106

Duns Primary School & Locality Support Centre

Project delivery and procurement by the Council's public/private development company has not been as forecast resulting in a need for a further timing movement of £441k to 2015/16.

Kelso High School

Delays by Hubco have impacted on the start of off site works and this has resulted in a requirement for a £1.8m timing movement to 2015/16.

School Health & Safety Projects

Gross up of budget to reflect revenue contribution of £5k for secure entrance works at Gordon PS.

School Kitchen Improvements Programme

Gross up of budget to reflect Universal Free School Meals P1-3 Scottish Government funding (£50k).

Early Years Centres

Acceleration of £83k required to progress works at centres in Burnfoot, Eyemouth and Philiphaugh this financial year.

Early Learning and Childcare

Gross up of budget to reflect additional Scottish Government funding (£1,016k). A reprioritisation exercise within the block to determine what can be delivered in 2014/15 has resulting in a timing movement of £869k to 2015/16. Amendments to the allocations to projects are shown in Appendix 2.

Projects Funded from Revenue (SE)

Inclusion of capital items transferred from Revenue expenditure, fully funded by CFCR

Residential Care Home Upgrades

Amendments to the anticipated outturn on projects resulting in a timing movement of £13k as shown in Appendix 2 which has arisen due to work being undertaken to review impact of SB Cares on current proposals.

Complex Needs - Central Education Base

Saving on project at Galashiels (£3k), which is proposed to be utilised in 2015/16 as shown in Appendix 2.

Fire Compartments in Care Homes

Allocation of budget to Saltgreens. Reduction in anticipated costs in the current year for Deanfield, Grove House, St Ronans and Waverly resulting in a timing movement of £25k to 2015/16 as shown in Appendix 2.

Projects Funded from Revenue (SW)

Inclusion of capital items transferred from Revenue expenditure, fully funded by CFCR

CHIEF EXECUTIVE

		2014/15						2015/16			2016/17			
	RAG	Previously Reported Budget	Actual to 31/01/2015	Projected Outturn	Latest Approved Budget	Variance	Timing Movement Fwd (Bwd)	Budget Movement	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Community Services														
Sports Trusts - Plant & Services	A	193	0	103	193	(90)	(50)	(40)	458	50	508	290	0	290
Jim Clark Motor Museum Relocation	G	15	5	15	15	0	0	0	155	0	155	35	0	35
Selkirk 2G Synthetic Pitch	G	29	15	29	29	0	0	0	720	0	720	0	0	0
Peebles 3G Pitch	A	30	8	30	30	0	0	0	820	0	820	0	0	0
Jedburgh 3G Pitch	A	13	5	8	13	(5)	(5)	0	0	5	5	0	0	0
Hawick 3G Pitch	A	13	11	33	13	20	20	0	0	0	0	0	0	0
Tower Mill Kitchen Equipment	G	20	9	9	20	(11)	0	(11)	0	0	0	0	0	0
Tower Mill Air Conditioning Equipment	G	13	12	13	13	0	0	0	0	0	0	0	0	0
Chirnside Community Centre	G	43	0	43	43	0	0	0	0	0	0	0	0	0
Total Community Services		369	65	283	369	(86)	(35)	(51)	2,153	55	2,208	325	0	325
Regeneration														
LUPS Strategic Business Land	A	464	181	378	464	(86)	(86)	0	99	86	185	0	0	0
Kelso Townscape Heritage Initiative	G	582	420	582	582	0	0	0	0	0	0	0	0	0
Sunnybrae, Walkerburn	A	162	11	25	162	(137)	(137)	0	0	137	137	0	0	0
Hawick 500yr Commemorative Statue	G	8	8	8	8	0	0	0	0	0	0	0	0	0
Newtown St Boswells Village Centre Regeneration	G	0	0	0	0	0	0	0	0	0	0	16	0	16
Demolition & Site Preparation	A	350	154	350	350	0	0	0	319	0	319	0	0	0
Wilton Lodge Park	G	1,052	261	1,052	1,052	0	0	0	1,043	0	1,043	711	0	711
St. Walter Scott's Courtroom Interpretation	G	16	6	16	16	0	0	0	0	0	0	0	0	0
St. Walter Scott Court House - Phase 1	G	0	0	0	0	0	0	0	75	0	75	195	0	195
St. Walter Scott Court House - Phase 2	G	150	151	230	230	0	0	0	0	0	0	0	0	0
Eyemouth Seafood Technology Park	G	473	325	473	473	0	0	0	0	0	0	0	0	0
Economic Development & Regeneration	G	85	81	85	85	0	0	0	0	0	0	0	0	0
Total Regeneration		3,342	1,598	3,199	3,422	(223)	(223)	0	1,536	223	1,759	922	0	922
Business Applications														
Integrated HR/Payroll System	G	2	0	2	2	0	0	0	0	0	0	0	0	0
Business Systems Real Time Monitoring	G	74	14	74	74	0	0	0	0	0	0	0	0	0
Rent Management & Accounting System	A	42	8	10	42	(32)	(31)	(1)	0	31	31	0	0	0
Business Systems Development & Minor IT Projects	G	169	104	170	169	1	(10)	11	75	10	85	100	0	100
Corporate Applications Suite	G	0	0	0	0	0	0	0	0	0	0	195	0	195
Passenger Transport MIS	G	0	0	0	0	0	0	0	75	0	75	0	0	0
Total Business Applications		287	126	256	287	(31)	(41)	10	150	41	191	295	0	295

Sports Trusts - Plant & Services

Gross down of budget as £40k of cost of project at Tweedbank is being paid directly to BSLT from Sports Scotland. Eyemouth unlikely spend of £50k as consultation required with community prior to board approval.

Peebles 3G Pitch
Jedburgh 3G Pitch

Consultation and land purchase costs may result in the need for additional funds.

Design for Jedburgh pitch will be complete by end of financial year and public consultation will then be held. This will result in a timing movement of £5k to 2015/16.

Hawick 3G Pitch
Tower Mill Kitchen Equipment
LUPS Strategic Business Land

Acceleration of £20k from 2019/20 requested to fund costs for feasibility work required in 2014/15.

Actual capital costs incurred below value originally estimated. Budget to be grossed down, along with reduction in additional borrowing requirement.

Due to the project at Coldstream having a requirement to re-tender around issues with utility agreements and approvals, the programme has a timing movement due to delays with these approvals and is unlikely to commence until March. Consequently the spend this financial year has reduced, with a timing movement into 2015/16.

Sunnybrae, Walkerburn

The delay in the Scottish Government formally approving the CPO for the building and land, which in turn delayed the start of the tender process, has resulted in a timing movement to 15/16.

Demolition & Site Preparation
Rent Management & Accounting System
Business Systems Development & Minor IT Projects

Tender awarded for Eyemouth HS higher than anticipated resulting in a reallocation within the block, as shown in Appendix 2.

Costs dependent on supplier delivering consultancy which is now likely to be 2015/16, resulting in a £31k timing movement to 2015/16.

Virement (£11k) from PSN Server Log Monitoring (£6k) and Security Software (£4k) is requested. Timing movement (£10k) to 2015/16 requested for the Uniform Upgrade project as shown in Appendix 2.

CHIEF EXECUTIVE		2014/15						2015/16			2016/17			
		Previously Reported Budget	Actual to 31/01/2015	Projected Outturn	Latest Approved Budget	Variance	Timing Movement Fwd (Bwd)	Budget Movement	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
RAG	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Technical IT Infrastructure														
	A	256	265	415	256	159	159	0	350	(100)	250	350	(59)	291
	G	74	23	74	74	0	0	0	40	0	40	40	0	40
	G	20	0	20	20	0	0	0	0	0	0	40	0	40
	G	5	1	5	5	0	0	0	50	0	50	350	0	350
	G	883	739	883	883	0	0	0	140	0	140	375	0	375
	G	16	(29)	16	16	0	0	0	0	0	0	0	0	0
	G	157	104	157	157	0	0	0	0	0	0	0	0	0
	G	26	22	26	26	0	0	0	28	0	28	34	0	34
	G	0	0	0	0	0	0	0	0	0	0	4,200	0	4,200
	A	51	45	45	51	(6)	0	(6)	0	0	0	0	0	0
	A	26	0	22	26	(4)	0	(4)	0	0	0	0	0	0
	G	195	49	195	195	0	0	0	0	0	0	0	0	0
	A	0	13	11	0	11	0	11	0	0	0	0	0	0
Total Technical IT Infrastructure		1,709	1,232	1,869	1,709	160	159	1	608	(100)	508	5,389	(59)	5,330
Other														
	G	355	134	355	355	0	0	0	340	0	340	375	0	375
	G	0	0	0	0	0	0	0	0	0	0	150	0	150
	G	0	0	0	0	0	0	0	250	0	250	0	0	0
	A	116	65	136	116	20	(20)	40	150	20	170	150	0	150
Total		471	199	491	471	20	(20)	40	740	20	760	675	0	675

Corporate IT Equipment Fund

Proposed acceleration of capital costs from 2015/16 and 2016/17. Early adoption of more powerful PC's/Laptops to run Windows 7 will facilitate business initiatives such as SB Cares, Glow Educational Network, provision of home/mobile working and Public Secure Network (PSN) accreditation.

PSN Server Log Monitoring

Saving of £6k achieved, virement requested to Business Systems Development and Minor IT Projects.

Security Software

Saving of £4k achieved, virement requested to Business Systems Development and Minor IT Projects.

Work Style Transformation/Office Accommodation

Due to Windows 7 upgrade and SB Cares move into the Bristol Building other projects will now not take place until 2015/16, which is shown in Appendix 2.

Projects funded from revenue (IT)

Inclusion of capital items transferred from Revenue expenditure, fully funded by CFCR.

Estimated Funding

RAG	2014/15						2015/16			2016/17		
	Previously Reported Budget	Projected Outturn 31/01/2015	Latest Approved Budget	Variance	Timing Movement Fwd (Bwd)	Budget Movement	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Capital Fund/Capital Receipts	1,197	1,197	1,197	0	0	0	1,794	0	1,794	890	0	890
Police & Fire Reserves	446	391	406	(15)	(15)	0	235	15	250	21	0	21
CFCR	279	422	279	143	83	60	635	(83)	552	0	0	0
Developer Contributions	298	283	298	(15)	(15)	0	150	70	220	100	0	100
General Capital Grant from Scottish Govt.	9,677	9,677	9,677	0	0	0	11,500	0	11,500	10,000	0	10,000
Specific Capital Grants from Scottish Govt.	14,188	14,433	14,188	245	(880)	1,125	26,074	880	26,954	3,821	0	3,821
Other Grants and Contributions	1,622	1,204	1,622	(418)	(418)	0	3,727	418	4,145	883	0	883
Plant & Vehicle Replacement Fund	2,000	1,821	2,000	(179)	0	(179)	0	0	0	0	0	0
Borrowing	8,352	4,992	8,472	(3,480)	(3,233)	(247)	17,048	3,176	20,224	7,389	(59)	7,330
Total Estimated Funding	38,059	34,420	38,139	(3,719)	(4,478)	759	61,163	4,476	65,639	23,104	(59)	23,045

Police & Fire Reserves
CFCR

Timing movement to 2015/16 for Additional Drainage in Parks and Open Spaces (£15k).
Gross up of budget to reflect inclusion of capital items financed by revenue budget contribution (£60k). Forward timing movement for Early Years Centres (£83k).

