

Public Document Pack



COVID19 CHIEF EXECUTIVE EMERGENCY POWERS DECISIONS 30 APRIL TO 17 JULY 2020

The attached reports were considered and approved by the CHIEF EXECUTIVE under Standing Order No.49(a)(ii) from 30 April to 17 July 2020.

J. J. WILKINSON,
Clerk to the Council,
20 July 2020

BUSINESS		
1.	Additional Resources - Local Government Finance Settlement (Pages 3 - 6) Report by Executive Director (Finance & Regulatory). (Report attached.)	
2.	Financial Impact of Covid-19 (Pages 7 - 14) Report by Executive Director (Finance & Regulatory). (Report attached.)	
3.	Financial Virements and Earmarked Balances (Pages 15 - 28) Report by Executive Director (Finance & Regulatory). (Report and appendices attached.)	
4.	Anti-Money Laundering Policy (Pages 29 - 40) Report by Executive Director (Finance & Regulatory). (Report and appendix attached.)	
5.	2019/20 Unaudited Capital Outturn (Pages 41 - 70) Report by Executive Director (Finance & Regulatory). (Report and appendices attached.)	
6.	2019/20 Unaudited Revenue Outturn (Pages 71 - 102) Report by Executive Director (Finance & Regulatory). (Report and appendices attached.)	
7.	Balances at 31 March 2020 (Pages 103 - 112) Report by Executive Director (Finance & Regulatory). (Report and appendices attached.)	
8.	Development Project to Support Children & Young People with Complex Needs in the Scottish Borders (Pages 113 - 122) Report by Interim Service Director Children & Young People. (Report and appendix attached.)	

9.	Continued Partnership Approach with Aberlour Sustain (Pages 123 - 144) Report by Interim Service Director Children & Young People. (Report and appendix attached.)	
10.	Membership of Edinburgh and South East Scotland City Region Deal Oversight Sub-Committee (Pages 145 - 150) Report by Executive Director. (Report and appendix attached.)	
11.	South East of Scotland Transport Transition Plan (Pages 151 - 158) Report by Executive Director. (Report and Appendices attached.)	
	PRIVATE BUSINESS Under Section 50A(4) of the Local Government (Scotland) Act 1973, the following reports were considered by the Chief Executive in private, on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 6, 8, and 9 of Part I of Schedule 7A to the Act.	
12.	Borders Business Crisis Fund (Pages 159 - 166) Report by Executive Director (Finance & Regulatory). (Report and appendix attached.)	
13.	Hawick Flood Protection Scheme (Pages 167 - 176) Report by Service Director Assets & Infrastructure. (Report and appendices attached.)	

Please direct any enquiries to Jenny Wilkinson, Clerk to the Council
Tel: 01835 825004 Email: jjwilkinson@scotborders.gov.uk

ADDITIONAL RESOURCES – LOCAL GOVERNMENT FINANCE SETTLEMENT

Briefing Note by Executive Director, Finance & Regulatory

EMERGENCY POWERS – COVID-19

8 April 2020

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE

1.1 I recommend that approval is given for the creation of budgets to reflect additional funding from the Scottish Government in 2020/21 over and above that approved by Council as part of the 2020/21 budget on the 26th February 2020:

(a) Capital funding – £0.318m for Cycling, Walking and Safer Streets; and

(b) Revenue funding – £2.089m:

Investment priority (revenue funding)	£m	Description
Emergency reserve to support COVID-19	0.500	To be held in reserve to support the Council's response to the global pandemic
Investment in H&SC base budget	1.389	Additional funding to address historic pressures and non-delivery of permanent savings
Confirmed increase in insurance premiums	0.150	Impact of Peebles HS fire
Contract management (CGI developments)	0.050	Required to deliver significant financial plan savings in 2020/21
Total	2.089	

2 BACKGROUND AND PURPOSE

2.1 Following approval of the Council's 2020/21 budget on 26 February 2020, correspondence from Scottish Government was received on 27 February. This letter confirmed that discussions with the Scottish Green Party to secure support for the Scottish Government's Budget, have resulted in a further £95m revenue budget being identified for Scottish Local Authorities in 2020/21. This is in addition to the LGFS received on 6 February 2020. The funding is not ring-fenced and will be added to the core grant as part of the LGFS in 2020/21. It is assumed, until further clarification, that this funding is being provided on a one-off basis in 2020/21.

- 2.2 Further specific capital funding has also been made available for projects that support the Scottish Government's net-zero ambitions. £15m has been provided to support further investment in cycling, walking and safer streets. £25m has been provided to support further investment in energy efficiency through a mix of area based schemes and other existing programmes. This commitment is to be discussed further with Local Government and other delivery partners, as such the distribution methodology is still to be confirmed.
- 2.3 These allocations are subject to Parliamentary approval of the final stages of the Budget Bill and associated Local Government Finance (Scotland) Order 2020.
- 2.4 For Scottish Borders Council the impact of the confirmed capital funding and the revenue funding is shown in table 1 below.

Table 1

Additional Funding	£'m
Capital funding - Cycling, walking & Safer streets (share of £15m nationally)	0.318
Revenue funding (share of £95m nationally)	2.089

- 2.5 The budget approved by Scottish Borders Council on 26 February 2020 now requires to be updated with this additional funding allocation.
- 2.6 The Capital allocation for Cycling, Walking & Safer streets of £0.318m will be added to the project budget already approved within the Capital Plan of £0.189m, giving a total budget of £0.507m in 2020/21.
- 2.7 It is proposed that the additional revenue funding of £2.089m be allocated to service priority areas as reflected in table 2 below.

Table 2

Investment priority (revenue funding)	£m	Description
Emergency reserve to support COVID-19	0.500	To be held in reserve to support the Council's response to the global pandemic
Investment in H&SC base budget	1.389	Additional funding to address historic pressures and non-delivery of permanent savings
Confirmed increase in insurance premiums	0.150	Impact of Peebles HS fire
Contract management (CGI developments)	0.050	Required to deliver significant financial plan savings in 2020/21
Total	2.089	

- 2.8 The additional allocation to support the H&SC base budget seeks to address the structural deficit in the budget which has arisen due to the failure to deliver planned savings, required by the financial plan, over a number of years, along with increasing demand pressures.

3 IMPLICATIONS

3.1 Financial

There are no additional financial implications associated with this report, its content referring specifically to the revenue and capital budget. The key risks associated with the Council's revenue and capital plans, as a result of COVID 19 impacting on normal business, are significant, and will be monitored and reported on a regular basis within the regular monitoring reports as required by the Council's Financial Regulations.

3.2 Risk and Mitigations

There is a risk that the Local Government Finance Settlement could be amended again before Parliamentary approval. Any further funding updates and consequent amendments to the budget will be reported to Council when information becomes available.

3.3 Equalities

Integrated Impact Assessments (IIA) were carried out on all budget proposals approved by Council on 26 February 2020. There are no further equality impacts arising from this specific report.

4 CONSULTATION

4.1 The Monitoring Officer/Chief Legal Officer, Service Director HR & Communications and the Chief Officer Audit & Risk have been consulted and their comments incorporated into the report.

4.2 The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager X5881

APPROVED:

Chief Executive: _____Tracey Logan_____ Date: 6 May 2020

Having consulted -

Leader of the
Administration: _____Cllr Shona Haslam_____ Date: 4 May 2020

Convener: _____Cllr David Parker _____ Date: 4 May 2020

Leader of the
Opposition: _____Cllr Stuart Bell_____ Date: 4 May 2020

This page is intentionally left blank

BUDGETARY IMPACT OF COVID 19 - INITIAL FINANCIAL ASSESSMENT

Briefing Note by Executive Director, Finance & Regulatory

EMERGENCY POWERS – COVID-19

24 April 2020

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE

- 1.1 It is recommended that the methodology used to determine the financial implications of the COVID-19 response is noted. This information will continue to be refined and developed over the coming weeks to provide as clear a financial position as possible and will provide the basis of a financial return to COSLA to be shared with the Scottish Government.**

2 BACKGROUND AND PURPOSE

- 2.1 This paper provides an initial high level assessment of the impact of COVID 19 on the Council's 2020/21 revenue budget. As a Category 1 responder the Council's primary responsibilities are working with other Category 1 responders to protect life, especially the vulnerable; and to advise/support businesses and the wider public during this crisis. The emergency situation currently affecting the UK is assessed as having a profound negative effect of the Council's finances, with potential pressures of over £10m already being identified with further significant costs projected.
- 2.2 This initial assessment focuses on the impact in 5 main areas:
- reductions in income;
 - additional unplanned expenditure now being incurred as a consequence of COVID-19;
 - delays in the delivery of savings anticipated by the budget approved in February 2020;
 - existing Council budget which can be directed to the COVID-19 emergency; and,
 - any service underspends which could be used to mitigate budget pressures.
- 2.3 The report explains the methodology adopted to capture the financial impact of the pandemic at this early stage in the financial year and the management actions agreed by CMT to minimise these impacts wherever possible.
- 2.4 **Reductions in income**
Even at this early stage in the financial year the current situation is likely to have a significant impact in three main areas: Council tax, Non-domestic rates and fees and charges income.

2.5 Council Tax

The budget for Council Tax in 2020/21 stands at a net £67.1m excluding Council Tax Reduction Scheme. An ultimate collection rate of 98.8% is budgeted in a normal year with the bad debt provision set at 1.2%. In year collection is normally expected to be 95% with any under recovery of income impacting adversely on the Council's cash flow. Month 1 billing of Council Tax appears to have held up reasonably well with a small negative variation against expected direct debit receipts of only £8k (0.1%). Month 1 is however expected to be a relatively good month for council tax receipts as the COVID-19 lock down only took effect in the last week of March and traditionally people who are annual payers will pay their full Council Tax in April. This is therefore expected to be a high point of monthly collection with people whose income has reduced due to the lock down subsequently acting to delay payment of their Council Tax. Every 1% reduction in tax take will have a £0.67m impact on the Council's budget. Unlike some fees and charges income, it is likely that anticipated Council Tax payments delayed will eventually be received as the Council agrees payment plans with residents experiencing temporary financial issues. If repayment plans are agreed this will limit the impact to a timing and therefore cash flow issue rather than a budget issue.

2.6 Non Domestic Rates

Scottish Government has put in place a £2.2bn package of assistance for businesses to assist during the current crisis with £1.2bn available in the form of business grants and a further £1bn package of rates relief to business adversely affected by the lock down. All businesses with a rateable value of less than £18,000 and qualifying for small business bonus relief and meeting the criteria laid down by Scottish Government are eligible for a grant of £10,000. Businesses in the hospitality, retail and leisure sectors with a rateable value of up to £51,000 per annum are eligible for a £25,000 grant. All retail, leisure and hospitality businesses have had their rates bill cancelled for 2020/21 and government has postponed the proposed 1.6% increase in the rates poundage which was due to take effect for all businesses on April 1.

2.7 In terms of the impact on the Borders, Scottish Government has calculated a requirement for overall funding of £39.9m and has paid the Council 80% of this sum up front. Confirmation of the arrangements for the remaining payment of 20% is awaited. As at close of business on Friday 17 April, £10.73m had been paid to 986 businesses. In total the Scottish Government originally estimated 3,600 Borders businesses were eligible for the grant scheme at 17 March 2020. Subsequent expansion of the scheme to include self-catering accommodation and caravan sites, along with a further £220m national funding to assist rate-payers who own multiple properties and the newly self-employed, will however expand the number of businesses who will ultimately benefit from the scheme.

2.8 Scottish Government has recognised the impact that the provision of rating relief will have on the Non Domestic Rate income collected from local businesses by the Council and has amended revenue support grant payments (RSG), initially for the first 3 months of the financial year to protect Council cash flow. In the first quarter NDR payments have been reduced by £12.169m with RSG increased by the same amount. It is likely moving forward that the Assessor will see a significant increase in the number of appeals against 2020 rating demands due to the exceptional impact of COVID 19 on business trading income and this situation will require to be carefully monitored.

2.9 Fees and Charges

The Council's budget for 2020/21 includes £27.8m to be delivered by a range of fees and charges. The following narrative outlines the impact on the key elements of fees and charges.

	Loss of Income	Cost Reduction	Net Income Loss
Planning Fee	443,820	0	443,820
School Meals	450,000	(202,500)	247,500
Waste Services	369,549	0	369,549
SBcContracts	3,356,250	(2,801,775)	554,475
Misc fee income	500,000	0	500,000
	5,119,619	(3,004,275)	2,115,344

Miscellaneous fee income pressures may include fees & charges such as school lets, nursery fees and social care charges. The cumulative impact from loss of income in these areas could be significant. Work in on-going with Live Borders to determine financial implications for them through loss of income, this will be mitigated by their decision to furlough their staff.

2.10 Additional Expenditure

Additional costs have been incurred by the Council as a result of the COVID-19 emergency response. The Council received £1.1m of assistance from Scottish Government as part of a £50m national hardship fund to deal with the immediate impact of the crisis. The orders placed to date total £0.979m with significant additional costs still forecast. The costs shown below in key categories of spend have been incurred to date and do not represent the full commitment which may be required.

Category of expenditure	£
PPE	486,413
Catering	141,126
Cleaning	248,201
Community Council Support	63,000
Temporary Mortuary	38,396
Other Costs	2,154
Total	979,290

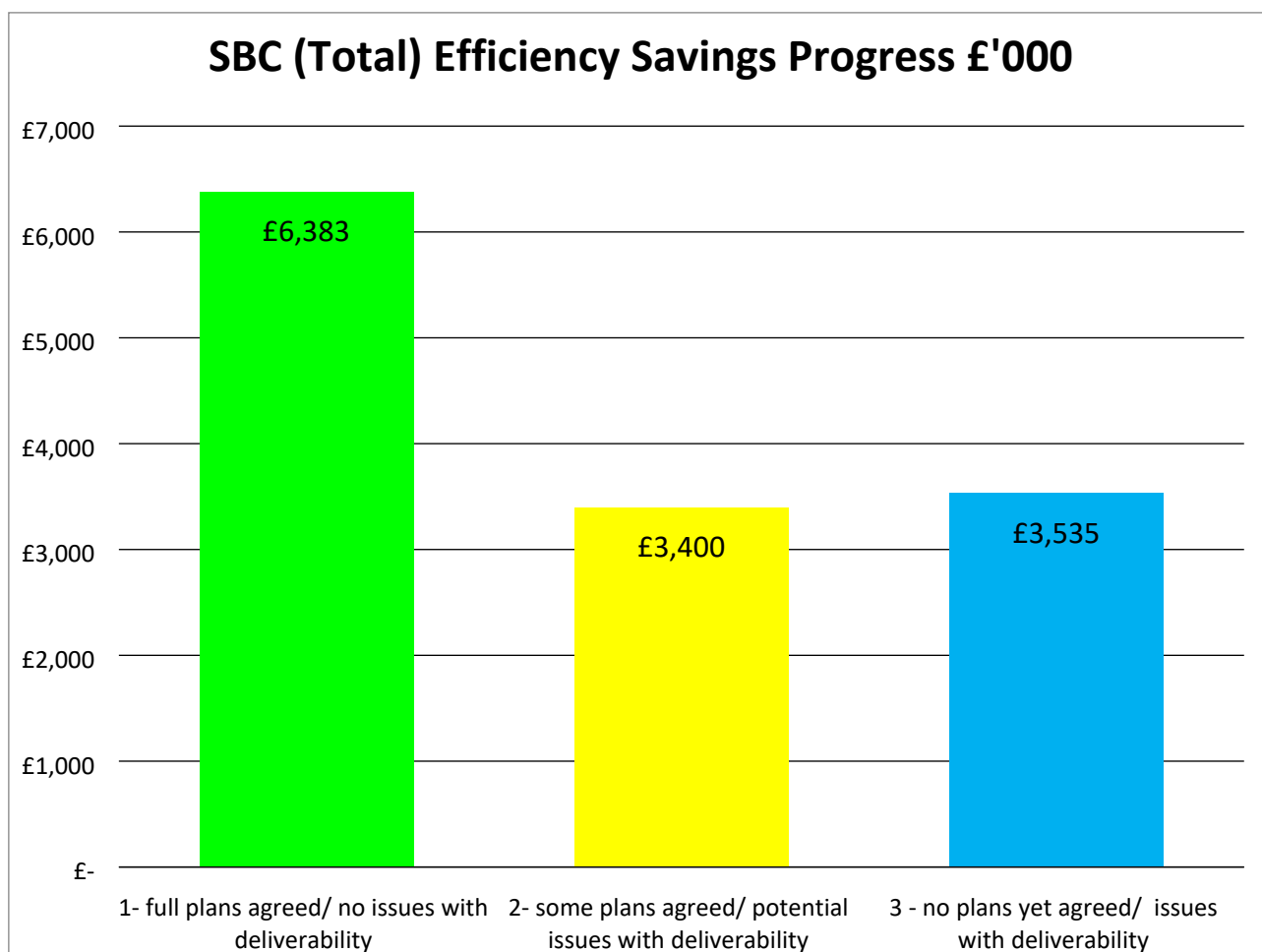
2.11 It is assumed care related costs of £42k already incurred along with 13 additional spaces at Whim Hall and the expansion of Deanfield will be funded through the IJB mobilisation plan and have therefore been excluded from the table above.

2.12 It should be noted that there is a potential increase in construction project costs as a result of delays in delivery which have yet to materialise but could have a financial impact.

2.13 With regard to supplier payments the Council has agreed to pay Early Years and Transport providers in advance to ensure they can maintain a sound financial position during this period. The Early Years additional costs are being funded through Early Learning & Childcare expansion funding. The transport provider arrangements are designed to protect provider's cash flow in terms of the timing of the payment but have no budget impact for the year. The action taken by the Council is designed to ensure the key providers are able to continue in operation and will be able to resume normal service when required.

2.14 **Delays in delivery of financial plan savings**

The savings required by the 2020/21 financial plan along with savings brought forward from 2019/20 total £13.363m. An initial assessment has been made of how the COVID-19 emergency response could impact on delivery of these savings in 2020/21. Below is a graph showing that 48% of the savings (£6.383m) have plans in place for delivery with a high degree of confidence that these savings will be delivered in full on time. The remaining 52% (£6.935m) have been assessed as having some risk attached to delivery, with 26% (£3.4m) having some plans agreed but potential for issues with deliverability and 27% (£3.535m) with no plans yet agreed and / or confirmed issues with deliverability due to the COVID-19 response.



2.15 **Additional Budget Identified**

In recognition that the Council will be required to fund an element of the pressures resulting from the COVID-19 response, the following Council budgets could be directed to these budget pressures:

Scottish Government funding:		
Hardship fund	(1,100)	SBC share of £50m national funding to support Councils with additional costs and loss of income
SBC funding which could be directed to supporting COVID-19 response:		
SBC COVID-19 reserve	(500)	Allocation from SBC share of SG £95m funding from Green Party negotiations
Community Fund	(740)	Earmarked balance from 2019/20 into 2020/21
Corporate Transformation growth	(250)	2020/21 budget growth which could be removed - £250k earmarked bal from 19/20
Total	(2,590)	

2.16 Opportunities for making savings within existing budgets

It is important to recognise that whilst there are significant financial implications for the Council as a result of the COVID-19 emergency response, there will also be areas of activity within the Council which will naturally reduce during this period resulting in underspends. It is crucial these underspends are captured as early in 2020/21 as possible to allow the budget to be redirected to support additional costs elsewhere in the Council. Examples of where we need to consider redirecting budget are:

Review all growths included in the 20/21 Financial Plan	Can any growths be removed/reduced in line with reduced activity?
Reductions in service delivery levels	Can budget be removed/redirected within services eg pool cars/travel/materials/agency
Impact of delays in delivery of capital programme	Less borrowing required/lower consultants costs

2.17 Consideration should be given, at this point, to how the Council will return to normal business post the emergency response from a budget perspective. The pressures on the Council's budget will require corporate action to identify budgets which have not been committed during the lockdown period and as such the working assumption should be that services should only plan to commit the remaining proportion of their non-staffing budget which relates to the post lockdown period to the 31st March. The changes to the way in which the Council has been forced to operate following the COVID-19 restrictions with extensive use of digital technology including video conferencing and changes in working practices provides the opportunity to embed these changes moving forward and to deliver significant transformational benefits on a sustained basis.

2.18 Budget Monitoring Arrangements

Financial implications will be reported to CMT through the normal budget monitoring arrangements. The finance team are finalising 2019/20 outturn over the next 2 weeks with the outturn report being presented to CMT on the 20th May 2020 and then being presented to Elected Members through the Emergency Powers process on 9th June 2020.

2.19 COSLA and the Directors of Finance Section have also now agreed a financial pressure template to record the additional costs, lost income and savings not achieved while resources are diverted to tackling COVID-19 emergency. A similar approach has previously been adopted by NHS Boards and it is intended that this template places the recording and reporting of Council costs and pressures on a consistent footing with approach adopted for the NHS to record Health and Social Care costs. By ensuring all costs are recorded, but not duplicated, across both returns

Scottish Government will be provided with a complete picture of the financial impact of COVID-19 on Health and Local Authority services.

2.20 Ministers have given the commitment that “reasonable expenditure” incurred by Local Authorities will be funded by the Scottish Government. The intention behind the guidance is therefore to ensure that the costs included by Councils in the template returns for consideration by Ministers will be additional, auditable and as consistent as possible across all 32 Councils.

2.21 Each line on the financial pressure template has been reviewed and additional guidance has been included to ensure a consistent approach is followed. It is proposed to use historic information from previous financial years, which has been subject to Audit, and where possible information across the last 3 financial years to establish a trend that is comparable to the current crisis situation can be derived. In this way it is expected that the difference from ‘normal’ activity to the current period will be identifiable as the direct impact of COVID-19.

2.22 Principles to be followed in recording costs related to COVID-19

1. Figures should initially be based on an initial 3 month (12 week) period ending 30 June. If current restrictions are extended by UK or Scottish Government this period will be revisited.
2. Only additional costs should be recorded, net of any associated savings or income. The Council’s legally approved budget for 2020/21 should be the starting point for evidencing the additional costs incurred. Additional costs in this case may relate to additional expenditure, reduced income, or planned savings not delivered. In compiling the list of cost pressures, councils should not include issues where there were pre-existing budget pressures prior to the COVID-19 crisis, as those are highly unlikely to be funded by the Scottish Government and would only serve to undermine the case for the funding of the COVID-19 direct impacts.
3. Costs recorded in the spreadsheet template should be additional to normal activity. They may include new costs incurred as a consequence of COVID 19, or reflect variances to the 2020/21 approved revenue budget for income and expenditure arising from the current emergency.
4. All costs included in the spreadsheet should be auditable i.e. be supported by primary source documents such as invoices and overtime claims, or represent a demonstrable material variance to past financial performance in a normal year.
5. Where possible, variances should be measured with regard to more than one year for example an expenditure or income trend over the last 3 years.
6. The cost variances included in the template should be subject to a formal budget monitoring report to elected members.
7. Additional funding already provided by the Scottish Government will be reflected in the summary statements that will be provided to the Scottish Government, so individual council returns should be on a gross impact basis.

2.23 Action required

The following action is required to ensure we have a clarity across the Council on how CMT are approaching the COVID-19 response from a financial perspective:

- Managers must be fully engaged in determining the financial impact of additional costs and loss of income in their services;
- Managers must also identify areas of budget which are underspending due to lower than normal service activity and therefore could be redirected to COVID-19 pressures;
- A communication will be issued to all budget managers asking them to reflect the COVID-19 impact in their monthly forecasts to allow a Council position to be confirmed as part of the routine budget monitoring processes;
- A summary position encompassing the CoSLA national template along with the IJB mobilisation return will be circulated round CMT on a regular basis to ensure full awareness of the financial pressures being experienced and forecast;
- The 2019/20 outturn position along with a monitoring position based on April 2020 will be presented to CMT on the 20th May 2020. This will be reported to Members through the process agreed at the meeting of Scottish Borders Council on the 26th March.

3 IMPLICATIONS

3.1 Financial

There are no additional financial implications associated with this report, its content referring specifically to the impact of COVID revenue budget.

3.2 Risk and Mitigations

There is a risk that the financial implications experienced by the Council during the COVID-19 emergency exceed the funding available, causing a financial risk to the Council. This risk is mitigated by robust monitoring processes and regular contact with CoSLA and Directors of Finance colleagues to ensure the Council approach is in line with other Scottish Councils.

3.3 Equalities

There are no equality impacts arising from this report.

4 CONSULTATION

The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager X5881

APPROVED:

Chief Executive: Tracey Logan

Date: 5 May 2020

Having consulted -

Leader of the
Administration:

Cllr Shona Haslam

Date: 5 May 2020

Convener:

Cllr David Parker

Date: 5 May 2020

Leader of the
Opposition:

Cllr Stuart Bell

Date: 5 May 2020

**FINAL REVENUE VIREMENTS AND EARMARKED BALANCES
2019/20**

Briefing Note by Executive Director, Finance & Regulatory

EMERGENCY POWERS – COVID-19**8 April 2020**

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE**1.1 I recommend that approval is given for**

- (a) the virements in Appendix 1; and**
- (b) the earmarked balances in Appendix 2.**

2 BACKGROUND AND PURPOSE

2.1 During 2019/20, and most recently at the meeting held on 11 February 2020, the Executive Committee approved a number of revenue budget virements. The original projections on which the February virements were based related to actual spend to 31 December 2019. Since then, further work on projected expenditure and income has identified the requirement to seek approval for final budgetary adjustments.

2.2 Virements required fall into two categories:

(a) 2019/20 – Routine Virements (Appendix 1)

This adjustment supplements the virements approved by the Executive Committee during the financial year, including those approved on 11 February 2020, and are detailed in Appendix 1. Final approvals are now sought to reflect:

- i. A reallocation of budgets between Services to reflect latest spending plans;
- ii. Adjustments to Revenue Support Grant for 2019/20 following final confirmation from Scottish Government. This requires the income budgets to be “grossed up” to fund expenditure.

(b) Earmarked Balances (Appendix 2)

These also supplement the earmarked balances approved by the Executive Committee during 2019/20 to date. These virements are detailed in Appendix 2 and earmarking is required:

- i. Where projects or initiatives will now be completed in 2020/21;

- ii. An increase to the previously approved DSM carry forward projections including Pupil Equity Fund (PEF) funding.

3 IMPLICATIONS

3.1 Financial

There are no additional costs attached to any of the recommendations contained in this Briefing Note.

3.2 Risk and Mitigations

The main risk is that after the earmarked balances are carried forward into 2020/21, the Service do not come within budget at year-end; this is mitigated by year-end adjustments which will reduce earmarked balances in relevant Services if required.

3.3 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 CONSULTATION

4.1 Directors and their staff where appropriate have been involved in and agreed the compilation of the final virements.

4.2 The Chief Legal Officer (Monitoring Officer), the Chief Officer Audit & Risk, the Service Director HR & Communications and the Clerk to the Council have been consulted and any comments have been reflected in the report.

4.3 The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager Tel: 01835 824000 ext 5881

APPROVED:

Chief Executive: Tracey Logan Date: 6 May 2020

Having consulted -

Leader of the Administration: Cllr Shona Haslam Date: 4 May 2020

Convener: Cllr David Parker Date: 4 May 2020

Leader of the Opposition: Cllr Stuart Bell Date: 4 May 2020

Budget Virement Requirement

Customer & Communities

No. of Virements 2

1 Virement is required from

Department	Customer & Communities	2019/20	2020/21	2021/22
Service	Customer Advice & Support Services	£	£	£
Budget Head	Third Party Payments	(11,000)	0	0

To

Department	Customer & Communities	2019/20	2020/21	2021/22
Service	Housing Benefits	£	£	£
Budget Head	Transfer Payments	11,000	0	0

Because

Projected higher net spend and reduction in overpayments recovered in Housing Benefit, to be offset by underspend through managed discretionary spend within CASS.

2 Virement is required from

Department	Customer & Communities	2019/20	2020/21	2021/22
Service	Business Support	£	£	£
Budget Head	Employee Costs	(20,500)	0	0

To

Department	Customer & Communities	2019/20	2020/21	2021/22
Service	Democratic Services	£	£	£
Budget Head	Supplies & Services	10,000	0	0
	Third Party Payments	4,000	0	0

Service	Business Change & Programme Management	£	£	£
Budget Head	Employee Costs	5,000	0	0
	Supplies & Services	1,500	0	0

Total	20,500	0	0
-------	--------	---	---

Because

Additional staff turnover savings through managed recruitment in Business Support, to fund additional pressures emerging from Appeal and Children's Panel expenses (£14k) and small pressure in staffing and non-staffing costs within Business Change (£6.5k).

Budget Virement Requirement

Regulatory Services

No. of Virements 1

1 Virement is required from

Department	Regulatory Services	2019/20	2020/21	2021/22
Service	Planning Services	£	£	£
Budget Head	Employee Costs	(7,658)	(88,695)	(88,695)

To

Department	Finance, IT & Procurement	2019/20	2020/21	2021/22
Service	Finance	£	£	£
Budget Head	Employee Costs	5,545	22,832	22,832

Department	Human Resources	2019/20	2020/21	2021/22
Service	Human Resources	£	£	£
Budget Head	Employee Costs	2,113	8,577	8,577

Department	Corporate	2019/20	2020/21	2021/22
Service	Fit for 2024	£	£	£
Budget Head	Supplies & Services	0	57,286	57,286

Total	7,658	88,695	88,695
-------	-------	--------	--------

Because

Transfer budget as appropriate following corporate restructure.

1 Virement is required from

Department	Financed by	2019/20	2020/21	2021/22
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(20,000)	0	0

To

Department	Regulatory Services	2019/20	2020/21	2021/22
Service	Assessor & Electoral Registration Services	£	£	£
Budget Head	Third Party Payments	20,000	0	0

Because

Additional Revenue Support Grant to support Barclay implementation (£20k).

2 Virement is required from

Department	Financed by	2019/20	2020/21	2021/22
Service	Revenue Support Grant	£	£	£
Budget Head	Income	7,000	0	0

To

Department	Health & Social Care	2019/20	2020/21	2021/22
Service	Generic Services	£	£	£
Budget Head	Third Party Payments	(7,000)	0	0

Because

Removal of funding through Revenue Support Grant redetermination for delivery of "See Hear" Strategy.

3 Virement is required from

Department	Financed by	2019/20	2020/21	2021/22
Service	Revenue Support Grant	£	£	£
Budget Head	Income	1,000	0	0

To

Department	Children & Young People	2019/20	2020/21	2021/22
Service	Central Schools	£	£	£
Budget Head	Employee Costs	(1,000)	0	0

Because

Reduction of funding through Revenue Support Grant redetermination for mental health support.

4 Virement is required from

Department	Financed by	2019/20	2020/21	2021/22
Service	Revenue Support Grant	£	£	£
Budget Head	Income	207,000	0	0

To

Department	Children & Young People	2019/20	2020/21	2021/22
Service	Additional Support Needs	£	£	£
Budget Head	Employee Costs	(21,326)	0	0

Service	Central Schools	£	£	£
Budget Head	Employee Costs	(2,242)	0	0

Service	Early Years	£	£	£
Budget Head	Employee Costs	(2,886)	0	0

Service	Education Psychology	£	£	£
Budget Head	Employee Costs	(1,768)	0	0

Service	Primary Schools	£	£	£
Budget Head	Employee Costs	(90,751)	0	0

Service	Secondary Schools	£	£	£
Budget Head	Employee Costs	(88,027)	0	0

Total	(207,000)	0	0
-------	-----------	---	---

Because

Reduction of funding for teachers pay award (£210k) and additional funding for teachers pension (£3k) through Revenue Support Grant redetermination.

5 Virement is required from

Department	Financed by	2019/20	2020/21	2021/22
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(11,000)	0	0

To

Department	Finance, IT & Procurement	2019/20	2020/21	2021/22
Service	Finance	£	£	£
Budget Head	Supplies & Services	11,000	0	0

Because

Additional Revenue Support Grant through redetermination to be earmarked into 2020/21.

6 Virement is required from

Department	Financed by	2019/20	2020/21	2021/22
Service	Council Tax	£	£	£
Budget Head	Income	(26,000)	0	0

To

Department	Customer & Communities	2019/20	2020/21	2021/22
Service	Housing Benefits	£	£	£
Budget Head	Transfer Payments	26,000	0	0

Because

Projected higher net spend and reduction in overpayments recovered in Housing Benefit, to be offset by improvement in Council Tax due to reduction in exemptions.

This page is intentionally left blank

Budget Virement Requirement

Assets & Infrastructure

No. of Virements 1

1 Virement is required from

Department	Assets & Infrastructure	2019/20	2020/21	2021/22
Service	Network & Infrastructure Asset Management	£	£	£
Budget Head	Third Party Payments	(40,000)	40,000	0

To

Department		2019/20	2020/21	2021/22
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	40,000	(40,000)	0

Because

Earmarked balance required due to delay in delivering Confirm training to completion.

Budget Virement Requirement

Health & Social Care

No. of Virements 1

1 Virement is required from

Department	Health & Social Care	2019/20	2020/21	2021/22
Service	Safer Communities	£	£	£
Budget Head	Third Party Payments	(21,000)	21,000	0

To

Department		2019/20	2020/21	2021/22
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	21,000	(21,000)	0

Because

Earmark Community Justice budget to part fund a temporary post supporting Criminal Justice Social Work in encouraging healthy living and accessing medical and wider ranging support. The post will also be part funded from NHS Borders.

Budget Virement Requirement

Children & Young People

No. of Virements 2

1 Virement is required from

Department	Children & Young People	2019/20	2020/21	2021/22
Service	Primary Schools	£	£	£
Budget Head	Supplies & Services	(108,074)	108,074	0
Service	Secondary Schools	£	£	£
Budget Head	Supplies & Services	(94,131)	94,131	0
Total		(202,205)	202,205	0

To

Department		2019/20	2020/21	2021/22
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	202,205	(202,205)	0

Because

To earmark projected Devolved School Management (DSM) carry forwards including Continuous Professional Development (CPD) budget from 2019/20 into 2020/21 as per recent forecasting. This virement will bring the total DSM carry forward to £446k.

2 Virement is required from

Department	Children & Young People	2019/20	2020/21	2021/22
Service	Secondary Schools	£	£	£
Budget Head	Employee Costs	21,137	(21,137)	0

To

Department		2019/20	2020/21	2021/22
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	(21,137)	21,137	0

Because

To reduce earmarked balance for Pupil Equity ring-fenced funding (PEF) from 2019/20 into 2020/21 in line with the Academic Year. This virement will bring the total PEF carry forward to £494k.

Budget Virement Requirement

Finance, IT & Procurement

No. of Virements 1

1 Virement is required from

Department	Finance, IT & Procurement	2019/20	2020/21	2021/22
Service	Finance	£	£	£
Budget Head	Supplies & Services	(11,000)	11,000	0

To

Department		2019/20	2020/21	2021/22
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	11,000	(11,000)	0

Because

To earmark unapplied Revenue Support Grant into 2020/21.

