

# Public Document Pack



## EXECUTIVE COMMITTEE TUESDAY, 17TH NOVEMBER, 2015

A MEETING of the EXECUTIVE COMMITTEE will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS, TD6 0SA on TUESDAY, 17 NOVEMBER 2015 at 10.00 am

J. J. WILKINSON,  
Clerk to the Council,

10 November 2015

<b>BUSINESS</b>		
1.	<b>Apologies for Absence</b>	
2.	<b>Order of Business</b>	
3.	<b>Declarations of Interest</b>	
4.	<b>Minute.</b> (Pages 1 - 6)  Minute of Meeting of Executive Committee of 3 November 2015 to be approved and signed by the Chairman. (Copy attached.)	2 mins
5.	<b>Monitoring of the General Fund Revenue Budget 2015/16.</b> (Pages 7 - 48)  Consider report by the Chief Financial Officer providing budgetary control statements for the Council's General Fund based on actual expenditure and income to 30 September 2015. (Copy attached.)	10 mins
6.	<b>Projected Balances to 31 March 2016.</b> (Pages 49 - 60)  Consider report by the Chief Financial Officer providing an analysis of the Council's balances as at 31 March 2015 and the projected balances at 31 March 2016. (Copy attached.)	5 mins
7.	<b>Monitoring of the Capital Financial Plan 2015/16</b> (Pages 61 - 84)  Consider report by the Chief Financial Officer on the progress of the 2015/16 Capital Financial Plan. (Copy attached.)	10 mins
8.	<b>Jim Clark Museum</b> (Pages 85 - 114)  Consider report by the Corporate Transformation and Services Director on the proposals to create a Jim Clark Museum by refurbishing and extending the existing displays at 44 Newtown Street, Duns. (Copy attached.)	15 mins
9.	<b>Any Other Items Previously Circulated</b>	

10.	<b>Any Other Items which the Chairman Decides are Urgent</b>	
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**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.**

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**Membership of Committee:-** Councillors D. Parker (Chairman), S. Aitchison, S. Bell, C. Bhatia, J. Brown, M. J. Cook, V. M. 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, TD6 0SA on Tuesday, 3 November, 2015 at 10.00 am

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Present:- Councillors S Aitchison (Chairman – Education Business), S Bell (Chairman – Economic Development Business), D Parker, (Chairman – Other Business), C Bhatia, M J Cook (from para.2.1), G Edgar, J Mitchell, D Moffat, D Paterson, F Renton, R Smith.

Also Present:- Councillors I Gillespie, G Logan, A Nicol, W McAteer, S Marshall, S Mountford.

Apologies:- Councillors J Brown, V Davidson.

In Attendance:- Depute Chief Executive (People), Chief Officer Economic Development, Corporate Transformation and Services Director, Service Director Children & Young People, Service Director Regulatory Services, Business Gateway Manager, Funding & Project Officer, Clerk to the Council, Democratic Services Officer (J Turnbull).

**EDUCATION BUSINESS**

Present:- Mrs J Aitchison, Mr J Walsh  
Apologies:- Mr G Donald, Ms A Ferhai.

**1. CHAIRMAN**

Councillor Aitchison chaired the meeting for consideration of the Education Business. He welcomed Mrs Aitchison and Mr Walsh to this section of the Executive meeting and passed on apologies on behalf of Mr Graeme Donald and Alison Ferhai.

**MEMBER**

Cllr Cook joined the meeting during consideration of the following item.

- 2. HOBKIRK PRIMARY SCHOOL 2.1** There had been circulated copies of a report by the Service Director Children and Young People proposing changes to the status of Hobkirk Primary School in that it be mothballed for a temporary period and that the decision to do so be reviewed within 12 months. The report outlined the background to the falling pupil roll at Hobkirk Primary School, which had resulted in placing requests from parents of the last seven pupils attending the school being granted, leaving no pupils at the school. Arrangements for accommodating the pupils within Denholm Primary School were described in the report and included transport, staffing and the educational and social benefits to be achieved through the process. The Statutory Guidance issued pursuant to the Schools Consultation (Scotland) Act 2010 recognised that on occasions a Local Authority might consider it appropriate to mothball a school. This decision did not need to be subject to the formal requirements of that Act. However, the guidance emphasised that mothballing was temporary and any decision to do so must be kept under review. The Service Director Children and Young People, Ms Donna Manson, advised that parents had identified a number of concerns relating to the size of Hobkirk School and the effect on their children's education. Their children had been attending extra curriculum activities at Denholm Primary School and enjoyed the socialisation of these group events. As a result of discussions all parents made placing requests, all of which had been

granted. Arrangements were then made for the children to attend Denholm Primary School. Engagement with parents of pre-school children had also taken place in Hobkirk and their preference was for their children to attend Denholm Primary School. Ms Manson continued that the new Curriculum for Excellence had an impact on the parents' choice. In answer to Members' questions, Ms Manson clarified that transport for the seven children to Denholm Primary School had been agreed as a management exception as an interim measure and officers would re-engage with those parents of pupils who had already transferred previously. However, transport would not be provided to schools outwith the catchment area. During the interim period the Headteacher would be undertaking a large amount of management tasks, therefore the dual headship role would continue for the time being. In respect of pupils attending Secondary schools there was approximately a 50% split between Jedburgh and Hawick High Schools, with placing requests being used by parents to send their children to the school of their choice.

- 2.2 Mrs Aitchison, Parent Representative, made a comparison between Hobkirk Primary School and Ednam Primary School which were not dissimilar. Mrs Aitchison highlighted the significant impact on communities when the village school no longer existed and expressed concern that in providing free choice for some parents the choice for other parents was denied. When a school was identified as being at risk then engagement with the community should take place at the earliest opportunity to identify ways of sustaining the school. Members discussed the report and referred to Hobkirk Primary School's roll which had reduced from 39 pupils in 2010 to seven pupils in 2015. It was suggested that the small schools policy may need to be reviewed to allow for earlier intervention to support some village schools. Ms Manson further advised that in a mothball situation the legislation stated that the decision should be reviewed at a maximum of three years but good practice suggested a review within one year. The Executive Committee in January 2015 had considered details of the development of a School Estate Strategy and this included a review of the school estate, with further details due to be considered by the Executive Committee in the new year. The Deputy Chief Executive (People) clarified that all parents would be consulted as part of the review of the school estate. The Chairman advised that all the Committee's comments would be included in the review as it went forward. Members agreed, with reluctance, to approve the recommendations.

**DECISION  
AGREED:-**

- \* a) **to recommend to Council that Hobkirk Primary School be mothballed with immediate effect for a temporary period;**
- (b) **to review the status of the school within the next 12 months; and**
- (c) **in the interim that transport be provided to Denholm Primary School for any new pupils moving into the area.**

**MEMBER**

Mrs Aitchison and Mr Walsh left the meeting prior to consideration of the following item.

**ECONOMIC DEVELOPMENT BUSINESS**

Present: Mr J Clark.  
Apologies: Mr G Henderson

3. **CHAIRMAN**

Councillor Bell chaired the meeting for consideration of the Economic Development business. He welcomed Mr Clark to this section of the Executive meeting and passed on the apologies of Mr Henderson.

#### **4. ECONOMIC DEVELOPMENT UPDATE**

- 4.1 With reference to paragraph 1 of the Minute of 1 September 2015, there had been circulated copies of a briefing note providing an update on recent Economic Development activities. The Chief Officer Economic Development, Mr Bryan McGrath, summarised the paper and highlighted the main points covering Business, Regeneration, Tourism & Events, Funding, and Low Carbon Economic Strategy. Officers had been working with Business Gateway on the new Borders Railway Tourism Business Opportunities Guide, a copy of which was circulated at the meeting. The document would be available to all businesses as a download and in print and had been very well received at its launch event. Members discussed the update and in particular issues surrounding the numbers travelling by train, and Mr McGrath advised that the addition of extra train carriages was for Scotrail to consider, although it was early days for the new line and he expected numbers to stabilise over the coming months. The 93% business occupancy rate for industrial units was very good, as this was normally 90%, although it also depended on the demand across the region, and reflected that there was more positive business activity underway. Councillor Paterson raised an issue on the SBC Visitor Information Map, which focused on walking and cycling routes for the Central Borders, and Mr McGrath undertook to investigate this further and respond to Councillor Paterson out-with the meeting. Members highlighted that having successfully delivered the Borders Railway, reassessment was now required in terms of the wider economic priorities for the whole of the Scottish Borders. It was also important that every opportunity was taken to use TV and other coverage of major events involving the Council e.g. Tour of Britain, as a promotional tool for the wider Borders area.

#### **DECISION**

**NOTED the update.**

#### **5. VISITSCOTLAND INFORMATION PROVISION – A NEW APPROACH**

- 5.1 There had been circulated copies of a report by the Corporate Transformation and Services Director outlining how VisitScotland was responding to the way visitors were now accessing information and making holiday decisions and how this was impacting on the performance of the manned visitor information service throughout Scotland. The report explained that VisitScotland currently operated and managed five VisitScotland Information Centres (VICs) in the Scottish Borders, providing face to face information services, including an accommodation and ticketing service. The VisitScotland Information Centres were partially funded via an annual Minute of Agreement (MOA) between Scottish Borders Council and VisitScotland. The report provided information on the performance of the VICs in the Scottish Borders. Visitors were accessing information from a wide range of sources when they were in Scotland. Trends indicated that online usage for visitor information and booking would continue to rise. In line with this trend, Scottish Borders VisitScotland Information Centres had experienced an overall decline in footfall in recent years – apart from slight increases in Hawick and Kelso - while there had been a significant rise in website visits and digital referrals to Scottish Borders businesses. Recognising the change in consumer behaviour and demand, VisitScotland was undertaking a national review of information provision and the overall customer experience, looking at the best way to ensure that information was delivered to more people in more places using the channels that visitors used the most. The Chief Officer Economic Development, Mr McGrath, advised that VisitScotland was currently carrying out a national review on how it provided information through all its channels. It was proposed to hold a briefing session for all Members late in 2015 or early 2016 – depending on the availability of Visit Scotland senior managers - to provide an outline of the new strategy and options for future visitor information provision being considered. A further report on tourist information would also be presented to Executive Committee once the VisitScotland review had been completed. Members discussed the report and

highlighted that co-hosting VICs was perhaps the way forward to deliver visitor information, for example the VIC partnership with the Heart of Hawick had increased footfall. It was acknowledged that there was a significant change in the way in which consumers accessed information and made bookings. It was hoped that the VisitScotland briefing would include detailed analysis of declining footfall and what plans would be put in place to optimise resources to maximise benefit and visitors to the Scottish Borders. The Chairman advised that that the Council provided funding to VisitScotland partly to cover marketing and visitor information provision. It was important that there was good attendance and engagement at the briefing session.

## **DECISION**

### **AGREED:-**

- (a) to invite senior managers from VisitScotland to provide a special briefing for all Elected Members on the new VisitScotland Customer Experience Strategy and its developing approach to information provision in the Scottish Borders and the rest of Scotland; and**
- (b) that a further report on tourism information be brought to the Committee in 2016 once VisitScotland had finalised its review.**

## **MEMBER**

Councillor Parker left the meeting prior to consideration of the following item.

- 6. **BUSINESS GATEWAY PROGRESS REPORT: 1 APRIL 2015 – 30 SEPTEMBER 2015**
- 6.1 With reference to paragraphs 5 and 6 of the Minute of 12 May 2015, there had been circulated copies of a report by the Corporate Transformation and Services Director presenting an update on the performance of the Business Gateway in the Scottish Borders, covering the period 1 April 2015 to 30 September 2015. Service delivery was aligned to the National 2012-2017 Business Gateway Service specification, with additional local services funded through EU Projects that added value to the “core” Business Gateway service. This funding ran out on 30 September 2015 and a new round of ERDF funding was expected to start before the end of 2015. The Business Gateway Business Plan 2015/16 was approved in May 2015, and incorporated a Performance Improvement Plan to further enhance the service. By the end of September a total of 331 businesses had accessed advisory services through Business Gateway with a further 635 businesses attending a workshop or event. Performance was good in relation to business starts with 108 recorded showing 109% of year to date (YTD) target. Focus had been put on Potential (PHVSU) and High Growth (HVSU) starts with the appointment of a part time adviser specialising in these areas, this had meant the best ever achievement in these were with 17 PHVSU and 8 HVSU clients representing 189% and 114% of YTD targets respectively. This provided an excellent pipeline of growth clients for future years. LGAS clients were also ahead of target at 18 which was 117% of YTD target. There had been a slower than expected start for higher growth clients and these were below target for the year. Whilst not satisfactory, plans were in place to counter this and annual targets were not a concern at this point. Progress against key performance targets was detailed in Table 1 in section 3.2 of the report, and an update on the Performance Improvement Plan was detailed in Appendix 1 to the report. Mr McCreadie, Business Gateway Manager, advised that following on from the successful Business Week in 2014, a Scottish Borders Business Month had been held in October; there had been 24 events across the Scottish Borders with 200 attendees, with over 600 attendees at events over the six month period. These events would help feed new clients into the segmentation model. In answer to Members’ questions Mr McCreadie further advised that there were three advisors employed by Business Gateway, one full time funded through ERDF. The majority of funding was spent on staffing and this was working well. Mr McGrath added that it was proposed to hold an event on 1 December 2015 following the Executive Committee for Members to engage with Business Gateway customers. The Chairman thanked Mr McCreadie for the informative report.

## **DECISION**

- (a) **NOTED the improving performance of the Business Gateway Service to date and the actions planned for the future.**
- (b) **AGREED**
  - (i) **to continue to receive regular progress reports to monitor performance; and**
  - (ii) **that the Business Gateway provide an update to Committee in February 2016.**

## **7. SOUTH OF SCOTLAND RURAL REGIONAL ECONOMIC DEVELOPMENT**

- 7.1 PROGRAMME - PROGRESS REPORT** With reference to paragraph 13 of the Minute of 10 June 2014, there had been circulated copies of a report by the Corporate Transformation and Services Director on progress in implementing the South of Scotland Rural Regional Economic Development Programme, in partnership with Scottish Enterprise and Dumfries and Galloway Council. The South of Scotland Alliance presented a programme of strategic projects to Scottish Government and Scottish Enterprise in the summer of 2014. The programme aimed to build on the opportunities which were available in the South of Scotland. Four strategic projects were identified at the heart of the programme, Borders Railway/Central Borders Business Park; Mountain Biking – refreshing a world-class product; M74 Corridor Strategic Development Masterplan; and Stranraer Waterfront. The programme was presented to Mr Swinney MSP, Depute First Minister, in June 2014. Since then, the partners had been taking forward the four strands of work and progress against each of these was set out in the report. Progress on the actions would be reported to the Depute First Minister when the South of Scotland Alliance met him in December 2015. Members discussed the report and highlighted that Mountain Biking in the Tweed Valley required wider publicity in terms of signage and links to VisitScotland. Mr McGrath advised that while the Tweed Valley was a world class mountain bike destination which had a high profile in mountain biking circles, one of the aims was to raise the profile and broaden the attraction. The Forestry Commission would have a key role in promoting and linking the product to local businesses. Additional tractions and trailers were required to sustain interest, attract new people and family based activities were also being explored. There was a discussion on the cross border Seven Stanes venue at Newcastleton and it was requested that the venue be developed further, with improved signage and digital connectivity as well as local access to fuel. Moving the trail head into Newcastleton and the installation of the new bridge had helped. There was further discussion on cycling across the Borders and issues with signage for cycle routes.

## **MEMBER**

Councillor Parker returned to the Meeting.

## **DECISION**

- (a) **NOTED the progress made in implementing the four strategic projects that make up the South of Scotland Rural Regional Economic Development Programme.**
- (b) **AGREED to request that the South of Scotland Alliance would seek ongoing support from the Scottish Government for this strategic programme at its meeting with the Depute First Minister in December 2015.**

## **OTHER BUSINESS**

## **8. CHAIRMAN**

Councillor Parker took the Chair for the remaining business.

9. **MINUTE**

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

**DECISION**

**APPROVED for signature by the Chairman.**

10. **UK LANDFILL COMMUNITIES FUND** 10.1 With reference to paragraph 6(a)(iii) of the Minute of Meeting of 10 March 2015, there had been circulated copies of a report by the Chief Executive recommending the reallocation of unused UK Landfill Communities Fund to BCCF Environmental - Duns Rugby Football Club. The report explained that on 10 March 2015 the Executive approved a grant of £27,451 to BCCF Environmental – Earlston Community Development Trust. This project, the Adventure Playpark Project, was no longer going ahead and the grant award had been terminated. As a consequence, £27,451 of unallocated funds was held by BCCF Environmental of which £25,536 was available funds and £1,915 was fees. An application from BCCF Environmental – Duns Rugby Football Club – Clubhouse and Community Facility was currently held by SBC awaiting UKLCF funds. It was recommended that the funds awarded to the Earlston Community Development Trust project be reallocated to Duns Rugby Football Club. This would enable the Club to complete its funding package and its project. Members noted that the Duns Rugby Football Club project started in July despite full funding not being in place. While it was unusual to award funds after the project start date, this was allowable under the UKLCF.

**DECISION**

**AGREED to approve a grant of £25,536 to BCCF Environmental – Duns Rugby Football Club.**

*The meeting concluded at 11.40 am*



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## **MONITORING OF THE GENERAL FUND REVENUE BUDGET 2015/16**

**Report by the Chief Financial Officer**

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### **EXECUTIVE COMMITTEE**

**17 November 2015**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 This report provides the Executive Committee with budgetary control statements for the Council's General Fund based on actual expenditure and income to 30 September 2015 and explanations 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 actual income and expenditure to the 30 September 2015. All departments are projecting a balanced outturn position with management teams confident that pressures highlighted in the remainder of this report will be managed within existing departmental budgets.
- 1.3 The management team is progressing with the programme to modernise and transform the Council. Corrective action has been identified where budgets are diverting from plan and the management team has confidence that pressures will be managed and that a balanced out turn will be delivered. Pressures evident at month 6 continue to be within out of area children's placements, higher than anticipated cost of care for Older People in Residential Care and people with Physical Disabilities and also within Neighbourhood Services for Materials, Sub-contract and Hire in the Roads service. Action is being taken by the People and Place departments to contain these pressures.
- 1.4 At 30 September, 70% (£5.482m) of planned efficiency savings have been delivered as per the Financial Plan, with a further 12% (£0.927m) profiled to be delivered over the remainder of the financial year. Of the remaining 18%, 4% (£283k) has been achieved by alternative, permanent measures and 14% (£1,084k) temporarily. A further £29k remains profiled to be achieved by alternative means. The previous Executive Committee reported position as at 30 June showed 50% (£3.829k) of planned efficiency savings having been delivered and 44% (£3.406) profiled to be delivered over the remainder of the financial year.
- 1.5 Full details of pressures, risks and challenges and the significant majority of areas of the Council's operation where budget plans remain on track are detailed in Appendix 1 to this report.

## **2 RECOMMENDATIONS**

**2.1 It is recommended that the Executive Committee:-**

- (a) notes the projected corporate monitoring position reported at 30 September 2015, the underlying cost drivers of this position, the significant pressures highlighted and the identified areas of financial risk;**
- (b) agrees that the Depute Chief Executives for People and Place and their Service Directors will continue to work with their management teams to ensure a balanced budget position is delivered in 2015/16;**
- (c) approves the budget virements set out in appendices 2 & 3;**
- (d) notes the progress made in achieving Financial Plan savings in appendix 4;**
- (e) notes that the Corporate Management Team will develop proposals to permanently address budget pressures as part of the 2016/17 Financial Planning process; and**
- (f) approves the draw down of reserves to address a phasing issue between the budgeted 1% pay award and the agreed 1.5% pay award for all staff in 2015/16.**

### 3 PROJECTED OUTTURN

3.1 The summary included in Appendix 1 is projecting an overall balanced position at 30 September 2015 despite pressures evident in Children's Services, Adult Services and Neighbourhood Services. Department management teams continue to work to deliver a range of measures to address 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 4 sets out the progress made by the end of month 6 to deliver the savings approved in the Financial Plan in February 2015 plus prior year savings achieved by temporary means.

#### 3.2 **Chief Executive's**

The Chief Executive's department is currently projecting a balanced position following a review of recharges to the non-General Funds including the Pension and Loans Funds. As shown in Appendix 4, the Chief Executive's department savings achieved by an alternative means on a temporary basis are linked to the Culture Trust proposals and as such will be delivered permanently on transfer.

#### 3.3 **People**

As highlighted in the Month 3 report the People department continues to experience considerable pressure across its services. Within Children & Young People, remedial actions are being developed in the form of an action plan in order to mitigate the additional pressures previously reported totalling £0.959m due to an increase in the number of placements for children with complex needs. Actions being taken include a freeze on recruitment within the Children & Young People department (£457k), a phased introduction of new staffing structures (£315k) and discretionary spend savings in Central Children & Young People budgets (£157k). The delivery of this action plan will require close monitoring and continued proactive budget management during the remainder of 2015/16.

3.4 Within Adult Services, budget pressures continue to be evident at month 6 but action is being taken by management to ensure these pressures will be contained at outturn and that the budget is planned on a more sustainable long term basis. Following savings actions already undertaken earlier in the financial year through a range of measures including managing staffing vacancies, the main drivers of residual pressure requiring addressing are the continued demand for residential and home care above the levels provided for by the budget (£340k) and community-based services (£237k), particularly within the Older People service, additional high cost client care packages for People with Physical Disabilities (£170k) and a range of miscellaneous pressures (£200k). An action plan for delivering offsetting additional savings to cover these residual pressures totalling £947k in-year is now in place. This plan includes planned rephasing of the implementation of the new Dementia Care Team (£197k), managed recruitment and the freezing of vacant posts (£150k) and a reduction in all non-essential spend (£150k). Further management actions reviewing staff turnover and the staffing establishment, together with further reductions in discretionary spend, together with additional income from contract changes and the conversion of beds to long-stay and income generating are profiled to deliver the remainder of resources required to meet the known and emerging pressures outlined above (£450k), although this is expected to be a considerable challenge over the second half of the financial year.

- 3.5 There are further additional risks in external homecare provision within Adult Services which may further compound the pressure on the revenue budget which if unfunded would result in an overspend. All known recurrent pressures are being reflected in the draft Financial Plan on a permanent basis for the 2016/17 revenue budget.
- 3.6 **Place**  
The Place department is currently projecting a breakeven position. Included within this position is a projected pressure of around £489k within Neighbourhood Services within Materials, Sub-contract and Hire in the Roads service. The department are committed to achieving a balanced year end position and therefore addressing this pressure, in the Place department as a whole, during the remainder of 2015/16. As such there are plans in place to review all discretionary spend, the materials budget, staffing costs and, where possible, maximise income.
- 3.7 **Other**  
Within Other, a balanced outturn position is projected at month 6. The annual ER/VS budget of £1.3m has now been fully committed. An additional ER/VS budget of £2m is being established in the current year as part of this report in order to maximise opportunities for full year savings from staffing reductions to be delivered in 2016/17.
- 3.8 **Pay Award**  
Approval is sought draw down an estimated £0.700m from reserves to fund the shortfall in funding associated with the phasing of the pay award in 2015/16. Members will recall in setting the 2015/16 budget Council approved a 1% provision for pay award in 2015/16 followed by an estimated 1.5% in 2016/17 equating to 2.5% over 2 years. This was in advance of national negotiations concluding. Negotiations led by COSLA have now been concluded with the SJC and SNCT negotiating bodies and a pay award for all staff has been agreed to pay 2.5% over a 2 year period at 1.5% in 2015/16 and 1% for 2016/17. This presents a one year phasing issue in terms of the Council's Financial Plan and a draw down from Reserves is consequently required to align budgetary provision with the negotiated settlement position. It is understood that the settlement of the pay award will be processed in November 2015 payroll backdated to the 1<sup>st</sup> April 2015. The balances represented in the Projected Balances report elsewhere on this agenda are stated before any draw down of funds for this purpose.
- 3.9 **Summary**  
There are significant pressures detailed above being managed within existing budgets across the Council. Management of these savings in-year is crucial to the delivery of a balanced position in 2015/16.

## **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 2015/16.

## 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 2015/16 Financial Plan. There is also a risk that further cost pressures may emerge in-year which may then impact further on the bottom line, particularly within People and Place departments. Every effort must continue to be made by Service Directors to contain projected spend in the remainder of the year and to consider permanent effects on the Financial Plan. Within all departments, 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 2015/16 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.
- (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. 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 also been consulted and any comments have been reflected in the report.