Developer Contributions

Timing movement to 2015/16 for Engineering Minor Works (£15k). Gross up of 2015/16 budget to reflect use of developer contributions (£85k) in Engineering Minor Works.

Specific Grants from Scottish Govt.

Gross up of budget to reflect additional funding for Kitchen Improvements (Universal Free School Meals) (£50k) and Early Learning & Childcare (£1,017k), of which £880k is being reprofiled to 2015/16. The Council has accepted a grant for the introduction of Food Waste Collection of which £60k is for capital expenditure. There are also 4 vehicles available currently being independently valued. This has resulted in the additional borrowing to fund the project being reduced and Specific Grants from Scottish Government increasing.

Other Grants and Contributions
Plant & Vehicle Replacement Fund
Borrowing

Timing movement to 2015/16 for LUPS Strategic Business Land (£86k), Duns Primary School (£137k) and Transport Interchange (£195k).
Reduction in fund contribution to match expenditure in 2014/15.

The reduction in the current year borrowing requirement is due to a cost saving identified for the current year for , Sports Trusts - Plant & Services (£40k) and Tower Mill Kitchen Equipment (£11k) and timing movements to future years for Easter Langlee Cell Provision (£123k), Easter Langlee Leachate Pumping System (£35k), Easter Langlee Leachate Management (£66k), Improve Skip Infrastructure CRCs (£9k), CRC Enhancements (£9k), Food Waste Collections (£18k), HQ Main Office Block (£299k), Duns Primary School £274k), Kelso High School (£1,800k), Residential Care Home Upgrades (£13k), Complex Needs Education Base (£12k), SEBN Facilities (£3k), Fire Compartments in Care Homes (£25k), Jedburgh 3G (£5k), Sports Trusts - Plant & Services (£50k), Sunnybrae, Walkerburn (£137k), Rent Management & Accounting System (£31k), Business Systems Development & Minor IT Projects (£10k) and Workstyle Transformation/Office Accommodation (£35k) offset by an increase in the borrowing requirement for Hawick 3G (£20k) and Corporate IT Equipment Fund (£159k).

**REQUEST FOR ROAD WORKS TO BE INCLUDED IN THE COUNCIL'S
CAPITAL FINANCIAL PLAN 2015-16**
Report by Service Director Regulatory Services

EXECUTIVE COMMITTEE - (FINANCE)
24 FEBRUARY 2015

1 PURPOSE AND SUMMARY

- 1.1 **This report seeks approval for the inclusion of the works associated with the completion of the roads within part of the housing development at Dingleton Road, Melrose in the Council's Capital Financial Plan 2015-16**
- 1.2 The Council have a duty under the Roads (Scotland) Act 1984 and associated regulations to complete the road works to an adoptable standard in a development where construction consent has been issued and the conditions have not been adhered to or the developer ceases trading.
- 1.3 In this instance, the Council hold security to a value of approximately £55,000, in the form of a cash deposit, which was lodged as a requirement of the construction consent issued for Phase 2 of the housing development at Dingleton Road, Melrose. Due to the non-compliance of conditions within the consent and the developer going into voluntary liquidation, the Council now have to progress the road works required to complete the roads to an adoptable standard.
- 1.4 All steps have been taken to minimise the required expenditure and funding will be met primarily by security currently lodged with the Council as part of the original approvals for this development with additional funding from the Council.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee agrees to the inclusion of the road works in the Council's Capital Financial Plan 2015-16 with a budget of £85,000.00, funded using security (£55,000) currently held by the Council under the relevant regulations with the remaining costs being met from the Council's Roads (including RAMP and winter damage) budget 2015-16.**

3 BACKGROUND

- 3.1 It is a legal requirement via the Roads (Scotland) Act 1984 and the Security for Private Road Works (Scotland) Regulations 1985 and subsequent 1998 amendment, that the relevant security is lodged with the Council prior to any house building associated with a construction consent commencing on site.
- 3.2 Where a developer has not completed road works in accordance with construction consent within the specified time limit, Regulation 13 of the Security for Private Road Works (Scotland) Regulations 1985 and subsequent 1998 amendment, clearly states that it is the duty of the local Roads Authority to complete the works in accordance with the construction consent.
- 3.3 Construction Consent reference CC/05/05 for Phase 2 of the development at Dingleton Road, Melrose was issued on 16 September 2005 to Pinecraven Construction Limited. Since then, development within Phase 2 has been substantially completed. Road Construction Consent has subsequently been issued to another developer for Phase 3 of the development. Phases 2 and 3 share the same access road.
- 3.4 Through the requirements of the Roads (Scotland) Act 1984 and the Security of Private Road Works (Scotland) Regulations 1985 and subsequent 1998 amendment, security for the development to the value of £50,000 (fifty thousand pounds) was lodged on 22 September 2006 in the form of a cash deposit. This security was for the part of the development covered by CC/05/05 and its purpose is to ensure the completion of the roads to an adoptable standard by the Council should the developer cease trading or fail to comply with the conditions of their construction consent.
- 3.5 The Council has received a number of representations from the residents of Harleyburn Court, Melrose (the main part of Phase 2) intimating that the developer had gone into voluntary liquidation and requesting that the Council complete the roads within that phase of the development.
- 3.6 The original security was placed in a bank account and taking interest into consideration, the current value is approximately £55,000 (fifty five thousand pounds.)
- 3.7 Taking into account the outstanding works required on-site and an increase in material costs since the original deposit, an estimate for the outstanding works is £85,000.

4 IMPLICATIONS

4.1 Financial

- (a) A pre-tender estimate has been drawn up and the value of the works will exceed the £55,000 security currently held.
- (b) Should the additional funding for the works be met from the Council's Roads (including RAMP and winter damage) Budget 2015-16, this will result in other identified works being deferred to another financial year.

- (c) The revenue consequences of maintaining this additional section of public road would be met by this department.

4.2 Risk and Mitigations

- (a) The situation which has arisen on this site highlighted some concerns in respect of the Council’s security for private road works process. Measures have now been put in place to ensure tighter control of this process in the future. The Society of Chief Officers of Transportation in Scotland (SCOTS) are currently seeking changes to legislation which will give Councils more power when seeking to pursue legal action against any developer who does not continuously provide the relevant security for a housing development.
- (b) There is a risk that, due to contractors being on-site in association with the subsequent phases of the development, the Council may have to delay a start date for these works, or put appropriate measures in place, so as to ensure there is no conflict between the contractors on-site.

4.3 Equalities

An Equalities Impact Assessment has been carried out on this proposal and it is anticipated that there are no adverse equality implications.

4.4 Acting Sustainably

There will be no economic, social or environmental effects of carrying out this proposal.

4.5 Carbon Management

There are no effects on carbon emissions as a result of this proposal.

4.6 Rural Proofing

There are no rural proofing implications arising from this proposal.

5 CONSULTATION

- 5.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments incorporated into this report.

Approved by

Service Director Regulatory Services

Signature

Author(s)

Name	Designation and Contact Number
Alan Scott	Senior Roads Planning Officer – 01835 826640

Background Papers:

Previous Minute Reference:

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SCHOOL HEALTH & SAFETY, REFURBISHMENT & CAPACITY and EQUALITIES BLOCK CAPITAL ALLOCATIONS 2015/16

Report by Depute Chief Executive People

EXECUTIVE

24 February 2015

1 PURPOSE AND SUMMARY

- 1.1 **The Council's Capital Plan which was approved on 12th February 2015 contains three specific Block allocations for schools to the value of £1million. This report proposes allocating the School Health & Safety, School Refurbishment & Capacity and School Equalities Act Blocks to a number of individual projects.**
- 1.2 There are a number of capacity, suitability and accessibility issues within the school estate. A comprehensive School Estate Review will be carried out in 2015 to prioritise these known issues however, in the short term, some immediate priorities require to be addressed in order to ensure that the Council meets its obligations with respect to the safety and wellbeing of school building users. The proposed projects seek to address some of the highest priority issues maximising the schools summer holiday break for construction.
- 1.3 Further capital and revenue allocations towards the school estate will be proposed as part of the PLACE Property Asset Programme allocations under a separate report. A Draft programme of works in schools under this Block Allocation during 2015/16 is included in Appendix A.
- 1.4 Government Early Years funding, aimed at providing improved nursery facilities and creating new spaces for 2-year old provision within schools to meet Care Inspectorate requirements, is managed by Children & Young People project team under a separate reporting mechanism. Capital projects planned for 2015/16 under this workstream are included in Appendix B.
- 1.5 The following commitments are proposed within School Health & Safety Block 2015/16 :-
 - (a) Secure Entrance reception projects to address security issues at Broughton, St Ronan's and Wilton Primary schools.
 - (b) Fire Alarm projects at various locations to comply with the Council's insurers requirements.
 - (c) A programme of Window Upgrading works aimed at improving the internal environment is proposed. During 2015/16 physical survey and audit work will be undertaken to ensure that works can be planned and

implemented in a safe manner. In addition, some window upgrading will be undertaken at Coldstream and Chirnside Primary schools and Selkirk High school. These allocations will augment projects already planned in these schools as part of Schools Refurbishment & Capacity Block, Early Years and Property Asset Programme.

- (d) It is proposed to vire £235,000 from Schools Health & Safety Block into the School Refurbishment & Capacity Block towards Chirnside Primary school upgrading project.
- (e) A small unallocated budget will be retained to deal with emergency issues that arise throughout the financial year.

1.6 The following commitments are proposed within School Refurbishment & Capacity Block 2015/16 :-

- (a) Chirnside Primary School Upgrading will provide new pupil toilets, some window replacement and dining storage to improve use of spaces for educational purposes.

1.7 The following commitments are proposed within Schools Equalities Act Block 2015/16 :-

- (a) Equalities Act Projects to improve accessibility of buildings at Burnfoot, Coldstream, Lilliesleaf, Melrose, Priorsford, St Boswells Primary Schools and Peebles High school.

2 RECOMMENDATIONS

2.1 I recommend that the Executive Committee agrees the following capital allocations utilising School Health & Safety, School Refurbishment & Capacity and School Equalities Act Block Allocations 2015/16.

2.2 School Health & Safety Block is to be allocated as follows :-

- (a) Secure Entrance Reception projects £90,000**
- (b) Fire Alarm projects £35,000**
- (c) Window upgrade Audit and Implementation at Coldstream Primary and Selkirk High School £200,000**
- (d) Virement of £235,000 to projects within School Refurbishment & Capacity Block**

2.3 School Refurbishment & Capacity Block to be allocated as follows:-

- (a) Chirnside Primary school £425,000 including £235,000 virement from Schools Health & Safety Block**

2.4 School Equalities Act Block to be allocated to the following projects – Burnfoot, Coldstream, Lilliesleaf, Melrose, Priorsford, St Boswell's Primary schools and Peebles High School

3 BACKGROUND

- 3.1 The Council's Capital Plan has a number of block allocations for schools. This report seeks to commit the School Health & Safety, School Refurbishment & Capacity and Schools Equalities Act Block Allocations to individual priority projects.
- 3.2 There are a number of immediate capacity, suitability and condition issues within the school estate. Priority projects are identified principally through the School Estate Management Plan which collates background data on capacity, suitability and condition of the school estate known as Core Facts. A comprehensive School Estate Review will be carried out in 2015 which will identify priorities for investment in school buildings across the whole school estate integrated into a strategic longer term approach.
- 3.3 In the short term some immediate priorities require to be addressed in order to ensure that the Council is meeting its obligations with respect to the safety and wellbeing of school building users. Improvement Notices from Environmental Health and the Care Inspectorate require to be addressed and in 2011 the Council committed to carry out a rolling programme of DDA Audits and Implementation works to schools to ensure that, as far as practicable, school buildings allow pupils to access the curriculum. The Council's Insurers have identified a number of risks and issues with fire management which require to be addressed.
- 3.4 Bids towards a number of high priorities within the school estate were submitted as part of the capital planning process. Due to competing priorities across the Council, adjustments to the Block Allocations were required. The current allocations towards the Health & Safety, Refurbishment & Capacity and Equalities Act Blocks do not match the projects previously identified so expenditure needs to be directed towards areas of highest priority. Early agreement on the proposed allocations is required in order to maximise the use of the summer holiday period within schools for construction works.