Budget Virement Requirement

Regulatory Services

No. of Virements 1

1 Virement is required from

Department	Regulatory Services	2019/20	2020/21	2021/22
Service	Assessor & Electoral Registration Services	£	£	£
Budget Head	Third Party Payments	(20,000)	20,000	0

To

Department		2019/20	2020/21	2021/22
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	20,000	(20,000)	0

Because

To earmark additional Barclay funding (Revenue Support Grant redetermination) for implementation in 2020/21.

This page is intentionally left blank

ANTI-MONEY LAUNDERING POLICY

Briefing Note by Executive Director Finance & regulatory

EMERGENCY POWERS – COVID-19**13 April 2020**

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE

- 1.1 I recommend that approval is given for the Council's Anti Money Laundering Policy shown in Appendix 1, which has been prepared fully in accordance with the CIPFA Proceeds of Crime (Anti-Money Laundering) Practical Guidance for Public Service Organisations' (2005) and relevant legislation.**

2 BACKGROUND AND PURPOSE

- 2.1 CIPFA (Chartered Institute of Public Finance & Accountancy) produced guidance for public sector organisations in their publication 'Proceeds of Crime (Anti-Money Laundering) Practical Guidance for Public Service Organisations (2005)'. In this guidance, CIPFA recognises that the regulations related to 'relevant business' do not necessarily apply to public service organisations because their treasury management activities are largely service based. However, as the main money laundering offences and obligations apply in law to all organisations and persons in the UK, all public service organisations should "embrace the underlying principles behind the money laundering legislation".
- 2.2 The Anti-Money Laundering Policy was previously approved in April 2012; this is an update in line with changes in legislation and changes in the Council structure.
- 2.3 The Anti-Money Laundering Policy, as shown in **Appendix 1**, links into, and has a synergy with, the Council's Corporate Counter Fraud Strategy and its appendices:
- Counter Fraud Policy Statement
 - Corporate Counter Fraud Response Plan
 - Whistleblowing Policy

3 IMPLICATIONS**3.1 Financial**

There are no further financial implications relating to this report. The implications, including financial, from the Council's approach to money laundering activity are explained in detail within Appendix 1.

3.2 Risk & Mitigations

The report is an important element of the overall risk management environment, containing detailed sections on risk management controls, but has no specific risk implications of its own.

3.3 Equalities

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

4 CONSULTATION

- 4.1 The Monitoring Officer/Chief Legal Officer, Service Director HR & Communications and the Chief Officer Audit & Risk are being consulted on this report and their comments will be included in the final version.
- 4.2 The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Kirsty Robb	Pensions & Investment Manager, 01835 825249
Sara Halliday	Treasury Business Partner, 01835 824000 extn 5854

APPROVED:

Chief Executive: Tracey Logan

Date: 12 May 2020

Having consulted -

Leader of the
Administration:

Cllr Shona Haslam

Date: 4 May 2020

Convener:

Cllr David Parker

Date: 4 May 2020

Leader of the
Opposition:

Cllr Stuart Bell

Date: 4 May 2020

Scottish Borders Council

Anti-Money Laundering Policy

DRAFT

Approved 2020

ANTI-MONEY LAUNDERING POLICY

Contents

1 Introduction

2 Scope

3 Definition of Money Laundering

4 Requirements of Staff and the Council

5 Reporting Your Suspicions to the MLRO

6 The Money Laundering Reporting Procedure

7 Ensuring the Policy is Followed:

- Appendix 1: Responsibilities Regarding Making a Disclosure
- Appendix 2: Money Laundering Reporting Form (MLRF)

8 Reviewing the Anti-Money Laundering Strategy

1. Introduction

- 1.1 The Council, as a public body with responsibilities for the stewardship of public money, requires to have in place an agreed policy for the prevention of money laundering. Significant changes have occurred to the statutory framework surrounding money laundering as a result of the following legislation, and as a consequence the council's previous policy has been reviewed and updated:
 - Proceeds of Crime Act (2002)
 - Terrorism Act (2006)
 - Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended 2019).
- 1.2 The UK's Anti-Money Laundering regime is primarily designed with the objective of identifying and combating large scale organised crime. The Proceeds of Crime Act (2002) imposed requirements on those conducting 'relevant business' to have systems in place to: obtain evidence of the identity of their clients, keep records, train staff, and make internal reports. The Money Laundering Regulations (2017) outline the specific requirements for those identified as conducting 'relevant business.'
- 1.3 CIPFA (Chartered Institute of Public Finance & Accountancy) produced guidance for public sector organisations in their publication 'Proceeds of Crime (Anti-Money Laundering) Practical Guidance for Public Service Organisations' (2005).
- 1.4 In this guidance CIPFA recognise that the regulations related to 'relevant business' do not necessarily apply to public service organisations because their treasury management activities are largely service based. However, as the main money laundering offences and obligations apply in law to all organisations and persons in the UK, all public service organisations should "embrace the underlying principles behind the money laundering legislation". The Council is therefore required to establish internal procedures and policies to prevent and detect the use of their services for money laundering activities.
- 1.5 The Policy links into, and has a synergy with, the Council's Corporate Counter Fraud Strategy and its appendices:
 - Counter Fraud Policy Statement
 - Corporate Counter Fraud Response Plan
 - Whistleblowing Policy

2. Scope

- 2.1 This Policy applies to all employees, including agency staff and locums, and aims to maintain the high standards of conduct by working together to prevent and detect criminal activity through money laundering. It sets out the requirements which must be followed to enable the Council to comply with its legal obligations, and the guidance provided by CIPFA.

3. Definition of Money Laundering

- 3.1 CIPFA defines money laundering as “possessing or in any way dealing with or concealing the proceeds of any crime”.
- 3.2 The Proceeds of Crime Act (2002) states that money laundering covers a range of activities and it is technically defined as any act constituting an offence under sections 327 to 329 of the Act, as summarised below:
- Concealing, disguising, converting, or transferring criminal property, or removing it from the UK (section 327)
 - Entering into, or becoming concerned in, an arrangement which a person knows (or suspects) facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person (section 328)
 - Acquiring, using or possessing criminal property (section 329)
 - An attempt, conspiracy or incitement to commit such an offence
 - Aiding, abetting, counselling or assisting in the procurement of such an offence.
- 3.3 Criminal property is widely defined as property representing a person’s benefit from criminal conduct. It includes all proceeds from crime such as property (in the UK or abroad), money, and other assets that could also cover any interest held in land, land rights and/or property.
- 3.4 In court proceedings in order to secure a conviction it is only necessary to prove that the laundered property was criminal property. In other words even if the criminal property was generated as a result of the criminal activity of another person, the individual holding that property can be convicted of money laundering under the Proceeds of Crime Act (2002).
- 3.5 The Terrorism Act (2006) also deals with the laundering of ‘terrorist property’ i.e. property likely to be used for the purposes of terrorism or property gained as a result of terrorism. In complying with the Act, the Council has a duty to be vigilant against its services being used in such a way that it “facilitates the retention or control by or on behalf of another person of terrorist property”.
- 3.6 In addition to the actual offences of money laundering the Proceeds of Crime Act (2002) sets out related offences of failing to report where a person has knowledge, suspicion or reasonable grounds for knowledge or suspicion that money laundering is taking/has taken place. It is a criminal offence to directly, or indirectly, “tip off a suspect”, or to do anything that might prejudice an investigation. This may include for example falsifying a document.

- 3.7 The Court of Appeal has clarified the meaning of "suspicion" in money laundering legislation. The Court stated that suspicion would arise when "there was a possibility which was more than fanciful, that the relevant facts existed".

4. Requirements of Staff and the Council

- 4.1 Individuals can be found to be criminally liable for failing to report money-laundering activity where it is known or suspected. This could result in serious criminal charges and/or sanctions being imposed on the Council and/or its employees. It is therefore important that policies and procedures exist to establish internal reporting arrangements and ensure compliance with the guidance and the law.
- 4.2 The Council's Code of Conduct is designed to protect individuals when making a disclosure from any fear of victimisation or harassment.
- 4.3 The Council has appointed a nominated officer – the Money Laundering Reporting Officer (MLRO). The purpose of this role is to act as a point of contact to receive and investigate reports about suspected and known instances of money laundering activity involving the Council's services. The officer nominated to receive disclosures about money laundering activity within the Council is the **Pension & Investment Manager**. In the absence of the MLRO, please contact the **Financial Services Manager**.
- 4.4 Reports can be made from staff, members of the Council, contractors, the public, the Police, or any other related party or partner. Once a report is received, it is then for the MLRO to investigate where necessary and decide whether there are reasonable grounds for suspicion. Should the MLRO feel it is warranted, a report will be made to the National Crime Agency (NCA) by way of a Suspicious Activity Report (SAR) form, which can be submitted using the secure SAR online system on the NCA website.
- 4.5 Submitting a SAR to NCA is a statutory requirement if there are grounds to do so. If there is no actual knowledge that money laundering is taking place however, or there are no reasonable grounds for suspicion, then the nominated officer (MLRO) does not commit an offence by not making a report to NCA.
- 4.6 Whilst the risk to the Council of contravening the legislation is low, it is very important that all members of staff are familiar with their legal responsibilities. For those staff affiliated to a professional body (e.g. accountants and lawyers) there is also the risk of disciplinary action being taken by the respective body's Disciplinary Committee.

5. Reporting your Suspicions to the MLRO

- 5.1 It is not possible to provide an exhaustive list of the ways to spot money laundering or state every scenario in which you should be suspicious. It will very much depend on the circumstances.

5.2 However, in providing guidance NCA has produced a list of possible 'indicators of suspicion' for money laundering activity:

- Is the person's behaviour unusual in the circumstances?
- Has the person refused to supply any form of identification and if so, why?
- Is the activity unusual in itself?
- Is the activity unusual for the customer?
- Do I have other knowledge which leads me to believe the customer or activity is criminal?
- Do I think the property may be criminal?

5.3 In developing this guide the list below provides examples relevant to the Scottish Borders Council activity, in which money laundering could be taking place:

- Payment of a substantial sum in cash (over £5,000) by a single client in a single transaction or over a short period of time. As a general rule, staff in the Council who collect cash payments are asked to provide the details of any cash transaction over £5,000 to the MLRO so that precautionary checks can be performed.
- Overpayments or duplicate payments made by a client followed by a refund, or a request for a refund.
- Purchase of land and buildings re-sold within 3-12 months.
- Purchase of council assets re-sold within 3 months.

6. The Money Laundering Reporting Procedure

- 6.1 All cases where there are genuine reasons for suspicion will be investigated, and no time should be wasted once you suspect the Council's services may be being used to launder money.
- 6.2 In the first instance (and where possible) you should call the MLRO where you will be free to discuss your concerns in confidence. Where it is deemed necessary, and is requested by the MLRO, this discussion should be followed by your submission of a Money Laundering Reporting Form (MLRF). Where practical this must be submitted the same day as the initial telephone call.
- 6.4 The MLRO will communicate with your line manager/Chief Officer/ Service Director if and when necessary. Having raised concerns, you must not take any further action without the expressed permission of the MLRO, as this may hamper the investigation process. You should also be aware of the need for confidentiality in relation to the suspected and/or known instances of money laundering. You should not do anything that may "tip off" individuals suspected of being involved.
- 6.5 The MLRO has a duty to consider your submission promptly and undertake any investigation as necessary prior to deciding whether to contact NCA or another relevant Law Enforcement Agency (LEA). If a disclosure is made in the form of a request for consent (prior to a prohibited act occurring) the MLRO may need to ask NCA or LEA for consent. The MLRO cannot then

grant consent until receiving this back from NCA unless the 7 working day Notice Period for receiving a reply to a request for consent has expired.

- 6.6 The MLRO must maintain records of reports received and disclosures made, so that they may be used as evidence in any subsequent investigation by appropriate agencies. The records must be capable of providing an audit trail that identifies the client and the relevant transaction. All such information will be held in a confidential file for a minimum of 5 years. The MLRO will also maintain a confidential log of activities, including details of the checks made on cash transactions over £5,000 – as notified to the MLRO by cashiers and other teams receiving large cash payments.

7. Ensuring the Policy is Followed

- 7.1 The Corporate Fraud Steering Group provides guidance and directs counter fraud activity across the Council. Activity of this group includes raising fraud awareness in an effort to prevent rather than detect fraudulent activity, including money laundering.
- 7.2 Service Directors are responsible for ensuring that their services remain free from fraudulent activity, including the regular completion of fraud risk assessments.
- 7.3 All Service Directors must ensure that these procedures are brought to the attention of all staff.
- 7.4 Awareness training will be provided for those staff in high risk roles, where they are more likely to experience possible signs of money laundering. This will be coordinated by the MLRO and will mainly be done through the use of E Learning modules.
- 7.5 Staff who fail to follow the rules and procedures laid out will be in breach of the Council's rules and could as such be subject to disciplinary procedures, as well as potentially being criminally liable and face prosecution.
- Appendix 1: Responsibilities Regarding Making a Disclosure
 - Appendix 2: Money Laundering Reporting Form (MLRF)

8. Reviewing the Anti-Money Laundering Strategy

- 8.1 Internal Audit undertake to look at all control frameworks in all planned audits including money laundering by substantive testing of transactions.
- 8.2 The Finance and Regulatory Services department will undertake to review this policy on a yearly basis. Next Review due – April 2021.

Responsibilities Regarding Making a Disclosure

Reporting by staff to the Money Laundering Reporting Officer

1. Staff members must:

- (a) Report their suspicions or knowledge of money laundering activity;
- (b) Retain full documentation about the transaction;
- (c) Not arouse suspicion that they are concerned;
- (d) Not tip off any persons involved or suspected to be involved.

Consideration of disclosure by the Money Laundering Reporting Officer

- 2. Upon receipt of a disclosure report, the MLRO must note the date of receipt on his/her section of the report and acknowledge receipt of it. He/she should also advise you of the timescale within which he/she expects to respond to you.
- 3. The MLRO will consider the report and any other available internal information he/she thinks relevant and undertakes any reasonable inquiries he/she thinks appropriate in order to ensure that all available information is taken into account in deciding whether a report to the NCA is required. The MLRO may also need to discuss the report with you.
- 4. Where the MLRO concludes that it is necessary to make a disclosure, he/she must disclose the matter as soon as practicable to the NCA on their standard report form (SAR) and in the prescribed manner. The only exception to this is where it is felt that there is good reason for non disclosure to the NCA. An example of this would be if a lawyer wished to claim legal professional privilege for not disclosing the information. Consideration of disclosures by NCA and Law Enforcement Agencies (LEA).
- 5. Where an internal report is made to the MLRO before a prohibited act (an act of money laundering), and a SAR is made to NCA or another Law Enforcement Agency, the MLRO is not allowed to give consent to the act until they receive consent from NCA that this can go ahead. The exception to this is where the Notice Period for reply has expired. The Notice Period runs for 7 working days beginning the day after the report is received.

Appendix 2

REPORT TO MONEY LAUNDERING OFFICER	
Staff members' name	
Title/Department	
Phone	
Email	
Details of Suspected Offence	
Names and addresses of persons/company involved (if a company the nature of their business)	
Transaction details including: location, value, timing of activity	
Nature of suspicions	
Has any investigation been undertaken?	
Have you discussed your suspicions with someone else – please provide details.	
Signed and dated	
For Completion by the MLRO	
Date received	
Date acknowledged	
Unique reference number	
Are there reasonable grounds for suspecting money laundering ?	
If yes, confirm date of report to National Crime Agency.	
Date consent given to employee for transaction to proceed	
Categories	1. Overpayment 2. Refund 3. Debt/charge 4. Cashier error 5. House or Asset resale within 3 months 6. Other
Signed and dated	
THIS REPORT TO BE RETAINED FOR AT LEAST FIVE YEARS	

2019/20 UNAUDITED CAPITAL OUTTURN

Briefing Note by Executive Director, Finance & Regulatory

EMERGENCY POWERS – COVID-19**20 May 2020**

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE**1.1 I recommend that the Chief Executive notes:-**

- (a) the capital outturn position for 2019/20 prior to Statutory Audit;
- (b) the adjustments to funding in Appendix 1;
- (c) the final out-turn position for each block contained within the 2019/20 Capital Plan in Appendix 2;
- (d) the whole project costs detailed in Appendix 4; and
- (e) approves the block allocations for 2020/21 in Appendix 3.

2 BACKGROUND AND PURPOSE

- 2.1 This report provides a statement comparing the final capital outturn for 2019/20 with the final budget for the year and identifies the main reasons for any significant variations.
- 2.2 The final capital outturn statement for 2019/20 is included at Appendix 1 and includes the reasons identified by the Project Managers and Budget Holders for the variances to the final approved budget. This identifies an outturn expenditure of £44.306m which is £7.805m below the final revised budget of £52.11m.
- 2.3 The Council approved the original Capital Financial Plan for 2019/20 on 28 February 2019 and detailed budgetary control reports were presented to the Executive Committee in August and November 2019 and February 2020.
- 2.4 The monitoring reports contained actual expenditure to date, together with the latest budget and projected outturn. The resultant variances were then analysed between in-year variances (i.e. timing issues) and overall project savings or overspends. Comments were provided for material variances. The outturn at 31 March 2020 will adjust the 2020/21 budget with movements carried forward in line with the Financial Regulations.
- 2.5 The table below shows the movements in the resources of the Capital Plan since the last monitoring report to the Executive Committee on 11 February 2020:

	£000s
Capital Plan 2019/20 as Approved Executive Committee 11 February 2020	50.531
Hawick Flood Protection Scheme grossing up	2.969
Extra Care Housing adjustment between capital and revenue	(1.390)
Revised Capital Plan 2019/20	52.110

- 2.6 To complete the annual cycle of reporting this report compares the final budget for the year with the final, but as yet unaudited, outturn.
- 2.7 Appendix 1 to this report contains the final outturn statement for the Capital Financial Plan for 2019/20 for each of the services in the Plan with the actual expenditure to 31 March 2020. The latest approved budget includes all approvals made up to and including 31 March 2020.
- 2.8 The final outturn shows a final net variance of £8.361m against the current approved budget as a result of timing movements between financial years and a variance of £0.556m due to expenditure variances. This makes the total net timing movement between 2019/20 and future years £34.131m. As a result of this budget movement between years, the estimated borrowing element of the capital financing for 2019/20 has been reduced. This has a short term revenue benefit for the Council due to the delay of statutory capital repayments through the revenue account and reduced interest payments on external borrowing.
- 2.9 Appendix 2 contains a summary of the final out-turn position for each block contained within the 2019/20 Capital Plan.
- 2.10 Appendix 3 contains a summary of the approved block allocations for 2020/21 adjusted for timing movements from 2019/20.
- 2.11 Appendix 4 contains a list of estimated whole life project costs for those key schemes where the project has not been completed in the financial year 2019/20.
- 2.12 Key highlights from variances in Appendix 1 are:
- a) **Plant & Vehicle**
Budget of £0.519m in 2019/20 has been reduced and allocated back to the Plant & Vehicle fund to reflect actual expenditure in the year.
 - b) **Hawick Flood Protection**
Timing movement of £1.112m on Hawick Flood Protection Scheme to reflect delays in the final quarter of 2019/20. The main works contract was awarded to McLaughlin and Harvey and a reprofile of the project budget in light of COVID-19 is being undertaken.
 - c) **Reston Station Contribution**
£0.6m budget has been transferred into 2020/21 to reflect the latest timing of the programme of work.
 - d) **School Estate Block**
£1.593m budget has been transferred into 2020/21 as a result of delays in the final quarter of 2019/20 from both the impact of the Peebles High School fire and COVID-19.

e) **Borders Town Centre Regeneration Block**

Timing movement of £1.324m to 2020/21 due to delays in the programme which have been supported by an extension in the grant period.

f) **Borders Innovation Park**

Timing movement of £0.677m to 2020/21 due to contract negotiation delays and the impact of COVID-19 restrictions.

2.13 Emergency & Unplanned Scheme

The Emergency & Unplanned budget was fully utilised at the February Executive reporting period.

2.14 A management review of Capital budgets will be undertaken in 2020/21, in light of the 2019/20 outturn position and emerging financial difficulties for the Council associated with COVID 19. The outcome and any impact on budgets and programmes of work will be reflected in the first quarterly monitoring report in 2020/21, based on June 2020 month end position.

3 IMPLICATIONS

3.1 Financial

There are no costs attached to any of the recommendations contained in this report its content being specifically related to reporting the capital plan outturn as at 31 March 2020.

3.2 Risk and Mitigations

There is a small risk that the final outturn may change during the external audit process as part of the annual accounts for 2019/20. The processes for project management and ensuring sound budgetary control is maintained are subject to regular review and discussion with individual project managers and Service Directors. This process ensures that the Council aligns its management of the capital programme as closely as possible with the best practice guidance set out in the Accounts Commission 'Major capital investment in Councils' publication. Each capital project has appropriate risk management and associated risk registers in place, following the Corporate Risk Management Policy and Framework, to ensure that risks are identified and managed to an acceptable level.

3.3 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 CONSULTATION

The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager X5881

APPROVED:

Chief Executive: Tracey Logan

Date: 28 May 2020

Having consulted -

Leader of the
Administration:

Cllr Shona Haslam

Date: 26 May 2020

Convener:

Cllr David Parker

Date: 26 May 2020

Leader of the
Opposition:

Cllr Stuart Bell

Date: 26 May 2020

SUMMARY

	2019/20				2020/21			2021/22			2022/23 - 2028/29		
	Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
	£000		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Plant & Vehicle Fund	1,481	1,481	2,000	(519)	2,000	0	2,000	2,000	0	2,000	16,000	0	16,000
Non Plant & Vehicle Fund	620	620	901	(281)	0	213	213	0	0	0	1,200	0	1,200
Flood & Coastal Protection	6,662	6,662	7,926	(1,264)	24,539	1,268	25,807	23,447	0	23,447	24,139	0	24,139
Land and Property Infrastructure	2,829	2,829	3,256	(427)	9,898	481	10,379	7,157	0	7,157	25,164	0	25,164
Road & Transport Infrastructure	9,528	9,528	10,637	(1,109)	9,316	1,320	10,636	8,071	0	8,071	71,063	0	71,063
Waste Management	2,184	2,184	2,486	(302)	628	273	901	50	0	50	2,223	0	2,223
Total Assets & Infrastructure	23,304	23,304	27,205	(3,901)	46,381	3,555	49,936	40,725	0	40,725	139,789	0	139,789
Corporate	6,818	6,818	7,240	(422)	1,881	422	2,303	350	0	350	3,187	0	3,187
Total Other Corporate Services	6,818	6,818	7,240	(422)	1,881	422	2,303	350	0	350	3,187	0	3,187
School Estate	6,580	6,580	8,361	(1,781)	20,545	1,781	22,326	27,150	0	27,150	131,490	0	131,490
Total Children & Young People	6,580	6,580	8,361	(1,781)	20,545	1,781	22,326	27,150	0	27,150	131,490	0	131,490
Sports Infrastructure	1,514	1,514	1,703	(189)	967	189	1,156	443	0	443	7,111	0	7,111
Culture & Heritage	603	603	656	(53)	285	53	338	99	0	99	500	0	500
Total Culture & Sport	2,117	2,117	2,359	(242)	1,252	242	1,494	542	0	542	7,611	0	7,611
Economic Regeneration	4,050	4,050	6,197	(2,147)	15,907	2,197	18,104	6,332	0	6,332	4,960	0	4,960
Housing Strategy & Services	387	387	472	(85)	450	85	535	450	0	450	3,950	0	3,950
Total Economic Development & Corporate Services	4,437	4,437	6,669	(2,232)	16,357	2,282	18,639	6,782	0	6,782	8,910	0	8,910
Emergency & Unplanned Schemes	0	0	0	0	220	(8)	212	250	0	250	2,000	0	2,000
Total Emergency & Unplanned Schemes	0	0	0	0	220	(8)	212	250	0	250	2,000	0	2,000
Social Care Infrastructure	1,050	1,050	277	773	1,969	74	2,043	11,015	0	11,015	8,583	0	8,583
Total Health & Social Care	1,050	1,050	277	773	1,969	74	2,043	11,015	0	11,015	8,583	0	8,583
Planned Programming Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Planned Programming Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Scottish Borders Council	44,306	44,306	52,110	(7,805)	88,605	8,348	96,953	86,814	0	86,814	301,570	0	301,570

Scottish Borders Council
Capital Financial Plan

	R A G	2019/20				2020/21			2021/22			2022/23 - 2028/29		
		Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Plant & Vehicle Fund														
Plant & Vehicle Replacement - P&V Fund	A	1,481	1,481	2,000	(519)	2,000	0	2,000	2,000	0	2,000	16,000	0	16,000
		1,481	1,481	2,000	(519)	2,000	0	2,000	2,000	0	2,000	16,000	0	16,000
Non-Plant & Vehicle Fund														
Other Fleet - Electric Vehicles	G	90	90	158	(68)	0	0	0	0	0	0	0	0	0
Other Fleet - Electric Vehicles - Infrastructure	G	206	206	250	(44)	0	44	44	0	0	0	0	0	0
Waste Collection Vehicles - Non P&V Fund	G	324	324	493	(169)	0	169	169	0	0	0	1,200	0	1,200
		620	620	901	(281)	0	213	213	0	0	0	1,200	0	1,200
Flood & Coastal Protection														
Flood Studies	G	242	242	274	(32)	600	32	632	350	0	350	2,800	0	2,800
General Flood Protection Block	G	187	187	311	(124)	292	124	416	160	0	160	1,280	0	1,280
Hawick Flood Protection	A	5,990	5,990	7,102	(1,112)	23,647	1,112	24,759	22,937	0	22,937	20,059	0	20,059
Selkirk Flood Protection	G	243	243	239	4	0	0	0	0	0	0	0	0	0
		6,662	6,662	7,926	(1,264)	24,539	1,268	25,807	23,447	0	23,447	24,139	0	24,139
Land and Property Infrastructure														
Asset Rationalisation	G	350	350	442	(92)	1,865	92	1,957	2,750	0	2,750	1,382	0	1,382
Building Upgrades	G	594	594	660	(66)	847	66	913	584	0	584	4,992	0	4,992
Cleaning Equipment Replacement Block	G	96	96	54	42	46	(42)	4	50	0	50	400	0	400
Commercial Property Upgrades	G	59	59	59	0	66	0	66	40	0	40	320	0	320
Contaminated Land Block	G	4	4	38	(34)	18	34	52	93	0	93	387	0	387
Energy Efficiency Works	G	222	222	241	(19)	3,418	19	3,437	1,045	0	1,045	8,360	0	8,360
Health and Safety Works	G	757	757	802	(45)	682	45	727	585	0	585	4,680	0	4,680
Play Areas & Outdoor Community Spaces	G	747	747	828	(81)	1,344	135	1,479	640	0	640	2,690	0	2,690
Jedburgh High Street Building	G	0	0	67	(67)	984	67	1,051	511	0	511	400	0	400
Coldstream Cemetery Development	G	0	0	0	0	628	0	628	0	0	0	0	0	0
Cemetery Land Acquisition	G	0	0	65	(65)	0	65	65	859	0	859	1,553	0	1,553
		2,829	2,829	3,256	(427)	9,898	481	10,379	7,157	0	7,157	25,164	0	25,164

Scottish Borders Council
Capital Financial Plan

		2019/20				2020/21			2021/22			2022/23 - 2028/29		
	R	Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
	A	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	G													
Road & Transport Infrastructure														
A72 Dirtpot Corner - Road Safety Works	G	791	791	801	(10)	20	0	20	0	0	0	0	0	0
Accident Investigation Prevention Schemes Block	G	100	100	100	0	40	0	40	40	0	40	320	0	320
Cycling Walking & Safer Streets	G	226	226	226	0	507	0	507	211	0	211	1,932	0	1,932
Engineering Minor Works	G	0	0	0	0	14	0	14	0	0	0	0	0	0
Galashiels Developments	G	165	165	189	(24)	45	24	69	0	0	0	0	0	0
Innerleithen to Walkerburn - Shared Access Route	G	1	1	2	(1)	0	0	0	0	0	0	0	0	0
Lighting Asset Management Plan	G	198	198	262	(64)	160	64	224	160	0	160	1,280	0	1,280
Peebles Bridge	G	0	0	0	0	0	0	0	0	0	0	420	0	420
Reston Station Contribution	A	0	0	600	(600)	0	600	600	0	0	0	1,740	0	1,740
Roads & Bridges -inc. RAMP, Winter Damage & Slopes	G	7,620	7,620	7,969	(349)	7,660	577	8,237	7,660	0	7,660	65,371	0	65,371
Selkirk Town Centre (Streetscape works)	G	4	4	10	(6)	0	0	0	0	0	0	0	0	0
Street Lighting Energy Efficiency Project	G	419	419	467	(48)	170	48	218	0	0	0	0	0	0
Union Chain Bridge	G	4	4	11	(7)	700	7	707	0	0	0	0	0	0
		9,528	9,528	10,637	(1,109)	9,316	1,320	10,636	8,071	0	8,071	71,063	0	71,063
Waste Management														
CRC - Bulky Waste Adjustments	G	363	363	392	(29)	0	0	0	0	0	0	0	0	0
CRC - Improved Skip Infrastructure	G	0	0	0	0	0	0	0	0	0	0	0	0	0
Easter Langlee Cell Provision	G	479	479	500	(21)	158	21	179	0	0	0	0	0	0
Easter Langlee Leachate Management Facility	G	71	71	119	(48)	392	48	440	0	0	0	0	0	0
New Easter Langlee Waste Transfer Station	G	1,223	1,223	1,427	(204)	0	204	204	0	0	0	1,800	0	1,800
Closed Landfill Site- Health & Safety Works	G	0	0	0	0	30	0	30	0	0	0	0	0	0
Waste Containers	G	48	48	48	0	48	0	48	50	0	50	423	0	423
		2,184	2,184	2,486	(302)	628	273	901	50	0	50	2,223	0	2,223
Total Assets & Infrastructure		23,304	23,304	27,205	(3,901)	46,381	3,555	49,936	40,725	0	40,725	139,789	0	139,789

Plant & Vehicle Fund	
Plant & Vehicle Replacement - P&V Fund	Budget to be grossed down to reflect actual purchases in 2019/20 fully funded by the Plant & Vehicle Fund.
Waste Collection Vehicles - Non P&V Fund	
Other Fleet - Electric Vehicles Other Fleet - Electric Vehicles - Infrastructure Waste Collection Vehicles - Non P&V Fund	Timing movement to 2020/21. Timing Movement of £169k for vehicle ordered but not delivered in 2019/20
Flood & Coastal Protection	
Flood Studies	Hawick Flood Protection Scheme took precedence over some of the smaller studies which the same design consultant was also employed.
General Flood Protection Block	Adverse weather and flood events ceased works on the ground at Romanno Bridge, Denholm and Duns, these have still to be completed.
Hawick Flood Protection	
Selkirk Flood Protection	The income from an external party has not been concluded therefore resulting in an over spend within project.

Page 49	Land and Property Infrastructure	
	Asset Rationalisation	£90k Timing movement to 2020/21 required due to contracts being put on hold for social distancing measures - HQ Reception and Hub, 2 Bowden Road demolition & Redundant School Building demolitions.
	Building Upgrades	£112k Timing movement to 2020/21 required due to resourcing issue. Reallocation of block required as detailed in Appendix 2.
	Cleaning Equipment Replacement Block	£42k Timing movement from 2020/21 required due to purchase of additional Scrubber Dryers.
	Contaminated Land Block	£34k Timing movement to 2020/21 required. Development of a remedial strategy to the agreement of all parties involved at one of the sites still being undertaken.
	Energy Efficiency Works	£64k Timing movement to 2020/21 required due to LED lighting projects at Council HQ not being delivered due to contractor availability and restricted access to areas.
	Health and Safety Works	£21k Timing movement to 2020/21. Reallocation of block required as detailed in Appendix 2.
	Play Areas & Outdoor Community Spaces	Timing movement to 2020/21 to enable project completions.
	Market Place/High Street Jedburgh	£19k Timing movement from 2020/21 required to cover cost of removal of personal property to comply with Insurance requirements for Fire Safety and additional costs associated with removal of gas services to the rear of the property.
	Cemetery Land Acquisition	Timing movement to 2020/21.
	Road & Transport Infrastructure	
	A72 Dirtpot Corner - Road Safety Works	Projected underspend within project returned to Emergency and Unplanned. Project now complete.
	Cycling Walking & Safer Streets	Small reallocation of block as detailed in appendix 2.
	Galashiels Developments	Timing movement to 2020/21 for completion of project.
	Innerleithen to Walkerburn - Shared Access Route	Project complete return £1k to Emergency & Unplanned
	Lighting Asset Management Plan	Timing movement to 2020/21 and reallocation of block as detailed in appendix 2.
	Reston Station Contribution	Timing movement to 2020/21.
	Roads & Bridges -Inc. RAMP, Winter Damage & Slopes	Timing movement to 2020/21 and reallocation of block as detailed in appendix 2.
	Selkirk Town Centre (Streetscape works)	Projected underspend within project returned to Emergency and Unplanned. Project now complete.
	Street Lighting Energy Efficiency Project	Timing movement to 2020/21 due delays in procurement process.
	Union Chain Bridge	Timing movement sought to 2020/21.
	Waste Management	
	CRC - Bulky Waste Adjustments	Project complete, underspend been taken to Emergency and Unplanned.
	Easter Langlee Cell Provision	Small timing movement to 2020/21 to enable project completion.
	Easter Langlee Leachate Management Facility	Small timing movement to 2020/21 to enable project completion.
	New Easter Langlee Waste Transfer Station	Small timing movement to 2020/21 to enable project completion.

Scottish Borders Council
Capital Financial Plan

	R A G	2019/20				2020/21			2021/22			2022/23 - 2028/29		
		Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate														
ICT - Outwith CGI Scope	G	628	628	843	(215)	80	215	295	80	0	80	640	0	640
ICT Transformation	G	2,641	2,641	2,650	(9)	857	9	866	222	0	222	1,286	0	1,286
Digital Learning Transformation	G	3,549	3,549	3,747	(198)	834	198	1,032	48	0	48	1,261	0	1,261
IT Projects - pre CGI Contract	G	0	0	0	0	110	0	110	0	0	0	0	0	0
		6,818	6,818	7,240	(422)	1,881	422	2,303	350	0	350	3,187	0	3,187
Total Other Corporate Services		6,818	6,818	7,240	(422)	1,881	422	2,303	350	0	350	3,187	0	3,187

Corporate	
ICT - Outwith CGI Scope	Timing movement required to 20/21 due to impact of Covid 19 on production and delivery of hardware.
ICT Transformation	Small timing movement to 20/21
Digital Learning Transformation	Timing movement required to 20/21 due to impact of Covid 19 on Primary Teacher deployment of Ipad.