#### **Approved by**

David Robertson  
**Chief Financial Officer**

**Signature** .....

#### **Author(s)**

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager 01835 824000 X 5881

#### **Background Papers:**

#### **Previous Minute Reference:**

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

**MONTHLY REVENUE MANAGEMENT REPORT**  
**SCOTTISH BORDERS COUNCIL**      **2015/16**  
**SUMMARY**

**AT END OF MONTH:**      **Sep-15**



	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 Executive	27,291	15,566	29,677	29,400	276	(276)	0	Chief Executive is currently projecting a balanced position after earmarking for the rollout of broadband network and ICT infrastructure across the Scottish Borders scheduled for completion in 2016/17 (£280k).
People	167,336	77,538	169,760	169,722	38	(38)	0	Pressures currently identified in Out of Authority placements of £959k are being managed within the Children & Young Peoples Service to deliver a position in line with budget, with discretionary spend being reviewed in all areas. A balanced outturn position is projected in Adult Services, but included in this position are over £600k of savings which are required over the remainder of the financial year, £300k of which still requires firm planning and delivery. When delivered, a range of demand and provider cost pressures across homecare, respite and community-based services will therefore be contained overall within Adult Services enabling a projected breakeven position to be reported.
Place	36,145	16,312	36,993	37,086	(92)	92	0	The Place department is projecting a balanced position with virements being actioned to realign budget to projected outturn across the Services. A pressure of £489k has been identified within Neighbourhoods Roads, this is being managed by the service through an action plan that aims to manage expenditure to a balanced outturn position in the second half of the financial year.
Plan Charges	20,710	327	19,049	18,643	406	(406)	0	Projected saving due to favourable interest rates being used to fund contribution towards Borders Railway Celebration Fund (£10k) and increase in ERVS budget for 2015/16 (£461k). Capital financed by current revenue £65k.
Other	3,089	6,926	10,563	11,359	(796)	796	0	Increase in ERVS budget (£861k), transfer of Scottish Welfare Fund administration budget to Customer Services (£65k).
<b>Total</b>	<b>254,571</b>	<b>116,669</b>	<b>266,042</b>	<b>266,210</b>	<b>(168)</b>	<b>168</b>	<b>0</b>	
<b>Financed by:</b>								
Revenue Support Grant	(168,472)	(90,552)	(174,586)	(174,703)	117	(117)	0	Council Tax Reduction Scheme administration (£117k)
Non-Domestic Rates	(34,849)	(17,171)	(34,849)	(34,849)	0	0	0	
Council Tax	(51,602)	(30,162)	(51,602)	(52,002)	400	(400)	0	Additional income from Council Tax transferred to ERVS budget.
Reserves:								
Earmarked Balances from 2014/15	0	0	(5,859)	(5,859)	0	0	0	
Earmarked Balances for future years	860	0	1,860	2,209	(349)	349	0	
Transfers to\from Reserves	(508)	0	(1,006)	(1,006)	0	0	0	
	<b>(254,571)</b>	<b>(137,885)</b>	<b>(266,042)</b>	<b>(266,210)</b>	<b>168</b>	<b>(168)</b>	<b>0</b>	







Chief Executive	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
<b>Chief Executive</b>	<b>421</b>	<b>229</b>	<b>429</b>	<b>429</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Executive Support</b>	<b>370</b>	<b>180</b>	<b>344</b>	<b>344</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Public Health</b>								
Gross Expenditure	0	5	63	63	0	0	0	
Income	0	(69)	(63)	(63)	0	0	0	
	<b>0</b>	<b>(64)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Strategy &amp; Policy</b>								
Strategic Policy Unit	1,041	528	1,087	1,097	(10)	10	0	Additional budget from Loan Charges for Railway Celebration Fund (£10k).
Economic Development	1,566	926	1,995	1,970	25	(25)	0	Underspend in European Fisheries Fund (EFF) project (£25k) to be earmarked to match fund new European Maritime and Fisheries Fund (EMFF) programme due to commence in 2016/17.
Housing Strategy & Services	3,334	1,997	4,378	4,307	71	(71)	0	Contribution towards Borders Young Person Guarantee Scheme within Children and Young People (£46k) and earmarked balance for modern apprentice contracts which run into 2016/17 (24k).
Audit & Risk	473	189	403	403	0	0	0	
<b>Sub-total Strategy &amp; Policy</b>	<b>6,414</b>	<b>3,640</b>	<b>7,863</b>	<b>7,777</b>	<b>86</b>	<b>(86)</b>	<b>0</b>	
<b>Finance</b>	<b>3,357</b>	<b>1,655</b>	<b>3,575</b>	<b>3,564</b>	<b>10</b>	<b>(10)</b>	<b>0</b>	Centralisation and top slicing of Trade Union budget (£10k).
<b>Human Resources</b>								
HR	1,399	630	1,404	1,507	(103)	103	0	Centralisation (£99k) and backfill of Trade Union budget (£4k)
HRSS	762	438	800	799	1	(1)	0	
<b>Sub-total Human Resources</b>	<b>2,161</b>	<b>1,068</b>	<b>2,204</b>	<b>2,306</b>	<b>(102)</b>	<b>102</b>	<b>0</b>	

Chief Executive	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
<b>Business Transformation</b>								
Transformation	777	497	870	870	0	0	0	
Information Technology	5,047	2,758	5,502	5,221	281	(281)	0	Earmark balance for rollout of broadband network and ICT infrastructure across the Scottish Borders, scheduled for completion in 2016/17 (£280k).
Community Services	4,622	2,230	4,738	4,738	0	0	0	
Health & Safety	393	168	392	392	0	0	0	
Emergency Planning	159	63	159	159	0	0	0	
Communications	506	342	579	579	0	0	0	
Democratic Services	1,452	809	1,355	1,354	1	(1)	0	
Sports Trusts	2,313	2,039	2,367	2,367	0	0	0	
<b>Sub-total Business Transformation</b>	<b>15,269</b>	<b>8,906</b>	<b>15,962</b>	<b>15,680</b>	<b>282</b>	<b>(282)</b>	<b>0</b>	
<b>Recharge to Non-General Fund</b>	<b>(701)</b>	<b>(48)</b>	<b>(700)</b>	<b>(700)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total - Chief Executive</b>	<b>27,291</b>	<b>15,566</b>	<b>29,677</b>	<b>29,400</b>	<b>276</b>	<b>(276)</b>	<b>0</b>	

**Key Highlights**

The Chief Executive's department is projecting a balanced outturn position.

**Key Challenges**

The delayed implementation of the Salary Sacrifice Scheme will result in the related savings of £60k being only partially achieved by anticipated means.

**Key Risks**

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
<b>Children &amp; Young People</b>								
Early Years	6,904	2,620	6,901	6,999	(98)	98	0	Funding from Early Years Change Fund to enable sustainability of 4 new Early Years Centres £100k. Balanced position forecast as new delivery model is rolled out.
Primary Schools	31,687	16,510	32,207	32,240	(33)	33	0	£24k from Physical Activities to part offset evening let shortfall. 1+2 Funding Initiative £13k and CFCR (£4k).
Secondary Schools	39,856	20,752	40,733	40,730	3	(3)	0	1+2 Funding Initiative £2k and CFCR (£5k)
Central Schools	3,849	1,534	4,949	4,647	302	(302)	0	Funding of ICS out of authority placements pressure (£157k). Funding to Early Years to enable sustainability of 4 new Early Years Centres (£100k). (£24k) to part offset financial plan savings for more efficient use of lets. 1+2 Funding Initiative to schools £15k. Earmarking £20k budget for the early Years Programme manager. £46k contribution for Borders Guarantee post from Chief Executives.
Transportation	3,352	963	3,476	3,533	(57)	57	0	Pressure from increased in-house transport costs £57k
School Meals	2,162	751	2,172	2,115	57	(57)	0	Available budget within catering used to offset Transport pressure.
Community Learning & Development	1,068	494	1,079	1,078	1	(1)	0	
Integrated Children's Services (ICS)	26,095	11,394	25,921	26,065	(144)	144	0	An identified out of authority placement pressure of £959k within ICS due to an increase in the number of placements for children with complex needs being partly managed within the Service by development of an action plan including the non filling of currently vacant posts and discretionary spend savings (£457k), a phased introduction of new staffing structures (£315k) and funding of £157k from Central budgets . (CFCR £6k).
<b>Sub-total Children &amp; Young People</b>	<b>114,973</b>	<b>55,018</b>	<b>117,438</b>	<b>117,407</b>	<b>31</b>	<b>(31)</b>	<b>0</b>	
<b>Chief Social Work Officer</b>								
Services in the Criminal Justice System								
Gross Expenditure	1,228	567	1,275	1,275	0	0	0	
Income	(1,228)	(265)	(1,275)	(1,275)	0	0	0	
	<b>0</b>	<b>302</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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
<b>Adult Services</b>								
Older People	24,191	9,997	24,577	24,677	(100)	(3)	(103)	Pressures across homecare, respite and SDS are being managed by the implementation of an action plan which will deliver savings to offset projected pressures through increasing income from long-stay bed utilisation, package review and assessment panel and a managed delay in the establishment of the Dementia Care Team. Increased homecare costs from the transfer of staff and contracts to SB Cares has been met from a contribution from reserves. Further savings to be identified and delivered in order to offset pressures within Older People and PWPDP. (£100k).
Adults with Learning Disabilities (AWLD)	14,510	5,979	14,666	14,566	100	0	100	Projected pressure from increased night support costs has been met in 2015/16 from a contribution from reserves (£200k). Significant work has been undertaken over the last 18 months to ensure a balanced outturn position can be delivered. Further savings to be identified and delivered in order to offset pressures across wider Adult Services. (£100k).
People with Physical Disabilities (PWPDP)	3,250	1,726	3,096	3,213	(117)	0	(117)	Continued pressure arising from demand for community based services based on current clients' complex needs. No agreement to 50/50 fund a particular high-cost package has been reached with NHS Borders.
People with Mental Health Needs	2,241	1,015	2,249	2,249	0	0	0	
Generic Services & Staff Teams	4,575	2,240	4,742	4,622	120	0	120	A range of measures are in place aimed at delivering savings in order to offset pressures experienced across Adult services. Such actions include managing staff turnover rigorously, the allocation of cash-constrained budgets to managers and reduction in planned spend / removal of soft commitments. Further rigorous management of staffing vacancies will be required to offset current pressures between now and the year-end (£177k).
Contribution from SB Cares	(480)	(253)	(480)	(480)	0	0	0	
<b>Adult Services</b>	<b>48,287</b>	<b>20,704</b>	<b>48,850</b>	<b>48,847</b>	<b>3</b>	<b>(3)</b>	<b>0</b>	
Business Support	4,076	1,514	3,472	3,468	4	(4)	0	CFCR (£3k).
<b>Total - People</b>	<b>167,336</b>	<b>77,538</b>	<b>169,760</b>	<b>169,722</b>	<b>38</b>	<b>(38)</b>	<b>0</b>	

**Key Highlights**

Roll-out of Early Years provision to all 3 & 4 year olds and eligible 2 year olds is ongoing. Exact costs yet to be established.  
Delivery of Children & Young People, Business Support and Adult Services Transformation Programs & associated savings largely on track.  
An action plan is now in place to deliver remedial savings addressing underlying pressures in full and enable the reporting of the projected position above, in addition to the delivery in full of all financial planning savings with the exception of a small number of exceptional issues such as increased income from the Borders Ability & Equipment Store and savings from the review of day services. Further actions to reduce the cost of commissioning of homecare hours / identify alternative saving measures are now required however, in order that a balanced outturn be reported to CMT.

**Key Challenges**

Children & Young People have still to fully identify permanent delivery of 2015/16 Transformation savings.  
Funding the pressure from within the Children & Young People of increasing numbers and more costly Out of Area Placements.  
There continues to be a number of areas of emerging pressure across all adult services including increasing provider costs, demand for services and new legislative requirements. Additionally, due to increasing homecare costs, over £600k of remedial savings require delivery over the remainder of the financial year.

**Key Risks**

Maintaining teacher numbers to avoid risks to overall Council Funding.  
Permanently identifying transformation savings given restrictions on reducing teacher numbers.  
The key risks to delivering the position above, let alone a breakeven position, therefore relate to the ability to deliver all remedial savings (those already in the plan and those still to be identified) in full during the remainder of this financial year and the assumption that no significant additional pressures arising that have not yet been accounted for between now and the 31st March 2016.  
There are also a number of unknown factors which will impact on the reported position going forward including latest external homecare utilisation reports being as yet unavailable, pressures on provider and direct payment rates and what actions can be put in place to reduce the number of long-stay beds commissioned / increase utilisation of short-stay beds for long-stay.

Place	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
<b>Commercial Services</b>								
Infrastructure Asset Management	2,121	1,081	2,329	2,197	132	(132)	0	£105k additional income from Capital Management fee recharge & £82k vacancy savings partially offset by £50k expenditure associated with the manufacture & erection of signs & posts for Borders Railway & £6k increased advertising expenses.
Pay Parking	0	1	80	80	0	0	0	
Fleet Management	(215)	280	(228)	(229)	1	(1)	0	
Passenger Transport	2,190	1,146	2,245	2,175	70	(70)	0	£61k reduction in net cost within minibuses service. 9k Capitalisation of equipment for Galashiels Transport Interchange.
Design Services	100	85	85	85	0	0	0	
Projects	121	20	169	169	0	0	0	
Trading Contribution	(652)	1,710	(332)	(332)	0	0	0	
Property & Facilities Management	3,760	1,398	3,350	3,652	(302)	302	0	£14k Capitalisation of budget for cleaning equipment, £10k Capitalisation of budget for catering equipment. Additional costs and income pressures within the Catering Service being managed from within the overall budget. All pressures are being fully offset by savings from elsewhere in PLACE.
<b>Sub-total Commercial Services</b>	<b>7,425</b>	<b>5,721</b>	<b>7,698</b>	<b>7,797</b>	<b>(99)</b>	<b>99</b>	<b>0</b>	
<b>Neighbourhood Services</b>								
Customer Services	1,476	508	1,689	1,869	(180)	180	0	£117k from RSG to reduce HB Admin Subsidy, and £65k from Scottish Welfare Fund.
Waste	9,396	3,325	8,929	8,916	13	(13)	0	£12k capitalisation of budget for odour control unit.
Safer Communities	390	16	452	452	0	0	0	
Neighbourhoods	12,093	5,433	12,406	12,377	29	(29)	0	A pressure of £489k has been identified within Neighbourhoods Roads, this is being addressed by the service through an action plan that includes measures such as reviewing all discretionary spend, the materials budget, staffing costs and, where possible, maximising income. Budget movement to HR for Trade Union (£50k), backfill for TU top sliced £21k.
<b>Sub-total Neighbourhood Services</b>	<b>23,355</b>	<b>9,282</b>	<b>23,476</b>	<b>23,614</b>	<b>(138)</b>	<b>138</b>	<b>0</b>	

Place	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
<b>Regulatory Services</b>								
Assessor & Electoral Registration Officer	681	353	752	752	0	0	0	
Legal Services	536	240	725	606	119	(119)	0	Vacancy & Restructure savings
Planning	720	(459)	1,896	1,927	(31)	31	0	£40k Additional costs associated with a Public Enquiry (Aitken Gall) partially offset by vacancy savings.
Regulatory Services	1,276	618	1,262	1,238	24	(24)	0	Vacancy savings.
Built & Natural Heritage	852	0	0	0	0	0	0	
<b>Sub-total Regulatory Services</b>	<b>4,065</b>	<b>752</b>	<b>4,635</b>	<b>4,523</b>	<b>112</b>	<b>(112)</b>	<b>0</b>	
<b>Business Support</b>	<b>1,300</b>	557	1,185	1,152	33	(33)	0	Vacancy savings.
<b>Total - Place</b>	<b>36,145</b>	<b>16,312</b>	<b>36,993</b>	<b>37,086</b>	<b>(92)</b>	<b>92</b>	<b>0</b>	

**Key Highlights**

PLACE are projecting a balanced position. Working is on-going to quantify and resolve potential pressures identified within Neighbourhood Services and an income pressure in Planning Enforcement. Work is ongoing to assess the impact of school meals uptake in the Catering service.

**Key Challenges**

Maintaining the financial performance of SBC Contracts remains a challenge in the face of a difficult market and internal management changes.  
 A Business Support review is underway and will achieve a permanent saving of £150k.  
 A pressure of £489k has been identified within Neighbourhoods Roads, plans are in place to review all discretionary spend, the materials budget, staffing costs and, where possible, maximise income.

**Key Risks**

Transformation savings of £150k have not yet been met within Waste, potential areas identified to address this including leachate and additional gas income which are dependant upon conditions on the landfill site.  
 Winter activity levels assumed are based on long-term historical averages, if weather conditions are worse than average this could again pose a financial risk to Neighbourhoods in 2015/16 later in the year.  
 The Planning service is highly dependent on fee income to achieve their budget target although the current projection realistically reflects what is achievable.



**MONTHLY REVENUE MANAGEMENT REPORT**

**SCOTTISH BORDERS COUNCIL**

**2015/16**

**AT END OF MONTH: Sep-15**

**OTHER**



Other	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
<b>Corporate Transformation</b>								
Transformation (Projects)	(322)	206	680	680	0	0	0	
<b>Sub-total Corporate Transformation</b>	<b>(322)</b>	<b>206</b>	<b>680</b>	<b>680</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Early Retirement/Voluntary Severance</b>	<b>418</b>	<b>1,243</b>	<b>1,336</b>	<b>2,197</b>	<b>(861)</b>	<b>861</b>	<b>0</b>	Balanced position based on current approved individuals. £2m budget established to ensure full year Financial Plan savings met in 2016/17. To be funded from projected over recovery of Council Tax (£400k), underspend in Loan Charges (£461k) and Allocated Reserves (£1.139k).
<b>Fairer Scotland</b>	<b>223</b>	<b>0</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Loan Charges</b>	<b>20,710</b>	<b>315</b>	<b>19,089</b>	<b>18,618</b>	<b>471</b>	<b>(471)</b>	<b>0</b>	Borders Railway Celebration Fund (£10k) and increase in ERVS budget (£461k).
Capital Financed from Current Revenue (CFCR)	0	12	(40)	25	(65)	65	0	Capitalisation of revenue budget (£65k).
<b>Interest on Revenue Balances IORB</b>	<b>(10)</b>	<b>(1)</b>	<b>(10)</b>	<b>(10)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Contribution to Property Maintenance</b>	<b>2,253</b>	<b>2,253</b>	<b>2,253</b>	<b>2,253</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Provision for Bad Debts</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Housing Benefits</b>								
Gross Expenditure	29,910	14,087	29,910	28,242	1,668	0	1,668	
Income	(29,317)	(15,850)	(29,317)	(27,488)	(1,829)	0	(1,829)	
	<b>593</b>	<b>(1,763)</b>	<b>593</b>	<b>754</b>	<b>(161)</b>	<b>0</b>	<b>(161)</b>	Projected pressure due to receipt of Real Time Information which is improving the detection of benefit overpayments. £161k surplus from Council Tax Reduction Scheme used to cover this pressure.
<b>Discretionary Housing Payments</b>	<b>58</b>	<b>305</b>	<b>218</b>	<b>218</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Council Tax Reduction Scheme</b>	<b>316</b>	<b>5,341</b>	<b>5,888</b>	<b>5,727</b>	<b>161</b>	<b>0</b>	<b>161</b>	Reduction in benefit caseload. Used to offset the shortfall in Housing Benefit.
<b>Non Domestic rates Relief</b>	<b>150</b>	<b>136</b>	<b>150</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Commercial Rents</b>	<b>(1,187)</b>	<b>(1,110)</b>	<b>(1,187)</b>	<b>(1,187)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Scottish Welfare Fund</b>	<b>472</b>	<b>191</b>	<b>504</b>	<b>439</b>	<b>65</b>	<b>(65)</b>	<b>0</b>	Scottish Welfare Fund administration budget movement to Customer Services (£65k).
<b>Total - Other</b>	<b>23,799</b>	<b>7,253</b>	<b>29,612</b>	<b>30,002</b>	<b>(390)</b>	<b>390</b>	<b>0</b>	

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**MONTHLY REVENUE MANAGEMENT REPORT**

**SCOTTISH BORDERS COUNCIL**

**2015/16**

**AT END OF MONTH: Sep-15**

**OTHER**



**Key Highlights**

Fairer Scotland funding with effect from 2016/17 is currently under review.

**Key Challenges**

Loan charges are dependant on progress with capital plan and borrowing required throughout the year.

**Key Risks**

**MONTHLY REVENUE MANAGEMENT REPORT**

**PERFORMANCE INDICATOR INFORMATION**

**2015/16**

**AT END OF : Sep-15**

**Key Cost Driver Performance Analysis - Chief Executive**

	Month Sep-14	Month Aug-15	Month Sep-15	Narrative
1 No of Homelessness Properties	169	165	165	
2 No of homelessness presentations	62	44	53	
3 No in B&B	1	3	1	
4 Vacant lets (Heart of Hawick)	18%	20%	20%	

**Key Cost Driver Performance Analysis - People**

	Month Sep-14	Month Aug-15	Month Sep-15	Narrative
<b>Schools</b>				
1 Transportation (proj % of budget)	100%	100%	102%	Pressure is being funded from elsewhere within the Children & Young People budget.
2 Unitary Charge (proj % of budget)	100%	100%	100%	
3 Staff Turnover (% of target)	100%	100%	100%	
<b>ADULT SERVICES</b>				
	<b>Baseline @ March 15</b>	<b>Month Aug-15</b>	<b>Month Sept-15</b>	
4 Homecare Hours	12,981	13,729	10,785	
5 Residential: Elderly Beds (excl respite beds, and Intermediate care)	652	634	652	
<b>ICS</b>				
	<b>Baseline @ March 15</b>	<b>Month Aug-15</b>	<b>Month Sept-15</b>	
6 Out of Authority Placements	64	49	50	The number of placements has reduced during 2015/16 however the current placements are more expensive.
7 Foster Care	95	94	95	
8 Kinship Care	40	49	55	
9 Secure Placements	0	1	1	

**Key Cost Driver Performance Analysis - Place**

	Month Sep-14	Month Aug-15	Month Sep-15	Narrative
<b>Commercial Services</b>				
1 Contracts Won (by value £k)	1,112	89	1,165	
2 PT Fares Income (£k)	202	157	176	
3 FM Dayworks costs (£k)	76	97	114	
4 Fuel Price (Derv ppl)	105	89	90	
5 Primary school meal uptake per day	43%	55%	55%	
6 Secondary school income per day	£5,455	£5,149	£5,470	
<b>Neighbourhood Services</b>				
7 Roads Expenditure Committed	315	257	313	
8 Salt Stock (t)	19,066	14,767	16,519	
9 Recyclate Tonnage	1,685	1720	tbc	
10 Landfill Tonnage (MSW)	3,241	3340	tbc	

**MONTHLY REVENUE MANAGEMENT REPORT**

**PERFORMANCE INDICATOR INFORMATION**

**2015/16**

**AT END OF : Sep-15**

**Key Cost Driver Performance Analysis - Other Services**

<b>Other</b>	<b>Month Sep-14</b>	<b>Month Aug-15</b>	<b>Month Sep-15</b>	<b>Narrative</b>
1 Current live procurement contracts	38	40	45	
2 ER/VS approved (FTE)	2.10	44.78	44.78	
3 Number of new HB Claimants	177	163	168	
4 Number of ongoing HB Claims requiring action	1,352	1235	1240	
5 No of properties eligible for full NDR Relief	3,490	3,600	3,593	
6 No of properties eligible for partial NDR Relief	1,154	1,149	1,140	

**Budget Virement Requirement      Chief Executive      No. of Virements    3**

**1 Virement is required from**

Department	Chief Executive	2015/16	2016/17	2017/18
Service	Finance	£	£	£
Budget Head	Employee Costs	(8,652)	(8,652)	(8,652)

Department	People	2015/16	2016/17	2017/18
Service	Primary	£	£	£
Budget Head	Employee Costs	(13,603)	(13,603)	(13,603)

Service	Secondary	£	£	£
Budget Head	Employee Costs	(25,872)	(25,872)	(25,872)

Department	Place	2015/16	2016/17	2017/18
Service	Neighbourhoods	£	£	£
Budget Head	Employee Costs	(50,433)	(50,433)	(50,433)

<b>Total</b>		<b>(98,560)</b>	<b>(98,560)</b>	<b>(98,560)</b>
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**To**

Department	Chief Executive	2015/16	2016/17	2017/18
Service	Human Resources	£	£	£
Budget Head	Employee Costs	98,560	98,560	98,560

**Because**

To centralise salary budgets for Trade Union representatives under the management of Human Resources.
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**2 Virement is required from**

Department	Chief Executive	2015/16	2016/17	2017/18
Service	Chief Executive	£	£	£
Budget Head	Supplies & Services	(57)	(57)	(57)

Service	Executive Support	£	£	£
Budget Head	Supplies & Services	(195)	(195)	(195)

Service	Strategic Policy Unit	£	£	£
Budget Head	Supplies & Services	(161)	(161)	(161)

Service	Economic Development	£	£	£
Budget Head	Supplies & Services	(241)	(241)	(241)

Service	Housing Strategy & Services	£	£	£
Budget Head	Supplies & Services	(792)	(792)	(792)

Service	Democratic Services	£	£	£
Budget Head	Supplies & Services	(517)	(517)	(517)

Service	Audit & Risk	£	£	£
Budget Head	Supplies & Services	(161)	(161)	(161)

Service	Finance	£	£	£
Budget Head	Supplies & Services	(9,588)	(9,588)	(9,588)

Service	Human Resources	£	£	£
Budget Head	Supplies & Services	(367)	(367)	(367)

Service	HRSS	£	£	£
Budget Head	Supplies & Services	(356)	(356)	(356)

Service	Transformation	£	£	£
Budget Head	Supplies & Services	(218)	(218)	(218)
Service	Information Technology	£	£	£
Budget Head	Supplies & Services	(953)	(953)	(953)
Service	Health & Safety	£	£	£
Budget Head	Supplies & Services	(115)	(115)	(115)
Service	Emergency Planning	£	£	£
Budget Head	Supplies & Services	(34)	(34)	(34)
Service	Communications	£	£	£
Budget Head	Supplies & Services	(172)	(172)	(172)
Department	People	2015/16	2016/17	2017/18
Service	Early Years	£	£	£
Budget Head	Employee Costs	(2,388)	(2,388)	(2,388)
Service	Central Schools	£	£	£
Budget Head	Employee Costs	(5,719)	(5,719)	(5,719)
Service	Community Learning & Development	£	£	£
Budget Head	Employee Costs	(689)	(689)	(689)
Service	Integrated Children's Services	£	£	£
Budget Head	Employee Costs	(6,763)	(6,763)	(6,763)
Service	Older People	£	£	£
Budget Head	Employee Costs	(2,813)	(2,813)	(2,813)
Service	Business Support	£	£	£
Budget Head	Employee Costs	(1,711)	(1,711)	(1,711)
Department	Place	2015/16	2016/17	2017/18
Service	Infrastructure Asset Management	£	£	£
Budget Head	Employee Costs	(448)	(448)	(448)
Service	Fleet Management	£	£	£
Budget Head	Employee Costs	(424)	(424)	(424)
Service	Passenger Transport	£	£	£
Budget Head	Employee Costs	(402)	(402)	(402)
Service	Design Services	£	£	£
Budget Head	Employee Costs	(287)	(287)	(287)
Service	Projects	£	£	£
Budget Head	Employee Costs	(34)	(34)	(34)
Service	Property & Facilities Management	£	£	£
Budget Head	Employee Costs	(6,743)	(6,743)	(6,743)
Service	Customer Services	£	£	£
Budget Head	Supplies & Services	(1,688)	(1,688)	(1,688)

Service	Waste	£	£	£
Budget Head	Supplies & Services	(1,435)	(1,435)	(1,435)
Service	Safer Communities	£	£	£
Budget Head	Supplies & Services	(80)	(80)	(80)
Service	Neighbourhood Operations	£	£	£
Budget Head	Supplies & Services	(3,272)	(3,272)	(3,272)
Service	Assessor & Electoral Officer	£	£	£
Budget Head	Employee Costs	(207)	(207)	(207)
Service	Legal Services	£	£	£
Budget Head	Employee Costs	(322)	(322)	(322)
Service	Planning	£	£	£
Budget Head	Employee Costs	(1,262)	(1,262)	(1,262)
Service	Built & Natural Heritage	£	£	£
Budget Head	Employee Costs	(57)	(57)	(57)
Service	Business Support	£	£	£
Budget Head	Employee Costs	(597)	(597)	(597)
<b>Total</b>		<b>(51,268)</b>	<b>(51,268)</b>	<b>(51,268)</b>

**To**

Department	Chief Executive	2015/16	2016/17	2017/18
Service	Finance	£	£	£
Budget Head	Employee Costs	8,651	8,651	8,651
Service	Human Resources	£	£	£
Budget Head	Employee Costs	5,168	5,168	5,168
Department	People	2015/16	2016/17	2017/18
Service	Primary	£	£	£
Budget Head	Employee Costs	13,603	13,603	13,603
Department	Place	2015/16	2016/17	2017/18
Service	Neighbourhoods	£	£	£
Budget Head	Employee Costs	23,846	23,846	23,846
<b>Total</b>		<b>51,268</b>	<b>51,268</b>	<b>51,268</b>

**Because**

Top slicing of budgets to fund backfill for union representation in affected departments.

**3 Virement is required from**

Department	Chief Executive	2015/16	2016/17	2017/18
Service	Housing Strategy & Services	£	£	£
Budget Head	Third Party Payments	(46,000)	0	0

**To**

Department	People	2015/16	2016/17	2017/18
Service	Central Schools	£	£	£
Budget Head	Employee Costs	46,000	0	0

**Because**

Fairer Scotland funds to be utilised for Borders Young Person Guarantee Scheme.