4 PROPOSED SCHOOL PROJECTS 2014/15

The following projects are proposed :-

4.1 School Health & Safety projects

- (a) Secure Entrance reception projects to address security issues at:
 - i. Broughton PS – A new office will be created at the front entrance with reception to provide a safer, more welcoming environment. These works will make the school more secure as the new reception area will have the appropriate security doors.
 - ii. St Ronans PS – These works will involve reconfiguring existing spaces to provide a new reception area and better lockdown arrangements.
 - iii. Wilton PS – Currently inadequate office and reception facilities. These works will address this and give a more welcoming, secure environment.

- (b) Fire Alarm projects – a programme of works to comply with the Council’s insurers requirements.
- (c) Window audit & Implementation works. In order to implement a rolling programme of window replacement work in schools there is a requirement to carry out a number of invasive technical building fabric surveys and detailed design work to meet ventilation requirements and technical building Standards etc. Funding will augment the current planned projects within Coldstream and Chirnside Primary schools and Selkirk High School. Future years priorities and programme will be informed by the audit, survey and design work.
- (d) It is proposed to vire £235,000 from Health & Safety Block into the School Refurbishment & Capacity Block to support the planned upgrading work at Chirnside primary school.

4.2 School Refurbishment & Capacity projects

Chirnside Primary School proposed upgrading works include completely remodelling and rebuilding the inadequate pupil toilet provision which cannot be refurbished due to inherent construction issues which is causing issues with condensation, heat loss and associated mould. The new toilets will include disabled accessible provision. Provision of dining storage will enable the school to utilise the dining area for curriculum purposes. It is proposed to replace a number of single glazed, steel framed windows on the north façade to improve the internal environment for building users and reduce heat loss, although the exact number may be subject to change as a result of detailed asbestos surveys and Listed Building Consent discussions.

4.3 School Equalities Act projects

The proposals include various projects to address physical accessibility. Work will include hoists, ramps, accessible doors and alarms to enable SBC to meet its statutory obligations.

- i. Burnfoot PS
- ii. Coldstream PS
- iii. Lilliesleaf PS
- iv. Melrose PS
- v. Peebles HS
- vi. Priorsford PS
- vii. St Boswells PS

5 IMPLICATIONS

Financial

5.1.1 The approved allocations within Schools Health & Safety, Schools Refurbishment & Capacity Blocks and Schools Equalities Blocks are as follows :-

	OPERATIONAL PLAN			Total
	2015/16	2016/17	2017/18	
	£000	£000	£000	£000
School H&S Projects	610	610	200	1,420
School Refurbishment & Capacity Projects	190	635	1,140	1,965
Equality Act Work for Schools (DDA)	200	150	150	500
	1,000	1,395	1,490	

5.1.2 The following allocations are proposed:-

	OPERATIONAL PLAN			3 Year Total £000
	£000	£000	£000	
School Health & Safety Projects	610	610	200	1,420
<i>Unallocated</i>	50			
<i>Secure Entrance reception Projects</i>				
Broughton Primary	30			
St Ronan's Primary	30			
Wilton Primary	30			
<i>Fire Alarms</i>	35			
<i>Window Upgrade</i>				
Audit	25			
Coldstream Primary	75			
Selkirk High School	100			
Proposed virement into School Refurb & Capacity	(235)			
School Refurbishment & Capacity Projects	190	635	1,140	1,965
Proposed Virement from School Health & Safety	235			
Chirnside Primary	425			
School Equalities Act Projects	200	150	150	500
Burnfoot Primary	10			
Coldstream Primary	35			
Lilliesleaf Primay	35			
Melrose Primary	10			
Peebles High school	50			
Priorsford Primary	10			
St Boswells Primary	50			
Total School Estate	1,000	1,395	1,490	3,885

5.2 Risk and Mitigations

- There is a risk that some projects and project costs may vary. This is mitigated by close project and budget monitoring through the capital monitoring process.
- There is a project risk specifically for Chirnside primary school project which will be subject to Listed Building Consent. This will be mitigated by carrying out early discussions with Planning and Historic Scotland.
- A small number of schools may experience occupancy issues in August 2015. This risk cannot be fully mitigated as pupil numbers are not wholly predictable but the situation will be closely monitored and managed where possible

5.3 Equalities

There are no adverse equality implications. These proposals will specifically help people with a physical disability with improved access in specific schools.

5.4 Acting Sustainably

Continuing to invest in improving the building fabric of schools improves the energy performance overall. There are no anticipated economic effects of the proposals.

5.5 Carbon Management

There are some slight negative effects on carbon emissions by increasing the building footprint slightly however, this is mitigated by improving the building fabric where possible.

5.6 Rural Proofing

There are no rural proofing issues as a result of this report.

5.7 Changes to Scheme of Administration or Scheme of Delegation

No impact.

6 CONSULTATION

6.1 The Chief Financial Officer, the Service Director Regulatory Services as Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.

6.2 The Service Director Commercial Services and Service Director Capital Projects will be consulted on this report.

Approved by

**Jeanette McDiarmid
Depute Chief Executive**

Signature

Author(s)

Name	Designation and Contact Number
Annette Patterson	Asset Development Manager, Property & Facilities Management

Background Papers: Nil

Previous Minute Reference: Nil

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APPENDIX A

PLACE – Property Asset Programme DRAFT

PROPERTY ASSET PROGRAMME		
Draft Capital Works for Education 2015/16		
Haw ick H.S.	Structural/ H&S Works/Environment Works	Exterior Elevation Environment Improvements
How denburn P.S.	Building Thermal Efficiency Upgrades	New Insulated Thermally Efficient Roof Covering
Parkside P.S.	Structural/ H&S Works/Environment Works	Structural Walling Works
Wilton P.S.	Building Thermal Efficiency Upgrades	New Insulated Thermally Efficient Roof Covering
Galashiels Academy	Electrical Infrastructure Upgrades	Electrical Infrastructure Works
St Bosw ells P.S.	Electrical Infrastructure Upgrades	Electrical Infrastructure Works
Earlston P.S.	Building Thermal Efficiency Upgrades	New Insulated Thermally Efficient Roof Covering
Morebattle P.S.	Building Thermal Efficiency Upgrades	New Insulated Thermally Efficient Roof Covering
St Bosw ells P.S.	Structural/ H&S Works/Environment Works	External Area Environment Improvements
Edenside P.S.	Structural/ H&S Works/Environment Works	updrage cold w ater storage tanks
Galashiels Academy	Structural/ H&S Works/Environment Works	External Area Environment Improvements
Peebles H.S.	Structural/ H&S Works/Environment Works	Internal Environment Improvements
St Ronan's P.S.	Building Thermal Efficiency Upgrades	New Thermally Efficient Window s
Walkerburn P.S.	Building Thermal Efficiency Upgrades	New Thermally Efficient Window s
Wilton P.S.	Building System efficiency upgrades	new boiler and works to remove flues
tw eedbank P.S.	Building System efficiency upgrades	upgrade heating
haw ick H.S.	Building System efficiency upgrades	upgrade heating
How denburn P.S.	Structural/ H&S Works/Environment Works	freestanding flue replacement
Burnfoot C.S.	Building System efficiency upgrades	upgrade heating
Swinton P.S.	Building Thermal Efficiency Upgrades	New Thermally Efficient Window s
Cockburnspath P.S.	Building Thermal Efficiency Upgrades	New Thermally Efficient Window s
Greenlaw P.S.	Building Thermal Efficiency Upgrades	New Thermally Efficient Window s
Selkirk H.S.	Building Thermal Efficiency Upgrades	New Thermally Efficient Window s
Coldstream P.S.	Structural/ H&S Works/Environment Works	lighting upgrade
Selkirk H.S.	Structural/ H&S Works/Environment Works	lighting upgrade

APPENDIX B

EARLY YEARS – Capital Projects

2015/16 EARLY YEARS PROJECTS		
	Estimated Costs	Estimated Completion Date
EARLY YEARS CENTRES		
Eyemouth PS Early Years Centre	150	AUG 2015
Burnfoot PS Early Years Centre	150	MAY 2015
	300	
EARLY YEARS CAPACITY PROJECTS		
Cockburnspath - New nursery created within the school	200	DEC 2015
Coldstream - Creation of Larger Nursery and Early Years area with new Entrance, toilets and play area	300	AUG 2015
Tweedbank - Moving into school from portacabin.Extension with cloaks and toilets and play area.	200	AUG 2015
	700	
EARLY YEARS HEALTH & SAFETY PROJECTS		
<u>Kitchens</u>		
Burnfoot	25	AUG 2015
Glendinning	25	AUG 2015
Howdenburn	25	AUG 2015
Melrose	25	AUG 2015
Priorsford	25	AUG 2015
St Peters	25	AUG 2015
	150	
APPENDIX		
Completed works in 2014/15		
EARLY YEARS CENTRES		
LANGLEE		
PHILIPHAUGH		
EARLY YEARS CAPACITY PROJECTS		
MELROSE		
2 YEAR OLD NURSERY PROVISION		
BALMORAL		
EDENSIDE		
TRINITY		
HOWDENBURN		
18 OTHER SCHOOLS BENEFITTED FROM REFURBISHMENT WORKS SUCH AS CARPETS PAINTING AND TOILET IMPROVEMENTS		

STOW PRIMARY SCHOOL ACCOMMODATION WORKS

Report by the Service Director Capital Projects

EXECUTIVE COMMITTEE (FINANCE)

24 February 2015

1 PURPOSE AND SUMMARY

- 1.1 This report seeks authorisation for expenditure on additional accommodation works at Stow Primary School in connection with the Borders Railway.**
- 1.2 In light of the proximity of the new railway and station to the existing Stow Primary School, some additional accommodation works are considered desirable. These include a new separate road access for station traffic and protection from train and station noise.
- 1.3 This report summarises the measures proposed and requests authorisation for the necessary expenditure.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee :-**
 - (a) Approves the virement of £2,522 from the Emergency/Unplanned Schemes in 2014/15 to Stow Primary School**
 - (b) Approves the virement of £72,416 from the Emergency/Unplanned Schemes in 2015/16 to Stow Primary School.**
 - (c) Approves the allocation of £22,552 of the School Health and Safety Block in 2016/17 to Stow Primary School.**

3 BACKGROUND

- 3.1 The original Borders Railway scheme excluded a railway station at Stow. A local campaign demonstrated support for a station however, and the Parliament requested the Council to develop a proposal that would satisfy the local community.
- 3.2 The Council had concerns about locating the station on its former site very close to the more recently built Stow Primary School and investigated two alternative sites. However these alternatives were dismissed by most consultees and/or raised road safety and flooding concerns.
- 3.3 A station on the former site was included in the Waverley Railway (Scotland) Act 2006 but it was acknowledged that:-
- It may be necessary to re-model the existing vehicular access which the Primary School and rail station would share.
 - The Council would give consideration to moving the playground to another side of the building.
- 3.4 During the current design/construction phase the Council negotiated a separate road access to the rail station from the Borders Railway Project. The Project has also provided new footpaths in the school grounds, a temporary traffic access barrier and will provide a visual treatment to the railway noise barrier.
- 3.5 The Project will also provide noise protection from trains, car park traffic and the station tannoy. Project design targets are forecast to be achieved by a 3 metre high noise barrier between the station and the school. It is important to note that test trains running from Spring 2015 will need to validate that the noise protection proposed is satisfactory.
- 3.6 The station and car park area will be monitored by CCTV from ScotRail's control centre in Dunfermline but this system will not extend beyond the station perimeter. Network Rail and British Transport Police with the Scottish Youth Theatre are raising awareness of rail safety in local schools all along the railway line.