Scottish Borders Council
Capital Financial Plan

		2019/20				2020/21			2021/22			2022/23 - 2028/29		
	R A G	Actual to 31/03/20 £000	Projected Outturn £000	Latest Approved Budget £000	Variance £000	Latest Approved Budget £000	Variance £000	Projected Budget £000	Latest Approved Budget £000	Variance £000	Projected Budget £000	Latest Approved Budget £000	Variance £000	Projected Budget £000
School Estate														
Early Years Expansion	G	2,290	2,290	2,277	13	5,853	(13)	5,840	0	0	0	0	0	0
Jedburgh Learning Campus	G	1,542	1,542	1,700	(158)	499	158	657	0	0	0	0	0	0
Eyemouth Primary School	G	633	633	600	33	7,600	(33)	7,567	7,400	0	7,400	400	0	400
Earlston Primary School	G	67	67	75	(8)	375	8	383	450	0	450	8,550	0	8,550
Gala Academy	G	86	86	100	(14)	1,500	14	1,514	2,500	0	2,500	46,800	0	46,800
New Hawick High School	G	0	0	0	0	0	0	0	0	0	0	48,400	0	48,400
School Estate Block	A	1,916	1,916	3,509	(1,593)	2,718	1,593	4,311	1,800	0	1,800	14,340	0	14,340
Peebles High School	G	46	46	100	(54)	2,000	54	2,054	15,000	0	15,000	13,000	0	13,000
		6,580	6,580	8,361	(1,781)	20,545	1,781	22,326	27,150	0	27,150	131,490	0	131,490
Total Children & Young People		6,580	6,580	8,361	(1,781)	20,545	1,781	22,326	27,150	0	27,150	131,490	0	131,490

Page 51

School Estate	
Early Years Expansion	Timing movement to 2020/21.
Jedburgh Learning Campus	Timing movement to 2020/21 in line with project completion.
Eyemouth Primary School	Timing movement to 2020/21. Timescales for planning application adjusted to reflect Learning Estate Strategy.
Earlston Primary School	Timing movement to 2020/21. Timescales adjusted to reflect Learning Estate Strategy.
Gala Academy	Timing movement to 2019/20 to reflect Scottish Government funding application deadlines.
School Estate Block	Timing movement to 2020/21.

Scottish Borders Council
Capital Financial Plan

	R A G	2019/20				2020/21			2021/22			2022/23 - 2028/29		
		Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Sports Infrastructure														
Culture & Sports Trusts - Plant & Services	G	334	334	482	(148)	409	148	557	290	0	290	2,320	0	2,320
Melrose 3G Pitch	G	1,076	1,076	1,073	3	27	(3)	24	0	0	0	0	0	0
Netherdale Spectator Stand	G	104	104	148	(44)	0	44	44	0	0	0	0	0	0
Floodlighting	G	0	0	0	0	155	0	155	0	0	0	0	0	0
Synthetic Pitch Replacement Fund	G	0	0	0	0	376	0	376	153	0	153	4,791	0	4,791
		1,514	1,514	1,703	(189)	967	189	1,156	443	0	443	7,111	0	7,111
Culture & Heritage														
Jim Clark Museum	G	586	586	639	(53)	0	53	53	0	0	0	0	0	0
Public Hall Upgrades	G	17	17	17	0	225	0	225	99	0	99	0	0	0
Sir Walter Scott Court House - Phase 2	G	0	0	0	0	0	0	0	0	0	0	500	0	500
Trimontium, Melrose	G	0	0	0	0	60	0	60	0	0	0	0	0	0
		603	603	656	(53)	285	53	338	99	0	99	500	0	500
Total Culture & Sport		2,117	2,117	2,359	(242)	1,252	242	1,494	542	0	542	7,611	0	7,611

Page 52

Sports Infrastructure	
Culture & Sports Trusts - Plant & Services	Timing movement to align with project timescales and expenditure following confirmation of Non-Domestic Energy Efficiency Framework (NDEEF) funding.
Melrose 3G Pitch	Small acceleration of funding from 20/21 to cover increased legal fees for Melrose Rugby Club Lawyers.
Netherdale Spectator Stand	Timing movement to 20/21 to provide additional support to the club not yet defined.
Culture & Heritage	
Jim Clark Museum	Small timing movement to 20/21 as negotiations around the final works took time to conclude reducing available time to undertake additional works during closed season. Works now scheduled for winter 20/21.

Scottish Borders Council
Capital Financial Plan

	R A G	2019/20				2020/21			2021/22			2022/23 - 2028/29		
		Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Economic Regeneration														
Great Tapestry of Scotland - Building	G	2,753	2,753	2,700	53	2,898	(53)	2,845	0	0	0	0	0	0
Borders Town Centre Regeneration Block	A	337	337	1,661	(1,324)	100	1,374	1,474	100	0	100	800	0	800
Borders Innovation Park	A	423	423	1,100	(677)	10,076	677	10,753	5,659	0	5,659	3,900	0	3,900
Newtown St Boswells Regeneration	G	0	0	1	(1)	55	1	56	84	0	84	260	0	260
Eyemouth Regeneration	G	71	71	156	(85)	548	85	633	0	0	0	0	0	0
Hawick Regeneration Block	G	212	212	392	(180)	1,596	180	1,776	489	0	489	0	0	0
Galashiels Town Centre Regeneration	G	254	254	187	67	634	(67)	567	0	0	0	0	0	0
		4,050	4,050	6,197	(2,147)	15,907	2,197	18,104	6,332	0	6,332	4,960	0	4,960
Housing Strategy & Services														
Private Sector Housing Grant - Adaptations	G	387	387	472	(85)	450	85	535	450	0	450	3,950	0	3,950
		387	387	472	(85)	450	85	535	450	0	450	3,950	0	3,950
Total Economic Development & Corporate Services		4,437	4,437	6,669	(2,232)	16,357	2,282	18,639	6,782	0	6,782	8,910	0	8,910
Economic Regeneration														
Great Tapestry of Scotland - Building		Small acceleration of budget to 19/20 to align with project timescales and works progressing slightly quicker than planned.												
Borders Town Centre Regeneration Block		Timing movement to 20/21 due to extension of grant period of Scottish Government Town Centre Regeneration Funds and competing priorities. Gross up												
Borders Innovation Park		Timing movement to 20/21 due to contract negotiations causing initial delay but which have been overtaken by COVID-19 restrictions.												
Eyemouth Regeneration		Timing movement to 20/21 to align with project timescales.												
Hawick Regeneration		Timing movement to 20/21 for former Armstrongs Building due to testing viable options to bring within budget. Galalaw now complete and therefore												
		movement of remaining budget in the project to other block project Armstrongs Building required.												
Galashiels Town Centre Regeneration		Acceleration of budget to account for additional works in 19/20 expected in 20/21												

Scottish Borders Council
Capital Financial Plan

	R A G	2019/20				2020/21			2021/22			2022/23 - 2028/29		
		Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Emergency & Unplanned Schemes														
Emergency & Unplanned Schemes	G	0	0	0	0	220	(8)	212	250	0	250	2,000	0	2,000
		0	0	0	0	220	(8)	212	250	0	250	2,000	0	2,000
Total Emergency & Unplanned Schemes		0	0	0	0	220	(8)	212	250	0	250	2,000	0	2,000
Planned Programming Adjustments														
Planned Programme Adjustments	G	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0
Total Planned Programming Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0

Scottish Borders Council
Capital Financial Plan

	R A G	2019/20				2020/21			2021/22			2022/23 - 2028/29		
		Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Scottish Borders Council														
Wheelchair Housing Strategy	G	27	27	28	(1)	0	0	0	0	0	0	0	0	0
Springwell Brae, Broughton	G	31	31	31	0	0	0	0	0	0	0	0	0	0
Green House Pilot	G	50	50	50	0	0	0	0	0	0	0	0	0	0
		108	108	109	(1)	0	0	0	0	0	0	0	0	0
Scottish Borders Council - Funding														
Developer Contributions	G	(108)	(108)	(109)	1	0	0	0	0	0	0	0	0	0
		(108)	(108)	(109)	1	0	0	0	0	0	0	0	0	0

Scottish Borders Council
Capital Financial Plan

	R A G	2019/20				2020/21			2021/22			2022/23 - 2028/29		
		Actual to 31/03/20	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Social Care Infrastructure														
Adult Services Facilities Upgrades	G	111	111	70	41	0	0	0	0	0	0	0	0	0
Health & Social Care Equipment Purchase	G	847	847	0	847	0	0	0	0	0	0	0	0	0
Care Inspectorate Requirements & Upgrades	G	7	7	20	(13)	54	0	54	55	0	55	483	0	483
Residential Care Home Upgrade Block	G	0	0	0	0	0	0	0	0	0	0	0	0	0
Technology Enabled Care	G	19	19	40	(21)	160	0	160	200	0	200	600	0	600
Residential Dementia Care	G	30	30	47	(17)	755	10	765	760	0	760	0	0	0
Residential Care Home - Hawick	G	0	0	0	0	500	64	564	7,000	0	7,000	1,000	0	1,000
Residential Care Home - Central Borders	G	0	0	0	0	500	0	500	3,000	0	3,000	6,500	0	6,500
Deanfield Care Home, Hawick	G	36	36	100	(64)	0	0	0	0	0	0	0	0	0
		1,050	1,050	277	773	1,969	74	2,043	11,015	0	11,015	8,583	0	8,583
Total Health & Social Care		1,050	1,050	277	773	1,969	74	2,043	11,015	0	11,015	8,583	0	8,583
Social Care Infrastructure														
Adult Services Facilities Upgrades		£41k higher than anticipated expenditure, off-set by underspends in Care Inspectorate Requirements, Technology Enabled Care and Residential Dementia care												
Health & Social Care Equipment Purchase		Community Equipment Store plus other equipment purchases												
Care Inspectorate Requirements & Upgrades		Lower than anticipated expenditure (£13k), off-setting increased costs in Adult Services Facilities Upgrades												
Technology Enabled Care		Lower than anticipated expenditure (£21k), off-setting increased costs in Adult Services Facilities Upgrades												
Residential Dementia Care		Lower than anticipated expenditure (£7k), off-setting increased costs in Adult Services Facilities Upgrades. £10k timing movement allocated to 2020-21												
Deanfield Care Home, Hawick		£64k timing movement allocated to Residential care Home- Hawick project in 2020-21												

Scottish Borders Council
Capital Financial Plan

CAPITAL FINANCING	2019/20			2020/21			2021/22			2022/23 - 2028/29		
	Projected Outturn	Latest Approved Budget	Variance	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
C9001 - Capital - General Capital Grant												
Capital - General Capital Grant	(16,765)	(16,765)	0	(11,467)	0	(11,467)	(15,400)	0	(15,400)	(123,200)	0	(123,200)
C9002 - Scottish Government Specific Capital Grant												
Other Fleet - Electric Vehicles	(90)	(158)	68	0	0	0		0	0	0	0	0
Other Fleet - Electric Vehicles - Infrastructure	(206)	(250)	44	0	(44)	(44)	0	0	0	0	0	0
Flood Studies	(242)	(274)	32	(600)	(32)	(632)	(350)	0	(350)	(2,800)	0	(2,800)
Hawick Flood Protection	(4,685)	(5,458)	773	(17,397)	(773)	(18,170)	(16,192)	0	(16,192)	(13,868)	0	(13,868)
Selkirk Flood Protection			0	0	0	0	0	0	0	0	0	0
Cycling Walking & Safer Streets	(188)	(188)	0	(189)	0	(189)	(211)	0	(211)	(1,932)	0	(1,932)
Selkirk Town Centre (Streetscape works)	0	0	0	0	0	0	0	0	0	0	0	0
Galashiels Masterplanning	0	0	0	0	0	0	0	0	0	0	0	0
Energy Efficiency Works	0	0	0	0	0	0	0	0	0	0	0	0
Early Learning and Childcare	(2,290)	(2,277)	(13)	0	0	0	0	0	0	0	0	0
Early Learning and Childcare (Langlee PS)	0	0	0	0	0	0	0	0	0	0	0	0
School Estate Review	0	0	0	0	0	0	0	0	0	0	0	0
Early Years Expansion	0	0	0	(5,853)	13	(5,840)	0	0	0	0	0	0
Hawick High School SFT	0	0	0	0	0	0	0	0	0	0	0	0
Hawick Regeneration	(212)	(392)	180	(1,596)	(180)	(1,776)	(489)	0	(489)	0	0	0
Borders Town Centre Regeneration Block	(298)	(1,421)	1,123	0	(1,123)	(1,123)	0	0	0	0	0	0
	(8,211)	(10,418)	2,207	(25,635)	(2,139)	(26,651)	(17,242)	0	(17,242)	(18,600)	0	(18,600)

		2019/20			2020/21			2021/22			2022/23 - 2028/29		
CAPITAL FINANCING		Projected	Latest	Variance	Latest	Variance	Projected	Latest	Variance	Projected	Latest	Variance	Projected
		Outturn	Approved		Approved		Budget	Budget		Budget	Budget		Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
C9003 - Other Grants & Contributions - Capital													
	Hawick Flood Protection	(118)	(280)	162	(3,224)	(162)	(3,386)	(3,279)	0	(3,279)	(2,724)	0	(2,724)
	Roads & Bridges -inc. RAMP, Winter Damage & Slopes	(1,202)	(974)	(228)	0	0	0	0	0	0	0	0	0
	Selkirk Town Centre (Streetscape works)	0	0	0	0	0	0	0	0	0	0	0	0
	Innerleithen to Walkerburn - Shared Access Route	(2)	(2)	0	0	0	0	0	0	0	0	0	0
	Cycling Walking & Safer Streets	(38)	(38)	0	0	0	0	0	0	0	0	0	0
	Sustrans (various Roads & Transport projects)	0	0	0	0	0	0	0	0	0	0	0	0
	Parks & Open Spaces - Upgrades	0	0	0	0	0	0	0	0	0	0	0	0
	Play Areas & Outdoor Community Spaces	(37)	(37)	0	0	0	0	(133)	0	(133)	0	0	0
	Wilton Lodge Park	0	0	0	0	0	0	0	0	0	0	0	0
	Jedburgh Learning Campus (3G Pitch)	0	0	0	0	0	0	0	0	0	0	0	0
	Jim Clark Museum	(514)	(419)	(95)	0	(21)	(21)	0	0	0	0	0	0
	Sir Walter Scott- Phase 2	0	0	0	0	0	0	0	0	0	0	0	0
	Sir Walter Scott Court House - Phase 1	0	0	0	0	0	0	0	0	0	0	0	0
	Great Tapestry of Scotland - Building	(2,470)	(2,470)	0	0	0	0	0	0	0	0	0	0
	Galashiels Town Centre Regeneration	(96)	(96)	0	0	0	0	0	0	0	0	0	0
	Market Place/High Street Jedburgh	0	0	0	(405)	0	(405)	0	0	0	0	0	0
	Central Borders Business Park	(423)	(1,100)	677	(5,341)	(677)	(6,018)	(5,659)	0	(5,659)	(3,900)	0	(3,900)
	Selkirk Flood Protection	0	(50)	50	0	0	0	0	0	0	0	0	0
	Digital Learning Transformation	0	(1,759)	1,759	0	0	0	0	0	0	0	0	0
	Landfill Provision	0	0	0	(550)	0	(550)	0	0	0	0	0	0
	Peebles High School Insurance Receipt	0	0	0	(2,000)	0	(2,000)	(8,000)	0	(8,000)	0	0	0
	Borders Town Centre Regeneration Block	0	0	0	0	(50)	(50)						
	Melrose 3G Pitch	(500)	(500)	0	0	0	0	0	0	0	0	0	0
		(5,400)	(7,725)	2,325	(8,970)	(910)	(9,830)	(9,071)	0	(9,071)	(6,624)	0	(6,624)

CAPITAL FINANCING	2019/20			2020/21			2021/22			2022/23 - 2028/29		
	Projected	Latest	Variance	Latest	Variance	Projected	Latest	Variance	Projected	Latest	Variance	Projected
	Outturn	Approved		Approved			Approved			Approved		
	£000	Budget	£000	Budget	£000	£000	Budget	£000	£000	Budget	£000	£000
C9004 - Capital Funded from Current Revenue (CFCR)												
Projects funded from Revenue Land and Property	0	0	0	0	0	0	0	0	0	0	0	0
Easter Langlee Cell Provision	0	0	0	0	0	0	0	0	0	0	0	0
Bannerfield Play Area	0	0	0	0	0	0	0	0	0	0	0	0
ICT - Outwith CGI Scope	(561)	(776)	215	0	(215)	(215)	0	0	0	0	0	0
ICT Transformation	0	0	0	0	0	0	0	0	0	0	0	0
ICT Projects Funded from Revenue	0	0	0	0	0	0	0	0	0	0	0	0
Hawick High School Computing Hardware	0	0	0	0	0	0	0	0	0	0	0	0
Earlston High School Labstation	0	0	0	0	0	0	0	0	0	0	0	0
Wilton Lodge Park	0	0	0	0	0	0	0	0	0	0	0	0
Complex Needs - Central Education Base	0	0	0	0	0	0	0	0	0	0	0	0
Earlston MUGA	0	0	0	0	0	0	0	0	0	0	0	0
Synthetic Pitch Replacement Fund	0	0	0	0	0	0	0	0	0	0	0	0
Play Facilities	0	0	0	0	0	0	0	0	0	0	0	0
Play Areas & Outdoor Community Spaces	0	0	0	0	0	0	0	0	0	0	0	0
Parks & Open Spaces - Upgrades	0	0	0	0	0	0	0	0	0	0	0	0
Roads & Bridges -inc. RAMP, Winter Damage & Slopes	0	0	0	0	0	0	0	0	0	0	0	0
Innerleithen to Walkerburn - Shared Access Route	0	0	0	0	0	0	0	0	0	0	0	0
	(561)	(776)	215	0	(215)	(215)	0	0	0	0	0	0
C9005 - Developer Contributions												
Peebles Bridge	0	0	0	0	0	0	0	0	0	0	0	0
Roads & Bridges Block	0	(80)	80	0	(80)	(80)	0	0	0	0	0	0
Reston Station Contribution	0	0	0	0	0	0	0	0	0	(100)	0	(100)
Building Upgrades	0	0	0	0	0	0	0	0	0	0	0	0
Play Facilities	0	0	0	0	0	0	0	0	0	0	0	0
Play Areas & Outdoor Community Spaces	0	(33)	33	(60)	(54)	(114)	(7)	0	(7)	0	0	0
Engineering Minor Works	0	0	0	(14)	0	(14)	0	0	0	0	0	0
Broomlands Primary School	0	0	0	0	0	0	0	0	0	0	0	0
Contribution from third party	(234)	0	(234)									
School Estate Block	(244)	(100)	(144)	(100)	0	(100)	(100)	0	(100)	(800)	0	(800)
	(478)	(213)	(266)	(174)	(134)	(308)	(107)	0	(107)	(900)	0	(900)
C9006 - Capital Receipts												
	(2,638)	(2,872)	234	(2,440)	0	(2,440)	(300)	0	(300)	(400)	0	(400)

		2019/20			2020/21			2021/22			2022/23 - 2028/29		
CAPITAL FINANCING		Projected	Latest		Latest			Latest			Latest		
		Outturn	Approved	Variance	Approved	Variance	Projected	Approved	Variance	Projected	Approved	Variance	Projected
		Budget	Budget		Budget		Budget	Budget		Budget	Budget		Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
C9007 - Plant & Vehicle Fund													
	Plant & Vehicle Replacement - P&V Fund	(1,481)	(2,000)	519	(2,000)	0	(2,000)	(2,000)	0	(2,000)	(16,000)	0	(16,000)
	Synthetic Pitch Replacement Fund	0	0	0	(364)	0	(364)	(153)	0	(153)	(4,131)	0	(4,131)
		(1,481)	(2,000)	519	(2,364)	0	(2,364)	(2,153)	0	(2,153)	(20,131)	0	(20,131)
C9008 - Capital Borrowing													
		(8,774)	(11,342)	2,569	(35,004)	(4,950)	(39,954)	(34,541)	0	(34,541)	(131,715)	0	(131,715)
TOTAL CAPITAL FUNDING		(44,307)	(52,110)	7,803	(88,604)	(8,348)	(96,952)	(86,814)	0	(86,814)	(301,570)	0	(301,570)

	C+U/ Service Dir Asset&Infr Approval	Latest approved budget £000's	Proposed Movement	Projected Outturn	Actuals to 31/03/2020
Assets & Infrastructure					
Flood & Coastal Protection					
General Flood Protection Block					
Romanno Bridge Flood Bank		70	(52)	18	18
Duns Golf Course		15	(10)	5	5
Community Resilience		4	10	14	14
Management Fees		30	0	30	30
Still Burn Fountainhall		0	0	0	0
Minor Works		27	(4)	23	23
Bankend North, Jedburgh		140	(43)	97	97
Denholm Flood Works		25	(25)	0	0
Timing movement to 2020/21			124		
		311	0	187	187
Flood Studies					
Peebles, Innerleithen, Broughton Flood Scheme		63	(10)	53	53
Earlston Flood Scheme		12	0	12	12
Newcastleton Flood Scheme		19	1	20	20
Hawick NFM Scheme Preparation		15	(15)	0	0
Galashiels NFM Scheme Preparation		0	0	0	0
Eyemouth Coastal Flood Scheme		57	0	57	57
Peebles Surface Water Flooding		32	0	32	32
Galashiels Surface Water Flooding		0	0	0	0
EttrickValley		27	11	38	38
Lindean Flood Study		38	(7)	31	31
Management Fee		11	(11)	0	0
Timing movement to 2020/21			31		
		274	0	243	243
Land and Property Infrastructure					
Health and Safety Works					
Melrose Grammar exterior upgrade		29	0	29	29
Edenside workshops toilet upgrades		10	11	21	21
Tweedbank craft units roofing upgrades		0	0	0	0
School toilets upgrades		82	0	82	82
SBCares (fire safety upgrades)		6	6	12	12
Castlewood cemetery paths upgrade		15	4	19	19
Hawick Old Baths roofing upgrade		0	3	3	3
Drumlanrig Tower structural upgrade		15	(8)	7	7
Hawick HS electrical infrastructure upgrade		9	2	11	11
Priorsford PS external lighting upgrade		6	0	6	6
Halyrude PS external lighting upgrade		8	3	11	11
Selkirk Municipal buildings dry rot works		2	0	2	2
Selkirk HS carpark upgrade		10	(9)	1	1
Knowepark PS carpark upgrade		10	(9)	1	1
Philippaugh PS carpark upgrade		14	(12)	2	2
Peebles HS damp works		10	0	10	10
Tweedside Caravan park upgrades		24	0	24	24
Skirling & Innerleithen Cemetery walls upgrade		2	(2)	0	0
Greenlaw PS windows upgrade		181	0	181	181
Burgh Hall boiler upgrade		20	(18)	2	2
Reston PS boiler upgrade		5	(1)	4	4
Lanark Lodge boiler upgrade		49	(43)	6	6
Hawick HS boiler upgrade		26	(23)	3	3
Asbestos Management		30	(16)	14	14
Legionella works/upgrade water tanks		40	134	174	174
Bongate Units Surface Upgrades		15	0	15	15
School Security Works		30	(6)	24	24
Cultural Services property upgrades		11	1	12	12
Denholm PS replacement of external facias		10	(8)	2	2
Ayton PS structural walling works - cladding		17	0	17	17
Cuddyside Path upgrade		7	1	8	8
Cemetery wall upgrades - Eddleston/Denholm/Drumelzier		10	(8)	2	2
Drumlanrig PS Asbestos Removal works		6	0	6	6
Wilton PS Toilet Upgrade		18	0	18	18
Health and Safety Works - Duns Road Depot roofing works		24	0	24	24
Duns Area Office emergency structural works to external façade		18	(18)	0	0
Selkirk HS electrical upgrade		11	(7)	4	4
Emergency electrical upgrading works to Edenside PS		6	(6)	0	0
Emergency waterproofing works to lift shaft at Galashiels Library		10	(10)	0	0
Emergency rhone replacements at Paton Street Offices, Galashiels		6	(6)	0	0
Timing movement to 2020/21			45		
	0	802	0	757	757

	C+U/ Service Dir Asset&Infr Approval	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 31/03/2020
Commercial Property Upgrades					
Lingle Mill		59	0	59	59
	0	59	0	59	59
Building Upgrades					
Morebattle PS roof upgrade (corridor & toilets area)		19	1	20	20
Sprouston PS windows upgrade (final phase of classrooms)		9	5	14	14
Deanfield RHE roof upgrade (phase 1)		30	13	43	43
Trinity PS window upgrade		35	0	35	35
Katherine Elliot Centre fascia works		0	1	1	1
Linglie Mill roofing & external repairs		27	0	27	27
Knowepark PS windows upgrade (phase 1)		4	0	4	4
Langlee CC/Centre windows upgrade		107	(24)	83	83
Langlee CC/Centre windows upgrade		38	(38)	0	0
Chambers Institute roofing works (3 phases)		0	38	38	38
Kirkurd Session House roof repairs		12	0	12	12
Lethenside workshops roofing upgrade		14	0	14	14
Coldstream workshops roofing upgrade		40	(4)	36	36
Saltgreens RHE windows upgrade		60	16	76	76
Cockburnspath PS roofing upgrade		43	0	43	43
Eyemouth CC roofing upgrade		6	0	6	6
Coldstream PS boiler room upgrade		30	(23)	7	7
Lifts - Mechanical infrastructure upgrades		26	(15)	11	11
Grove House Emergency Lift Upgrade		0	17	17	17
Selkirk Library - emergency lift upgrade		0	25	25	25
Selkirk HS electrical upgrade		0	7	7	7
Electrical infrastructure upgrade		0	0	0	0
Morebattle PS window upgrade		0	0	0	0
Rosetta Road roof upgrade (leadwork)		11	(10)	1	1
Eyemouth Industrial Estate Door/Window Upgrade		12	(4)	8	8
Gala Volunteer Hall Toilet Upgrade		5	20	25	25
Langlee Centre services upgrade		6	0	6	6
Kelso Town House heating & lighting upgrade		5	0	5	5
Broughton Nursery heating upgrade		9	(3)	6	6
Emergency electrical upgrading works to Edenside PS		0	6	6	6
Dundsdales Workshops roof replacements		100	(100)	0	0
Roof Upgrade at Edrom Village Hall		9	(1)	8	8
Bus Shelter upgrades		0	10	10	10
Unallocated		3	(3)	0	
Timing movement to 2020/21			66		
	0	660	0	594	594
Cleaning Equipment Replacement Block					
Cleaning Equipment		54	42	96	96
Timing movement from 2020/21			(42)		
	0	54	0	96	96
Contaminated Land Block					
09/00059/PIIA		38	(34)	4	4
Timing movement to 2020/21			34		
	0	38	0	4	4
Play Areas & Outdoor Community Spaces					
Home Park, Coldstream		275	0	275	275
Shedden Park, Kelso		328	(49)	279	279
Wilton Lodge Park, Hawick		19	(19)	0	0
Harestanes		89	0	89	89
Management Fee		103	0	103	103
Clovenfords Play Facilities		1	0	1	1
Chirnside Play Park		13	(13)	0	0
Virement from Developer Contributions		0	0	0	0
Unallocated		0	0	0	0
Timing movement to 2020/21			81		
	0	828	0	747	747
Asset Rationalisation					
HQ Reception and new canteen		150	(23)	127	127
Langlee Complex		10	(2)	8	8
Old Canteen Demolition & Surfacing Works		0	16	16	16
2 Bowden Road demolition		40	(38)	2	2
Paton Street Galashiels Agile Working		38	(21)	17	17
Hawick Town Hall Agile Working		50	(29)	21	21
HQ Agile Working		89	38	127	127
Redundant School Building Demolition		65	(33)	32	32
Unallocated		0	0	0	0
Timing Movement to 2020/21			92		
	0	442	0	350	350

	CFO/ Service Dir Asset&Infr Approval	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 31/03/2020
Energy Efficiency Works					
Energy Efficiency Works		241	(19)	222	222
Timing Movement to 2020/21			19		
	0	241	0	222	222
Road & Transport Infrastructure					
Roads & Bridges -inc. RAMP, Winter Damage & Slopes					
Surface Dressing		2,740	(62)	2,678	2,678
Patching		1,228	(28)	1,200	1,200
Resurfacing/Overlays		1,217	(13)	1,204	1,204
Walls & Structures		245	(20)	225	225
Footways		482	(62)	420	420
Drainage		245	(106)	139	139
Masonry Refurbishment		526	3	529	529
New Easter Langlee Roundabout		80	(80)	0	0
STTS Funded Schemes		1,206	19	1,225	1,225
Gross down Developer Contribution for Roundabout			80		
Gross up LEZ Funding			(131)		
Gross up The Flass			(45)		
Gross up The Wall at Walkerburn			(52)		
Timing Movement to 2020/21			497		
	7,969	0	7,620	7,620	
Lighting Asset Management Plan					
Main Street, Earlstoun		35	(3)	32	32
Preston Road, Duns		53	0	53	53
Marmion Road, Galashiels		20	(20)	0	0
Bristol Terrace/Edinburgh Road, Galashiels		30	(14)	16	16
Wester Row, Greenlaw		0	0	0	0
Elm Row, Hawick		30	0	30	30
High Cross Avenue, Melrose		54	(9)	45	45
Minto Road, Denholm		30	(19)	11	11
Corroded Columns		10	1	11	11
Timing movement 2020/21			64		
	262	0	198	198	
Accident Investigation Prevention Schemes Block					
AIP Schemes (Road Safety)		86	0	86	87
Traffic Calming Measures		9	0	9	9
Design fees		5	0	5	5
	100	0	100	101	
Cycling Walking & Safer Streets					
Cycle Related Activities		138	18	156	156
Walking Related Activities		88	(19)	69	69
	226	(1)	225	225	
Waste Management					
CRC - Improved Skip Infrastructure					
Galashiels Community Recycling Centre			0	0	0
Timing Movement to 2020/21		146	0		
	0	0	0	0	
Finance, IT and Procurement					
Corporate					
ICT-Outwith CGI Scope					
PC replacement		843	(215)	628	628
Capital Funded by Current Revenue					
	843	(215)	628	628	
Children & Young People					
School Estate					
Early Learning and Childcare					
Coldstream ELCC		0	0	0	0
St Peters ELCC		2	0	2	2
St Ronans Primary School Extension		400	58	458	458
Stow		60	(47)	13	13
Wilton Primary School ELCC		10	0	10	10
St Boswells Primary School Extension		8	0	8	8
St Margaret's Primary School		0	0	0	0
Yetholm Primary School		20	(6)	14	14
Duns Primary School		200	(14)	186	186
Swinton		195	(181)	14	14
Burgh Primary School		10	(4)	6	6
Chirnside Primary School		1	0	1	1
Stirches Primary School		420	109	529	529
Priorsford School		600	29	629	629
Galashiels New Build School		0	0	0	0
Hawick New Build School		0	0	0	0
Sprouston Alterations		10	(6)	4	4
Lauder		40	(28)	12	12
Kingsland Nursery		10	0	10	10
Unallocated Balance - Early Years Block		291	103	394	394
Timing movement from 2020/21		0	(13)	0	0
	2,277	0	2,290	2,290	
School Estate Block					
<i>Improve and enhance school environments:</i>					
Hawick HS Window & Classroom Refurbishment		140	4	144	144
Burnfoot Refurbishment		150	(2)	148	148
High School Social Areas (including Selkirk HS previously approved)		709	(359)	350	350
Priorsford Extension		500	(130)	370	370
Chirnside Primary School		30	3	33	33
Coldstream Refurbishment work		70	(5)	65	65
Stirches Primary School		75	(75)	0	0
St Ronans		80	(75)	5	5
Kelso HS Upgrade		11	4	15	15
Berwickshire HS Upgrade		11	25	36	36
Greenlaw PS Upgrade		11	0	10	10

	CFO/ Service Dir Asset&Infr Approval	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 31/03/2020
Ednam Refurbishment		28	6	34	34
School toilet programme		0	0	0	0
Wilton PS - Swimming Pool		0	30	30	30
Berwickshire HS - Digital spoke room		0	7	7	7
Earlston HS - Digital spoke room		0	7	7	7
Eymouth HS - Digital spoke room		0	7	7	7
Kelso HS - Digital spoke room		0	7	7	7
Selkirk HS - Digital spoke room		0	7	7	7
Primary School Refurbishments		520	(299)	221	221
<i>Ensure school security, health and safety and legislative obligations are met:</i>					
Further enhancement to reception security		104	(104)	0	0
Edenside PS		8	0	8	8
Burgh Primary School - Secure Reception		85	(16)	69	69
Earlston PS		8	0	8	8
Melrose PS Security Legal Obligations		5	(5)	0	0
Peebles HS		55	(2)	53	53
Reston Primary School - Secure Reception		26	0	26	26
Galashiels Academy Legal Obligations		17	0	17	17
Kitchen refurbishment programme		140	(140)	0	0
Newcastleton Security Works		7	(1)	6	6
Eymouth PS Works		0	2	2	2
Lauder Security Works		9	0	9	9
Knowepark Primary School Secure Reception		60	(5)	55	55
<i>Enhancement to ASN provision in specialist resources:</i>					
Accessibility works		466	(466)	0	0
ASN Enhancements Galashiels Academy		15	(15)	0	0
Berwickshire HS Adaptations		100	(58)	42	42
Langlee PS Accessibility Works		7	(1)	6	6
Wilton PS Accessibility Works		0	13	13	13
Duns PS Accessibility Works		36	2	38	38
<i>Respond to urgent issues arising unexpectedly in response to inspections by regulatory bodies, unplanned incidents or in relation to any of the key outcomes listed above:</i>					
Unallocated Balance		0	0	0	0
Timing movement to 2020/21		0	1,593	0	0
		3,509	0	1,916	1,916

Culture & Sport

Sports Infrastructure

Culture & Sports Trusts - Plant & Services

Business Development	19	0	19	19
Building Energy Management System Upgrades	10	(10)	0	0
Pool Hall Humidity Sensors	10	(10)	0	0
Lighting	25	(16)	9	9
Heat Recovery	0	0	0	0
Pool Covers	0	0	0	0
External Remedials	119	(65)	54	54
Pool Tank Grouting/Expansion Joints	30	(7)	23	23
Pool Plant/Filtration/Sand Media	38	(5)	33	33
Lightning Protection	20	7	27	27
Heating/Air Handling Unit's	52	(13)	39	39
NEW Teviot Leisure Centre Fire Alarm	30	(30)	0	0
Berwickshire Recreation Education Sports Trust	27	(1)	26	26
Jedburgh Leisure Facilities Trust	102	3	105	105
	482	(147)	335	335