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

**1 Virement is required from**

Department	People	2015/16	2016/17	2017/18
Service	Primary Schools	£	£	£
Budget Head	Supplies & Services	(4,324)	0	0
Service	Secondary Schools	£	£	£
Budget Head	Supplies & Services	(4,600)	0	0
Service	Integrated Children's Services	£	£	£
Budget Head	Supplies & Services	(6,801)	0	0
Service	Business Support	£	£	£
Budget Head	Supplies & Services	(2,621)	0	0
<b>Total</b>		<b>(18,346)</b>	<b>0</b>	<b>0</b>

**To**

Department	Other	2015/16	2016/17	2017/18
Service	Loan Charges - Capital Financing Costs	£	£	£
Budget Head	Capital Financed from Current Revenue	18,346	0	0

**Because**

To transfer revenue budget from Primary Schools, Secondary Schools, Integrated Children's Services (ICS) and Business Support to Capital in relation to various purchases of equipment.

**2 Virement is required from**

Department	People	2015/16	2016/17	2017/18
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	(100,000)	0	0

**To**

Department	People	2015/16	2016/17	2017/18
Service	Early Years	£	£	£
Budget Head	Employee Costs	100,000	0	0

**Because**

To transfer budget from Early Years Change Fund in central schools to enable the sustainability of employee and resource costs in the four newly established Early Learning Centres in Burnfoot, Eyemouth, Langlee and Philiphaugh.

**3 Virement is required from**

Department	People	2015/16	2016/17	2017/18
Service	Central Schools	£	£	£
Budget Head	Income	(24,000)	(24,000)	0

**To**

Department	People	2015/16	2016/17	2017/18
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	24,000	24,000	0

**Because**

To permanently transfer budget from Physical Activities to Primary Schools to contribute toward the financial plan savings for more efficient use of evening lets.



**4 Virement is required from**

Department	People	2015/16	2016/17	2017/18
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	(15,200)	0	0

**To**

Department	People	2015/16	2016/17	2017/18
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	13,200	0	0

Service	Secondary Schools	£	£	£
Budget Head	Employee Costs	2,000	0	0

Total		15,200	0	0
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**Because**

To devolve budget to primary and secondary schools to purchase resources following on from a bidding process to enhance and develop school involvement in the 1 + 2 languages initiative.

**5 Virement is required from**

Department	People	0	0	0
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	(157,389)	0	0

**To**

Department	People	2015/16	2016/17	2017/18
Service	Integrated Children's Services	£	£	£
Budget Head	Third Party Payments	157,389	0	0

**Because**

To transfer available budget in Central Schools to cover a pressure in Out of Authority placements in ICS.

**6 Virement is required from**

Department	People	2,000	0	0
Service	School Meals	£	£	£
Budget Head	Supplies & Services	(57,184)	0	0

**To**

Department	People	2015/16	2016/17	2017/18
Service	Transportation	£	£	£
Budget Head	Transport Related Expenditure	57,184	0	0

**Because**

To transfer budget from School Meals to Transportation to cover additional pressures for increased in-house costs.

**Budget Virement Requirement**                      **Place**    **No. of Virements**    **2**

**1 Virement is required from**

Department	Place	2015/16	2016/17	2017/18
Service	Passenger Transport	£	£	£
Budget Head	Premises Related Expenses	(9,016)	0	0

Service	Property & Facilities	£	£	£
Budget Head	Supplies & Services	(26,257)	0	0

Service	Waste	£	£	£
Budget Head	Supplies and Services	(12,340)		

**To**

Department	Other	2015/16	2016/17	2017/18
Service	Capital Financed from Current Revenue (CFCR)	£	£	£
Budget Head	Third Party Payments	47,613	0	0

**Because**

To transfer revenue budget from Passenger Transport, Property & Facilities and Waste to Capital in relation to various purchases of equipment.
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**2 Virement is required from**

Department	Place	2015/16	2016/17	2017/18
Service	Infrastructure Asset Management	£	£	£
Budget Head	Employee Costs	(26,000)	0	0
Budget Head	Income	(105,000)		
Service	Passenger Transport	£	£	£
Budget Head	Transport Related Expenses	(61,000)	0	0
Service	Legal Services	£	£	£
Budget Head	Employee costs	(119,000)	0	0
Service	Regulatory Services	£	£	£
Budget Head	Employee costs	(24,000)	0	0
Service	Business Support	£	£	£
Budget Head	Employee costs	(32,000)	0	0

**To**

Department	Place	2015/16	2016/17	2017/18
Service	Planning	£	£	£
Budget Head	Contracted Services	32,000	0	0
Service	Property & Facilities Management	£	£	£
Budget Head	Contracted Services	335,000	0	0

**Because**

To transfer budget from Place vacancy savings, increased Asset Management Income and reduced net minibuses costs to cover pressures related to Aikengal Public Inquiry (Planning) and previously overstated net Catering income.

**Budget Virement Requirement**                      **Other**    **No. of Virements**    **3**

**1 Virement is required from**

Department	Other	2015/16	2016/17	2017/18
Service	Scottish Welfare Fund	£	£	£
Budget Head	Transfer Payments	(65,360)	0	0

**To**

Department	Place	2015/16	2016/17	2017/18
Service	Customer Services	£	£	£
Budget Head	Income	65,360	0	0

**Because**

Additional funding from Scottish Government for Scottish Welfare Fund administration costs in 2015/16.

**2 Virement is required from**

Department	Other	2015/16	2016/17	2017/18
Service	Loan Charges	£	£	£
Budget Head	Capital Financing Costs	(10,000)	0	0

**To**

Department	Chief Executive's	2015/16	2016/17	2017/18
Service	Strategic Policy Unit	£	£	£
Budget Head	Supplies & Services	10,000	0	0

**Because**

Contribution towards Borders Railway Celebration Fund from projected underspend in Loan Charges due to favourable interest rates.

**3 Virement is required from**

Department	Other	2015/16	2016/17	2017/18
Service	Loan Charges	£	£	£
Budget Head	Capital Financing Costs	(461,000)	0	0

Department	Financed by	2015/16	2016/17	2017/18
Service	Council Tax	£	£	£
Budget Head	Income	(400,000)	0	0

<b>Total</b>		<b>(861,000)</b>	<b>0</b>	<b>0</b>
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**To**

Department	Other	2015/16	2016/17	2017/18
Service	Early Retirement/Voluntary Severance	£	£	£
Budget Head	Employee Costs	861,000	0	0

**Because**

To increase ERVS budget to ensure full year Financial Plan savings are met in 2016/17, from projected underspend in Loan Charges due to favourable interest rates (£461k) and additional Council Tax (£400k).

**Budget Virement Requirement                      Financed by    No. of Virements    1**

**1 Virement is required from**

Department	Financed by	2015/16	2016/17	2017/18
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(117,000)	0	0

**To**

Department	Place	2015/16	2016/17	2017/18
Service	Customer Services	£	£	£
Budget Head	Income	117,000	0	0

**Because**

Scottish Government funding for Council Tax Reduction Scheme administration.
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**Budget Virement Requirement**

**Chief Executive**

**No. of Virements 3**

**1 Virement is required from**

Department	Chief Executive	2015/16	2016/17	2017/18
Service	Economic Development	£	£	£
Budget Head	Supplies & Services	(25,000)	25,000	0

**To**

Department		2015/16	2016/17	2017/18
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	25,000	(25,000)	0

**Because**

To earmark underspend in European Fisheries Fund (EFF) project to match fund new European Maritime and Fisheries Fund (EMFF) programme due to commence in 2016/17.

**2 Virement is required from**

Department	Chief Executive	2015/16	2016/17	2017/18
Service	Housing Strategy & Services	£	£	£
Budget Head	Employee Costs	(24,000)	24,000	0

**To**

Department		2015/16	2016/17	2017/18
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	24,000	(24,000)	0

**Because**

To earmark budget to fund modern apprentices where contracts run on to 2016/17.

**3 Virement is required from**

Department	Chief Executive	2015/16	2016/17	2017/18
Service	Information Technology	£	£	£
Budget Head	Supplies & Services	(280,000)	280,000	0

**To**

Department		2015/16	2016/17	2017/18
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	280,000	(280,000)	0

**Because**

To earmark balance for rollout of broadband network and ICT infrastructure across the Scottish Borders, scheduled for completion in 2016/17.

**Budget Virement Requirement      People      No. of Virements    1**

**1 Virement is required from**

Department	People	2015/16	2016/17	2017/18
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	(20,000)	20,000	0

**To**

Department		2015/16	2016/17	2017/18
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	20,000	(20,000)	0

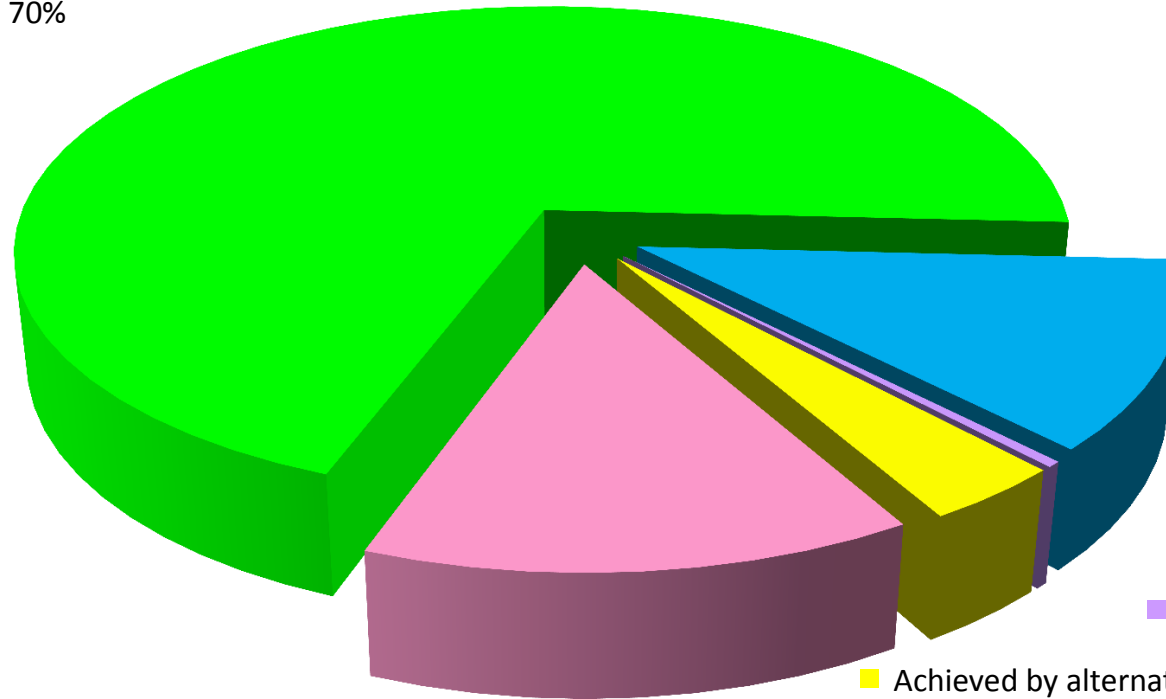
**Because**

To earmark funding for the Early Years Programme manager post for the remaining 3 months of the pilot phase for the new four Early Learning Centres in Burnfoot, Eyemouth, Langlee and Philiphaugh.
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### SBC (Total) Efficiency Savings Progress £'000

■ Delivered as per FP,  
£5,482 , 70%



■ Profiled to be achieved,  
£927 , 12%

■ Profiled to be achieved by  
alternative, £29 , 0%

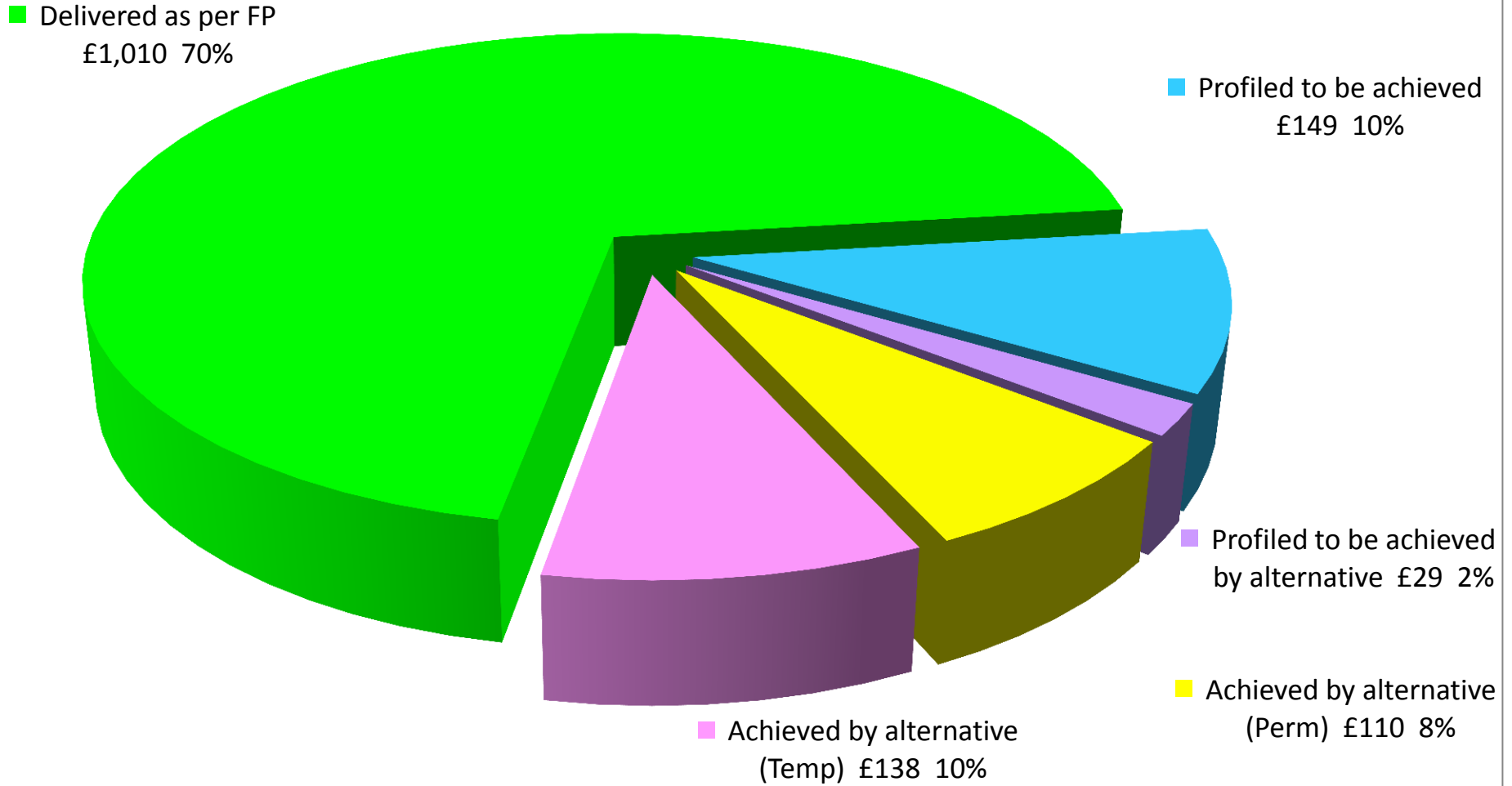
■ Achieved by alternative  
(Perm), £283 , 4%

■ Achieved by alternative  
(Temp), £1,084 , 14%

**FINANCIAL PLAN EFFICIENCY PROGRESS 2015/16**

<b>Status</b>	<b>Saving £'000</b>
Delivered as per FP	£ 5,482
Profiled to be achieved	£ 927
Profiled to be achieved by alternative	£ 29
Achieved by alternative (Perm)	£ 283
Achieved by alternative (Temp)	£ 1,084
Not Achieved - Risk	£ 20
	<u>7,825</u>

### Chief Executive & Other Efficiency Savings Progress £'000



**FINANCIAL PLAN EFFICIENCY PROGRESS 2015/16**

**CHIEF EXECUTIVE & OTHER**

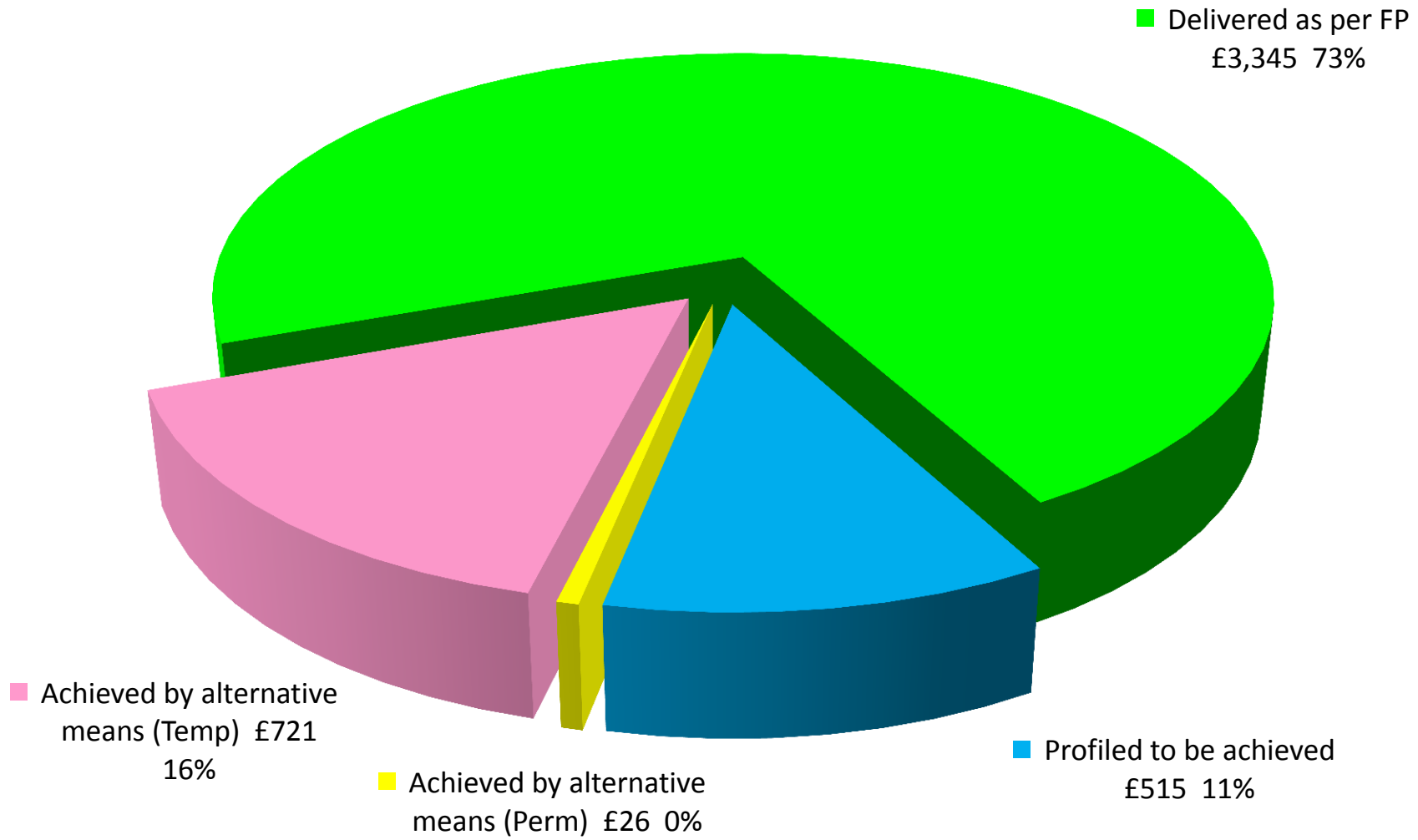
**Savings :**

	£'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 back office support services	396	334	4	29	29						
Employee Benefits Strategy	60		60								
Legal & Democratic Services staffing review	16				16						
Cultural Services Review	203	47			18	138					
Reduce Management Fee to Sports Trusts	60	60									
Review of Discretionary Spending - CE	25	25									
Reduction in heating oil inflation	100	100									
Reduction in external printing costs	35		35								
Reduction in printing contract through contract renewal	30		30								
Commercial opportunities and Procurement	100	100									
Savings from Insurance retendering	26	26									
Reduction in road fuel inflation	104	104									
Savings in HRSS	7	7						Saving requirement brought forward from 2014/15			
Savings in Information Technology	75	75						Saving requirement brought forward from 2014/15			
Savings in Business Transformation	85	38			47			Saving requirement brought forward from 2014/15			
Savings in Strategic Policy Unit	1	1						Saving requirement brought forward from 2014/15			
Savings in Economic Development	1	1						Saving requirement brought forward from 2014/15			
Savings in Housing Business Support Services	6	6						Saving requirement brought forward from 2014/15			
Review of Heritage Hub budget (Heart of Hawick)	20	20						Saving requirement brought forward from 2014/15			
Community asset Transfer (CC's) (2012-13 FYE)	20		20					Saving requirement brought forward from 2014/15			
Arts Development (Prior Yrs NOT Met Permanently)	6	6						Saving requirement brought forward from 2014/15			
Review of Comm. Serv Management (Prior Yrs NOT Met Permanently)	60	60						Saving requirement brought forward from 2014/15			
	<b>1,436</b>	<b>1,010</b>	<b>149</b>	<b>29</b>	<b>110</b>	<b>138</b>	<b>0</b>				<b>1,436</b>

Delivered as per FP	£	1,010
Profiled to be achieved	£	149
Profiled to be achieved by alternative	£	29
Achieved by alternative (Perm)	£	110
Achieved by alternative (Temp)	£	138
Not Achieved - Risk	£	-
		<b>1,436</b>

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### People Efficiency Savings Progress £'000



**FINANCIAL PLAN EFFICIENCY PROGRESS 2015/16**

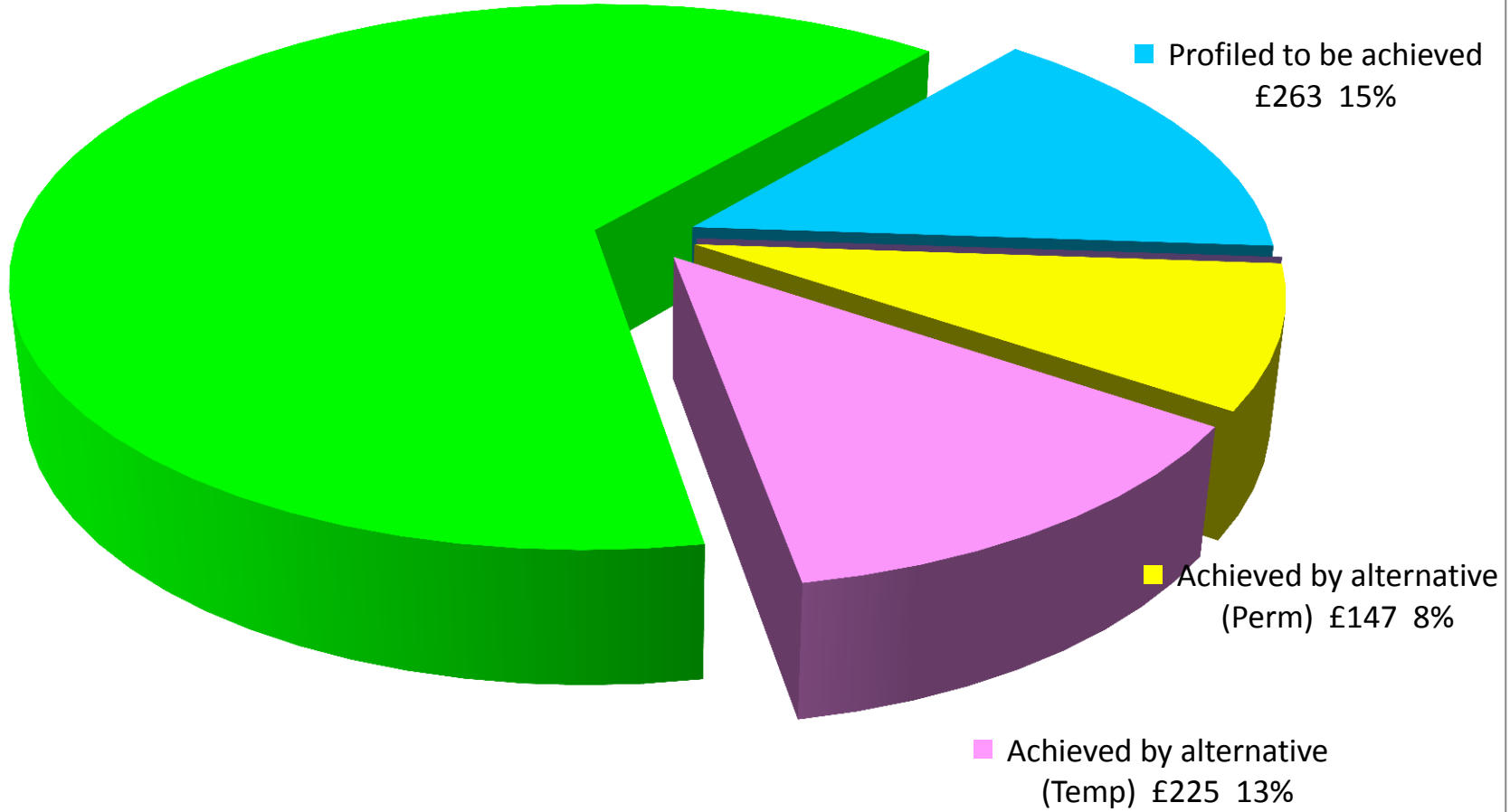
**PEOPLE**

**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 of all Social Work Business Support Services - CYP	107	107								Delivered as per FP	£ 3,345
Review of all Social Work Business Support Services - Adults	86	38	48							Profiled to be achieved	£ 515
Management & Admin Review of Children & Young People	388	156	66			166				Profiled to be achieved by alternative means (Perm)	£ -
Pupil Support Review	185		185							Achieved by alternative means (Temp)	£ 26
Demographic and Class Composition efficiency savings	1,181	1181								Achieved by alternative means (Temp)	£ 721
Learning Delivery Framework Review	389	135				254				Not Achieved - Risk	£ 20
Extend peripatetic Janitor model	25	25									4,627
Review of Curriculum Development budgets	8	8									
Review National Grid for Learning (NGfL) staffing	15	15									
Strategy for Supporting Independence	100					100					
Strategy and delivery model for the provision of Night Support	25					25					
Review Day Services for Older People	182	60	19			83	20				
Review of Social Care and Health Specialist Support Services	18	18									
Review of Social Care Management	48					48					
Reduce commissioned services from Leadership Group	50	50									
Implementation of Arms-Length Organisation	480	480									
Review of cleaning arrangements in schools	30	30									
Review delivery model for ICS short-term outreach service	30	30									
Reduce commissioned services on client care by 1%	60	60									
Review of Discretionary spending - CYP	50	50									
Primary School Meals	16	16									
Social Work Charging Policy	400	221	179								
Reduction in costs of client care packages	250	250									
Bordercare Inflationary Charge	4	4									
Review Provision of Secondary Education	44		18		26			Saving requirement brought forward from 2014/15			
More efficient use of premises for evening lets (2013-14 Part Year)	14	14						Saving requirement brought forward from 2014/15			
More efficient use of premises for evening lets (2014-15 Full Year Effect)	55	10				45		Saving requirement brought forward from 2014/15			
Review cleaning arrangements in Schools	20	20						Saving requirement brought forward from 2014/15			
Savings from ERVS applications	12	12						Saving requirement brought forward from 2014/15			
Transportation (2012-13 FYE)	75	75						Saving requirement brought forward from 2014/15			
Review delivery model for ICS short-term outreach service	35	35						Saving requirement brought forward from 2014/15			
Reduce self-directed support price point	100	100						Saving requirement brought forward from 2014/15			
Bring specific AWLD into local provision	7	7						Saving requirement brought forward from 2014/15			
Review of home care charge taper rate	138	138						Saving requirement brought forward from 2014/15			
	<b>4,627</b>	<b>3,345</b>	<b>515</b>	<b>0</b>	<b>26</b>	<b>721</b>	<b>20</b>				