4 ADDITIONAL SBC ACCOMMODATION WORKS

- 4.1 The new railway and station represents a significant change in the vicinity of the school. There will be a new station car park with 34 car spaces and old station buildings near the school could potentially be reused for new purposes such as bike hire and a cafe. Such facilities will attract additional people and traffic to the locality.
- 4.2 Consequently, additional traffic, the potential for trespass and train incidents are some of the concerns that have been raised by school staff and parents now that works are well advanced and their impact can be more readily determined. Arising from the Council's duty of care, officers have considered the current situation. This includes poor school traffic

arrangements, lack of current safety features such as CCTV and low quality and degraded perimeter fencing.

- 4.3 This has resulted in additional accommodation works proposed as follows:-
- The front of the school be re-landscaped to differentiate between the public realm and school (private realm) to guide traffic away.
 - A traffic barrier could be erected to allow traffic to the school to be restricted in future.
 - The school to be fitted with a CCTV system to external elevations and monitored by the School.
 - An improved wire mesh fence around part of the school to provide a degree of visual deterrence.
 - Landscaping to the front of the noise barrier to improve its visual appearance.
- 4.4 Together with the steps undertaken through the main Project activities, these works will help to ensure that the Council has made reasonable provision to accommodate the changes as they affect the school thereby addressing the concerns which have been raised.
- 4.5 Regarding overall rail safety concerns, no further action is proposed. This is regulated by the Office of Rail Regulation and legislation. For the 7th year there have been no passenger fatalities caused by UK rail operators anywhere on the 16,000 km UK network.
- 4.6 Network Rail was invited to financially contribute to the SBC works. They declined on the basis that any additional works outside their scope would need to be taken on by their Project funder, Transport Scotland and secondly, the Project will have delivered all the works (including accommodation works) authorised and required by the Waverley Act at this location.
- 4.7 Part I of the Land Compensation Act 1973 is a potential mechanism for claiming compensation for land value reductions from new works such as railways, but this is limited to the effects of noise, vibration, smell, fumes, smoke and lighting, and only after one year of operation.

5 IMPLICATIONS

5.1 Financial

The recommendation is for a combined expenditure of £97,490. This provides for construction costs and fees estimated at £88,627, plus a proportionate contingency of £8,863. The maintenance period for establishing the planting is included. The annual cost of £80 to maintain the CCTV would be funded from property maintenance in revenue. The major works would be undertaken during the 2015 summer holiday and be complete in advance of the operational rail service in September. The landscaping and planting work will be completed in 2016/17.

The main construction items are summarised below:-

	2014/15	2015/16	2016/17	Total
Landscaping and Planting			£16,653	£ 16,653
Barrier		£11,074		£11,074
CCTV		£6,785		£6,785
Fence		£39,262		£39,262
Fees	£2,522	£6,022	£478	£9,022
Downtakings /Sundries		£2,640	£3,191	£5,831
Contingency		£6,633	£2,230	£8,863
Total	£2,522	£72,416	£22,552	£97,490

The full breakdown of costs is detailed in Appendix A.

5.2 Risk and Mitigations

Some works will take place on land temporarily or permanently owned by Network Rail within the school's perimeter. Network Rail has indicated to the Council that they do not intend to retain surplus land in the long term. Liaison will take place with Network Rail before and during the works.

5.3 Equalities

Works to restrict traffic access to the school must not disadvantage disabled people.

5.4 Acting Sustainably

No decision is required that has economic, social or environmental implications.

5.5 Carbon Management

No decision is required that has an effect on carbon emissions.

5.6 Rural Proofing

This report does not propose a new or amended policy or strategy.

5.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes proposed.

6 CONSULTATION

- 6.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.

Approved by

Martin Joyce
Service Director Capital Projects

Signature

Author(s)

Name	Designation and Contact Number
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Background Papers:
Previous Minute Reference:

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Appendix A Cost breakdown

DOWNTAKINGS	£552.00
FENCING	£39,262.00
VEHICLE CONTROL BARRIER	£11,074.00
PLANTING	£4,856.00
PLANTING TO NOISE BARRIER (inc. 2 years maintenance)	£11,797.00
CCTV	
Installation	£6,705.00
Annual Maintenance p.a.	£80.00
FEES	
Planning	£202.00
Building warrant	£820.00
Professional fees	£8,000.00
SUNDRIES	£5,279.00
Notices, Skip hire, Contractor's overheads etc.	
SUB TOTAL	£88,627.00
CONTINGENCIES	£8,863.00
PROJECT PROBABLE COST Exclusive of VAT	£97,490.00

HEALTH RESOURCE TRANSFER OF MOUNTVIEW SERVICES

Report by Chief Social Work Officer

EXECUTIVE (FINANCE)

24 February 2015

1 PURPOSE AND SUMMARY

- 1.1 **This report proposes that there is a transfer of funding from NHS Borders to Scottish Borders Council in relation to the services currently provided by NHS Borders in Mountview Duns, a residential care home for 7 adults with a Learning Disability.**
- 1.2 Summary of the main points of the report.
- a) Mountview is currently a registered residential care home contracted by NHS Borders to an independent care provider, Streets Ahead. The majority of the funding is provided by NHS Borders with some funding by SBC. The current building is owned by Berwickshire Housing Association.
 - b) In line with the Scottish Government strategy for learning disability services (The Keys To Life 2013), Mountview is transferring to a supported living service model. Advanced plans are underway to transfer the current residents from the residential care home to 2 purpose built attached bungalows. Completion is planned for February 15.
 - c) The support required by the service users is predominantly social care and the supported living model is best provided by SBC and should not be the remit NHS Borders. This report recommends that the existing NHS Borders funding should be transferred to SBC via a Health Resource Transfer.
 - d) Previous Health Resource Transfers have taken place between NHS Borders and SBC. COSLA arrangements are already in place to settle the annual uplift arrangements for Health Resource Transfers (see attached documents).

- e) The Health Resource Transfer will allow SBC to apply its Charging Policy to all tenants therefore maximising income not currently available in a health funded service.
- f) The new supported living scheme will require additional funding. There will be 1 vacancy and as the tenancies provide best value compared to similar schemes, the Learning disability service has agreed to provide the funding to balance the budget.
- g) The Joint Learning Disability Service and finance representatives from both organisations have discussed and agreed the financial model for the reprovisioning of Mountview Care Home.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive agree that the £429,923 NHS Borders Mountview funding be resource transferred to Scottish Borders Council and note the proposed funding arrangements for the remaining balance.**

3 BACKGROUND

- 3.1 During 1993/1994 NHS Borders resettled patients with a learning disability from Dingleton Hospital to Mountview Care Home. The care home was run by the Streets Ahead organisation but was also staff by NHS Borders nursing staff. Although discussion took place at this time regarding a resource transfer arrangement for this service to Scottish Borders Council the funding for this service continued to be provided by NHS Borders to Streets Ahead.
- 3.2 This model of care continued until 2012/13 when following a review of the service it was decided to withdraw the nursing staff. The withdrawal of the nursing staff in 2012/13 led to an increase in the level of support worker care provided by Streets Ahead to maintain the service. Although the service continued to be provided in Mountview over the years various groups such as the Care Inspectorate have stated that the physical environment was not suitable accommodation to provide a modern model of care.

4 KEY ISSUES

4.1 Key Issues

- Over the years the learning Disability Service has explored a number of options for re-provisioning the Mountview service in a more suitable environment. A number of options had previously been considered but none have proved to be viable until now. In conjunction with Berwickshire Housing Association two attached bungalows based on three and four persons sharing have been sourced to provide new accommodation for this service.
- 4.2 The service will now become a supported living model of care, meaning that the current residents of Mountview will move into their own home with an individual tenancy. This is a more suitable model of care and meets the future needs of the Mountview residents.
- 4.3 Support to the residents of Mountview once they have moved into the new accommodation, at least initially, will continue to be provided by Streets Ahead providing continuity of care for the residents.
- 4.4 A supported living model of care is outwith the remit of service which should be provided by an NHS body.
- 4.5 Discussions have been ongoing with NHS Borders for a number of years around the possibility of resource transferring funding for this service. However with the move to a supported living model of care it has become even more evident that NHS Borders should not be responsible for providing care in this type of setting.

- 4.6 In recent months discussions have taken place regarding the funding of the new supported living service between NHS Borders, Scottish Borders Council and Streets Ahead. The cost of providing the new service is greater than the current service provision. This is due to economies of scale in the staffing levels required to safely staff a care home compared to the staffing levels required for a supported living model across 2 bungalows. The costs have been reviewed by both NHS Borders and Scottish Borders Council staff and cannot be reduced any further as it is felt this would compromise safety. Assistive technology and adaptations have been incorporated into the design and support model to maximise efficiencies in relation to the independence of the tenants and the staffing model required.

5 IMPLICATIONS

5.1 Financial

The current funding for Mountview is as follows:

Organisation	Amount
	£
NHS Borders	429,923
Client Contribution to Streets Ahead	37,482
SBC Contribution	4,550
Preserved Rights	29,531
SBC Non Dingleton Resident	32,000
Total	533,486

Funding Available for New Service

Organisation	Amount
	£
NHS Borders	429,923
Preserved Rights	29,531
SBC Non Dingleton Resident	32,000
Available Funding	491,454
Cost of New Service	559,036
Deficit	67,582
New Funding Sources	
Scottish Border Council Client Income	32,000
Scottish Borders Council Additional Placement	35,582
Deficit	0

- 5.2 During discussion NHS Borders agreed in principle to the above model of funding for the new service. However this model of funding will only apply should a resource transfer be agreed as NHS Borders cannot apply a client contribution against the tenants. If a resource transfer arrangement took place the additional client income which could be raised through Scottish Borders Council's charging policy could be offset against the funding deficit. Scottish Borders currently requires a new placement for an individual person coming through transition and the most appropriate and cost effective solution for this placement would be a tenancy within the new Mountview development.

5.3 If additional funding can be achieved through the client contributions and funding of the new placement by Scottish Borders Council a balanced budget can be achieved.

5.4 **Risk and Mitigations**

(a) **Risk** - If agreement for a Health Resource Transfer was not forthcoming, there would be a potential funding deficit of approximately 27K due to loss of charging income (could only charge 1 tenant who is SBC funded). This would be a loss of income to the Integrated Health and Social Care partnership. It is likely that Scottish Borders Council would be asked by NHS Borders to provide additional funding to purchase the vacant tenancy to reflect the unit cost of a placement ie Unit cost £80,000 pa (approx) compared to proposed cost to SBC of £35,000 pa (approx) if a Health Resource Transfer takes place.