Public Hall Upgrades

Volunteer Hall	17	0	17	17
Unallocated	0	0	0	0
	17	0	17	17

Economic Development

Economic Regeneration

Hawick Regeneration

Former Armstrong/Armstrong Building	312	(128)	184	184
Galalaw Business Park	80	(52)	28	28
Unallocated	0	0	0	0
	392	(180)	212	212

Borders Town Centre Regeneration Block

Jedburgh Abbey Ramparts - contribution to CARS project	50	(43)	7	7
Jedburgh Place Plan	25	(25)	0	0
Hawick Public realm/ Former Armstrong Building	129	(97)	32	32
Workshop Development	36	(36)	0	0
Town Centre Funds (Jedburgh, Hawick, Galashiels, Eymouth, Selkirk)	1,421	(1,123)	298	298
Unallocated	0	0	0	0
	1,661	(1,324)	337	337

	CFO/ Service Dir Asset&Infr Approval	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 31/03/2020
Health & Social Care					
Social Care Infrastructure					
Adult Services Facilities Upgrades					
Deanfield, Hawick		0	30	30	30
Grove House, Kelso		1	0	1	1
St Ronan's, Innerleithn		0	0	0	0
Saltgreens, Eyemouth		0	0	0	0
Waverly, Galashiels		0	0	0	0
Day Services		42	38	80	80
Unallocated		27	(27)	0	0
		70	41	111	111
Care Inspectorate Requirements & Upgrades					
Deanfield, Hawick		0	4	4	4
Grove House, Kelso		0	1	1	1
St Ronan's, Innerleithn		0	1	1	1
Saltgreens, Eyemouth		0	1	1	1
Waverly, Galashiels		0	0	0	0
Day Services		0	0	0	0
Unallocated		20	0	20	0
		20	7	27	7

	2019/20 Timing Movement £000's	2020/21 Approved Budget £000's	Proposed Movement £000's	2020/21 Projected Outturn £000's
Assets & Infrastructure				
Flood & Coastal Protection				
General Flood Protection Block				
Romanno Bridge Flood Bank	52	100	-	152
Community Resilience	-	5	-	5
Bankend South Jedburgh	43	110	-	153
Minor Works	4	47	-	51
Management Fees	-	30	-	30
Denholm Flood Works	25	-	-	25
Unallocated	-	-	-	-
	124	292	-	416
Flood Studies				
Flood Scheme Preparation	-	170	-	170
Hawick National Flood Management Scheme Preparation	15	160	-	175
Galashiels National Flood Management Scheme Preparation	-	160	-	160
Eymouth Coastal	-	70	-	70
Ettrick Valley	-	15	-	15
Lindean	7	25	-	32
Unallocated	10	-	-	10
	32	600	0	632
Land and Property Infrastructure				
Health and Safety Works				
School toilets upgrades	-	55	-	55
Coldstream workshops car park upgrade	-	40	-	40
Heriot Hall electrical infrastructure upgrade	-	80	-	80
Asbestos Management	-	100	-	100
Swinton PS external surface upgrades (playground)	-	10	-	10
Selkirk HS games hall floor upgrade	-	27	-	27
Linglie Mill internal fabric upgrades	-	160	-	160
Duns Industrial Estate loading bay doors upgrade	-	30	-	30
Melrose Grammar School flat roofing works	-	30	-	30
Galashiels Academy switchroom upgrade	-	90	-	90
Legionella Management	-	60	-	60
Unallocated Balance	45	-	-	45
	45	682	-	727
Commercial Property Upgrades				
School Brae, Peebles - Window Replacements	-	30	-	30
General Lighting Upgrades to various Units when vacated	-	10	-	10
General Heating Upgrades to various Units when vacated	-	10	-	10
Linglie Mill, Selkirk - Upgrades	-	16	-	16
Unallocated Balance	-	-	-	-
	-	66	-	66
Energy Efficiency Works				
NDEE PH2	-	1,900	-	1,900
PPP LED Lighting Project	-	1,000	-	1,000
LCITP Smart Grid	-	500	-	500
Corn Exchange Heating	-	18	-	18
Unallocated Balance	19	-	-	19
	19	3,418	-	3,437
Building Upgrades				
Trinity PS window upgrade	-	44	-	44
Coldstream workshops roofing upgrade	-	44	-	44
Saltgreens RHE windows upgrade	-	82	-	82
Ayton PS windows upgrade	-	17	-	17
Burnfoot PS (comm wing) windows upgrade	-	27	-	27
Coldstream PS roofing upgrade	-	88	-	88
Hawick HS roofing upgrades (science block)	-	77	-	77
Wilton PS windows & doors upgrade	-	45	-	45
Boiler upgrades	-	150	-	150
Kelso Library offices windows upgrade	-	11	-	11
Melrose Grammar lighting upgrade	-	25	-	25
Drumlanrig PS windows upgrade	-	150	-	150
Linglie Mill Industrial units upgrade	-	87	-	87
Unallocated Balance	66	-	-	66
	66	847	-	913
Cleaning Equipment Replacement Block				
Vacuums	-	42	-	4
Unallocated Balance	-	-	-	-
	-	42	-	4

	2019/20 Timing Movement	2020/21 Approved Budget	Proposed Movement	2020/21 Projected Outturn
Contaminated Land Block				
Contaminated Land	-	18	-	18
09/00059/PIIA	34			34
Unallocated Balance	-		-	-
	34	18	0	52
Outdoor Community Spaces				
Peebles Play Park & Skate Park	-	495	-	495
Wilton Lodge Park, Hawick	19	128	73	201
Public Park, Duns	-	171	-	171
Bantry, Eyemouth	-	198	-	198
Play Facilities & Surfacing Review	-	112	-	112
Newtown Play Park	-	125	-	125
Management Fee	-	105	-	105
Developer Contributions for Hawick		-	54	
Unallocated Balance	62	10	62	72
	81	1,344	81	1,479
Asset Rationalisation				
HQ Reception and new Canteen	23	621		644
Old Canteen demolition and Car Park	-	115		99
Howdenburn PS, Jedburgh - demolition	-	105		105
Wilton PS, Hawick - demolition	-	14		14
Knowpark PS, Selkirk - demolition	-	11		11
Ednam, Kelso - demolition	-	10		10
Fees	-	75		75
Demolition - preliminaries, provisional sums, contingencies, surveys & fees etc	33	121		154
ROSLA, Galashiels Academy	-	85		85
Paton Street, Galashiels - workplace transformation & fabric upgrades	21	290		311
Hawick Town Hall - workplace transformation & fabric upgrades	29	268		297
HQ - workplace transformation & fabric upgrades	-	38	100	62
Municipal Buildings - Relocation works	-	50		50
2 Bowden Road demolition	38			38
Unallocated Balance	2			2
	92	1,865	-	1,957
Road & Transport Infrastructure				
Roads & Bridges -inc. RAMP, Winter Damage & Slopes				
Surface Dressing	-	2435	-	2,034
Patching	-	1700	30	1,730
Resurfacing/Overlays	-	1760	812	2,572
Walls & Structures	-	275	110	385
Footways	-	200	10	210
Drainage	-	300	50	350
Masonry Refurbishment	-	878	-	763
Union Chain Bridge	-	112	-	112
Unallocated Balance	-	-	-	-
C77 Roundabout	80	-	80	80
Timing movement from 2019/20	496			
	576	7660	576	8,236
Lighting Asset Management Plan				
Craigend Road, Stow	-	30	-	30
Langlee Drive/Ave, Galashiels	-	30	-	30
The Green, Selkirk	-	30	-	30
Bourtree Terrace, Hawick	-	30	-	30
Damside, Innerleithen	-	30	-	30
Corroded Columns	11	10		21
Marmion Road Galashiels	20			20
Bristol Terrace, Galashiels	14			14
Minto Road, Denholm	19			19
Unallocated Balance	-	-	-	-
	64	160	-	224
Accident Investigation Prevention Schemes Block				
AIP Schemes (Road Safety)	-	30	-	30
Traffic Calming Measures	-	6	-	6
Design fees	-	4	-	4
Unallocated Balance	-			
	-	40	-	40
Cycling Walking & Safer Streets				
Cycle Related Activities	-	100	-	100
Walking Related Activities	-	89	-	89
Unallocated Balance	-	318	-	318
	-	507	-	507

		2019/20 Timing Movement	2020/21 Approved Budget	Proposed Movement	2020/21 Projected Outturn
Children & Young People	School Estate Block				
	<i>Improve and enhance school environments:</i>				
	High School Social Areas	359	389	359	748
	Primary School Refurbishments	299	700	299	999
	Priorsford extension	135	-	135	135
	School toilet programme	-	200	-	200
	<i>Meet security and legislative obligations</i>				
	Kitchen refurbishment programme	140	200	140	340
	Accessibility works	466	200	466	666
	Secure receptions programme	104	289	104	393
	<i>ASN Provision Enhancements</i>				
	ASN Provision Enhancements	-	500	-	500
	<i>Urgent, unplanned and fees</i>				
	Professional fees	-	140	-	140
	Project closure contingencies	-	100	-	100
	Unallocated balance	90	-	90	90
		1,593	2,718	1,593	4,311
Culture & Sport	Sports Infrastructure				
	Building Energy Management System Upgrades	10	-	-	10
	Pool Hall Humidity Sensors	10	-	-	10
	Lighting	16	-	-	16
	External Remedials	65	-	65	-
	Pool Tank Grouting/Expansion Joints	7	-	-	7
	Pool Plant/Filtration/Sand Media	5	-	-	5
	Lightning Protection	-	7	7	-
	Heating/Air Handling Unit's	13	-	-	13
	NEW Teviot Leisure Centre Fire Alarm	30	-	-	30
	Eyemouth LC Reception	-	40	-	40
	Galashiels SP Reception	-	25	-	25
	Tweedbank Outdoor SC Changing Rooms	-	10	-	10
	Teviotdale LC Disability Pool Pod	-	10	-	10
	Eyemouth LC Gas Boilers	-	45	-	45
	Kelso SP Gas Boilers	-	35	-	35
	Teviotdale LC External Refurbishment	-	50	30	80
	Kelso SP External Refurbishment	-	25	20	45
	GSP Pool Tank Refurbishment	-	35	8	43
	Eyemouth LC & Peebles SP Pool Circulation Pumps	-	15	-	15
	Eyemouth LC & Kelso SP Pool Heat Exchangers	-	8	-	8
	Teviotdale LC Pool Filter Refurbishment	-	30	-	30
	Eyemouth LC Pool Filter Replacement	-	30	-	30
	Jedburgh Leisure And Facilities Trust	-	3	20	17
	Berwickshire Recreation and Sports Trust	1	31	-	32
	Unallocated Balance	-	-	-	-
		147	409	-	556
	Public Hall Upgrades				
	Core Halls - Theatre Sound & Lighting	-	70	-	70
	Tait Hall Balcony Seating	-	60	-	60
	Corn Exchange/Ormiston Institute FoH Refurbishment	-	45	-	45
	Non Core Halls FoH Refurbishment	-	50	-	50
	Unallocated Balance	-	-	-	-
		-	225	-	225
	Borders Town Centre Regeneration Block				
	Jedburgh Abbey Ramparts - contribution to CARS project	43	-	50	93
	Jedburgh Place Plan	25	-	-	25
	Hawick Public realm/ Former Armstrong Building	97	-	-	97
	Town Centre Funds (Jedburgh, Hawick, Galashiels, Eyemouth, Selkirk)	1,123	-	-	1,123
	Other Hawick sites - feasibility study work or groundworks	-	50	-	50
	Workshop Development	36	50	-	86
	Unallocated Balance	-	-	-	-
		1,324	100	50	1,474
	Hawick Regeneration				
	Former Armstrong/Almstrong Building	180	1596	-	1,776
	Unallocated Balance	-	-	-	-
		180	1,596	-	1,776
Corporate	ICT -Outwith CGI Scope				
	PC Replacement	215	80	-	295
		215	80	-	295
Health & Social Care	Social Care Infrastructure				
	Care Inspectorate Requirements & Upgrades				
	Deanfield, Hawick 01-C100025	-	10	-	10
	Grove House, Kelso 01-C100026	-	10	-	10
	St. Ronans, Peebles 01-C100272	-	10	-	10
	Saltgreens, Eyemouth 01-C100027	-	10	-	10
	Waverley, Galashiels 01-C100028	-	10	-	10
	Day Services 01-C100273	-	4	-	4
	Unallocated Balance	-	-	-	-
		-	54	-	54

Scottish Borders Council
Project Net Expenditure Summary

Project Net Expenditure Summary		2019/20				2020/21			2021/22			2022/23 - 2028/29			
	Previous	Actual		Latest		Latest			Latest			Latest			Total
	Years Life to Date	to	Approved	Variance	Projected	Approved	Variance	Projected	Approved	Variance	Projected	Approved	Variance	Projected	Project
		31/03/20	Budget		Outturn	Budget		Budget	Budget		Budget	Budget		Budget	Cost
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Flood & Coastal Protection															
01-C00223 - Hawick Flood Protection	8,546	5,990	7,102	(1,112)	5,990	23,647	1,112	24,759	22,937	0	22,937	20,059	0	20,059	82,291
Road & Transport Infrastructure															
01-C00147 - A72 Dirtpot Corner - Road Safety Works	1,359	791	801	(10)	791	20	0	20	0	0	0	0	0	0	2,170
01-C00185 - Innerleithen to Walkerburn - Shared Access Route	665	1	2	(1)	1	0	0	0	0	0	0	0	0	0	666
01-C00062 - Peebles Bridge	0	0	0	0	0	0	0	0	0	0	0	420	0	420	420
01-C00183 - Reston Station Contribution	500	0	600	(600)	0	0	600	600	0	0	0	1,740	0	1,740	2,840
01-C00162 - Union Chain Bridge	289	4	11	(7)	4	700	7	707	0	0	0	0	0	0	1,000
Corporate															
01-C00296 - ICT Transformation	7,800	2,641	2,650	(9)	2,641	857	9	866	222	0	222	1,286	0	1,286	12,815
Waste Management															
01-C00235 - Easter Langlee Cell Provision	496	479	500	(21)	479	158	21	179	0	0	0	0	0	0	1,154
01-C00234 - Easter Langlee Leachate Management Facility	204	71	119	(48)	71	392	48	440	0	0	0	0	0	0	715
01-C00237 - New Easter Langlee Waste Transfer Station	4,319	1,223	1,427	(204)	1,223	0	204	204	0	0	0	1,800	0	1,800	7,546
School Estate															
Jedburgh Learning Campus	2,986	1,542	1,700	(158)	1,542	499	158	657	0	0	0	0	0	0	5,185
01-C00252 - School Estate Review	50	0	0	0	0	0	0	0	0	0	0	0	0	0	50
Culture & Heritage															
01-C00179 - Jim Clark Museum	863	586	639	(53)	586	0	53	53	0	0	0	0	0	0	1,502
01-C00122 - Sir Walter Scott- Phase 2	244	0	0	0	0	0	0	0	0	0	0	500	0	500	744
Economic Regeneration															
01-C00204 - Great Tapestry of Scotland - Building	1,199	2,753	2,700	53	2,753	2,898	(53)	2,845	0	0	0	0	0	0	6,797
01-C00205 - Central Borders Business Park	1,346	423	1,100	(677)	423	10,076	677	10,753	5,659	0	5,659	3,900	0	3,900	22,081
01-C00123 - Newtown St Boswells Regeneration	0	0	1	(1)	0	55	1	56	84	0	84	260	0	260	400
01-C1000 - Eyemouth Regeneration	95	71	156	(85)	71	548	85	633	0	0	0	0	0	0	799

This page is intentionally left blank

2019/20 UNAUDITED REVENUE OUTTURN

Briefing Note by Executive Director, Finance & Regulatory

EMERGENCY POWERS – COVID-19**20 May 2020**

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE

1.1 I recommend that the outturn position for 2019/20, prior to Statutory Audit, is noted and that the Chief Executive approves:

- (a) the adjustments to previously approved earmarked balances noted in Appendix 1; and**
- (b) the net underspend of £1.538m delivered by the Council being added to the Unallocated General Fund Balance. This balance will be available to support the Council through the COVID-19 pandemic during 2020/21 and can be drawn down when required.**

2 BACKGROUND AND PURPOSE**2.1 2019/20 Outturn**

This report provides a statement comparing final revenue outturn expenditure and income for 2019/20 with the final approved budget for the year along with explanations for significant variances.

2.2 During 2019/20 detailed Revenue Monitoring Reports were reviewed by Corporate Management Team regularly allowing appropriate corporate management action to be taken during the year where required. In line with Financial Regulations quarterly monitoring reports were submitted to the Executive Committee for approval. Where appropriate, approval was sought from the Executive Committee to vary the budgets through budget virement throughout the year.

2.3 An unaudited net outturn underspend of £1.538m was achieved in the 2019/20 revenue budget. The £1.538m net underspend (0.58% of final approved budget) was delivered following a number of earmarked balances carried forward with the approval of the Executive Committee during 2019/20. In total, these amount to £8.412m and relate to a number of initiatives across departments and specifically include £1.16m of carry forward for Devolved School Management (DSM including PEF).

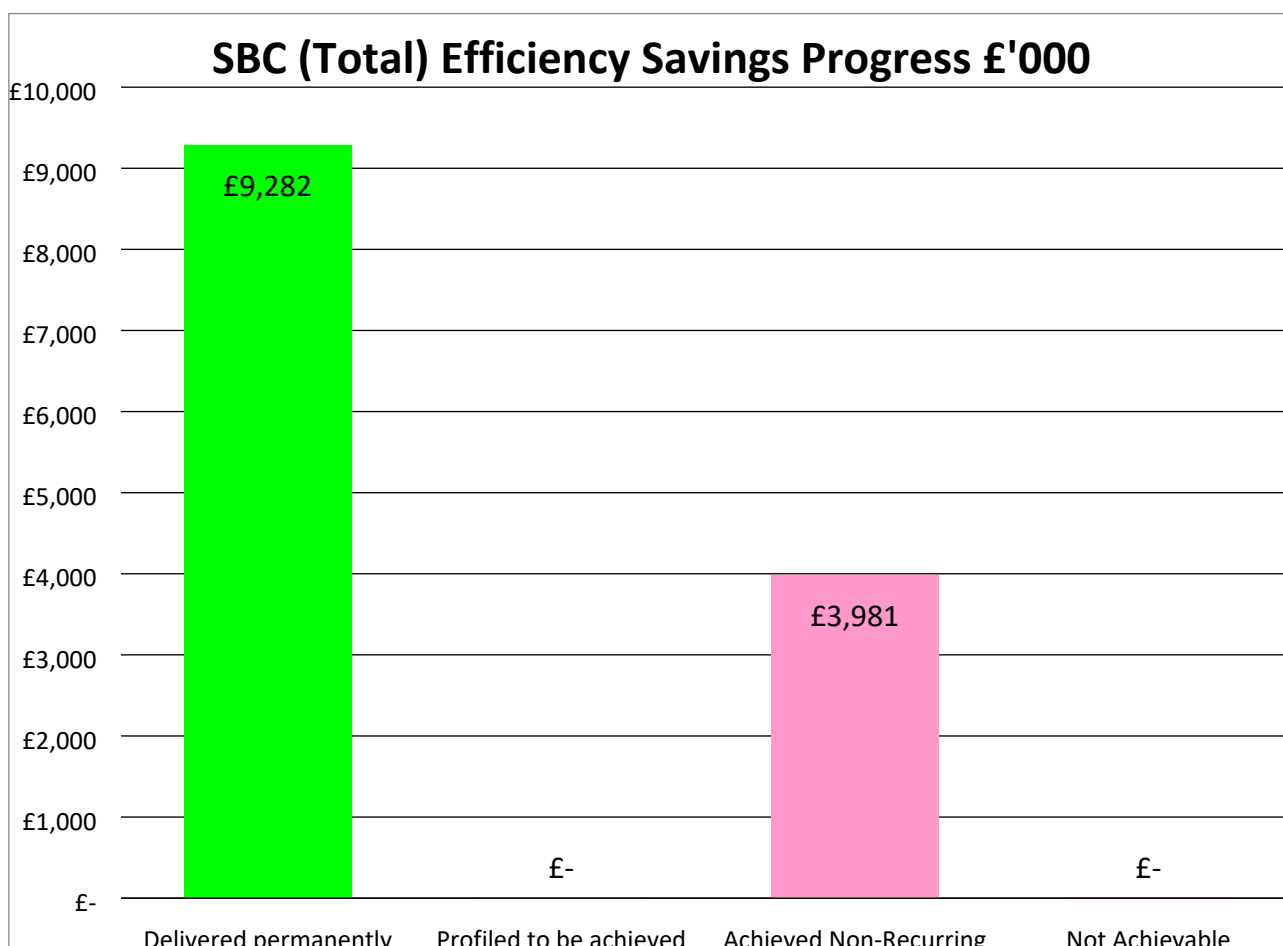
2.4 The net outturn position has been achieved through a number of service underspends, supported by the discretionary spend restrictions in the final quarter of the year, along with savings from a planned review of loans charges. These underspends were partially offset by further service pressures in Health & Social Care and a funding pressure in Council Tax.

- 2.5 A high level summary of the outturn position in each Council Service is detailed in section 4 of this report. The favourable outturn position reported is subject to the statutory audit process.
- 2.6 It was agreed by CMT at the start of 2019/20 to reduce discretionary spend wherever possible across the Council, this direction was followed up in the final quarter with further restrictions on discretionary spend which meant orders only being authorised for expenditure for which there was a statutory requirement or legal commitment in order to assist the Council's overall financial position. The favourable position at year-end has been greatly assisted by this planned management action.
- 2.7 **Integration Joint Board**
2019/20 represents the fourth operational year of the Health & Social Care partnership which has resulted in a fundamentally different way of working with NHS Borders through the Integration Joint Board (IJB). Within integrated Health & Social Care services during 2019/20 additional in-year budget allocations were required to the value of £3.9m to alleviate service pressures of £2.6m as well as £1.3m of unachievable Financial Plan savings. Over the last 3 financial years the Council has invested over £10m of additional in-year budget to the H&SC service along with £11m permanent budget growth allocated in 2018/19, 2019/20 and 2020/21. This area of service continues to present significant risks to the Council and will require further robust management action in 2020/21 to both contain demand pressures within existing budgets and deliver required financial plan savings. This is particularly crucial in light of the extremely challenging operating environment presented by the COVID-19 pandemic. The continued over commitment of resources to support H&SC is impacting upon service budgets in other areas of the Council and indicates the need for a fundamental review of the approach to budgetary control, authorisation of expenditure and the effectiveness of management action within the department to control spend within budget. As noted in the context of the 2018/19 outturn, this position is unsustainable.
- 2.8 **Peebles Fire**
In delivering the reported outturn position for 2019/20 the Council has overcome financial challenges from a variety of sources. A significant fire at Peebles High School in December 2019 resulted in an ongoing insurance claim process requiring considerable staffing resource to support the emergency response. There are 3 aspects to the Insurance claim, demolition and site clearance of the fire damaged buildings, costs related to the recovery effort eg provision of temporary classroom units which are on site at Peebles and the costs of permanent rebuilding. The first 2 category claims are capped at £1m, if the additional costs exceed £1m the Council is liable for any additional costs. The Council's is also liable for the insurance excess of £100k which will be deducted from the final claim.
- 2.9 **Storm damage**
Adverse weather through Storms Ciara and Dennis in February 2020 resulted in financial pressures of £200k along with Leachate pressures in Waste Services of £240k, both of which have been absorbed within the outturn position ensuring that the Council's adverse weather allocated reserve of £1m can be retained. As these costs are lower than the Bellwin threshold of 0.2% of net Council budget Officers have confirmed with Scottish Government that no Bellwin claim has been pursued.

2.10 Fit for 2024

The Council's Fit for 2024 programme has delivered savings of £0.850m during 2019/20 as per the requirements of the financial plan. Significant planning and review has also taken place to ensure that Fit for 2024 savings which require to be delivered in 2020/21 are as planned as possible. The aim of the programme remains to deliver a Council that is adaptable, efficient and effective, and one ultimately capable of not only meeting the challenges ahead, but of fully optimising outcomes for the citizens and communities for which it is responsible. This programme is designed to deliver savings in a more cross cutting, permanent and sustainable way in the future through a planned series of service reviews. The current COVID-19 pandemic will have a fundamental impact on the way the Council is organised and delivers services going forward with the Fit for 2024 programme instrumental in ensuring the Council builds on all transformational benefits the pandemic presents including digital advancements.

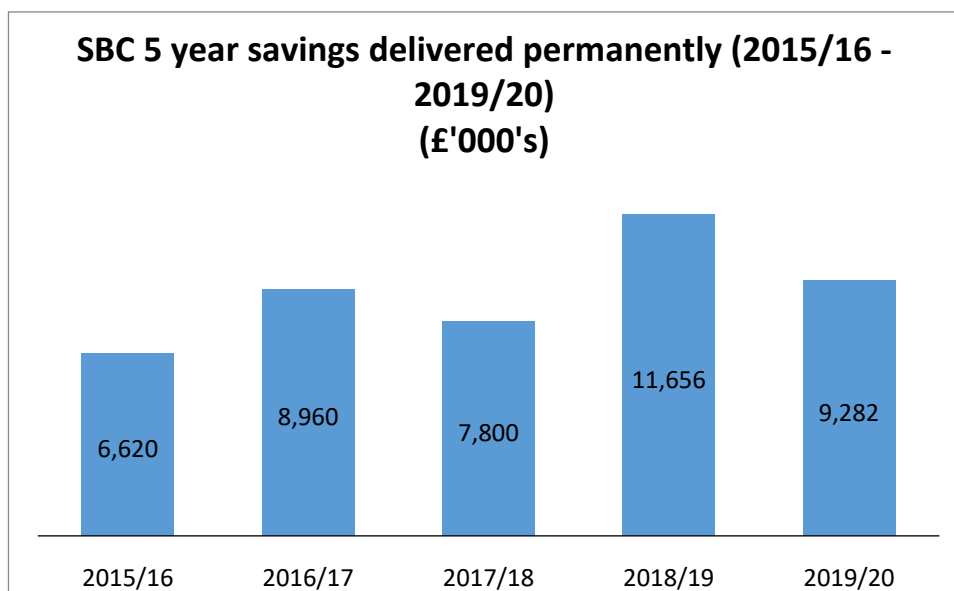
2.11 A summary of the planned delivery of savings agreed within the 2019/20 Financial Plan is outlined in Appendix 2 to this report and is summarised for the Council as a whole below:



2.12 As required by the Financial Plan, savings of £13.263m were successfully delivered during 2019/20. Of these, £9.282m (70%) were delivered permanently. The remaining £3.981m (30%) of savings were achieved on a temporary basis. As part of the 2021/21 financial planning process £1.061m was allocated to H&SC to permanently address previous year savings. The balance of savings being carried forward to be delivered in 2020/21 is therefore £2.92m (22% of the 2019/20 total). Particular emphasis is being placed by CMT on the permanent delivery of these savings during the early

part of 2020/21 or where this is not possible, as a result of the current COVID-19 pandemic, on the identification of alternative options.

- 2.13 The chart above highlights the continuing scale of savings being delivered within the Council on an ongoing basis with a further £13.263m being delivered in 2019/20, £9.3m permanently. £11.7m of savings were delivered on a permanent basis in 2018/19, £7.8m in 2017/18, £8.96m in 2016/17 and £6.62m in 2015/16. This demonstrates the scale of change undertaken within the Council over the last 5 years with permanent savings delivered over the past 5 years shown in the graph below.



- 2.14 A high level summary of the outturn position in each Council department is shown below. The detailed outturn statement for the 2019/20 revenue budget is shown in Appendix 1.

2.15 Culture & Sport

Favourable £0.001m

The Culture & Sport service have delivered an outturn position with a minor underspend of £0.001m.

2.16 Asset & Infrastructure

Favourable £0.490m

Underspends within Roads & Infrastructure (£746k) due to improved gross profit and improved labour costs in SBC Contracts, underspends within Network & Infrastructure, partly through the closure of construction sites related to Covid-19 and Parks & Environment (£123k) from additional income, reduced transport costs and discretionary spend savings. Offset by pressures within Facilities (£273k) primarily from a reduction in income within the Catering Service, Waste Management Services (£56k) from income pressure and costs related to floods in February.

2.17 Economic Development & Corporate Services

Favourable £0.140m

A net positive position has been delivered within the Service from managed underspends as a result of the discretionary spend freeze, additional rental income through increased occupancy and staff turnover savings.

2.18 Health & Social Care (H&SC)

Adverse £0.825m

Higher than anticipated costs in relation to care provision for Older People as well other locality based care services have been incurred and have resulted in in-year cost saving measures, agreed earlier in the financial year, not being realised. These year-end pressures of £0.825m combined with the transfer of £3.1m budget from other Council services during the year total £3.9m of additional costs over and above the base budget. As noted in the context of the 2018/19 outturn, this position is unsustainable and requires urgent management action.

2.19 Children & Young People

Favourable £0.676m

Discretionary spend reductions from across the Directorate as well as the impact of closures as a result of COVID-19 during March have resulted in a net year end underspend. The total DSM carry forward across all Primary and Secondary schools (including Pupil Equity Fund) is £1.16m.

2.20 Customer & Communities

Favourable £0.300m

The underspend position has been primarily delivered through discretionary spend savings, grants, project implementation delays and reduced expenditure due to Covid-19.

2.21 Finance, IT & Procurement

Favourable £0.522m

Reduced borrowing and favourable interest rates has seen an underspend in Loan Charges (£998k), however a pressure in Information Technology due to the acceleration of specific elements of the IT Model has reduced the overall position.

2.22 Human Resources

Favourable £0.203m

A net positive position has been delivered within the service. The favourable outturn position reflects the impact of the discretionary spend freeze.

2.23 Regulatory Services

Favourable £0.354m

A net positive position has been delivered within the Service from additional income and the impact of both recruitment and discretionary spend freezes.

2.24 Funding (including Council Tax)

Adverse (£0.328m)

An income pressure within Council Tax of £0.326m due to less income being received than budgeted for accounts for the majority of the year end funding variance. This pressure represents 0.5% of the Council Tax final approved budget of £63.29m.

2.25 COVID-19 review

A management review of all revenue budgets in light of the 2019/20 outturn position and the emerging difficulties in the 2020/21 budget as a result of the COVID-19 pandemic is being carried out and will be reported to CMT and Elected Members as part of the first quarterly financial monitoring reports.

2.26 The net underspend delivered by the Council will be added to the Unallocated General Fund Balance. This balance is available to support the Council through the COVID-19 pandemic during 2020/21 and will be drawn

down when required. Any draw down beyond this additional balance will require to be repaid to reserves.

3 IMPLICATIONS

3.1 Financial

There are no costs attached to any of the recommendations contained in this report its content being specifically related to reporting the revenue account outturn as at 31 March 2020.

3.2 Risk and Mitigations

The final outturn position reported is subject to the external audit. Additionally, the temporary achievement of £2.92m of planned efficiency savings will require to be addressed on a permanent and recurrent basis in 2020/21.

3.3 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 CONSULTATION

The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager X5881

APPROVED:

Chief Executive: Tracey Logan

Date: 28 May 2020

Having consulted -

Leader of the
Administration: Cllr Shona Haslam

Date: 26 May 2020

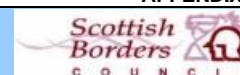
Convener: Cllr David Parker

Date: 26 May 2020

Leader of the
Opposition: Cllr Stuart Bell

Date: 26 May 2020

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2019/20**
SUMMARY



	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Culture & Sport	5,848	5,848	1		1	
Asset & Infrastructure	37,411	36,921	490		490	Underspends within Roads & Infrastructure (£746k) due to improved gross profit and improved position for labour costs in SBcContracts, underspends within Network & Infrastructure, partly through the closure of construction sites related to Covid-19 and Parks & Environment (£128k) from additional income, reduced transport costs and discretionary spend savings. Offset by pressures within Facilities (£273k) primarily from a reduction in income within the Catering Service, Waste Management Services (£56k) from income pressure and costs related to floods in February.
Economic Development & Corporate Services	508	368	140		140	A net positive position has been delivered within the Service from managed underspends as a result of the discretionary spend freeze, additional rental income through increased occupancy and staff turnover savings.
Health & Social Care	53,944	54,769	(825)		(825)	Higher than anticipated costs in relation to care provision for Older People as well other locality based care services have been incurred and have resulted in in year cost saving measures, agreed earlier in the financial year, not being realised.
Public Health	73	67	5		5	
Children & Young People	107,720	106,824	896	(220)	676	Lower than expected uptake for Early Years funding combined with recruitment and discretionary spend freezes as well as the Covid-19 impact was partially offset by staffing pressures.
Customer & Communities	14,470	14,170	300		300	Discretionary spend savings, grants, project implementation delays and reduced expenditure due to Covid-19.
Finance, IT & Procurement	31,604	31,092	513	9	522	Reduced borrowing and favourable interest rates along with a review of asset lives has seen an underspend in Loan Charges (£998k), a pressure in Information Technology from the acceleration of specific elements of the IT Model has reduced the overall position to a net underspend of £0.522m.
Human Resources	6,264	6,149	116	87	203	A net positive position has been delivered within the service from the discretionary spend freeze.
Regulatory Services	7,413	7,059	354		354	A net positive position has been delivered within the Service from additional income and the impact of both recruitment and discretionary spend freezes.
Total	265,256	263,267	1,989	(123)	1,866	

	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Financed by:						
Revenue Support Grant	(171,088)	(171,088)	0		0	
Non-Domestic Rates	(36,624)	(36,624)	0		0	
Council Tax	(63,290)	(62,964)	(326)		(326)	Less Council Tax income than budgeted, equivalent to 0.5% variance against final approved budget.
Council Tax Reduction Scheme	5,199	5,201	(2)		(2)	
Capital Financed from Current Revenue	504	504	0		0	
Reserves:						
Earmarked Balances from 2017/18	(7,364)	(7,364)	0		0	
Earmarked Balances for future years	8,192	8,412	(220)	220	0	Year-end adjustments to Devolved School Management and Pupil Equity Fund earmarked balances.
Transfers to/from Reserves	(784)	(881)	97	(97)	0	Drawdown from allocated reserves - Municipal Mutual (£9k) and Workforce Management (£87k) to meet incurred costs.
Total	(265,256)	(264,805)	(451)	123	(328)	
Total	(0)	(1,538)	1,538	(0)	1,538	

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



Culture & Sport	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Cultural Services	3,540	3,540	(0)		(0)	
Sports Services	2,309	2,308	1		1	
Total	5,848	5,848	1	0	1	

Key Highlights, Challenges & Risks

The Culture & Sport service have delivered an outturn position with a minor underspend of £0.001m along with full delivery of financial plan savings during the year.