■ Delivered as per FP  
£1,127 64%

### Place Efficiency Savings Progress £'000



**FINANCIAL PLAN EFFICIENCY PROGRESS 2015/16**

**PLACE**

**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
Assessors service staffing review	19				19					Delivered as per FP	£ 1,127
Review of Place administrative services	150	150								Profiled to be achieved	£ 263
Savings in Customer Services	32	32								Profiled to be achieved by alternati	£ -
Restructuring of the Planning service	25	25								Achieved by alternative (Perm)	£ 147
Property rationalisation savings	88				88					Achieved by alternative (Temp)	£ 225
Investment in building energy & thermal efficiency to save utility costs	20		20							Not Achieved - Risk	£ -
Develop an Integrated Waste Plan	150		150								<b>1,762</b>
Review of Neighbourhood Services	200	8									
Review of discretionary spending - Place	68	68									
Review of Street Lighting provision (SLEEP project)	124	124									
Place fees & charges	80	80									
Regulated bus fares	30	30									
Review of Parks & Open Spaces	105	105									
Review of Passenger Transport	270	237									
Savings from rates appeals	65	19	46								
Charge for privilege lifts	12		12								
E&I transformation savings	249	249									
Additional income from transformation of aggregates	40				40						
Savings from rates appeals	20		20								
Introduction of charges for pre-planning application advice	15		15								
	<b>1,762</b>	<b>1,127</b>	<b>263</b>	<b>0</b>	<b>147</b>	<b>225</b>	<b>0</b>				



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## **PROJECTED BALANCES TO 31 MARCH 2016**

### **Report by Chief Financial Officer**

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## **EXECUTIVE COMMITTEE**

**17 November 2015**

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### **1 PURPOSE AND SUMMARY**

- 1.1 **This report provides the Executive Committee with an analysis of the Council's balances as at 31 March 2015 and advises Members of the projected balances at 31 March 2016.**
- 1.2 The Council's General Fund useable reserve (non-earmarked) balance was £8.121m at 31 March 2015. The total of all useable balances excluding developer contributions at 31 March 2016 is projected at £6.876m. The movement is as a result of an increase in reserves due to additional income from Heritable, (£0.201m) and the draw down of reserves to fund changes in legislation in care services (£0.307m) and a transfer to allocated reserves to support in the ER/Vs scheme (£1.139m).
- 1.3 Approval is sought in the accompanying revenue monitoring report to draw down an estimated £0.700m to fund the shortfall in funding associated with the phasing of the pay award in 2015/16. Members will recall in setting the 2015/16 budget Council approved a 1% provision for pay award in 2015/16 followed by an estimated 1.5% in 2016/17 equating to 2.5% over 2 years. This was in advance of national negotiations concluding. Negotiations led by COSLA have now been concluded with the SJC and SNCT negotiating bodies and a pay award for all staff has been agreed to pay 2.5% over a 2 year period at 1.5% in 2015/16 and 1% for 2016/17. This presents a one year phasing issue in terms of the Council's Financial Plan and a draw down from Reserves is consequently required to align budgetary provision with the negotiated settlement position. It is understood that the settlement of the pay award will be processed in November 2015 payroll backdated to the 1<sup>st</sup> April 2015. The balances represented in this report are stated before any draw down of funds for this purpose.
- 1.4 The Council's allocated reserve balance was £3.379m at 31 March 2015 and is projected to be £3.819m at 31<sup>st</sup> March 2016. This movement is as a result of the draw down of allocated reserves to fund the 2015/16 Financial Plan (£0.508m), Police & Fire Reserves (£0.091m) and provision for Roads Maintenance (£0.100m) and an increase in allocated reserves to support the ER/Vs scheme (£1.139m). There are a number of areas of potential financial pressures identified in the accompanying revenue monitoring report identified for 2015/16, which if uncontained by management action may require a call on these reserves.

- 1.5 The projected balance on the Capital Fund of £5.743m 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 the financial year.

## **2 RECOMMENDATIONS**

### **2.1 It is recommended that the Executive Committee:-**

- (a) notes the projected revenue balances as at 31 March 2016 as per Appendices 1 & 2;**
- (b) notes the projected balance in the Capital Fund as per Appendix 3;**
- (c) notes the establishment of an ER/VS allocated reserve of £1.139m as reflected in the revenue monitoring report included in this agenda;**
- (d) approves the draw down of an estimated £700k reserves to address a shortfall in funding associated with the phasing of the pay award in 2015/16, actual draw down will be reflected in the next Executive Committee report when the value is confirmed.**

### 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 balances on these Funds represent the Council's useable reserves which is projected as at the 31 March 2016, as follows:

<b>BALANCES</b>	<b>31/03/16 £m</b>
Earmarked Balances (non DSM)	3.843
Earmarked Balances (DSM)	0
Allocated Reserves	3.819
Revenue (Unallocated Reserve)	6.876
Corporate Property Repairs & Renewals Fund	0
Insurance Fund	1.331
Plant & Vehicles Renewals Fund	5.539
Capital Fund (exc. Developer Contributions)	950
	<b>22.358</b>

### 4 PROJECTED BALANCES AT 31 MARCH 2016

4.1 Appendix 1 summarises the projected transactions and resultant balances at 31 March 2016 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 **£6.876m** at 31 March 2016.

4.2 During 2015/16 General Fund reserves have been adjusted as follows:

	<b>Increase / (Draw down) £</b>	<b>Executive Committee Reporting</b>
Draw down for changes in legislation and provider market for care services	(0.307m)	August 2015
Additional income from Heritable	0.201	November 2015
Transfer income from Heritable to allocated reserves for ERVS	(0.201m)	November 2015
Use funding through review of bad debt provision for ERVS	(0.938m)	November 2015
<b>Total</b>	<b>(1.245m)</b>	

- 4.3 In the August 2015 report to Executive Committee £0.307m was allocated to the revenue account to provide for changes in legislation and the provider market for care services in Adult Services. In the next reporting period, being presented to the Executive Committee in November 2015, the General Fund reserve has been increased through the receipt of £0.201m additional income from Heritable. This income along with £0.938m write back from a review of the bad debt provision, which was accounted for during the 2014/15 year end process, is being used to establish an allocated reserve balance to fund ER/VS in 2015/16 to ensure that full year staffing savings in 2016/17 are deliverable. This ER/VS provision will be used on a targeted basis following completion of Service People Plans to facilitate organisational change within the Council.
- 4.4 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 £6.876m, is sufficient to cover 67% 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.
- 4.5 Allocated reserves of £0.699m have been released to support the 2015/16 revenue budget and balances have been increased by £1.139m to support ER/VS as set out in the table below:

<b>ALLOCATED RESERVES</b>	<b>31<sup>st</sup> March 2015 £m</b>	<b>Released £'000</b>	<b>Projected 31<sup>st</sup> March 2016 £m</b>
Winter maintenance	0.650	0	0.650
Road repairs (pot holes)	0.100	0.100	0
Children's Placements Financial Plan	0.650	0.380	0.270
General Financial Plan	0.450	0.128	0.322
CFCR continuing from 2013/14	0.345		0.345
Project funding from Police & Fire reserves	0.122	0.091	0.031
Municipal Mutual	0.400	0	0.400
SB Cares (PVG checks)	0.100	0	0.100
Contribution to Energy Efficiency & Change Fund	0.300	0	0.300
CFCRs not yet applied to capital	0.262	0	0.262
ER/VS	0	0	1.139
<b>Total</b>	<b>3.379</b>	<b>0.699</b>	<b>3.819</b>

- 4.6 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 only be used for capital purposes or to repay external debt.

## **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 and is considered by the Executive committee at regular intervals.

### **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 have been reflected in the report.

**Approved by**

**David Robertson**

**Chief Financial Officer**

**Signature .....**

**Author(s)**

Suzy Douglas	Financial Services Manager 01835 825018
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**Background Papers:**

**Previous Minute Reference:**

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**SCOTTISH BORDERS COUNCIL**  
**GENERAL FUND BALANCES AT 31 MARCH 2016**

	GENERAL FUND £'000's	GENERAL FUND (DSM) £'000's	GENERAL FUND (EAR-MARKED) £'000's	ALLOCATED RESERVES £'000's	TOTAL £'000's
<b>Balance at 1 April 2015</b>	<b>8,121</b>	<b>1,721</b>	<b>5,771</b>	<b>3,379</b>	<b>18,991</b>
Projected Income (RSG, NDR, Council Tax)	261,554				<b>261,554</b>
Projected Net Revenue Expenditure	-266,210				<b>-266,210</b>
Earmarked Balances from previous year	5,859	-1,721	-4,137		<b>0</b>
Earmarked Balances to future years	-2,209		2,209		<b>0</b>
Funding allocated Financial Plan Revenue	508			-508	<b>0</b>
Committed Project spend from returned Police & Fire Reserves	91			-91	<b>0</b>
Provision for Roads Maintenance	100			-100	<b>0</b>
Changes in legislation/provider market for care services	307				<b>307</b>
Draw down of balances for changes in legislation/provider market for care services	-307				<b>0</b>
Additional income from Heritable	201				<b>201</b>
Income from Heritable to allocated reserve for ERVS	-201			201	<b>0</b>
Write back review of bad debt provision to allocated reserve for ERVS	-938			938	<b>0</b>
<b>Projected Balance at 31 March 2016</b>	<b>6,876</b>	<b>0</b>	<b>3,843</b>	<b>3,819</b>	<b>14,537</b>

Allocated Reserves c/f 2015/16

	Allocated 2015/16		Balance
	£'000	£'000	£'000
2013/14 :			
Winter Maintenance	650		650
Childcare Placements	650	380	270
Financial Plan	450	128	322
Ring fenced Revenue for Capital	345		345
Ctt'd returned Police & Fire Reserves	122	91	31
Municipal Mutual	400		400
	<u>2,617</u>	<u>599</u>	<u>2,018</u>
2014/15 :			
CFCR's not yet applied to capital	262		262
SB Cares PVG checks / residential care home uplift SB Cares	100		100
Contribution to Energy Efficiency & Change Fund	300		300
Provision for Roads Maintenance	100	100	0
	<u>762</u>	<u>100</u>	<u>662</u>
	3,379	699	2,680



**SCOTTISH BORDERS COUNCIL**  
**REVENUE FUND BALANCES AT 31 MARCH 2016**  
**(EXCLUDING GENERAL FUND)**

	CORPORATE PROPERTY REPAIRS & RENEWALS FUND £'000's	PLANT & VEHICLES RENEWAL FUND £'000's	INSURANCE FUND £'000's	TOTAL £'000's
<b>Balance at 1 April 2015</b>	39	5,783	1,314	<b>7,136</b>
Projected Income	2,253	2,657	1,530	<b>6,440</b>
	2,292	8,440	2,843	<b>13,575</b>
Projected Expenditure	2,292	2,901	1,513	<b>6,706</b>
Contribution to Reserves				-
Transfer to/from General Fund				-
<b>Projected Balance at 31 March 2016</b>	-	<b>5,539</b>	<b>1,331</b>	<b>6,870</b>

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**SUMMARY OF CAPITAL FUND**

	<b>Balance as at 31/03/15 £'000</b>	<b>Balance as at 31/03/16 £'000</b>
<b>DEVELOPER CONTRIBUTIONS</b>		
Waverley Railway	911	965
Technical Services	144	328
Education & Lifelong Learning	1,533	1,571
Planning & Economic Development	-	-
Social Work - Affordable Housing	385	468
Accrued Interest	561	1,461
<b>Sub Total Developer Contributions</b>	<b>3,534</b>	<b>4,793</b>
<b>Capital Receipts</b>	<b>1,769</b>	<b>950</b>
<b>Total</b>	<b>5,303</b>	<b>5,743</b>

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**MONITORING OF THE CAPITAL FINANCIAL PLAN 2015/16**


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**Report by Chief Financial Officer**


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**EXECUTIVE COMMITTEE**
**17 November 2015**


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**1 PURPOSE AND SUMMARY**

- 1.1 **This report updates the Executive Committee on the progress of the 2015/16 Capital Financial Plan and seeks approval for projected outturns and associated virements, and the reallocation of funds.**
- 1.2 The monitoring tables in Appendix 1 report on actual expenditure to 30 September 2015. Key issues identified in these tables are summarised within the main report.
- 1.3 The tables identify a net variance of £6.802m against the approved budget.
- 1.4 The net in-year budget increase of £0.672m is primarily due to a number of items due to be delivered for the Plant & Vehicle fleet totalling £0.536m, fully funded from the Plant & Vehicle Replacement Fund.
- 1.5 The net budget timing movements to future years amount to £7.474m of which the most significant are £3.2m for Duns Primary School, £1.777m for Early Learning and Childcare and £1.024m for Peebles 3G Synthetic Pitch. Appendix 3 contains a summarised list of timing and budget movements within the 2015/16 Capital Plan.
- 1.6 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 2015/16 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) **Notes the list of block allocations detailed in Appendix 2**

### 3 BACKGROUND

- 3.1 The Council approved the Capital Plan for the period 2015/16 to 2024/25 on 12 February 2015, which has subsequently been updated to reflect budget adjustments associated timing movements and other approvals. The movements to the total available budget since the Council meeting is as follows:

	<b>£000s</b>	<b>£000s</b>
<b>Capital Plan 2015/16 as approved at Council on 12 February 2015</b>		<b>58,429</b>
<i>Timing movements to date:</i>		
Brought forward from 2014/15	16,045	
Duns Primary School budget re-profile (Executive Committee 25 June 2015)	(1,919)	
Easter Langlee Cell Provision budget re-profile (Emergency Powers 2 July 2015)	80	
Borders Railway Stations adjustment, approved at (Council 2 April 2015)	(50)	
Net timing movements - Executive Committee 18 August 2015	2,606	
Waste Transfer Station budget re-profile (Council 24 September 2015)	121	
	<hr/>	
<b>Timing Movements to date</b>		<b>16,883</b>
<i>In Year Budget Movements/Technical Adjustments:</i>		
Sunnybrae, Walkerburn	10	
Net budget movements - Executive Committee 18 August 2015	(17,515)	
Drainage in Parks and Open Spaces	(79)	
	<hr/>	
<b>In Year Budget Movements to date</b>		<b>(17,584)</b>
<b>Latest Approved Capital Plan 2015/16 at 30 September 2015</b>		<b>57,700</b>
		<hr/> <hr/>

- 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 2015/16 position and then there are 3 columns each for 2016/17 and 2017/18. For 2015/16 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 2016/17 and 2017/18 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 second monitoring report in the planned reporting schedule for 2015/16.

## 4 MONITORING THE PLAN

- 4.1 Appendix 1 to this report contains the budget monitoring tables. The actual expenditure to 30 September 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 30 September 2015 has been adjusted for any credit balances for accrued expenses from 2014/15 which have not yet been invoiced.
- 4.3 Appendix 2 contains a summary for each block allocation within the 2015/16 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 2015/16 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 **Looking after the Borders**  
**Place – Road & Bridge Infrastructure:**

- GIRR 1-3 Claims**

- As there has been no further progress on the claims currently received, the current year budget of £0.150m has been reprofiled to 2016/17 and 2018/19.

- 5.3 **Looking after the Borders**  
**Place – Flood Protection Infrastructure**

- Hawick Flood Protection**

- Due to the appointment of the design consultant being later than programmed, the spend profile for the current year has altered. A number of environmental surveys will now be undertaken next financial year. These factors have resulted in a requirement for a timing movement of £0.08m to 2016/17.

- 5.4 **Looking after the Borders**  
**Place – Waste Management Infrastructure**

- CRC – Improved Skip Infrastructure**

- Council agreed to delay the upgrade of Galashiels CRC due to the construction of the new Waste Transfer Station and the potential to repurpose the old Waste Transfer Station to enhance the CRC, resulting in a timing movement of £0.146m to 2018/19. A reallocation of the block is also required to for additional costs identified at Hawick CRC.

- 5.5 **Looking after the Borders**  
**Place – Other**

- (a) **Cemetery Land Acquisition and Development Block**

- A new site has been identified at Coldstream. Site and ground investigations will be carried out in 2016/17, resulting in a timing movement of £0.396m.

(b) **HQ Main Office Block**

Testing of the window installations on the ground floor now complete and the project will commence in January 2016.

5.6 **Business Process Transformation  
Place – Property Asset Programme**

**Energy Efficiency Projects**

In order to ensure efficient financial management of the project, this will be managed as a block. A block allocation is included in Appendix 3. A virement is required of £0.1m to the HQ Main Office Block project.

5.7 **Business Process Transformation  
Place – Investment in Plant and Vehicles**

**Plant and Vehicle Replacement – P&V Fund**

The budget requires to be increased by £0.536m, fully funded from the Plant and Vehicle Fund to reflect the increased projection for purchases for the financial year. These include 3 fixed gritters and a loading shovel for Neighbourhood Roads and a paver for SBc Contracts.

5.8 **Looking after the Borders  
People – School Infrastructure**

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

The budget requires to be reprofiled by £3.2m between 2015/16 and 2016/17 to reflect cashflow issued by the main contractor. The completion date for the build contract is not affected by this reprofile. Agreement has also been reached with Scottish Futures Trust on the drawdown profile for their contribution.

(b) **Early Learning & Childcare Block**

A number of projects are still at an early stage. The works at Knowepark PS are scheduled to start in early 2016. Projects identified at Edenside and Wilton primary schools are scheduled to commence in the new financial year. A timing movement of £1.777m is required to 2016/17 to progress works in the next financial year. This is fully funded by the Scottish Government.

(c) **Complex Needs – Central Education Base**

Construction is due to start in late 2015. The tender price accepted is significantly higher due to market conditions and a virement is required from SEBN Facilities of £0.131m in 2015/16 and £0.271m in 2016/17 to fund the budget shortfall.

(d) **SEBN Facilities**

A virement is required to the Complex Needs – Central Education Base project of £0.131m in 2015/16 and £0.271m in 2016/17. This has been done to enable the Complex Needs project to progress, and because the SEBN project has not been fully scoped and will be re-considered as part of the School Estate Review.



5.9 **Looking after the Borders**  
**People – Social Care Infrastructure**

**Residential Care Home Upgrade Block**

The layout and specifications have been agreed for Saltgreens and Waverly. Works at Saltgreens will be completed in the current financial year and will be less than the current budget allocation. This is required for the works at Waverly as the project scope has changed to include the installation of en-suite accommodation. Appendix 3 details the changes in the budget allocation in the block. As the works at Waverly are now scheduled to be completed in June 2016, a timing movement of £0.310m is required.

5.10 **Looking after the Borders**  
**Chief Executive – Heritage & Cultural Infrastructure**

(a) **Wilton Lodge Park**

The procurement of the contractor for the new build café and bridge is taking longer than planned, although works are still scheduled to start in late 2015. The works at the outdoor education area have been rescheduled and will now commence in January 2016. The budget is being reprofiled by £0.270m between 2015/16 and 2016/17.

(b) **Jim Clark Museum**

The funding submission to the Heritage Lottery Fund has been rescheduled. This has an effect on the budget profile, requiring a timing movement of £0.79m to 2016/17.

5.11 **Looking after the Borders**  
**Chief Executive – Sports Facility Infrastructure**

(a) **Peebles 3G Synthetic Pitch**

A timing movement is required for £1.024m to 2016/17 which reflects the decision at the Executive Committee meeting on 29 September 2015 to deliver the project in 2016/17.

(b) **Sports Trusts – Plant and Services Block**

Following extensive community consultation the project at Eyemouth Swimming Pool has been scaled back. A reallocation of the block is required to reduce the allocation to Eyemouth and increase the budget allocation for Selkirk Leisure Centre, where work will commence in February 2016, with scheduled completion in April 2016, resulting in a timing movement of £0.173m to 2016/17.

## 5.12 **Emergency & Unplanned Schemes**

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

	<b>£000s</b>
<b>Budget as Approved at Council 12 February 2015</b>	<b>300</b>
Allocation to Bongate Mill Industrial Area (Roads) approved at Executive Committee 24 February 2015	(19)
Allocation to Stow Primary School Accommodation Works approved at Executive Committee 24 February 2015	(72)
Carry forward of funds not used in 2014/15	189
Allocation to Neidpath Wall approved at Executive Committee 26 May 2015	(150)
Allocation to General Flood Protection Block (for Bakehouse Burn Culvert) – Emergency Powers approved 2 July 2015	(60)
Allocation to Railway Black Path – Emergency Powers approved 2 July 2015	(65)
Allocation to Kelso Recycling Centre approved at Executive Committee 18 August 2015	(40)
Allocation to Jedburgh Flood Protection approved at Executive Committee 18 August 2015	(40)
Easter Langlee Leachate Management Facility – in-year saving	40
Railway Black Path – return of funds allocated 2 July 2015, now funded by external grant	65
<b>Projected Balance</b>	<b>148</b>

## 5.13 **Capital Funding**

- (a) As a result of the £6.802m in year net timing and budget movement identified in the programme (see Appendix 1), the estimated borrowing element of the capital financing for 2015/16 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 September 2015, actual expenditure totalled £18.736million which represents 36.8% 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

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Scottish Borders Council  
Capital Financial Plan 2015/16 to 2017/18

SUMMARY	2015/16						2016/17			2017/18		
	Actual to 30/09/15	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
<b>PLACE</b>												
<b>Looking after the Borders</b>												
Galashiels Developments	1,520	1,718	1,868	(150)	(150)	0	442	50	492	200	0	200
Road & Bridge Infrastructure	1,430	5,517	5,470	47	56	(9)	3,753	(56)	3,697	4,195	0	4,195
Lighting Infrastructure	654	1,729	1,729	0	0	0	1,200	0	1,200	700	0	700
Cycling, Walking & Safety Infrastructure	70	724	633	91	0	91	278	0	278	284	0	284
Flood Protection Infrastructure	7,671	15,769	15,849	(80)	(80)	0	10,243	80	10,323	736	0	736
Waste Management Infrastructure	427	1,673	1,909	(236)	(131)	(105)	1,708	(15)	1,693	1,523	0	1,523
Other	11	577	873	(296)	(396)	100	453	396	849	104	0	104
	11,783	27,707	28,331	(624)	(701)	77	18,077	455	18,532	7,742	0	7,742
<b>Business Process Transformation</b>												
Property Asset Programme	545	1,300	1,400	(100)	0	(100)	1,165	0	1,165	1,365	0	1,365
Other Property	317	947	933	14	0	14	252	0	252	90	0	90
Investment in Plant & Vehicles	1,377	3,459	2,897	562	0	562	2,000	0	2,000	2,000	0	2,000
Other	39	74	74	0	0	0	50	0	50	50	0	50
	2,278	5,780	5,304	476	0	476	3,467	0	3,467	3,505	0	3,505
<b>Total Place</b>	<b>14,061</b>	<b>33,487</b>	<b>33,635</b>	<b>(148)</b>	<b>(701)</b>	<b>553</b>	<b>21,544</b>	<b>455</b>	<b>21,999</b>	<b>11,247</b>	<b>0</b>	<b>11,247</b>
<b>PEOPLE</b>												
<b>Looking after the Borders</b>												
School Infrastructure	2,221	9,552	14,519	(4,967)	(4,967)	0	22,649	4,967	27,616	2,677	0	2,677
Social Care Infrastructure	15	1,208	1,516	(308)	(310)	2	3	310	313	0	0	0
	2,236	10,760	16,035	(5,275)	(5,277)	2	22,652	5,277	27,929	2,677	0	2,677
<b>Business Process Transformation</b>												
School Infrastructure	478	985	973	12	0	12	877	0	877	405	0	405
Social Care Infrastructure	18	201	201	0	0	0	0	0	0	0	0	0
	496	1,186	1,174	12	0	12	877	0	877	405	0	405
<b>Total People</b>	<b>2,732</b>	<b>11,946</b>	<b>17,209</b>	<b>(5,263)</b>	<b>(5,277)</b>	<b>14</b>	<b>23,529</b>	<b>5,277</b>	<b>28,806</b>	<b>3,082</b>	<b>0</b>	<b>3,082</b>
<b>CHIEF EXECUTIVE</b>												
<b>Looking after the Borders</b>												
Heritage & Cultural Infrastructure	188	1,120	1,419	(299)	(299)	0	7,151	249	7,400	911	50	961
Sports Infrastructure	728	1,264	2,461	(1,197)	(1,197)	0	1,230	1,197	2,427	320	0	320
Economic & Regeneration Infrastructure	475	1,366	1,383	(17)	0	(17)	120	0	120	1,020	0	1,020
Housing Infrastructure	101	376	376	0	0	0	375	0	375	375	0	375
	1,492	4,126	5,639	(1,513)	(1,496)	(17)	8,876	1,446	10,322	2,626	50	2,676
<b>Business Process Transformation</b>												
IT Infrastructure	451	1,191	1,174	17	0	17	1,919	0	1,919	4,602	0	4,602
	451	1,191	1,174	17	0	17	1,919	0	1,919	4,602	0	4,602
<b>Total Chief Executive</b>	<b>1,943</b>	<b>5,317</b>	<b>6,813</b>	<b>(1,496)</b>	<b>(1,496)</b>	<b>0</b>	<b>10,795</b>	<b>1,446</b>	<b>12,241</b>	<b>7,228</b>	<b>50</b>	<b>7,278</b>
<b>Emergency &amp; Unplanned Schemes</b>	0	148	43	105	0	105	300	0	300	300	0	300
<b>TOTAL CAPITAL PLAN</b>	<b>18,736</b>	<b>50,898</b>	<b>57,700</b>	<b>(6,802)</b>	<b>(7,474)</b>	<b>672</b>	<b>56,168</b>	<b>7,178</b>	<b>63,346</b>	<b>21,857</b>	<b>50</b>	<b>21,907</b>

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		Actual to 30/09/15	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
<b>Looking after the Borders</b>													
<b>Galashiels Developments</b>													
GIRR4	G	2	0	0	0	0	0	0	0	0	0	0	
GIRR 5	G	10	25	25	0	0	0	276	0	276	200	0	200
Transport Interchange	A	1,508	1,693	1,693	0	0	0	16	0	16	0	0	0
GIRR 1-3 claims	G	0	0	150	(150)	(150)	0	150	50	200	0	0	0
		<b>1,520</b>	<b>1,718</b>	<b>1,868</b>	<b>(150)</b>	<b>(150)</b>	<b>0</b>	<b>442</b>	<b>50</b>	<b>492</b>	<b>200</b>	<b>0</b>	<b>200</b>
<b>Road &amp; Bridge Infrastructure</b>													
General Roads and Bridges Block	G	1,267	4,652	4,652	0	0	0	3,529	0	3,529	3,560	0	3,560
A72 Dirtpot Corner - Traffic Management	A	19	76	24	52	52	0	135	(52)	83	210	0	210
A72 Neidpath Corner - Traffic Management	A	7	199	185	14	14	0	14	(14)	0	0	0	0
A72 Neidpath Wall Repairs	G	0	150	150	0	0	0	0	0	0	0	0	0
Selkirk Traffic Management Scheme	A	0	101	101	0	0	0	0	0	0	0	0	0
Selkirk Town Centre (Streetscape works)	A	0	10	0	10	10	0	50	(10)	40	400	0	400
Union Chain Bridge	G	0	50	50	0	0	0	25	0	25	25	0	25
Bongate Mill Industrial Area (Roads)	G	59	76	76	0	0	0	0	0	0	0	0	0
Kelso Town Traffic Management Scheme	G	3	20	20	0	0	0	0	0	0	0	0	0
Engineering Minor Works	A	75	183	212	(29)	(20)	(9)	0	20	20	0	0	0
		<b>1,430</b>	<b>5,517</b>	<b>5,470</b>	<b>47</b>	<b>56</b>	<b>(9)</b>	<b>3,753</b>	<b>(56)</b>	<b>3,697</b>	<b>4,195</b>	<b>0</b>	<b>4,195</b>
<b>Lighting Infrastructure</b>													
General Lighting Block	G	57	200	200	0	0	0	200	0	200	200	0	200
Energy Efficient Street Lighting	G	597	1,506	1,506	0	0	0	1,000	0	1,000	500	0	500
CCTV Renewals	G	0	23	23	0	0	0	0	0	0	0	0	0
		<b>654</b>	<b>1,729</b>	<b>1,729</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,200</b>	<b>0</b>	<b>1,200</b>	<b>700</b>	<b>0</b>	<b>700</b>
<b>Cycling, Walking &amp; Safety Infrastructure</b>													
Accident Investigation Prevention Sch Block	G	0	46	46	0	0	0	50	0	50	50	0	50
Cycling, Walking & Safer Streets	G	18	191	191	0	0	0	171	0	171	173	0	173
Railway Black Path	A	50	356	301	55	0	55	0	0	0	0	0	0
Innerleithen - Walkerburn - Shared Access Route	G	2	91	55	36	0	36	57	0	57	61	0	61
Tweedbank Traffic Calming	G	0	40	40	0	0	0	0	0	0	0	0	0
		<b>70</b>	<b>724</b>	<b>633</b>	<b>91</b>	<b>0</b>	<b>91</b>	<b>278</b>	<b>0</b>	<b>278</b>	<b>284</b>	<b>0</b>	<b>284</b>

## PLACE

### Looking after the Borders

#### Galashiels Developments

GIRR4	
Transport Interchange	Overall budget under pressure, but extent unclear for building construction element until final account. Ongoing discussions at senior officer level.
GIRR 1-3 claims	No further update on existing claims. Assume >6 months to deal with claims process. Timing movement required to 2016/17 and 2018/19.