Mitigation – None

(b) **Risk** - If there were to be a Health Resource Transfer as proposed, SBC would be liable to pay for any increase in care costs.

Mitigation - The projected placements costs per person do provide best value compared to market alternatives. The current provider charges a comparable hourly rate to other Scottish Borders providers and has worked collaboratively with our professionals to deliver an efficient model of support to date.

(c) **Risk** – Demand for placements may reduce resulting in vacancies.

Mitigation – These placements are for people with high levels of support needs and are difficult to source elsewhere. The costs of alternative placements would be significantly higher than the unit cost within this supported living scheme. We are confident that there is a local demand for this type of service so vacancies should not be a significant issue. If there was not the local demand at some point in the future then the placement could be offered to other Councils thus maximising income.

5.5 **Equalities**

It is anticipated that there are no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals in this report.

An Equalities Impact Assessment has been completed.

5.6 **Acting Sustainably**

There are no significant impacts on the economy, community or environment arising from the proposals contained in this report.

5.7 **Carbon Management**

There are no significant effects on carbon emissions arising from the proposals contained in this report.

5.8 **Rural Proofing**

This report does not relate to new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

5.9 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

6 CONSULTATION

- 6.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.
- 6.2 The Joint Learning Disability Service and finance representatives from both organisations have discussed and agreed the financial model for the re-provisioning of Mountview Care Home.

Approved by

Elaine Torrance
Chief Social Work Officer

Signature

Author(s)

Name	Designation and Contact Number
Simon Burt	Group Manager, Joint Learning Disability Service

Background Papers: Mountview Resource Transfer Inflation 13-14 Appendix

Previous Minute Reference: None

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Simon Burt can also give information on other language translations as well as providing additional copies.



Resource Transfer

Purpose

1. The purpose of this report is to set out a recommendation to uplift resource transfer payments for 2013/14, following negotiations between NHS Scotland and COSLA.

Recommendations

2. The Cabinet Secretary and Council Leaders are invited to:
 - i) Note that the issue of synchronising budget cycles between Health Boards and Councils has largely been addressed;
 - ii) Agree to a 2.0% uplift on all Resource Transfer payments from NHS Boards to Councils for 2012/13, as recommended by the COSLA / NHS Scotland negotiating committee; and
 - iii) Agree that resource transfer payments are for explicit use in supporting social care arrangements and as such should be voted into aligned or integrated budgets for Health and Social Care Partnerships.

Background

3. The Resource Transfer policy has been in existence for over 20 years and allows Health Boards to fund local authority social care services for people who formerly received, or would have in the past received, care in NHS continuing care beds. The policy has underpinned the closure of learning disability hospitals and significant reductions in NHS long-stay beds for older people and for mental illness. Over the same period, local authority social care services for older people, adults and children with disabilities, have been refocused to provide care and support for people with more complex needs, who formerly would have received NHS continuing care.
4. Resource Transfer, together with these wider changes, has made a very significant contribution to shifting the balance of care, better use of hospital inpatient beds, reductions in delayed discharge, and better outcomes for people who use health and social care services.
5. However, given that Resource Transfer discussions have in the past exposed local tensions, the Ministerial Strategy Group for Health and Social Care proposed that a high level working group should be established to design a series of protocols that would govern the Resource Transfer relationship. This work was signed off by the COSLA Convention and the Cabinet Secretary in October 2010.
6. The protocols were written in such a way as to remove the tension from local negotiations, particularly around the issue of the inflationary uplift and efficiency savings. The partnership protocols look to facilitate stronger financial planning and more effective joint commissioning between councils and Health Boards. While these protocols should not be seen to place absolute constraints on decision making, they explicitly reject the principle of unilateral decision making with respect to mutually committed resources.

Budget Cycles

7. Last year, the negotiating committee raised the synchronicity of budget cycles with the Director of Health Finance at the Scottish Government. Insofar as budget setting timelines between Councils and Boards were out of kilter, joint financial planning was being rendered more difficult.

8. The Scottish Government has looked to address this issue by issuing details of Health Board allocations at an earlier stage. Indicative budgets for 2013/14 have already been shared with each territorial Health Board, thereby allowing joint financial planning to proceed at local level. It is anticipated that the indicative budgets will be agreed by the Cabinet Secretary at around the same time councils sign off on their budgets.

National Resource Transfer Negotiations

9. Over the last decade, there have been a range of local disputes about inflationary uplifts, which MEL (1992) 55 states should be applied annually, along with the management of efficiency measures.
10. As such, the National Resource Transfer protocols (2010) stipulate that national negotiations should establish the Resource Transfer uplift applied by all Health Boards. The negotiations are undertaken by a committee of senior officers from Scottish local government and NHS Scotland, with Scottish Government colleagues also in attendance. Proposed uplifts require to be signed-off by Scottish Ministers and COSLA Leaders.
11. The value of any uplift will be considered on an annual basis, but will not be allowed to fall below zero. The national negotiations give consideration to key cost drivers on both sides, including general pay pressures and other inflation measures. The national negotiations for 2011/12 and 2012/13 both resulted in a 0.5% uplift being agreed.

2013/14 Negotiations

12. The table below offers a series of relevant indicators for the forthcoming negotiations:

Index	Percentage
Health Boards' Baseline Settlement (2013/14)	2.8%
Local Government Settlement (2013/14)	0%

13. Unlike previous years, the NHS uplift was not partially ring-fenced to deliver specific central government objectives. Nonetheless, the financial position for Health Boards in 2013-14 will be challenging. First call on additional funding will be in meeting unique cost pressures, especially in respect of the prescribing budget and required investment in new technologies, both of which create particularly challenging and mandatory financial pressures. Additional pressures arising from demographic change, pay and supplies will again require NHS Boards to deliver and retain efficiencies: NHS Boards are required to make 3 per cent efficiency savings in 2013-14, beyond the cash uplifts discussed above, to achieve financial balance. In doing so, NHS Boards will need to maintain and enhance the quality of care.
14. From a local government perspective, councils are absorbing a number of cost pressures on pay and supplies against a flat cash settlement. Councils therefore need to deliver significant efficiencies against this backdrop, in the order of 3%. Within the context of social care budgets, demographic change is driving cost pressures across the board and is creating higher levels of demand, particularly within the population of older people and people with a learning disability. In addition, there is a growing pressure to invest in the care home sector, which continues to make a slow recovery after a financial crisis two years ago.
15. Against this backdrop, the negotiating teams met on 19th December to consider what a reasonable Resource Transfer settlement would look like. The settlement options ranged

from 0% (the minimum settlement position set out in the national protocols)¹ through to 2.8% (which would see the full NHS baseline passed on).

16. A 'fair' starting point for the discussion was identified in line with previous years: in order to maintain a strong partnership focus, and recognising that efficiencies have to be made within both NHS and Council budgets, we started discussion around the mid-point (1.4%) between the full NHS baseline uplift and the local government settlement.
17. Having opened negotiations on these terms, it was recognised that there was a need to identify which parts of the health and social care system needed greater levels of investment. Notwithstanding the very real pressures that continue to burden NHS Boards – particularly around the prescribing budget and new technologies – it was recognised that the legacy of three successive challenging settlements for local government (-2.6% 2011/12; 0% 2012/13; 0% 2013/14) and the particular pressure on the care home contract which impacts on both health and local government, meant that there was a case to move upwards from the midpoint. Insofar as NHS Boards would not have their inflationary uplift partially ring-fenced to deliver Scottish Government policy objectives, it was agreed that there was scope to inflate the increase beyond the mid-point to 2.0%.
18. This position was deemed to be reasonable, and indeed, as Councils and Health Boards move to establish integrated budgets, it was recognised that the interdependence of health and social care services will require these pressures to be addressed in the round.
19. The proposed 2% uplift on the Resource Transfer payment is, of course, for explicit use in supporting social care arrangements and as such we are asking for agreement that this budget line will be voted into aligned or integrated budgets for Health and Social Care Partnerships.

Conclusion

20. COSLA, the Scottish Government and NHS Scotland have agreed a set of protocols that will guide councils and Boards around the Resource Transfer relationship. The protocols indicate that the annual inflationary uplift on resource transfer allocations should be negotiated at a national level. The Resource Transfer Negotiating Committee is recommending a 2.0% uplift for 2013/14.

Ron Culley
COSLA

Brian Slater
Scottish Government

Tim Davison
NHS Scotland

Communications Bulletin

Council Leaders and the Cabinet Secretary for Health and Well-being have agreed to apply a 2% uplift to Resource Transfer payments for 2013/14, following a joint recommendation from COSLA, NHS Chief Executives and Scottish Government Officials. Resource Transfer payments are used to fund local authority social care services for people who would otherwise have needed NHS continuing care beds. These payments have made a significant contribution to shifting the balance of care, better use of hospital beds, quicker discharge arrangements, and better outcomes for people who use health and social care services.

¹ It was noted as an aside that had COSLA been successful in arguing for the RT quantum to be moved from the NHS settlement to the Local Government settlement in 2010, both sides would have lost out since that quantum would not have increased in line with inflation (the local government settlement has not seen an uplift since 2010/11 and the NHS would have had a smaller overall settlement on which inflationary increases have been applied).

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**SCOTTISH BORDER COUNCIL COMMUNITY GRANT SCHEME –
GENERIC BUDGET**

Report by Service Director Strategy & Policy

EXECUTIVE COMMITTEE

24 FEBRUARY 2015

1 PURPOSE AND SUMMARY

- 1.1 **This report recommends an application for funding from the Community Grant Scheme (CGS) Generic Budget.**
- 1.2 The application is from Alchemy Film & Arts which is an organisation based in Hawick but which delivers a range of arts projects across the Borders.
- 1.3 The request is for a support grant to contribute towards the normal running costs of its annual Alchemy Film & Moving Image Festival which takes place, in Hawick, from 16 to 19 April 2015. The organisation is in short-term financial difficulty
- 1.4 £7,121 is available in the CGS Generic Budget and the grant request is for £4,500.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee approves a grant to the value of £4,500 to Alchemy Film & Arts, conditional on the organisation revising its fundraising plans to bridge this gap in future years.**

3 BACKGROUND

- 3.1 The terms and conditions of the scheme are as set down in the Scottish Borders Council Community Grant Scheme (CGS) application form, attached guidance notes and the Grants Policy and Guidelines. Copies of these documents are available on the Council's website (www.scotborders.gov.uk) or in hard copy from the Strategic Policy Unit. These include the criteria used to judge the suitability of a project and applicant body, procedures for the release of funds and monitoring requirements to comply with the rules of the scheme.
- 3.2 The CGS can provide either project funding or, in certain circumstances, a support grant to groups facing temporary financial difficulty. On 22 March 2006 the Grants to External Bodies Working Group agreed (approved by Executive on 18 April 2006) that, to reflect the intended one-off nature of support grants, a standard condition should apply. The standard condition requests that any group receiving a support grant should review its fundraising plan.
- 3.3 The base budget for the CGS Generic Budget is £10,000.
- 3.4 The Generic Budget was formed following agreement by the Executive Committee on 18 March 2014 to amalgamate the former Borders-wide and non-Borders based budgets into one single budget of £10,000 annually.
- 3.5 An approved ear-marked balance of £9,502 has been carried forward into the 2014/15 generic budget (£1,312 from the former Borders-wide budget and £8,190 from the former non-Borders based budget).
- 3.6 It was agreed by Executive on 26 February 2008 that any underspend in the annual Community Council Support budget should be vired into the Community Grant Scheme for further community benefit. There is no underspend to be transferred from the 2013/14 Community Council Support budget.
- 3.7 A further £1,569 has been paid back into the Generic Budget as a result of grant refunds by community groups in 2013/14.
- 3.8 The total budget for 2014/15 is therefore £21,071 and a balance of £7,021 remains.