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



Asset & Infrastructure	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Property	11,136	11,190	(54)	0	(54)	
Property Management Services	10,564	10,630	(66)		(66)	Income pressure
Estates Management Services	348	356	(8)		(8)	
Architects	54	64	(10)		(10)	Income pressure
Major Projects	170	141	30		30	Underspend in feasibility fund
Facilities	5,084	5,359	(275)	0	(275)	
Catering Services	945	1,176	(232)		(232)	Pressure in school meal income, including (£128k) relating to Covid-19, partially offset by underspend within School Meals in Children & Young People.
Cleaning & Facilities Management	4,140	4,183	(43)		(43)	Pressure in materials (£31k) and postage (£12k)
Parks & Environment	4,122	3,993	128		128	Increased burial income (£44k), underspends within transport costs (£55k) and discretionary spend savings (£29k)
Roads & Infrastructure	7,700	6,954	746	0	746	
Network & Infrastructure Asset Management	8,153	7,951	202		202	Underspends within the Service, partially due to the close down of construction sites in relation to Covid-19 allowing for flood related costs from Storm Ciara and Dennis being covered within the service.
SBcContracts	(745)	(1,217)	472		472	Improved gross profit margin (£315k) and position in labour costs (£214k) offset by increase in overheads (£57k)
Fleet Management Services	(399)	(470)	70		70	fuel stock write on
Engineers	726	724	2		2	
Pay Parking	(35)	(34)	(0)		(0)	
Waste Management Services	9,369	9,424	(56)		(56)	flooding related costs (£21k) and reduction in income (£35k)
Total	37,411	36,921	490	0	490	

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



Asset & Infrastructure	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
------------------------	-------------------------------	------------------------------	----------------------------------	--	--	------------------------------

Key Highlights, Challenges and Risks

Asset and Infrastructure have delivered a net positive position of £490k. Within this position the service have managed £213k of additional costs resulting from Storms Ciara and Desmond in February.

Catering Services have seen a decrease in income within the year through normal service provision, and also as a result of schools closing on the 20th March due to the Covid-19 pandemic which is partially offset by an underspend within School Meals in Children & Young People. Pressure within Cleaning and Facilities Management due to additional cleaning materials and postage costs. Income pressures within Property Management Services, Waste Management Services and Architects. These pressures have been offset within underspends within Roads and Infrastructure of £746k due to improved gross profit and an underspend within the plant account in SBcContracts and an underspend within Asset & Infrastructure, partly due to the closing of construction sites. An underspend within Parks and Environment from additional income, reduced transport costs and discretionary spend freeze, a fuel stock write on within Fleet Management Services and an underspend within the feasibility fund.

The Service had £3.816m of Financial Plan savings to deliver in 2019/20, £2.074 of these have been delivered permanently with £1.742m rolling forward into 2020/21. Plans for delivery of many of these are already in place, it is however expected there will be challenges in terms of delivery of savings in 2020/21 due to the impact of Covid-19.

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2019/20**



Economic Development & Corporate Services	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Corporate Policy	226	210	16		16	Staff turnover savings due to extension of secondment.
Economic Development	1,413	1,336	78		78	Managed underspends as a result of the discretionary spend freeze including the reduction in grants and contributions.
Emergency Planning	112	109	4		4	
Commercial Property Income	(1,244)	(1,286)	42		42	Over recovery of rental income through increased occupancy in both industrial and office/retail premises in 2019/20.
Total	508	368	140	0	140	

Key Highlights, Challenges & Risks

A net positive position has been delivered within the Service from managed underspends as a result of the discretionary spend freeze, additional rental income through increased occupancy and staff turnover savings.

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2019/20**



Health & Social Care	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Child Protection	178	174	4		4	
Adult Protection	271	265	6		6	
Emergency Duty Team	343	342	1		1	
Business Support - Staff Development	265	231	34		34	Lower than anticipated level of training throughout last quarter of 2019-20
Quality Improvement	206	204	2		2	
Services in Criminal Justice System	0	(27)	27		27	
Safer Communities	840	855	(15)		(15)	Staffing pressure in final quarter of the year
Older People	16,942	17,582	(639)		(639)	£212k Residential care income not received, £267k mitigating actions agreed in October not delivered, Self Directed Support (SDS) direct payment clawback £94k lower than anticipated as well as outgoing direct payments being £27k higher than anticipated, £41k higher than anticipated expenditure in Extra care Housing and other areas.
Joint Learning Disability	18,122	18,134	(12)		(12)	Lower than anticipated costs relating to contracted services and staffing off set by slightly higher than forecast 24 Hour permanent care costs
Joint Mental Health	2,212	2,190	23		23	Savings in Drugs & Alcohol and Mental Health staffing teams
People with Physical Disabilities	3,129	3,191	(62)		(62)	1 transitional client not anticipated until 2020-21, increase in void units due to prolonged vacancies and hospital admissions, 2 clients with increased costs - 1 hospital discharge to Dovecote with additional homecare requirements and 1 with extended respite and DP costs
Generic Services	6,098	6,218	(120)		(120)	Increased Sensory Services expenditure (£22k), higher than anticipated expenditure in Locality based services (£90k) and higher than anticipated staffing costs (£8k).
SB Cares	5,336	5,410	(73)		(73)	Higher than anticipated expenditure at Garden View, Integrated Care Funded project (£83k), off set by small underspends in other areas.
Total	53,944	54,769	(824)	0	(824)	

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2019/20**



Public Health	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Public Health	73	67	5		5	
Total	73	67	5	0	5	

Key Highlights, Challenges and Risks

Higher than anticipated costs in relation to care provision for Older People as well other locality based care services have been incurred and have resulted in in year cost saving measures, agreed earlier in the financial year, not being realised. These year-end pressures of £0.825m combined with the transfer of £3.1m budget from other Council services during the year total £3.9m of additional costs over and above the base budget.

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2019/20**



Children & Young People	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Early Years	4,463	4,333	129		129	£102k delays in delivery of furniture/equipment due to Covid-19, £58k less payments to third parties, £81k reduction in uptake for ELC Partnership funding due to Covid-19 and £26k savings due to recruitment freeze.
Primary Schools	29,570	29,275	295	(33)	261	DSM and PEF Earmarked Balances Adjustment £33k. Total 2019/20 DSM Carry forward £113k. Total PEF carry forward £445k.
Secondary Schools	39,844	39,853	(9)	(187)	(196)	DSM and PEF Earmarked Balances Adjustment £187k. Total 2019/20 DSM Carry forward £486k. Total PEF carry forward £116k.
Additional Support Needs	10,634	10,463	171		171	Underspend due to savings in staffing costs and vacancies not being filled due to Covid-19 school closures and vacancy freeze.
Children & Families Social Work	14,459	14,342	117		117	£45k for Aberlour Sustain Contract expected 19/20 but will now be incurred in 20/21, freeze on vacancies and discretionary spend
Educational Psychology	690	682	9		9	Underspend due to freeze on vacancies and discretionary spend
Central Schools	1,555	1,511	44		44	Underspend due to freeze on vacancies and discretionary spend
School Meals	1,654	1,560	94		94	Underspend due to less uptake in meals plus Covid-19 school closures, partially offsetting pressures in Catering.
School Transport	3,847	3,826	21		21	Less than anticipated cost in year
Community Learning & Development	1,004	979	25		25	Underspend due to freeze on vacancies and discretionary spend
Total	107,720	106,824	896	(220)	676	

Key Highlights Challenges & Risks

Discretionary spend reductions from across the Directorate as well as the impact of closures as a result of COVID-19 during March have resulted in a net year end underspend.
The total DSM carry forward across all Primary and Secondary schools (including Pupil Equity Fund) is £1.16m.
Financial Plan savings of £2.5m have been delivered in year with 97% of these savings delivered permanently.

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2019/20**



Customer & Communities	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Business Support	5,083	5,082	1		1	
Business Planning Performance & Policy Development	721	721	(1)		(1)	
Community Planning & Engagement	293	296	(3)		(3)	
Localities/Community Fund	824	642	182		182	Grants issued less than anticipated.
Customer Advice & Support Services	2,888	2,791	97		97	Managed underspends due to discretionary spend freeze, delay in the implementation of Northgate Housing Phase 2 and reduced expenditure due to Covid-19.
Democratic Services	1,730	1,729	1		1	
Business Change & Programme Management	735	732	3		3	
Discretionary Housing Payments	772	772	(0)		(0)	
Housing Benefits	721	702	19		19	Overpayments recovered slightly higher than anticipated.
Non Domestic Rates Relief	157	157	0		0	
Scottish Welfare Fund	547	546	1		1	
Total	14,470	14,170	300	0	300	

Key Highlights, Challenges & Risks

The year end underspend is as a result of discretionary spend savings, grant, project implementation delays and reduced expenditure due to Covid-19.

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



Finance, IT & Procurement	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Chief Executive	329	291	38		38	Staff turnover savings.
Finance	3,559	3,576	(17)	9	(8)	Drawdown from Municipal Mutual allocated reserve (£9k) to meet expenditure incurred.
Information Technology	9,633	10,137	(503)		(503)	Overspend due to the acceleration of spend in the IT model required to facilitate the delivery of a number of transformation projects.
Interest on Revenue Balances	0	0	0		0	
Loan Charges	18,350	17,352	998		998	Reduced borrowing and favourable interest rates saving of £0.398m along with a planned review of asset lives resulting in a saving of £0.6m.
Provision for Bad Debts	275	275	0		0	
Charge to Non-General Fund	(542)	(538)	(3)		(3)	
Total	31,604	31,092	513	9	522	

Key Highlights, Challenges & Risks

Reduced borrowing and favourable interest rates along with a planned review of asset lives has seen an underspend in Loan Charges (£998k), a pressure in Information Technology from the acceleration of specific elements of the IT Model to support Transformational change has reduced the overall position to a net underspend of £0.522m.

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



Human Resources	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Human Resources	4,046	3,947	100		100	Payroll balance released from Balance Sheet.
Early Retiral/Voluntary Severance	27	114	(87)	87	0	Drawdown from allocated reserve to meet demand for agreed severance.
Communications & Marketing	539	517	22		22	Additional income through increased rechargeable income.
Corporate Transformation	1,386	1,331	55		55	Managed underspends as a result of the discretionary spend freeze.
Employment Support Service	265	239	26		26	Over recovery of Skills Development Scotland income.
Total	6,264	6,149	116	87	203	

Key Highlights, Challenges & Risks

Human Resources have delivered a net positive position of £203k. This has primarily been achieved through the release of a payroll balance from the balance sheet. Increased income has been achieved within Communications and Marketing and the Employment Support Service with additional underspends resulting from the discretionary spend freeze.

The service had £388k of Financial Plan savings to deliver in 2019/20, these have all been delivered permanently.

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



Regulatory Services	Final Approved Budget (£'000)	Final Outturn Actual (£'000)	Variance pre adjustments (£'000)	Decrease/ (Increase) to Balances (£'000)	Variance against final adjusted Budget (£'000)	Summary Financial Commentary
Planning Services	1,219	1,200	19		19	Discretionary spend savings
Assessor & Electoral Registration Services	719	700	20		20	Underspend in staff costs (£17k) and discretionary spend saving (£3k)
Passenger Transport	1,779	1,648	131		131	Additional income (£112k) and discretionary spend savings (£19k)
Audit & Risk	329	327	2		2	
Legal Services	687	624	63		63	Additional income (£41k), underspend in staff costs (£16k) and discretionary spend savings (£6k)
Protective Services	1,478	1,371	107		107	Underspend in staff costs (£11k), additional income (£37k) and discretionary spend savings (£59k)
Housing Strategy & Services	1,202	1,190	12		12	Additional income
Total	7,413	7,059	354	0	354	

Key Highlights, Challenges & Risks

Regulatory Services have delivered a net positive position of £354k. This position has been achieved through additional income within Passenger Transport, Legal Services, Housing Strategy and Protective Services. In addition the impact of both recruitment and discretionary spend freezes has had a positive impact across the service.

The Service had £653k of Financial Plan savings to deliver in 2019/20, £523k of these have been delivered permanently, with only those relating to planning fee income rolling into 2020/21. The delivery of this additional income permanently in 2020/21 will be impacted by the Covid-19 pandemic.

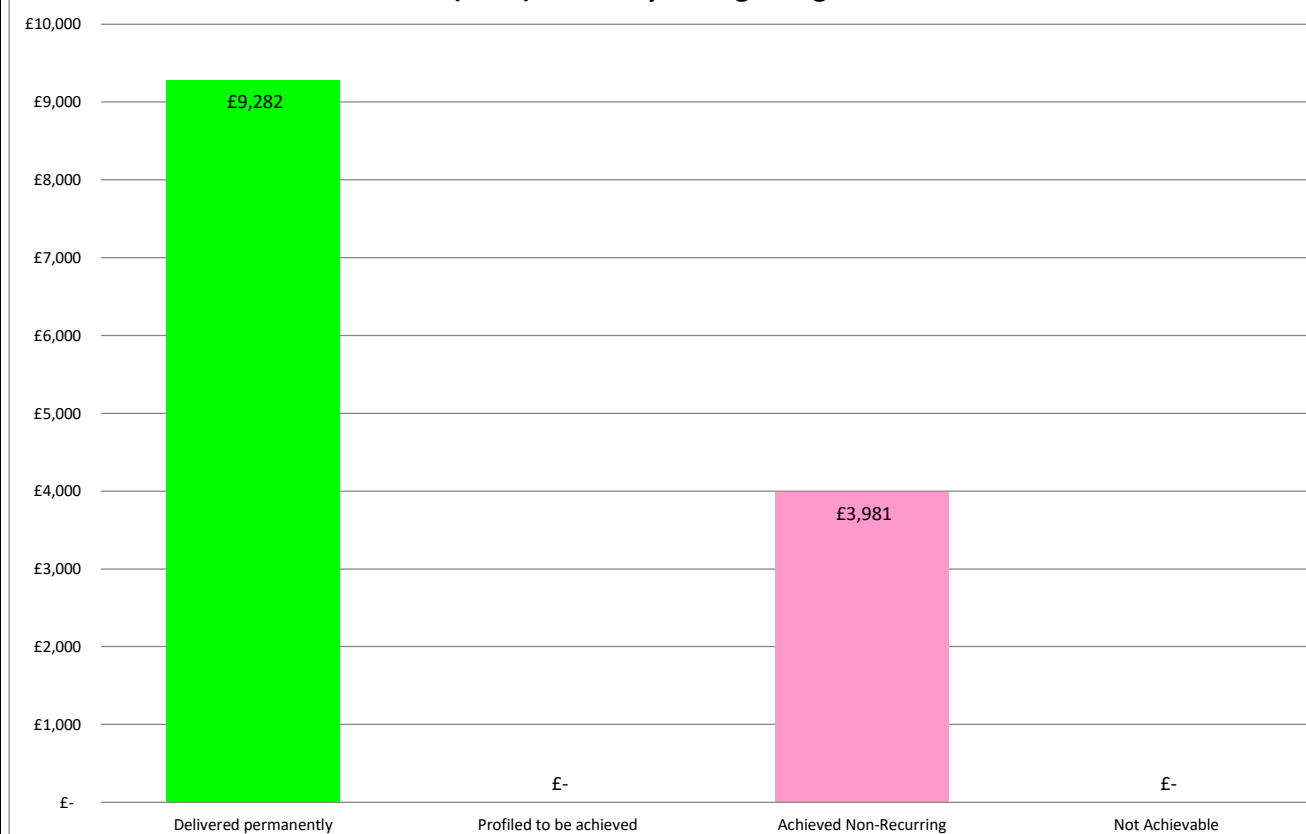
This page is intentionally left blank

FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

SBC Total

Status	Saving £'000	Saving %
Delivered permanently	£ 9,282	70%
Profiled to be achieved	£ -	0%
Achieved Non-Recurring	£ 3,981	30%
Not Achievable	£ -	0%
	13,263	100%

SBC (Total) Efficiency Savings Progress £'000



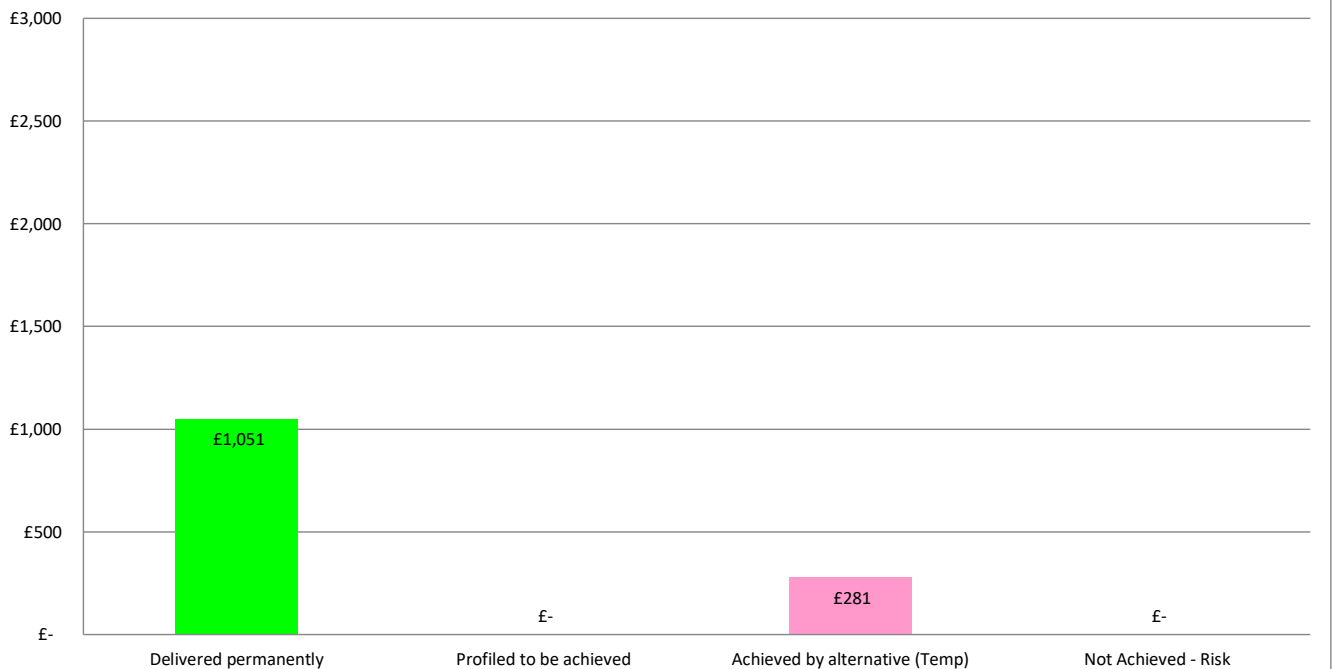
FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

CORPORATE

Savings :

	£'000	Delivered Permanently	Profiled to be achieved	Achieved Non-Recurring	Not Achievable
Brought Forward Savings					
Corporate Commissioning (Contract Management)	232	100	0	132	
2019/20 Savings:					
Corporate Commissioning (Contract Management)	250	101	0	149	0
Fit for 2024	850	850			
	1,332	1,051	0	281	0

Contracted Services Savings £000's



FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

CONTRACTED SERVICES

Savings :

£'000

Delivered Permanently	Profiled to be achieved	Achieved Non-Recurring	Not Achievable
-----------------------	-------------------------	------------------------	----------------

2019/20 Savings:

Management fee reduction to Live Borders

165

165

165

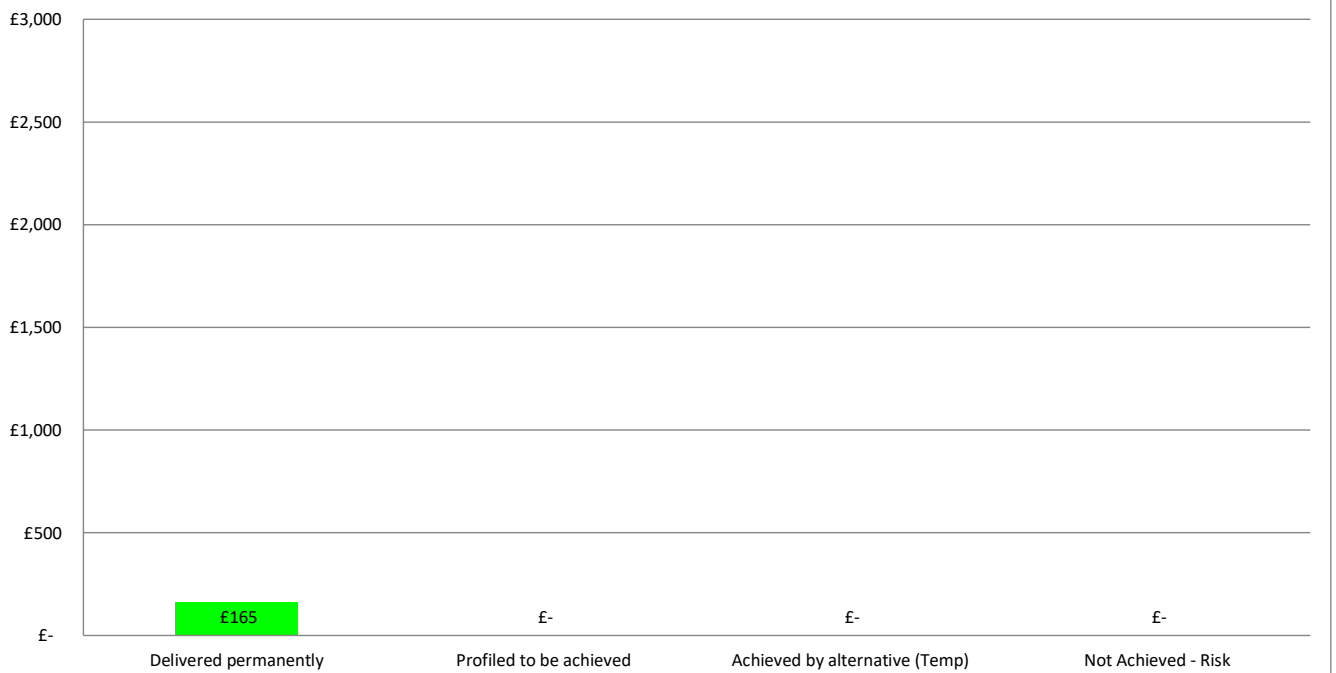
165

0

0

0

Contracted Services Savings £000's



FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

ASSETS & INFRASTRUCTURE

Savings :

£'000	Delivered Permanently	Profiled to be achieved	Achieved Non-Recurring	Not Achievable
Brought Forward Savings				
Roads review savings	241	91	150	
Cleaning Services Rationalisation (inc Janitor, crossings)	78	30	48	
More efficient property and asset portfolio	100	49	51	
Increase in minimum rental charge (property & allotments)	20	20		
Develop an Integrated Waste Plan	234	234		
Modernise Winter operations	100		100	
Neighbourhoods home to work mileage	20		20	
Staff Canteen Efficiency	60	20	40	
Catering - increased income from higher Secondary Schools meals uptake.	50	50		
Cleaning Service Rationalisation	20	20		
Review of Winter working patterns / overtime	50		50	
Neighbourhoods - Grass cutting, Biodiversity, Floral Detail, Access	201	101	100	
Roads Review savings	100		100	
Waste : Kerbside Collection Review	175	175		
Waste : Community Recycling Centres	40	40		
Corporate - Property & Assets	279		279	
Corporate - Vehicle Tracking and Scheduling	50	50		
Corporate Landlord	100		100	
2019/20 Savings:				
Energy Efficiency Project	103	103		
Review of Street Lighting Energy Efficiency Project (SLEEP) provision	14	14		
Fleet Management increase surplus	22	22		
Waste Services kerbside collection review	200	106	94	
Corporate Landlord	100		100	
Additional fees & charges across Assets & Infrastructure	49	49		
Catering - Health Improving initiatives	105	93	12	
Catering - change to meals in schools	88	71	17	
Asset & Infrastructure staffing restructures	115	69	46	
Capitalise roads expenditure	250	250		
Property Maintenance Fund	150	150		
Rent & Service Charge Income from third parties for property costs	100		100	
Increase income at Aggregates Yard	50		50	
Review of non-Roads plant and vehicle	50		50	
Waste Services - Operational Efficiencies	35		35	
Waste Services - Food waste contract Inter Authority Agreement	10	10		
Waste - education around recycling	200		200	
Parks - apply Management Fee to Capital programme	80	80		
Neighbourhoods - Discretionary budgets & Contracted Services	78	78		
Corporate recruitment process	66	66		
Upgrade of CONFIRM	33	33		

3,816	2,074	0	1,742	0
-------	-------	---	-------	---

Asset & Infrastructure Savings £000's



FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

ECONOMIC DEVELOPMENT & CORPORATE SERVICES

Savings :

£'000

Delivered Permanently	Profiled to be achieved	Achieved Non- Recurring	Not Achievable
--------------------------	----------------------------	----------------------------	-------------------

Brought Forward Savings

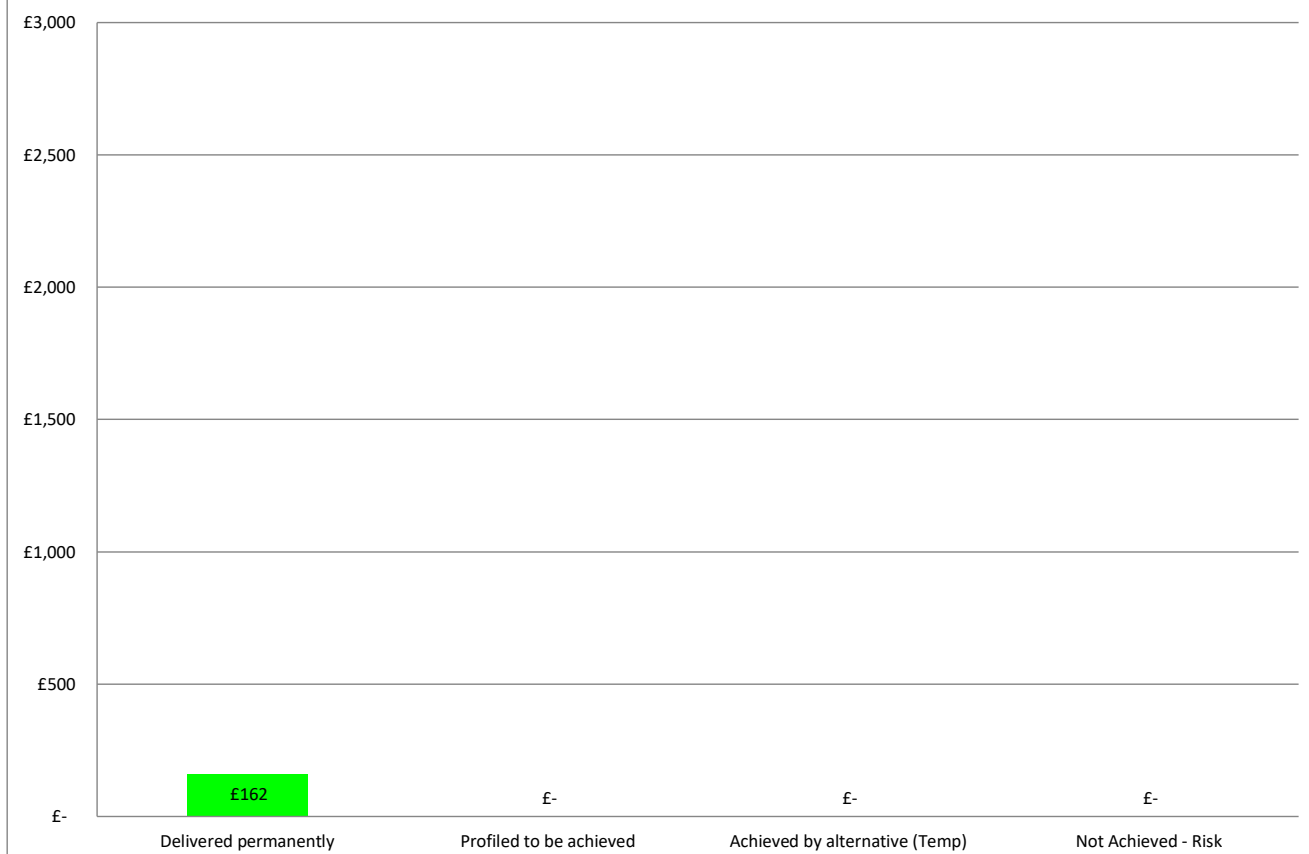
2019/20 Savings:

Economic Development
Corporate recruitment process
Emergency Planning - 0.5 FTE post

125	125
16	16
21	21

162	162	0	0	0
-----	-----	---	---	---

Economic Development & Corporate Services Savings £000's

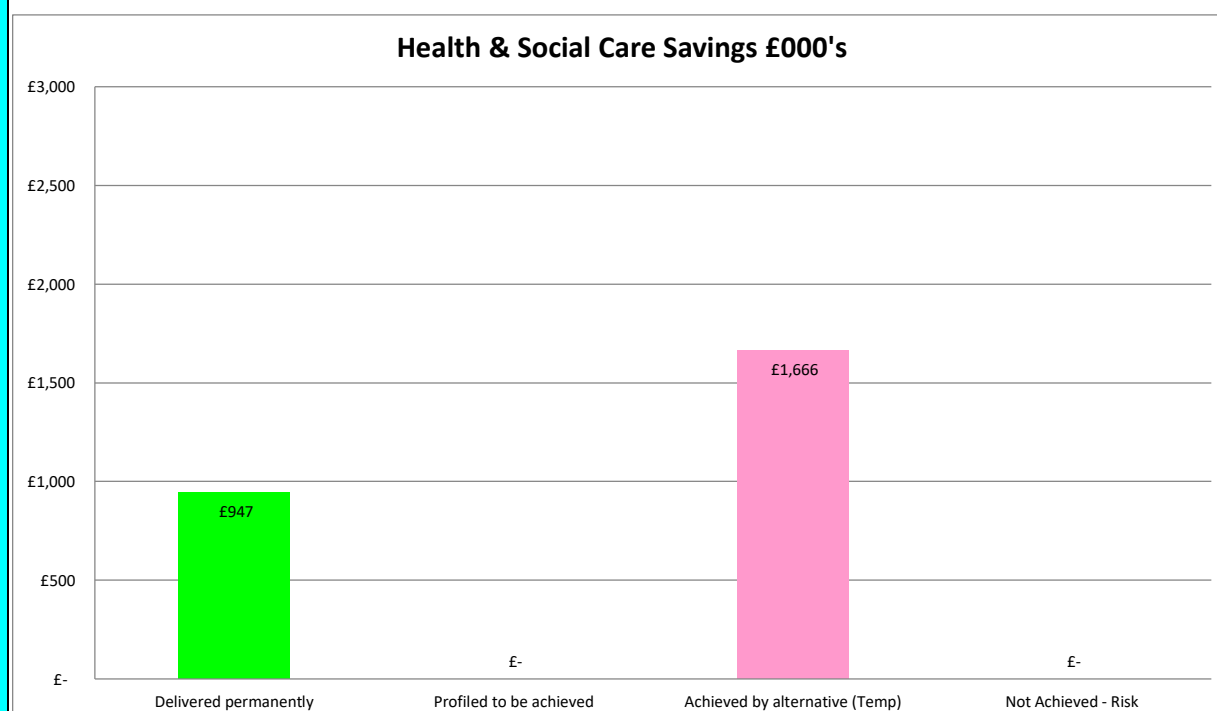


FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

HEALTH & SOCIAL CARE

Savings :

	£'000	Delivered Permanently	Profiled to be achieved	Achieved Non-Recurring	Not Achievable
Brought Forward Savings					
Review of Day Services (Older People and Learning Disability)	78	78			
Review and recommission of Specialist Care and Support Services (Older People)	250			250	
Review the Shopping Service (Older People)	18	18			
Decommission Learning Disability Services with new alternatives.	13	13			
Reduction in Night-Time Support (note the wider context of a future strategic review of Night-Time Support) (Learning Disability)	74			74	
Decommission a specific Adults with Learning Disability contract	10	10			
Decommission 2 Mental Health services with identified alternatives	53	53			
Greater Use of Technology	100			100	
Undertake a productivity review programme across Adult Social Work services	88			88	
Review Community Based Services (considering posts / skill mix) covering Occupational Therapy and Social Work	110	110			
Review all small grants, contributions to communities and payments to 3rd sector organisations	20	20			
SB Cares Savings	480	240		240	
2019/20 Savings:					
Review of Day Services (Older People and Learning Disability)	400	110		290	
Undertake a productivity review programme across Adult Social Work services	44			44	
Reduce Direct Payment Prepayment	250	250			
Reassessment of existing care packages	100			100	
Corporate recruitment process	45	45			
Roll-out of Hospital to Home initiative in all localities	480			480	
	2,613	947	0	1,666	0



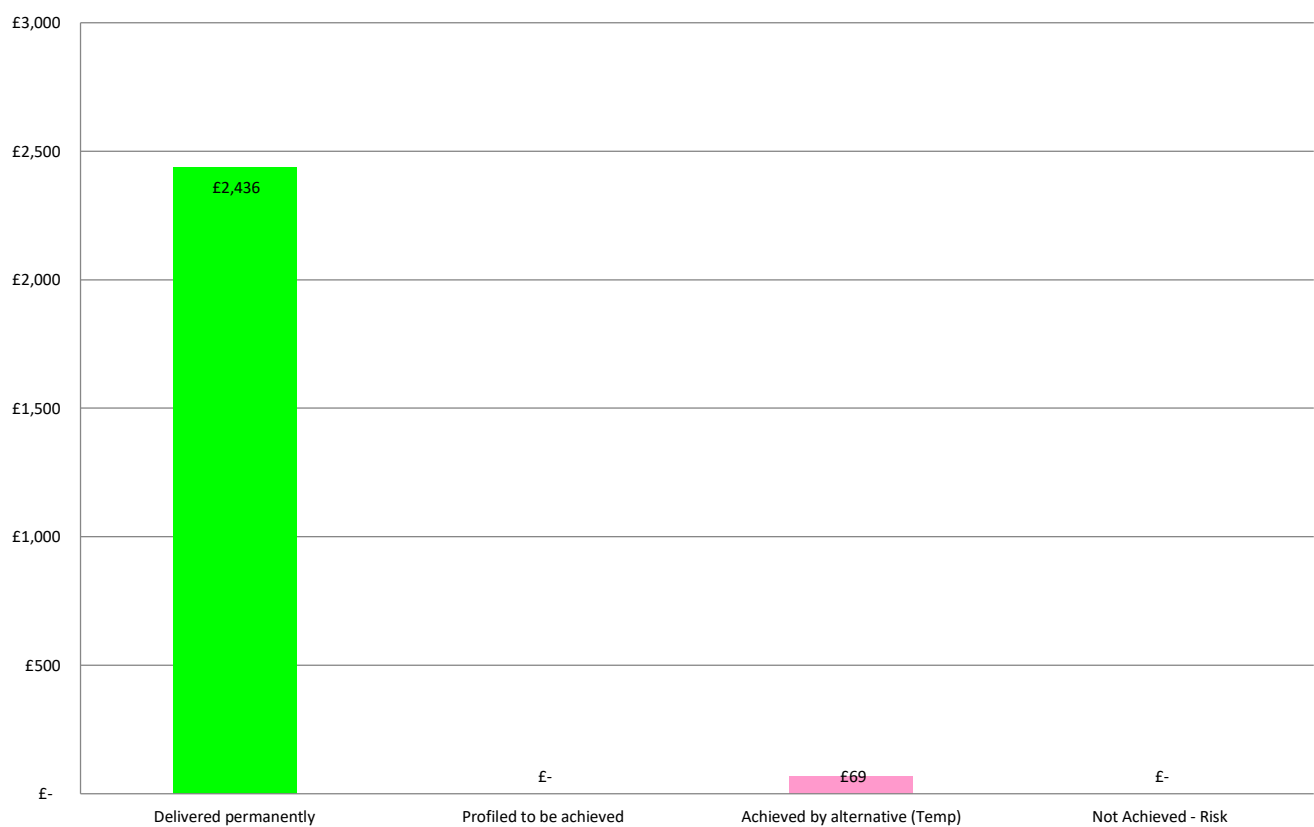
FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