#### Road & Bridge Infrastructure

General Roads and Bridges Block	Reallocation of block required to allocate the £1m brought forward from 2018/19. Details in Appendix 2.
A72 Dirtpot Corner - Traffic Management	Timing movement required from 2016/17 to cover advanced works.
A72 Neidpath Corner - Traffic Management	Final rates and prices are still to be confirmed re the installation of the lighting system and the remaining road works (signs and lines etc) but latest estimates indicate the majority of the contingency budget has been used resulting in a high risk of a minor overspend.
Selkirk Traffic Management Scheme	Ongoing negotiations with the community and local members in respect of finding an appropriate solution.
Selkirk Town Centre (Streetscape works)	Reprofiling of budget required from 2016/17 to 2015/16 to enable early design works to commence.
Engineering Minor Works	External influences have resulted in a need for a timing movement to 2016/17 for the completion of works at Dingleton, Melrose. Works at Hawkslee, Newtown have cost less than originally anticipated, budget being grossed down.

#### Lighting Infrastructure

CCO Renewals	Public consultation ongoing.
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#### Cycling, Walking & Safety Infrastructure

Railway Black Path	Reallocation of block detailed in Appendix 2. Gross up of budget to reflect additional external funding (£25k).
Tweedbank Traffic Calming	Timing movement may be required. Ongoing monitoring of traffic situation.

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		Actual to 30/09/15	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
<b>Looking after the Borders (continued)</b>													
<b>Flood Protection Infrastructure</b>													
	G	(10)	342	342	0	0	0	0	0	0	0	0	0
	G	7,449	14,020	14,020	0	0	0	9,423	0	9,423	0	0	0
	A	28	474	554	(80)	(80)	0	517	80	597	536	0	536
	G	38	437	437	0	0	0	3	0	3	0	0	0
	G	166	496	496	0	0	0	300	0	300	200	0	200
		<b>7,671</b>	<b>15,769</b>	<b>15,849</b>	<b>(80)</b>	<b>(80)</b>	<b>0</b>	<b>10,243</b>	<b>80</b>	<b>10,323</b>	<b>736</b>	<b>0</b>	<b>736</b>
<b>Waste Management Infrastructure</b>													
	G	11	386	386	0	0	0	820	0	820	100	0	100
	A	60	124	194	(70)	0	(70)	0	0	0	0	0	0
	G	0	42	42	0	0	0	45	0	45	46	0	46
	A	9	86	126	(40)	0	(40)	63	0	63	1,377	0	1,377
	A	10	451	597	(146)	(146)	0	0	0	0	0	0	0
	A	18	35	20	15	15	0	48	(15)	33	0	0	0
	G	0	15	15	0	0	0	18	0	18	0	0	0
	G	1	9	9	0	0	0	0	0	0	0	0	0
	G	16	23	23	0	0	0	0	0	0	0	0	0
	G	0	35	35	0	0	0	0	0	0	0	0	0
	A	301	343	338	5	0	5	0	0	0	0	0	0
	G	0	121	121	0	0	0	714	0	714	0	0	0
	G	1	3	3	0	0	0	0	0	0	0	0	0
		<b>427</b>	<b>1,673</b>	<b>1,909</b>	<b>(236)</b>	<b>(131)</b>	<b>(105)</b>	<b>1,708</b>	<b>(15)</b>	<b>1,693</b>	<b>1,523</b>	<b>0</b>	<b>1,523</b>
<b>Other</b>													
	G	0	46	46	0	0	0	51	0	51	52	0	52
	G	0	3	3	0	0	0	0	0	0	0	0	0
	G	0	35	35	0	0	0	0	0	0	0	0	0
	G	0	5	401	(396)	(396)	0	350	396	746	0	0	0
	A	1	399	299	100	0	100	0	0	0	0	0	0
	G	10	89	89	0	0	0	52	0	52	52	0	52
		<b>11</b>	<b>577</b>	<b>873</b>	<b>(296)</b>	<b>(396)</b>	<b>100</b>	<b>453</b>	<b>396</b>	<b>849</b>	<b>104</b>	<b>0</b>	<b>104</b>



## PLACE

### Looking after the Borders

#### Flood Protection Infrastructure

Hawick Flood Protection	Design consultant started later than originally planned. Environmental surveys will now be next financial year. Timing movement required to 2016/17.
General Flood Protection Block	Reallocation of block detailed in Appendix 2.

#### Waste Management Infrastructure

Food Waste Collections	Savings identified by the project team have resulted in a reduction in budget.
Easter Langlee Leachate Management Facility	In year savings identified by the project team to be transferred to the Emergency and Unplanned Schemes budget.
CRC - Improved Skip Infrastructure	Timing movement to 2018/19 required for Galashiels CRC. Reallocation of block detailed in Appendix 2.
CRC - Enhancements	Forward timing movement required from 2016/17 to enable the purchase of a compactor skip.
Dunion Landfill Gas Management	Power connections now in place with the final connection to the flares being undertaken. Commissioning and training will be complete before the end of the calendar year.
Prestoncleugh Landfill Gas Management	Power connections now in place with the final connection to the flares being undertaken. Commissioning and training will be complete before the end of the calendar year.
Kelso Recycling Centre	Final account being progressed.

#### Other

Cemetery Land Acq & Development Block	Site investigation and ground investigation will be carried out at a new preferred site in Coldstream in 2016/17.
HQ Main Office Block	Virement (£100k) requested from the Energy Efficiency Projects budget. Installation due to commence January 2016.

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		Actual to 30/09/15	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
<b>Business Process Transformation</b>													
<b>Property Asset Programme</b>													
	A	126	287	256	31	0	31	445	0	445	465	0	465
	A	6	20	41	(21)	0	(21)	50	0	50	100	0	100
	A	114	193	189	4	0	4	100	0	100	200	0	200
	A	135	156	156	0	0	0	150	0	150	150	0	150
	G	13	22	22	0	0	0	20	0	20	20	0	20
	A	151	347	361	(14)	0	(14)	400	0	400	430	0	430
	A	0	275	375	(100)	0	(100)	0	0	0	0	0	0
		<b>545</b>	<b>1,300</b>	<b>1,400</b>	<b>(100)</b>	<b>0</b>	<b>(100)</b>	<b>1,165</b>	<b>0</b>	<b>1,165</b>	<b>1,365</b>	<b>0</b>	<b>1,365</b>
<b>Other Property</b>													
	G	245	411	411	0	0	0	70	0	70	70	0	70
	G	52	52	38	14	0	14	20	0	20	20	0	20
	G	15	204	204	0	0	0	12	0	12	0	0	0
	A	5	280	280	0	0	0	150	0	150	0	0	0
		<b>317</b>	<b>947</b>	<b>933</b>	<b>14</b>	<b>0</b>	<b>14</b>	<b>252</b>	<b>0</b>	<b>252</b>	<b>90</b>	<b>0</b>	<b>90</b>
<b>Investment in Plant &amp; Vehicles</b>													
	G	440	899	890	9	0	9	0	0	0	0	0	0
	A	868	2,487	1,951	536	0	536	2,000	0	2,000	2,000	0	2,000
	A	69	73	56	17	0	17	0	0	0	0	0	0
		<b>1,377</b>	<b>3,459</b>	<b>2,897</b>	<b>562</b>	<b>0</b>	<b>562</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>
<b>Other</b>													
	G	3	51	51	0	0	0	50	0	50	50	0	50
	G	36	23	23	0	0	0	0	0	0	0	0	0
		<b>39</b>	<b>74</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>50</b>	<b>50</b>	<b>0</b>	<b>50</b>
<b>TOTAL PLACE</b>		<b>6,390</b>	<b>17,718</b>	<b>17,786</b>	<b>(68)</b>	<b>(621)</b>	<b>553</b>	<b>11,301</b>	<b>375</b>	<b>11,676</b>	<b>10,511</b>	<b>0</b>	<b>10,511</b>

## Business Process Transformation

### Property Asset Programme

Structure/H&S Works Block	Reallocation of block and virement from other Property Asset Programme budgets detailed in Appendix 2.
Asbestos Management Block	Reallocation of block and virement to other Property Asset Programme budgets detailed in Appendix 2.
Building Systems Efficiency Upgrades Block	Reallocation of block and virement from other Property Asset Programme budgets detailed in Appendix 2.
Electrical Infrastructure Upgrades Block	Reallocation of block detailed in Appendix 2.
Building Thermal Efficiency Upgrades Block	Reallocation of block and virement to other Property Asset Programme budgets detailed in Appendix 2.
Energy Efficiency Projects	Virement requested (£100k) to HQ Main Office Block. Initial block allocation in Appendix 2.

### Other Property

Demolition & Site Preparation Block	Reallocation of block detailed in Appendix 2.
Cleaning Equipment Replacement Block	Capital budget allocation fully used. Gross up of budget to reflect transfer from Revenue.
Office Accommodation Transformation Block	Reallocation of block detailed in Appendix 2. Risk of timing movement if issues materialise with co-ordination of works and office moves.

### Investment in Plant & Vehicles

Waste Collection Vehicles - Non P&V Fund	Updated costs for the purchase of the 6 vehicles is £9k greater than budget allowance. This will be funded from the P&V Fund.
Plant & Vehicle Replacement - P&V Fund	Budget amended to reflect the latest projected spend for items delivered and anticipated to be delivered in the current financial year, fully funded from the P&V Fund.
Other Fleet	The plant items for Kelso CRC have cost less than originally anticipated, the £10k saving is being returned to P&V Fund and the project. The projection has been grossed up to reflect the Electric Vehicle Charging Points which are fully funded from Scottish Government.

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		Actual to 30/09/15	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
<b>Looking after the Borders</b>													
<b>School Infrastructure</b>													
Clovenfords Primary School	G	0	7	7	0	0	0	0	0	0	0	0	
West Linton Primary School	G	2	10	10	0	0	0	10	0	10	0	0	
Duns Primary School & Locality Support Centre	A	306	3,100	6,300	(3,200)	(3,200)	0	3,000	3,200	6,200	0	0	
Peebles HS Sports Facility	A	14	31	31	0	0	0	0	0	0	0	0	
Kelso High School	R	392	1,516	1,516	0	0	0	704	0	704	0	0	
Galashiels School Review	A	11	103	103	0	0	0	0	0	0	0	0	
Eyemouth School Review	G	7	15	15	0	0	0	0	0	0	0	0	
Newtown St Boswells School Review	G	3	5	5	0	0	0	0	0	0	0	0	
Langlee Primary School	G	272	1,179	1,179	0	0	0	9,583	0	9,583	952	0	
Broomlands Primary School	G	300	870	870	0	0	0	7,363	0	7,363	353	0	
School Refurbishment & Capacity Block	G	127	281	281	0	0	0	635	0	635	1,140	0	
Stow PS Accommodation Works	A	17	82	72	10	10	0	23	(10)	13	0	0	
Early Years Centres Block	G	173	176	176	0	0	0	0	0	0	0	0	
Early Learning & Childcare Block	A	519	1,287	3,064	(1,777)	(1,777)	0	0	1,777	1,777	0	0	
Complex Needs - Central Education Base	A	18	790	659	131	0	131	856	271	1,127	0	0	
SEN Facilities	A	0	0	131	(131)	0	(131)	475	(271)	204	232	0	
Eyemouth Early Years Centre	G	60	100	100	0	0	0	0	0	0	0	0	
		<b>2,221</b>	<b>9,552</b>	<b>14,519</b>	<b>(4,967)</b>	<b>(4,967)</b>	<b>0</b>	<b>22,649</b>	<b>4,967</b>	<b>27,616</b>	<b>2,677</b>	<b>0</b>	
<b>Social Care Infrastructure</b>													
Residential Care Home Upgrade Block	A	8	870	1,180	(310)	(310)	0	3	310	313	0	0	
Fire Compartments in Care Homes Block	G	7	278	278	0	0	0	0	0	0	0	0	
Mountview, Duns	G	0	58	58	0	0	0	0	0	0	0	0	
Projects Funded from Revenue (SW)	A	0	2	0	2	0	2	0	0	0	0	0	
		<b>15</b>	<b>1,208</b>	<b>1,516</b>	<b>(308)</b>	<b>(310)</b>	<b>2</b>	<b>3</b>	<b>310</b>	<b>313</b>	<b>0</b>	<b>0</b>	
<b>TOTAL Looking after the Borders</b>		<b>2,236</b>	<b>10,760</b>	<b>16,035</b>	<b>(5,275)</b>	<b>(5,277)</b>	<b>2</b>	<b>22,652</b>	<b>5,277</b>	<b>27,929</b>	<b>2,677</b>	<b>0</b>	
<b>Business Process Transformation</b>													
<b>School Infrastructure</b>													
School Health & Safety Block	G	143	423	423	0	0	0	703	0	703	200	0	
School Kitchen Improvement Block	A	204	350	350	0	0	0	24	0	24	55	0	
Equality Act School Adaptations (DDA) Block	G	131	200	200	0	0	0	150	0	150	150	0	
Projects Funded from Revenue (SI)	A	0	12	0	12	0	12	0	0	0	0	0	
		<b>478</b>	<b>985</b>	<b>973</b>	<b>12</b>	<b>0</b>	<b>12</b>	<b>877</b>	<b>0</b>	<b>877</b>	<b>405</b>	<b>0</b>	
<b>Social Care Infrastructure</b>													
Telecare	G	0	83	83	0	0	0	0	0	0	0	0	
BAES Relocation: Autoclave	A	0	87	87	0	0	0	0	0	0	0	0	
Extra Care Housing	G	18	31	31	0	0	0	0	0	0	0	0	
		<b>18</b>	<b>201</b>	<b>201</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL Business Process Transformation</b>		<b>496</b>	<b>1,186</b>	<b>1,174</b>	<b>12</b>	<b>0</b>	<b>12</b>	<b>877</b>	<b>0</b>	<b>877</b>	<b>405</b>	<b>0</b>	
<b>TOTAL PEOPLE</b>		<b>2,732</b>	<b>11,946</b>	<b>17,209</b>	<b>(5,263)</b>	<b>(5,277)</b>	<b>14</b>	<b>23,529</b>	<b>5,277</b>	<b>28,806</b>	<b>3,082</b>	<b>0</b>	

## PEOPLE

### Looking after the Borders

#### School Infrastructure

Duns Primary School & Locality Support Centre	Works commenced on site on 31 August. The budget profile now reflects the contractors cash flow and requires a timing movement. Anticipated contract completion date of February 2017.
Peebles HS Sports Facility	Anticipated spend on drainage and earthworks within budget but there may be budget pressure dependent on contractors final claim.
Kelso High School	Delay due to EAS10 ongoing.
Galashiels School Review	This project will be considered as part of the wider school estates review.
Stow PS Accommodation Works	Timing movement required to allow landscaping and planting to take place in the current financial year
Early Learning & Childcare Block	Work at three schools has been identified, Edenside, Knowepark and Wilton. Reallocation of block detailed in Appendix 2 for projects this financial year. As other works will be undertaken in 2016/17 a timing movement is required (£1,777k).
Complex Needs - Central Education Base	Construction market changes have had a significant impact on the tender price. Virement required from SEBN in 2015/16 (£131k) and 2016/17 (£271k) to cover the increased costs. On site late 2015.
SEBN Facilities	Virement requested for £121k in 2015/16 and £271k in 2016/17 to the Complex Needs project.

#### Social Care Infrastructure

Residential Care Home Upgrade Block	Phase 3 and 4 of Waverly works will be completed in 2016/17 and require a timing movement. Reallocation of block detailed in Appendix 2.
Projects Funded from Revenue (SW)	Transfer of budget and actual from Revenue for capital items.

### Business Process Transformation

#### School Infrastructure

School Health & Safety Block	Higher cost at Parkside PS due to additional windows and higher costs than originally identified.
School Kitchen Improvement Block	Reallocation required within the block. Additional costs at Peebles HS and St Peters due to flooring and electrical.
Equality Act School Adaptations (DDA) Block	Revised costs at Lilliesleaf higher than expected. Allocation from holding code required.
Projects Funded from Revenue (SI)	Transfer of budget and actual from Revenue for capital items.

#### Social Care Infrastructure

BAES Relocation: Autoclave	Ongoing accommodation lease negotiations may delay the purchase of the autoclave equipment, potential for timing movement from 2015/16 to 2016/17.
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Scottish Borders Council  
Capital Financial Plan 2015/16 to 2017/18

CHIEF EXECUTIVE		2015/16						2016/17			2017/18			
		Actual to 30/09/15	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	
<b>Looking after the Borders</b>														
<b>Heritage &amp; Cultural Infrastructure</b>														
	Wilton Lodge Park	G	146	765	1,035	(270)	(270)	0	1,011	270	1,281	101	0	101
	Jim Clark Museum	A	7	16	95	(79)	(79)	0	0	79	79	0	0	0
	Sir Walter Scotts Courtroom Interpretation	G	0	28	28	0	0	0	0	0	0	0	0	0
	Sir Walter Scott Court House - Phase 1	G	0	40	40	0	0	0	260	0	260	0	0	0
	Sir Walter Scott Court House - Phase 2	G	0	30	30	0	0	0	80	0	80	810	0	810
	Great Tapestry of Scotland - Building	A	35	241	191	50	50	0	5,800	(100)	5,700	0	50	50
			<b>188</b>	<b>1,120</b>	<b>1,419</b>	<b>(299)</b>	<b>(299)</b>	<b>0</b>	<b>7,151</b>	<b>249</b>	<b>7,400</b>	<b>911</b>	<b>50</b>	<b>961</b>
<b>Sport Facility Infrastructure</b>														
	Selkirk 2G Synthetic Pitch	G	642	705	705	0	0	0	0	0	0	0	0	0
	Peebles 3G Synthetic Pitch	R	34	80	1,104	(1,024)	(1,024)	0	0	1,024	1,024	0	0	0
	Edinburgh 3G Synthetic Pitch	G	1	7	7	0	0	0	0	0	0	30	0	30
	Lawick 3G Synthetic Pitch	R	4	50	50	0	0	0	940	0	940	0	0	0
	Chirside CC Development	G	43	43	43	0	0	0	0	0	0	0	0	0
	Sports Trusts - Plant & Services Block	A	4	379	552	(173)	(173)	0	290	173	463	290	0	290
			<b>728</b>	<b>1,264</b>	<b>2,461</b>	<b>(1,197)</b>	<b>(1,197)</b>	<b>0</b>	<b>1,230</b>	<b>1,197</b>	<b>2,427</b>	<b>320</b>	<b>0</b>	<b>320</b>
<b>Economic &amp; Regeneration Infrastructure</b>														
	Central Borders Business Park	G	9	99	99	0	0	0	100	0	100	1,000	0	1,000
	Eyemouth Seafood Technology Park	A	12	19	36	(17)	0	(17)	0	0	0	0	0	0
	Newtown St Boswells Village Centre	G	0	0	0	0	0	0	20	0	20	20	0	20
	LUPS Strategic Business Land	A	291	291	291	0	0	0	0	0	0	0	0	0
	Sunnybrae Walkerburn	G	67	171	171	0	0	0	0	0	0	0	0	0
	Kelso Town Heritage Initiative	G	1	30	30	0	0	0	0	0	0	0	0	0
	Reston Station (SBC Contribution)	G	64	500	500	0	0	0	0	0	0	0	0	0
	Borders Railway Stations	G	31	256	256	0	0	0	0	0	0	0	0	0
			<b>475</b>	<b>1,366</b>	<b>1,383</b>	<b>(17)</b>	<b>0</b>	<b>(17)</b>	<b>120</b>	<b>0</b>	<b>120</b>	<b>1,020</b>	<b>0</b>	<b>1,020</b>
<b>Housing Infrastructure</b>														
	Private Sector Housing Grant - Adaptations	G	101	376	376	0	0	0	375	0	375	375	0	375
			<b>101</b>	<b>376</b>	<b>376</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>375</b>	<b>0</b>	<b>375</b>	<b>375</b>	<b>0</b>	<b>375</b>

**Looking after the Borders****Heritage & Cultural Infrastructure**

Wilton Lodge Park	Budget movement required to 2016/17 due to profiling of budget to match new anticipated profile for café and bridge construction.
Jim Clark Museum	A timing movement is sought to 2016/17 as a result of the delay in the HLF submission which reflects the profile of the project delivery.
Great Tapestry of Scotland - Building	Small reprofiling required between 2015/16, 2016/17 and 2017/18.

**Sport Facility Infrastructure**

Peebles 3G Synthetic Pitch	Overall programme on a critical path if Hawick and Peebles are to be progressed simultaneously during 2016. The current budget is unlikely to be sufficient to deliver the project, additional spending to be considered with a review of costs at an Executive meeting in January 2016, along with options for sourcing additional funding. Timing movement required to 2016/17 due to delay in ascertaining site.
Hawick 3G Synthetic Pitch	Overall programme on a critical path if Hawick and Peebles are to be progressed simultaneously during 2016. The current budget is unlikely to be sufficient to deliver the project, additional spending to be considered with a review of costs at an Executive meeting in January 2016, along with options for sourcing additional funding.
Sports Trusts - Plant & Services Block	Project at Eyemouth Swimming Pool has been scaled back. Works have started on site, scheduled completion Jan 2016. Selkirk on site Feb 2016, scheduled completion Apr 2016. Timing movement required to 2016/17 for Selkirk Leisure Centre. A block reallocation is detailed in Appendix 2.

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**Economic & Regeneration Infrastructure**

Central Borders Business Park	Financial projections not profiled for 2015/16. A timing movement may be required later in the financial year.
Eyemouth Seafood Technology Park	This project is now complete. A grossing down of external funding is required.
LUPS Strategic Business Land	Coldstream site now completed bar minor snagging items, completion certificate issued. Land value agreement remains outstanding with the District Valuer and land owners and there is a risk the outcome may result in an overspend. Officers working to bring this to conclusion at the earliest opportunity.

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		2015/16						2016/17			2017/18			
		Actual	Projected	Latest	Variance	Timing	Budget	Latest	Variance	Projected	Latest	Variance	Projected	
		to 30/09/15	Outturn	Approved Budget	£000	Movement Fwd (Bwd)	£000	Approved Budget	£000	Budget	Approved Budget	£000	£000	£000
<b>CHIEF EXECUTIVE</b>		<b>R</b>												
		<b>A</b>												
		<b>G</b>												
<b>Business Process Transformation</b>														
<b>IT Infrastructure</b>														
General IT Block		A	95	236	236	0	0	0	200	0	200	200	0	200
Business Systems Real Time Monitoring		NR	0	47	47	0	0	0	0	0	0	0	0	0
Passenger Transport MIS		A	13	75	75	0	0	0	0	0	0	0	0	0
Corporate IT Equipment Fund		G	211	234	234	0	0	0	291	0	291	350	0	350
Curricular Network IT Equipment Fund		G	38	144	144	0	0	0	383	0	383	380	0	380
Financial Systems Infrastructure Development		G	0	12	12	0	0	0	0	0	0	0	0	0
IT Disaster Recovery Programme		G	28	54	54	0	0	0	41	0	41	52	0	52
Unified Communications		G	14	14	14	0	0	0	40	0	40	65	0	65
Infrastructure & Microsoft Refresh		G	0	52	52	0	0	0	470	0	470	55	0	55
Integrated HR/Payroll System		A	0	2	2	0	0	0	0	0	0	0	0	0
Additional Server Storage		G	25	36	36	0	0	0	44	0	44	0	0	0
Peoples Network Upgrade		G	2	6	6	0	0	0	0	0	0	0	0	0
Rent Management & Accounting System		NR	0	33	33	0	0	0	0	0	0	0	0	0
Triple Wi-Fi Provision		A	10	7	7	0	0	0	0	0	0	0	0	0
Data Backup Replacement		G	12	12	12	0	0	0	0	0	0	0	0	0
Corporate Applications Suite		G	0	100	100	0	0	0	450	0	450	3,500	0	3,500
Confirm Mobile Implementation		A	0	110	110	0	0	0	0	0	0	0	0	0
Projects Funded from Revenue (IT)		A	3	17	0	17	0	17	0	0	0	0	0	0
			<b>451</b>	<b>1,191</b>	<b>1,174</b>	<b>17</b>	<b>0</b>	<b>17</b>	<b>1,919</b>	<b>0</b>	<b>1,919</b>	<b>4,602</b>	<b>0</b>	<b>4,602</b>
<b>TOTAL CHIEF EXECUTIVE</b>			<b>1,943</b>	<b>5,317</b>	<b>6,813</b>	<b>(1,496)</b>	<b>(1,496)</b>	<b>0</b>	<b>10,795</b>	<b>1,446</b>	<b>12,241</b>	<b>7,228</b>	<b>50</b>	<b>7,278</b>



**Business Process Transformation****IT Infrastructure**

General IT Block	IT review may impact on the progression of some Minor IT works. Reallocation of block detailed in Appendix 2.
Passenger Transport MIS	Awaiting outcome of IT review. Project on hold.
Integrated HR/Payroll System	Awaiting outcome of IT review. Project on hold.
Rent Management & Accounting System	Phase 2 capital spend to be clarified.
Triple Wi-Fi Provision	Actual spend slightly over budget. Reallocation of funding to be identified from within the overall IT capital budget.
Confirm Mobile Implementation	Awaiting outcome of IT review. Project on hold.
Projects Funded from Revenue (IT)	Transfer of budget and actual from Revenue for capital items.