4 APPLICATION FOR APPROVAL

- 4.1

APPLICANT:	Alchemy Film & Arts
PROJECT:	Support Grant
CGS No:	CGS/48/14
PROJECT COST:	N/A
GRANT REQUEST:	£4,500
- 4.2 Alchemy Film & Arts is a charitable company limited by guarantee. The organisation's constitution has been reviewed and meets the requirements of the CGS. The organisation has been assessed as operating Borders-wide and is eligible for funding under the CGS Generic Budget.
- 4.3 The organisation's accounts and Equalities Statements have also been reviewed and assessed as satisfactory.
- 4.4 The request for funding is support grant of £4,500 to contribute towards the core running costs of the annual Alchemy Film & Moving Image Festival (see Appendix 1) based in Hawick. This year's Festival will take place from the 16 to 19 April 2015.

- 4.5 It is an international event with a programme which will screen some 100 films (drawn from 500 international film submissions) including 20 world premieres. It will also deliver 6 to 10 "moving image installations" around Hawick using a combination of empty shops, offices and warehouses. Other aspects include film-maker symposiums, short film screenings, artistic performances, school screenings and an evening walk.
- 4.6 The organisation has submitted a budget showing the total costs of the Festival is £26,500. The organisation works closely with Heart of Hawick which provides venue hire at an additional cost of £4,194. However, through a partnership approach with Alchemy, Heart of Hawick has agreed to off-set this charge in exchange for the level of ticket income generated. For the purposes of assessing financial need, the ticket income has been estimated as £3,180. The total project costs are therefore £30,694.
- 4.7 With total project costs at £30,694 the organisation's funding package for the Festival consists of £20,000 from Creative Scotland, £1,500 from the Craignish Trust, £500 in sponsorship, £3,180 from ticket sales and £1,014 in-kind from Heart of Hawick (the difference between the venue hire and estimated ticket sales).
- 4.8 The grant request is for the balance of £4,500 and it will fund the moving image installations, promotional materials, brochure and signage.
- 4.9 The organisation has been assessed as being in temporary financial need as it has made the case for support in 2015 only, based on increased costs coupled with fixed matched funding. The Festival has enjoyed steadily growing support from Creative Scotland since 2012 including £20,000 in 2014 and 2015. The organisation was disappointed not to have secured an increased grant from Creative Scotland in 2015. However, recent discussions with Creative Scotland have resulted in being invited to apply to their recently opened "Open Programme" for the 2016 Festival.
- 4.10 The application has met the full assessment criteria of the CGS and is eligible for funding. A grant of £4,500 is recommended conditional on the organisation revising its fundraising plans to bridge this gap in future years. This condition is the standard agreed condition for all support grants.

5 BUDGET INFORMATION

5.1 The total available in the generic budget is £21,071.

5.2 The decisions made to date are as follows:

Date	CGS No	Description	Award
19/8/14	CGS/14/14	NTC Touring Theatre Co Ltd - Rumpelstiltskin	2,650
19/8/14	CGS/28/14	Survivors Unite - Group Development & Learning Project	1,370
11/11/14	CGS/41/14	Instinctively Wild - Support Grant	4,930
20/01/15	CGS/49/14	Borders Community Radio & Media Ltd - TD1 Radio FM Project	5,000
		TOTAL	13,950.

5.3 The balance available is £7,121.

6 IMPLICATIONS

6.1 Financial

There is sufficient funding within the CGS Generic Budget to cover the recommendation contained in this report and there are therefore no additional financial implications on the Council's resources. Approval of the grant will leave a £2,621 balance in 2014/15.

6.2 Risk and Mitigations

The festival has attracted a high level of external funding from Creative Scotland (£20,000) and Craignish Trust (£1,500) which is confirmed and in place. There is a risk that this external funding will be lost if the organisation is unable to meet the funding shortfall.

6.3 Equalities

In accordance with the CGS assessment criteria, all applications are assessed in terms of how groups have taken account of equal opportunities. It is anticipated that there will be no adverse impact in regard to the protected characteristics (age, disability, gender, race, religion, sexual orientation, poverty, health, marital status) arising from the proposal in this application. Membership of the organisation is open to all. Although the organisation does not have an Equal Opportunities Policy it has provided an equalities statement stating that it operates within an agreed set of values and principles which aims to promote full inclusion, equality, diversity and ease of access at all levels. An EIA Scoping Assessment has been undertaken and there are no apparent concerns. In line with advice received from the SBC Equality & Diversity Officer, the organisation will be advised to develop its own Equalities Policy.

6.4 Acting Sustainably

- (a) There are considered to be no environmental risks associated with the recommendation.
- (b) It is considered that there would be negative economic impact for the town of Hawick if the festival was unable to go ahead. The festival brings in a large amount of visitors to the area which helps to increase trade and boost the local economy. The festival is accessible to all sections of the local community. It is widely promoted to encourage people to participate whether as volunteers, contributing artists or part of an audience.

6.5 Carbon Management

There are no significant effects on carbon emissions arising from the proposals contained in this report.

6.6 Rural Proofing

Not applicable.

6.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

7 CONSULTATION

- 7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.

Approved by

David Cressey
Service Director Strategy & Policy

Signature

Author(s)

Name	Designation and Contact Number
Linda Cornwall	Grants Co-ordinator 01835 826659
Jean Robertson	Funding & Project Officer 01835 826543

Background Papers: None

Previous Minute Reference: Executive Committee 18.04.2006; Executive Committee 18.03.2014; Executive Committee 20.01.2015

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Linda Cornwall can also give information on other language translations as well as providing additional copies.

Contact us at Chief Executives, Scottish Borders Council, Council Headquarters, Newtown St Boswells TD6 0SA. Tel: 01835-826659, Fax: 01835-825059, Email: communitygrants@scotborders.gov.uk

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COMMUNITY GRANT SCHEME - ASSESSMENT SHEET

APPLICATION DETAILS		
Ref No: CGS/48/14	Grant Request: £5,000	Total Project Cost: £-
Project Title: Support Grant		
<p>Brief Summary: Alchemy Film & Moving Image Festival has been running annually in Hawick over the last 5 years. It is an international event which is growing in size due to its popularity and unique nature. It is the only film and moving image festival of its kind at present in the UK. Due to increasing costs and lack of increased funding from its main festival funder, the organisation is facing a period of temporary financial difficulty at the present time and requires financial assistance. The grant would contribute towards the cost of publicity materials and the 'Moving Image Installations' screenings which are exhibited within disused shops, offices and warehouses in Hawick. The festival will take place from 16th-19th April 2015 and will include a programme of film-maker symposiums, a variety of short film screenings, artistic performances, schools screening, community screening and evening walk.</p>		
Match-Funding From Other Sources:	Not applicable as the application is for running costs, although the organisation does receive regular funding from Creative Scotland towards the cost of the festival.	
Contribution by Organisation:	Not applicable as the application is for running costs.	
ORGANISATION DETAILS		
Name of Organisation: Alchemy Film & Arts		
Type of Organisation: Charitable Company Limited by Guarantee		
SBC Members/Officers who are members of organisation:	Susan Garnsworthy (Arts Development)	
The following information has been received and checked by an Officer as correct:-		
<input checked="" type="checkbox"/> Signed and dated Constitution (<i>all organisations</i>) <input checked="" type="checkbox"/> Original Bank Statement less than 3 months old (<i>all organisations</i>) <input checked="" type="checkbox"/> Independently approved annuals accounts (<i>all organisations over a year old</i>) <input type="checkbox"/> Estimate of Income/Expenditure for first 12 months (<i>newly formed organisations only</i>) <input type="checkbox"/> Quotations/Estimates (<i>project grants only</i>) <input type="checkbox"/> Letter of Support (<i>project/support involving children or vulnerable adults only</i>)		
SBC Grants Received in last 2 years: Environment & Infrastructure: 2014 (£1,925 – Events) Community Grant Scheme: 2013 (£3,500 – Casting the Net)		
ASSESSMENT		
<ol style="list-style-type: none"> 1. The organisation was in receipt of a project grant from the Community Grant Scheme in 2013 which has been signed off appropriately 2. The organisation is properly set up and appears to be operating in line with its Constitution 3. The organisation was formerly known as 'Borders Arts Trust' but was re-constituted in December 2013 under the new name of Alchemy Film & Arts 4. The constitution of the organisation states that it champions the development of arts, predominantly but not exclusively, in the Scottish Borders and beyond therefore the organisation requires funding from the generic budget 5. The organisation has submitted accounts to 4th December 2013 which have been checked and appear in order 6. The organisation has savings of £5,952 which is less than one full year's typical income of £31,663. £5,204 of these savings are ring-fenced for a Community Filmmaker Project, leaving a balance of £748. The organisation is demonstrating temporary financial difficulty at the present time and the application is eligible for support 		

7. The total cost of the festival this year is estimated at £30,694. The budget breakdown equates to venue hire £4,194; Producer £4,000; Creative Director £7,500; Freelance Reviewer £1,500; Freelance Press/PR £1,000; Travel & Accommodation £3,900; Screening Fees & Programme Editing £2,600; Installations & Community Filmmaking Outputs £2,250; Promotional materials/signage £2,750 and Administration £1,000
8. The organisation has been successful in securing £20,000 from Creative Scotland, £1,500 from Craignish Trust and £500 in sponsorship to support the opening event. It estimates ticket income at £3,180, demonstrating a funding requirement of only £4,500
9. Through a partnership approach with the organisation, Heart of Hawick off-sets the cost of venue hire in exchange for ticket income generated, the remainder being donated in-kind
10. Creative Scotland provides the majority of the funding for the festival annually, however as a result of a transitional period following the changeover of funding streams, the organisation was unable to achieve a request for increased funding this year which has necessitated the need for financial assistance
11. The organisation has been in discussions with the Head of Film at Creative Scotland who is supportive of the festival due to its unique quality and has encouraged the organisation to make a new bid under the Open Funding Programme to cover growth and running costs in 2016
12. The organisation's savings are below the minimum level and the application is eligible for support
13. As well as the annual festival, the organisation delivers a variety of smaller film making projects across the Borders aimed at encouraging the development of film-making skills for those wishing to progress careers in film and other technical avenues. It recently received arts funding for a Scottish Borders Community Filmmaking Initiative and a Scotland wide Luminous Latitude Touring Programme
14. The festival showcases not only the work of professional moving image film makers but also local film makers who have the opportunity to share skills and ideas through interaction at the festival's symposiums
15. The organisation operates a volunteer scheme, currently with 60 volunteers, who have the opportunity to develop skills not only in film making but also in event organisation/administration and, technical support which assists them in the advancement of alternative careers
16. The festival attracts a large number of film-makers into the town of Hawick which boosts the income of local B&Bs, hotels, eateries and restaurants as well as promoting a Borders town as an international film-making centre
17. The organisation has carried out regular surveys which demonstrates participation at the festival to be approximately 57% filmmakers/visitors and over 43% local community. 45% of the attendees stay in paid accommodation and the spend per festival visitor is estimated at £258
18. Ticket prices are kept at a low level (£4 per screening or a weekend ticket of £30) to ensure no one is disadvantaged due to lack of income or social background. Some activities such as the evening walk and moving image installations are free of charge
19. The application meets the scheme outcome 'more local groups or services are better supported to recover from financial difficulty'
20. The application meets the Corporate Plan priorities:-
 - Encourage** sustainable economic growth
 - Improve attainment and achievement levels** for all our children and young people, both within and outwith the formal curriculum
 - Provide high quality support, care and protection** to children, young people, adults, families and older people
 - Build the capacity and resilience** of our communities and voluntary sector
 - Maintain and improve** our high quality environment
 - Develop our workforce**
 - Develop our assets and resources**
 - Ensure** excellent, adaptable, collaborative and accessible public services
21. The organisation can demonstrate the support and involvement of the wider community through the large amount of volunteer support attracted in the running and organisation of the festival. Audience feedback obtained annually is positive and many local film-makers put forward screenings for selection. The festival also hosts a community screening each year based on a topic of local interest and undertakes school workshops in film-making for children Borders-wide
22. The Arts Development Manager has confirmed that the festival meets many aims within the Cultural Strategy for the Scottish Borders and Ambitious for the Borders 2012. Its outcomes also support the aims of the Creative Scotland Film Strategy 2014-17 which encourages the support and

development of artists and film-makers to create content with international appeal. The Arts Development Service also states that the organisation has a good reputation and has an inclusive approach to Arts ensuring its activities reach people of all ages. The festival programme is extremely varied and it has steadily grown over the years. The Arts Development Service is unable to offer any funding towards the festival