CHILDREN & YOUNG PEOPLE

Savings :

	£'000	Delivered Permanently	Profiled to be achieved	Achieved Non- Recurring	Not Achievable
Brought Forward Savings					
School Library Review	200	200			
Music Tuition Review	50	31		19	
Outdoor Education Review	20	20			
Children & Families Social Work – reduce external placements	149	149			
Review of Children & Families Social Work service	142	142			
Review of Community Learning & Development (CLD) service (Adults & Youth)	50			50	
PPP - Savings in contract utility costs	100	100			
2019/20 Savings:					
Allocation of management and support costs to Early Years expansion	320	320			
Children & Families Social Work – reduce external placements	400	400			
Additional Support Needs: Budget reduced in line with current business need	309	309			
Initial redesign of Early Years central management & support	72	72			
Historic GIRFEC (Getting It Right For Every Child) resource now mainstreamed	100	100			
Corporate recruitment process	138	138			
Increased fees & charges - School Meals 2019/20, 2020/21 and 2022/23 and general inflationary increase to Lets	33	33			
Fit for 2024	422	422			
	2,505	2,436	0	69	0

Children & Young People Savings £000's



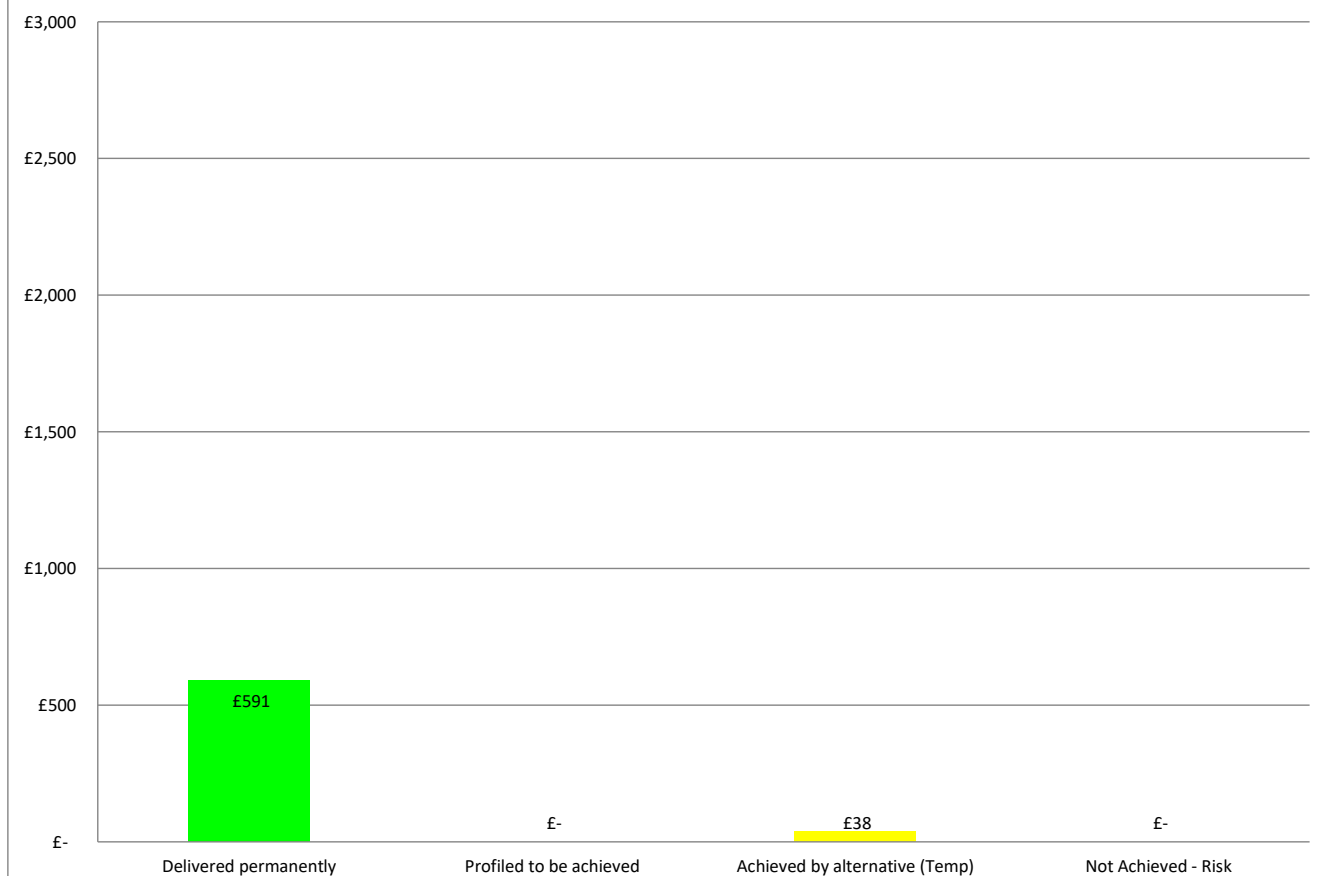
FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

CUSTOMER & COMMUNITIES

Savings :

	£'000	Delivered Permanently	Profiled to be achieved	Achieved Non-Recurring	Not Achievable
2019/20 Savings:					
Review of Exemptions & Discounts	50	50			
Integrated Customer Services Model	11	11			
Centralise stationery and take 10% saving	15	15			
Fees & Charges	25	25			
Reduce Council Tax Reduction Scheme (CTRS)	200	200			
Digital Customer Access (DCA) savings	160	160			
Corporate recruitment process	130	130			
Reduce subscriptions budget across the Council by a further 10%	38			38	
	629	591	0	38	0

Customer & Community Savings £000's



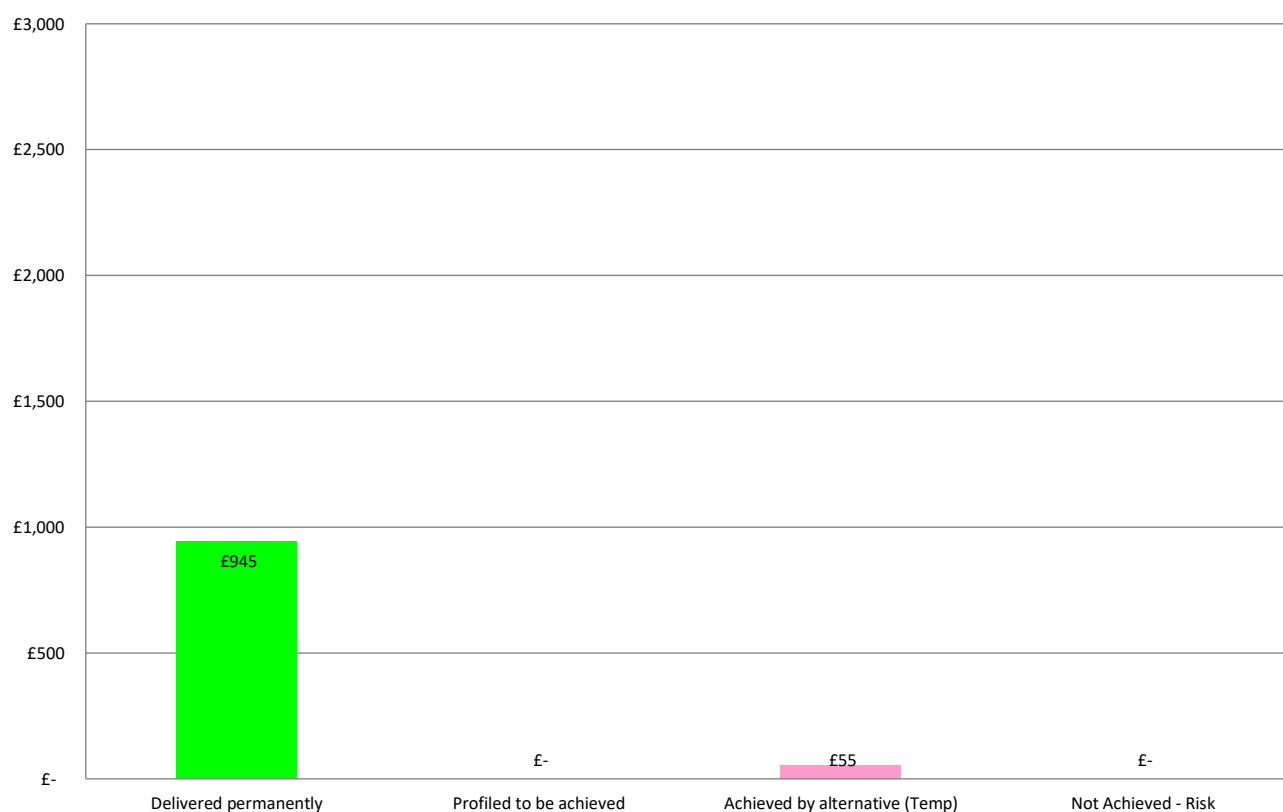
FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

FINANCE, IT & PROCUREMENT

Savings :

	£'000	Delivered Permanently	Profiled to be achieved	Achieved Non-Recurring	Not Achievable
Brought Forward Savings					
Corporate - Top slice external grants received	446	446			
Corporate - Mobile phone contracts	15	15			
Corporate - Procurement savings across all departments	6	6			
2019/20 Savings:					
Procurement savings across all departments	143	88	0	55	
Self insurance approach	150	150			
Corporate recruitment process	40	40			
Loans charges	200	200			
	1,000	945	0	55	0

Finance, IT & Procurement Savings £000's



FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

HUMAN RESOURCES

Savings :

£'000

Delivered Permanently	Profiled to be achieved	Achieved Non- Recurring	Not Achievable
--------------------------	----------------------------	----------------------------	-------------------

Brought Forward Savings

Reduction in printing contract through contract renewal

14

14

2019/20 Savings:

Additional Voluntary Contributions (AVC) to the Pension Fund

5

5

Remove grade 5 post through ERP development

24

24

Extension of pool cars

250

250

Corporate recruitment process

35

35

Centralise training budget and take efficiency

50

50

Centralise conferences budget and take efficiency

10

10

388

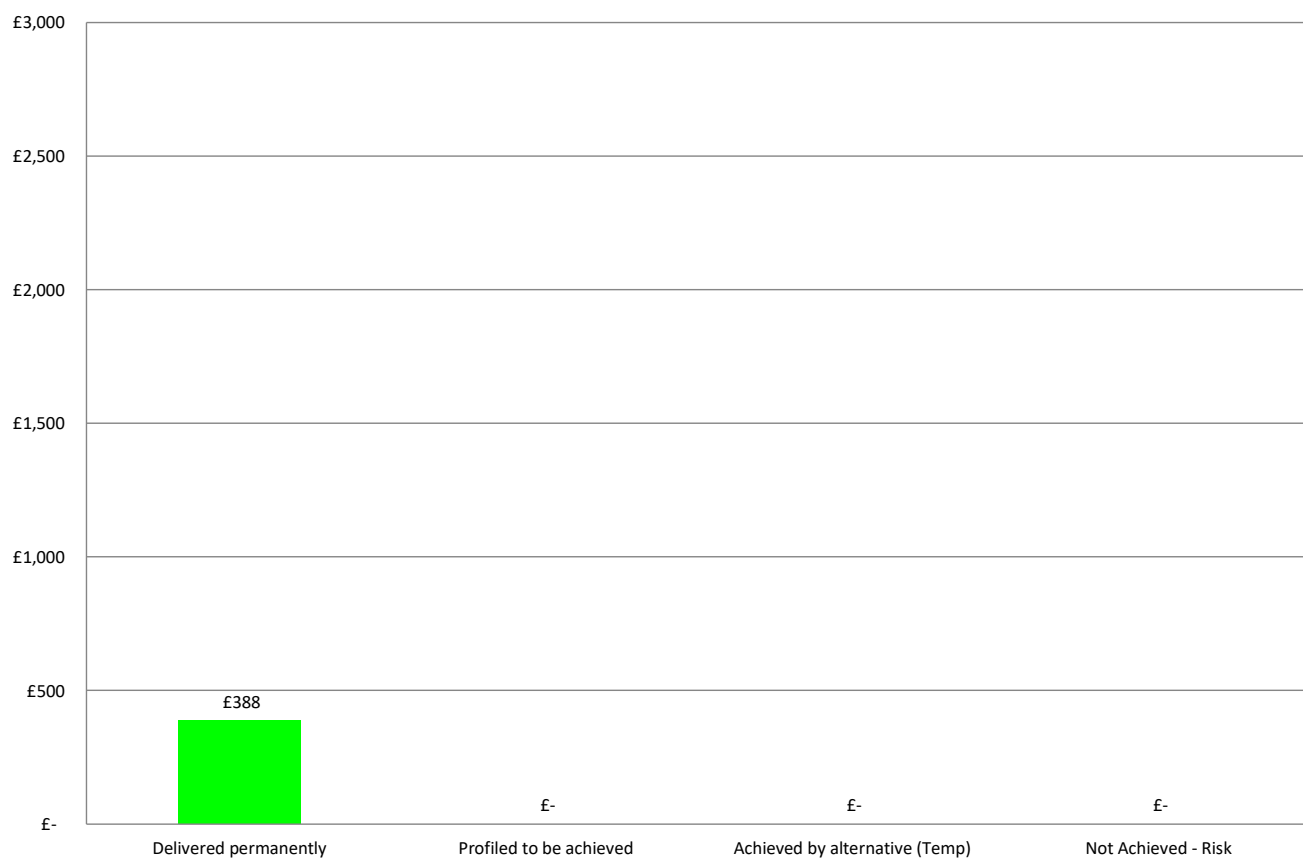
388

0

0

0

Human Resources Savings £000's



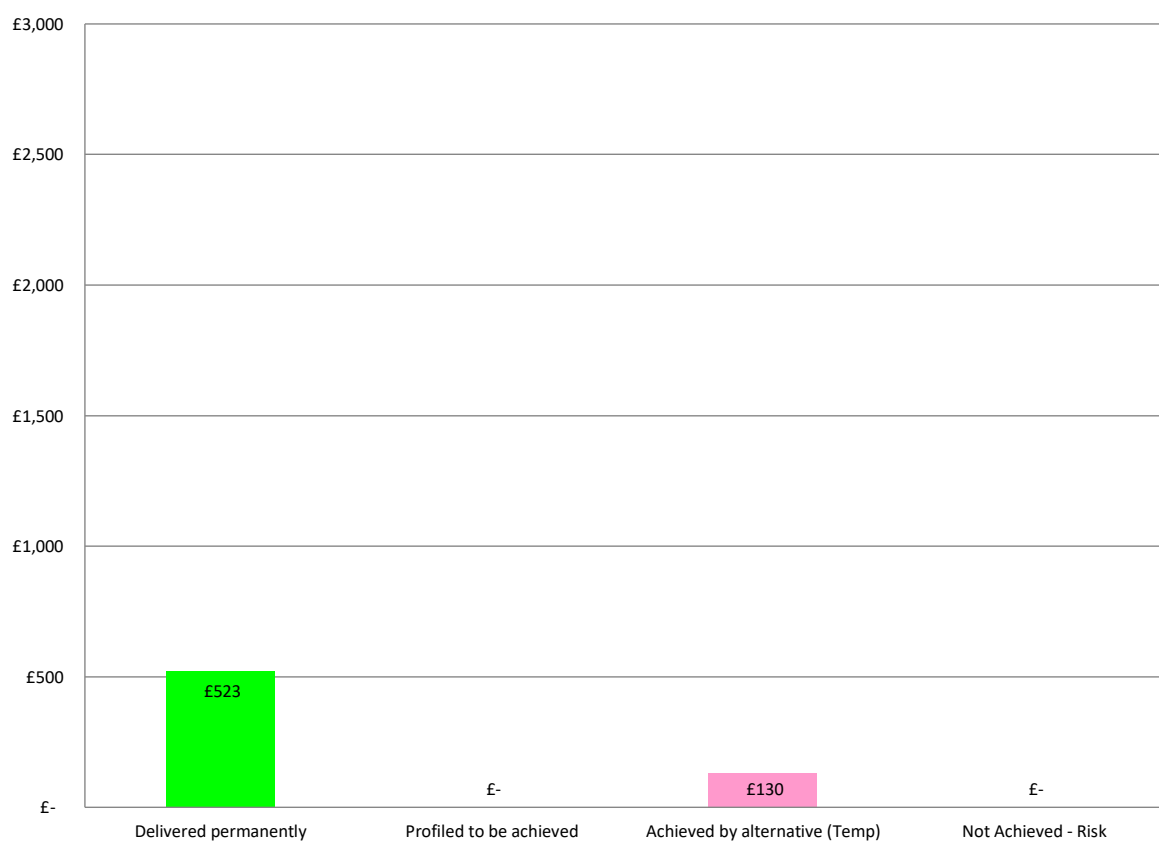
FINANCIAL PLAN EFFICIENCY PROGRESS 2019/20

REGULATORY SERVICES

Savings :

	£'000	Delivered Permanent ly	Profiled to be achieved	Achieved Non- Recurring	Not Achievable
Brought Forward Savings					
Planning Fee Income	100			100	
Protective Services Staffing	43	43			
Savings in Housing Strategy & Services	11	11			
2019/20 Savings:					
Planning Fee Income	30			30	
South East Scotland Planning Authority (SESPlan) Payment Holiday	15	15			
Regulated Bus Fares	40	40			
Additional Fees & Charges Income across Regulatory Services	24	24			
Legal Services - Staffing	20	20			
Balance sheet review	50	50			
Planning - Discretionary Budgets	20	20			
Passenger Transport: Transport Interchange	65	65			
Reduce bus subsidies	85	85			
Corporate recruitment process	90	90			
Protective Services - Discretionary Budgets	20	20			
Protective Services - Staffing	40	40			
	653	523	0	130	0

Regulatory Services Savings £000's



This page is intentionally left blank

BALANCES AT 31 MARCH 2020

Briefing Note by Executive Director, Finance & Regulatory

EMERGENCY POWERS – COVID-19**20 May 2020**

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE

- 1.1 I recommend that the revenue balances as at 31 March 2020 are noted as per Appendices 1 & 2, including movement in the Allocated Reserve since the last reporting period, and the balance in the Capital Fund as per Appendix 3.**

2 BACKGROUND AND PURPOSE

- 2.1 This report provides an analysis of the Council's balances as at 31 March 2020.
- 2.2 The Council's General Fund useable reserve (non-earmarked) balance is £7.773m at the end of the financial year. The balance has increased from the recommended level in the Financial Strategy of £6.315m due to an allocation from the 2019/20 revenue underspend. The 2019/20 balances are before a series of technical accounting adjustments, the effect of which are expected to be broadly neutral. Adjustments required as a result of the Statutory Audit process will be reported at the conclusion of the Audit.
- 2.3 The total of all useable balances, excluding developer contributions, at 31 March 2020 is £29.824m compared to £27.799m at 31 March 2019.
- 2.4 Income and expenditure relating to the Council's services are accounted for and financed through the following funds (as required or permitted by statute):
- a) General Fund
 - b) Corporate Property Repairs & Renewals Fund
 - c) Insurance Fund
 - d) Plant & Vehicles renewals Fund
 - e) Capital Fund
- 2.5 The unaudited balances on these Funds represent the Council's useable reserves which at the 31 March 2020, is as follows:

BALANCES	2019/20 £m	2020/21 £m
Earmarked Balances (non DSM)	6.207	7.252
Earmarked Balances (DSM – including Pupil Equity Fund)	1.158	1.160
Allocated Balances	2.572	2.994
Revenue (Unallocated Reserve)	6.315	7.773
Corporate Property Repairs & Renewals Fund	0.287	0
Insurance Fund	1.197	1.396
Plant & Vehicles Renewals Fund	6.843	7.608
Capital Fund (exc. Developer Contributions)	1.876	1.641
	27.799	29.824

- 2.6 The balances shown above are before a series of technical adjustments which are required to reflect international accounting requirements. These adjustments are expected to be broadly neutral in terms of the final balances and will be confirmed following finalisation of the Council's statutory accounts.
- 2.7 Appendix 1 summarises the projected transactions and resultant balances at 31 March 2020 on the General Fund and Appendix 2 shows the projected non-General Fund balances. The net effect is the useable General Fund balance after earmarked funds, allocated reserves and the unaudited 2019/20 revenue outturn is £7.773m at 31 March 2020.
- 2.8 At the 2019/20 year end General Fund reserves have been adjusted as reflected in the table below to reflect the net 2019/20 year end underspend.

	Increase / (Draw down) £
Opening 2019/20 balance	6.315m
Net 2019/20 revenue underspend	1.458m
Balance at 31 st March 2020	7.773m

- 2.9 The Corporate Financial Risk Register relating to 2019/20 was considered at the Council Meeting on 28 February 2019 and identified potential risks which included 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 was assessed to be at £11.643m and the projected useable General Fund balance, at £7.773m, is now sufficient to cover 67% of risks identified at that time. The Financial Risk Register is currently being reviewed for 2020/21 in light of the COVID-19 emergency response with an updated version being presented to Council on the 25th June 2020.
- 2.10 It was reported in the February 2020 monitoring report to the Executive Committee that during 2019/20 allocated balances were increased by £0.548m and £0.030m reserves were released to support the 2019/20 revenue budget. The changes to the Allocated Balances since this last reporting position are shown in the table below and comprise:

- a) a draw down of £0.087m from the Workforce Transformation reserve into the revenue budget for severance agreed in 2019/20;
- b) a draw down of £0.009m from the Municipal Mutual reserve to provide for a 2019/20 invoice payable.

2.11 Allocated Balances as at the 31 March 2020 are £2.994m as follows:

ALLOCATED BALANCES	31st March 2019 £m	Increase during 2019/20 £m	Released during 2019/20 £m	31st March 2020 £m
IT transformation	1.030	0.108	(0.030)	1.108
Municipal Mutual	0.242	0	(0.009)	0.233
Adverse Weather (including flood)	1.000	0	0	1.000
Approved contribution to Energy Efficiency & Change Fund	0.300	0	0	0.300
Workforce Management	0	0.440	(0.087)	0.353
Total	2.572	0.548	(0.126)	2.994

2.12 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.

3 IMPLICATIONS

3.1 Financial

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

3.2 Risk and Mitigations

The major risks associated with this report are that the level of projected balances proves to be insufficient. Service budget pressures 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 Committee. In addition the Corporate Financial Risk Register is regularly reviewed by senior Finance staff.

3.3 Equalities

There are no adverse equality issues arising from the report.

4 CONSULTATION

The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager X5881

APPROVED:

Chief Executive: Tracey Logan

Date: 28 May 2020

Having consulted -

Leader of the
Administration:

Cllr Shona Haslam

Date: 26 May 2020

Convener:

Cllr David Parker

Date: 26 May 2020

Leader of the
Opposition:

Cllr Stuart Bell

Date: 26 May 2020

SCOTTISH BORDERS COUNCIL

GENERAL FUND BALANCES AT 31 MARCH 2020

	GENERAL FUND £'000's	GENERAL FUND (DSM) £'000's	GENERAL FUND (EAR-MARKED) £'000's	ALLOCATED RESERVES £'000's	TOTAL £'000's
Balance at 1 April 2019	7,617	1,158	6,206	2,572	17,553
Projected Income (RSG, NDR, Council Tax)	264,972				264,972
Projected Net Revenue Expenditure	(263,267)				(263,267)
Earmarked Balances from previous year	7,364	(1,158)	(6,206)		0
Earmarked Balances to future years	(8,412)	1,160	7,252		0
Allocation of 2018/19 underspend to allocated reserve for IT Transformation	(108)			108	0
Allocation of 2018/19 underspend to allocated reserve for Workforce Management	(400)			400	0
Drawdown from IT Transformation allocated reserve (Mosaic finance module)	30			(30)	0
Transfer available ERVS budget to Workforce Management	(40)			40	0
Drawdown from Workforce Management allocated reserve	87			(87)	0
Drawdown from Municipal Mutual allocated reserve	9			(9)	0
Integration of SB Cares back into the Council	(80)				(80)
Projected Balance at 31 March 2020	7,773	1,160	7,252	2,994	19,178

This page is intentionally left blank

SCOTTISH BORDERS COUNCIL
REVENUE FUND BALANCES AT 31 MARCH 2020
(EXCLUDING GENERAL FUND)

	CORPORATE PROPERTY REPAIRS & RENEWALS FUND £'000's	PLANT & VEHICLES RENEWAL FUND £'000's	INSURANCE FUND £'000's	TOTAL £'000's
Balance at 1 April 2019	287	6,843	1,197	8,327
Projected Income	1,784	2,246	1,857	5,887
	<u>2,071</u>	<u>9,089</u>	<u>3,054</u>	<u>14,214</u>
Projected Expenditure	2,071	1,481	1,658	5,210
Contribution to Reserves				-
Transfer to/from General Fund				-
Projected Balance at 31 March 2020	-	7,608	1,396	9,004

This page is intentionally left blank

SUMMARY OF CAPITAL FUND

	Balance as at 31/03/19 £'000	Balance as at 31/03/20 £'000
DEVELOPER CONTRIBUTIONS		
Waverley Railway	-	-
Technical Services	788	1,113
Education & Lifelong Learning	3,693	5,245
Planning & Economic Development	-	-
Social Work - Affordable Housing	676	689
Accrued Interest	535	569
Sub Total Developer Contributions	5,692	7,616
Capital Receipts	1,876	1,641
Total	7,568	9,257

This page is intentionally left blank

DEVELOPMENT PROJECT TO SUPPORT CHILDREN AND YOUNG PEOPLE WITH COMPLEX NEEDS IN THE SCOTTISH BORDERS

Briefing Note by Interim Service Director Children & Young People

EMERGENCY POWERS – COVID-19

28 May 2020

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE

1.1 I recommend that approval is given to:

- (a) progress a new Development Project in partnership with Aberlour Childcare Trust and Scottish Borders Housing Association to create the Borders' first Residential and Housing Support Facility to support children and young people with complex needs in the Scottish Borders;**
- (b) agree to sell 631sq m of land at Tweedbank at a value of £75,000 to Scottish Borders Housing Association in order to provide a site for the development of a new complex needs residential facility;**
- (c) Commit to purchase complex needs placements for Borders children and young people with a year 1 one estimated cost of £125,000 per place.**
- (d) Note the project requires the Council to purchase a minimum of 4 places per annum for a period of 20 years to provide financial certainty to the scheme as set out in this report.**

2 BACKGROUND

- 2.1 Aberlour Child Care Trust is a charity and has a long history of working with Scottish Borders Council providing complex needs respite care for children and young people.
- 2.2 There is a long established strategic objective of providing additional support services within the Borders and wherever possible preventing children being looked after and accommodated out with the Region. This paper developed jointly with Aberlour Childcare Trust and SBHA seeks to assist with meeting this objective, by doing things differently and preventing Borders' children being placed out with the Authority area; and if possible bringing those already in out-of-authority care back closer to their families and communities.

- 2.3 Aberlour is therefore proposing to develop an innovative residential facility that will offer a continuum of care for children and young people (aged 0-18) with complex care needs. This will ensure these individuals are able to stay in the Borders and that the Council will avoid costly external care placements while at the same time providing an option for increased respite which is currently limited by lack of suitable accommodation.
- 2.4 Aberlour will work in partnership with Scottish Borders Housing Association (SBHA). Aberlour is best placed to deliver the ongoing complex needs support service; SBHA has the skills and expertise to build and maintain the facility.
- 2.5 The two partners are working with the Council to site the new service and have identified the requirement for a central Borders location which will maximise access to children across the region and provide the ability to easily sell additional places to other neighbouring local authorities should these spaces be available after Borders needs have been met. The Council has identified the site adjacent to Tweedbank as providing a suitable location which benefits from the connectivity to the Borders Railway.
- 2.6 A suitably sized site has been valued by the Council's Estates team at £75,000, and it is proposed that this site be sold to SBHA generating a capital receipt.
- 2.7 The project will directly support the Council's **Fit for 2024** strategy by transforming the way complex needs support is provided for local children and families.
- 2.8 **The Future Challenge:** Some Borders children will require long-term residential care, but the Scottish Borders does not currently have a dedicated complex needs residential facility. Families have said that they want this support to be provided locally in future, to avoid children being placed in care outside the authority area, disconnected from their communities and schools. Families want to stay together, and this project has the potential to deliver that aim.
- 2.9 **Taking advantage of new opportunities:** the partners have come together to collaborate and do things differently. The aim is to improve the support available for children and families where children with complex needs can no longer live at home. The partnership will be open to change; is flexible and creative and seeks to attract the resources required to support families to succeed.
- 2.10 **Delivering the best outcomes for Borders communities:** keeping Borders families together and enabling children with complex needs to grow in their community is at the heart of this project. All partners agree that this is the best outcome we can achieve in terms of quality of life, sustainability of services, and value for money.

3 NEED AND DEMAND

- 3.1 The Council's Integrated Children's Plan (2017-20) calls for '*new partnerships*' to support children with complex needs; and that '*new approaches are needed*' to support all young people moving into adulthood.

The Children's Complex needs Residential Project will directly meet this need.

3.2 The Council currently uses a number of out of authority complex needs residential care placement providers, for example:

- One provider requires a 187-mile round trip for families/Social Work from central Borders.
- Another requires a 107-mile round trip for families/Social Work from central Borders.

3.3 The current budget for out of authority placements is £5.93m per annum catering for 61 individuals, some of these children are in the type of complex needs placement this paper refers to. The new unit will cater for up to 8 children and young people who have complex needs who may otherwise suffer emotional and psychological distress due to a loss of connection with their families and communities as they cope with changes of residence, school, carers and peers. Both often have a negative impact on health and wellbeing, and often results in adverse impact on the pace of social and educational development and attainment.

4 THE PROJECT

4.1 Aberlour will deliver residential support for children and young people with complex physical, learning and emotional needs that combines round the clock care with a broad range of personalised complex needs support provision. An integrated service designed to meet the developmental needs of children and families through to seamless transition into adult life and supported employment or continued learning. It is envisaged that the new home will support those with a variety of needs including: challenging behavior; epilepsy; cerebral palsy; autistic spectrum disorder; complex physical difficulties; emotional and mental health difficulties.

4.2 The facility will provide care and support in a homely, welcoming environment, catering for both males and females. Children and young people will be supported with personal and intimate care, routines, communication, health needs and life skills. It will provide a creative therapeutic approach through a wide range of activities both in the facility and linking with local community activities to build resilience and encourage independence.

4.3 The facility will also cater for young people with complex needs who are transitioning through care towards independence/adult services. As well as their care provision, we will support these young people to access suitable training and employment opportunities; and help them connect with local community activities.

4.4 The residential facility will deliver a range of improved outcomes for the Borders:

- **Children and young people:** will have long-term residential and housing support in the Scottish Borders, keeping them close to their families, friends, and communities. Their education and community activities will not be disrupted, contributing to better wellbeing outcomes for children, young people and their families.
- **Families:** they will be closer to their children and young people and will have reduced travel time and costs.

- 4.5 The facility will be 8-bedded with a footprint of 500sqm (the indicative land requirement is 631 sqm) that will provide quality living spaces combined with flexibility in service delivery. Initially the home will have 4 children's residential living spaces (0-16 years) and 4 singleton flats for young people (16+) with complex needs, linked by a communal space (see **Appendix 1** indicative building design/layout). The innovative design of the building will allow the configuration to change over time to meet Borders' needs, for example: 6 residential and 2 singleton flats, or 6 residential and 2 respite places.
- 4.6 The physical environment will be designed to be therapeutic, minimising triggers such as noise, light, heat, and over-stimulation, factors which can increase stress levels which manifest themselves in challenging behaviours. The accommodation will ensure that each child and young person has their own bedroom, with en-suite bathrooms.
- 4.7 The partners have identified the Council's site adjacent to Tweedbank as the prime location for the facility. This site is close to the Council's Leader Valley School for children with profound and complex needs based in Earlston, which it is envisaged will be used by the resident children and young people of primary school age. Secondary school age children and young people would attend local schools with enhanced Additional Support provision.

5 TIMESCALES AND RETURN FOR THE COUNCIL

- 5.1 The dates in the table below - given the current Covid19 pandemic - are an estimate and will be subject to revision in line with National Government guidelines. These dates are also reliant on the Masterplan timescales at the site near Tweedbank.

Key Milestones	Timescale
SBC Approval	May 2020
Inclusion within Strategic Housing Investment Plan (SHIP)	June 2020
Procure/Agree Design Team	July 2020
Agree design and Outline Cost Plan	September 2020
Planning Submission	October 2020
Building Warrant Application	April 2021
Planning & Building Warrant Approval	October 2021
Appoint Contractor	March 2022

- 5.2 By participating in the project the Council will benefit in the following ways:
- Up to 8 Borders children and young people with complex needs will be able to continue living in the Borders, close to their families, friends, communities and schools at a projected cost of £1m per annum (assuming all 8 beds were taken up by Scottish Borders Council)
 - The project will deliver a new state of the art complex needs residential care home in the Borders
 - The Council are able to have the future needs of children with complex needs met through the flexible design of the new care facility
 - The ability to replicate the service which will be of national significance (due to its innovation and partnership development approach) to meet local needs, through a dynamic cross-sectoral development partnership

- 5.3 The Council will further benefit by purchasing places at a lower unit cost than the current range of local authority placements, the average cost of

which is £96,721 per annum. Individual costs can range from £4,000 for educational support without accommodation, up to £270,000 per residential place. At present, the Council funds 22 places costing over £100,000 per annum in out of authority care and education establishments. There will be further indirect saving from reductions in travel costs for families and reductions in Social Work staff travel time administering care placements that can be over 100 miles away.

- 5.4 Purchasing singleton 'transition' flats offers the Council potential savings on costly continuing care placements. Similar to the residential placements, families and Social Workers will greatly reduce costs associated with long travel and complicated administration. The transition flats will also free up residential spaces for new placements providing a continuum of care.