Scottish Borders Council  
Capital Financial Plan 2015/16 to 2017/18

CAPITAL FINANCING		2015/16					2016/17			2017/18		
		Projected	Latest	Variance	Timing	Budget	Latest	Variance	Projected	Latest	Variance	Projected
		Outturn	Approved		Movement		Approved			Approved		
R A G		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Police &amp; Fire Reserves</b>												
	Innerleithen - Walkerburn - Shared Access Route					(21)		(21)				
	Borders Railway Stations	(200)	(200)	0								
	Additional Drainage in Parks and Open Spaces	(15)	(15)	0								
		<b>(215)</b>	<b>(215)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(21)</b>	<b>0</b>	<b>(21)</b>	<b>0</b>	<b>0</b>	
<b>CFCR</b>												
	Easter Langlee Cell Provision (from Landfill Provision)	(175)	(175)	0		(767)		(767)				
	Bannerfield Play Area	(3)	(3)	0								
	Early Years Centres	(176)	(176)	0								
	Sunnybrae, Walkerburn	(21)	(21)	0								
	Wilton Lodge Park	(20)	(20)	0		(20)		(20)	(20)		(20)	
	Sir Walter Scotts Courtroom Interpretation	(22)	(22)	0								
	Selkirk 2G Synthetic Pitch (from Reserves)	(450)	(450)	0								
	Cleaning Equipment	(14)	0	(14)		(14)						
	Plant & Vehicle Replacement - P&V Fund	(25)	(25)	0								
	Projects funded from Revenue (SI)	(12)	0	(12)		(12)						
	Projects funded from Revenue (SW)	(2)	0	(2)		(2)						
	Projects funded from Revenue (IT)	(17)	0	(17)		(17)						
		<b>(937)</b>	<b>(892)</b>	<b>(45)</b>	<b>0</b>	<b>(45)</b>	<b>(787)</b>	<b>0</b>	<b>(787)</b>	<b>(20)</b>	<b>0</b>	<b>(20)</b>
<b>Specific Grants from Scottish Government</b>												
	Cycling, Walking & Safer Streets	(171)	(171)	0		(171)		(171)	(173)		(173)	
	Galashiels Flood Protection	(65)	(65)	0								
	Selkirk Flood Protection	(11,176)	(11,176)	0		(8,861)		(8,861)				
	Other Fleet (Electric Vehicle Charging Points)	(27)	0	(27)		(27)						
	Duns Primary School (via Scottish Futures Trust)	(2,949)	(3,999)	1,050	1,050	0	(1,050)	(1,050)				
	Galashiels School Review	(10)	(10)	0								
	Eyemouth School Review	(15)	(15)	0								
	Newtown St Boswells School Review	(5)	(5)	0								
	Early Learning & Childcare	(1,287)	(3,064)	1,777	1,777		(1,777)	(1,777)				
		<b>(15,705)</b>	<b>(18,505)</b>	<b>2,800</b>	<b>2,827</b>	<b>(27)</b>	<b>(9,032)</b>	<b>(2,827)</b>	<b>(11,859)</b>	<b>(173)</b>	<b>0</b>	<b>(173)</b>

CAPITAL FINANCING		R A G	2015/16					2016/17			2017/18		
			Projected	Latest	Variance	Timing	Budget	Latest	Variance	Projected	Latest	Variance	Projected
			Outturn	Approved		Movement		Budget		Approved	Budget		Approved
			£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Other External Grants &amp; Contributions</b>													
	Galashiels Developments - Transport Interchange	G	(615)	(615)	0		(6)	6	0				
	Selkirk Town Centre (Streetscape works)	G			0					(100)		(100)	
	Cycling, Walking & Safer Streets	A	(20)	(20)	0								
	Railway Black Path	A	(151)	(31)	(120)	(120)							
	Innerleithen - Walkerburn - Shared access route	G	(36)	0	(36)	(36)				(25)		(25)	
	Tweedbank Traffic Calming	G	(18)	(18)	0								
	Kelso High School - Pitches (SportScotland)	A			0		(550)		(550)				
	Mountview, Duns	G	(29)	(29)	0								
	Extra Care Housing	G	(31)	(31)	0								
	2G & 3G Synthetic Pitches (SportScotland)	G	(250)	(550)	300	300	(300)	(300)	(600)				
	Wilton Lodge Park	A	(551)	(745)	194	194	(728)	(194)	(922)	(73)		(73)	
	Sir Walter Scott Court House - Phase 1 & 2	G	(27)	(27)	0		(197)		(197)	(620)		(620)	
	Great Tapestry of Scotland - Building	G			0		(2,500)		(2,500)				
	Central Borders Business Park	G			0					(1,000)		(1,000)	
	Plymouth Seafood Technology Park	G	0	(18)	18	18							
	UPS Strategic Business Land	G	(86)	(86)	0								
	Borders Railway Stations	A	(56)	(56)	0								
	Office Accommodation Transformation Block	A	(55)	(55)	0								
			<b>(1,925)</b>	<b>(2,281)</b>	<b>356</b>	<b>494</b>	<b>(138)</b>	<b>(4,281)</b>	<b>(488)</b>	<b>(4,769)</b>	<b>(1,818)</b>	<b>0</b>	<b>(1,818)</b>
<b>Developer Contributions</b>													
	Engineering Minor Works	A	(88)	(97)	9	9							
	Clovenfords Play Park	A	(35)	(35)	0								
	Chirnside CC Development	G	(43)	(43)	0								
	General	G	(150)	(150)	0		(100)		(100)	(100)		(100)	
			<b>(316)</b>	<b>(325)</b>	<b>9</b>	<b>0</b>	<b>9</b>	<b>(100)</b>	<b>0</b>	<b>(100)</b>	<b>(100)</b>	<b>0</b>	<b>(100)</b>
<b>Capital Receipts</b>													
	General Capital Grant	G	<b>(1,699)</b>	<b>(1,699)</b>	<b>0</b>		<b>(1,435)</b>		<b>(1,435)</b>	<b>(2,630)</b>		<b>(2,630)</b>	
	Plant & Vehicle Fund	G	<b>(2,634)</b>	<b>(2,094)</b>	<b>(540)</b>	<b>(540)</b>	<b>(2,000)</b>		<b>(2,000)</b>	<b>(2,000)</b>		<b>(2,000)</b>	
<b>Borrowing</b>													
	Food Waste Collection - from Dept'al Revenue	G	(231)	(301)	70	70							
	General Proposed Borrowing	G	(16,231)	(20,382)	4,151	4,153	(26,507)	(3,862)	(30,375)	(3,116)	(50)	(3,166)	
			<b>(16,462)</b>	<b>(20,683)</b>	<b>4,221</b>	<b>4,153</b>	<b>70</b>	<b>(26,507)</b>	<b>(3,862)</b>	<b>(30,375)</b>	<b>(3,116)</b>	<b>(50)</b>	<b>(3,166)</b>
<b>TOTAL CAPITAL FUNDING</b>			<b>(50,900)</b>	<b>(57,701)</b>	<b>6,801</b>	<b>7,474</b>	<b>(671)</b>	<b>(56,163)</b>	<b>(7,177)</b>	<b>(63,346)</b>	<b>(21,857)</b>	<b>(50)</b>	<b>(21,907)</b>

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## 2015/16 BLOCK ALLOCATIONS

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Move- ment £'000	Projected Outturn £'000	Actuals to 30/09/15 £'000
<b>PLACE</b>					
<b>LOOKING AFTER THE BORDERS</b>					
<b>Road &amp; Bridge Infrastructure</b>					
<b>General Roads and Bridges Block</b>					
Footways	24/03/2015	70.0	(7.0)	63.0	0.0
Surface Dressing	24/03/2015	1,505.0	241.0	1,746.0	814.0
Patching	24/03/2015	574.0		574.0	298.0
Overlays	24/03/2015	1,242.0	759.0	2,001.0	141.0
Walls and Structures	26/05/2015	72.0	(3.0)	69.0	0.0
Masonry Works	24/03/2015	126.0	17.0	143.0	9.0
C8 Carlows Bridge	24/03/2015	9.0		9.0	0.0
Drainage	24/03/2015	54.0	(7.0)	47.0	5.0
Unallocated	18/08/2015	1,000.0	(1,000.0)	0.0	0.0
		4,652.0	0.0	4,652.0	1,267.0
<b>Engineering Minor Works</b>					
Oxnam Road, Jedburgh	18/08/2015	85.0		85.0	1.0
Hawkslee Newtown St Boswells	09/06/2015	27.0		27.0	9.0
Dingleton Melrose	24/02/2015	85.0	(20.0)	65.0	65.0
Pedestrian Links, Hawick	24/02/2015	15.0		15.0	0.0
Timing movement to 2016/17		0.0	20.0	0.0	0.0
		212.0	0.0	192.0	75.0
<b>Lighting Infrastructure</b>					
<b>General Lighting Block</b>					
Replace Cut Down Columns	24/03/2015	17.0		17.0	0.0
Main Road, Stow	24/03/2015	43.0		43.0	0.0
Burnfoot Road, Hawick	24/03/2015	43.0		43.0	32.0
Langlee Street Galashiels	24/03/2015	22.0		22.0	0.0
A72 Walkerburn	24/03/2015	43.0		43.0	26.0
Main Road Heiton	24/03/2015	32.0		32.0	0.0
Unallocated	24/03/2015	0.0		0.0	0.0
		200.0	0.0	200.0	58.0
<b>Cycling, Walking &amp; Safety Infrastructure</b>					
<b>Accident Investigation Prevention Schemes</b>					
Traffic Calming	24/03/2015	10.0		10.0	0.0
Road Safety Measures	24/03/2015	33.0		33.0	0.0
AIP Design	24/03/2015	3.0		3.0	0.0
Unallocated		0.0		0.0	0.0
		46.0	0.0	46.0	0.0
<b>Cycling, Walking &amp; Safer Streets</b>					
Cycling Related Activities	24/03/2014	126.0		126.0	15.0
School Travel Plan Road Safety	24/03/2014	65.0		65.0	3.0
Unallocated	24/03/2014	0.0		0.0	0.0
		191.0	0.0	191.0	18.0

Project Name	Initial Allocation Approval	Latest	Proposed	Projected	Actuals to
		Approved Budget	Move- ment	Outturn	30/09/15
		£'000	£'000	£'000	£'000
<b>Railway Black Path</b>					
Tweedbank Drive to New Station	24/02/2015	8.0	4.0	12.0	12.0
Winston Road, Galashiels	24/02/2015	4.0		4.0	3.0
Clovenfords Link	18/08/2015	73.0		73.0	5.0
Buckholm Path	18/08/2015	3.0		3.0	2.0
Langlee Path	18/08/2015	22.0		22.0	6.0
Signing Strategy	18/08/2015	20.0		20.0	19.0
BGH Path	18/08/2015	25.0	30.0	55.0	0.0
B&Q Lighting	18/08/2015	4.0		4.0	0.0
Benches	18/08/2015	3.0		3.0	0.0
Redetermination Order	18/08/2015	5.0		5.0	0.0
Street Lighting Black Path	02/07/2015	120.0		120.0	4.0
Unallocated	24/03/2015	14.0	21.0	35.0	0.0
Gross up additional funding			(120.0)		
Virement to Emergency & Unplanned Schemes			65.0		
		301.0	0.0	356.0	51.0
<b>Flood Protection Infrastructure</b>					
<b>Flood Protection Works, Efficiency and Emergency Measures</b>					
Programme Management	12/02/2015	34.0	(3.0)	31.0	6.0
Burnmouth Rail Culvert (finishing works)	NEW	0.0	3.0	3.0	3.0
Community Resilience	24/03/2015	10.0		10.0	0.0
Liddesdale Crescent, Hawick	24/03/2015	200.0		200.0	143.0
Merlindale Flood Protection	13/05/2014	62.0	30.0	92.0	9.0
Meigle View/Riddle Dumble Park	24/02/2014	1.0		1.0	0.0
Still Burn Culvert, Fountainhall	24/03/2015	100.0		100.0	0.0
Bakehouse Burn Culvert, Galashiels	01/07/2015	60.0		60.0	6.0
Unallocated		30.0	(30.0)	0.0	0.0
		497.0	0.0	497.0	167.0
<b>Waste Management Infrastructure</b>					
<b>CRC - Improved Skip Infrastructure</b>					
Eshiels Recycling Centre	24/03/2015	57.0		57.0	0.0
Hawick CRC Skip	18/08/2015	346.0	28.0	374.0	9.0
Galashiels CRC Skip	18/08/2015	194.0	(174.0)	20.0	1.0
Unallocated		0.0		0.0	0.0
Timing movement to 2018/19			146.0		
		597.0	0.0	451.0	10.0
<b>CRC - Enhancements</b>					
Galashiels CRC	18/08/2015	20.0		20.0	18.0
Hawick CRC	NEW		15.0	15.0	0.0
		20.0	15.0	35.0	18.0
<b>CCTV Community Recycling Centres</b>					
Selkirk CRC	24/03/2015	2.0		2.0	1.0
Eyemouth CRC	24/03/2015	1.0		1.0	0.0
		3.0	0.0	3.0	1.0
<b>Other</b>					
<b>Play Facilities</b>					
Gibson Park Melrose	24/03/2015	33.0		33.0	0.0
Foulden	24/03/2015	13.0		13.0	0.0
Unallocated	24/03/2015	0.0		0.0	0.0
		46.0	0.0	46.0	0.0
<b>Cemetery Land Acquisition &amp; Development</b>					
Lennel Cemetery, Coldstream	24/03/2015	163.0	(163.0)	0.0	0.0
Cemetery, Coldstream	NEW		5.0	5.0	0.0
Unallocated	24/03/2015	238.0	(238.0)	0.0	0.0
Timing movement to 2016/17			396.0		
		401.0	0.0	5.0	0.0

Project Name	Initial Allocation Approval	Latest	Proposed	Projected	Actuals to
		Approved Budget £'000	Move- ment £'000	Outturn £'000	30/09/15 £'000
<b>Contaminated Land</b>					
Redbraes	24/03/2015	10.0	(4.0)	6.0	6.0
Ayton	24/03/2015	3.0	4.0	7.0	4.0
Ayton Mill	28/08/2015	34.0	0.0	34.0	0.0
Stow	NEW	0.0	33.0	33.0	0.0
Unallocated	24/03/2015	41.0	(33.0)	8.0	0.0
		<u>88.0</u>	<u>0.0</u>	<u>88.0</u>	<u>10.0</u>

## BUSINESS PROCESS TRANSFORMATION

### Property & Asset Programme

#### Structural / H&S Work Block

Cleaning Equipment	24/03/2015	0.0		0.0	0.0
Teviothead Cemetery Wall Ph2	24/03/2015	11.0		11.0	0.0
St Boswells PS Resurfacing	24/03/2015	8.0		8.0	7.0
Gala Academy Resurfacing Ph1	24/03/2015	19.0		19.0	17.0
Howdenburn PS Flue Replacement	24/03/2015	20.0		20.0	0.0
Selkirk HS Lighting Ph1	24/03/2015	20.0	25.0	45.0	34.0
Wilton Park Resurfacing	24/03/2015	19.0		19.0	0.0
Melrose Grammar Lighting	24/03/2015	25.0	(4.0)	21.0	19.0
Parkside PS Structural Wall	24/03/2015	16.0		17.0	0.0
Morebattle PS Internal Env Improvements	24/03/2015	7.0		7.0	0.0
Edenside PS Water Storage	24/03/2015	7.0	2.5	9.5	8.0
Peebles HS Internal Env Improvements	24/03/2015	22.0	11.0	33.0	28.0
Kelso Tait Hall Lift Installation	24/03/2015	12.0	(4.0)	8.0	7.0
Gordon Old Cemetery Structural Wall	24/03/2015	16.0		17.0	0.0
St Mary's Mill H & S	24/03/2015	22.0		22.0	0.0
Coldstream PS Lighting	24/03/2015	8.0		8.0	0.0
4-8 Newtown Street Duns Roof	24/03/2015	25.0		25.0	0.0
Unallocated		0.0		0.0	2.0
Reallocation within P & A block			(30.5)		
		<u>257.0</u>	<u>0.0</u>	<u>289.5</u>	<u>122.0</u>

#### Asbestos Management Block

St Margaret's Asbestos Removal	NEW	0.0	2.0	2.0	2.0
Unallocated	18/08/2015	41.0	(22.5)	18.5	0.0
Reallocation within P & A block			20.5		
		<u>41.0</u>	<u>0.0</u>	<u>20.5</u>	<u>2.0</u>

#### Building Systems Efficiency Upgrades Block

HQ Boiler Room Controls	24/03/2015	33.0	(33.0)	0.0	0.0
Wilton Park PS Boiler Upgrade	24/03/2015	33.0		33.0	28.0
St Margarets PS Boiler	24/03/2015	11.0	4.0	15.0	13.0
Tweedbank PS Heating	24/03/2015	28.0		28.0	0.0
Hawick HS Heating	24/03/2015	28.0	7.0	35.0	31.0
Peebles HS Heating	24/03/2015	14.0	8.0	22.0	11.0
Burnfoot CS Heating	24/03/2015	28.0		28.0	17.0
St Ronans Gym Hall Heating	24/03/2015	15.0	(2.0)	13.0	13.0
HQ IT Heating		0.0	20.0	20.0	0.0
Reallocation within P & A block		0.0	(4.0)		0.0
		<u>190.0</u>	<u>0.0</u>	<u>194.0</u>	<u>113.0</u>

#### Electrical Infrastructure Upgrades Block

St Boswells PS Electrical Upgrade	24/03/2015	60.0	12.5	72.5	66.0
Galashiels Academy Electrical Upgrade	24/03/2015	90.0	(12.5)	77.5	69.0
Unallocated		6.0		6.0	0.0
Timing Movement		0.0		0.0	0.0
		<u>156.0</u>	<u>0.0</u>	<u>156.0</u>	<u>135.0</u>

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Move- ment £'000	Projected Outturn £'000	Actuals to 30/09/15 £'000
<b>Building Thermal Efficiency Upgrades Block</b>					
Howdenburn PS Roof Cover	24/03/2015	37.0		37.0	34.0
Wilton PS Roof Upgrade Ph3	24/03/2015	50.0	(18.0)	32.0	32.0
Cockburnspath PS Window Upgrade	24/03/2015	21.0		21.0	0.0
Greenlaw PS Windows Phase 1	24/03/2015	24.0		24.0	0.0
Langlee CPD Centre Upgrade Roof	24/03/2015	44.0		44.0	0.0
Earlston PS Roof Upgrade P1	24/03/2015	9.0	(1.5)	7.5	7.0
Wilton PS Roof Upgrade Ph4		0.0	18.5	18.5	17.0
Burnfoot PS Roof Upgrade P1	24/03/2015	30.0		30.0	0.0
St Ronans PS Window Ph4	24/03/2015	28.0		28.0	22.0
Walkerburn PS Window PH3	24/03/2015	9.0		9.0	8.0
Morebattle PS Roof Upgrade P1	24/03/2015	15.0		15.0	12.0
Hawick HS Roof Upgrade Ph1	24/03/2015	25.0		25.0	23.0
Swinton PS Windows	24/03/2015	22.0		22.0	0.0
Langlee CPD Office Upgrade	18/08/2015	35.0		35.0	0.0
Unallocated	24/03/2015	13.0	(13.0)	0.0	0.0
Reallocation within P & A block		0.0	14.0		0.0
		362.0	0.0	348.0	155.0
<b>Energy Efficiency Projects</b>					
Boiler Optimisers	NEW		275.0	275.0	0.0
Virement to HQ Main Office Block			100.0		
Unallocated	18/08/2015	375.0	(375.0)	0.0	0.0
		0.0	0.0	275.0	0.0
<b>Other Property</b>					
<b>Demolition and Site Preparation Block</b>					
Scott House	24/03/2015	1.0		1.0	0.0
Eyemouth HS	24/03/2015	394.0	(60.0)	334.0	234.0
Duns Public Toilet	24/03/2015	16.0		16.0	11.0
Earlston HS	NEW	0.0	60.0	60.0	0.0
		411.0	0.0	411.0	245.0
<b>Cleaning Equipment Replacement Block</b>					
Cleaning Equipment Replacement	24/03/2015	38.0		38.0	37.0
Cleaning Equip - Driers	NEW	0.0	14.0	14.0	14.0
Funding for additional equipment from Revenue			(14.0)		
		38.0	0.0	52.0	51.0
<b>Combined Depot Enhancements</b>					
Galashiels Roads Depot, Wheatlands Road	18/08/2015	14.0		14.0	0.0
Duns Depot, Station Road	18/08/2015	55.0		55.0	15.0
Easter Langlee Depot, Galashiels	18/08/2015	25.0		25.0	0.0
Reiver Complex Road Depot, Newtown St Bos	18/08/2015	60.0		60.0	0.0
Lower Mansfield Combined Depot, Hawick	18/08/2015	50.0		50.0	0.0
Unallocated	12/02/2015	0.0		0.0	
		204.0	0.0	204.0	15.0
<b>Office Accommodation Transformation Block</b>					
Post Room & Cleaning Service	24/03/2015	20.0	(15.0)	5.0	5.0
SBC/NHS Office Moves - Earlston	24/03/2015	110.0		110.0	0.0
HQ Reception/Office Rationalisation	24/03/2015	150.0	(150.0)	0.0	0.0
Area Hot Desk/Drop in Facility	NEW	0.0	5.0	5.0	0.0
E & I Moves	NEW	0.0	10.0	10.0	0.0
Galashiels People Office Rationlisation	NEW	0.0	150.0	150.0	0.0
Unallocated	12/02/2015	0.0		0.0	
		280.0	0.0	280.0	5.0



Project Name	Initial Allocation Approval	Latest	Proposed	Projected	Actuals to
		Approved Budget	Move- ment	Outturn	30/09/15
		£'000	£'000	£'000	£'000
<b>Other</b>					
<b>Drainage in Parks and Open Spaces</b>					
Wilton Lodge Park Hawick	18/08/2015	12.0		12.0	0.0
Gibson Park Melrose	24/03/2015	4.0		4.0	3.0
Home Park Coldstream	18/08/2015	30.0		30.0	0.0
Unallocated		5.0		5.0	0.0
		<u>51.0</u>	<u>0.0</u>	<u>51.0</u>	<u>3.0</u>
<b>Additional Drainage in Parks and Open Spaces</b>					
St Boswells	18/08/2015	23.0		23.0	36.0
Unallocated		0.0		0.0	0.0
		<u>23.0</u>	<u>0.0</u>	<u>23.0</u>	<u>36.0</u>

## PEOPLE

### LOOKING AFTER THE BORDERS

#### School Infrastructure

##### School Refurbishment & Capacity Block

Westruther PS Extension	24/03/2015	31.0		31.0	5.0
Chirside PS	24/02/2015	250.0		250.0	122.0
Unallocated	24/03/2015	0.0		0.0	0.0
		<u>281.0</u>	<u>0.0</u>	<u>281.0</u>	<u>127.0</u>

##### Early Years Centres Block

Eyemouth PS Early Years Centre	24/03/2015	106.0		106.0	105.0
Philippaugh PS Early Years Centre	24/03/2015	20.0		20.0	20.0
Burnfoot PS Early Years Centre	24/03/2015	50.0		50.0	49.0
Unallocated	24/03/2015	0.0		0.0	0.0
		<u>176.0</u>	<u>0.0</u>	<u>176.0</u>	<u>174.0</u>

##### Early Learning and Childcare Block

Tweedbank PS ELCC 3&4's	24/03/2015	175.0		175.0	96.0
Coldstream PS ELCC 3&4's	24/03/2015	250.0		250.0	82.0
Balmoral PS ELCC 2's	24/03/2015	8.0	(8.0)	0.0	0.0
Burnfoot PS ELCC 2's	24/03/2015	80.0	20.0	100.0	96.0
Cockburnspath PS ELCC 3&4's	24/03/2015	154.0		154.0	106.0
Trinity PS ELCC 2's	24/03/2015	13.0		13.0	0.0
Philippaugh PS ELCC 3&4'S	18/08/2015	30.0	25.0	55.0	53.0
Stow PS ELCC 3&4'S	18/08/2015	20.0		20.0	3.0
Knowepark PS ELCC 3&4'S	18/08/2015	20.0	200.0	220.0	0.0
Halyrude ELCC 3&4'S	18/08/2015	5.0		5.0	0.0
Melrose PS ELCC 3&4'S	18/08/2015	20.0		20.0	0.0
Edenside PS ELCC 3&4'S	18/08/2015	20.0		20.0	1.0
Wilton PS ELCC 3&4'S	18/08/2015	5.0		5.0	0.0
Burnfoot PS ELLC 3&4 Kitchen	18/08/2015	10.0		10.0	16.0
Glendinning PS ELLC 3&4 Kitchen	18/08/2015	10.0		10.0	10.0
Howdenburn PS ELCC 3&4 Kitchen	18/08/2015	10.0	10.0	20.0	19.0
Melrose PS ELCC 3&4 Kitchen	18/08/2015	10.0	3.0	13.0	12.0
St Peters PS ELCC 3&4 Kitchen	18/08/2015	10.0	1.0	11.0	11.0
Priorsford ELCC 3&4 Kitchen	18/08/2015	12.0		12.0	12.0
Parkside PS Nursery Alterations	18/08/2015	24.0		24.0	1.0
Fountainhall PS Changing Rooms	18/08/2015	40.0		40.0	1.0
Unallocated ELLC 3&4's	24/03/2015	1,225.0	(1,125.0)	100.0	0.0
Unallocated ELLC 2's	24/03/2015	913.0	(903.0)	11.0	0.0
Timing Movement to 2016/17			1,777.0		
		<u>3,064.0</u>	<u>0.0</u>	<u>1,288.0</u>	<u>519.0</u>