23. The Event Strategy Officer confirms that the festival meets the aims of the Scottish Borders Council Event Strategy and the EventsScotland National Strategy. The organisation continues to build on success and is developing its audience base. The organisation actively engages with the local community and the event is well supported. The festival was funded by SBC Events last year, however due to limited budget and the need to target event support in line with EventsScotland strategy, the festival does not meet the minimum 5,000 audience participation and cannot be funded through SBC Events this year.
24. Membership of the organisation is open to all and it appears committed to equal opportunities although it does not have its own Equal Opportunities Policy. The organisation has however provided an Equal Opportunities Statement confirming its commitment to equalities. An EIA scoping assessment has been carried out and there are no apparent concerns. In line with advice received from the SBC Equality & Diversity Officer the organisation will be advised to produce its own Equalities Policy.

OFFICER RECOMMENDATION

Recommend to approve at the lower level of £4,500. The organisation appears to have already addressed its shortfall in funding in 2016 however in order to reflect the intended one-off nature of support grants, any offer of grant should be conditional the organisation revising its fundraising plans to bridge this gap in future years.

Assessment Criteria

- *Grants received before*
- *How group has made use of previous grants*
- *How group is set up and managed*
- *Finances and financial need for funding*
- *Need/demand for project/activity*
- *How well the project meets the Community Grant Scheme outcomes (Communities have more access to better quality local services of activities; Communities have more access to better quality environment; Communities have more pride in their community; Communities have more access to better quality advice and information; More local groups or services are better supported to recover from financial difficulty)*
- *Support and involvement of wider community*
- *Efforts to secure other sources of funding*
- *How group has taken account of equal opportunities*

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**SCOTTISH BORDERS COUNCIL
COMMUNITY GRANT SCHEME**

APPLICATION FORM

Received 5/12/14

(Please read the Guidance Notes carefully before completing this application)

YOU MUST ANSWER EACH QUESTION IN THE SPACE PROVIDED – DO NOT SAY ‘SEE ATTACHED’

You can continue each question on no more than one side of A4

**All groups should complete Part 1 and Part 4. Please complete in black ink
Please refer to the application notes on the right-hand side when completing**

PART 1

About your group

1. What is the name of your group?

Alchemy Film & Arts (formerly known as Borders Arts Trust)

2. Where is your group based?

Hawick, with audiences and activities from the whole Scottish Borders region.

3. Name of main contact

Name	Richard Ashrowan
Position in Group	Creative Director
Home Address	Phenzhopehaugh Roberton Hawick
Post Code	TD9 7NQ
Telephone Number	01750 62395
Email Address	richard@alchemyfilmfestival.org.uk

This should be the same name that appears on your Constitution (please note your Constitution, annual accounts and bank account must all be in the same name)

Tell us in which town/village your group is based. If your group serves the whole of the Scottish Borders please say so

This is the person who will be the main point of contact for future communication and who should have a good understanding of the work of the group and details of the application. They should be contactable throughout the duration of the application process

4. When did your group start?

11 Mar 2011 (charitable status registered)

5. How many committee members are involved in running your group?

5

6. Are any Councillors/Scottish Borders Council Officers members of your management committee? If so, give names

Susan Garnsworthy is currently employed by SBC on a 1 year contract as Creative Learning Manager in the Arts Team. Permission to remain a trustee was given by Arts Business Manager Lisa Denham after consultation with Ian Brown, Head of Cultural Services as SG is only employed on short term contract and on the understanding if there is any conflict of interest it is declared.

We also have two advisors who are employed by SBC and who occasionally attend our Board meetings, but they are not board members and have no voting authority: Susan Taylor, Marketing and Operations Manager at Heart of Hawick, Mary Morrison, CABN.

7. What is the legal status of your group? (Please tick relevant)

- Unincorporated club, association or community group
- Company limited by guarantee
- Company limited by shares
- Trust
- Charity recognised by OSCR (Charity Number SC042142)
- Other (give details)

8. What is the purpose of your group, its main activities and what benefits does it bring to the local community?

Alchemy Film & Arts champions the development of independent arts projects in the Scottish Borders. It aims to advance the arts, by the practice, knowledge, understanding and appreciation of visual arts, music, literature, performance, film and crafts.

Our currently active projects are:

1) Alchemy Film and Moving Image Festival – an international festival of experimental film and artists' moving image based in Hawick. It is delivered in partnership with Heart of Hawick, who provide the main screening venue and festival hub. The festival is now approaching its fifth edition (April 2015) and attracts filmmakers from around the world.

2) Scottish Borders Community Filmmaking Initiative – a community filmmaking initiative encouraging the development of filmmaking skills, rooted in the community, within the Scottish

Describe in full what your group does, the activities it undertakes and in what way it benefits the community it serves

Borders region.

3) 'Luminous latitude' Touring Programme: an international touring programme of short films made by Scottish artists and filmmakers.

Over the last five years, Alchemy Film Festival has grown substantially. Last year we had a total of 2,387 visits to our ticketed events and art installations around the town, an increase of 225% on the previous year. The festival brings the town of Hawick alive over its duration, selling out all the available B&B accommodation, and filling restaurants and cafes. It also brings a much needed spirit of internationalism, putting Hawick and Borders region on the map as a destination – in 2014 we had 53 visiting filmmakers attending, from the USA, France, Netherlands, Switzerland, Sweden, Croatia, Hungary, Ireland, Scotland, Wales and England.

Our activities are strongly rooted in the local community and Alchemy Film & Arts aim to develop projects that actively and creatively engage local residents in both filmmaking and film appreciation. Every year the festival hosts a 'community' screening, usually involving a specially commissioned film on a subject of local interest. We also hold special schools workshops (open to schoolchildren Borders wide) in filmmaking.

In 2014/2015 we are running a 'Community Filmmaking' project, training 20 local residents (of all ages) in filmmaking. The works produced will be screened as part of Alchemy 2015 (April 16-19th 2015), as films and as 'moving image art installations'. We believe this project will have a lasting impact on the creative culture of the Borders, and we aim to run this as an annual programme.

Our 'moving image installations' strand opens up disused spaces – empty shops, offices and warehouse buildings within Hawick, as venues during the festival. These installations are free access to all, and bring renewed life and appreciation for neglected spaces within the town.

The festival is also beginning to deliver significant economic impact for the community of Hawick - 45% of our audience stay in paid accommodation and the average spend is £258 for each festival visitor staying overnight in Hawick. Excluding local residents, an estimate for total spectator spend in Hawick is between £16,000 and £24,000 (based on the industry standard *eventIMPACTS* model).

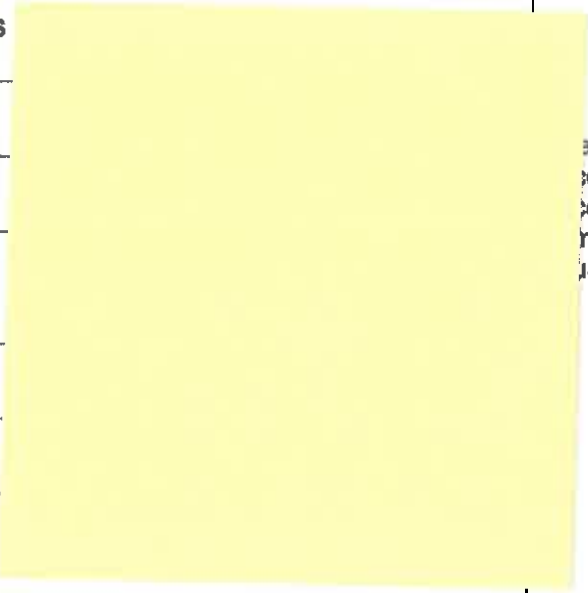
From our evaluation in 2014:

- 83% of respondents to our questionnaire said that Alchemy was 'better' or 'much better' than other film festivals they had attended.

- 94% rated their overall Festival experience 'very good' or 'excellent'.
- 97% would recommend the Festival to friends, family and others.

9. Tell us your bank account details

Account Name
Bank/Building Society Name
Address of Bank/Building Society
Post Code
Sort Code
Account



The name on the bank account and annual accounts should be the same as the name on your Constitution.

How many people are required to sign each cheque or withdrawal from this account?

2

List the names and positions of the people who are authorised to sign each cheque or withdrawal from this account

Name	Position
Keith Alexander	Chairman
Lawrence Robertson	Treasurer

Bank accounts require a minimum of two signatories. Grants will not be paid into an individual's bank account

If any signatories are related you will require to submit a letter from your bank confirming that the related signatories are not authorised to sign off the same cheque/ withdrawal

10. Tell us what your total savings/cash or investments are (all accounts)

Our bank statement shows £5952 on 30 Oct 2014, of which £5204 is committed to our Community Filmmaker Project.
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If your group has more savings than the amount of money your group receives in a year, you should explain what you are planning to do with this money. If you have not set aside this money for anything in particular the scheme is unlikely to give a grant

11. Is your group registered for VAT?

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
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12. Tell us what grants you have received from the Council in the last 2 years?

Date	Amount	Project Title
April 2014	£1,925 1,925	Alchemy Film Festival – from SBC Events Grant (LEADER)
23rd March - 6th April 2013	£3,500 3,500	Casting the Net – from Community Grants Scheme

13. Tell us how your group takes account of equal opportunities legislation by including all sections of your community (include child protection, vulnerable adult legislation if relevant, disability, promotion of equality of access to services irrespective of race, gender, age sexual orientation, religious or political beliefs). **If you group has its own Equal Opportunities Policy please provide a copy.**

We operate within an agreed set of values and principles, within which are commitments to Equalities & Diversity, including

- Participative: participation by people in the local community, and specifically young people.
- As an organisation, we have a positive attitude toward full inclusion, aiming to promote equality, diversity and ease of access at all levels of activity.

This extends from making our call for entries for residencies, programmes for young people and submissions of films and proposals to the festivals to be as widely accessible as possible and to be distributed widely. We use the best range of newsletters and forums within Scotland and are committed to this open process, underpinned by a belief that it brings in new ideas and drives up quality and diversity of ideas and content.

With regard to selection panels for participants in any programme, such as 'Luminous Latitude', the festival or residencies, paid or free-lance opportunities in the team, through to Trustees, we recruit an equitable mix of ages and genders in selection panels, promoting a positive, open and non-discriminatory atmosphere and process. Alchemy Film & Arts is committed to Equal Opportunities policies in the delivery of projects. It may be interesting to note that while the Residencies panel had a balance of genders, the resulting places were offered to five women and one man (who could not

Equal opportunities and inclusion is about involving people from different parts of the community in the development and implementation of projects and services. This might involve taking account of issues around gender, ethnic background, disability or access.

attend), based on the quality of submissions.

The tested means by which we have increased access by diverse audiences and participants and which we intend to develop as core projects are:

The 'Shoot it yourself' Creative Film-maker Programme for young people will run for the first time in 2014, funded by Into Film. This programme will involve 14-19 year olds from outside of the formal education system learning how to create films from initial concept into a finished product. The project results will be shown within the film festival in 2015. Our focus is on the collaborative creative process applied to non-conventional filmmaking.

Development of a yearly commission, a proven method of drawing local audiences who may know little about artists' film into the festival. This year we will open it out to competitive entry.

Opening up disused spaces as screening spaces within the town of Hawick and region-wide, for screenings during the festival and events. Our experience is that bringing projects to the high street and former industrial buildings which the community worked in, brings in unexpected visitors, older and young.

We aim to support intergenerational community filmmaking activities tied to screening opportunities at the festival.

The Community Grant Scheme gives grants mainly for project costs. If you are applying for project costs complete Part 2 and Part 4.

In some circumstances, it can provide one-off support grants to groups experiencing temporary financial difficulties (see Guidance Notes for details). If you are applying for support grant completed Part 3 and Part 4

PART 3 (SUPPORT GRANTS)

Support Grants are intended to help groups that are experiencing temporary financial difficulty.

They are not intended to be annual support payments.

23. Tell us clearly why you need a support grant this year?

Alchemy Film and Moving Image Festival is a festival firmly rooted in the Scottish Borders, whilst being truly international in programming scope, reputation and audience reach. Our April 2015 programme will screen around 100 films (drawn from around 500 international film submissions), including 20 World premieres, plus 6 to 10 'moving image installations' around the town of Hawick. We expect 50 filmmakers to visit, many of them travelling internationally. We are projecting visitors to ticketed and non-ticketed events to reach 2,500.

We are seeking a grant specifically to cover certain core and essential costs in running the 2015 festival. Our projected income for the 2015 festival is currently £7,030 short on our previous year's budget, an issue that could have a major impact on the festival in 2015. A grant from the Community Grant scheme is therefore specifically requested for the following two areas:

1. Publicity and marketing materials – production of the printed Alchemy Film and Moving Image Festival brochure and its distribution, plus town signage and online marketing activity. This essential component of the festival, providing visibility within Hawick and whole the whole Borders region, is currently unfunded. In 2013, it was supported by a Scottish Borders Council LEADER Events grant.
2. The 'moving image installations' strand of the festival. This strand offers film & video installations in up to 10 disused spaces – empty shops, offices and warehouses - within the town of Hawick for the duration of the festival. Each space offers an exhibition space staffed by full-time volunteer invigilators. Last year, in April 2014, this strand of the festival attracted 1087 individual installation visits (up 350% on 2013 figures). This is a popular strand of the festival, opening up many disused spaces to the community, enhancing the life of the town and providing high quality arts experiences.

Support grants are intended to help groups that are experiencing temporary financial difficulty. **They are not intended to be annual support payments.**

In addition, we engage with a significant number of volunteers for this aspect of the festival. In April 2014, 32 local volunteers participated. This provides a valuable community benefit in terms of skills development, training and personal inspiration. Grant funding from the Community Grants Scheme would enable us to continue to offer this strand of the festival, and deliver it to a higher standard.

For our 2015 festival, Creative Scotland, our main funder, maintained our level of grant funding without agreeing to a requested £15,000 increase to cover these costs and grow the festival. In addition, we had an unsuccessful bid into Creative Scotland's 'Regular Funding' programme, leaving us with a gap in our finances for the above elements of the 2015 festival, last year covered largely by a grant from the SBC Events fund (LEADER).

24. Based on the actual needs of your group, how much support grant do you need?

£5,000

25. Tell us what the support grant will actually pay for?

Item of Expenditure	Cost
Installations & community filmmaking outputs	£2,250
Promotional materials, printed brochure and signage	£2,750

26. Tell us what plans you intend to put in place to overcome this shortfall in the future?

The funding for this kind of festival is highly dependant on the support of Scotland's main arts funding body, Creative Scotland. Our relationship with this funder has been steadily growing over the last few years (£5K in 2012, £20K in 2014, £20K toward 2015), and has recently been strengthened during follow-up meetings after our recent unsuccessful bid to their Regular Funding Programme, which would have secured our core costs for the next 3 years. Despite turning down this ambitious bid, and not increasing our funding through their Festivals fund in 2014, they do now recognise the unique contribution the festival makes to the cultural life of Scotland.

This should be the minimum amount required to cover your group's temporary financial difficulty

Please note the scheme cannot give grants for activities/expenditure which has already taken place. Please refer to the guidance notes to ensure that the costs you are applying for are eligible for assistance

Creative Scotland have invited us to make two new bids into their Open Funding programme for the festival and related activities in 2016. We are at this stage confident of increased core support from Creative Scotland over the coming years, leading to a self-sustaining future. The specific items we are applying for here will form part of our Open Funding bid to Creative Scotland for our 2016 festival.

Local Authority recognition and financial support for the festival in 2015 would enhance our chances of receiving a higher level of grant from Creative Scotland in 2015/16. Creative Scotland like to see strong partnership working between third sector arts organisations and the Local Authority, recognizing that strong local authority support demonstrates its regional value.

In 2015 / 2016, we also intend to apply to the major UK Film festival funder, the BFI (British Film Institute), and investigate new funding streams that may be available through FilmHub Scotland (for audience development) and Regional Screen Scotland (for 'non traditional' screening events).

Additionally, we have a range of additional fundraising activities, including further applications to Trusts such as The Robertson Trust and The Craignish Trust, both of whom are supporting other aspects of the festival in 2015.

27. If you have received a support grant before what changes did your group put in place to address the shortfall (ie. revised fundraising plans)

We have not received a support grant before.

The scheme aims to support voluntary and community groups to become self-sustaining for the future, please detail what measures you have taken to overcome the previous temporary financial difficulty and how successful you have been in achieving this

28. Tell us what difference this support grant will make to your community

Our roots, as an organisation, are situated in a cultural deprived rural area, and we have a strong commitment to improving aspiration and quality of life in the region. Our community filmmaking initiatives and local filmmaking commissions are aspirational, personally transforming and led by their participants. So is our work with volunteers.

Explain to us how this support grant will benefit the needs of your local community ie. does your group deliver a unique service in your area, provide activities which improve health or increase physical fitness, address the needs of a minority group of people etc

The festival itself transforms a very traditional local community while it is on, showing work that lifts and inspires local people's imagination. We have seen how these things can transform people's lives and aspirations. This is a real need for such activity outside the urban centres and access to culture in our region can be unchanging and predominantly traditional.

Hawick, the location of the film festival, is the largest town in the Borders (population 15,000), and it faces many of the challenges confronting rural Scotland, exhibiting all the characteristics of social and economic deprivation and exclusion. It is designated within the South of Scotland European Partnership as 'a priority area'. Within Hawick, and arguably the Borders as a whole, the provision of world class contemporary art experiences is a rare occurrence and this gap in provision is something Alchemy Film & Arts aims to meet.

We aim to contribute to the fulfilment of the vision of the 2014 Cultural Strategy for the Scottish Borders:

- By 2019, the Scottish Borders will be recognized and celebrated for what it is, one of the richest, most distinctive and diverse cultural regions in Scotland.
- Alchemy is referred to as a festival "with a highly distinctive offering... and no immediate Scottish counterpart" (Reference, pg 16).
- To be a learning organisation, investing in our staff, board and volunteers, learning from each project and investing in our team and volunteers

This grant will contribute to delivering the significant community benefit of the festival, specifically:

- Increasing the profile of an international Film Festival in Hawick, increasing access to high quality arts experiences for all Borders residents.
- Engaging 30-40 local volunteers in working with us in the three month period running up to and including the festival. This enables them to gain event management skills within a festival of international significance.
- Providing opportunities for 20 local people to attend a 12 week filmmaking training programme, which will lead to their work being presented at a special 'community screening' at the 2015 festival.
- Several of these participants have already requested to present work within our 'moving image installation' strand within empty shop spaces.

- Delivering economic benefit to the local community through our many visitors from outwith the region.
- 57% of our visitors travel to the festival from Scotland, England, Wales and internationally. 45% stay overnight, each spending an average of £258 on accommodation, restaurants and cafes.
- Raising the profile of Hawick as place that is outward-looking and international, presenting World-class premiere films of the highest standard. This not only benefits perceptions of Hawick from the outside, but raises pride and forward-looking confidence within the community itself.

Our annual audience feedback helps us refine our offering. Here are some representative quotes from 2014, demonstrating the unique value the festival brings to the town of Hawick:

“Very friendly - Heart of Hawick an excellent venue, Local volunteers very helpful. Installations made the town very inclusive for outside visitors and encouraged us to get to know the town.”

“Excellent for a small Borders town to host an international event”

“Warm friendly people in the shops ,cafes and restaurants. Good food, lovely river. Sad about the loss of industry in such an elegantly made town.”

“Being small and off the beaten track has advantages - the scale and mood of the festival were ideal for the type of event it was and the people who came. And the nature of Hawick facilitated that. And film festivals don't depend on good weather (!)...”

“Brilliant that this is becoming international and would be good for Hawick to embrace this even more - more use of empty shops for exhibiting”

“It was actually a bit different and rather good. I liked the smallness of it the friendly buzz, the ease with which one could engage with the makers, critics and other punters”

“I think it's all about the creative use of other spaces in the town. I think the fact that you've got artists in the local B&B rather than the Hilton sets you aside from other events, in a good way.”

29. Tell us if you have applied to any other funding sources for this support (including any other Scottish Borders Council Departments) and the outcome of these applications

- We approached SBC Events to see if they were running the Events Fund again this year, but they are not. No other SBC departments have been approached.
- Heart of Hawick do contribute in-kind support but Heart of Hawick do not contribute cash funding to the running costs of the festival.
- We investigated Event Scotland funding but our audience numbers and audience data are not yet at an appropriate level. This national fund is for larger national festivals with very large audience numbers.
- We cannot apply to Awards for All, as they are already funding other aspects of our activity – our Community Filmmaking Project.
- We investigated but are unable to apply to Regional Screen Scotland's one-off grant scheme, as this would represent 'double funding' under Creative Scotland's rules.
- We investigated funding from the BFI (British Film Institute) but they specifically exclude the type of filmmaking our festival specialises in. I am told conversations are now happening between the BFI and Creative Scotland that may address this issue in 2016.

If your group is already in receipt of funding for running costs from another Council Department you are unlikely to receive a grant.

If your group is in the process of negotiating funding from another Council Department this must be disclosed. **Failure to do so will result in the application being automatically withdrawn.**

Now go to Part 4 to complete your application for support funding

Our Scottish Borders
Your community