7 IMPLICATIONS

7.1 Financial

(a) **Capital Costs**

SBHA will design, build and finance the complex needs development project and provide the ongoing maintenance. Capital costs of circa £1.1m including the cost of land valued at £75,000 which will be purchased from the Council.

- (b) The arrangement will require a lease arrangement between SBHA and Aberlour. The singleton 'transitional' homes can attract Housing Association Grant (HAG), with a Short Scottish Secure Tenancy (SSST) to be offered to Tenants at a social housing rent and the project will require to be included in the Scottish Housing Investment Plan (SHIP). There would be potential for a nomination agreement to form a schedule as part of the lease for SBC to refer to the transitional homes.

- (c) Discussions with the Council's Housing Strategy Team and the Scottish Government More Homes Division are ongoing to confirm the value of grant this could attract. In the meantime, the costs and savings in this paper assume a nominal value of £80,000 HAG.

(d) **Revenue Costs**

Aberlour will deliver the complex needs living support service from the new facility. The Council will be asked to approve purchase of 4 of the 8 beds, with first refusal on the other 4. This will be a long-term purchase guarantee (20 years has been suggested) to provide revenue security for the development. If the Council does not utilise all the beds, then the additional placements will be sold nationally to other local authorities. Demand for quality complex needs care placements is high across Scotland.

- (e) There is a financial risk for Aberlour if all the beds are not utilised to a high occupancy rate. However, taking account of the need and demand in the Borders, future predictions that need will continue to grow in the medium to long-term, and Aberlour's experience of managing a number of similar residential and housing support facilities in Fife and the Highlands, the partnership does not anticipate revenue sustainability issues.

- (f) There is a financial risk for SBHA. The model is based on a capital appraisal requiring annual cash-flows over a 30-year period payback period. This is based on assumptions for annual rental increases based on CPI plus 1%. A long-term partnership agreement will mitigate SBHA's risk of the project ending before capital investment is repaid. Flexible design for change of future use will also mitigate this risk and complement the master plan of the area near Tweedbank.
- (g) Aberlour has undertaken an exercise reviewing the anticipated placement costs for the new residential home as compared to the costs the Council currently pay for external residential placements. The indicative revenue saving that the new home could deliver for the Council per week, per child/ young person is approximately **£250***.

This could result in the following revenue savings for the Council:

Cumulative indicative Council savings:

1 year @ 4 placements = £55,000
 5 years @ 4 placements = £275,000
 10 years @ 4 placements = £550,000

If the Council was to use all 8 residential and transition homes, then the indicative savings could be (**):

1 year @ 8 placements = £110,000
 5 years @ 8 placements = £550,000
 10 years @ 8 placements = £1,100,000

* Based on average SBC residential costs not including 15% overhead costs (Audit Scotland best practice)

** Based on the Council reducing existing residential continuing care placements that accommodate 16+ aged young people due to a lack of transition homes.

- h) The costs of placements will be from the exiting Out of Authority placement budget by recycling existing budget when children in external care placements. As such no additional financial resources to support this project are requested and it is hoped that over time that the facility will deliver savings against the costs of external placements elsewhere. The cost savings noted above are indicative based on average costs and in reality will vary depending on the needs of the individual children placed in the unit.

7.2 Risk & Mitigations

The report fully describes all the elements of risk that have been identified in relation to this project. However, given the scale of this project, an appropriate governance structure and risk register will be developed. Appropriate consultation with stakeholders will be built into the process. These elements will involve all partners involved in the project to ensure transparency.

7.3 Equalities

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

8 CONSULTATION

- 8.1 The Executive Director, Finance & Regulatory services, the Chief Legal and Monitoring Officer, and the Chief Officer Audit and Risk have been consulted and any comments received have been incorporated into the final report.
- 8.2 The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers. Any comments received during the consultation will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Stuart Easingwood	Interim Service Director Children & Young People

APPROVED:

Chief Executive: Tracey Logan Date: 4 June 2020

Having consulted -

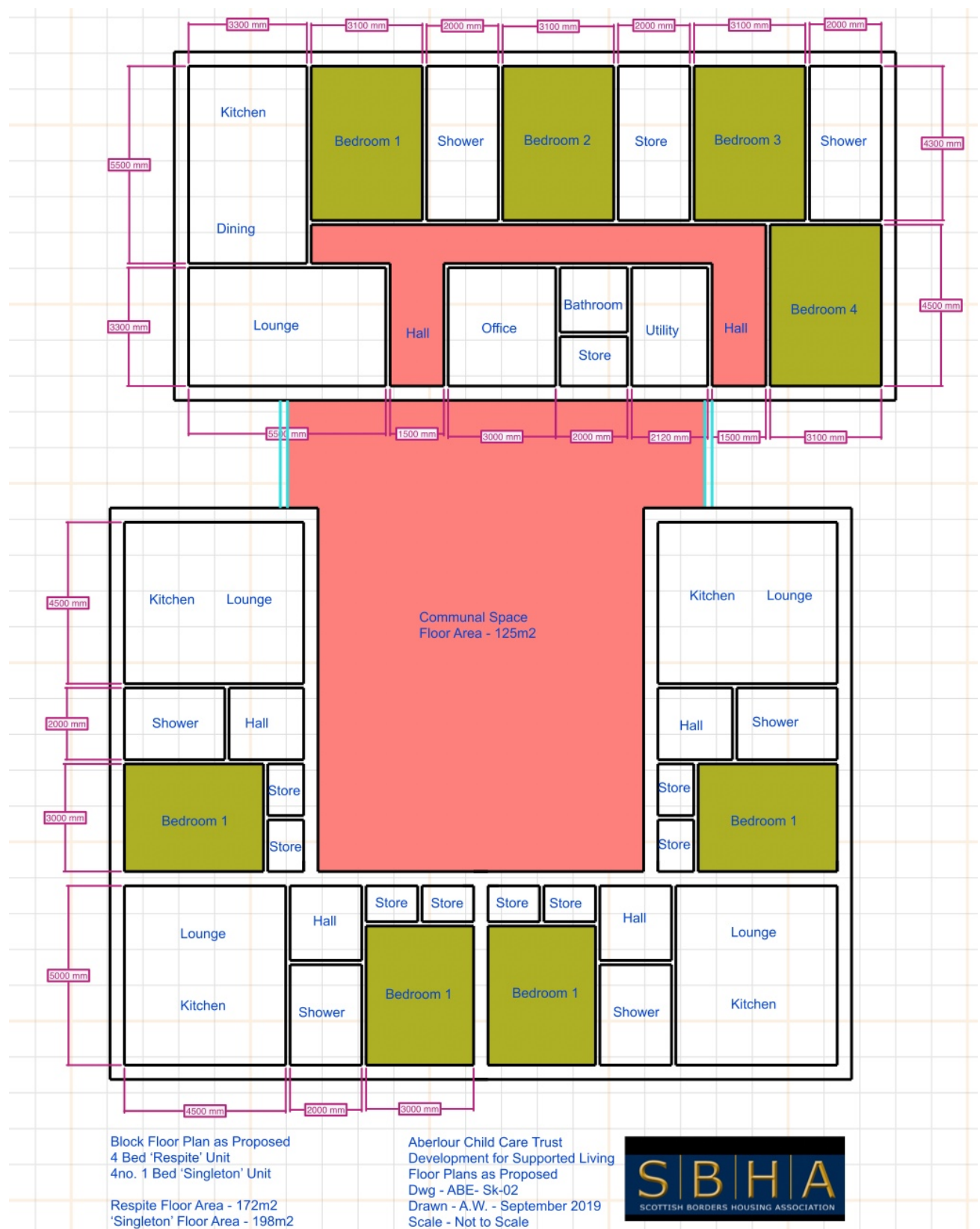
Leader of the Administration: Cllr Shona Haslam Date: 2 June 2020

Convener: Cllr David Parker Date: 2 June 2020

Leader of the Opposition: Cllr Stuart Bell Date: 2 June 2020

This page is intentionally left blank

Indicative Drawing of layout – APPENDIX 1



This page is intentionally left blank

CONTINUED PARTNERSHIP APPROACH WITH ABERLOUR SUSTAIN TO WORK WITH CHILDREN AND YOUNG PEOPLE ON THE 'EDGE OF CARE' IN THE SCOTTISH BORDERS

Briefing Note by Interim Service Director Children & Young People

EMERGENCY POWERS – COVID-19

12 June 2020

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE

1.1 I recommend that approval is given to:

- (a) agree the continuation of the partnership work with Aberlour in the Sustain project**
- (b) accept the funding offer from the Robertson Trust to support the Project, and by doing so, commit to the continuation of the Sustain "Edge of Care" service for a further 3 years.**

2 BACKGROUND

- 2.1 Aberlour Child Care Trust is a charity and has a long history of working with Scottish Borders Council in the provision of complex needs respite care for children and young people. More recently (2019/20), there was the development of the Sustain project, which is a community-based service that offers a flexible response to preventing children entering the care system (**see appendix 1 for evaluation of the Sustain project**).
- 2.2 Scottish Borders Council is committed to reducing the number of children who require to be cared for away from their families; however, we recognise that in some situations this will be inevitable for safety / care reasons. This means that we need to develop and innovate our services to focus our attention on intervening as soon as we can, this project is an example of innovation and partnership working at a local level to reduce the need for children / young people to be placed in care.
- 2.3 Regrettably, it is not always possible for children to remain in the family home, in these circumstances we will always focus on keeping children within their family network where possible and safe to do so. This has led to a significant increase in the number of children / young people who are placed in Kinship Care placements (care with extended family members).
- 2.4 Scottish Borders Council and Aberlour identified the need to do things differently, to prevent Borders' children entering care in the first place, and to create the potential to bring those in out-of-authority placements back to their families and communities with enhanced support where possible and appropriate.

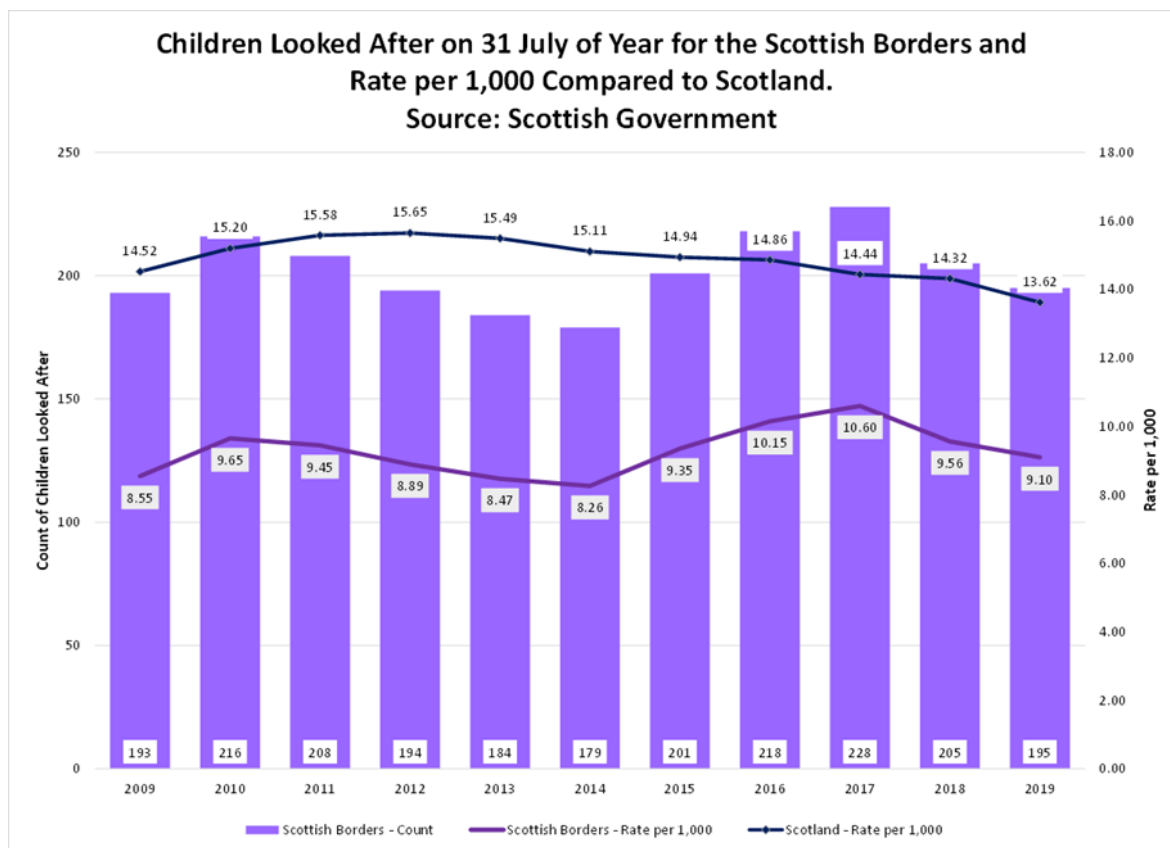
- 2.5 Scottish Borders Council does deliver elements of family support in our communities; however, like many Local Authority services across the country, the significant increase in the level of supervised contact, legally implemented by both Court and Children's Hearings, has significantly reduced the availability of this service.
- 2.6 The Sustain project will directly support the Council's **Fit for 2024** strategy by transforming the way support is provided for local children and families:
- **The Future Challenge:** is to avoid children being placed in care (sometimes outside the authority area), disconnected from their communities and schools. We recognise that families want to stay together and this project has demonstrated its contribution by providing flexible support in the community to achieve this.
 - **Taking advantage of new opportunities:** the Aberlour Sustain workers and Scottish Borders Council Social Work staff, work collaboratively to identify those families most in need of this type of service. The service offers personalised, flexible and responsive support, at times when traditional services do not operate i.e. evenings and weekends. The approach seeks to maximise the potential of family strengths and assets, enabling them access to the required support when and where they need it.
 - **Delivering the best outcomes for Borders communities:** enabling children and young people to remain with their families is at the heart of this project. Services work collaboratively and flexibly to prevent children being accommodated in the first place. Where possible, the outcome is always to keep children at home when it is safe to do so. We know that the outcomes for children and young people in care are less favourable than those who remain at home.

3 NEED AND DEMAND

- 3.1 The Council's Children and Families Social Work service continues to deliver a quality service to Borders families. This is in a landscape where the service is funded in the lowest quartile in Scotland per head of population. Despite this, the percentage of the population who are looked after by the Local Authority remains consistently below the national average as illustrated in the following charts:

Children Looked After on 31 July of Year

Year	Scottish Borders		Scotland	
	Count	Rate per 1,000	Count	Rate per 1,000
2009	193	8.55	15,287	14.52
2010	216	9.65	15,892	15.20
2011	208	9.45	16,231	15.58
2012	194	8.89	16,248	15.65
2013	184	8.47	16,032	15.49
2014	179	8.26	15,600	15.11
2015	201	9.35	15,404	14.94
2016	218	10.15	15,317	14.86
2017	228	10.60	14,987	14.44
2018	205	9.56	14,736	14.32
2019	195	9.10	14,015	13.62



3.2 The Council's Social Work Assistant workforce (formerly Family Support Service) have historically provided a wider service including flexible support to families in their own homes, reducing the need for children and young people to be accommodated. However, with the significant increase in court / Children's Hearing ordered supervised contact between children / young people and their parents, this service has fundamentally needed to facilitate the legal requirement for the supervised contact, and consequently is no longer able to carry out the early intervention family support that it has in the past.

3.3 Notwithstanding the current cessation of face to face supervised contact in Scottish Borders due to Covid-19, the normal weekly level of supervised contact across the Borders is:

- 75 supervised contacts per week involving 50 children / young people
- Actual contact time = 77.5 Hrs
- Travel time = 104.5 hrs approx.
- TOTAL 182 Hrs per alone
- Average hours still needing to be covered in Scottish Borders is 47.5 Hrs per week

3.4 The Council currently has children and young people in foster care and residential care locally, out of authority foster care and in some circumstances out of authority residential placements. In these cases, a legal decision that the child / young person cannot be cared for in their home environment has been taken. The reasons for this can be varied, however, it is a last resort for these children and young people and is not a decision that is taken lightly.

3.5 The current budget for out of authority placements is £5.93m per annum catering for 61 children / young people. The Sustain project allows us to

respond to the needs of children / young people on the 'edge of care' and as such, plays a vital role in keeping this budget under as much control as possible. Without services like Sustain, there is a real risk that the Council's Children and Families Social Work budget could be overwhelmed quickly.

4 ROBERTSON TRUST AND SUSTAIN BORDERS

- 4.1 The Robertson Trust is also keen to support the strategic partnership between the Council and Aberlour. The Trust want to support the partnership to move towards stronger collaboration and investment in early intervention. To this end, Aberlour has secured an offer of investment from The Robertson Trust in the Borders for the following linked activities:
- A commitment to support the revenue funding of the Borders Sustain service in 2020/21 (value: £120,000) – this offer is contingent on the understanding that Scottish Borders Council commits to a further three years of funding for Sustain – on the basis of continued delivery of agreed outcomes and savings. This is the Borders new 'edge of care' support service, piloted successfully in 2019/20, that provides intensive support for families to keep their children and young people at home rather than entering a care placement.

5 IMPLICATIONS

5.1 Financial

The proposal is an extension of the Council's commitment to working in partnership with Aberlour. The £240k annual cost of this service will be funded from the £120k contribution from the Robertson Trust, an earmarked balance and permanently from within existing budgets.

5.2 Risk & Mitigations

The report fully describes all the elements of risk that have been identified in relation to this project and in particular, it highlights the potential impact of this service not being available i.e. potential increase in the number of children / young people requiring to be cared for out with the family home.

5.3 Equalities

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

8 CONSULTATION

- 8.1 The Executive Director (Finance & Regulatory), the Monitoring Officer/Chief Legal Officer, and the Chief Officer Audit and Risk have been consulted and any comments received have been incorporated into the final report.
- 8.2 The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Stuart Easingwood	Interim Service Director Children & Young People

APPROVED:

Executive Director: Rob Dickson Date: 3 July 2020

Having consulted -

Leader of the Administration: Cllr Shona Haslam Date: 23 June 2020

Convener: Cllr David Parker Date: 23 June 2020

Leader of the Opposition: Cllr Stuart Bell Date: 23 June 2020

This page is intentionally left blank

Evaluation of Sustain Borders

A Report for Aberlour Child Care Trust



Social Research



Service Design & Innovation



Strategy & Collaboration



Evaluation Support



Social Impact Measurement

December 2019



1. Introduction

This section introduces the study, Aberlour Child Care Trust and the Sustain Borders service, sets out the aims and objectives of the evaluation and describes the research methodology applied.

Aberlour Child Care Trust

Aberlour Child Care Trust (Aberlour) is Scotland's largest children's charity, providing support to more than 7,500 children every year. Aberlour delivers over 40 services, in areas such as family support, children with disabilities, residential care and fostering and early years support.

Aberlour works increasingly with families and children at the 'edge of care', where there is concern about parental capacity to care adequately for children at home, and where there is an immediate risk of children being taken into care.

Sustain Borders

Aberlour has developed a bespoke service for families with children at the edge of care, whose physical, emotional, social or educational needs are at risk of not being met by parents. Currently there are Sustain services operating in Highland (established in 2016) and Perth and Kinross (established in 2018).

Scottish Borders Council (SBC) has funded a pilot Sustain service from October 2018 till March 2020. The service was originally delivered across the two main communities of Hawick and Galashiels, but is now extended across the local authority area. Sustain Borders aims to work with at least 30 children living in edge of care families.

Research objectives

The overarching objective of the evaluation is to evidence the impact of the service to help SBC to make an informed decision about the continuation of the pilot.

The detailed objectives of the evaluation are:

- Assessing whether the service has met its intended outcomes.

- Evidencing the impact of the service on children, young people and families.
- Assessing the impact of the service on Scottish Borders Council and the further service landscape for children and families;
- Assessing the cost savings made by SBC in reduced care placements and reduced need for other services;
- Making recommendations to develop the service in the future.

Research methodology

We have used a mixed methods approach to this evaluation, including:

Desk research

- A review of the project data collected by Aberlour in its Dynamics data management system.
- Sample of anonymised referral documents and pre- and post-engagement forms from parents and young people.

Fieldwork

- In depth interviews with 4 families that have used the service.
- Semi-structured interviews with 6 SBC Social Workers and a survey completed by 4 SBC Social Workers
- Semi-structured interviews with 5 partners and key stakeholders from the health (2), education (2) and community (1) sectors
- Face-to-face and telephone interviews with 4 Aberlour management and delivery staff and a focus group with 3 Aberlour delivery staff

2. Sustain Borders Service

This section describes the service in more detail, setting out the background to the service, its aims and objectives, delivery model and approach.

Background to the service

Aberlour developed the Sustain service model to tackle the increasing number of children and young people placed into care due to a lack of suitable and appropriate support for families at the edge of care.

Sustain Borders offers personalised, flexible and responsive support that other services find challenging to provide to families. The approach seeks to maximise the potential of family strengths and assets, getting them access to the required support when and where they need it.

The service is informed by five key principles:

- **Consultation and co-production:** recognising that children and families need a voice and need to be involved in service design.
- **Relationship-based support:** understanding and respecting families, and building trust through positive interventions.
- **Intensive support:** being there when families need support the most such as evenings and weekends.
- **Edge of care, not edge of Social Work involvement:** supporting those families most in need and those children most at risk of being accommodated.
- **Personalised support:** not restrained by one approach or evidence-based practice but drawing upon a range of approaches that best meet family need.

Sustain Borders is working in collaboration with SBC offering the service to families involved with SBC Social Work. It follows a multi-agency approach, ensuring that all relevant services are working together to support the whole family.

These families face a wide range of issues such as poor mental health, substance misuse and neglect. They require support that is attachment and trauma-informed, delivered in a personalised and relationship-based way.

Aberlour has been delivering services for vulnerable children and families in the Scottish Borders for over 20 years. As of 2018, there were around 230 children and young people being looked after by Scottish Borders Council and up to 40 in costly out of authority placements. Sustain Borders can therefore help SBC to manage budgetary pressures by transferring resources from expensive crisis management to earlier, more preventative interventions.

Before the Sustain Borders pilot programme there was also no established outreach service for families in the Scottish Borders. SBC has funded outreach services for families in the past, one provided in-house and the other delivered by a third sector partner.

Service aims and objectives

The service agreement between Aberlour and SBC states the following objectives for the Sustain Borders:

1. To provide intensive personalised and relationship-based whole family support to children and young people (10-18 years) and their parents, carers and siblings to strengthen relationships and prevent family breakdown.
2. Children and young people are supported to remain within their own families where possible.
3. Children and young people shall be enabled to maintain positive relationships with their Parents/Carers.
4. Reducing youth crime and promoting community safety.

Service outcomes

The service aims to achieve a number of outcomes for children and families:

- Reducing the number of children going into care by keeping families together.
- Improving SHANARRI outcomes for children, in particular increased resilience.

-
- Improved healthy relationships within families and between families and other services.
-
- Improved school attendance and attainment.
-
- Reduced barriers to inclusion.
-

Sustain Borders also targets outcomes for SBC:

-
- A reduction in care placements leading to cost savings or spending reallocated towards earlier intervention.
-
- Reduction in the need for Social Work and wider statutory intervention.
-

Delivery model and approach

The Sustain Borders delivery model is designed to:

-
- **Engage:** providing personalised and relationship-based whole family support to parents, carers and their children aged 10 and over.
-
- **Support:** offering timely, responsive and safe provision seven days a week, 365 days a year, tailored to family need and circumstances.
-
- **Improve outcomes:** demonstrate to SBC successful progress towards intended outcomes for children, families, the Council and communities.
-

Sustain offers a flexible model built around a staged and planned approach to supporting children and families. The strength of the model lies within the flexible and creative menu of support interventions and evidence-based approaches applied in practice by experienced staff. The five stages are:

-
- **Referrals:** from SBC gatekeepers, a single point of referral for edge of care families.
-
- **Proactive engagement / action planning:** community support practitioners will engage children and families in their own homes, schools and other community venues. An action plan will be produced with children and families, containing agreed actions and outcomes that relate to the Child's Plan.
-
- **Types of interventions:** a range of innovative and creative interventions will be used to ensure that families are supported to make the changes that will help them to progress and integrate within their communities.
-

-
- **Reviews / disengagement:** support workers will undertake ongoing assessment of family progress towards outcomes, regularly reviewed using Aberlour's Outcomes Framework.
-
- **Ongoing capacity building:** the service will enhance community resources to ensure that they are capable of supporting families beyond Sustain intervention.
-

Service delivery

Up to November 2019 the Sustain Borders service has received 51 referrals for young people and worked with a further 53 parents/carers and siblings. Of these 16 young people (and 16 parents/carers) are in an early stage of the engagement process so have not been included in the assessment of outcomes to date.

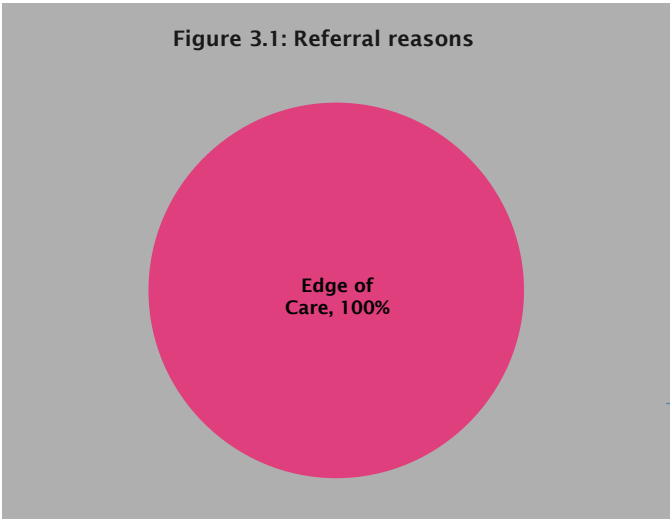
3. Impact on Children and Families

This section of the report reviews and presents evidence of the impact of the Sustain Borders service on children, young people, their parents/carers and siblings.

Reaching families at the edge of care

From the outset it was clear that a key condition for the success of the service is that the right children and young people are referred: children and young people who, without targeted intervention, would be extremely likely to end up in care.

The project data show that **all of referrals to the service (100%) are children and young people at the edge of care.**

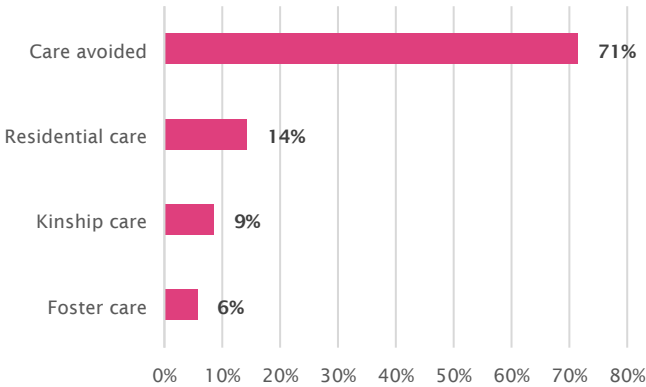


This shows that the referral system and the ‘gatekeeper’ role of senior SBC officers has worked well. This was confirmed by Social Work staff and stakeholders.

Keeping families together

Sustain Borders has been highly successful in its main ambition of avoiding children and young people being taken into care and keeping families together wherever possible. Figure 3.2 breaks down the outcomes for the children and young people that Sustain Borders has worked with.

Figure 3.2: Final outcome for children and young people



This means that of the 35 children and young people the Sustain Borders service has worked with (and for whom final outcomes could be established) **25 have avoided being taken into care** and are still living at home with their family and are expected to continue doing so.

“I definitely think the adoption would have broken down without them.”

“If the objective of Sustain is to stop children going into care then it definitely worked for us.”

“[Child] might have even been taken away into care.”

Parents

The flexibility and intensity of the Sustain support is a key factor in this success. The service is available ‘as and when required’, including during evenings and weekends, which allows issues to be dealt with quickly and can help to avoid them developing into a full-blown crisis.

“[Child] would probably have been accommodated if the Sustain worker had not been available over the weekend.”

Social Worker

As well as being available at times of crisis Sustain workers can continue providing support when things have settled down and underlying issues can be addressed. Families cited the importance of ongoing support by the same Sustain worker.

Even for the families where the end result was a care placement, the value of the Sustain Borders service was acknowledged by the parents. One parent said that Sustain Borders were able to spend the time explaining processes and helping them to navigate the system.

Sustain also helped this parent to develop coping mechanisms for the challenging behaviour of their child and keeping the relationship going during the care placement.

"I learned to walk away and calm down."
"Without Sustain I might have ended up in jail or [the child] might not even be here"
Parents

Two of the parents and carers highlighted the positive effects Sustain had on their other relationships.

"My wife and I might not be together anymore."
Parent

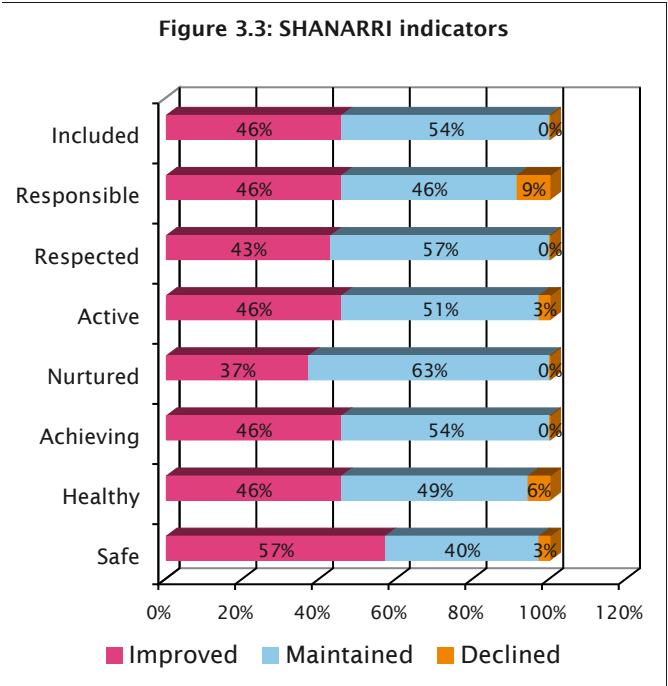
Increased wellbeing (SHANARRI)

The Sustain Borders service works with children, young people and their parents/carers to improve overall wellbeing. The service uses SHANARRI indicators, part of the Scottish Government's Getting It Right for Every Child (GIRFEC) approach, embedded in the Children and Young People (Scotland) Act 2014.



Figure 3.3 shows the extent to which the **children and young people have achieved progress towards the SHANARRI indicators.**

Sustain Borders uses a 6-point scorecard to determine progress against the SHANARRI indicators at the start and the end of the process, using bespoke visual aids. The scores are established by triangulating the scores of the young person, the parent and the observations of the Sustain and Social Work staff. Overall, figure 3.3 shows good progress across all eight indicators.



It should be noted that not every young person has issues across all eight SHANARRI indicators, most young people had only issues in 2 or 3 areas, these generally are the areas where progress has been made, while their score on the other indicators was maintained. Young people were felt to have regressed in only a very small number of cases.

Building better family relationships

Because the Sustain service provided flexible and intensive support focused on the root causes, relationships between parents and children improved significantly.

"[Child] is now interacting better, is back in school, and the relationship with his mum has improved. This would not have happened without Sustain."
Social Worker

“Things look more positive now, we seem to be doing more together.”

Parent

The whole family approach meant that the focus was not solely on the child and many parents started to look at their own behaviour and attitude, and how that affected the child’s behaviour.

“I did change the way I was parenting, and some other things helped but Sustain was main reason our placement didn’t break down.”

“I’m being a more stable parent now.”

“I knew I was stressed out but I didn’t realise how bad it was. I was doing lots of avoidance and going out as much as possible to avoid being in the house with him. I am now spending much more time looking after the children.”

Parents

Some parents mentioned the practical nature of the support, as contrasted to the ‘therapeutic’ nature of other services available, helped them to deal better with their child on a day-to-day basis. This in turn **improved the relationships between parents/carers and children.**

One educational stakeholder mentioned Sustain buying a CD player for a family, so they could play music when getting ready for school. This made a huge difference on the pupil’s behaviour at school and on the peace in the household during the morning rush hour.

“Another positive impact is better school attendance and pupils turning up on time.”

Education stakeholder

Living safer lives

The young people referred to Sustain often are involved in anti-social behaviour or criminal activities. Of the 35 cases under review in this evaluation, this was the case for **XXX young** people.

Sustain worked with these young people to **address any underlying issues to their behaviour and divert them from criminal behaviour.**

Sustain is flexible in the way it supports young people in changing their behaviours and

environments. For example, one Sustain Community Support Practitioner took a young person to a boxing club, which diminished his anti-social behaviour.

One parent told about their child ‘hanging around with the wrong crowd’ and getting involved in criminal activities. Through the support provided by Sustain the young person was now in a safe place and has started to build up his life.

“[Child] is safe now and doesn’t have the same bad influences on him.”

Parent

One Social Worker mentioned four different cases where anti-social and criminal behaviour was a key issue, where Sustain Border’s approach to working with the families and schools made a significant difference.

“Targeting home and school life made a real difference.”

Social Worker

Developing trust in the system

Families that are referred to Sustain Borders typically have a long history of receiving support from a variety of support providers. Mostly these relationships are time-limited and focused on crisis intervention.

The support provided by Sustain helped families to make sense of the various support options available and better navigate the system. This also included better understanding where services such as Social Work were coming from and what they needed to change to avoid crisis situations and therefore the threat of their child taken into care.

“They [Sustain] are a bridge between all the other services.”

“Sometimes the Social Worker would give us a lot of information, Sustain would explain what it meant and what was involved.”

“Sustain came in and told us clearly we needed to present a united front – having an external, independent voice helped us.”

Parents

As a result of Sustain’s work with **children, young people and their families they started to rebuild families’ trust in the system** and increase their ability to interact with other service providers effectively. This includes Social Work services, but also health services, schools, housing, police and community services.

Social Workers

“Sustain have helped young people to trust again and showed them that teachers and other professionals are trying to help.”

“Sustain will be the voice of the young person so they are prepared to have difficult conversations with parents, teachers or anyone else when they have to.”

4. Impact on the Service Landscape

This section discusses how the Sustain Borders service fits in with other service providers and the impact of the service for other agencies provided support to children, young people and families.

The interim evaluation report provided some initial findings on the extent to which Sustain Borders had complemented and aligned with Social Work and other statutory and third sector support services (at that stage). These broadly positive findings have been further elaborated below, taking into account the additional interviews with stakeholders that have since taken place. These later interviews also have a more complete, longer-term view of the impacts of Sustain Borders and how it fits with existing support services for young people and families.