Project Name	Initial Allocation Approval	Latest Approved Budget £'000	Proposed Move- ment £'000	Projected Outturn £'000	Actuals to 30/09/15 £'000
<b>Social Work</b>					
<b>Residential Care Home Upgrade Block</b>					
Saltgreens, Eyemouth	24/03/2015	585.0	(410.0)	175.0	1.0
Waverly, Galashiels	24/03/2015	595.0	100.0	695.0	7.0
Unallocated	24/03/2015	0.0		0.0	
Timing Movement to 2016/17			310.0		
		1,180.0	0.0	870.0	8.0
<b>Fire Compartments in Care Homes Block</b>					
Deanfield, Hawick	24/03/2015	45.0		45.0	0.0
Grove House, Kelso	24/03/2015	45.0		45.0	0.0
Saltgreens, Eyemouth	24/03/2015	10.0		10.0	6.0
St Ronans, Innerleithen	24/03/2015	45.0		45.0	1.0
Waverly, Galashiels	24/03/2015	133.0		133.0	0.0
Unallocated	24/03/2015	0.0		0.0	
		278.0	0.0	278.0	7.0
<b>BUSINESS PROCESS TRANSFORMATION</b>					
<b>School Infrastructure</b>					
<b>School Health &amp; Safety Block</b>					
Audit - Window Replacement	24/02/2015	25.0		25.0	0.0
Broughton PS Secure Reception	24/02/2015	33.0		33.0	29.0
Coldstream PS Window Replacement	24/02/2015	76.0		76.0	0.0
School Fire Alarms	24/02/2015	9.5	(3.0)	6.5	0.0
Selkirk HS Window Replacement	24/02/2015	72.0		72.0	38.0
St Ronans PS Secure Reception	24/02/2015	33.0	5.5	38.5	34.0
Wilton PS Secure Reception	24/02/2015	33.0		33.0	23.0
Chirnside PS Window Replacement	18/08/2015	0.0		0.0	0.0
Edenside PS Window Replacement	18/08/2015	27.5		27.5	6.0
Parkside Open/Eating Area	18/08/2015	10.0		10.0	0.0
Parkside PS Window Replacement	18/08/2015	44.0	22.0	66.0	0.0
Peebles HS Fire Alarm	18/08/2015	15.0		15.0	1.0
St Ronans PS Fire Alarm	18/08/2015	3.5	3.0	6.5	5.0
Walkerburn PS Fire Alarm	18/08/2015	6.5		6.5	7.0
Unallocated	24/02/2015	35.0	(27.5)	7.5	0.0
		423.0	0.0	423.0	143.0
<b>School Kitchen Improvement Block</b>					
Balmoral PS Kitchen Upgrade	24/03/2015	0.0		0.0	0.0
Universal Free School Meals P1-P3	24/03/2015	43.0	(11.0)	32.0	31.0
St Peters Primary School	24/03/2015	37.0	4.0	41.0	41.0
Trinity PS Floor Replacement	24/03/2015	25.0	(16.0)	9.0	9.0
Peebles HS	30/09/2015	200.0	20.0	220.0	107.0
Earlston HS	30/09/2015	45.0	(8.0)	37.0	17.0
Unallocated	24/03/2015	0.0	11.0	11.0	0.0
		350.0	0.0	350.0	205.0
<b>Equality Act School Adaptations (DDA) Block</b>					
Burnfoot PS DDA Works	24/02/2015	112.0		112.0	104.0
Coldstream PS DDA Works	24/02/2015	10.0		10.0	0.0
Earlston PS DDA Works		13.0		13.0	9.0
Lilliesleaf PS DDA Works	24/02/2015	20.0	6.0	26.0	1.0
Peebles PS DDA Works	24/02/2015	17.0		17.0	0.0
Priorsford PS DDA Works	24/02/2015	18.0		18.0	16.0
Unallocated	24/03/2015	10.0	(6.0)	4.0	0.0
		200.0	0.0	200.0	130.0

Project Name	Initial Allocation Approval	Latest	Proposed	Projected	Actuals to
		Approved Budget	Move- ment	Outturn	30/09/15
		£'000	£'000	£'000	£'000
<b>CHIEF EXECUTIVE</b>					
<b>LOOKING AFTER THE BORDERS</b>					
<b>Sports Facility Infrastructure</b>					
<b>Sports Trusts - Plant &amp; Services</b>					
Energy Savings Projects	24/03/2015	22.0		22.0	0.0
Teviotdale LC Refurb	24/03/2015	0.0		0.0	0.0
Tweedbank BC Works	24/03/2015	13.0	(4.0)	9.0	4.0
Tweedbank Fitness Centre Lighting	24/03/2015	2.0	(2.0)	0.0	0.0
Eyemouth LC Refurbishment	24/03/2015	218.0	(78.0)	140.0	0.0
Selkirk LC Refurbishment	24/03/2015	261.0	(87.0)	174.0	0.0
Galashiels Tennis Centre Resurface	NEW	0.0	10.0	10.0	0.0
Unallocated		36.0	(12.0)	24.0	0.0
Timing Movement to 2016/17			173.0		
		552.0	0.0	379.0	4.0

#### BUSINESS PROCESS TRANSFORMATION

##### IT Infrastructure

##### General IT Block

Boardroom Av	24/03/2015	1.0		1.0	1.0
E&I Domestic Abuse MIS	24/03/2015	17.0		17.0	17.0
Registrars E-Pads	24/03/2015	2.0	(2.0)	0.0	0.0
Aerial Imagery	24/03/2015	15.5		15.5	0.0
Server Room Kit	24/03/2015	17.0		17.0	0.0
E&I-Uniform Upgrade	24/03/2015	18.5	3.0	21.5	6.0
Lagan Upgrade	24/03/2015	8.0		8.0	4.0
PSN Improvement Work	24/03/2015	0.0		0.0	0.0
Building Information Modelling	24/03/2015	10.0		10.0	0.0
Smartboard Enterprise	18/08/2015	29.0		29.0	29.0
PSN	18/08/2015	15.0		15.0	0.0
Confirm V15 Upgrade	18/08/2015	15.0		15.0	4.0
Desktop Technology	18/08/2015	30.0		30.0	6.0
Website Development	18/08/2015	27.0		27.0	8.0
EPM	18/08/2015	30.0	(30.0)	0.0	0.0
Schnieder	NEW	0.0	20.0	20.0	0.0
Unallocated	24/03/2015	1.0	9.0	10.0	21.0
		236.0	0.0	236.0	96.0

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## 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
<b>Place - Looking after the Borders</b>			
GIRR 1-3 Claims	(150)		
A72 Dirtpot Corner - Traffic Management	52		
A72 Neidpath Corner - Traffic Management	14		
Selkirk Town Centre (Streetscape works)	10		
Engineering Minor Works - gross down of road bond	(20)	(9)	
Railway Black Path		55	
Innerleithen - Walkerburn - Shared Access Route		36	
Hawick Flood Protection	(80)		
Food Waste Collections		(70)	
Easter Langlee Leachate Management Facility			(40)
CRC - Improved Skip Infrastructure	(146)		
CRC - Enhancements	15		
Kelso Recycling Centre			5
Cemetery Land Acq & Development Block	(396)		
HQ Main Office Block			100
	(701)	12	65
<b>Place - Business Process Transformation</b>			
Structure/H&S Works Block			31
Asbestos Management Block			(21)
Building Systems Efficiency Upgrades Block			4
Building Thermal Efficiency Upgrades Block			(14)
Energy Efficiency Projects			(100)
Cleaning Equipment Replacement Block			14
Waste Collection Vehicles - Non P&V Fund			9
Plant & Vehicle RePlacement - P&V Fund			536
Other Fleet		22	(5)
	0	22	454
<b>TOTAL - Place</b>	<b>(701)</b>	<b>34</b>	<b>519</b>
<b>People - Looking after the Borders</b>			
Duns Primary School & Locality Support Centre	(3,200)		
Stow PS Accommodation Works	10		
Early Learning and Childcare Block	(1,777)		
Complex Needs - Central Education Base			131
SEBN Facilities			(131)
Residential Care Home Upgrade Block	(310)		
Projects Funded from Revenue (Social Work)		2	
	(5,277)	2	0
<b>People - Business Process Transformation</b>			
Projects Funded from Revenue (School Infrastructure)		12	
	0	12	0
<b>TOTAL - People</b>	<b>(5,277)</b>	<b>14</b>	<b>0</b>
<b>Chief Executive - Looking after the Borders</b>			
Wilton Lodge Park	(270)		
Jim Clark Museum	(79)		
Great Tapestry of Scotland - Building	50		
Peebles 3G Synthetic Pitch	(1,024)		
Sports Trusts - Plant and Services Block	(173)		
Eyemouth Seafood Technology Park - gross down external funding		(17)	
	(1,496)	(17)	0
<b>Chief Executive - Business Process Transformation</b>			
Projects Funded from Revenue (IT)		17	
	0	17	0
<b>TOTAL - Chief Executive</b>	<b>(1,496)</b>	<b>0</b>	<b>0</b>
<b>Emergency &amp; Unplanned Schemes</b>			
Easter Langlee Leachate Management Facility			40
			65
<b>TOTAL - Emergency &amp; Unplanned Schemes</b>	<b>0</b>	<b>0</b>	<b>40</b>
<b>Total Budget Movement</b>	<b>(7,474)</b>	<b>48</b>	<b>624</b>

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**Jim Clark Museum**

**Report by Report by the Corporate Transformation and Services  
Director**

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**Executive**

**17 November 2015**

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**1 PURPOSE AND SUMMARY**

- 1.1 This report provides Members with an update on the proposals to create a Jim Clark Museum by refurbishing and extending the existing displays at 44 Newtown Street, Duns. The report further seeks approval for officers to submit a stage 1 application to Heritage Lottery Fund (HLF) by 27 November 2015 for a grant to support both the capital works and a 4 year supporting revenue programme.**
- 1.2 During 2015 officers have worked with the Jim Clark Memorial Room Trust (JCMRT) to develop proposals for a new Jim Clark Museum in Duns. Based on a design proposal prepared by the Council's Architects the total capital costs of the project have been estimated at £1.4m. Including the 4 year revenue programme the total project cost is £1.65m. In February 2012 Scottish Borders Council approved a capital investment of £620k within its Capital Plan, of which a balance of £603k is available to be allocated to the next phases of the project's delivery. To bridge the funding gap a twin track approach is proposed
- (a) A Stage 1 Heritage Lottery Fund application and accompanying business plan has been prepared. The HLF application is for 41% of the project costs or c£700k, this also includes an allocation towards the accompanying revenue programme. To meet the project and HLF timetable the stage 1 application requires to be submitted by 27 November 2015.
- (b) A separate fund raising programme led by the new Jim Clark Trust with a target of £300k.
- 1.3 The JCMRT Trustees, and in particular the family trustees, feel there is significant added value they can bring to the project in terms of experience, networking and fundraising that is difficult to deliver through the limited scope of the JCMRT. As a result a new SCIO, a Scottish Charitable Incorporated Organisation, has very recently been established by the family Trustees. This new trust will be known as the Jim Clark Trust and will work in partnership with the Council, the proposed Culture and Sports Trust and the JCMRT. It is important that an effective and robust written Agreement clarifying roles and responsibilities is developed and this is seen as a key outcome of the HLF stage 1 period.

## **2 RECOMMENDATIONS**

### **2.1 I recommend that the Executive:**

- (a) Notes the progress that has been made to create a Jim Clark Museum at 44 Newtown Street, Duns including the financial implications as set out in the report;**
- (b) Notes the reasons for the establishment of a new charitable trust, The Jim Clark Trust, and agrees the need to establish an effective and robust Agreement between this new Trust, Scottish Borders Council, the new Culture and Sports Trust and the existing Jim Clark Memorial Room Trust;**
- (c) Agrees that the acceleration of the construction programme to deliver the project by May 2018 will require to be incorporated into the considerations for the construction of the 2016/17 ten year Capital Plan and may have an impact on the timing of other capital projects or the capital funding assumptions underpinning it;**
- (d) Agrees to submit the stage 1 HLF application by 27 November 2015;**
- (e) Instructs officers to return to the Executive with an updated report and business plan before submitting a stage 2 HLF application; and**
- (f) Agrees to proceed with a fund raising effort with the two Jim Clark trusts for the additional £300k required to bridge the funding gap.**



### **3 Background**

#### **3.1 Jim Clark Room**

Following the death, in 1968, of twice motor racing world champion and Indianapolis 500 winner Jim Clark, his parents donated the unique collection of trophies representing his incredible career to Duns via the Local Authority. To provide public access to this collection, Duns Town Council funded the establishment of the Jim Clark Memorial Trophy Room in 44 Newtown Street. Following a refit and redisplay of the collections in 1993, funded by Berwickshire District Council, the Room was reopened by Sir Jackie Stewart. In 2014 a second display room, featuring mainly photographs and film, opened as a result a joint initiative between SBC and the Jim Clark Memorial Room Trust.

#### **3.2 The Jim Clark Room:**

- a) Is managed and operated by Scottish Borders Council Museum and Gallery Service.
- b) Is a fully accredited museum under the UK Museum Accreditation Scheme.
- c) Is a 4 star Visit Scotland accredited visitor attraction.
- d) Has over the past 5 years averaged c3,500 visitors pa and generated £9,600pa of income which, per visitor, is the highest of any of the Council's museums. The average expenditure in the same period is c £40,000 pa.

#### **3.3 Jim Clark Memorial Room Trust**

In 1978 Jim Clark's parents established the Jim Clark Memorial Room Trust (JCMRT) to formalise their gift of the trophy collection. This is a private trust and consists of two family members, with a controlling interest, two SBC Councillors and a representative from Duns Community Council. The role of the Trust is primarily around its ownership of the trophy collection and it works in partnership with the local authority largely around the ongoing display of the collection. The Trust has been very active in recent years in promoting the Jim Clark legacy and the Jim Clark Room and has been an active partner with Scottish Borders Council in both developing and promoting the plans for a new Jim Clark Museum.

3.4 In February 2012 Scottish Borders Council first approved an allocation in the capital programme to move the existing displays to a new site at the former Berwickshire High School (BHS). However, following representations regarding alternative sites and an options appraisal undertaken by Jura Consultants in summer 2014, the project was reviewed and re-scoped with 44 Newtown Street becoming the preferred location. The Jura report identified the Newtown St site as being better placed to attract more visitors and therefore being more cost effective to operate.

3.5 In January 2015 the Council's Architect Services produced a design proposal to transform 44 Newtown Street into the Jim Clark Museum – a must visit, sustainable, high quality visitor experience, that will bring new and repeat visits to the area and support other tourist related business.

- 3.6 (a) The proposed new attraction will have universal appeal but will particularly draw visitors from six main sectors:
- i) Local market;
  - ii) Day visitor market;
  - iii) Tourists;
  - iv) Motor racing enthusiasts;
  - v) International audience of motorsport enthusiasts;
  - vi) Education Groups.
- (b) This proposal has the support of the JCMRT and has formed the basis for a Business Plan and Heritage Lottery Fund Stage 1 Application which it is scheduled for submission on 27 November 2015 with a decision expected by March 2016.
- 3.7 SBC has committed £620,000 in its capital plan to support this project (£16,750 has already been spent in the pre-development stage leaving an allocated balance of £603,250). Of this, the bulk of the current approved budget (£515k) is profiled for expenditure in 2018/19.
- 3.8 Although there has always been an ongoing interest in Jim Clark's life and career recent 50 year anniversaries, particularly his first Formula 1 World Championship win (2013), his second Formula1 World championship and Indianapolis 500 victory (2015) and , unfortunately, his death (April 2018) have significantly increased this interest. The completion date for the capital project and the opening of the new museum is planned to coincide with the last of these anniversaries and will be a fitting celebration of Clark's career, life and legacy. This timescale will require a change to the approved expenditure profile within the Council's Capital Plan to enable the construction work to commence in 2017 to meet this completion date.
- 3.9 Jim Clark Trust
- The role and possible activities of the JCMRT is limited by its Deed of Trust. The Trustees, and in particular the family trustees, feel that there is significant added value they can bring to the project in terms of experience, networking and fundraising that is difficult to deliver through the limited scope of the JCMRT. As a result a new SCIO, a Scottish Charitable Incorporated Organisation, has recently been established. Centred again round a core of family trustees, this new trust will be known as the Jim Clark Trust and will work in partnership with the Council, the proposed Culture and Sports Trust and the JCMRT.
- 3.10 The plans for the new museum are ambitious in scope and a significant fundraising campaign to help both the capital phase and support the operation of the new museum will be required. The family trustees feel that over the past 2-3 years the work they have done in raising the project's profile, particularly within the motor racing community, will mean that ambitious fund raising targets are achievable.
- 3.11 Due to the personal contacts of the trustees, the Jim Clark Trust will be better placed than the Council to broker arrangements for the loan of Clark associated cars for display. Already a number of offers of loans have been made and there is the basis of an ongoing loan programme for at least the first five years of operation.

- 3.12 Work on drafting an Agreement between the Council and the two Jim Clark trusts is now underway and this is a key outcome to be delivered in the Development phase of the HLF project – see para 4.4 for more detail. This Agreement will need to cover shared aims and objectives, areas of responsibility, assurances on the core trophy collection remaining in Duns, fundraising and the allocation of funds, developing and maintaining the new museum to full accreditation standards and future collecting responsibilities.

#### **4 PROPOSALS FOR THE NEW MUSEUM AND FUNDING**

- 4.1 Working to a brief agreed by Council Officers and the JCMRT, the Council's Architect Service prepared an exciting and innovative design solution for the new museum at 44 Newtown Street. The proposals have been on display in the Jim Clark Room over the current season and were promoted at the Jim Clark Weekend in Duns in May 2015, which was attended by over 6,000 people, and have had a positive response. Both the brief and design proposals are attached as Appendix 1.
- 4.2 The proposals include integrating the large adjacent garage into the new museum as a display area for cars, creating significant additional space for expanded displays, developing a full retail area, an audio visual area meeting space and staff accommodation. When complete the integrated building will have a very visible presence in the townscape and create a fitting new home for the Jim Clark collections.
- 4.3 The capital costs are estimated at £1.4m. This reflects 2017-18 estimated prices. With a Council contribution of circa £600k, the project in its current form will require successful grant applications to HLF and Museums Galleries Scotland, both led by SBC, alongside a separate fund raising project, for a minimum of £300,000, to meet the estimated project capital and revenue costs. This later fundraising project will be led by the new SCIO, using industry-wide contacts and a network of patrons who have already expressed interest and support.
- 4.4 Heritage Lottery Fund Application  
SBC employed an independent museum consultant, Rachel Hunter, to work with officers and JCMRT to prepare a business plan and complete the stage 1 HLF application.
- 4.5 The HLF application is a 2 stage process. The Stage 1 application provides HLF with an outline of the project, costings based on preliminary architectural design work and a first draft business plan. If successful, the stage 1 award provides a grant for the development stage of the project which funds further work on the design scheme to the pre-tender stage, finalising the business and operational plans and any other outcomes required to underpin the project. A successful stage 1 application also provides an in-principle award for the main capital project. This award can only be confirmed after the successful completion of the stage 1 phase and a stage 2, or delivery phase, application.
- 4.6 For this particular project, the request to HLF for phase 1 is for £53k matched by a SBC contribution of £31k. The Phase 2 capital request to HLF is approximately £530k, or 41% of the total cost.

- 4.7 As part of the application process, a first draft business plan has been prepared. This includes estimates of ongoing revenue costs for the new museum. Two projections of visitor numbers have been commissioned by SBC. The first by Jura Consultants projected a total of 7,000 visitors pa. The second by Paul Normand of Heritage Business Limited projected 15,000 visitors pa. The mid-point of these two projections, i.e. 11,000 visits per year increasing by 5% pa, has been used as the basis of the business plan visitor projections. While the increase of 3,500 to 11,000 visitors per annum is a significant target it needs to be noted that the 2015 Jim Clark weekend organised by Classic Team Lotus and the JCMRT attracted more than 6,000 visitors to Duns over a two day period with some of these visitors coming from outside the UK. Part of the work that will be undertaken in the development phase will be to plan how the project partners can build on the success of the Jim Clark Weekend and create an exhibitions and events programme that will attract the required number of visitors.
- 4.8 The current business plans suggests that during the 4 year HLF funded revenue project, there is a deficit of c£12.5k pa that still needs to be addressed through further development of budgets and the fundraising mentioned in 4.9. When the HLF funding ends in 2021, there remains a projected new operating deficit of just over £8k per annum that also needs to be addressed. Moving from deficit to operating surplus is one of the work strands in the Development stage. Following the completion of the development stage and before the stage 2 HLF application is submitted the revised business case will be brought back to elected members for approval.
- 4.9 Fundraising
- The business plan identifies that even if the HLF application is successful, there is a c£300,000 funding gap in the capital and revenue elements of the project and a small annual revenue deficit that has to be addressed through additional income generation, sponsorship or fundraising. A key outcome for the Development Phase is the preparation of a fundraising strategy and launch of a fundraising campaign. There is a budget allocation in the Development Phase to support this work. The new Jim Clark Trust will have a leading role in the campaign and their ability to tap into the motor racing community and utilise their patrons group headed by Sir Jackie Stewart provides a degree of confidence that this target is achievable.
- 4.10 Timetable
- If the museum is to be ready for the 50<sup>th</sup> anniversary of Jim Clark's death, in May 2018, the HLF stage 1 application needs to be submitted in time to meet the 27 November 2015 deadline. This would result in a decision in March 2016 and if this is positive, the following is the outline timetable. It is worth pointing out that this is already a challenging timetable.
- 4.11 Development Phase – provisional timescale based on a HLF submission in November 2015 and a positive decision by March 2016

#### 4.11.1 Development Phase Timescales

Task	Start date	End date
Submit stage 1 HLF Application		November 2015
HLF decision		March 2016
Capital works plan	March 2016	October 2016
Architect's plans to stage D	March 2016	October 2016
Activity plan (exhibitions and Events)	March 2016	October 2016
Interpretive Design plan to stage D	March 2016	October 2016
Business plan and review of revenue costs	March 2016	October 2016
Partnership Agreement between SBC, JCMRT and Jim Clark Trust	March 2016	October 2016
Fundraising strategy	March 2016	October 2016
Fundraising Campaign	March 2016	October 2016
SBC Executive Report for approval to submit stage 2 Application	Sept 2016	September/ October 2016
Submit Stage 2 HLF Application		October 2016

#### 4.11.2 Delivery Phase (provisional) - assumes a positive decision by January 2017

Task	Start date	End date
Procurement	January 2017	August 2017
Construction	Sept 2017	May 2018
Museum fit-out	March 2018	May 2018
Activity plan	April 2017	April 2021

#### 4.12 Project Leadership and Management

This is a Scottish Borders Council project to convert a Council owned building into a modern museum. If the stage 1 HLF application is successful, the management of the capital phase will be delivered via the Council's Capital Projects team and operated under a Prince2 framework. The Project's new Culture and Sport Trust Board will include representation from the Museum Service, Council Architects, Finance, Legal and a representative from the Jim Clark Trust.

#### 4.13 Operational Management

When the new museum is completed it will be managed and operated by the integrated Culture and Sports Trust, although the building will continue to be owned by Scottish Borders Council. However, it is recognised that the two Jim Clark Trusts have an important and supportive role to play in the sustainable operation of the new museum. This role needs to be acknowledged in the Agreement between the two Jim Clark Trusts, the Council and the proposed Culture and Sports Trust.

## 5 STRATEGIC FIT

5.1 This project has a good strategic fit against a number of national and regional strategies which are listed below. The local economy in both the immediate Duns area and the wider Scottish Borders will benefit from the increased number of visitors the projected will generate. In addition, the raised profile of the Jim Clark name and potential associated events and activities, for example the Jim Clark Weekend or Jim Clark trail, will also create increased footfall and economic benefit. This was highlighted in the 2014 Jura options appraisal and has been developed in the draft business plan produced to support the HLF application.

### 5.2 **Scottish Borders Cultural Strategy (2014)**

(a) The Cultural Strategy for the Scottish Borders, which was commissioned by Scottish Borders Council includes in its vision:

*"By 2019 the Scottish Borders will be recognised and celebrated for what it is – one of the richest, most distinctive and diverse cultural regions in Scotland."*

(b) The proposed new museum for Jim Clark sits well against this vision adding an extra dimension as well as complementing the existing cultural offerings in the Scottish Borders and supporting the premise that the region that can support the growth of cultural tourism.

### 5.3 **Scottish Borders Economic Strategy 2013-2023**

(a) The Scottish Borders Economic Strategy was published in June 2013 and sets out a ten year vision for the area. The Strategy makes it clear that Scottish Borders Council has put Economic Development at the heart of the Council's purpose.

(b) The Vision for a prosperous economy is that:

*"By 2023 the Scottish Borders will be amongst the best performing and most productive rural economies in Scotland. By supporting existing businesses and encouraging higher value economic activity, our quality of life will increase. The Borders will become a location of choice for growing businesses and for people to live and work."*

(c) The strategy further notes:

*"The tourism and leisure sector also provides opportunities for economic diversification and developing the rural economy further is an important activity in the place programme – making the Scottish Borders a location that people want to visit, want to live in, want to work in and want to do business in."*

(d) The Jim Clark Museum delivers against this vision and in particular meets the following two strategic aims:

- i) To sustain or grow activity in key local sectors including textiles, tourism, food & drink, renewables and creative.
- ii) To maximise recreational, retail and cultural opportunities.

(e) And to a lesser extent the following three aims:

- i) To attract new businesses to the Scottish Borders.
- ii) To maximise the economic development potential of the Borders Railway.
- iii) To encourage and support the transition to a low carbon economy.

## 5.4 Tourism

- (a) A Scottish Borders Tourism Strategy 2013–2020 has been produced by the Scottish Borders Tourism Partnership (SBTP), a mix of private and public sector companies, including VisitScotland and SBC, working to promote the tourism industry in the Scottish Borders. Its main role is to direct the region’s tourism strategy so that it meets the needs of tourism businesses in the Scottish Borders.
- (b) The vision is:  
*"To grow tourism visits and spend in the Scottish Borders, through positioning and promotion as a sustainable, year-round destination, which capitalises on its unique geography, heritage, natural environment and people".*
- (c) Again the Jim Clark Museum delivers against this vision and particularly against the following two targets:
- i) Targeting Our Growth Markets
  - ii) Providing Authentic Experiences
- by its focus on one of the few Borderers with an international reputation and the ability to appeal to domestic, foreign and emerging markets. The Jim Clark story will be told in a suitably striking building housing the his unique trophy collection and a changing display of racing cars from the 1960s to the present day.

## 5.5 Transport Links and Borders Railway

- 5.5.1 (a) Duns is easily accessible by car from the A1 and Berwick (15 miles). The new Borders Railway will increase accessibility for visitors arriving in the west of the Borders. With the re-opening of the museum proposed for 2018, the strategic impact of the Borders Railway, running from Edinburgh to Tweedbank, will be in force, raising the profile of the Borders region and the museum will be in a position to respond to associated marketing and tourism strategies and initiatives. *Borders Railway Maximising the Impact: A Blueprint for the Future* states that the overall vision for the railway is:  
*"to create something which delivers a whole range of benefits for the economies of Midlothian, the Scottish Borders and Edinburgh. By better connecting the city region and its communities, the new railway has enormous potential to trigger significant economic benefits for Scotland. It will help stimulate the growth of businesses, generate employment and boost tourist visitor numbers".*
- (b) The strategy goes on to say:  
*"We're committed to continually supporting our tourism and food and drink sectors to ensure we are ready to capitalise on the excellent opportunity we now have to raise the profile of the area as a key visitor destination. Supporting our businesses to capitalise on new markets The Borders Railway is a fundamental part of delivering our Tourism Scotland 2020 Strategy and promoting growth in Scotland's visitor economy to 2020. By 2016, the Borders Railway will be delivering an annual capacity for 1.9 million return journeys and we want to see a significant proportion of these being used by visitors".*

5.5.2 The proposed reopening of Reston station on the main Edinburgh London east coast line will bring further tourism benefits to the east side of the Borders, including Duns.

## 5.6 **Museum Sector**

SBC Museums Service has always participated in shaping and responding to sector strategies and initiatives, particularly as led by Museums Galleries Scotland (MGS). The Jim Clark Museum project is very much in line with the current aims of, *Going Further: the National Strategy for Scotland's Museums and Galleries*, the six aims of which are:

- 1) Maximise the potential of our collections and culture.
- 2) Strengthen connections between museums, people and places to inspire greater public participation, learning and well-being.
- 3) Empower a diverse workforce to increase their potential for the benefit of the sector and beyond.
- 4) Forge a sustainable future for sector organisations and encourage a culture of enterprise.
- 5) Foster a culture of collaboration, Innovation and ambition.
- 6) Develop a global perspective using Scotland's collections and culture.

## 5.7 **Motor Sport**

- (a) The Jim Clark Memorial Room Trust and the new Jim Clark Trust already have strong connections with the contemporary world of motorsport which this project will use to gain access to the knowledge, skills and expertise of racers and workers in the industry. The Activity Plan for the project will explore the potential to develop internships, undertake car restorations and develop learning opportunities and resources in subjects such as technology and design, relevant to the Curriculum for Excellence in schools.
- (b) The new SCIO will seek to explore these relationships further within the motorsport community, many of whom are already aware of plans, including but not limited to: Lotus, Ford, Jaguar, Aston Martin, Team Lotus, Classic Team Lotus, Club Lotus, Goodwood, British Racing Drivers Club, Scottish Motor Racing Club, Ecurie Ecosse, Berwick Motor Club, The Jim Clark Rally, RAC, race circuits including Knockhill, Ingliston, Charterhall, Silverstone, Brands Hatch, Indianapolis and The Henry Ford Museum.

## 5.8 **Local initiatives**

A Heart for Duns (AHFD) is a SCIO which has been established to develop a vibrant community facility for Duns, using the Volunteer Hall as a multi-purpose venue for holding events such as food and craft markets, live music, community theatre, film nights and ceilidhs. This group has an interest in local history. SBC will approach A Heart for Duns during the development phase of the project to discuss mutual benefits and scope for collaboration between the museum and AHFD.



## 6 IMPLICATIONS

### 6.1 Financial

(a) The cost of the project can be summarised as follows:

Development Capital	£90,100
Delivery Capital	<u>£1,287,800</u>
	£1,377,900
Additional Net Revenue Cost over 4 years	<u>£268,400</u>
<b>Total Project Costs</b>	<b><u>£1,646,300</u></b>

(b) Estimated Project Funding

HLF Development phase (unsecured)	53,100
SBC Development Phase	31,000
Volunteer Contribution Development Phase	6,000
HLF Delivery Phase, Capital and Revenue (unsecured)	643,900
SBC Delivery Phase	572,300
Fund raising Campaign, Capital and revenue (unsecured)	300,000
Museums Galleries Scotland (unsecured)	40,000
<b>Total</b>	<b>1,646,300</b>

(c) Should the HLF application be unsuccessful the project will need to be reviewed and re-scoped to consider next steps. These could include:

- i) Resubmit to HLF, potentially reducing the HLF grant request and increasing financial support sought from other sources. However, the timescales would rule out a major capital works programme being completed in time for May 2018.
- ii) Reviewing the scope and scale of the project and alternative sources of funding. As there would be no other single source of funding that could meet the intervention level that HLF could provide it is likely that the design solution would have to be more modest and that the private and commercial fundraising would have to be more ambitious. The role and contribution of the two Jim Clark Trusts will be key in re-scoping the project and securing necessary finance.
- iii) Both i) and ii) above assume the any revised proposals would require to be resubmitted to Executive for approval before committing any further capital expenditure in addition to the £16,750 spent to date. This would provide the Council with the opportunity review its continued involvement in, and financial contribution to, the project.

(d) At this stage the change to the capital expenditure profile required is estimated as follows:

	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Expenditure	10	16	90	902	386	1404
<u>Funded by</u>						
HLF/Museums & Galleries Scotland		0	53	408	126	587
Fundraising		0	6	121	70	197
SBC Contribution	10	16	31	373	190	620
Current Approved Plan	10	16	79	0	515	620
Variance	0	0	-48	373	-325	0

(e) The impact of the change in profile will need to be considered as part of the construction of the 2016/17 10 year Capital Plan

(f) The current estimated profile of the revenue costs, starting in 2017/18 and compared to the 2015-16 base is as follows:

	Existing costs	New costs and existing costs combined				
	Base	Year 1	Year 2	Year 3	Year 4	Year 5
		(construction)				(no HLF)
<b>Expenditure</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>
Staff	33,082	50,351	62,109	62,146	62,146	44,740
Property	2,990	1,850	11,670	11,670	11,670	11,670
Transport	600	1,400	1,600	1,600	1,600	1,100
Supplies & Services	6,040	26,290	29,490	28,220	33,724	26,753
Contingency and inflation	0	3,346	6,561	6,685	7,223	2,417
<b>Total Expenditure</b>	<b>42,712</b>	<b>83,237</b>	<b>111,430</b>	<b>110,321</b>	<b>116,363</b>	<b>86,680</b>
<b>Income</b>						
Donations	-2,500	0	-11,000	-11,550	-12,128	-12,734
sales	-8,900	-9,000	-27,500	-28,875	-30,319	-31,835
gift aid	0	0	-1,210	-1,271	-1,334	-1,401
<b>Total Income</b>	<b>-11,400</b>	<b>-9,000</b>	<b>-39,710</b>	<b>-41,696</b>	<b>-43,781</b>	<b>-45,970</b>
<b>Operating deficit</b>	<b>31,312</b>	<b>74,237</b>	<b>71,720</b>	<b>68,625</b>	<b>72,582</b>	<b>40,710</b>
anticipated HLF grant		-18,665	-30,224	-29,770	31,427	0
less SBC Base Budget	-31,312	-31,311	-31,624	-31,941	-32,260	-32,583
<b>Net deficit</b>	<b>0</b>	<b>24,260</b>	<b>9,871</b>	<b>6,915</b>	<b>8,895</b>	<b>8,127</b>

- (g) These estimates suggest that over the 4 year period of the HLF revenue project there is new revenue deficit of just under £50k, with a spike in year 1 because of loss of income earning potential as the museum will be closed due to reconstruction/refurbishment. This will be address by the fundraising programme. Once the HLF funding ends the estimates suggest a net £8k per annum deficit. These projections will be robustly tested as part of the development phase of the project alongside developing plans in the build up to the opening in 2018 to remove the deficit by considering means of creating alternative income streams and reducing expenditure. Any eventual additional revenue costs resulting from this project will have to be addressed from within the Cultural Services revenue budget.

## 6.2 Risk and Mitigations

- (a) The two stage process provides SBC with the opportunity to review its ongoing involvement in, and financial commitment to, the project as follows:
- If the HLF stage 1 application is unsuccessful.
  - If the stage 1 application is successful the project can be reviewed at the end of the development phase where the robustness of the partnership arrangements can be assessed and the progress of the fundraising campaign can be evaluated and better estimated.
- (b) The risks are divided against the various phases of the project but one common to all phases is a reputational risk to SBC if they withdraw from the project. The inclusion of budget in the Council's capital programme since 2012 has raised the profile of the project and it has generated considerable interest nationally and internationally with a number of high profile patrons very visibly lending their support. There is now a high expectation that after the last two years of planning a new Jim Clark Museum the project can now get properly underway.

### Risks in development phase

Risk	Likelihood	Impact	Mitigation	Who will lead on this
SCIO governance: new Jim Clark Trust needs to establish high standard of governance quickly	Low	Med	Budget for board development in Phase 1	SBC/Jim Clark Trust
Failure to agree sustainable working agreement between SBC, JCMRT and Jim Clark trust	Low	High	<ul style="list-style-type: none"> <li>• Common purpose</li> <li>• Clarity on roles</li> <li>• Budget to support process in Phase 1</li> </ul>	SBC/Jim Clark Trust
Impact of transition of SBC Cultural	Low	Low	<ul style="list-style-type: none"> <li>• Careful management during</li> </ul>	SBC

services to Culture and Sports Trust			transition period. • Clear understanding off issues	
Failure to achieving match funding targets	Low	High	• Effective SCIO, Patrons Group, • SBC input in fundraising. • Budget for developing fundraising strategy in Phase 1. • SBC contribution confirmed in Capital Plan	Jim Clark Trust/SBC

### Risks in delivery phase (capital phase)

Risk	Likelihood	Impact	Mitigation	Who will lead on this
Status of building: hidden repair costs	Med	Med	• Contingency, plus robust planning at stage 1	SBC
Missed opportunity round anniversary of Jim Clark's death in 2018	Med	Med	• Sound project planning. • Work with SCIO to maximise anniversary opportunities	SBC
Failure to achieve funding targets, HLF and other fundraising	Medium	High	• Effective SCIO, Patrons Group. • Robust Fundraising strategy developed and launched during development phase • SBC contribution confirmed in Capital Plan • Opportunity to review and re-scope project	

## Risks for operational phase, ie after completion of capital phase

Risk	Likelihood	Impact	Mitigation	Who will lead on this
Governance and leadership issues	Low	Med	<ul style="list-style-type: none"> <li>• robust agreement involving all partners, review and renewal.</li> <li>• ongoing board development</li> <li>• Clear roles and responsibilities</li> </ul>	SBC
Failure to attract sufficient visitors and therefore insufficient income generated to cover additional costs	Low	Med	<ul style="list-style-type: none"> <li>• Robust business planning during development phase.</li> <li>• Role of Jim Clark Trust in assisting marketing, events, loan of cars and fundraising.</li> <li>• Assumptions based on mid-point of two visitor estimates.</li> <li>• Re-profile spend and activities</li> <li>• Consider alternative operational model.</li> </ul>	SBC/ Jim Clark Trust

### 6.3 Equalities

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

### 6.4 Acting Sustainably

This project supports the Council's need to act sustainably by:

- Building/regeneration developments, along with links to other tourism destinations, will seek to provide solutions, which minimise the impact on the environment.
- Building materials will be locally sourced, where appropriate, thereby ensuring the most sustainable procurement methodology.
- Bringing back into full productive use a partially occupied building in Duns town centre.
- Supporting community capacity building.

### 6.5 Carbon Management

Minimise any negative impact on the Council's carbon emissions through appropriate consideration during the design process including consideration of the delivery of service provision.

### 6.6 Rural Proofing

There are no adverse impacts to rural areas as a result of these proposals.

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

No changes will be required to the Scheme of Administration or the Scheme of Delegation.

**7 CONSULTATION**

7.1 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, the Clerk to the Council and the Capital Projects Manager have been consulted and any comments have been incorporated into the final report.

**Approved by**

**Rob Dickson** **Signature .....**  
**Corporate Transformation & Services Director**

**Author(s)**

Name	Designation and Contact Number
Ian Brown	Cultural Services Manager

**Background Papers:** [insert list of background papers used in compiling report]

**Previous Minute Reference:** [insert last Minute reference (if any)]

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

Contact us at [insert name, address, telephone number, fax, e-mail]

## Conceptual Ideas 2015



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Jim Clark Museum, Duns

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Jim Clark Museum, Duns



The brief provided for the project recognised that there would be some parts of the existing building that would be additional to the requirements of the museum & allowed for some accommodation to be allocated for SBC staff to use (Cultural Services). The columns below represent the different spaces by category & also identify those that are shared between the two. The museum would occupy the majority of the building, but without the co-location with SBC, the Trust would need to take responsibility for the revenue costs associated with the whole building. The combination of functions is a practical way to make best use of the available space & to share these costs. It also provides the opportunity for backup staff resources for the supervision of the museum.

### Museum Accommodation

- Reception
- Car Display
- Trophy Display
- Photography Gallery
- Interactive Display Space
- Retail Space
- A / V Room
- Meeting Space
- Storage
- Visitor Toilets
- “Evening” Function Provision
- External Garden Space

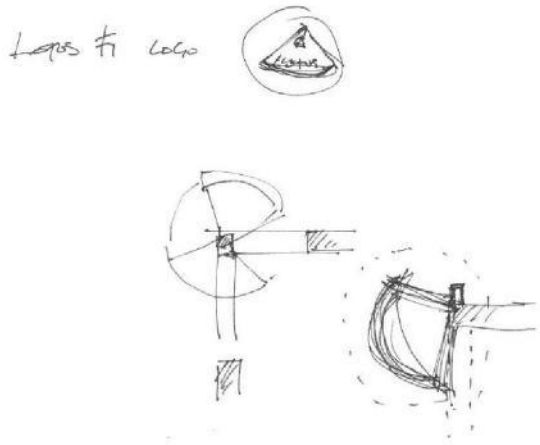
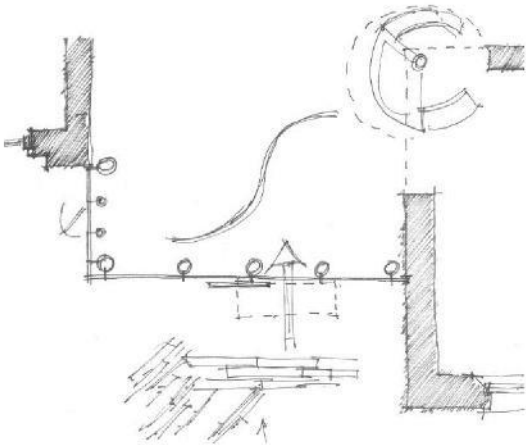
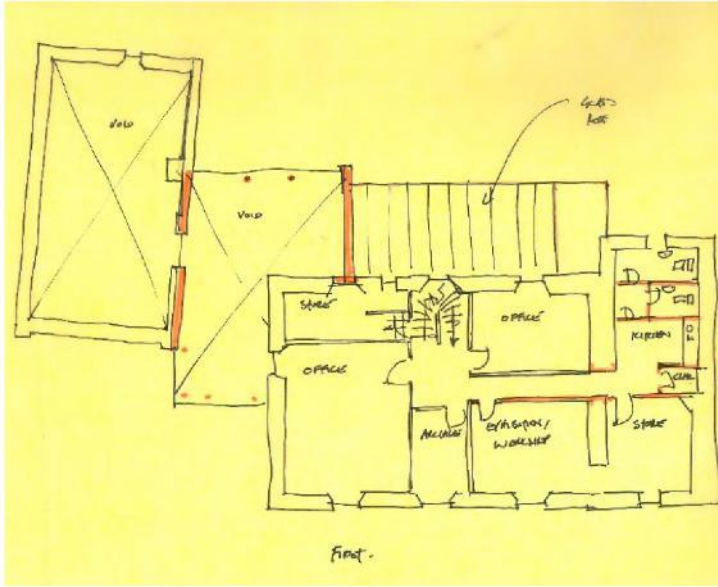
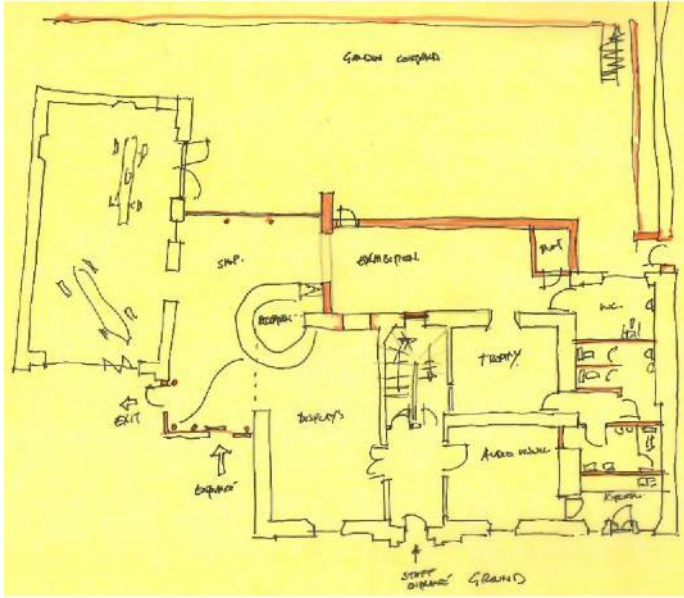
### SBC Accommodation

- Office(s)
- Materials Store
- Exhibition Workspace

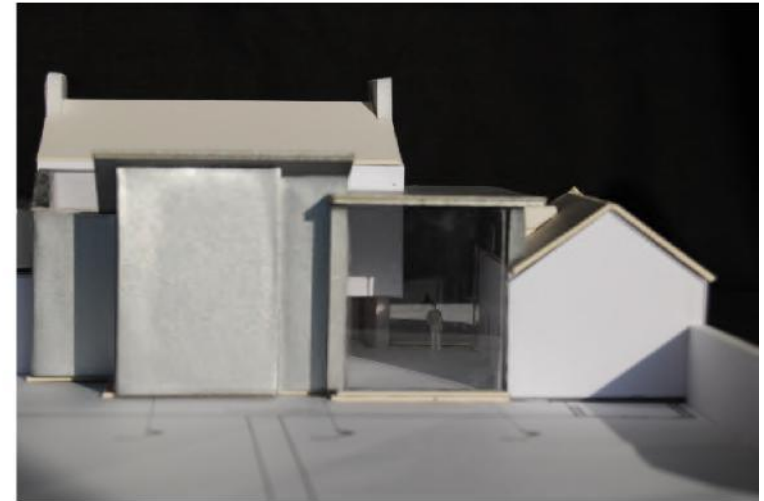
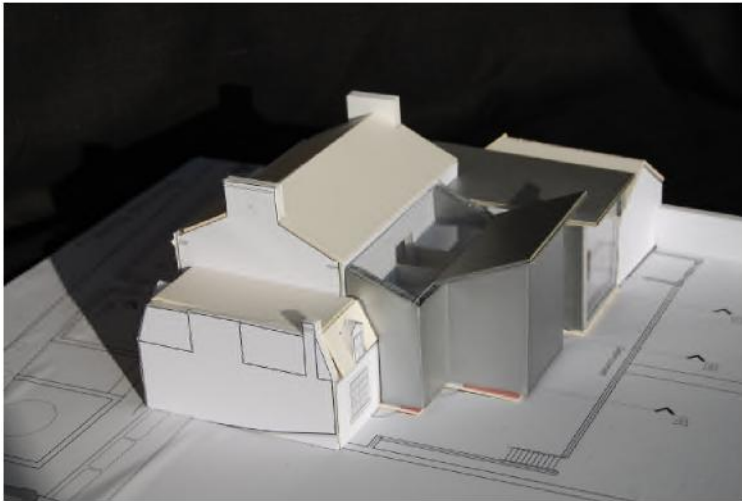
### Shared Accommodation

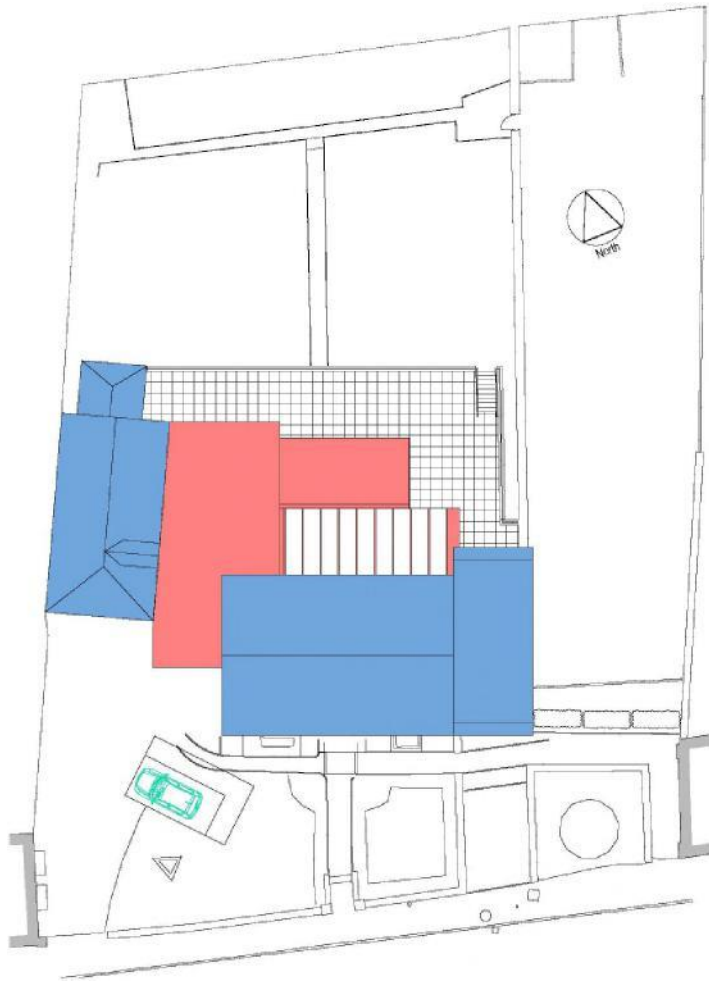
- (Level) Access
- Staff Toilets
- Staff Kitchen
- Cleaner’s Store(s)
- Plant Room

Conceptual Sketches

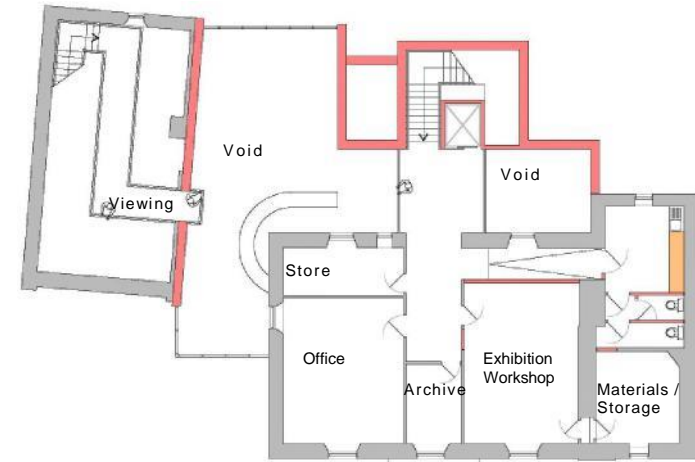


Design Model

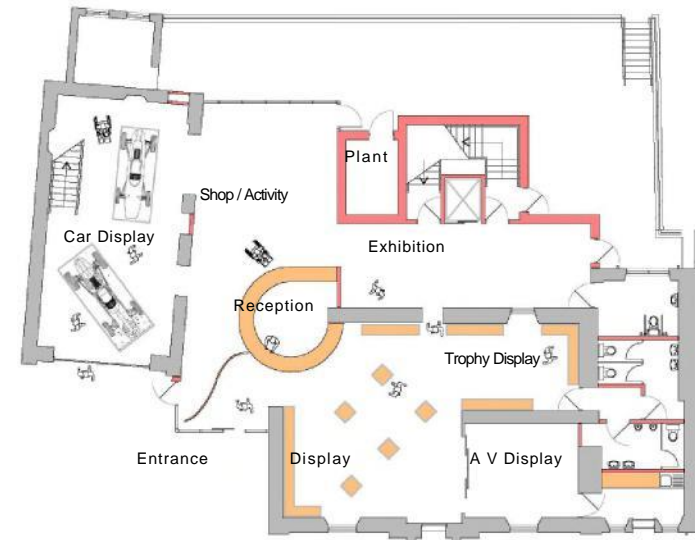




## Developed Plans



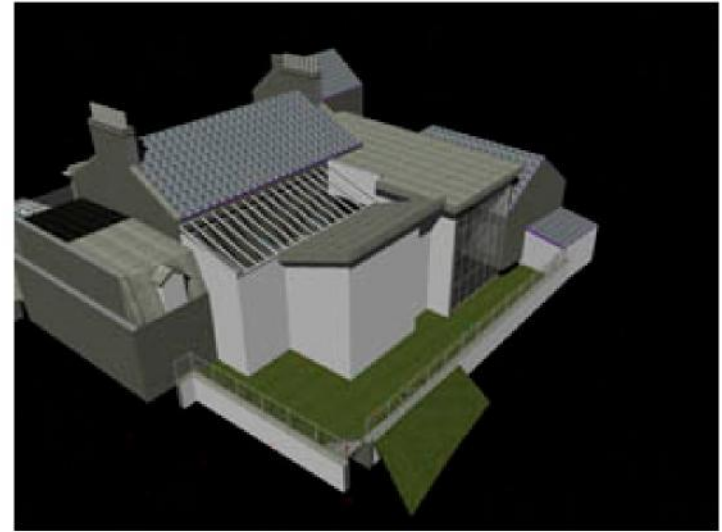
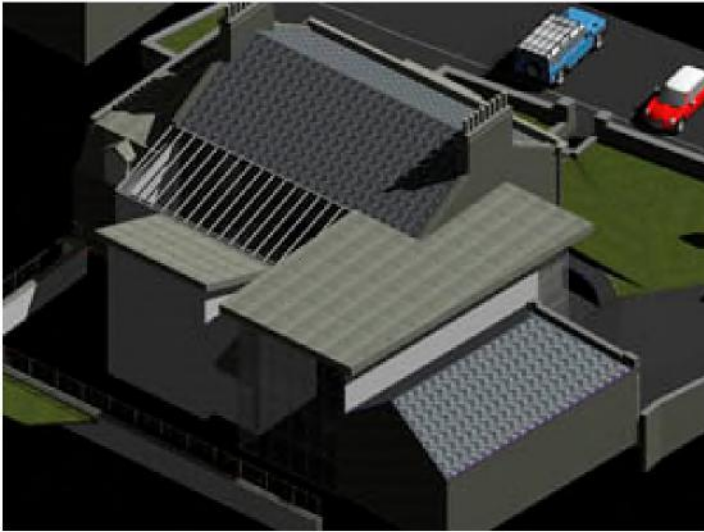
FIRST FLOOR



Ground Floor



## Design Images









## Artist's Impressions



## Spatial Analysis

	Area	Area	New build Area	Refurb Area	
Reception / access		15	15		m
Car Exhibition Space		53.88		53.88	m
Trophy Display	36.77	16.36		16.36	m
Product Launch / Civic Events		incl			
Photography Gallery		33.34	33.34		m
A/V Room / Function / Meeting Room	17.23	17.18		17.18	m
Interactive Display Space		56.09		56.09	m
Retail Space		44.69	44.69		m
Toilets - staff		7.56		7.56	c
Toilets - visitors		24.83		24.83	m
Storage		9		9	m
Kitchen - staff		10.14		10.14	s
Kitchen - evening function		6.56		6.56	m
Cleaner		0			
Plant Room		6.16	6.16		s
Vertical circulation		17.89	17.89		s
Additional car display		incl in shop			
Tourist Information Display		incl in reception			
Additional Storage / archive		7.02		7.02	c
Office (SBC)		28.04		28.04	c
Materials store		12.07		12.07	c
Local History Collection		incl in workspace?			
Exhibition Workspace		29.26		29.26	c
Multipurpose Space		incl in gen grnd floor			
<b>TOTAL</b>	<b>54</b>	<b>395.07</b>	<b>117.08</b>	<b>277.99</b>	
Dedicated space to museum			276.93		
Dedicated space to SBC cultural service				83.95	
Shared spaces					34.19
%age increase in museum space			513%		



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