In general, other service providers continue to express high levels of satisfaction with Sustain Borders, mainly in terms of the amount and quality of support for young people and families in crisis.

Impact on Scottish Borders Council

Social Workers and management felt that Sustain Borders was meeting a clear **need for more and more intensive support** for young people and their families.

“It enhances the value of the Social Work service. There was a gap.”

Social Worker

Many welcomed the additional resources that Sustain Borders has been able to bring to complex cases, recognising the fact that Social Workers (and other agencies) had often been working with these families for some time.

Social Workers and management highlighted some of the specific aspects of the Sustain Borders’ service as being particularly helpful, such as their ability to provide **immediate, intensive, personalised support**, and respond as and **when needed** (i.e. out of hours). Others were just glad to have **additional resources** available, particularly having expert support practitioners they could call on to work with families in crisis.

Sustain Borders have been able to take responsibility for the bulk of day-to-day work with young people at the edge of the care and their

families, meaning that Social Workers have less direct involvement (while monitoring progress against the young person’s care plan). Three of the Social Workers we spoke to felt that this had helped to **reduce pressure**, allowing them to get more involved in other cases. However, given the level of existing pressure on Social Work resources, this would be very unlikely to translate into an overall feeling that workloads were more manageable.

The interim report included a potential concern that partnership working was working better at strategic than operational level. We found no evidence of any structural issues in the subsequent research, outside some initial issues with information sharing or updates and the approach of an individual member of staff.

There was strong support for the idea that a service like Sustain Borders can potentially reduce the need for (and cost of) care placements down the line. Social Workers recognised that Sustain Borders staff had worked hard to **build trust and rapport with the young people**, building their **self-esteem and resilience** but also helping to **get to the root causes** of family breakdown in several difficult cases. Any progress in these cases will reduce the likelihood of problems recurring, or help families to deal with them more effectively if and when they do.

Impact on other service providers

Other service providers tended to agree that Sustain Borders **complemented existing services** and staff had worked well with partner agencies. A number of the health and third sector stakeholders felt that Sustain Borders’ had supported their work and **helped them to achieve their own objectives**.

“Other agencies rely on them as part of the team.”

Education stakeholder

For example, education stakeholders spoke highly of Sustain Borders staff and their support for young people who had been **refusing to attend school**.

In some cases, the young people had been refusing to attend for some time and been subject to interventions and support from different agencies and professionals.

“We were at the point where we had tried everything with these young people, this support could only benefit them.”

Education stakeholder

Sustain Borders managed to **build trust and develop the confidence of young people, often in a very short period of time.**

“It has been incredible; they’ve been able to go in and make a difference within a few weeks.”

Education stakeholder

One commented that because Sustain Border has managed to build the trust of young people, they were more likely to appreciate that school staff (and potentially other professionals) were actually trying to help them.

A key element in progress has been Sustain Border’s focus on **child-centred care**. As highlighted in the previous chapter, there was evidence that Sustain Borders have communicated with agencies on behalf of the young people, and have been willing to have **difficult conversations** when required. For example, Sustain Borders have encouraged school staff to accept that a school refuser can engage with school life and schoolwork in a more limited (but still structured) way, rather than insisting on full attendance where this might have been contributing to their reluctance to attend.

Health stakeholders also welcomed Sustain Borders, recognising that it is a different kind of service to that normally available in the Borders (or elsewhere?) and that there is a particular need for **intensive, whole family support**. They also felt that Sustain’s involvement with young people had helped to improve their attendance at health appointments.

There are also some examples of Sustain Borders involving other third sector providers, where the activities or services they provide would be of value to that young person (examples include Stable Life¹, Children 1st and Quarriers).

“We’re all part of the jigsaw.”

“There’s a willingness to do joint work to support the young person.”

Third sector stakeholders

Many of those consulted felt that their work with these young people and families would benefit from Sustain Borders supporting them at an earlier stage, before they reached crisis point or the edge of care.

“It has filled some of the gap, but we need more of it.”

Social Worker

¹ <https://stablelife.org.uk/>

5. Valuing the Impact of Sustain Borders

This section explores the potential financial implications of the service for the public purse and how the service can help SBC to meet its budget targets.

Like any other public authority, SBC is experiencing increasing budgetary pressures. The Council has published Fit for 2024, a transformational strategy to meet future challenges². Fit for 2024 recognises the need for additional budget savings, even after the ‘easy wins’ have been captured. This means the Council needs to capitalise on innovative ways of working, including ways of reducing the increasingly unsustainable costs of providing care.

Sustain Borders offers an opportunity to do things in a fundamentally different way, by transforming care for vulnerable children, young people and families and reducing the need for expensive care placements.

Thanks to the strict gatekeeping policy applied by SBC, all families that were referred to the Sustain Borders service were at the edge of care. It was clear and agreed by SBC and Sustain Borders staff that without intervention, these children and young people would be very likely to end up in care.

In the 15 months under review in this evaluation, 25 of the 35 children and young people for whom a final outcome could be established³ have avoided being taken into care.

SBC Social Work estimates the average cost of a care placement at £155,310⁴, which is in line with the national average (£158,800)⁵. If this were applied to the overall outcomes achieved by Sustain Borders, costs of £3.9m would have been avoided over the 15-month period.

The cost of the Sustain Borders service over the same 15-month period are £345,000. This means a potential budget saving of over £3.5m.

By continuing to fund Sustain Borders **SBC could save around £2.8m per year in direct care placement costs.**

The average cost of a care placement does not include time spend and overhead cost of SBC. These are estimated by Audit Scotland at 15%. This means **another £420,000 of resource reallocation per year** could be attributed to the Sustain Borders service.

There is also a cumulative effect, where costs would be saved for every year that a young person is not taken into care. The likely cost avoidance as a result of Sustain Borders is likely to be much higher if the duration of care placements is taken into account, bearing in mind that they can now be extended to 21.

However, the costs of care are not discretionary and do not translate directly into additional resources available to the Council. A care placement is the result of a court decision and the local authority has a statutory duty to provide the placement under the Children (Scotland) Act 1995.

Apart from the avoidance of statutory care cost, there are **a range of other preventative benefits of the Sustain Borders service** to SBC and other statutory organisations that represent a financial value:

1. A reduction in time and other resources that SBC and the judicial system others have to spend on preparing court cases regarding care.
2. A reallocation of resources for the police and other community safety and criminal justice organisations for the young people turned away from anti-social and criminal behaviour.
 - a. 7.3% of looked after children come into contact with the youth justice system, compared to 3% of all children and young people (NACRO, 2012)⁶.

² https://www.scotborders.gov.uk/info/20062/strategies_plans_and_policies/923/fit_for_2024

³ The service has worked with 51 children and young people in total, but 16 of these were in an early stage of the process and have not reached any conclusion.

⁴ Sustain Borders – update, Aberlour Childcare Trust, October 2019

⁵ https://www.audit-scotland.gov.uk/docs/local/2010/nr_100902_children_residential.pdf

⁶ Looked After Children and Crime, Kristina Moodie, Centre for Youth and Criminal Justice, University of Strathclyde, 2016

- b. A third of young offenders, and almost a third of the adult prison population, self-identify as being Care Experienced (SPS, 2016)⁷.
 - c. Some practitioners estimate that around 50% of the adult prison population may have care experience (HM Inspector of Prisons for Scotland, 2009)⁸.
 3. Potential future reduction of cost for mental health services by addressing the underlying issues with children and young people.
 - a. 45% of children and young people aged 5-17 looked after by a local authority had a diagnostic mental health disorder 37% had clinically significant conduct disorders; 12% were assessed as having emotional disorders - anxiety and depression – and 7% were rated as hyperactive⁹.
 - b. Among 5- to 10-year-olds, the rates of disorders for looked after children compared with those in private households were¹⁰:
 - i. Emotional disorders: 11% compared with 3%.
 - ii. Conduct disorders: 36% compared with 5%.
 - iii. Hyperkinetic disorders: 11% compared with 2%.
 - iv. Any childhood mental disorder: 42% compared with 8%.
 - c. Among 11- to 15-year-olds, the prevalence of mental disorders for children looked after by local authorities compared with children from the private household survey were:
 - i. Emotional disorders: 12% compared with 6%.
 - ii. Conduct disorders: 40% compared with 6%.
 - iii. Hyperkinetic disorders: 7% compared with 1%.
 - iv. Any childhood mental disorder: 49% compared with 11%.
 4. Potential future reduction of cost for health services due to avoiding care and the re-engagement with health services.
 - a. Looked after children appear to have higher rates of particular physical health conditions for example, dental caries, vision problems and obesity¹¹.
 - b. High rates of health-risk behaviours (for example, smoking and sexual relationships at a younger age) have been identified among the looked after population¹².
 - c. There is evidence that care leavers of all ages are over-represented in suicide¹³ statistics and other early deaths
 - d. It is estimated that one of the highest rates of youth smoking exists for care leavers at 67% (ScotPHO, 2009)¹⁴.
 5. Potential future reduction of future welfare cost due to the avoidance of care and re-engagement with education.
 - a. In 2017/18 44% of children in care for the full year and 40% of those who were in care for part of the year left school in S4 or earlier, compared with just 11% of all school leavers¹⁵.
 - b. In 2017/18 12% of school leavers who were in care for the full year and 11% who were in care for part of the year had qualifications 1 or more qualification at SCQF level 6 or better, against 62% of all school leavers¹⁶.
 - c. In 2017/18 76% of children in care for the full year and 69% of children in care for part of the year, were in positive destinations, compared to 93% of all school leavers¹⁷.
 - d. The figures show across all stages, that a lower proportion of Care Experienced children achieved the CfE level relevant to their stage compared with all pupils – especially in writing¹⁸.
 - e. In 2016/17 the rate of exclusions among Care Experienced children was

⁷ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

⁸ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

⁹ The mental health of young people looked after by local authorities in England, Office for National Statistics, 2003

¹⁰ The mental health of young people looked after by local authorities in England, Office for National Statistics, 2003

¹¹ The health of looked after children and young people: a summary of the literature, Dr Andrea Priestley and Dr Lisa Ann Kennedy, Centre for Excellence for Looked After Children (CELCLIS), University of Strathclyde, 2015

¹² The health of looked after children and young people: a summary of the literature, Dr Andrea Priestley and Dr Lisa Ann Kennedy, Centre for Excellence for Looked After Children (CELCLIS), University of Strathclyde, 2015

¹³ The health of looked after children and young people: a summary of the literature, Dr Andrea Priestley and Dr Lisa Ann Kennedy, Centre for Excellence for Looked After Children (CELCLIS), University of Strathclyde, 2015

¹⁴ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

¹⁵ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

¹⁶ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

¹⁷ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

¹⁸ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

- 169 cases per 1,000 pupils, compared with 27 per 1,000 in the general school population¹⁹.
- f. 30% of Care Experienced young people who were in care for part of the year are classed as unemployed 9 months after leaving school, compared to 5% of their non-Care Experienced peers²⁰.
6. Potential future reduction in homelessness cost
- a. Practitioners estimate that between 30-50% of individuals who are homeless could be Care Experienced.

¹⁹ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

²⁰ <https://www.whocaresscotland.org/who-we-are/media-centre/statistics/>

6. Conclusions

This section draws conclusions from the evaluation findings and provides recommendations on the continuation of the Sustain model in the Scottish Borders.

Conclusions

From the research the following conclusions can be drawn:

Avoiding being taken into care

1. The Sustain Borders service is achieving its objectives.
2. The Sustain Borders service is reaching the right children, children and families. Due to the strict and well-functioning gatekeeping by SBC all service users were children at the edge of care (100%) and families in crisis.
3. Over the first 15 months of the pilot period Sustain Borders has avoided 25 children and young people being taken into care (71%).
4. This number of care placements would have required up to £3.9m in care placement costs and another £420k in overheads.
5. SBC could achieve a cost saving of up to £2.8m per year by continuing to fund Sustain Borders at the current level of £345,000 per year. This amount is potentially much higher if the likely duration of the placements avoided could be taken into account.
6. By avoiding children and young people being taken into care, there is a whole range of potential resource reallocation opportunities for the public purse, including health, mental health, education, welfare and criminal justice.

Impact on children, young people and families

7. The children and young people that Sustain Borders have worked with are making excellent progress against the SHANARRI indicators.
8. The Sustain approach of delivering flexible, intensive, whole-family support and thus addressing the root causes rather than responding to an immediate crisis situation has a positive impact on family relationships.

9. Addressing the root causes of young people's issues helps to reduce anti-social and criminal behaviour.

10. With the intensive and flexible support children, young people and families are regaining trust in 'the system' and are re-engaging with other services, such as health and education.

Impact on the service landscape

11. Sustain Borders clearly fills a gap in the service provision for children, young people and families in the Scottish Borders.
12. Sustain Borders can reduce some pressure on SBC Social Work staff, in the sense that they do not have to spend as much time on cases with Sustain Borders involvement, freeing some time for other cases.
13. Because the Sustain Borders service addresses the root causes of family issues, the likelihood of them returning to Social Work or other services in the future is reduced.
14. Sustain Borders has given the children and young people a voice, and has been able to act as an 'honest broker' between families and other services, such as health providers and schools, in many cases.
15. Sustain Borders works in partnership with a range of statutory and third sector organisations and helps these services to achieve their objectives.

Find out more
www.socialvaluelab.org.uk

info@socialvaluelab.org.uk

Call us on **0141 530 1479**



Studio 222, South Block,
60 Osborne Street, Glasgow, G1 5QH.

This page is intentionally left blank

**MEMBERSHIP OF EDINBURGH AND SOUTH EAST SCOTLAND
CITY REGION DEAL OVERSIGHT SUB-COMMITTEE**

**Briefing Note by Executive Director, Corporate Improvement &
Economy**

EMERGENCY POWERS – COVID-19**6 July 2020**

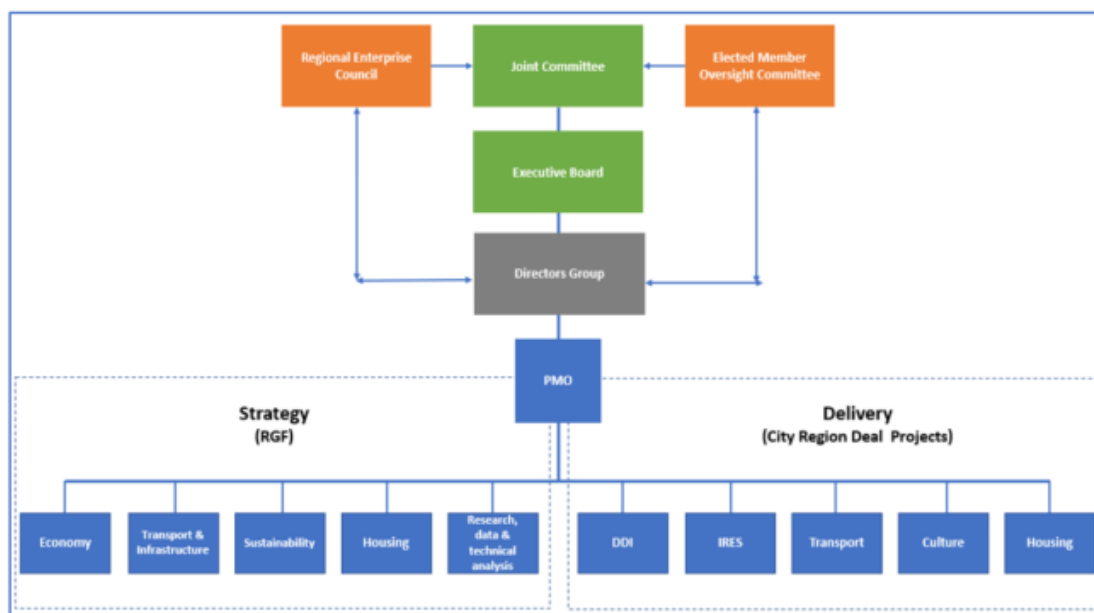
1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE

- 1.1 I recommend that approval is given to appoint two Elected Members to the Edinburgh and South East Scotland City Region Deal Elected Members Oversight Sub-Committee.**

2 CITY DEAL ELECTED MEMBERS OVERSIGHT SUB-COMMITTEE

- 2.1 At the Edinburgh and South East Scotland City Region (ESESCR) Deal Joint Committee meeting on 3 September 2019 it was agreed that an Elected Members' Oversight Sub-Committee (EMOC) be constituted to provide scrutiny and assistance to the Joint Committee. The Sub-Committee would oversee the preparation of the Regional Growth Framework (RGF), as well as subsequent preparation of the Regional Spatial Strategy (RSS).
- 2.2 The RGF document is currently being developed and will be a matter for the EMOC to examine at an early date. As it will be a critically important statement, and one which will provide direction to the preparation of the subsequent RSS. Whilst the nature of RSS is yet to be defined, work has commenced on developing an interim RSS, which will inform National Planning Framework 4 (NPF4). It will be important to ensure the inclusive nature of the RGF, through genuine regional partnership working not only within the governance structure of the City Region Deal, but also with bodies at national level such as Scottish Enterprise and Transport Scotland, and at regional level including the partnerships for transport (SEStran) and planning (SESplan).
- 2.3 The Oversight Sub-Committee will be a sub-committee of the Joint Committee and consist of 2 elected members from each of the constituent local authorities, together with representatives from the Regional Enterprise Council and the Higher/Further Education Consortium. The proposed terms of reference for the EMOC are set out in Appendix A.
- 2.4 Figure 1 shows the proposed governance structure for the City Region Deal. The "Strategy" section on the left, which will focus on the RGF and RSS, has been incorporated into the structure alongside to the "Delivery" section for City Region Deal projects, as included in the City Region Deal Document, signed in August 2018.

Figure 1: Governance Structure for City Region Deal



- 2.5 Once partners have appointed their nominees, the sub-committee will meet monthly but may meet more frequently if determined necessary by the Chair or the Sub-Committee.

3 IMPLICATIONS

3.1 Financial

- (a) There will be modest additional costs associated with travel and expenses to attend meetings of the Oversight Sub-Committee but it is likely these will be held remotely for the time being due to the Covid19 outbreak.
- (b) At present, there is no indication that preparation of the RGF and RSS, including the governance arrangements, will require any additional budget contributions from partner Councils and bodies. This assumes that there is existing staff resource within the partner Councils to support the preparation of the RGF and RSS. Scottish Government have provided modest funding (£5k) to enable initial thinking on the development of Regional Spatial Strategies.
- (c) As the programme for preparation of the RGF and RSS is only at an initial stage this matter of resource requirements will need to be kept under review.

3.2 Risk and Mitigations

- (a) The governance arrangements of the City Region Deal and Borderlands have established risk management processes associated with work programmes.
- (b) The formation of the oversight sub-committee will ensure appropriate political scrutiny of the City Deal process and the development of the RSG and RSS

3.3 Equalities

An Equalities Impact Assessment has been carried out on this study and it is not anticipated there will be any adverse equality implications.

7 CONSULTATION

- 7.1 The Executive Director Finance & Regulatory, the Service Director HR & Communication, the Monitoring/Chief Legal Officer, the Chief Officer Audit and Risk, and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.
- 7.2 The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Ian Aikman	Chief Planning & Housing Officer Tel: 01835 826510

APPROVED:

Executive Director: David Robertson Date: 10 July 2020
(Finance & Regulatory)

Having consulted -

Leader of the Administration: Cllr Shona Haslam Date: 6 July 2020

Convener: Cllr David Parker Date: 6 July 2020

Leader of the Opposition: Cllr Stuart Bell Date: 6 July 2020

NOTE: Cllrs Bell and Robson are the two Elected Members on the Sub-Committee, with Cllr Heather Anderson as substitute.

This page is intentionally left blank

Elected Member Oversight Sub-Committee

1. Membership

Two Members from each constituent Council, one member from the Higher Education/Further Education consortium and up to two members from the Regional Enterprise Council.

2. Convener/Chair

The chair will be appointed by the Joint Committee and should be from the Council in the annual lead role for the City Region Deal.

3. Quorum

The Quorum will be one-third of the membership.

4. Substitutes

Substitutes are permitted from the same local authority.

5. Officers

Officers will attend to support meetings.

6. Remit

The powers and responsibilities of the Elected Member Oversight Sub-Committee cannot extend beyond those of the Edinburgh and South East Scotland City Region Deal Joint Committee. The remit of the Elected Member Oversight Sub-Committee would be:-

- a. To provide oversight of the Regional Growth Framework and Regional Spatial Strategy.
- b. To support and drive a co-ordinated approach to the development of the Regional Growth Framework and Regional Spatial Strategy.
- c. To support and encourage a sustainable approach to managing growth which aligns to local sustainability, energy and low carbon plans and strategies.
- d. To encourage and facilitate a close working partnership with SEStran, SESplan and other relevant organisations.
- e. To provide oversight and consider recommendations from the Regional Housing Board and the Transport Appraisal Board.
- f. To scrutinise the work of the SESplan Officer Board in regard to the Regional Growth Framework.
- g. To advise the City Region Deal Joint Committee in regard to the Regional Growth Framework and Regional Spatial Strategy.

7. Meeting Frequency

The sub-committee will usually meet monthly but may meet more frequently if determined necessary by the Chair or the Sub-Committee.

This page is intentionally left blank

South East of Scotland Transport Transition Plan

Briefing Note by Executive Director, Corporate Improvement & Economy

EMERGENCY POWERS – COVID-19**6th July 2020**

1 DECISION(S) REQUIRED BY CHIEF EXECUTIVE**1.1 I recommend that approval is given to:**

- (a) the Council's involvement in the South East of Scotland Transport Transition Group that has been established in response to the letter issued by the Cabinet Secretary for Transport, Infrastructure and Connectivity (attached at Appendix 1); and**
- (b) the terms of reference for the operation of the group (attached at Appendix 2).**

2 BACKGROUND AND PURPOSE

- 2.1 In a letter dated 22nd May 2020 (Appendix 1) informing all local authorities of the Scottish Government's preparation of a national Transport Transition Plan to address transport issues expected as Covid-19 lockdown easing phases are implemented, the Cabinet Secretary for Transport, Infrastructure and Connectivity acknowledged the particular pressures that will be experienced in the Edinburgh and Glasgow regions.
- 2.2 Accordingly, he asked that Transport Scotland engage directly with the local authorities in those city regions at an operational officer level; thereby providing a basis for the local authorities to collaborate in the preparation and implementation of appropriate measures.
- 2.3 In the Edinburgh City Region, it was considered that the already established City Region Deal Transport Appraisal Board (TAB) comprising officer representatives of the six constituent local authorities, the regional transport partnership (SEStran), and Transport Scotland, would provide the most effective way of addressing these pressures on the regional transport network. In order to ensure sufficient focus the TAB has formed itself into a Regional Transport Transition Group, and has invited officer representatives of Clackmannanshire and Falkirk Councils onto the Group, as they fell within the SEStran grouping of local authorities.
- 2.4 The report seeks approval for the Council's involvement in the group and of its terms of reference as set out in Appendix 2.

South East Scotland Regional Transport Transition Plan Group

- 2.5 The primary terms of reference for the Group are to focus on an increase in travel demand and capacity; and to identify associated regionally specific and cross cutting issues, challenges and opportunities. Resulting from that work will be a co-ordinated programme of prospective measures, including cost estimates, agreed by the Group as recommended for phased implementation. The Group is not a decision making body and is not able to commit any local authority either individually or collectively in terms of policy, implementation of measures, or spending. Any specific roads related measures will still require the agreement of the relevant Council as local roads authority.
- 2.6 Survey work, modelling and analysis is being conducted by Transport Scotland and, together with data held by SEStran and partner Councils, can provide a robust basis upon which to identify priority actions. The full range of possible interventions has yet to be established. In broad terms there will be a need for measures that seek to flatten the peak periods of demand for travel, and those which maximise the supply and attractiveness of public transport as well as the opportunities for safe other modes of travel (walking and cycling) to reduce reliance upon, and discourage increased use of, the private car. By way of a few examples, measures to flatten demand could include encouragement of continued high levels of home working, and the varying of workplace operating hours. Measures to maximise public transport and active travel could include more road space given over to bus lanes on arterial routes, more 'bus gates', and extensions to existing, or temporary additional, park and ride sites.
- 2.7 Engagement with operators of public transport in the region will be essential, and the well-established links to these operators can be readily used to ensure a collectively sound, focused and comprehensive approach. Meetings of the Group are being held on a weekly basis, with one of the first tasks being to agree a project plan of urgently required transport measures and interventions.
- 2.8 It is intended that the full range of measures developed by the Group will be reported to the City Region Deal Joint Committee at its meeting on 7th August 2020 for approval. However, it is important to note that as the sequential phases of the easing of the lockdown are implemented, it is essential that measures are in place to address issues of increasing demand for public transport services which will be operating at reduced capacity; together with the risk of a substantial increase in private car usage. Of particular significance is the need for many measures to be in place prior to the reopening of schools from 11th August, and this has been strongly endorsed by the public transport operators in their ongoing liaison with the Group.
- 2.9 Having regard to this need for urgency, it is expected that each local authority will determine the level of any delegation to its officer representative on the Regional Transport Transition Group, as well as their own internal decision making and reporting procedures.
- 2.10 The provisions of the regional TTP will also be aligned with the principles set out in current and emerging national, regional, and local transport strategies to mitigate the impact of climate change, and to ensure that improvements to the transport system recognise and seek to reduce inequalities in access to employment, education/training, and services.
- 2.11 If the TTP is to be effective in supporting the region's economic recovery from the impact of the Covid-19 restrictions it is essential that operational

transport measures and interventions are prioritised and implemented quickly. Transport Scotland have advised that, where possible, they should be programmed for implementation over the next few weeks. This will therefore also require an ongoing communications strategy to inform and engage with communities, transport operators, and transport users.

Terms of Reference

- 2.12 A copy of the draft terms of reference prepared by Transport Scotland for the purposes and operation of the TTP Group, and which were considered at the meeting of the Group on 10th June are attached to this report at Appendix 2. They are due for consideration and approval by the City Region Deal Executive Board on 18th June.
- 2.13 The Group is established as a vehicle for providing and sharing information and expertise, developing proposals and making recommendations. It is not a decision-making body and will not be able to commit partners collectively or individually in terms of policy and spending.
- 2.14 It will be for partners to determine the extent of authority to be delegated to their representatives and their own internal decision-making and reporting procedures. In the case of Scottish Borders Council, it is intended that officers will provide input into the group but that decisions on interventions identified within regional TTP that affect the Scottish Borders will be reported to members.

3 IMPLICATIONS

3.1 Financial

- (a) There are no immediate financial implications in approving this report and Officer involvement will be accommodated within existing budgets.
- (b) There is no specifically allocated finance for the preparation or implementation of the TTP, although there are current funding streams within Transport Scotland that could be regarded as potential sources. Councils and partner organisations will also need to consider how best to use existing operational budgets, including the potential pooling of finance.

3.2 Risk & Mitigations

If the TTP fails to address adequately the transport challenges posed by the impacts of the Covid-19 restrictions it will impair the ability of the national, regional and local economies to recover, with a particular impact on our more disadvantaged communities.

3.3 Equalities

In the preparation of the National TTP as well as any contributory regional strategies, regard will need to be had to the statutory requirements of the equalities legislation, as well as such plans being demonstrable in their attention to the needs of those within the protected characteristics categories.

4 CONSULTATION

- 4.1.1 The following officers were consulted and their comments incorporated into the report:

- Graeme Johnstone – Lead Officer Transport & Access
- Gordon Grant – Team Leader Transport Services

- Brian Young – Infrastructure Manager

The Convener, the Leader of the Administration and the Leader of the Opposition are being consulted and any questions will be responded to by relevant Officers and any comments received will be considered by the Chief Executive in arriving at her decision.

Author(s)

Name	Designation and Contact Number
Ian Aikman	Chief Planning & Housing Officer

APPROVED:

Executive Director: David Robertson Date: 17 July 2020

Having consulted -

Leader of the
Administration: Cllr Shona Haslam Date: 6 July 2020

Convener: Cllr David Parker Date: 6 July 2020

Leader of the
Opposition: Cllr Stuart Bell Date: 6 July 2020



T: 0300 244 4000
E: scottish.ministers@gov.scot

To Council Leaders & Regional Transport
Partnership Chairs

22 May 2020

Colleagues,

Transport Transition Plan Engagement

I would like to thank you and your Council for the significant work that you have undertaken during this unprecedented time to keep the local transport networks safe and operational.

During the Scottish Parliament Rural Economy and Connectivity Committee meeting on the 13 May 2020, I outlined our intention to set out how our Transport Transition Plan will support Scotland's people and businesses on our transition out of lockdown. Further detail can be found at <https://www.transport.gov.scot/news/cabinet-secretary-sets-out-latest-transport-response-to-covid-19-outbreak/>. This will be an evolving process and we will engage Local Authorities and Regional Transport Authorities as it develops.

We are drawing together evidence to inform our plan, however one clear and significant challenge is around public transport. During lock down demand for public transport has fallen by between 85 and 90 per cent against 'normal' since 23 March. As we move towards easing lock down measures operators are estimating that capacity will be between 10 and 25 per cent of 'normal' with the level of physical distancing required. There is a risk this will result in increased private car use, leading to congestion, poor air quality and increased transport inequalities, particularly for the 29 per cent of households in Scotland that do not have access to a car.

We continue to take action to stabilise the transport system and prepare for physical distancing. Further details on the action I have taken can be viewed at <https://www.transport.gov.scot/coronavirus-covid-19/>. A key focus of our on-going work is to ensure that we continue to support a green recovery to deliver our Climate Change commitments and reduce inequalities.

As our national work continues I know you will also be leading your local and regional transport planning responses, in line with your transport responsibilities, which I recognise will be central to the success of the transition. I would encourage you to continue to take a cross boundary approach with your neighbouring authorities where needed.

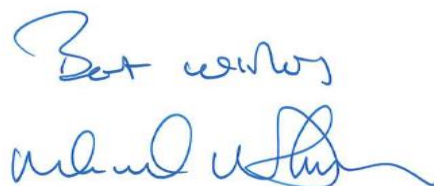
While we have already been working closely, there will be a continuing need for collaboration to align approaches across our respective transport networks. I therefore intend to include within the Transport Transition Plan a statement on how we continue to engage with local authorities, regional transport partnerships and operators to operationalise the measures across Scotland. I would therefore ask you to consider what Transport Scotland input you may require in relation to your own transition transport planning. Please forward this to Amy Phillips (Amy.Phillips@transport.gov.scot) at Transport Scotland in the first instance.

Our engagement to date has reflected the differing challenges across the country, such as the on-going ferry operation discussions we have held with Island Authorities from start of the crisis. In the short term, Transport Scotland is also looking to engage directly with the local authorities in the Edinburgh and Glasgow city regions at an operational officer level. The urgency and scale of the public transport challenge in these areas requires immediate joined up working to manage the operational interactions between the respective networks for which we are responsible.

We are not seeking to underplay the challenges across rural areas of Scotland, other cities and areas of the country. We value Local Authorities' consideration in this regard, therefore I have asked for a Transport Transition Plan National Advisory Group to be set up with proposed membership to include representatives from COSLA, SOLACE, RTPs, SCOTS and other selected members.

We have held on-going discussions with COSLA, SOLACE, RTPs and SCOTS since the start of the emergency and will continue engagement on the Transport Transition Plan in the coming weeks as outlined above.

We look forward to engaging on our respective plans as we rise to the collective transport challenges as we safely transition out of lockdown to the new normal.



MICHAEL MATHESON

Purpose and Draft Terms of Reference for Transport Transition Plan South East Scotland Region Group

Purpose

1. To align approaches and share knowledge of national, regional and local transport planning activity to safely increase capacity across the transport system and manage demand in our journey along Scotland's route map through and out of the crisis. This will include broader considerations relating to equality impacts and consideration of tailoring measures, for example to specific geographies and sectors.

Draft Terms of Reference

2. The Group will:
 - a) consider regional, local and national transport as it applies in the travel to work area with a focus on issues within and on approaches to city centres to assist in Transport Scotland's evolving Transport Transition Plan;
 - b) focus on increases in travel demand and capacity in line with the second National Transport Strategy sustainable travel hierarchy and interactions between modes as appropriate while considering the four harms set out in *COVID-19: A Framework for Decision Making (23 April 2020)*;
 - c) identify regionally specific and cross-cutting issues, challenges and opportunities associated with increasing travel demand and capacity;
 - d) collectively engage to address these as and where appropriate;
 - e) input consideration of regional equality issues as per due regard to the need to eliminate discrimination and advance equality of opportunity;
 - f) input into scenario planning and provide advice on whether proposed scenarios or policy interventions appropriately and effectively reflect the operational requirements of the transport system from the regional perspective;
 - g) work together on key transport messaging and communication strategies to support the recovery and build confidence in the public transport system;
 - h) offer insight and feedback from those delivering services and measures to input into government decision making;
 - i) review and challenge material to support the response produced by Transport Scotland/Scottish Government, sectoral bodies and/or others; and
 - j) continue to bring together expertise and data in the monitoring of networks as we transition out of lockdown; and
 - k) advise Transport Scotland on the readiness of transport sectors to manage increased demand/service provision as appropriate.

3. Confidentiality

As the Group may be asked for its views on proposals that are still in development, and which have not yet been made available to the public, all discussions and material will be confidential.

Papers may be shared with named individuals who are not members of the group with the prior agreement of the co-chairs.

4. Conduct

Members of the group are expected to contribute their expertise as independent members and not to promote the interests of one organisation or sector. Members are asked to challenge assumptions and scenarios and should, likewise, expect to be challenged by other members of the group however this will be done respectfully.

5. Membership

- The City of Edinburgh Council
- Clackmannanshire Council
- East Lothian Council
- Falkirk Council
- Fife Council
- Midlothian Council
- Scottish Borders Council
- West Lothian Council
- SEStran
- Transport Scotland
- Public Transport Operators to be invited as required and agreed with the co-chairs.
- Other representatives can be invited with prior agreement of the co-chairs.

6. Secretariat

The secretariat function will be provided by the Edinburgh and South East Scotland City Region Deal Project Management Office.

Frequency of meetings to be confirmed, however it is anticipated that meetings will initially be held once or twice weekly, with the first taking place on the week commencing 1 June. Shorter, *ad hoc* meetings with selected members could take place more frequently depending on the requirement and speed of decision making that is required.

Frequency, role, remit and need for the group by all partners to be reviewed every two weeks.

The secretariat will aim to provide papers a day in advance but this may not be possible due to the speed at which work is commissioned and the need for quick turnaround.

The names and roles of all of those attending should be submitted to the secretariat in advance to enable a roll call at the start of each meeting and for the record, including any substitutions to agreed representatives.

7. Chairs

It is proposed that Grace Vickers, as Chair of the Edinburgh City Region Deal Transport Appraisal Board, and Alison Irvine, Transport Scotland Co-Chair, noting that these are bespoke and sit alongside, but separate to, the City Region Regional Transport Working and other Transport Groups.

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank