

# Public Document Pack



## EXECUTIVE COMMITTEE TUESDAY, 16 AUGUST 2022

A BLENDED MEETING of the EXECUTIVE COMMITTEE will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS OR VIA MICROSOFT TEAMS on TUESDAY, 16 AUGUST 2022 at 10.00 am

All attendees, including members of the public, should note that the public business in this meeting will be livestreamed and video recorded and that recording will be available thereafter for public view for 180 days.

J. J. WILKINSON,  
Clerk to the Council,

9 August 2022

<b>BUSINESS</b>		
1.	<b>Apologies for Absence</b>	
2.	<b>Order of Business</b>	
3.	<b>Declarations of Interest</b>	
4.	<b>Minute (Pages 3 - 8)</b>  Minute of meeting held on 14 June 2022 to be noted and signed by the Chairman. (Copy attached.)	2 mins
5.	<b>Monitoring of the General Fund Revenue Budget 2022/23 (Pages 9 - 48)</b>  Consider report by the Acting Chief Financial Officer. (Copy attached.)	10 mins
6.	<b>Monitoring of the Capital Financial Plan 2022/23 (Pages 49 - 74)</b>  Consider report by the Acting Chief Financial Officer. (Copy attached.)	10 mins
7.	<b>Balances at 31 March 2023 (Pages 75 - 84)</b>  Consider report by Acting Chief Financial Officer. (Copy attached.)	10 mins
8.	<b>The Scottish Borders Strategic Events Plan</b>  Consider report by Director, Resilient Communities. (To follow.)	15 mins
9.	<b>Proposal to Increase the Hourly Rate Paid by Scottish Borders Council to Funded Early Learning and Childcare Providers (Pages 85 - 102)</b>	15 mins

	Consider report by Director, Education and Lifelong Learning. (Copy attached.)	
10.	<b>Any Other Items Previously Circulated</b>	
11.	<b>Any Other Items which the Chairman Decides are Urgent</b>	
12.	<p><b>Private Business</b></p> <p>Before proceeding with the private business, the following motion should be approved:-          “That under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 7A to the aforementioned Act.”</p>	
13.	<p><b>Minute</b> (Pages 103 - 104)</p> <p>Private section of the Minute of the meeting held on 14 June 2022 to be noted for signature by the Chairman. (Copy attached.)</p>	2 mins
14.	<p><b>Proposed Inflationary Uplift for Supported Living Providers</b> (Pages 105 - 108)</p> <p>Consider report by Chief Officer Integrated Joint Board. (Copy attached.)</p>	15 mins

#### NOTES

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

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**Membership of Committee:-** Councillors E. Jardine (Chairman), C. Cochrane, L. Douglas, J. Greenwell, C. Hamilton, S. Hamilton, J. Linehan, S. Mountford, D. Parker, J. Pirone, E. Robson, M. Rowley, R. Tatler, E. Thornton-Nicol and T. Weatherston

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**SCOTTISH BORDERS COUNCIL  
EXECUTIVE COMMITTEE**

MINUTES of Meeting of the EXECUTIVE  
COMMITTEE held via MS Teams on  
Tuesday, 14th June, 2022 at 10.00 am

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

Also Present:- Councillor W. McAteer

Apologies:- Councillors C. Cochrane, C. Hamilton

In Attendance:- Chief Executive, Director Education and Lifelong Learning, Director Infrastructure & Environment, Director People Performance and Change, Financial Services Manager, Democratic Services Team Leader, Democratic Services Officer (D. Hall)

1. **MINUTE**

There had been circulated copies of the Minute of the meeting held on 14 March 2022.

**DECISION**

**APPROVED for signature by the Chairman.**

2. **2021/22 UNAUDITED REVENUE OUTTURN**

2.1 There had been circulated copies of a report by the Director, Finance & Corporate Governance which provided a statement comparing final revenue outturn expenditure and income for 2021/22 with the final approved budget for the year along with explanations for significant variances. A net, unaudited outturn underspend of £1.427m was achieved in the 2021/22 revenue budget. The £1.427m net underspend (less than 0.5% of final approved budget) was delivered following a number of earmarked balances carried forward from 2021/22 into 2022/23. In total, those amounted to £37.189m and related to a number of initiatives across the Council and specifically included £9.465m of carry forward into the Council's COVID-19 reserve and £1.599m of carry forward by schools under the Devolved School Management scheme (DSM). Council services had delivered an underspend position whilst delivering significant financial plan savings totalling £9.301m. A high level summary of the outturn position in each Service was detailed from section 3.16 of the report. The Council's finances and operating model had continued to be affected by the COVID-19 emergency situation during 2021/22 as well as unprecedented market conditions and inflationary pressures, pressures from pay award and staff recruitment and retention challenges. The Council had administered £73.9m of funding which had been passed to over 5,770 businesses through a variety of business grants. The COVID-19 reserve was utilised during 2021/22 to maintain public services utilising further specific support from Scottish Government to support individuals and businesses during the pandemic. The challenging operating environment had included significant recruitment and retention issues across the Council which contributed to the year-end underspend position but resulted in capacity issues with a number of teams experiencing recruitment issues in filling vacant positions. During 2021/22 detailed revenue monitoring reports were reviewed by the Strategic Leadership Team (SLT) allowing proactive corporate management action to be taken during the year where required. In line with Financial Regulations quarterly monitoring reports were approved by the Executive Committee, authorising the necessary adjustments to the budget throughout the year. There had been an impact on the delivery of approved Financial Plan savings during 2021/22, mainly as a result of the COVID-19 response and recovery phase with slippage experienced in the delivery of planned savings. The level of savings required by the financial plan, totalled £9.301m, in 2021/22. An analysis of delivery of

savings was provided in Appendix 3 to the report. The outturn position showed that £3.489m (37%) savings were delivered permanently in line with approved plans, £1.932m (21%) were delivered in 21/22 with no requirement for the savings to be delivered from 2022/23, with the remaining £3.880m (42%) delivered on a temporary basis through alternative savings.

- 2.2 The Financial Services Manager, Ms Suzanne Douglas, presented the report and responded to Members questions. Regarding the shift in position from an underspend to an overspend within the learning disability service, the Chief Executive explained that the financial reporting reflected that in the last Quarter there had been underspend within that Quarter, however across the year there had been the overspend reflected within the report. In response to a question regarding funds earmarked for Devolved School Management (DSM), Ms Douglas explained that there had been a higher than expected amount of carry forward of budget by schools, a new DSM scheme was being developed and was expected to come to full Council following the summer recess. Members requested a briefing on the DSM Review. In response to further questions regarding the overspend within the learning disability service, Ms Douglas explained that the difficulties the service faced had been raised early in the financial year, work was ongoing to manage the issues – action plans were in place to contain costs and specific plans designed to deliver savings. The financial position had improved within the final Quarter of the year, with an improved income position and reduced client care packages providing financial benefits. In response to a question regarding the underspend listed under “generic services”, Ms Douglas agreed to investigate and provide further details, and suggested that the underspend was due to lower than expected costs incurred related to the Carers Act. Regarding issues with recruitment and an underspend on staffing costs, the Director – People, Performance and Change explained that work was ongoing to address recruitment and retention problems, and that a report would be brought to the Committee outlining the steps that were being taken to address those problems.

**DECISION  
AGREED :-**

- (a) the content of the report and noted the favourable outturn position for 2021/22 prior to Statutory Audit;**
- (b) to note that the draft unaudited outturn position would inform the budgetary control process during 2022/23 and inform the financial services planning process for future years;**
- (c) to approve the sums earmarked under delegated authority by the Director, Finance and Corporate Governance as well as adjustments to previously approved earmarked balances as shown in Appendix 1 to the report; and**
- (d) to note the range of pressures associated with the current operating environment will be reported through the monitoring process during 2022/23.**

**3. CAPITAL FINANCIAL PLAN 2021/22 - FINAL UNAUDITED OUTTURN**

There had been circulated copies of a report by the Director, Finance and Corporate Governance which provided a statement comparing the final capital outturn for 2021/22 with the final budget for the year and identified the main reasons for any significant variations. The final capital outturn statement for 2021/22 was included at Appendix 1 to the report and included the reasons identified by the Project Managers and Budget Holders for the variances to the final approved budget. This identified an outturn expenditure of £59.634m which was £7.134m below the final revised budget of £66.766m including timing movement in the final quarter of £7.474m. A number of macro-economic factors affected the Capital Plan during 2021/22. Construction materials supply chain had been subject to unprecedented disruption in recent months. A surge in demand coupled with constraints on supply had led to price increases, shortages and longer lead times.

Any financial implications from those market conditions were reported within the final outturn report with the final financial position for 2021/22. The outturn position provided the basis to inform the Capital Plan requirements in 2022/23, with any longer term impacts reflected in the financial planning process for future years. In recognition of the market conditions experienced in 2021/22 and continuing into 2022/23, the approach to slippage of block allocations within the Capital Plan had been reconsidered. From the 2021/22 outturn, the elements of projects which were legally committed would transfer budget into the next financial year to fund those commitments. All other underspend in block allocations would be carried forward on a pooled basis to benefit the wider Capital Plan. This carry forward from 2021/22 into 2022/23 of £1.253m would be used to establish an inflation contingency in light of the market condition concerns highlighted in the report. In response to a question regarding the potential for any further increases to the costs related to the repair of the Union Chain Bridge, the Director, Infrastructure and Environment, Mr John Curry, explained that work was ongoing with the project partners to manage and mitigate risks, but that material costs continued to increase. Regarding electric vehicles, the Director explained that work was ongoing with fleet management regarding the servicing of the vehicles, and that work was required to assess the impact of disposal costs of the car batteries once they had reached the end of their usage. The Director added that the management and disposal of the batteries would be part of the revenue budget rather than capital.

## **DECISION**

### **(a) AGREED:-**

- (i) the final outturn statement in Appendix 1 to the report;**
- (ii) the allocation of the remaining budget of £0.660m from Emergency & Unplanned to Union Chain Bridge as reflected in Appendix 1 to the report; and**
- (iii) the block allocations detailed in Appendix 3 of the report.**

### **(b) NOTED:-**

- (i) the adjustments to funding in Appendix 1 to the report;**
- (ii) the final block allocations in Appendix 2 to the report**
- (iii) the whole project costs detailed in Appendix 4 to the report.**

## **5. BALANCES AT 31 MARCH 2022**

There had been circulated copies of a report by the Director, Finance and Corporate Governance which provided an analysis of the Council's balances as at 31 March 2022. The Council's General Fund useable reserve (non-earmarked) balance was £9.848m at the end of the financial year. The 2021/22 balances were before a series of technical accounting adjustments, the effect of which were expected to be broadly neutral. Adjustments required as a result of the Statutory Audit process would be reported at the conclusion of the Audit. The total of all useable balances, excluding developer contributions, at 31 March 2022 was £64.481m compared to £48.264m at 31 March 2021.

## **DECISION**

### **NOTED:-**

- (a) the revenue balances as at 31 March 2022 as contained in Appendices 1 & 2 to the report, including movement in the allocated Reserve since the last reporting period; and**
- (b) the balance in the Capital Fund as contained in Appendix 3 to the report.**

5. **CORPORATE DEBTS - WRITE-OFFS IN 2021/22**

There had been circulated copies of a report by the Director, Finance and Corporate Governance which detailed the aggregate amounts of debt written off during 2021/22 under delegated authority. The report covered the areas of Council Tax, Non-Domestic Rates, Sundry Debtors, Housing Benefit Overpayments and aged debt from the balance sheet. The total value of write-offs decreased from £0.726m in 2020/21 to £0.39m in 2021/22. There were ongoing risks associated with the management of the Council's debts and those may lead to an increase in the levels of debts that may be required to be written off as irrecoverable in future years. Those were identified in paragraph 5.2 of the report. The Council maintained an appropriate bad debt provision to manage those risks. The Treasury Business Partner, Ms Sara Wilson and Customer Services Manager, Mr Les Grant, presented the report and answered Members questions. Ms Wilson clarified that the reports concerning write-offs are mid-year reports. Members requested that officers provide updates to Elected Members on an informal basis to provide a clear picture throughout the budget setting process. Regarding time barred debts, Ms Wilson explained that any debt not recognised by a debtor in a 5 year period became time barred, and that work was ongoing in partnership with the legal department to ensure that debts were pursued, in court if necessary, and invoices were sent to individuals to ensure that debts did not become time barred. In response to a question regarding the drop in the amount of housing benefit overpayments written off, Mr Grant explained that housing benefit overpayments were pursued differently from other debts, with the overpayment often reclaimed from an ongoing benefit over a longer period of time. Following a change to the benefits scheme, principally the shift to universal credit, the ease with which debts relating to overpayment of benefits could be recovered had increased, and the expectation was that the value of future write offs would be lower. Mr Grant undertook to investigate what "miscellaneous" referred to in the table provided at 5.1 of the report and provide clarity to Members.

**DECISION**

**NOTED that the debtor balances written off during 2021/22 under delegated authority were reduced due to staff being moved to other Covid-related duties and that the level of write offs were likely to increase back to previous levels in 2022/23.**

6. **OUR PLAN AND YOUR PART IN IT: SCOTTISH BORDERS COUNCIL'S CORPORATE PERFORMANCE AND IMPROVEMENT REPORT QUARTER 4 & ANNUAL REPORT 2021/22**

- 6.1 With reference to paragraph 2 of the Minute of the meeting held on 1 March 2022, there had been circulated copies of a report by the Director – People, Performance and Change which presented a high level summary of Scottish Borders Council's (SBC) Quarter 4 2021/22 with Annual performance information with more detail contained within Appendices 1 and 3 to the report. A summary of the Community Action Team's activity was provided in Appendix 6 to the report. Highlights on the progress of change and improvement projects across SBC under the Fit for 2021 programme was included in appendix 2 to the report, and monitoring of the progress of the Recovery Plan in appendix 4. SBC approved a revised Corporate Plan (Our Plan and Your Part in it 2018- 2023) in February 2018, with four corporate themes. In order to monitor progress against the four themes, performance and context information had been presented quarterly to the Executive Committee, with an annual summary in June each year. Further, the new Council Plan was developed and agreed by SBC in February 2022. As such, the quarterly performance report was being reviewed to ensure alignment with the revised Council Plan. The revised Quarterly Council Performance Report would be presented to SBC on 23 June and therefore, the report would be the last in the current format. During Quarter 4 and throughout 2021/22 SBC had continued to press ahead with a range of important initiatives and innovations, including utilising technology to automate and streamline processes; the replacement programme for synthetic pitches in the region; the continued roll out of the Inspire Learning programme; and Health and Social Care projects working with partners and the wider community.

- 6.2 The Director – People, Performance and Change presented the report, highlighting that the process to develop the revised framework was ongoing, and the need to align performance against the new Council Plan. It had not been possible to update some of the indicators in the report. Planning permission data was not available until July 2022, and the figures for adults using self-directed support were not available due to a change in the recording system. Members in attendance thanked the Director for the breadth of the report, and praised that the data in the report allowed Members to identify areas that required improvement. In response to a question regarding the reported decrease in mediation referrals, the Director explained that the drop off was expected to be a temporary dip related to covid-19, with a return to the normal trend predicted. Regarding the Eat Well Age Well project, the Director explained that the project was live, and was focussed on ensuring that people ate well and stayed hydrated. Councillor Thornton-Nicol undertook to share the details of the project, and encouraged elected Members to get trained. Regarding the lack of data for adults receiving care at home being unavailable despite the implementation of Total Mobile, the Director, Strategic Commissioning and Partnerships, explained that the reporting system had been fully set up, and that work had been undertaken to make sure that staff were reporting and using the system correctly to ensure that reported data was accurate. The Director – People, Performance and Change provided a definition of volunteers referred to in the report and undertook to define that clearly in future reports.

#### **DECISION**

##### **AGREED to:-**

- (a) **Note the progress update relating to Change and Improvement Projects, referenced at section 4 and detailed further in Appendix 2 to the report;**
- (b) **Note the changes to performance indicators outlined in Section 5 of the report; and**
- (c) **Note the performance summarised in Sections 7 and 8, and Approves the Annual Reports set out at Appendices 1, 2 and 3 and the action that is being taken within services to improve or maintain performance.**

#### **7. STRATEGIC HOUSING INVESTMENT PLAN PROGRESS FOR 2021-2022**

With reference to paragraph 2 of the meeting of the Executive Committee held on 14 September 2021, there had been circulated copies of a report by the Director, Infrastructure and Environment which advised Members of the affordable housing annual completions, and progress made in the delivery of the Strategic Housing Investment Plan (SHIP) projects for the period 2021-2022. The SHIP was the sole document for targeting affordable housing investment in the Scottish Borders. It provided a rolling 5 year planning horizon of identified and prioritised affordable housing development intentions. Current Scottish Government Guidance required that each Council submit a SHIP on an annual basis. In common with previous submissions, SBC's SHIP had received very positive feedback from Scottish Government Officials. For the financial period 2021-22, 314 affordable homes were delivered against envisaged projects set out in the current SHIP 2022-2027. This exceeded the Council's Local Housing Strategy 2017-2022 (LHS) annual target of 128 new affordable homes. Of the 314 homes delivered, Registered Social Landlords delivered 237 additional homes through new building and conversion, plus 60 via purchases of existing homes. In addition, 16 individual house purchases were assisted by Scottish Government's Open Market Shared Ownership scheme. The Scottish Government's Rural Housing Fund assisted a long term empty home to be brought back into use. This represented a 5 year average annual delivery of 180 affordable homes., As at 31 March 2022, 329 affordable homes were under construction, an additional 246 had secured Planning Consent, and Planning Applications were being considered for a further 46 homes. The Chief Planning Officer, Mr Ian Aikman, presented the report, explained that a typographical error at paragraph 1.3 of the report referred to 31 March 2021, the report should have read 31 March 2022, and outlined that he expected the next SHIP to

be submitted in October 2022. Mr Aikman advised that Mr. Begg, Lead Officer for Housing Strategy was retiring at the end of June. Mr Begg had been heavily involved in the preparation of the SHIP and Members thanked him and wished him well for the future. In response to a question regarding pre-screening assessments, Mr Aikman explained that the assessments were carried out by Council Officers on a project basis. With regard to a question on the size of houses built and the lack of those with 4 bedrooms, Mr Aikman advised that housing needs assessments were carried out but he would raise this with RSLs.

#### **DECISION**

**AGREED to endorse the progress made in the delivery of affordable housing in 2021-22.**

#### **8. WHEELCHAIR ACCESSIBLE HOUSING DELIVERY 2021/2022**

With reference to paragraph 7 of the Minute of the Meeting of the Executive Committee held on 17 November 2020, there had been circulated copies of a report by the Director, Infrastructure and Environment which provided an annual update regarding the number of wheelchair accessible homes delivered against the Council target for the period 2021/2022. Revised Scottish Government Guidance required Councils to set all tenure wheelchair accessible housing targets. On 17 November the Executive Committee agreed an annual target of 20 houses. During 2021-2022 Registered Social Landlords delivered 48 wheelchair accessible homes, and the private sector delivered zero. In response to a question regarding what measures could be used to encourage the private sector to deliver more wheelchair accessible homes, Mr Aikman explained that whilst measures such as planning informatives and conditions could be used, building regulations were considered the most appropriate means to persuade developers to act. Regarding targets to deliver other types of accessible homes, Mr Aikman explained that reporting on the number the wheelchair accessible homes delivered was required by the Scottish Government, and that he would investigate whether more information could be provided on specific and general needs within future reports.

#### **DECISION**

**AGREED to welcome the 48 wheelchair standard homes delivered by Registered Social Landlords during 202/21 and express disappointment that no wheelchair standard homes were delivered by the private sector in the same period.**

#### **9. PRIVATE BUSINESS**

**AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in Appendix 1 to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 8 and 9 of Part I of Schedule 7A to the Act.**

#### **SUMMARY OF PRIVATE BUSINESS**

#### **10. MINUTE**

The Private section of the Minute of the Meeting held on 22 March 2022 was approved.

#### **11. PROPOSED INFLATIONARY LIFT FOR CARE AT HOME PROVIDERS**

A report by the Director, Strategic Commissioning and Partnerships was approved.

***The meeting concluded at 12.15 pm***



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**MONITORING OF THE GENERAL FUND REVENUE BUDGET  
2022/23**

**Report by Acting Chief Financial Officer**  
**EXECUTIVE COMMITTEE**

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**16 August 2022**

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**1 PURPOSE AND SUMMARY**

- 1.1 This report provides the Executive Committee with budgetary control statements for the Council's General Fund based on actual expenditure and income to 30 June 2022 along with explanations of the major variances identified between projected outturn expenditure/income and the current approved budget.**
- 1.2 The Council has started the new 2022/23 financial year with a number of pressures emerging regarding the current operating environment. These include continuing impacts from the COVID-19 recovery period and unprecedented inflation levels in the wider economy causing both internal Council pressures and also pressures on critical service delivery partners. It is therefore proposed that the current COVID-19 reserve, previously held to provide one-off funding to support the impacts of COVID-19, be redirected to a 'Recovery Fund'. This Recovery Fund will support the Council, and where appropriate its partners, through deployment of one-off funding to support the current operating environment including impacts of COVID-19 recovery, inflation pressures and wider operating constraints including staffing challenges. Due to the very challenging operating environment it remains essential that the Council continues to operate as efficiently as possible to ensure that any financial implications not yet clear can be managed as the financial year progresses.
- 1.3 Forecasts have been completed at the first quarter of 2022/23 at the 30th June, projecting the Council to be in a balanced position at the financial year end. This forecast position includes the deployment of £4.249m of the Recovery Fund in order to balance the 2022/23 budget resulting in a balance of £5.807m remaining to address future pressures. The Recovery Fund will be drawn down as required to meet identified financial pressures.
- 1.4 Confirmed funding is in place for 2022/23 and is categorised as follows:

<b>Confirmed Covid-19 funding – 2022/23</b>	<b>£m</b>
Funding provided by Scottish Government	0.156
Funding carried forward from 2021/22 through COVID-19 reserve	9.465
Funding included in the 2022/23 Financial Plan for COVID-19 response	0.069
Assumed Local Mobilisation Plan (LMP) funding	0.366
<b>Total COVID-19 funding</b>	<b>10.056</b>

- 1.5 COVID-19 funding is split between funding which has been ring-fenced to be used for a specific purpose (£1.974m) for example education recovery, LMP and admin funding, and that which can be used more generally by the Council to address COVID-19 pressures (£8.082m). This includes all residual COVID-19 funding carried forward from 2021/22 and full details of funding available are shown in Appendix 2.
- 1.6 Financial plan savings of £12.027m require to be delivered in 2022/23. An analysis of deliverability is shown in Appendix 3. Following the June month end £6.965m (58%) savings have been delivered permanently, £3.509m (29%) are profiled to be delivered by 31 March 2023 and £1.553m (13%) have been delivered on a temporary basis through alternative savings.

## **2 RECOMMENDATIONS**

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

- (a) notes the projected corporate monitoring position reported at 30 June 2022, the remaining pressures identified, the underlying cost drivers of this position and the identified areas of financial risk as reflected in Appendix 1;**
- (b) approves that the current COVID-19 reserve, previously held to provide one-off funding to support the impacts of COVID-19, be redirected to a 'Recovery Fund' to support the current operating environment including impacts of COVID-19 recovery, inflation pressures and wider operating constraints;**
- (c) notes the pressures of £4.249m detailed in appendix 1 being funded from the Recovery Fund in 2022/23 in order to balance the budget;**
- (d) notes the Recovery Fund resources detailed in Appendix 2;**
- (e) notes the progress made in achieving Financial Plan savings in Appendix 3; and**
- (f) approves the virements attached as Appendix 4 & 5.**

### **3 PROJECTED OUTTURN**

- 3.1 The revenue monitoring position set out in this report and summarised in Appendix 1 is based on actual income and expenditure to the 30 June 2022.
- 3.2 The Council has started the new 2022/23 financial year with a number of pressures emerging regarding the current operating environment. These include continuing impacts from the COVID-19 recovery period and unprecedented inflation levels in the wider economy causing both internal Council pressures and also pressures on critical service delivery partners. It is therefore proposed that the current COVID-19 reserve, previously held to provide one-off funding to support the impacts of COVID-19, be redirected to a 'Recovery Fund'. This Recovery Fund will support the Council through deployment of one-off funding to support the current operating environment including impacts of COVID-19 recovery, inflation pressures and wider operating constraints including staffing challenges.
- 3.3 In 2020/21 and 2021/22 financial years, Scottish Government adopted a twin track approach to funding of COVID-19 pressures through a Local Mobilisation Plan (LMP) for Integration Joint Board (IJB) functions and separate Council funding. The Council is currently completing the first LMP return for 2022/23 with the assumption that £0.366m of COVID-19 pressures will be funded by Scottish Government as reflected in the appendices to this report.
- 3.4 Current unprecedented inflation levels in the UK are impacting the Council directly and through impacts on delivery partners. At the first quarter additional direct costs of £0.850m are forecast based on current inflation levels. These pressures are being met from the Recovery Fund.
- 3.5 An agreement for pay award for all staffing groups across the Council has yet to be reached nationally for 2022/23 and therefore presents a risk to the revenue budget. The revenue budget for 2022/23, approved by Council on 22<sup>nd</sup> February 2022, included an assumed pay award for all staff of 2%. Any deviation from this assumed 2% will impact on the Council's budget and will be reported through future monitoring reports.
- 3.6 Analysis of the revenue budget after 3 months of the financial year forecasts a balanced year end position will be delivered assuming that the COVID-19 reserve will be sufficient to cover pressures as they materialise. This position reflects updates in both known COVID-19 implications and service specific issues to provide an estimated year end position. The remaining one-off Recovery Fund has been reduced by £4.249m at the first quarter position resulting in a balance of £5.807m remaining to address future pressures.
- 3.7 The current monitoring position indicates additional forecast annual expenditure and impacts on income associated with COVID-19, inflation and service pressures of £4.249m as shown below.

<b>Budget Pressure</b>	<b>£m</b>	<b>Comment</b>
Additional COVID-19 costs	0.960	These additional costs are detailed per service in Appendix 1 and include additional costs such as PPE and cleaning materials.
Education recovery	0.400	Specific Scottish Government funding to support education recovery
Local Mobilisation Plan (LMP)	0.366	Budget claimed through Scottish Government to fund ongoing COVID-19 pressures in IJB services
Service pressures	1.673	Net service pressures forecast at the first quarter of 2022/23
Inflation pressures	0.850	Pressures identified in 2022/23 based on current inflation levels
<b>Total Council pressures</b>	<b>4.249</b>	

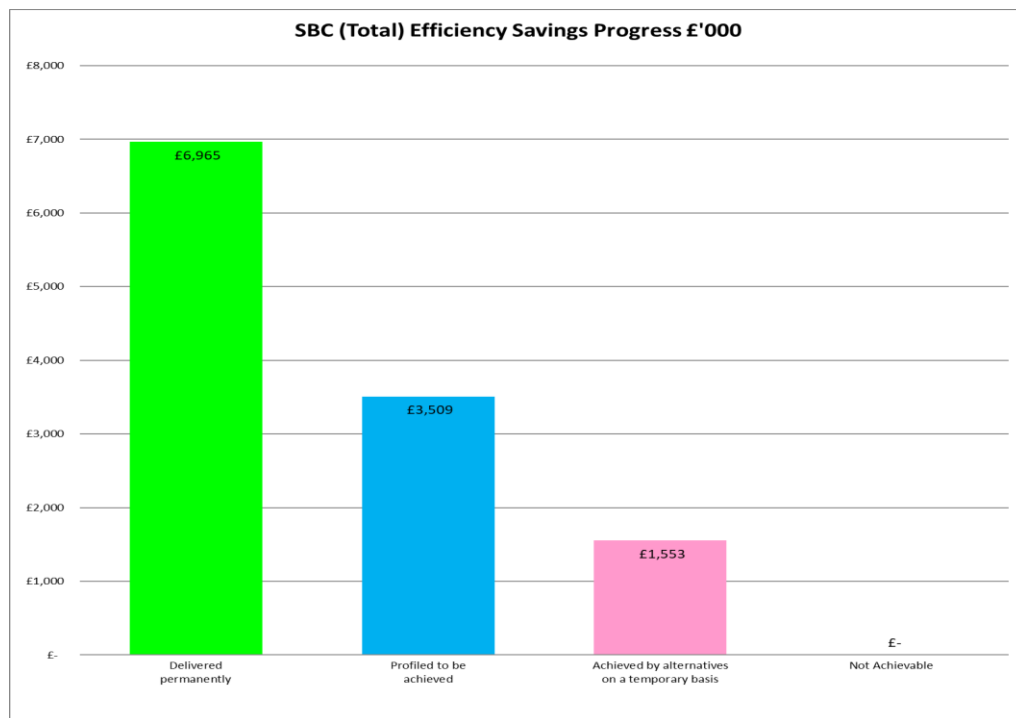
- 3.8 Full details of COVID-19 funding available is shown in Appendix 2. The updated total funding of £4.249m required to address current forecasts is detailed below:

<b>Funding</b>	<b>£m</b>	<b>Comment</b>
Funding carried forward from 2021/22 through Covid-19 Reserve	3.414	Scottish Government funding to support COVID-19 pressures carried forward from 2021/22 through the Covid-19 Reserve
Education recovery	0.400	Specific Scottish Government funding to support education recovery
Local Mobilisation Plan (LMP)	0.366	Budget claimed through Scottish Government to fund ongoing COVID-19 pressures in IJB services
Council 2022/23 Financial Plan	0.069	Budget allocated through the 2022/23 Financial Plan to support COVID-19 response and recovery.
<b>Council COVID-19 revenue funding</b>	<b>4.249</b>	

- 3.9 There is a risk during this recovery period and challenging operating environment that services become over reliant on additional one-off funding. One off resources have been available since 2020/21 through the previous COVID-19 reserve and currently through the Recovery Fund, these resources are finite and managers therefore need to ensure that as services return to a new normal, action is taken to manage budget pressures as they arise. The following management actions are required for the remainder of this financial year and beyond to contain pressures yet to emerge within the existing budget:

- Contain additional costs wherever possible;
- Maximise income opportunities;
- Consider options around service discretionary spend;
- Consider wherever possible how savings can be accelerated from 2023/24 into 2022/23 to support the financial position in the current year.

3.10 The level of savings required by the financial plan in 2022/23 totals £12.027m. An analysis of delivery of savings as at the end of month 3 is provided in Appendix 3. This analysis shows that following the June month end £6.965m (58%) savings have been delivered permanently, £3.509m (29%) are profiled to be delivered by 31 March 2022 and £1.553m (13%) have been delivered on a temporary basis through alternative savings.



3.11 Strategic Leadership Team (SLT) have noted the significant improvement in savings delivery compared to the same reporting period in 2021/22 and remain focused on ensuring that the £3.509m, which is profiled to be delivered by 31 March 2023, is progressed and delivered permanently as soon as possible.

### 3.12 **Infrastructure & Environment**

The service is showing a pressure of £0.987m. The main pressures relate to property being repaired & furnished for homeless (£0.120m); ongoing Covid-19 recovery requirements for cleaning, PPE enhancement, staffing and equipment (£0.302m); reduction in income (£0.060m); fuel inflation (£0.214m); hired & contracted cost inflation (£0.194m); increased maintenance costs (£0.027m) and the cost of 5 year Local Development Plan (£0.070). SBcContracts position will be challenging in 2022/23 due to unprecedented rises in the costs of raw materials and fuel as well as a shortage of bitumen is causing ongoing supply chain issues and work continues with clients, designers and suppliers to overcome delays.

An earmarked balance of £4.025m from Second Homes Council Tax to support future investment in affordable housing is being sought.

### 3.13 **Social Work & Practice**

Social Work & Practice is forecasting an overall budget pressure of £2.004m for 2022/23 with £1.004m reflected in the appendices to this report. The most significant pressure relates to increased external placements within the Children's and Family service (£1.745m). £0.745m of this pressure has been funded from the Council's Recovery Fund with options being explored to fund the remaining pressure of £1m from existing Social Work budgets. Further pressures relate to increases to the contract rates to homecare providers who continue to experience Covid-19 pressures (£0.259m) and pressures such as PPE within SBCares of £0.107m both of which have been included in the first quarterly LMP claim for 2022/23.

Learning Disability are managing forecast pressures of £0.295m above budget primarily due to the 2022/23 impact of client specific pressures which were funded non-recurrently in 2021/22. These pressures along with the requirement to deliver savings of £0.472m pose a financial risk as the year progresses if they are not managed effectively.

### 3.14 **Education & Lifelong Learning**

Budgets are being created to manage the Council's share of £10m for Summer Holiday Food and Childcare programme and £3.9m for Easter Study support. Pupil Equity Funding (PEF) is being allocated from Central Schools to Primary and Secondary and South East Improvement Collaborative (SEIC) funding is being allocated to Additional Support Needs for the start of the new academic year.

Detailed work has been undertaken to review the overall service budget to permanently reallocate in line with the aims of the service and support the delivery of the revised DSM scheme from the start of the new academic year in August 2022. Virements associated with the new DSM review will be reflected as part of a report on a revised DSM scheme being presented to August Council.

The service is showing a pressure of £0.463m relating to impacts of inflation (£0.399m) and a one off fuel grant given to school transport operators (£0.064m).

### 3.15 **Resilient Communities**

Budgets are being created to manage the Council's share of £280m £150 Cost of Living Payment for Low Income Households and £3.4m Adult Disability Payment.

The service is showing a pressure of £0.385m. The main pressure relates to the higher demand under the Council Tax Reduction Scheme (£0.304m), the uptake is expected to increase following an advertising campaign to ensure individuals and families are accessing their entitlement to the scheme. Grants relating to the Queen's Platinum Jubilee were higher than the budget allocation (£0.040m); additional temporary resource was required to process backlogs due to increased workloads as a result of Covid-19 (£0.043m). Recovery of over payments in respect of Housing Benefit have been less than anticipated (£0.060m); a small underspend due to part year relief for the Great Tapestry of Scotland (£0.062m) offsets this.

### 3.16 **Finance & Corporate Governance**

A virement is being requested to transfer available budget for Loans Charges to Sports Services to fund depreciation and interest charges for sports pitches.

The service is showing a pressure of £0.381m mainly relating to a shortfall in grants administration recharge (£0.200m) and increased costs of the

local elections (£0.143m).

### 3.17 **People, Performance and Change**

The service is showing a small pressure of £0.047m from the investment in the Mosaic provider portal which is being funded from the Recovery Fund. This investment will provide a key live link between social work providers and the Council and will contribute towards the ambition of automation of processes wherever possible, reducing manual effort.

### 3.18 **Strategic Commissioning and Partnerships**

Strategic Commissioning & Partnerships is forecasting a pressure of £0.411m above budget for 2022/23. This is from ongoing pressures in Information Technology from CGI service charges due to increased use of computer storage platforms (£0.267m). SB Cares is presenting a pressure related to Covid-19 costs (£0.107m) largely related to continued use of PPE at higher than pre-pandemic levels. The service is working with significant staff vacancies which are partially offsetting increased costs for agency and overtime. Sports Services is forecasting a pressure (£0.037m) relating to Jedburgh Campus management fee after depreciation and interest charges for sport pitches have been covered by an internal transfer.

## **4 IMPLICATIONS**

### 4.1 **Financial Recommendations**

There are no costs attached to any of the recommendations contained in this report, its content being specifically related to the performance of the revenue budget in 2022/23.

### 4.2 **Risk and Mitigations**

There is a risk that further cost pressures may emerge as the year progresses or that the savings required by the Financial Plan may not be delivered as planned, both of which may impact on the outturn position. Every effort must continue to be made by Directors to contain projected spend in the remainder of the year and to consider permanent effects on the Financial Plan. These efforts include maintaining a focus on sound financial management, balancing the budget and delivering good value for money and ensuring these remain key aspects of the culture of the Council.

### 4.3 It is imperative therefore that as many savings as possible identified within the 2022/23 and previous financial plans are delivered permanently to ensure affordability and budget sustainability.

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

- (a) monthly reports of actual expenditure and income against approved budgets being made available to budget managers from the Council's Business World System.
- (b) review of budget variances and monitoring of management actions to control expenditure by Finance, Service staff and Directors and quarterly reporting to SLT, and monthly on an exception basis.
- (c) engagement with Departments and review of monthly management accounts by Directors.
- (d) supporting departmental transformation projects to monitor and deliver the planned transformation savings in the medium-term Financial Plan.
- (e) Internal Audit are undertaking a 'Business Planning, Budget Setting, Monitoring & Reporting, including Workforce Planning' audit, which will

check for evidence of (a) to (d) being in practice across the Council as part of their independent and objective review of practices to facilitate good practice and continuous improvement.

**4.4 Integrated Impact Assessment**

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

**4.5 Sustainable Development Goals**

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

**4.6 Climate Change**

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

**4.7 Rural Proofing**

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

**4.8 Data Protection Impact Statement**

There are no personal data implications arising from the proposals contained in this report.

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

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

**5 CONSULTATION**

- 5.1 The Director (Finance & Corporate Governance), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR & Communications, the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into this final report.

**Approved by**

**Suzy Douglas**  
**Acting Chief Financial Officer**

**Signature .....**

**Author(s)**

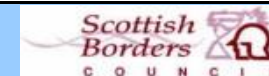
Name	Designation and Contact Number
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**Background Papers:**

**Previous Minute Reference:**

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the Author. Information on other language translations as well as additional copies can also be provided.



**MONTHLY REVENUE MANAGEMENT REPORT**  
**SCOTTISH BORDERS COUNCIL**      **2022/23**  
**SUMMARY**
**AT END OF MONTH: Jun-22**


	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Infrastructure & Environment	47,116	15,176	52,563	49,577	2,986	(2,986)	0	Infrastructure & Environment are forecasting a pressure of £0.987m. The service continues to face challenges as a result of Covid-19 recovery and in addition to this is being adversely affected by the inflationary pressures currently impacting the economy. Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council.
Social Work & Practice	76,119	(785)	74,388	75,133	(745)	745	0	Social Work & Practice is forecasting an overspend position of £1.004m. £0.745m can be attributed to external placements within Children & Families and £0.259m within Older People due to Covid-19 pressures for homecare providers. Further pressures across the service have been forecast with work continuing to contain these within existing budgets. Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council.
Education & Lifelong Learning	115,987	29,040	112,578	113,307	(729)	729	0	Education & Lifelong Learning are forecasting a pressure of £0.463m. £0.399m relates to unitary charge inflationary pressure, with the remaining £0.064m a one off fuel grant to school transport operators. Additional Scottish Government funding of £0.102m provided additional CO2 monitors in classrooms. Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council.
Resilient Communities	18,684	(19,142)	22,732	28,585	(5,853)	5,853	0	Resilient Communities are forecasting a pressure of £0.385m. The Council Tax Reduction Scheme has a much higher demand on the back of Covid-19 and is expected to increase further as a result of the advertising campaign. Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council.
Finance & Corporate Governance	28,607	3,760	31,915	28,923	2,992	(2,992)	0	Finance & Corporate Governance has utilised £4.249m of funds from the Recovery Fund to meet the Covid-19, inflationary and service pressures across SBC. Within the service there is a pressure of £0.373m relating to Councillor pay awards £0.030m, higher than anticipated election costs £0.143m and shortfalls in grants administration recharge of £0.200m. Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council.
People, Performance and Change	7,206	1,651	7,594	7,641	(47)	47	0	People, Performance & Change are forecasting a pressure of £0.047m in respect of the mosaic portal. Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council.
Strategic Commissioning & Partnership	31,152	10,045	37,658	37,984	(326)	326	0	Strategic Commissioning & Partnerships is forecasting an out turn of £0.411m above budget. £0.267m relates to Information Technology increased service charges and £0.107m in SB Cares related to unfunded Covid-19 pressures for PPE and equipment. While the balance of £0.037m is within Sports Services relating to the Jedburgh Campus management fee. Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council.
<b>Total</b>	<b>324,871</b>	<b>39,745</b>	<b>339,427</b>	<b>341,149</b>	<b>(1,722)</b>	<b>1,722</b>	<b>0</b>	

**MONTHLY REVENUE MANAGEMENT REPORT**  
**SCOTTISH BORDERS COUNCIL 2022/23**  
**SUMMARY**

**AT END OF MONTH: Jun-22**



<b>Financed by:</b>								
Revenue Support Grant	(218,158)	(56,474)	(203,685)	(209,419)	5,734	(5,734)	0	Additional Scottish Government funding for £150 Cost of Living Payments to Low Income Households (£5.406m). Gross up redeterminations of revenue funding relating to i) Adult Disability Payment (£0.062m); ii) Easter study support (£0.057m); and iii) Summer '22 funding (£0.209m).
Non-Domestic Rates	(35,294)	(8,824)	(35,294)	(35,294)	0	0	0	
Council Tax	(67,948)	(69,497)	(67,948)	(67,909)	(39)	39	0	Small pressure forecast at this time due to reduced net growth and higher exemptions (£0.039m).
Second Homes Council Tax	(1,118)	0	(1,118)	(1,170)	52	(52)	0	Projected additional income through Second Homes Council Tax forecast at this time (£0.052m).
Capital Financed from Current Revenue	0	0	0	0	0	0	0	
Reserves:								
Earmarked Balances from 2021/22	(2,353)	(37,189)	(37,189)	(37,189)	0	0	0	
	0	5,807	5,807	9,832	(4,025)	4,025	0	To earmark Second Homes Council Tax into 2023/24 to support future investment in affordable housing (£4.025m).
Transfers to/from Reserves	0	0	0	0	0	0	0	
<b>Total</b>	<b>(324,871)</b>	<b>(166,178)</b>	<b>(339,427)</b>	<b>(341,149)</b>	<b>1,722</b>	<b>(1,722)</b>	<b>0</b>	

**MONTHLY REVENUE MANAGEMENT REPORT  
SCOTTISH BORDERS COUNCIL 2022/23**

**AT END OF MONTH: Jun-22**



Infrastructure & Environment	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
<b>Property</b>	<b>12,616</b>	<b>7,182</b>	<b>12,631</b>	<b>12,751</b>	<b>(120)</b>	<b>120</b>	<b>0</b>	
Property Management Services	13,081	7,977	13,038	13,208	(170)	170	0	Pressure within Homeless in relation to repairing and furnishing properties ready for use (£120k). Budget from Estates Management Services towards financial plan savings (£50k).
Estates Management Services	487	95	542	492	50	(50)	0	Transfer available staffing budget to Property Management Services to temporarily address financial plan savings (£50k).
Commercial Property Income	(1,274)	(949)	(1,274)	(1,274)	0		0	
Architects	132	68	134	134	0		0	
Major Projects	190	(9)	190	190	0		0	
<b>Facilities</b>	<b>4,988</b>	<b>1,444</b>	<b>5,839</b>	<b>6,190</b>	<b>(351)</b>	<b>351</b>	<b>0</b>	
Catering Services	757	481	1,608	1,608	0		0	
Cleaning & Facilities Management	4,231	964	4,231	4,582	(351)	351	0	Ongoing Covid recovery pressures relating to additional requirements for cleaning materials (£110k), PPE (£85k), equipment (£63k), staffing (£44k), also reduced departure charges income from the Galashiels Transport Interchange (£38k) and increased fuel costs due to inflation (£11k).
<b>Parks &amp; Environment</b>	<b>4,389</b>	<b>893</b>	<b>4,650</b>	<b>4,748</b>	<b>(98)</b>	<b>98</b>	<b>0</b>	
<b>Roads &amp; Infrastructure</b>	<b>11,121</b>	<b>4,121</b>	<b>11,154</b>	<b>11,176</b>	<b>(22)</b>	<b>22</b>	<b>0</b>	
Network & Infrastructure Asset Management	10,869	1,228	10,717	10,717	0		0	
SBCContracts	(701)	2,220	(728)	(728)	0		0	
Engineers	892	240	885	907	(22)	22	0	Pressure in supplies and services costs and modelling work linked to St Mary's Loch and Selkirk FPS.
Fleet Management Services	61	431	61	61	0		0	
Pay Parking	0	1	220	220	0		0	
<b>Waste Management Services</b>	<b>9,790</b>	<b>776</b>	<b>9,790</b>	<b>10,116</b>	<b>(326)</b>	<b>326</b>	<b>0</b>	
								Pressures in hired and contracted costs (£173k) and increased fuel costs (£126k) linked to inflation. Additional costs relating to property maintenance (£17k) and equipment maintenance (£10k).
<b>Passenger Transport</b>	<b>1,951</b>	<b>317</b>	<b>1,952</b>	<b>1,952</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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**MONTHLY REVENUE MANAGEMENT REPORT  
SCOTTISH BORDERS COUNCIL 2022/23**

**AT END OF MONTH: Jun-22**



<b>Planning Services</b>	<b>1,112</b>	<b>(122)</b>	<b>1,413</b>	<b>1,483</b>	<b>(70)</b>	<b>70</b>	<b>0</b>	Pressure associated with Local Development Plan costs (£70k), produced every 5 years.
<b>Housing Strategy &amp; Services</b>	<b>1,147</b>	<b>564</b>	<b>5,135</b>	<b>1,162</b>	<b>3,973</b>	<b>(3,973)</b>	<b>0</b>	To earmark Second Homes Council Tax into 2023/24 to support future investment in affordable housing (£4,025k). Projected additional income through Second Homes Council Tax forecast at this time (£52k).
<b>Total</b>	<b>47,116</b>	<b>15,176</b>	<b>52,563</b>	<b>49,577</b>	<b>2,986</b>	<b>(2,986)</b>	<b>0</b>	

**Key Highlights, Challenges and Risks**

Infrastructure and Environment continues to face challenges in relation to Covid recovery and inflationary pressures on the economy. Covid related pressures are being seen within our Cleaning Services where enhanced cleaning arrangements remain in place. Within frontline operational services we are seeing inflationary impacts on materials and services including significant fuel price increases.

The homeless service is projecting increased costs in preparing properties for use to support both Covid and the Ukrainian response.

SBCContracts position will be challenging in 2022/23 due to the impacts of unprecedented rises in the costs of raw materials and fuel. The war in Ukraine has further compounded what was already a challenging position, creating a shortage of bitumen across Europe and the UK, this is a main component for undertaking roads construction and maintenance activities. Supply chain issues are therefore ongoing and work continues with clients, designers and suppliers to overcome delays.

The service has £2.492m of financial plan savings to deliver in 2022/23, £0.631m of these have been delivered permanently and £0.533m temporarily leaving £1.328m profiled to be delivered in the balance of the year.

Planning fee income can be a volatile area, however we are currently forecasting to achieve budget and this will be closely monitored over the year.

<b>Social Work &amp; Practice</b>	<b>Base Budget (£'000)</b>	<b>Actual to Date (£'000)</b>	<b>Revised Budget (£'000)</b>	<b>Projected Outturn (£'000)</b>	<b>Outturn Variance (£'000)</b>	<b>Proposed Virement (£'000)</b>	<b>Projected (over)/underspend</b>	<b>Summary Financial Commentary</b>
Child Protection	214	32	221	221	0		0	
Children & Families Social Work	15,021	3,157	15,146	15,891	(745)	745	0	Significant out of area placements causing a forecast pressure of £728k as well as transport related pressures amounting to £124k. These pressures are off-set by forecast savings in employee related costs and supplies and services amounting to £107k. Options are being explored to fund a further £1m of pressures in out of area placements from existing Social Work budgets. Further out of area placements are pending as well as some provider price uplifts not yet agreed which may increase this pressure. The service is experiencing material staffing recruitment and retention issues.
Adult Protection	367	99	366	366	0		0	
Emergency Duty Team	320	71	320	320	0		0	
Quality Improvement	448	108	515	515	0		0	
Services in Criminal Justice System	1,229	36	(27)	(27)	0		0	
Support Communities	1,921	(15)	2,524	2,524	0		0	
Older People	27,258	(7,935)	21,879	21,879	0		0	Pressures relating to the agreed full year cost of Homecare Provider grants linked to increased hourly rates, required to ensure the sustainability of providers experiencing significant staffing absence and other unfunded Covid-19 pressures such as continued use of PPE to be claimed through the LMP.
Joint Learning Disability	17,801	2,809	20,262	20,262	0		0	This forecast balanced position assumes that £295k of identified pressures primarily due to the 2022/23 impact of client specific pressures which were funded non-recurrently in 2021/22 will be managed within existing service budgets during the remainder of the financial year. There is also an assumption that £472k Financial Plan savings will be delivered in full.
Joint Mental Health	1,956	145	2,038	2,038	0		0	The service is experiencing pressures caused by increasing client numbers and associated increased expenditure. This position is actively being addressed with the aim to reduce expenditure in line with budget.
People with Physical Disabilities	2,533	714	2,816	2,816	0		0	The service is reporting a marginal overspend against budget, this will be managed throughout the year.

**MONTHLY REVENUE MANAGEMENT REPORT**  
**SCOTTISH BORDERS COUNCIL**      **2022/23**

**AT END OF MONTH: Jun-22**



Generic Services	6,958	(10)	8,235	8,235	0			0	Pressures amounting to £103k relating to locality based client care forecasts are anticipated to be managed within the service during the remainder of the financial year.
<b>Total</b>	<b>76,026</b>	<b>(789)</b>	<b>74,294</b>	<b>75,039</b>	<b>(745)</b>	<b>745</b>	<b>0</b>	<b>0</b>	
<b>Public Health</b>	<b>Base Budget (£'000)</b>	<b>Actual to Date (£'000)</b>	<b>Revised Budget (£'000)</b>	<b>Projected Outturn (£'000)</b>	<b>Outturn Variance (£'000)</b>	<b>Proposed Virement (£'000)</b>	<b>Projected (over)/underspend</b>		
Public Health	93	4	94	94	0	0	0		
<b>Total</b>	<b>93</b>	<b>4</b>	<b>94</b>	<b>94</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Key Highlights, Challenges and Risks**

Social Work & Practice is forecasting an overspend position of £0.745m for 2022/23 at the end of Q1. The services continue to experience Covid-19 pressures and are working to transform in line with the post pandemic economic and workforce conditions. The overspend position is in Children and Families service where there are significant pressures relating to external placements. Older People continue to experience material staff absences and Covid-19 pressures for homecare providers to be funded from the Local Mobilisation Plan (LMP). Learning Disability is forecasting an overspend primarily due to the 2022/23 impact of client specific pressures funded non-recurrently in 2021/22. Some 2022/23 Scottish Government funding (£400k) has been transferred to support the service while work progresses to mitigate in year pressures.

Education & Lifelong Learning	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/underspend	Summary Financial Commentary
Early Years	18,362	3,065	10,540	10,540	0		0	
Primary Schools	29,732	7,757	31,083	32,495	(1,412)	1,412	0	2022/23 Pupil Equity Funding (PEF) (£1.412m) allocation.
Secondary Schools	41,338	12,099	41,737	42,705	(968)	968	0	2022-23 Pupil Equity funding (PEF) (£512k); Easter Study Support provision from Scottish Government (£57k). Unitary charge inflation pressure (£399k).
Additional Support Needs	12,140	3,021	12,140	12,189	(49)	49	0	Additional SEIC funding from Central Schools following a bidding process (£49k).
Educational Psychology	713	147	713	713	0		0	
Central Schools	7,385	1,787	9,835	8,071	1,764	(1,764)	0	Allocate 2022/23 Pupil Equity Funding (PEF) to Primary and Secondary schools (£1.924m) and additional SEIC funding to Additional Support Needs following a bidding process (£49k); Summer '22 funding for targeted 5-14 year olds from Scottish Government (£209k). A Scottish government grant of £102k provided additional CO2 monitors in classrooms.
School Meals	1,756	269	1,969	1,969	0		0	
School Transport	3,594	653	3,594	3,658	(64)	64	0	Pressure relating to one off fuel payment grants paid in May 2022 (£64k).
Community Learning & Development	968	242	967	967	0		0	
<b>Total</b>	<b>115,987</b>	<b>29,040</b>	<b>112,578</b>	<b>113,307</b>	<b>(729)</b>	<b>729</b>	<b>0</b>	

**Key Highlights Challenges & Risks**

Education & Lifelong Learning is facing inflationary pressures relating to the unitary charge of £399k as inflation was double the budgeted amount at the annual payment revision dates. Funding for summer holiday provision for children between the ages of 5 and 14 is targeted at specific groups this year but a varied program is again being provided across Scottish Borders through our partners. Our Early Years centres are also running sessions for family groups throughout the summer. Scottish Government funding of £102k for additional CO2 monitors provided additional monitors in classrooms. The new DSM scheme is proposed to commence at the start of the new academic year in August 2022; as part of this process, budgets across Education & Lifelong Learning will be restructured to support this.

Resilient Communities	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/underspend	Summary Financial Commentary
Business Support	5,154	1,232	5,249	5,249	0		0	
Community Planning & Engagement	453	108	453	453	0		0	
Neighbourhood Support Fund	671	1,179	3,096	3,136	(40)	40	0	Costs, in excess of budget, relating to grants approved for Queen's Platinum jubilee (£40k).
Customer Advice & Support Services	3,140	6,634	3,201	8,712	(5,511)	5,511	0	Funding from Scottish Government for i) Adult Disability Payment information gathering (£62k); and ii) £150 Cost of Living Payments to Low Income Households (£5.406m). Additional resource employed temporarily to address backlog created as a result of increased workloads due to Covid-19 (£43k).
Economic Development	2,044	(732)	2,265	2,265	0		0	
Employment Support Service	347	52	340	340	0		0	
Discretionary Housing Payments	0	(231)	1,023	1,023	0		0	
Housing Benefits	608	(94)	608	668	(60)	60	0	Forecast currently showing a small net pressure (£60k), partly due to less over payments recovered.
Non-Domestic Rates Relief	275	(32,857)	275	213	62	(62)	0	Forecast underspend due to part year relief for Great Tapestry of Scotland building (£62k).
Scottish Welfare Fund	586	(103)	816	816	0		0	
Council Tax Reduction Scheme	5,407	5,669	5,407	5,711	(304)	304	0	Pressure linked to higher demand on the back of Covid-19 and projected increased take-up following advertising campaign (£304k).
<b>Total</b>	<b>18,684</b>	<b>(19,142)</b>	<b>22,732</b>	<b>28,585</b>	<b>(5,853)</b>	<b>5,853</b>	<b>0</b>	

**Key Highlights, Challenges & Risks**

Resilient Communities is continuing to experience challenges due to Covid-19: additional resource has been required temporarily to deal with backlogs due to increased workloads; Council Tax Reduction Scheme has seen a much higher demand on the back of Covid-19 and a take up is forecast to increase further following the advertising campaign. This will continue to be monitored closely to ensure accuracy of future forecasts. There was a higher than anticipated uptake in grants for the Queen's Platinum Jubilee celebrations.

The service has £0.380m of financial plan savings to deliver in 2022/23, £0.092m of these have been delivered permanently and £0.242m temporarily leaving £0.046m profiled to be delivered in the balance of the year.



Finance & Corporate Governance	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/unders pend	Summary Financial Commentary
Recovery Fund	69	(163)	3,320	(31)	3,351	(3,351)	0	Utilise an element of the Recovery Fund to offset the Covid-19 and inflationary pressures across SBC.
Corporate	(1,048)	0	(1,045)	(845)	(200)	200	0	Projected shortfall in grants administration recharge based on current external funding opportunities (£200k) after delivery of £300k of savings.
Chief Executive	184	44	184	184	0		0	
Emergency Planning	161	41	161	161	0		0	
Finance	4,410	1,062	4,494	4,494	0		0	
Legal Services	750	223	735	735	0		0	
Protective Services	1,520	404	1,574	1,574	0		0	
Audit & Risk	384	98	384	384	0		0	
Assessor & Electoral Registration Services	894	199	907	907	0		0	
Democratic Services	1,842	818	1,842	2,023	(181)	181	0	Councillors pay award pressure (£38k) in addition to costs incurred above budget for local election (£143k).
Communications & Marketing	531	130	541	541	0		0	
Loan Charges	19,351	904	19,303	19,281	22	(22)	0	Transfer available budget to Sports Services to fund depreciation and interest charges for sports pitches (£22k).
Provision for Bad Debts	125	0	125	125	0		0	
Recharge to Non-General Fund	(563)	0	(608)	(608)	0		0	
<b>Total</b>	<b>28,607</b>	<b>3,760</b>	<b>31,915</b>	<b>28,923</b>	<b>2,992</b>	<b>(2,992)</b>	<b>0</b>	

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**Key Highlights, Challenges & Risks**

The Recovery Fund is held within Finance & Corporate Governance service to be allocated to services as required.

There is a projected pressure of £0.200m due to a projected shortfall in grants administration recharge based on current external funding opportunities. Democratic services have an overall pressure of £0.181m due to higher than budgeted local election costs and councillor pay award.

The service has £3.477m of financial plan savings to deliver in 2022/23, £3.275m of these have been delivered permanently and £0.007m temporarily leaving £0.195m profiled to be delivered in the balance of the year.

People, Performance & Change	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/unders pend	Summary Financial Commentary
Human Resources	4,779	1,101	4,953	4,953	0		0	
Early Retiral/Voluntary Severance	67	0	67	67	0		0	
Corporate Transformation	730	94	940	940	0		0	
Business Change & Programme Management	1,181	351	1,191	1,238	(47)	47	0	Mosaic Provider Portal investment (£47k).
Business Planning Performance & Policy Development	449	106	443	443	0		0	
<b>Total</b>	<b>7,206</b>	<b>1,651</b>	<b>7,594</b>	<b>7,641</b>	<b>(47)</b>	<b>47</b>	<b>0</b>	

**Key Highlights, Challenges & Risks**

Overall People, Performance & Change is forecast to remain within budget for 2022/23, there is a small pressure of £0.047m in respect of the Mosaic provider portal. The service has £0.190m of financial plan savings to deliver in 2022/23, £0.112m of these have been delivered permanently and £0.049m temporarily leaving £0.029m profiled to be delivered in the balance of the year.

Strategic Commissioning & Partnerships	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/unders pend	Summary Financial Commentary
Information Technology	11,730	3,474	17,117	17,384	(267)	267	0	Ongoing pressure in CGI service charges due to increased use of computer storage platforms (£267k).
SB Cares	13,675	4,697	14,762	14,762	0		0	£107k pressure relating largely to the continued increased PPE requirement in Care Homes and Home Care settings. Additionally, staffing pressures related to increased use of overtime and agency staff due to recruitment issues. Both are anticipated to be managed within the service.
Cultural Services	3,783	1,306	3,766	3,766	0		0	
Sports Services	1,965	569	2,012	2,071	(59)	59	0	Transfer available budget from Loan Charges to fund depreciation and interest charges for sports pitches (£22k). Forecast management fee pressure relating to Jedburgh Campus (£37k).
<b>Total</b>	<b>31,152</b>	<b>10,045</b>	<b>37,658</b>	<b>37,984</b>	<b>(326)</b>	<b>326</b>	<b>0</b>	

**Key Highlights, Challenges & Risks**

Strategic Commissioning & Partnerships is forecasting an outturn of £0.411m above budget. This is from ongoing pressures in Information Technology from CGI service charges due to increased use of computer storage platforms £0.267m. SB Cares is presenting a largely balanced position but recognising additional unfunded Covid-19 costs largely related to continued use of PPE at higher than pre-pandemic levels at £0.107m. Sports Services is forecasting a £0.037m pressure relating to Jedburgh Campus management fee after depreciation and interest charges have been covered by an internal transfer.

Details	Amount	Ringfenced				Flexible	Assumed IJB funding through LMP	Financial Plan
		Admin.	Education Recovery	Individuals/ Families/ Communities	Self Isolation			
Reserve carried forward from 2021/22	8,012,831					8,012,831		
Administration grant carried forward 2021/22	1,052,610	1,052,610						
Education recovery	400,000		400,000					
COVID-19 response and recovery	69,000							69,000
Schools ventilation fund	102,000		102,000					
Nightclub Closure Fund - admin. costs	5,400	5,400						
Taxi and Private Hire - admin. costs	12,000	12,000						
Scottish Child Payment Bridging Payments - admin. funding	18,946	18,946						
Business grant 'repayments'	17,500	17,500						
Assumed IJB funding through the LMP	366,000						366,000	
	<b>10,056,287</b>	<b>1,106,456</b>	<b>502,000</b>	<b>0</b>	<b>0</b>	<b>8,012,831</b>	<b>366,000</b>	<b>69,000</b>

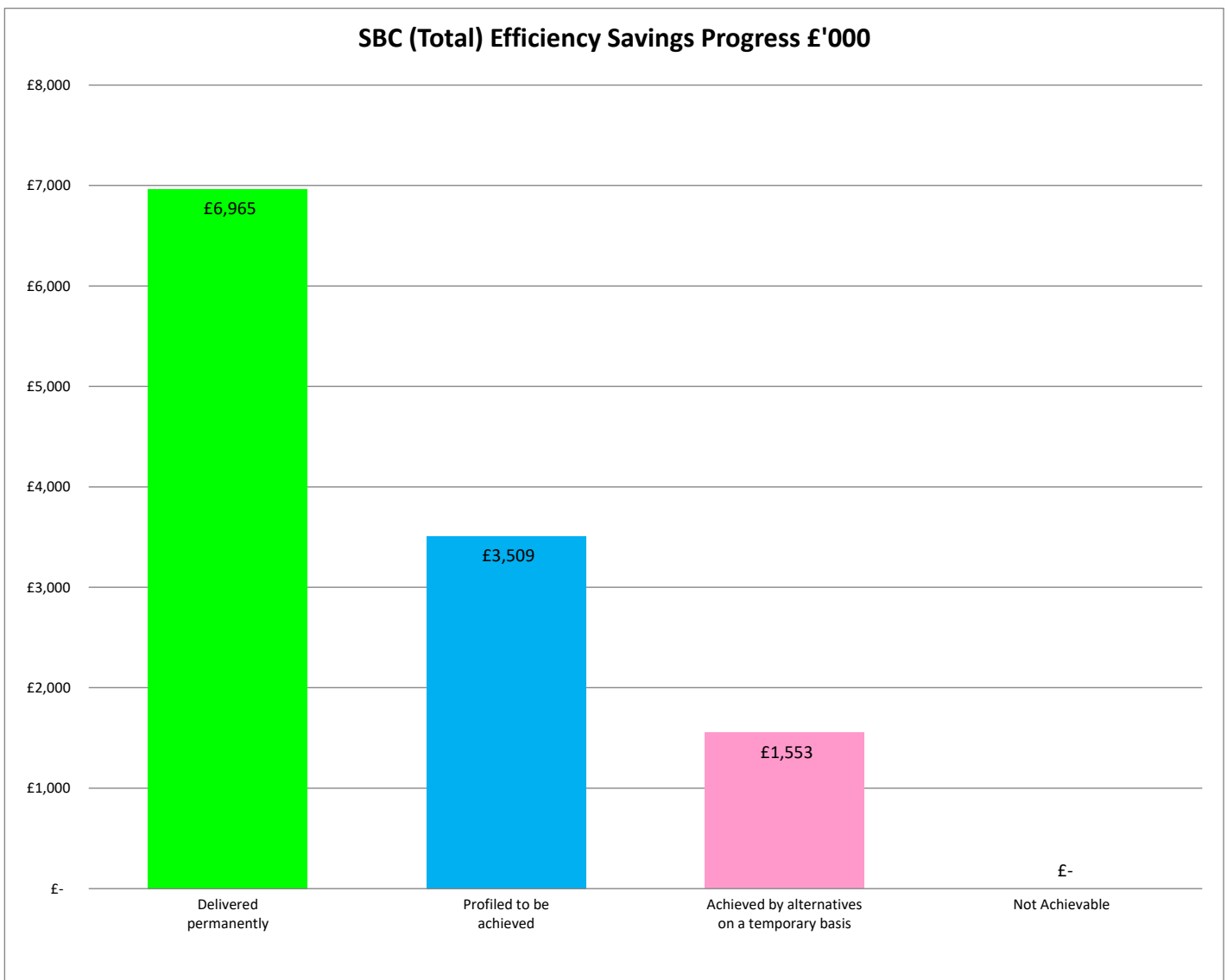
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FINANCIAL PLAN EFFICIENCY PROGRESS 2022/23

SBC Total

Status	Saving £'000	Saving %
Delivered permanently	£ 6,965	58%
Profiled to be achieved	£ 3,509	29%
Achieved by alternatives on a temporary basis	£ 1,553	13%
Not Achievable	£ -	0%
	<b>12,027</b>	<b>100%</b>

SBC (Total) Efficiency Savings Progress £'000



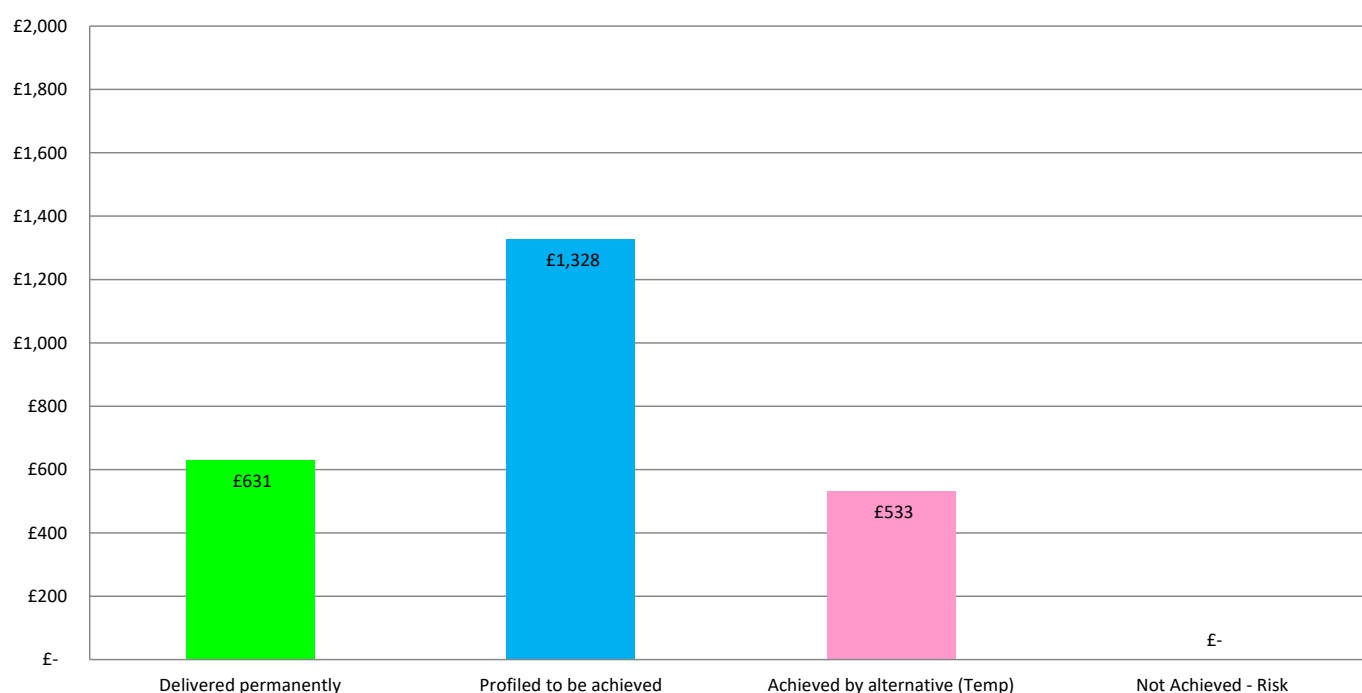
## FINANCIAL PLAN EFFICIENCY PROGRESS 2022/23

## Infrastructure &amp; Environment

## Savings :

	£'000	Delivered Permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not Achievable
<b>Brought Forward Savings</b>					
New delivery model for Public Toilet provision	46		35	11	
Facilities Management savings	261	62	199		
Energy Efficiency Project	27		27		
More efficient property and asset portfolio and implementation of Corporate Landlord	215	190	0		25
Parks & Environment	106				106
Waste Management	15		15		
<b>2022/23 Savings:</b>					
Additional Fees & Charges Income across Infrastructure & Environment	103	103			
Statutory Planning Fee Income	40	40			
Commercial Rent income	10	10			
Energy Efficiency Project	75		75		
More efficient property and asset portfolio & implementation of Corporate Landlord	217		191		26
Facilities Management savings	183		183		
Parks & Environment	211	4			207
Roads & Infrastructure	500	88	330		82
Waste Management	195	90	29		76
Passenger Transport	200		200		
Planning Services	44		44		
Post-COVID-19 operating model	44	44			
	<b>2,492</b>	<b>631</b>	<b>1,328</b>	<b>533</b>	<b>0</b>

## Infrastructure &amp; Environment Savings £000's



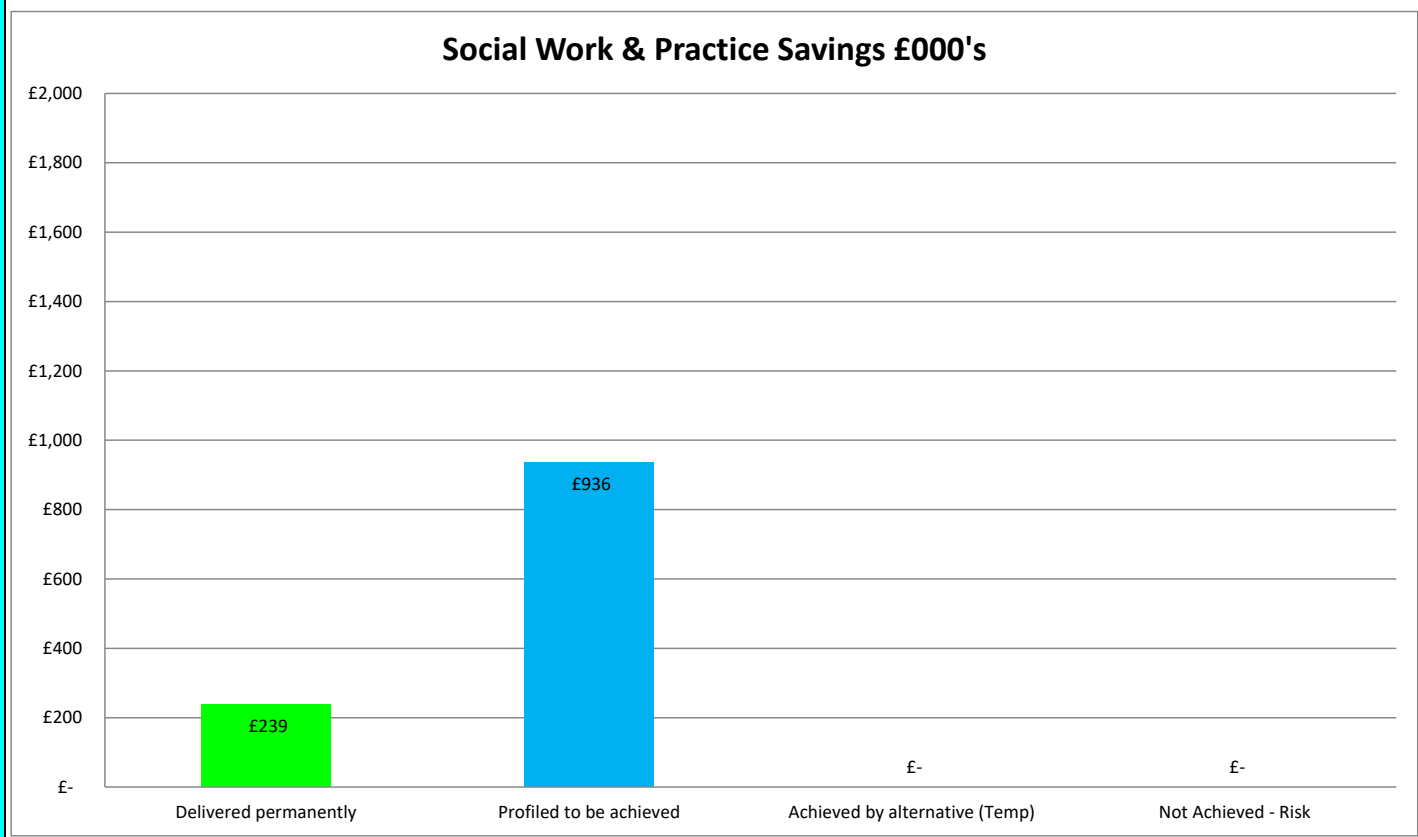


**FINANCIAL PLAN EFFICIENCY PROGRESS 2022/23**

**Social Work & Practice**

**Savings :**

	£'000	Delivered Permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not Achievable
<b>Brought Forward Savings</b>					
Review of Care Packages (OP)	60	27	33		
Review of Care Packages (LD)	200		200		
Trusted Assessment (OP and LD)	50		50		
Shared Lives	100	92	8		
Single Handed Care (from SC&P Ent Mob)	250		250		
<b>2022/23 Savings:</b>					
Review of Care Packages (OP)	100	23	77		
Review of Care Packages (LD)	30		30		
Review of Day Care Services (LD)	75		75		
Hawick Community Support Service Recommissioning (LD)	80	80			
Direct Payment Recoupment	(150)	(150)			
Locality Working (OP and LD)	150	150			
Shared Lives	200		200		
Post-COVID-19 operating model	13	13			
Safer Communities - Homeless Service	13		13		
Additional Fees & Charges	4	4			
	<b>1,175</b>	<b>239</b>	<b>936</b>	<b>0</b>	<b>0</b>





**FINANCIAL PLAN EFFICIENCY PROGRESS 2022/23**

**Resilient Communities**

**Savings :**

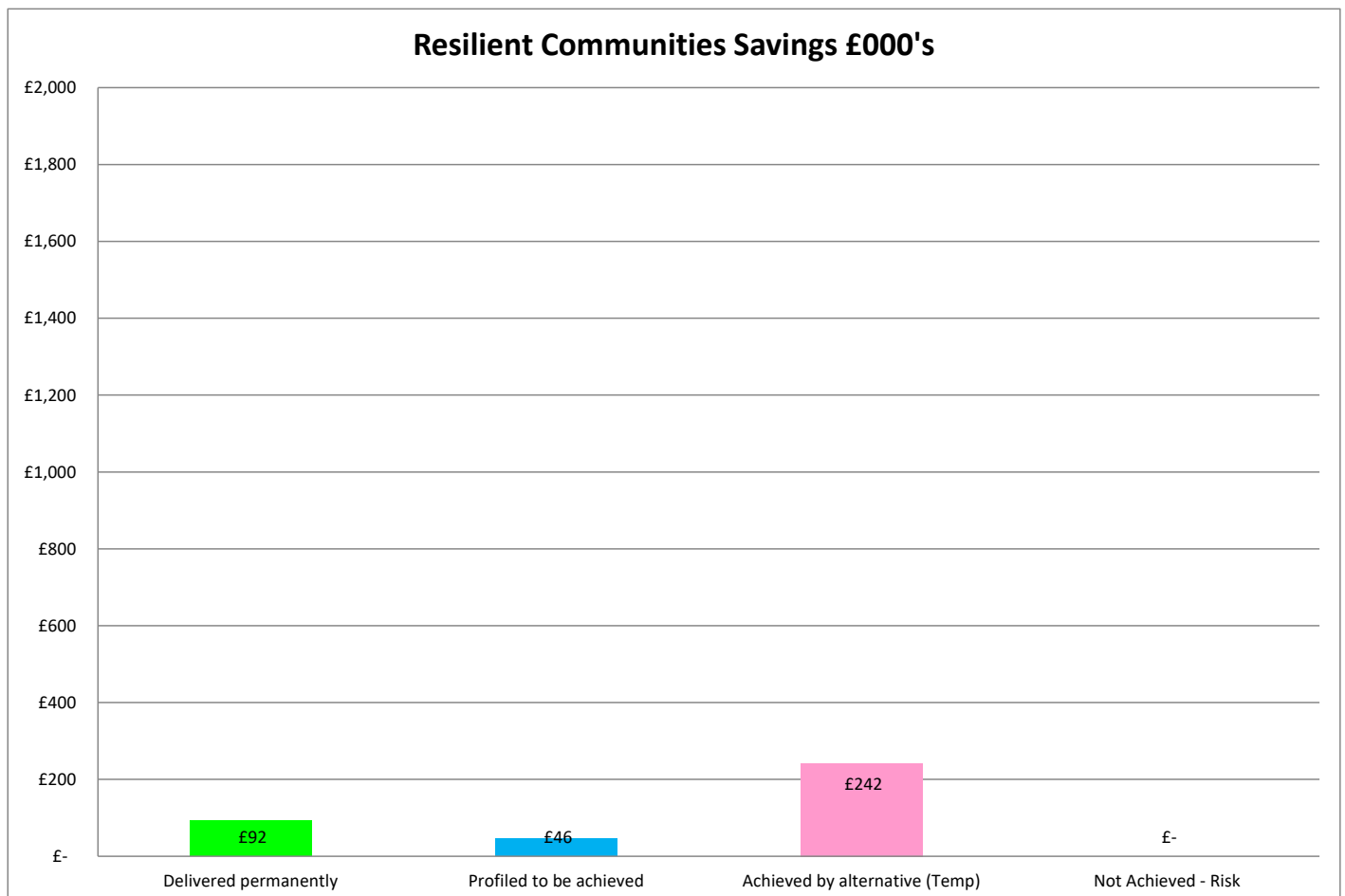
£'000

Delivered Permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not Achievable
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**Brought Forward Savings**

**2022/23 Savings:**

Additional Fees and Charges	4	4		
A re-designed operating model for the Customer and Business Admin functions through the rollout of digital services across the Council.	331	43	46	242
Post-COVID-19 operating model	45	45		
	<b>380</b>	<b>92</b>	<b>46</b>	<b>242</b>
				<b>0</b>

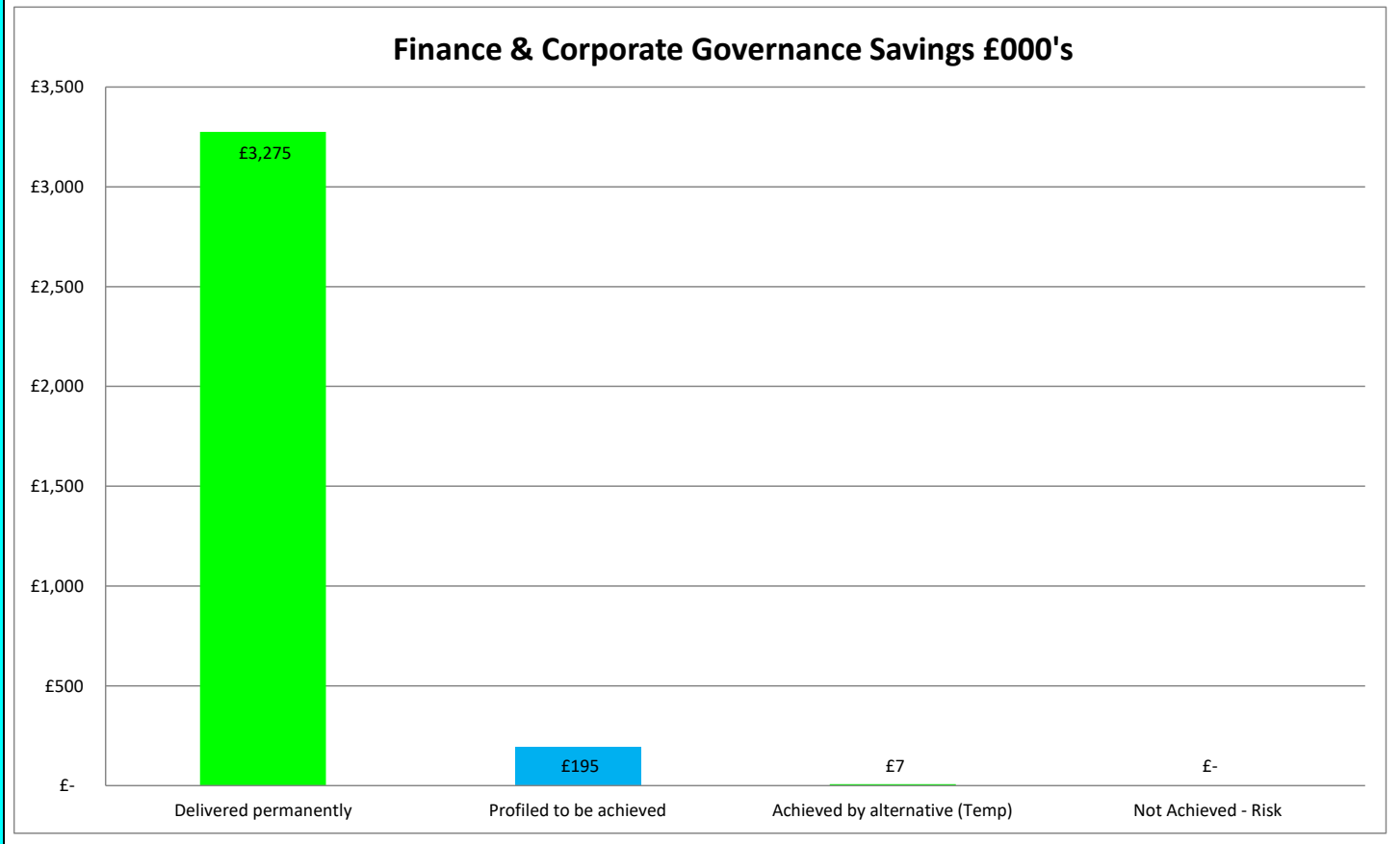


**FINANCIAL PLAN EFFICIENCY PROGRESS 2022/23**

**Finance & Corporate Governance**

**Savings :**

	£'000	Delivered Permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not Achievable
<b>Brought Forward Savings</b>					
Legal Services	40	40			
Audit & Risk - Shared Service Opportunity	22	22			
Finance Savings	72	72			
Assessors & Electoral Registration Services - Structural review as a result of legislative change	17	7	10		
<b>2022/23 Savings:</b>					
Additional Fees & Charges Income across Regulatory Services	16	16			
Finance savings	125	19	99	7	
Loans Charges	25	25			
Rephasing of Loans Charges	1,500	1,500			
Legal Services	40	40			
Protective Services	86		86		
Communications & Marketing	7	7			
Removal of Director post	150	150			
Balance of budgeted recurrent COVID-19 contingency	1355	1355			
Post-COVID-19 operating model	22	22			
	<b>3,477</b>	<b>3,275</b>	<b>195</b>	<b>7</b>	<b>0</b>

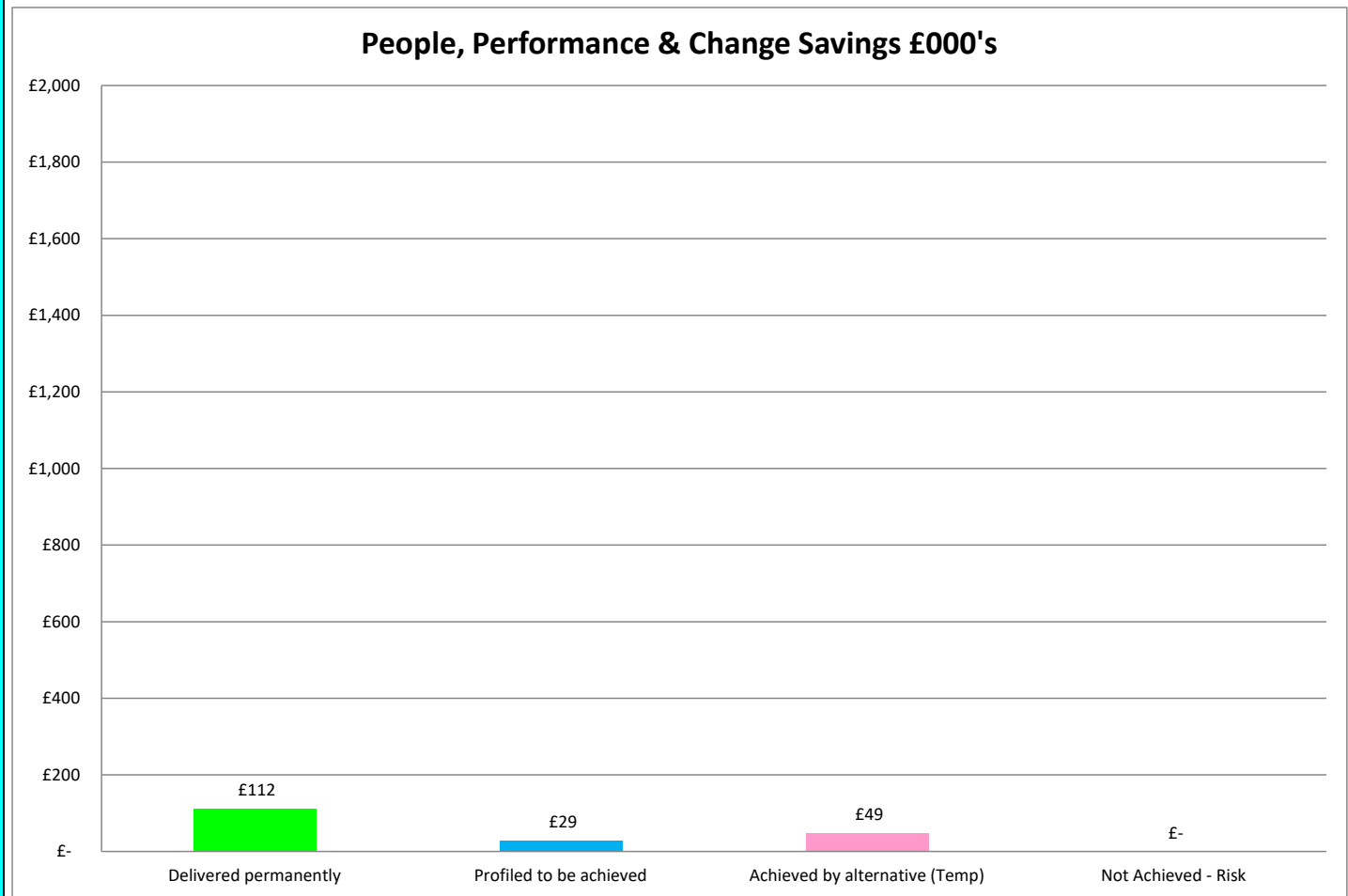


**FINANCIAL PLAN EFFICIENCY PROGRESS 2022/23**

**People, Performance & Change**

**Savings :**

	£'000	Delivered Permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not Achievable
<b>Brought Forward Savings</b>					
Business Change	15				15
Reduce subscriptions budget across the Council by a further 10%	38	9	29		
Progress the rollout of digital services across the Council	34				34
<b>2022/23 Savings:</b>					
HR	20	20			
Employment Support Service	33	33			
Reduction in Enhanced Strain on Fund	45	45			
Post-COVID-19 operating model	5	5			
	<b>190</b>	<b>112</b>	<b>29</b>	<b>49</b>	<b>0</b>

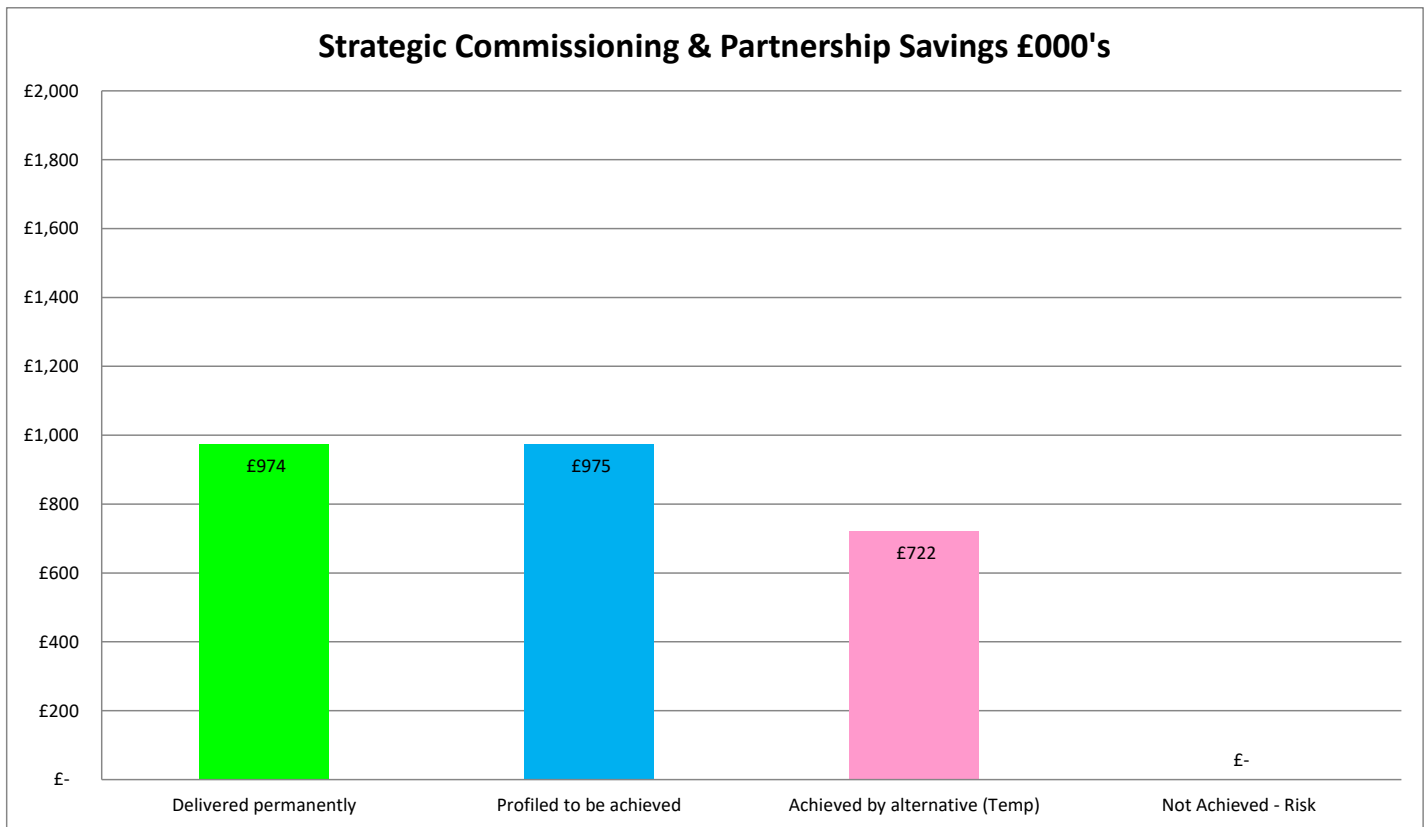


**FINANCIAL PLAN EFFICIENCY PROGRESS 2022/23**

**Strategic Commissioning & Partnership**

**Savings :**

	£'000	Delivered Permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not Achievable
<b>Brought Forward Savings</b>					
Bordercare Alarms	75		75		
Enterprise Mobility	429	170	9		
Enterprise Mobility (Removal of Single Handed Care to SW&P)	(250)				
Reablement of Homecare	722			722	
<b>2022/23 Savings:</b>					
Better use of Fleet Vehicles	45	45			
Residential Care Retendering	200		200		
Management Fee reduction to Live Borders	251	251			
Culture & Sports Trusts Management Fees	500	500			
IT savings	100		100		
Strategic Commissioning Savings	591		591		
Post-COVID-19 operating model	1	1			
Additional Fees & Charges	7	7			
	<b>2,671</b>	<b>974</b>	<b>975</b>	<b>722</b>	<b>0</b>



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

**1 Virement is required from**

Department	Finance & Corporate Governance	2022/23	2023/24	2024/25
Service	Recovery Fund	£	£	£
Budget Head	Third Party Payments	(3,351,000)	0	0

Department	Resilient Communities	2022/23	2023/24	2024/25
Service	Non Domestic Rates Relief	£	£	£
Budget Head	Third Party Payments	(62,000)	0	0

Total		(3,413,000)	0	0
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**To**

Department	Strategic Commissioning & Partnerships	2022/23	2023/24	2024/25
Service	Information Technology	£	£	£
Budget Head	Third Party Payments	267,000	0	0

Service	Sports Services	£	£	£
Budget Head	Third Party Payments	37,000	0	0

Department	People, Performance & Change	2022/23	2023/24	2024/25
Service	Business Change & Programme Management	£	£	£
Budget Head	Supplies & Services	47,000	0	0

Department	Finance & Corporate Governance	2022/23	2023/24	2024/25
Service	Corporate	£	£	£
Budget Head	Income	200,000	0	0

Service	Democratic Services	£	£	£
Budget Head	Employee Costs	148,000	0	0
	Supplies & Services	33,000	0	0

Department	Resilient Communities	2022/23	2023/24	2024/25
Service	Neighbourhood Support Fund	£	£	£
Budget Head	Supplies & Services	40,000	0	0

Service	Customer Advice & Support Services	£	£	£
Budget Head	Employee Costs	43,000	0	0

Service	Housing Benefits	£	£	£
Budget Head	Income	60,000	0	0

Service	Council Tax Reduction Scheme	£	£	£
Budget Head	Transfer Payments	304,000	0	0

Department	Financed by	2022/23	2023/24	2024/25
Service	Council Tax	£	£	£
Budget Head	Income	39,000	0	0

Department	Infrastructure & Environment	2022/23	2023/24	2024/25
Service	Planning Services	£	£	£
Budget Head	Third Party Payments	70,000	0	0
Service	Property Management Services	£	£	£
Budget Head	Supplies & Services	66,000		
	Premises Related Expenditure	54,000	0	0
Service	Cleaning & Facilities Management	£	£	£
Budget Head	Employee Costs	44,000	0	0
	Transport Related Expenditure	11,000	0	0
	Supplies & Services	258,000	0	0
	Income	38,000	0	0
Service	Parks & Environment	£	£	£
Budget Head	Income	21,000		
	Transport Related Expenditure	77,000	0	0
Service	Engineers	£	£	£
Budget Head	Supplies & Services	15,000		
	Third Party Payments	7,000	0	0
Service	Waste Management Services	£	£	£
Budget Head	Premises Related Expenditure	17,000		
	Transport Related Expenditure	126,000		
	Supplies & Services	10,000		
	Third Party Payments	173,000	0	0
Department	Social Work & Practice	2022/23	2023/24	2024/25
Service	Children & Families Social Work	£	£	£
Budget Head	Third Party Payments	745,000	0	0
Department	Education & Lifelong Learning	2022/23	2023/24	2024/25
Service	Secondary Schools	£	£	£
Budget Head	Supplies & Services	399,000	0	0
Service	School Transport	£	£	£
Budget Head	Transport Related Expenditure	64,000	0	0
	Total	3,413,000	0	0

**Because**

Reallocation of budgets across Council services to address service and Covid-19 pressures.



Budget Virement Requirement

Infrastructure & Environment

No. of Virements 1

**1 Virement is required from**

Department	Infrastructure & Environment	2022/23	2023/24	2024/25
Service	Estates Management Services	£	£	£
Budget Head	Employee Costs	(50,000)	0	0

**To**

Department	Infrastructure & Environment	2022/23	2023/24	2024/25
Service	Property Management Services	£	£	£
Budget Head	Financial Plan Savings	50,000	0	0

**Because**

Underspend in staffing to be transferred to property management services to temporarily address financial plan savings.
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**Budget Virement Requirement      Education & Lifelong Learning      No. of Virements    2**

**1 Virement is required from**

Department	Education & Lifelong Learning	2022/23	2023/24	2024/25
Service	Central School	£	£	£
Budget Head	Supplies & Services	(1,923,695)	0	0

**To**

Department	Education & Lifelong Learning	2022/23	2023/24	2024/25
Service	Primary Schools	£	£	£
Budget Head	Supplies & Services	1,411,545	0	0

Service	Secondary Schools	£	£	£
Budget Head	Supplies & Services	512,152	0	0

<b>Total</b>		<b>1,923,697</b>	<b>0</b>	<b>0</b>
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**Because**

To allocate 2022/23 Pupil Equity Funding (PEF) to Primary and Secondary schools.

**2 Virement is required from**

Department	Education & Lifelong Learning	2022/23	2023/24	2024/25
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	(49,180)	0	0

**To**

Department	Education & Lifelong Learning	2022/23	2023/24	2024/25
Service	Additional Support Needs	£	£	£
Budget Head	Supplies & Services	49,180	0	0

**Because**

To allocate budget to Additional Support Needs following a bidding process.

**Budget Virement Requirement**

**Finance & Corporate Governance**

**No. of Virements 1**

**1 Virement is required from**

Department	Finance & Corporate Governance	2022/23	2023/24	2024/25
Service	Loan Charges	£	£	£
Budget Head	Capital Financing Costs	(21,737)	(21,737)	(21,737)

**To**

Department	Strategic Commissioning & Partnerships	2022/23	2023/24	2024/25
Service	Sports Services	£	£	£
Budget Head	Premises Related	21,737	21,737	21,737

**Because**

Reduced borrowing due to timing movements in the capital programme to be used to fund depreciation and interest charges for sports pitches (£22k).

**Budget Virement Requirement      Financed by      No. of Virements    4**

**1 Virement is required from**

Department	Financed by	2022/23	2023/24	2024/25
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(57,301)	0	0

**To**

Department	Education & Lifelong Learning	2022/23	2023/24	2024/25
Service	Secondary Schools	£	£	£
Budget Head	Employee Costs	57,301	0	0

**Because**

To allocate Easter Study Support provision from Scottish Government for 2022/23.
--

**2 Virement is required from**

Department	Financed by	2022/23	2023/24	2024/25
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(208,377)	0	0

**To**

Department	Education & Lifelong Learning	2022/23	2023/24	2024/25
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	208,377	0	0

**Because**

To allocate Summer '22 funding for targeted primary school children from Scottish Government
--

**3 Virement is required from**

Department	Financed by	2022/23	2023/24	2024/25
Service	Second Homes Council Tax	£	£	£
Budget Head	Income	(52,000)	0	0

**To**

Department	Infrastructure & Environment	2022/23	2023/24	2024/25
Service	Housing Strategy & Services	£	£	£
Budget Head	Third Party Payments	52,000	0	0

**Because**

Projected additional income through Second Homes Council Tax forecast (£52k).
---

**4 Virement is required from**

Department	Financed by	2022/23	2023/24	2024/25
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(5,468,150)	0	0

**To**

Department	Resilient Communities	2022/23	2023/24	2024/25
Service	Customer Advice & Support Services	£	£	£
Budget Head	Employee Costs	62,000	0	0
Budget Head	Transfer Payments	5,406,150	0	0

Total	5,468,150	0	0
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**Because**

Additional Scottish Government funding for £150 Cost of Living Payments to Low Income Households (£5,406k) and Adult Disability Payment information gathering (£62k).
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Budget Virement Requirement

Infrastructure & Environment

No. of Virements 1

**1 Virement is required from**

Department	Infrastructure & Environment	2022/23	2023/24	2024/25
Service	Housing Strategy & Services	£	£	£
Budget Head	Third Party Payments	(4,025,000)	4,025,000	0

**To**

Department		2022/23	2023/24	2024/25
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	4,025,000	(4,025,000)	0

**Because**

To earmark Second Homes Council Tax budget into 2023/24 to support future investment in affordable housing.

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## **MONITORING OF THE CAPITAL FINANCIAL PLAN 2022/23**

**Report by Acting Chief Financial Officer**

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### **EXECUTIVE COMMITTEE**

**16 August 2022**

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

- 1.1 This report updates the Executive Committee on the progress of the 2022/23 Capital Financial Plan and seeks approval for virements and the reallocation of funds.**
- 1.2 The monitoring tables in Appendix 1 report on actual expenditure to 30 June 2022. Key issues and highlights identified in these tables are summarised within this report.
- 1.3 The June month end position reflects a projected outturn of £113.190m with a net budget variance of £0.342m. This includes net timing movements from 2022/23 of £0.792m.
- 1.4 A number of macro-economic factors continue to affect the Capital Plan in 2022/23. Unprecedented levels of inflation along with disruption in the construction materials supply chain continues to impact on the wider economy and consequently the Council. A surge in demand coupled with constraints on supply has led to price increases, shortages and longer lead times. The impact of this on tender prices for major projects and the wider Capital Plan continues to be assessed.
- 1.5 Current legally committed projects have a small risk of impact and block programmes of work can operate within a cash constrained budget and are considered lower risk, however would impact on the scale of project delivery from the blocks. The most significant risk therefore lies in the contracts being tendered this year which may result in a budget pressure. Any financial implications from these market conditions will be reported through the regular budget monitoring cycle with any longer term impacts reflected in the financial planning process. In anticipation of inflationary pressures an inflation contingency of £1.253m was established at the 2021/22 year end to support potential budget pressures. Through this first quarterly monitoring process this contingency has been increased by a further £0.179m, giving a revised contingency of £1.432m to support the Capital Plan as the year progresses.
- 1.6 Appendix 2 contains a list of the block allocations approved for this year and the various approved and proposed projects to be allocated from them within the 2022/23 Capital Plan.
- 1.7 Appendix 3 contains a list of estimated whole project capital costs for single projects which will not be completed in the current financial year.

## **2 RECOMMENDATIONS**

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

- (a) Agrees the projected outturn in Appendix 1 as the revised capital budget and approves the virements required;**
- (b) Notes the budget virements previously approved by Directors, detailed in Appendix 2, under delegated authority;**
- (c) Notes the list of block allocations detailed in Appendix 2; and**
- (d) Notes the list of whole project costs detailed in Appendix 3.**

### 3 BACKGROUND

- 3.1 The Council approved the Capital Plan for the period 2022/23 to 2031/32 on 22 February 2022, which has subsequently been updated to reflect budget adjustments, associated timing movements and other approvals.
- 3.2 The table below shows the movements in the resources of the Capital Plan through 2022/23:

	<b>£000s</b>
<b>Capital Plan 2022/23 as approved at Council 22 February 2022</b>	<b>103.318</b>
Netherdale pitch replacement – Executive Committee 1 <sup>st</sup> March 2022	0.425
Land at Easter Langlee, Galashiels – Executive Committee 22 <sup>nd</sup> March 2022	0.132
Timing movements and budget adjustments reported as part of out-turn 2021/22	8.973
<b>Revised Capital Plan 2022/23</b>	<b>112.848</b>

- 3.3 The presentation of the monitoring tables in Appendix 1 focuses on the three year Operational Plan of the approved 10 year Capital Financial Plan. The first section of the tables in Appendix 1 focuses in detail on the 2022/23 position, there are three columns each for 2023/24 and 2024/25 and then three columns for the 7 year strategic plan 2025/26 to 2031/32. For 2022/23 the variance between the latest approved budget and the projected outturn is analysed between timing movements between financial years and absolute changes in costs (budget movements). For 2023/24 and 2024/25 the table presents the impact of the total variance projected between the latest approved budget and projected outturn. Below the tables, a narrative is provided where appropriate.
- 3.4 This report is the first monitoring report in the planned reporting schedule for 2022/23.

### 4 MONITORING THE PLAN

- 4.1 Appendix 1 to this report contains the budget monitoring tables. The actual expenditure to 30 June 2022 is shown together with the projected outturn for the full financial year and where appropriate contains an explanation of budget movements. Appendix 2 also contains any budget and timing movements approved by Directors under the Financial Regulations approved in January 2022.
- 4.2 The actual expenditure to 30 June 2022 has been adjusted for any credit balances for accrued expenses from 2022/23 which have not yet been invoiced.
- 4.3 Appendix 2 contains a summary for each block allocation within the 2022/23 Capital Plan of approved and proposed proposals for various projects and programmes.
- 4.4 Appendix 3 contains a list of estimated whole project capital costs for single projects where the project will not be completed in the current financial year.

## 5 HIGHLIGHTS

5.1 As reflected in Appendix 1, there are some timing movements with regards to the funding and expenditure associated with projects.

5.2 Key highlights from variances in Appendix 1 are:

**a) Cycling Walking & Safer Routes**

Create budgets to reflect additional grant from Scottish Government of £234k for the purpose of undertaking works for local cycling, walking and safer routes projects.

**b) Roads & Bridges -inc. RAMP, Winter Damage & Slopes**

Create budgets to reflect additional funding from the Scottish Forestry Strategic Timber Transport Scheme and partner contributions of £477k to undertake improvement works at the D172-6 Harehead and B6357 east of Swinnie.

**c) Roundabout at Easter Langlee, Galashiels**

Create budgets to reflect development contributions of £495k for construction of new roundabout at Easter Langlee, Galashiels

**d) Hawick Regeneration Block**

The Hawick Business Centre project has commenced on site and is progressing well. There were delays in concluding the procurement prior to the construction and this has had an impact on the projected spend in 2022/23, with a timing movement of £851k to 2023/24 now required.

5.3 **Emergency & Unplanned Schemes**

The table below provides an update on the position for Emergency & Unplanned Schemes showing no movement from the budget approved in February 2022.

<b>Emergency &amp; Unplanned</b>	<b>£000s</b>
Budget as Approved at Council 22 February 2022	0.175
<b>Current balance</b>	<b>0.175</b>

## 6 IMPLICATIONS

6.1 **Financial**

There are no financial implications beyond those contained in the report and Appendices 1-3.

6.2 **Risk and Mitigations**

At the end of June 2022, actual expenditure totalled £8.685m which represents 8% of the projected outturn, excluding the impact of year end accruals. There is a risk of further timing movements this financial year some of which has already been highlighted in narrative in Appendix 1. It is vital that capital budgets continue to be monitored carefully through the Project Managers and that their outturn projections are as accurate as possible. This is important as optimism bias by managers with respect to spend profiles may result in the council borrowing in advance of need and thereby incurring the cost of carrying surplus funds.

**6.3 Integrated Impact Assessment**

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

**6.4 Sustainable Development Goals**

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

**6.5 Climate Change**

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

**6.6 Rural Proofing**

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

**6.7 Data Protection Impact Statement**

There are no personal data implications arising from the proposals contained in this report.

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

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

**7 CONSULTATION**

- 7.1 The Director (Finance & Corporate Governance), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have been consulted and any comments have been incorporated into the final report.
- 7.2 The Director Infrastructure & Environment has been consulted in the preparation of this report and the content of the detailed appendices.

**Approved by**

**Suzy Douglas**  
**Acting Chief Financial Officer**

**Signature .....**

**Author(s)**

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

**Background Papers:** n/a  
**Previous Minute Reference:** n/a

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

Contact us at Suzy Douglas, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA; Tel: 01835 824000 X5881.

Scottish Borders Council  
Capital Financial Plan

SUMMARY	2022/23				2023/24			2024/25			2025/26 - 2031/32		
	Actual to 30/06/22	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	509	2,000	2,000	0	2,000	0	2,000	2,000	0	2,000	14,000	0	14,000
Non Plant & Vehicle Fund	42	105	82	22	0	0	0	0	0	0	0	0	0
Flood & Coastal Protection	3,091	27,497	27,497	0	16,188	0	16,188	828	0	828	3,483	0	3,483
Land and Property Infrastructure	467	8,351	8,108	243	2,646	0	2,646	2,505	0	2,505	17,010	0	17,010
Road & Transport Infrastructure	1,977	12,376	11,560	816	8,224	390	8,614	9,404	0	9,404	53,126	0	53,126
Waste Management	58	462	462	0	101	0	101	106	0	106	910	0	910
<b>Total Infrastructure &amp; Environment</b>	<b>6,145</b>	<b>50,791</b>	<b>49,709</b>	<b>1,081</b>	<b>29,159</b>	<b>390</b>	<b>29,549</b>	<b>14,843</b>	<b>0</b>	<b>14,843</b>	<b>88,529</b>	<b>0</b>	<b>88,529</b>
Corporate	730	12,927	12,927	0	3,949	0	3,949	184	0	184	1,187	0	1,187
<b>Total Corporate Services</b>	<b>730</b>	<b>12,927</b>	<b>12,927</b>	<b>0</b>	<b>3,949</b>	<b>0</b>	<b>3,949</b>	<b>184</b>	<b>0</b>	<b>184</b>	<b>1,187</b>	<b>0</b>	<b>1,187</b>
School Estate	837	25,689	25,605	84	42,444	(84)	42,360	65,541	0	65,541	63,465	0	63,465
<b>Total Learning Estate</b>	<b>837</b>	<b>25,689</b>	<b>25,605</b>	<b>84</b>	<b>42,444</b>	<b>(84)</b>	<b>42,360</b>	<b>65,541</b>	<b>0</b>	<b>65,541</b>	<b>63,465</b>	<b>0</b>	<b>63,465</b>
Sports Infrastructure	258	2,265	2,280	(15)	584	15	599	595	0	595	6,585	0	6,585
Culture & Heritage	60	630	630	0	0	0	0	0	0	0	0	0	0
<b>Total Culture &amp; Sport</b>	<b>318</b>	<b>2,895</b>	<b>2,910</b>	<b>(15)</b>	<b>584</b>	<b>15</b>	<b>599</b>	<b>595</b>	<b>0</b>	<b>595</b>	<b>6,585</b>	<b>0</b>	<b>6,585</b>
Economic Regeneration	403	15,286	16,154	(868)	30,475	861	31,336	23,371	0	23,371	45,270	0	45,270
Housing Strategy & Services	53	550	669	(119)	500	0	500	500	0	500	3,500	0	3,500
<b>Total Economic Regeneration</b>	<b>457</b>	<b>15,836</b>	<b>16,823</b>	<b>(987)</b>	<b>30,975</b>	<b>861</b>	<b>31,836</b>	<b>23,871</b>	<b>0</b>	<b>23,871</b>	<b>48,770</b>	<b>0</b>	<b>48,770</b>
Emergency & Unplanned Schemes	0	1,607	1,428	179	175	0	175	175	0	175	1,225	0	1,225
<b>Total Emergency &amp; Unplanned Schemes</b>	<b>0</b>	<b>1,607</b>	<b>1,428</b>	<b>179</b>	<b>175</b>	<b>0</b>	<b>175</b>	<b>175</b>	<b>0</b>	<b>175</b>	<b>1,225</b>	<b>0</b>	<b>1,225</b>
Social Care Infrastructure	199	3,446	3,446	0	10,600	0	10,600	1,569	0	1,569	8,773	0	8,773
<b>Total Social Care Infrastructure</b>	<b>199</b>	<b>3,446</b>	<b>3,446</b>	<b>0</b>	<b>10,600</b>	<b>0</b>	<b>10,600</b>	<b>1,569</b>	<b>0</b>	<b>1,569</b>	<b>8,773</b>	<b>0</b>	<b>8,773</b>
Planned Programming Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Planned Programming Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Scottish Borders Council</b>	<b>8,685</b>	<b>113,190</b>	<b>112,848</b>	<b>342</b>	<b>117,886</b>	<b>1,182</b>	<b>119,068</b>	<b>106,778</b>	<b>0</b>	<b>106,778</b>	<b>218,534</b>	<b>0</b>	<b>218,534</b>

Scottish Borders Council  
Capital Financial Plan

		2022/23				2023/24			2024/25			2025/26 - 2031/32		
	R A G	Actual to 30/06/22 £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
<b>Plant &amp; Vehicle Fund</b>														
Plant & Vehicle Replacement - P&V Fund	G	509	2,000	2,000	0	2,000	0	2,000	2,000	0	2,000	14,000	0	14,000
		<b>509</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>14,000</b>	<b>0</b>	<b>14,000</b>
<b>Non-Plant &amp; Vehicle Fund</b>														
Other Fleet - Electric Vehicles	G	22	22	0	22	0	0	0	0	0	0	0	0	0
Other Fleet - Electric Vehicles - Infrastructure	G	20	82	82	0	0	0	0	0	0	0	0	0	0
		<b>42</b>	<b>105</b>	<b>82</b>	<b>22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Flood &amp; Coastal Protection</b>														
Flood Prevention Works & Scheme Preparation	G	74	600	600	0	372	0	372	372	0	372	2,604	0	2,604
General Flood Protection Block	G	15	130	130	0	0	0	0	0	0	0	0	0	0
Hawick Flood Protection	G	3,002	26,767	26,767	0	15,816	0	15,816	456	0	456	879	0	879
		<b>3,091</b>	<b>27,497</b>	<b>27,497</b>	<b>0</b>	<b>16,188</b>	<b>0</b>	<b>16,188</b>	<b>828</b>	<b>0</b>	<b>828</b>	<b>3,483</b>	<b>0</b>	<b>3,483</b>
<b>Land and Property Infrastructure</b>														
Asset Rationalisation	G	114	1,304	1,304	0	0	0	0	0	0	0	0	0	0
Building Upgrades	G	33	571	571	0	437	0	437	437	0	437	4,181	0	4,181
Energy Efficiency Works	G	7	2,359	2,359	0	1,045	0	1,045	1,045	0	1,045	7,315	0	7,315
Health and Safety Works	G	58	703	703	0	400	0	400	400	0	400	3,400	0	3,400
Play Areas & Outdoor Community Spaces	G	129	2,137	1,995	142	764	0	764	518	0	518	1,131	0	1,131
Jedburgh High Street Building	G	124	512	512	0	0	0	0	0	0	0	0	0	0
Coldstream Cemetery Development	G	2	174	234	(60)	0	0	0	0	0	0	0	0	0
Cemetery Land Acquisition & Development	G	0	295	295	0	0	0	0	105	0	105	983	0	983
Innerleithen Gypsy/Traveller Site	G	0	3	3	0	0	0	0	0	0	0	0	0	0
Land at Easter Langlee, Galashiels (inc. Roundabout)	G	1	132	132	0	0	0	0	0	0	0	0	0	0
Nature Restoration Fund	G	0	161	0	161	0	0	0	0	0	0	0	0	0
		<b>467</b>	<b>8,351</b>	<b>8,108</b>	<b>243</b>	<b>2,646</b>	<b>0</b>	<b>2,646</b>	<b>2,505</b>	<b>0</b>	<b>2,505</b>	<b>17,010</b>	<b>0</b>	<b>17,010</b>



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		2022/23				2023/24			2024/25			2025/26 - 2031/32		
	R A G	Actual to 30/06/22 £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
<b>Road &amp; Transport Infrastructure</b>														
Cycling Walking & Safer Streets	A	76	638	404	234	404	0	404	404	0	404	1,886	0	1,886
Engineering Minor Works	G	0	14	14	0	0	0	0	0	0	0	0	0	0
Lighting Asset Management Plan	G	25	160	160	0	160	0	160	160	0	160	1,120	0	1,120
Street Lighting Energy Efficiency Project	G	(0)	0	0	0	0	0	0	0	0	0	0	0	0
Peebles Bridge	G	0	0	0	0	0	0	0	0	0	0	420	0	420
Reston Station Contribution	G	0	600	600	0	0	0	0	1,740	0	1,740	0	0	0
Roads & Bridges -inc. RAMP, Winter Damage & Slopes	A	1,844	8,784	8,307	477	7,660	0	7,660	7,100	0	7,100	49,700	0	49,700
Drainage, Kelso	G	0	50	50	0	0	0	0	0	0	0	0	0	0
Galashiels Transport Interchange	G	0	17	17	0	0	0	0	0	0	0	0	0	0
Union Chain Bridge	G	2	358	358	0	0	0	0	0	0	0	0	0	0
Roundabout at Easter Langlee, Galashiels	A	0	105	0	105	0	390	390	0	0	0	0	0	0
Eddleston Water Path	G	30	1,650	1,650	0	0	0	0	0	0	0	0	0	0
		<b>1,977</b>	<b>12,376</b>	<b>11,560</b>	<b>816</b>	<b>8,224</b>	<b>390</b>	<b>8,614</b>	<b>9,404</b>	<b>0</b>	<b>9,404</b>	<b>53,126</b>	<b>0</b>	<b>53,126</b>
<b>Waste Management</b>														
GRC - Improved Skip Infrastructure	G	0	4	4	0	0	0	0	0	0	0	0	0	0
Easter Langlee Cell Provision	G	0	59	59	0	0	0	0	0	0	0	0	0	0
Easter Langlee Leachate Management Facility	G	0	140	140	0	0	0	0	0	0	0	0	0	0
New Easter Langlee Waste Transfer Station	G	0	62	62	0	0	0	0	0	0	0	0	0	0
Closed Landfill Site- Health & Safety Works	G	0	30	30	0	0	0	0	0	0	0	0	0	0
Wheeled Bins (100 in total) - Street Cleansing	G	0	52	52	0	0	0	0	0	0	0	0	0	0
Waste Containers	G	58	115	115	0	101	0	101	106	0	106	910	0	910
		<b>58</b>	<b>462</b>	<b>462</b>	<b>0</b>	<b>101</b>	<b>0</b>	<b>101</b>	<b>106</b>	<b>0</b>	<b>106</b>	<b>910</b>	<b>0</b>	<b>910</b>
<b>Total Infrastructure &amp; Environment</b>		<b>6,145</b>	<b>50,790</b>	<b>49,709</b>	<b>1,081</b>	<b>29,159</b>	<b>390</b>	<b>29,549</b>	<b>14,843</b>	<b>0</b>	<b>14,843</b>	<b>88,529</b>	<b>0</b>	<b>88,529</b>

Scottish Borders Council  
Capital Financial Plan

<p><b>Non-Plant &amp; Vehicle Fund</b></p> <p>Other Fleet - Electric Vehicles</p>	<p>Gross up external funding for electric vehicles.</p>
<p><b>Flood &amp; Coastal Protection</b></p> <p>Flood Prevention Works &amp; Scheme Preparation</p>	<p>See appendix 2 for block re-allocation.</p>
<p><b>Land and Property Infrastructure</b></p> <p>Asset Rationalisation Building Upgrades Health and Safety Works Play Areas &amp; Outdoor Community Spaces Coldstream Cemetery Development Nature Restoration Fund</p>	<p>See appendix 2 for block re-allocation. See appendix 2 for block re-allocation. See appendix 2 for block re-allocation. See appendix 2 for block re-allocation. Returning projected underspend in project budget to Inflation Contingency Gross up 2022/23 funding from Scottish Government to support new or enhance existing approaches to restoring biodiversity.</p>
<p><b>Road &amp; Transport Infrastructure</b></p> <p>Cycling Walking &amp; Safer Streets Roads &amp; Bridges -Inc. RAMP, Winter Damage &amp; Slopes Roundabout at Easter Langlee, Galashiels</p>	<p>Gross up additional Scottish Government funding of £234k for Cycling, Walking &amp; Safer Routes Projects. Gross up external funding from the Strategic Timber Transport Scheme (STTS) and other partners at D172-6 Harehead (£267k) and B6357 East of Swinnie (£210k). See appendix 2 for block re-allocation. Gross up development contributions for roundabout construction (£495k).</p>

Scottish Borders Council  
Capital Financial Plan

		2022/23				2023/24			2024/25			2025/26 - 2031/32		
	R A G	Actual to 30/06/22 £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
<b>Corporate</b>														
ICT - Outwith CGI Scope	G	8	24	24	0	24	0	24	56	0	56	536	0	536
Inspire Learning	G	1	110	110	0	683	0	683	128	0	128	338	0	338
Digital Transformation	G	721	12,793	12,793	0	3,242	0	3,242	0	0	0	313	0	313
		<b>730</b>	<b>12,927</b>	<b>12,927</b>	<b>0</b>	<b>3,949</b>	<b>0</b>	<b>3,949</b>	<b>184</b>	<b>0</b>	<b>184</b>	<b>1,187</b>	<b>0</b>	<b>1,187</b>
<b>Total Corporate</b>		<b>730</b>	<b>12,927</b>	<b>12,927</b>	<b>0</b>	<b>3,949</b>	<b>0</b>	<b>3,949</b>	<b>184</b>	<b>0</b>	<b>184</b>	<b>1,187</b>	<b>0</b>	<b>1,187</b>

Scottish Borders Council  
Capital Financial Plan

		2022/23				2023/24			2024/25			2025/26 - 2031/32		
	R A G	Actual to 30/06/22	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
<b>Learning Estate</b>														
Early Years Expansion	G	13	3,059	3,059	0	0	0	0	0	0	0	0	0	0
Jedburgh Learning Campus	G	0	15	15	0	0	0	0	0	0	0	0	0	0
Eyemouth Primary School	G	5	84	0	84	3,444	(84)	3,360	7,402	0	7,402	4,000	0	4,000
Earlston Primary School	G	134	8,717	8,717	0	4,163	0	4,163	225	0	225	0	0	0
Gala Academy	G	331	5,713	5,713	0	13,000	0	13,000	27,100	0	27,100	7,935	0	7,935
New Hawick High School	G	3	617	617	0	937	0	937	8,624	0	8,624	38,039	0	38,039
School Estate Block	G	33	2,219	2,219	0	1,800	0	1,800	1,790	0	1,790	12,530	0	12,530
Inspire Academy	G	14	944	944	0	0	0	0	0	0	0	0	0	0
Peebles High School	G	304	4,321	4,321	0	19,100	0	19,100	20,400	0	20,400	961	0	961
		<b>837</b>	<b>25,689</b>	<b>25,605</b>	<b>84</b>	<b>42,444</b>	<b>(84)</b>	<b>42,360</b>	<b>65,541</b>	<b>0</b>	<b>65,541</b>	<b>63,465</b>	<b>0</b>	<b>63,465</b>
<b>Total Learning Estate</b>		<b>837</b>	<b>25,689</b>	<b>25,605</b>	<b>84</b>	<b>42,444</b>	<b>(84)</b>	<b>42,360</b>	<b>65,541</b>	<b>0</b>	<b>65,541</b>	<b>63,465</b>	<b>0</b>	<b>63,465</b>
<b>Learning Estate</b>														
Eyemouth Primary School		Acceleration of budget of £84k from 2023/24 to cover external design, project and cost management services.												
School Estate Block		See appendix 2 for block re-allocation.												

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	R A G	2022/23				2023/24			2024/25			2025/26 - 2031/32		
		Actual to 30/06/22	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
<b>Sports Infrastructure</b>														
Culture & Sports Trusts - Plant & Services	G	0	299	299	0	215	0	215	215	0	215	1,955	0	1,955
Netherdale Spectator Stand	G	258	1,202	1,202	0	0	0	0	0	0	0	0	0	0
Floodlighting	G	0	4	4	0	0	0	0	0	0	0	0	0	0
Netherdale Pitch Replacement	G	0	402	417	(15)	0	15	15	0	0	0	0	0	0
Synthetic Pitch Replacement Fund	G	0	358	358	0	369	0	369	380	0	380	4,630	0	4,630
		<b>258</b>	<b>2,265</b>	<b>2,280</b>	<b>(15)</b>	<b>584</b>	<b>15</b>	<b>599</b>	<b>595</b>	<b>0</b>	<b>595</b>	<b>6,585</b>	<b>0</b>	<b>6,585</b>
<b>Culture &amp; Heritage</b>														
Jim Clark Museum	G	11	19	19	0	0	0	0	0	0	0	0	0	0
Public Hall Upgrades	G	0	281	281	0	0	0	0	0	0	0	0	0	0
Walter Scott Court House - Phase 2	G	49	330	330	0	0	0	0	0	0	0	0	0	0
		<b>60</b>	<b>630</b>	<b>630</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Culture &amp; Sport</b>		<b>318</b>	<b>2,895</b>	<b>2,910</b>	<b>(15)</b>	<b>584</b>	<b>15</b>	<b>599</b>	<b>595</b>	<b>0</b>	<b>595</b>	<b>6,585</b>	<b>0</b>	<b>6,585</b>

<b>Sports Infrastructure</b>		
Netherdale Pitch Replacement	Works ongoing, completion expected this summer. Small timing movement into 23/24 to cover costs to be billed 12 months following completion.	

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	R A G	2022/23				2023/24			2024/25			2025/26 - 2031/32		
		Actual to 30/06/22	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
<b>Economic Regeneration</b>														
Borders Town Centre Regeneration Block	G	166	1,876	1,893	(17)	70	0	70	70	0	70	670	0	670
Borders Innovation Park	G	21	500	500	0	4,522	0	4,522	6,183	0	6,183	3,405	0	3,405
Newtown St Boswells Regeneration	G	0	224	224	0	120	0	120	56	0	56	0	0	0
Eyemouth Regeneration	G	150	254	254	0	0	0	0	0	0	0	0	0	0
Hawick Regeneration Block	A	9	1,640	2,491	(851)	0	861	861	0	0	0	0	0	0
Galashiels Town Centre Regeneration	G	0	415	415	0	0	0	0	0	0	0	0	0	0
Borderlands	G	0	9,939	9,939	0	25,763	0	25,763	17,062	0	17,062	41,195	0	41,195
Access to Employment Land, Duns	G	0	110	110	0	0	0	0	0	0	0	0	0	0
Earlston Business Relocation	G	57	328	328	0	0	0	0	0	0	0	0	0	0
		<b>403</b>	<b>15,286</b>	<b>16,154</b>	<b>(868)</b>	<b>30,475</b>	<b>861</b>	<b>31,336</b>	<b>23,371</b>	<b>0</b>	<b>23,371</b>	<b>45,270</b>	<b>0</b>	<b>45,270</b>
<b>Housing Strategy &amp; Services</b>														
Private Sector Housing Grant - Adaptations	G	53	550	669	(119)	500	0	500	500	0	500	3,500	0	3,500
		<b>53</b>	<b>550</b>	<b>669</b>	<b>(119)</b>	<b>500</b>	<b>0</b>	<b>500</b>	<b>500</b>	<b>0</b>	<b>500</b>	<b>3,500</b>	<b>0</b>	<b>3,500</b>
<b>Total Economic Development &amp; Corporate Services</b>		<b>457</b>	<b>15,835</b>	<b>16,823</b>	<b>(987)</b>	<b>30,975</b>	<b>861</b>	<b>31,836</b>	<b>23,871</b>	<b>0</b>	<b>23,871</b>	<b>48,770</b>	<b>0</b>	<b>48,770</b>

<b>Economic Regeneration</b>	
Borders Town Centre Regeneration Block Hawick Regeneration Block	Gross down funding from Scottish Government due to underspend in 2021/22 Place Based Investment Programme (£17k). Contract now awarded for Hawick Business Centre, timing movement to align with revised project timescales (£861k). Gross up additional income (£10k) from South of Scotland Enterprise (SOSE) for landscaping works at Galalaw Access Road.
<b>Housing Strategy &amp; Services</b>	
Private Sector Housing Grant - Adaptations	Revised forecast costs of £550k releasing £119k to Inflation Contingency

Scottish Borders Council  
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		2022/23				2023/24			2024/25			2025/26 - 2031/32		
	R A G	Actual to 30/06/22 £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
<b>Emergency &amp; Unplanned Schemes</b>														
Emergency & Unplanned Schemes	G	0	175	175	0	175	0	175	175	0	175	1,225	0	1,225
Inflation Contingency	A	0	1,432	1,253	179	0	0	0	0	0	0	0	0	0
		<b>0</b>	<b>1,607</b>	<b>1,428</b>	<b>179</b>	<b>175</b>	<b>0</b>	<b>175</b>	<b>175</b>	<b>0</b>	<b>175</b>	<b>1,225</b>	<b>0</b>	<b>1,225</b>
<b>Total Emergency &amp; Unplanned Schemes</b>		<b>0</b>	<b>1,607</b>	<b>1,428</b>	<b>179</b>	<b>175</b>	<b>0</b>	<b>175</b>	<b>175</b>	<b>0</b>	<b>175</b>	<b>1,225</b>	<b>0</b>	<b>1,225</b>

<b>Emergency &amp; Unplanned Schemes</b>														
Inflation Contingency		Transfer available budget from Private Sector Housing Grant - Adaptations (£119k) and Coldstream Cemetery (£60k)												

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		2022/23				2023/24			2024/25			2025/26 - 2031/32		
	R A G	Actual to 30/06/22 £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
<b>Social Care Infrastructure</b>														
Care Inspectorate Requirements & Upgrades	G	2	40	40	0	41	0	41	41	0	41	301	0	301
Technology Enabled Care	G	10	51	51	0	0	0	0	0	0	0	0	0	0
Residential Care Accommodation - Upgrades	G	91	1,262	1,262	0	0	0	0	0	0	0	0	0	0
2 Residential Care Homes	G	97	2,093	2,093	0	10,559	0	10,559	1,528	0	1,528	8,472	0	8,472
		<b>199</b>	<b>3,446</b>	<b>3,446</b>	<b>0</b>	<b>10,600</b>	<b>0</b>	<b>10,600</b>	<b>1,569</b>	<b>0</b>	<b>1,569</b>	<b>8,773</b>	<b>0</b>	<b>8,773</b>
<b>Total Social Work &amp; Practice</b>		<b>199</b>	<b>3,446</b>	<b>3,446</b>	<b>0</b>	<b>10,600</b>	<b>0</b>	<b>10,600</b>	<b>1,569</b>	<b>0</b>	<b>1,569</b>	<b>8,773</b>	<b>0</b>	<b>8,773</b>



Scottish Borders Council  
Capital Financial Plan

CAPITAL FINANCING	2022/23			2023/24			2024/25			2025/26 - 2031/32		
	Projected	Latest	Variance	Latest	Variance	Projected	Latest	Variance	Projected	Latest	Variance	Projected
	Outturn	Approved		Approved		Approved	Approved		Approved	Approved		Approved
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>C9001 - Capital - General Capital Grant</b>												
Capital - General Capital Grant	(3,423)	(3,423)	0	(10,666)	0	(10,666)	(10,666)	0	(10,666)	(74,662)	0	(74,662)
Hawick Flood Protection	(17,509)	(17,509)	0	(10,147)	0	(10,147)	(148)	0	(148)	(879)	0	(879)
Renewal of Play Parks	(117)	(117)	0	0	0	0	0	0	0	0	0	0
Flood Prevention Works & Scheme Preparation	(592)	(592)	0	(372)	0	(372)	(372)	0	(372)	(2,604)	0	(2,604)
School Estate Block	(7)	(7)	0	0	0	0	0	0	0	0	0	0
Nature Restoration Fund	(161)	0	(161)	0	0	0	0	0	0	0	0	0
Local Bridge Maintenance Fund	(68)	(68)	0	0	0	0	0	0	0	0	0	0
<b>C9002 - Scottish Government Specific Capital Grant</b>												
Cycling Walking & Safer Streets	(638)	(404)	(234)	(404)	0	(404)	(404)	0	(404)	(1,886)	0	(1,886)
Roads & Bridges -inc. RAMP, Winter Damage & Slopes (CWSS)	(100)	(100)	0	(100)	0	(100)	(100)	0	(100)	(100)	0	(100)
Low Carbon Infrastructure Transformation (LCITP) Smart Grid	(351)	(351)	0	0	0	0	0	0	0	0	0	0
Early Years Expansion	(3,059)	(3,059)	0	0	0	0	0	0	0	0	0	0
	<b>(4,148)</b>	<b>(3,914)</b>	<b>(234)</b>	<b>(504)</b>	<b>0</b>	<b>(504)</b>	<b>(504)</b>	<b>0</b>	<b>(504)</b>	<b>(1,986)</b>	<b>0</b>	<b>(1,986)</b>
<b>C9003 - Other Grants &amp; Contributions - Capital</b>												
Other Fleet - Electric Vehicles	(22)	0	(22)	0	0	0	0	0	0	0	0	0
Other Fleet - Electric Vehicles - Infrastructure	(82)	(82)	0	0	0	0	0	0	0	0	0	0
Hawick Flood Protection	(5,300)	(5,300)	0	(3,132)	0	(3,132)	0	0	0	0	0	0
Play Areas & Outdoor Community Spaces	(219)	(77)	(142)	(133)	0	(133)	0	0	0	0	0	0
Roads & Bridges -inc. RAMP, Winter Damage & Slopes	(477)	0	(477)	0	0	0	0	0	0	0	0	0
Jim Clark Museum	(15)	(15)	0	0	0	0	0	0	0	0	0	0
Hawick Regeneration	(1,640)	(2,381)	741	0	(751)	(751)	0	0	0	0	0	0
Borders Town Centre Regeneration Block	(1,642)	(1,659)	17	0	0	0	0	0	0	0	0	0
Borders Innovation Park	0	0	0	(3,020)	0	(3,020)	(6,183)	0	(6,183)	(3,405)	0	(3,405)
Landfill Provision	(199)	(199)	0	0	0	0	0	0	0	0	0	0
Peebles High School Insurance Receipt	(3,442)	(3,442)	0	0	0	0	0	0	0	0	0	0
Eyemouth Regeneration	(223)	(223)	0	0	0	0	0	0	0	0	0	0
Borderlands (SG & Partners)	(9,939)	(9,939)	0	(25,763)	0	(25,763)	(16,430)	0	(16,430)	(41,195)	0	(41,195)
Earlston Primary School	(1,763)	(1,763)	0	0	0	0	0	0	0	0	0	0
Innerleithen Gypsy/Traveller Site	(3)	(3)	0	0	0	0	0	0	0	0	0	0
Eddleston Water Path	(1,650)	(1,650)	0	0	0	0	0	0	0	0	0	0
Access to Employment Land, Duns	(110)	(110)	0	0	0	0	0	0	0	0	0	0
Bridge Homes	(1,413)	0	(1,413)	0	0	0	0	0	0	0	0	0
Netherdale Pitch Replacement	(317)	(317)	0	0	0	0	0	0	0	0	0	0
	<b>(28,456)</b>	<b>(27,160)</b>	<b>(1,296)</b>	<b>(32,048)</b>	<b>(751)</b>	<b>(32,799)</b>	<b>(22,613)</b>	<b>0</b>	<b>(22,613)</b>	<b>(44,600)</b>	<b>0</b>	<b>(44,600)</b>

CAPITAL FINANCING	2022/23			2023/24			2024/25			2025/26 - 2031/32		
	Projected	Latest	Variance	Latest	Variance	Projected	Latest	Variance	Projected	Latest	Variance	Projected
	Outturn	Approved Budget	£000	Approved Budget	£000	£000	Approved Budget	£000	£000	Approved Budget	£000	£000
<b>C9004 - Capital Funded from Current Revenue (CFCR)</b>												
Digital Transformation	(7,000)	(7,000)	0	0	0	0	0	0	0	0	0	0
Land at Easter Langlee, Galashiels	(132)	(132)	0	0	0	0	0	0	0	0	0	0
	<b>(7,132)</b>	<b>(7,132)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C9005 - Development Contributions</b>												
Reston Station Contribution	0	0	0	0	0	0	(100)	0	(100)	0	0	0
Play Areas & Outdoor Community Spaces	0	0	0	(48)	0	(48)	0	0	0	(11)	0	(11)
Engineering Minor Works	(14)	(14)	0	0	0	0	0	0	0	0	0	0
Roundabout at Easter Langlee, Galashiels	(105)	0	(105)	0	(390)	(390)	0	0	0	0	0	0
School Estate Block	(57)	(57)	0	(100)	0	(100)	(100)	0	(100)	(700)	0	(700)
	<b>(176)</b>	<b>(71)</b>	<b>(105)</b>	<b>(148)</b>	<b>(390)</b>	<b>(538)</b>	<b>(200)</b>	<b>0</b>	<b>(200)</b>	<b>(711)</b>	<b>0</b>	<b>(711)</b>
<b>C9006 - Capital Receipts</b>												
General Capital Receipt	(685)	(685)	0	0	0	0	0	0	0	0	0	0
	<b>(685)</b>	<b>(685)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C9007 - Plant &amp; Vehicle Fund</b>												
Plant & Vehicle Replacement - P&V Fund	(2,000)	(2,000)	0	(2,000)	0	(2,000)	(2,000)	0	(2,000)	(14,000)	0	(14,000)
Artificial Synthetic Pitch Replacement Fund	(443)	(458)	15	(369)	(15)	(384)	(380)	0	(380)	(3,497)	0	(3,497)
	<b>(2,443)</b>	<b>(2,458)</b>	<b>15</b>	<b>(2,369)</b>	<b>(15)</b>	<b>(2,384)</b>	<b>(2,380)</b>	<b>0</b>	<b>(2,380)</b>	<b>(17,497)</b>	<b>0</b>	<b>(17,497)</b>
<b>C9008 - Capital Borrowing</b>												
	<b>(48,274)</b>	<b>(49,713)</b>	<b>1,439</b>	<b>(61,632)</b>	<b>(26)</b>	<b>(61,658)</b>	<b>(69,895)</b>	<b>0</b>	<b>(69,895)</b>	<b>(75,595)</b>	<b>0</b>	<b>(75,595)</b>
<b>TOTAL CAPITAL FUNDING</b>	<b>(113,190)</b>	<b>(112,848)</b>	<b>(342)</b>	<b>(117,886)</b>	<b>(1,182)</b>	<b>(119,068)</b>	<b>(106,778)</b>	<b>0</b>	<b>(106,778)</b>	<b>(218,534)</b>	<b>0</b>	<b>(218,534)</b>

	Latest approved budget £000's	Proposed Movement	Projected Outturn	Actuals to 30/06/2022
<b>Infrastructure &amp; Environment</b>				
<b>Flood &amp; Coastal Protection</b>				
<b>Flood Prevention Works &amp; Scheme Preparation</b>				
Galashiels Natural Flood Management	120	0	120	20
Flood Scheme Preparation Peebles	8	0	8	0
Community Resilience	10	0	10	7
Ettrick Valley Study	37	0	37	8
Lindean Study	12	0	12	0
Management Fee	30	0	30	0
Slitrig Study	31	0	31	0
Newcastleton Bund	85	0	85	0
Hawick Natural Flood Management	88	(32)	56	0
Hawick Surface Water Management Plan	10	0	10	0
Eyemouth Coastal	49	0	49	5
Dairy Mews Culvert, Galashiels	100	0	100	0
Minor Works	20	29	49	32
Flood Scheme Preparation Newcastleton	0	3	3	2
<b>Timing movement</b>		<b>0</b>		
	<b>600</b>	<b>0</b>	<b>600</b>	<b>74</b>
<b>General Flood Protection Block</b>				
Romanno Bridge Flood Bank	115	0	115	0
Community Resilience	0	0	0	0
Minor Works	15	0	15	15
Denholm Flood Works	0	0	0	0
Philiphough Estate	0	0	0	0
<b>Timing Movement</b>		<b>0</b>		
	<b>130</b>	<b>0</b>	<b>130</b>	<b>15</b>
<b>Land and Property Infrastructure</b>				
<b>Asset Rationalisation</b>				
Paton Street Galashiels - agile working	41	79	120	39
Old Canteen - surfacing works	32	(32)	0	0
Asset development and reconfiguration	880	(162)	718	42
Hawick Town Hall - agile working	240	0	240	14
St Mary's Mill, Selkirk Upgrade new Museum	4	0	4	0
Emergency Planning Centre	60	(20)	40	12
HQ The Cauld refurbishment/reconfiguration	32	0	32	0
Reiver Complex - demolition	0	75	75	1
Wilton PS, Hawick - demolition	0	15	15	3
Ednam, Kelso - demolition	0	17	17	2
Lilliesleaf - demolition	0	14	14	2
Wilton Centre, TU Hawick - demolition	0	14	14	0
Fees	0	0	0	0
Demolition - preliminaries, provisional sums, contingencies, surveys & fees etc. (incl. JCJ Grou	15	0	15	0
Unallocated Balance	0	0	0	0
<b>Timing movement</b>		<b>0</b>		
	<b>1,304</b>	<b>0</b>	<b>1,304</b>	<b>114</b>

	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 30/06/2022
<b>Building Upgrades</b>				
Lift infrastructure upgrades	188	(45)	143	0
1 Castlegate, Jedburgh roofing upgrade	0	2	2	4
Electrical Infrastructure management	28	0	28	1
Burnfoot PS window replacements	0	75	75	3
Burnfoot PS roofing upgrade	0	7	7	7
Hawick Library stonework minor refurbishment	33	0	33	1
Coldingham PS window replacements	0	5	5	5
Newby Court Units roofing upgrade	38	(25)	13	13
School toilet upgrades	80	0	80	0
Swinton PS Windows replacement	57	(57)	0	0
Newlands PS window replacement	13	0	13	0
Hillview Ind. Est Coldstream door replacements	45	0	45	0
Chirnside PS roofing upgrade - flat roof section	35	0	35	0
Duns depot window replacement	22	0	22	0
Schools resurfacing upgrades	35	0	35	0
Linglie Mill roofing & rainwater goods upgrade	35	0	35	0
Unallocated Balance	(38)	38	0	0
<b>Timing movement</b>		0		
	571	0	571	34
<b>Energy Efficiency Works</b>				
Low Carbon Infrastructure Transformation (LCITP) Smart Grid	806	0	806	7
Solar Photo Voltaic panels installation	200	0	200	0
Electric Vehicle Charger Points rollout	200	0	200	0
Broughton PS heating & lighting upgrade	90	0	90	0
Balmoral PS window replacement windows	93	0	93	0
Chirnside PS front elevation window replacement	350	0	350	0
Conversion of energy source (Oil to 'green' energy source)	245	0	245	0
Non Domestic Energy Efficiency (NDEE) PH2	375	0	375	0
Unallocated Balance	0	0	0	0
<b>Timing movement</b>		0		
	2,359	0	2,359	7
<b>Health and Safety Works</b>				
Legionella upgrade water tanks	50	(5)	45	8
Asbestos Management	30	0	30	2
School Security upgrade work	13	0	13	0
Drumlanrig Primary window upgrade	134	0	134	18
Innerleithen Library dry rot works	31	0	31	25
Lochpark Ind. Estate external H&S upgrades	0	5	5	5
6 School Brae, Peebles window refurbishment	69	(44)	25	0
St Ronan's Primary heating upgrade	75	0	75	0
Halyrude Primary electrical infrastructure upgrade	25	0	25	0
Southdean cemetery wall works	90	0	90	0
Makerstoun cemetery wall works	15	0	15	0
Stow cemetery wall works	10	0	10	0
Fire alarm systems upgrades	100	45	145	0
Council HQ tower concrete repairs	60	0	60	0
Unallocated Balance	1	(1)	0	0
<b>Timing movement</b>		0		
	703	0	703	58

	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 30/06/2022
<b>Play Areas &amp; Outdoor Community Spaces</b>				
Duns Public Park	197	41	238	0
Jedburgh Allerley Well Park	200	32	232	0
Jedburgh Skate Park	268	0	268	10
Peebles Victoria Park Skate Park	199	0	199	10
Reston	77	0	77	77
Gavinton	60	0	60	0
St Boswells Jenny Moore's Road	180	0	180	0
Newstead The Orchard	60	0	60	0
Selkirk Bog Park	60	0	60	0
Hawick Walled Garden Glass house	90	8	98	0
Duns Public Park Drainage Works (estimate)	58	0	58	0
Innerleithen Public Park Drainage & Surfacing Works (estimate £100-130k)	130	0	130	0
Management Fee	66	0	66	0
Play Facilities & Surfacing Review	0	32	32	32
Unallocated Balance	350	(113)	237	0
Longformacus	0	142	142	0
Gross up external funding for Longformacus		(142)		
<b>Timing movement</b>		0		
	<u>1,995</u>	<u>0</u>	<u>2,137</u>	<u>129</u>
<b>Cemetery Land Acquisition &amp; Development</b>				
Land acquisition & site development	295	0	295	
<b>Timing movement</b>		0		
	<u>295</u>	<u>0</u>	<u>295</u>	<u>0</u>

	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 30/06/2022
<b>Road &amp; Transport Infrastructure</b>				
<b>Cycling Walking &amp; Safer Streets</b>				
Cycle Related Activities	202	117	319	24
Walking Related Activities	202	117	319	52
Gross up additional funding		(234)		
<b>Timing movement</b>		<b>0</b>		
	<b>404</b>	<b>0</b>	<b>638</b>	<b>76</b>
<b>Lighting Asset Management Plan</b>				
Carnarvon Street, Hawick	30	0	30	0
Kenilworth Avenue, Galashiels	30	0	30	0
Queensway, Earlston	30	0	30	0
Craigerne Lane, Peebles	20	0	20	0
Langlee Drive, Galashiels	30	0	30	0
Marchmont Crescent, Greenlaw	10	0	10	7
Corroded Columns	10	0	10	17
<b>Timing movement</b>		<b>0</b>		
	<b>160</b>	<b>0</b>	<b>160</b>	<b>24</b>
<b>Roads &amp; Bridges -inc. RAMP, Winter Damage &amp; Slopes</b>				
Surface Dressing	2,500	550	3,050	1,290
Patching	2,512	8	2,520	220
Resurfacing/Overlays	1,319	(772)	547	120
Walls & Structures	250	0	250	27
Footways	250	0	250	52
Drainage	350	11	361	106
Masonry Refurbishment	1,011	0	1,011	29
Union Chain Bridge	115	0	115	0
STTS Schemes	0	680	680	0
Gross up STTS external funding	0	(477)	0	0
<b>Timing movement</b>		<b>0</b>		
	<b>8,307</b>	<b>0</b>	<b>8,784</b>	<b>1,844</b>
<b>Waste Management</b>				
<b>CRC - Improved Skip Infrastructure</b>				
Galashiels Community Recycling Centre	4	0	4	0
<b>Timing movement</b>		<b>0</b>		
	<b>4</b>	<b>0</b>	<b>4</b>	<b>0</b>

	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 30/06/2022
<b>Corporate</b>				
<b>ICT-Outwith CGI Scope</b>				
PC replacement	24	0	24	8
<b>Timing movement</b>		0		
	<u>24</u>	<u>0</u>	<u>24</u>	<u>8</u>
<b>Education &amp; Lifelong Learning</b>				
<b>Early Learning and Childcare</b>				
Early Years Expansion	3,059	0	3,059	13
<b>Timing movement</b>		0	0	
	<u>3,059</u>	<u>0</u>	<u>3,059</u>	<u>13</u>
<b>School Estate Block</b>				
<b>Improve and enhance school environments:</b>				
Outdoor Learning Provisions	510	(360)	150	5
Equipment & Furniture Replacement Programme (including white goods)		150	150	13
School Refurbishments	993	473	1,466	15
School toilet programme	213	(213)	0	0
<b>Meet security and legislative obligations</b>				
Kitchen refurbishment programme	63	(50)	13	0
Accessibility works	30	0	30	0
Secure receptions programme	80	0	80	0
<b>Urgent, unplanned and fees</b>				
Professional fees	180	0	180	0
Project closure contingencies	150	0	150	0
<b>Timing movement</b>		0		
	<u>2,219</u>	<u>0</u>	<u>2,219</u>	<u>33</u>
<b>Culture &amp; Sport</b>				
<b>Sports Infrastructure</b>				
<b>Culture &amp; Sports Trusts - Plant &amp; Services</b>				
Teviotdale LC - Replacement Pool Covers	8	0	8	0
Transform pH Correction (CO <sup>2</sup> to Sodium Hypochlorite) - All Pools	3	0	3	0
BMS upgrade	8	0	8	0
Legionella compliance	17	0	17	0
Tweedbank Bowls Calorifier	12	0	12	0
Selkirk Leisure Centre - calorifier replacement	15	0	15	0
Peebles Swimming Pool - circulation pumps	15	0	15	0
Eyemouth Leisure Centre - main air handling unit (AHU)	30	0	30	0
Kelso Swimming Pool - changing facilities & toilets	47	0	47	0
Peebles Swimming Pool - changing facilities, toilets, sauna, steam room	47	0	47	0
Gala Swimming Pool - pool pumps	8	0	8	0
Gala Swimming Pool - underwater lighting	6	0	6	0
Eyemouth Leisure Centre - secondary and main pool pumps & inverters	20	0	20	0
Eyemouth Leisure Centre - actuators pool heating	5	0	5	0
Peebles Swimming Pool - heat pumps	14	0	14	0
Selkirk Swimming Pool - roof mounted pool extract fans	9	0	9	0
Jedburgh Leisure Facilities Trust	12	0	12	0
Berwickshire Recreation Education Sports Trust	23	0	23	0
<b>Timing movement</b>		0		
	<u>299</u>	<u>0</u>	<u>299</u>	<u>0</u>

	Latest approved budget	Proposed Movement	Projected Outturn	Actuals to 30/06/2022
<b>Public Hall Upgrades</b>				
Corn Exchange/Ormiston Institute Refurbishment (bal)	1	0	1	0
Kelso Tait Hall refurbishment	173	0	173	0
Innerleithen Memorial Hall refurbishment	59	0	59	0
Selkirk Victoria Hall	25	0	25	0
PA systems (all venues)	23	0	23	0
<b>Timing movement</b>		<b>0</b>		
	<b>281</b>	<b>0</b>	<b>281</b>	<b>0</b>
<b>Corporate Improvement &amp; Economy</b>				
<b>Economic Regeneration</b>				
<b>Hawick Regeneration</b>				
Hawick Business Centre	2,491	(861)	1,630	9
Galalaw Access Road	0	10	10	0
Gross up income from SOSE		(10)		
<b>Timing movement</b>		<b>861</b>		
	<b>2,491</b>	<b>0</b>	<b>1,640</b>	<b>9</b>
<b>Eyemouth Regeneration</b>				
Former Fishmarket/Museum redevelopment	254	0	254	150
<b>Timing movement</b>		<b>0</b>		
	<b>254</b>	<b>0</b>	<b>254</b>	<b>150</b>
<b>Galashiels Town Centre Regeneration</b>				
Galashiels Masterplanning & Town Centre redevelopment	415	0	415	0
<b>Timing movement</b>		<b>0</b>		
	<b>415</b>	<b>0</b>	<b>415</b>	<b>0</b>
<b>Borders Town Centre Regeneration Block</b>				
Workshop Development	86	0	86	0
Town Centre Regeneration Enabling Works (Galashiels, Hawick, Eyemouth, Jedburgh, Selkirk)	135	0	135	0
Jedburgh Abbey Ramparts	13	0	13	0
<b>Place Based Investment Programme 2021/22:</b>				
Eyemouth - Waterfront Project	400	0	400	111
Galashiels - Town Centre Public Realm	20	0	20	17
Hawick Business Centre	80	0	80	0
Hawick Common Haugh Car Park	15	0	15	2
Craikhope Outdoor Centre improvements	20	0	20	20
Yetholm Community Shop	90	0	90	0
Peebles Burgh Hall	100	0	100	0
Unallocated Balance	17	(17)	0	0
Gross down SG unallocated PBIP 21/22 funding	0	17	0	0
<b>Place Based Investment Programme 2022/23</b>				
Yetholm Community Asset Development	126	0	126	17
Unallocated Balance	0	0	0	0
<b>Timing movement</b>		<b>0</b>		
	<b>1,893</b>	<b>0</b>	<b>1,876</b>	<b>166</b>
<b>Social Work &amp; Practice</b>				
<b>Social Care Infrastructure</b>				
<b>Care Inspectorate Requirements &amp; Upgrades</b>				
Block to be allocated post Care Inspectorate Inspection	40	(40)	0	
Grove House, Kelso		8	8	
St. Ronans, Peebles		8	8	
Saltgreens, Eyemouth		8	8	
Waverley, Galashiels		8	8	2
Day Services		8	8	
Unallocated Balance		0		
<b>Timing movement</b>		<b>0</b>		
	<b>40</b>	<b>0</b>	<b>40</b>	<b>2</b>



Scottish Borders Council  
Project Net Expenditure Summary

	2022/23					2023/24			2024/25			2025/26 - 2031/32			Total Project Cost £000
	Previous Years Life to Date	Actual to 30/06/22 £000	Latest Approved Budget £000	Variance £000	Projected Outturn £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	
<b>Flood &amp; Coastal Protection</b>															
01-C00223 - Hawick Flood Protection	47,954	3,002	26,767	0	26,767	15,816	0	15,816	456	0	456	879	0	879	91,872
<b>Road &amp; Transport Infrastructure</b>															
01-C00183 - Reston Station Contribution	500	0	600	0	600	0	0	0	1,740	0	1,740	0	0	0	2,840
01-C00162 - Union Chain Bridge	1,455	2	358	0	358	0	0	0	0	0	0	0	0	0	1,813
<b>Corporate</b>															
01-C100403 - Digital Transformation	11,727	721	12,793	0	12,793	3,242	0	3,242	0	0	0	313	0	313	28,075
<b>School Estate</b>															
Early Years Expansion	342	13	3,059	0	3,059	0	0	0	0	0	0	0	0	0	3,401
01-C100262 - Eyemouth Primary School	1,154	5	0	84	84	3,444	(84)	3,360	7,402	0	7,402	4,000	0	4,000	16,000
01-C100274 - Earlston Primary School	780	134	8,717	0	8,717	4,163	0	4,163	225	0	225	0	0	0	13,885
01-C100264 - Gala Academy	1,787	331	5,713	0	5,713	13,000	0	13,000	27,100	0	27,100	7,935	0	7,935	55,535
01-C100113 - Hawick High School	183	3	617	0	617	937	0	937	8,624	0	8,624	38,039	0	38,039	48,400
01-C100119 - Peebles High School	1,386	304	4,321	0	4,321	19,100	0	19,100	20,400	0	20,400	961	0	961	46,168
<b>Health &amp; Social Care</b>															
2 Residential Care Homes	177	2,093	2,093	0	2,093	10,559	0	10,559	1,528	0	1,528	8,472	0	8,472	22,829
<b>Economic Regeneration</b>															
01-C00205 - Central Borders Business Park	7,556	21	500	0	500	4,522	0	4,522	6,183	0	6,183	3,405	0	3,405	22,166
01-C1000 - Eyemouth Regeneration	1,120	150	254	0	254	0	0	0	0	0	0	0	0	0	1,374
Borderlands	0	0	9,939	0	9,939	25,763	0	25,763	17,062	0	17,062	41,195	0	41,195	93,959

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## **BALANCES AT 31 MARCH 2023**

**Report by Acting Chief Financial Officer**

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### **EXECUTIVE COMMITTEE**

**16 August 2022**

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

- 1.1 **This report provides the Executive Committee with an analysis of the Council's balances as at 31 March 2022 and advises Members of the projected balances at 31 March 2023.**
- 1.2 The unaudited Council's General Fund useable reserve (non-earmarked) balance was £9.848m at 31 March 2022. The General Fund useable reserve is projected, at this early stage in the financial year, to be at least £8.421m at 31 March 2023 in line with the Council's Financial Strategy.
- 1.3 The total of all useable balances, excluding development contributions, at 31 March 2023 is projected to be £39.126m, compared to £64.481m at 31 March 2022. The reduction in balances year to year is primarily due to the release of earmarked balances, carried forward from 2021/22, into the 2022/23 revenue budget and the deployment of £3.883m of the Recovery Fund in 2022/23.
- 1.4 The projected balance on the Capital Fund of £7.303m will be affected by any further capital receipts, developer contributions, interest credited and any expenditure authorised to be financed from the Fund during the remainder of the financial year.

#### **2 RECOMMENDATIONS**

- 2.1 **It is recommended that the Executive Committee:**
  - (a) **Notes the unaudited 2021/22 revenue balances at 31 March 2022;**
  - (b) **Notes the projected revenue balances as at 31 March 2023 as per Appendices 1 & 2; and**
  - (c) **Notes the projected balance in the Capital Fund as per Appendix 3.**

### 3 ACCOUNTS AND FUNDS OPERATED BY THE COUNCIL

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

- (a) General Fund
- (b) Corporate Property Repairs & Renewals Fund
- (c) Insurance Fund
- (d) Plant & Vehicles Renewals Fund
- (e) Pitch and Play Park Replacement Fund
- (f) Capital Fund

### 4 BALANCES

4.1 Appendix 1 summarises the projected transactions and resultant projected balances at 31 March 2023 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 and allocated reserves is projected to be at least **£8.421m** at 31 March 2023 which is in line with the recommended level included in the 2022/23 Financial Strategy approved by Council.

4.2 The projections in the statement attached in Appendices 1, 2 and 3 are based on actual expenditure and income to 30 June 2022 and are summarised in the table below.

	<b>31/03/21 £m</b>	<b>31/03/22 projection £m</b>	<b>Movement £m</b>
<b>BALANCES</b>			
Earmarked Balances (non DSM)	26.125	4.025	(22.100)
Recovery Fund (previously COVID-19 reserve)	9.465	5.807	(3.658)
Earmarked Balances (DSM)	1.599	0	(1.599)
Allocated Balances	4.954	4.954	0
General Fund (Unallocated Reserve)	9.848	9.848	0
Corporate Property Repairs & Renewals Fund	0.051	0	(0.051)
Pitch & Play Park replacement fund	0.953	0.938	(0.015)
Plant & Vehicles Renewals Fund	8.493	9.144	0.651
Insurance Fund	1.623	1.399	(0.224)
Capital Fund (exc. Developer Contributions)	1.370	3.011	1.641
	<b>64.481</b>	<b>39.126</b>	<b>25.355</b>

4.3 Key movements in the General Fund unallocated balances during 2022/23 to date are as a result of:

- Movement in earmarked balances is as a result of earmarked balances carried forward from 2021/22 being applied in 2022/23 as planned, with the exception of £5.807m one-off balance being retained in the Recovery Fund to support pressures on the revenue budget as the financial year progresses.

4.4 The Corporate Financial Risk Register was considered at the Council Meeting on 22 February 2022 and identified potential risks including the failure to control budgets within approved limits, severe weather events, the economic downturn, potential contractual claims and unplanned emergencies. The unallocated balance of £8.421m, approved by Council as part of the Financial Strategy on 22 February 2022, equates to 2.6% of net revenue expenditure and is sufficient to cover 61% of the risks identified in the finance risk register should they be realised. The general fund reserve will continue to be monitored through the Corporate Financial Risk Register on a regular basis.

4.5 Allocated balances have been maintained at £4.954m to date in 2022/23:

<b>ALLOCATED BALANCES</b>	<b>31<sup>st</sup> March 2022 £m</b>	<b>Increase during 2022/23 £m</b>	<b>Released during 2022/23 £m</b>	<b>31<sup>st</sup> March 2023 £m</b>
Municipal Mutual	0.233	0	0	0.233
Adverse Weather (including flood)	1.000	0	0	1.000
Workforce Management	1.059	0	0	1.059
Treasury reserve	2.300	0	0	2.300
Strategic Contract movement reserve	0.362	0	0	0.362
<b>Total</b>	<b>4.954</b>	<b>0</b>	<b>0</b>	<b>4.954</b>

4.6 Appendix 3 details the balances currently held in the Capital Fund. These balances are temporarily held in the Loans Fund and will attract interest at the end of the financial year. The Fund can only be used for capital purposes or to repay external debt.

## **5 IMPLICATIONS**

### **5.1 Financial**

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

### **5.2 Risk and Mitigations**

The major risks associated with this report are that the level of projected balances proves to be 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.

**5.3 Integrated Impact Assessment**

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.

**5.4 Sustainable Development Goals**

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

**5.5 Climate Change**

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

**5.6 Rural Proofing**

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

**5.7 Data Protection Impact Statement**

There are no personal data implications arising from the proposals contained in this report.

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

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

**6 CONSULTATION**

6.1 The Director (Finance & Corporate Governance), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have been consulted on this report and any comments received have been incorporated into this final report.

**Approved by**

**Suzy Douglas**  
**Acting Chief Financial Officer**

**Signature .....**

**Author(s)**

Suzy Douglas	Financial Services Manager 01835 824000 X5881
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**Background Papers:**  
**Previous Minute Reference:**

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

**SCOTTISH BORDERS COUNCIL**  
**GENERAL FUND BALANCES AT 31 MARCH 2023**

	GENERAL FUND £'000's	GENERAL FUND (DSM) £'000's	GENERAL FUND (EAR-MARKED) £'000's	ALLOCATED RESERVES £'000's	TOTAL £'000's
<b>Balance at 1 April 2022</b>	<b>9,848</b>	<b>1,599</b>	<b>35,590</b>	<b>4,954</b>	<b>51,991</b>
Projected Income (RSG, NDR, Council Tax)	313,792				<b>313,792</b>
Projected Net Revenue Expenditure	(341,149)				<b>(341,149)</b>
Earmarked Balances from previous year	37,189	(1,599)	(35,590)		<b>0</b>
Earmarked Balances to future years	(9,832)	0	9,832		<b>0</b>
					<b>0</b>
					<b>0</b>
					<b>0</b>
<b>Projected Balance at 31 March 2023</b>	<b>9,848</b>	<b>0</b>	<b>9,832</b>	<b>4,954</b>	<b>24,634</b>

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**SCOTTISH BORDERS COUNCIL**  
**REVENUE FUND BALANCES AT 31 MARCH 2023**  
**(EXCLUDING GENERAL FUND)**

	<b>CORPORATE PROPERTY REPAIRS &amp; RENEWALS FUND £'000's</b>	<b>PLANT &amp; VEHICLES RENEWAL FUND £'000's</b>	<b>INSURANCE FUND £'000's</b>	<b>PITCH &amp; PLAY PARK REPLACEMENT FUND £'000's</b>	<b>TOTAL £'000's</b>
<b>Balance at 1 April 2022</b>	<b>51</b>	<b>8,493</b>	<b>1,623</b>	<b>953</b>	<b>11,120</b>
Projected Income	2,284	2,651	1,607	428	<b>6,970</b>
	<u>2,335</u>	<u>11,144</u>	<u>3,230</u>	<u>1,381</u>	<u><b>18,090</b></u>
Projected Expenditure	2,335	2,000	1,831	443	<b>6,609</b>
Contribution to Reserves					-
Transfer to/from General Fund					-
<b>Projected Balance at 31 March 2023</b>	<b>-</b>	<b>9,144</b>	<b>1,399</b>	<b>938</b>	<b>11,481</b>

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**SUMMARY OF CAPITAL FUND**

	<b>Balance as at 31/03/22 £'000</b>	<b>Balance as at 31/03/23 £'000</b>
<b>DEVELOPER CONTRIBUTIONS</b>		
Waverley Railway	-	-
Technical Services	1,209	1,086
Education & Lifelong Learning	5,470	5,162
Planning & Economic Development	-	-
Social Work - Affordable Housing	503	473
Accrued Interest	578	582
<b>Sub Total Developer Contributions</b>	<b>7,760</b>	<b>7,303</b>
Capital Receipts	1,370	3,011
<b>Total</b>	<b>9,130</b>	<b>10,314</b>

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## **PROPOSAL TO INCREASE THE HOURLY RATE PAID BY SCOTTISH BORDERS COUNCIL TO FUNDED EARLY LEARNING AND CHILDCARE PROVIDERS**

**Report by Director – Education and Lifelong Learning**

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**Executive Committee  
16<sup>th</sup> August 2022**

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### **1 PURPOSE AND SUMMARY**

- 1.1 This report proposes an increase in the hourly rate paid by Scottish Borders Council to providers in the voluntary and private sectors for funded Early Learning and Childcare (ELC).**
- 1.2 Approximately one third of children eligible for a funded Early Learning and Childcare place, access their place in the private and voluntary sector in Scottish Borders. The Council is dependent on these places to fulfil its statutory duty. Therefore, settings in this sector need to remain financially viable and the Scottish Government requires Councils to establish and pay a rate that ensures this sustainability
- 1.3 If a sustainable rate is not paid, there is a risk of services in the private and voluntary sector closing which would incur capital and revenue costs for the Council, would reduce choice and local provision for parents, particularly in more rural areas and would impact on communities. The closure of some services who also provide childcare paid for by the parents would have a negative impact on the local economy, with parents not being able to access work or college.

### **2 RECOMMENDATIONS**

- 2.1 I recommend that the Committee:**
  - (a) Agrees to increase the hourly rate paid to providers in the private and voluntary sectors for the provision of funded ELC to £6.55 for 2 year olds and £6.21 for 3 & 4 year olds (backdated to August 2021);**
  - (b) Agrees to an annual increase of the hourly rate for the remainder of the duration of the ELC Contract from 1<sup>st</sup> August 2023 – 31<sup>st</sup> July 2026 to provide long term security for the provision of funded ELC in line with increases in the real Living Wage for staff costs and the Fees and Charges increases for non-staff costs.**

### **3 BACKGROUND**

- 3.1 In November 2017, the Executive Committee approved the Council's plan relating to the delivery of the expansion of funded ELC which include agreement to increase the hourly paid to ELC providers in the private and voluntary sectors over a 3 year period. This took the rate for 3 – 5 year olds from £3.65 an hour in 2017 to £5.31 an hour in 2020. For 2 year olds the increase was from £4 an hour in 2017 to £5.65 an hour in 2020, reflecting the higher staff ratio required. This was in line with recommendations from an Ipsos Mori report commissioned by Scottish Government. Ipsos Mori are currently undertaking a further report commissioned by Scottish Government. The initial findings are at odds with the 2017 findings and other recent work looking at sustainable rates to the extent we have to discount the figures in setting our sustainable rate as we feel they are not representative of the sector in Scottish Borders
- 3.2 Scotland Excel was commissioned by Scottish Government to develop a suite of operational guidance, published in 2019, which included establishing and setting sustainable rates for delivery of the funded entitlement. Scottish Borders Council, along with a number of other local authorities in Scotland, commissioned Scotland Excel to work with providers in the private and voluntary sector and produce a report on sustainable rates. The report concluded that the average hourly sustainable rate based on the capacity of providers, in 2020, was calculated at £5.95 an hour for 2 year olds and £5.68 an hour for 3-5 year olds. The average sustainable rate based on confirmed enrolments at that time was £5.32 for 2 year olds and £6.77 for 3-5 year olds. See Appendix 1.
- 3.3 Officers from the Council's Finance Department have carried out further in depth analysis of the operating costs of funded ELC providers in Scottish Borders to better understand what would constitute a sustainable rate. This information is contained in Appendix 2.
- 3.4 Following the Tender process, Scottish Borders Council awarded Contracts to be on the Framework of Providers of funded ELC provision in August 2021. At this time, some providers queried whether or not there would be an increase in the hourly rate with concerns that no increase will impact on their ability to pay staff the Real Living Wage, a requirement of the National Standard.
- 3.5 The new Contract is for 6 years – an initial 4 years with an option to extend for a further 2 years. Giving an affordable annual increase in rates for this period will demonstrate commitment from the Council and will support private and voluntary sector providers to have sustainable long term plans in place.
- 3.6 Approximately one third of children in Scottish Borders access their funded ELC entitlement with providers in the private and voluntary sectors. If these providers cease to be sustainable, there would be significant work and resource required to increase the number of local authority places to ensure that the Council meets its statutory duty.

- 3.7 As a result of continuing concerns by funded providers, Scottish Government are also carrying out work on reviewing the sustainability of the sector and published the Financial Sustainability Health Check of the Childcare Sector in Scotland on 31<sup>st</sup> August 2021:

[Financial sustainability health check of the childcare sector in Scotland - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/embedded/financial-sustainability-health-check-of-the-childcare-sector-in-scotland-2021)

Scottish Government have confirmed that they will not set a national rate and have stated that a number of local authorities continue to pay £5.31 an hour with no credence paid to an inflation uplift which was built into the quantum.

## **4 SUBJECT MATTER**

### **4.1 RATIONALE**

- a) Quality of provision is at the heart of Early Learning and Childcare to improve outcomes for children and reduce the attainment gap. Therefore, as well as meeting the requirements of the National Standard to pay staff the real Living Wage, settings in the private and voluntary sector need to be able to recruit and retain staff, support staff training and invest in their services. Commitment to an annual rate increase would provide reassurance to providers, protect jobs and enable providers invest in their services and to put effective business plans into place.
- b) The Scottish Government requires Councils to establish and pay a rate that ensures this sustainability. By not increasing the rate, the Council risks reputational damage, risks losing funded ELC places and the breakdown of the good working and partnership arrangements it has with organisations in the private and voluntary sector - see Risks section below.

## **5 IMPLICATIONS**

### **5.1 Financial**

- (a) The hourly rate paid has increased incrementally by £0.55 a year to achieve the rate of £5.31 an hour in 2020.
- (b) An analysis of the cost of increasing the rate, based on the current numbers of children accessing funded ELC in the private and voluntary sector can be found at Appendix 3.
- (c) The increase is fully funded by Scottish Government through specific grant provided for Early Years 1140 expansion.

### **5.2 Risk and Mitigations**

- (a) If the Council does not increase the hourly rate to a level that enables providers in the private and voluntary sectors to be sustainable, there is the risk that:

- (i) There will be insufficient places in Scottish Borders to enable parents to access their children’s funded ELC entitlement which will incur additional cost for the Council as it will need to expand existing services and/or open new services;
- (ii) There will be a risk to the Scottish Government policy of Funding Follows the Child which is part of the National Standard;
- (iii) There may be reputational damage to the Council if services close due to not being sustainable leading to loss of local provision, choice and flexibility for families, loss of employment and community based services.
- (iv) Providers in the private and voluntary sector may not be able to recruit and retain staff or meet the National Standard, if they are not able to pay the Real Living Wage;
- (v) Potential reduction in the quality of service provided if qualified and experienced staff cannot be recruited.

### 5.3 Integrated Impact Assessment

An integrated impact assessment has been carried out on this proposal and it is anticipated that there are no adverse equality implications.

### 5.4 Sustainable Development Goals

The following Sustainable Development Goals are relevant to this proposal:

- a) Goal 4: Quality Education – Providers need to be adequately resourced to employ and retain qualified staff and deliver a high quality service;
- b) Goal 8: Decent Work and Economic Growth –paying a sustainable rate protects jobs and enables staff to be paid the Real Living Wage.

### 5.5 Climate Change

There is no potential impact as a result of the recommendations in this report

### 5.6 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

## 6 CONSULTATION

- 6.1 The Executive Director (Finance & Regulatory), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR & Communications, the Clerk to the Council and Corporate Communications have been consulted and any comments received will be highlighted in the committee meeting.

**Approved by**

**Lesley Munro**

**Signature .....**



## Director – Education and Lifelong Learning

### Author(s)

Margot Black	Early Learning and Childcare Manager
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**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Margot Black can also give information on other language translations as well as providing additional copies.

Contact us at Scottish Borders Council, HQ, Newtown St Boswells, Melrose TD6 0SA.

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Setting Type	Age Group Bands		Sustainable Hourly Rate	
			Capacity Placings	Confirmed Placings
Private Nurseries	Combined	<i>Lowest Rate</i>	£5.33	£5.41
		<i>Highest Rate</i>	£6.76	£7.34
		<i>Average Rate</i>	£6.00	£6.31
	0 - 2 Year Olds	<i>Lowest Rate</i>	£5.33	£5.41
		<i>Highest Rate</i>	£6.73	One Setting
		<i>Average Rate</i>	£5.90	£5.41
3 - 5 Year Olds	<i>Lowest Rate</i>	£5.33	£5.41	
	<i>Highest Rate</i>	£6.75	£7.41	
	<i>Average Rate</i>	£6.00	£6.31	
Voluntary Nurseries	Combined	<i>Lowest Rate</i>	£4.06	£6.09
		<i>Highest Rate</i>	£5.92	£6.17
		<i>Average Rate</i>	£4.99	£6.13
	0 - 2 Year Olds	<i>Lowest Rate</i>	No Placings	No Placings
		<i>Highest Rate</i>	No Placings	No Placings
		<i>Average Rate</i>	No Placings	No Placings
3 - 5 Year Olds	<i>Lowest Rate</i>	£4.06	£6.09	
	<i>Highest Rate</i>	£5.92	£6.17	
	<i>Average Rate</i>	£4.99	£6.13	
Childminders	Combined	<i>Lowest Rate</i>	£5.57	£7.23
		<i>Highest Rate</i>	£6.25	£8.37
		<i>Average Rate</i>	£6.31	£7.60
	0 - 2 Year Olds	<i>Lowest Rate</i>	£5.62	£7.49
		<i>Highest Rate</i>	£6.25	£8.37
		<i>Average Rate</i>	£6.01	£7.93
3 - 5 Year Olds	<i>Lowest Rate</i>	£5.61	£7.23	
	<i>Highest Rate</i>	£7.38	£8.59	
	<i>Average Rate</i>	£6.36	£7.67	
Overall	<i>Combined</i>	<i>Average Rate</i>	£5.95	£6.75
	<i>0 - 2 Year Olds</i>	<i>Average Rate</i>	£5.95	£5.32
	<i>3 - 5 Year Olds</i>	<i>Average Rate</i>	£5.68	£6.77

**Note:** The Combined setting rates were influenced by the higher number of 3 – 5 year olds both capacity and allocated places in all setting types.

The Overall Rate is a straight average of the bands and an average of the Combined Total.

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Appendix 2

# Early Years Sustainable Rates

## Background

The 2021 tender process for funded childcare places on the new National Standard, set the expectation that Private & Voluntary (P&V) providers of funded Early Learning and Childcare (ELC) will, as a minimum, pay the real Living Wage (rLW) to their employees. The majority have started doing this in the past 18 months with the remainder committed to doing so in the near future.

A commitment was given to calculate a sustainable rate for funded childcare which would then be reviewed annually to ensure that the rate remains sustainable. This work has taken longer than anticipated therefore it is recommended that, if approved, the approved rate be backdated be effective from 1<sup>st</sup> August 2021 to 31<sup>st</sup> July 2023.

Existing rates paid for funded childcare of £5.65 for 2 year olds and £5.31 for 3-5 year olds were set prior to the requirement contained in the P&V contracts, which commenced on 1<sup>st</sup> August 2021, for the payment of the rLW. The requirement being that the rLW should be paid to employees aged 18 years old and over while the National Minimum Wage (NMW) varies for employees who are under 23 years old. When the contracts were issued, the rLW was £9.50 (NMW £6.56 - £8.91), it increased to £9.90 in November 2021 (NMW rose to £6.83 - £9.50 on 1<sup>st</sup> April 2022). The announcement of the 2022-23 rLW rate is being brought forward to September 2022 due to the current high levels of inflation.

Work has been undertaken, with the co-operation of providers of funded childcare, to look in detail at realistic staffing models required to provide direct care for funded children at standards required by Scottish Borders Council and the Care Commission, including the specific reporting requirements for funded children (which are more complex than those required for non-funded placements). A further staffing implication since the advent of Covid-19, to provide enhanced bio security protocols has also been considered.

As well as being paid for funded places, P&V providers charge parents directly for care outwith the 1140 allocation. The average rates currently being charged in this respect with their intended increases from August 2022 are:

	Private current Rates		Private Proposed Rates August 2022	
	2	3&4	2	3&4
<b>Average</b>	<b>6.40</b>	<b>6.00</b>	<b>6.65</b>	<b>6.23</b>

## Options

In seeking to achieve a sustainable rate to reflect the additional demands, a number of options as outlined below were explored

### 1. Percentage Increase to existing rates

- a. Compare set % increases to both the 2 year old rate and the 3&4 year old rate

Age	Current Number	Current rate per Hour	Revised Rate per hour				Increase per hour				Additional Cost per increased rate			
			5%	10%	15%	20%	5%	10%	15%	20%	5%	10%	15%	20%
2	39	5.65	5.93	6.21	6.50	6.78	0.28	0.56	0.85	1.13	12,449	24,898	37,791	50,240
3 & 4	510	5.31	5.58	5.84	6.11	6.37	0.27	0.53	0.80	1.06	156,978	308,142	465,120	616,284
											<b>169,427</b>	<b>333,040</b>	<b>502,911</b>	<b>666,524</b>

- b. This approach gradually increases the differential in £ per hour between the 2 year old rate and the rate for 3&4 year olds reflecting the higher adult to staff ratio of 1:5 for 2 year olds compared to 1:8 for 3&4 year olds.
- c. The lowest increase of **5%** would mean an annual cost increase of **£169,427** and the highest increase of **20%** would mean an annual cost increase of **£666,524**

### 2. Funded hourly rate apportioned between staff and non-staff costs

- a. Looked at the number of funded children per setting at 20 January 2022, calculated the number of staff required (including the minimum of 2 per setting) and the cost p.a. for the funded hours at current rLW and 2019 NMW. The numbers of children in these calculations reflect the SEEMIS report obtained on 20 January 2022. Any reference to 3&4 year olds will include 5 year olds that have deferred their entry to Primary 1
- b. This gives a staff cost per funded hour for both 2 year olds and 3&4 year olds.
- c. Compared the staff and other costs as a % of the hourly funded payment

Cost Type	Real Living Wage		National Minimum Wage	
	2	3&4	2	3&4
Staff	43%	29%	35%	23%
Other Costs	57%	71%	65%	77%

- d. If the staff costs for the NMW using the maximum staff to child ratios for each group originally came to 35% of the £5.65 hourly rate for 2 year olds, and 23% of the £5.31 rate for 3&4 year olds, and you know the rLW hourly cost of staffing at both the 2 year old and 3&4 year old staff ratios, you can calculate what the rate should now be.

Age	Number	Current rate per hour	Revised rate per hour	Increase per hour		
				£	%	Total Additional Cost
2	39	5.65	6.92	1.27	22%	56,464
3&4	510	5.31	6.50	1.19	22%	691,866
						748,330

- e. Based on the number of funded children in P&V settings at 20 January 2022 of 549 this would mean an annual cost increase of **£748,330**.
- f. This option assumes that there was a rationale behind the setting of the current rate. If there wasn't it's just perpetuating an un-scientific method of calculating a rate.

**3. Calculate a blended rate using the increase from NMW to rLW and an inflationary increase on the non-staffing costs from 2019/20**

- a. Split the existing rates into their staffing and non-staffing elements. Use the 2020 NMW as the basis for calculating the staffing element. No account is taken of any differentials in rates within a P&V's staffing model

Staff cost per hour for funded places	Based on rLW of £9.50/hr (April 2021)		Based on 2020 NMW of £8.72/hr		Difference in staff cost per funded hour	
	Min staff cost per funded hour		Min staff cost per funded hour			
Ages	2	3&4	2	3&4	2	3&4
Staff Cost	2.35	1.47	2.14	1.34	0.21	0.13

- b. This method assumes that all staff are paid at rLW or minimum wage.
- c. The non-staffing element is the difference between the rate paid to P&Vs and the cost of the staffing element.
- d. The non-staffing element should be inflated using CPI increase from August 2020 to August 2021.

e. Table showing make up of new rate

Elements making up rate	2	3&4
Staff Costs	2.14	1.34
Non Staff Cost	3.51	3.97
<b>Current Rate</b>	<b>5.65</b>	<b>5.31</b>
Additional Staff Cost	0.21	0.13
Inflation on non-staff costs	0.11	0.13
<b>Revised Rate</b>	<b>5.97</b>	<b>5.57</b>

% increase	5.7%	4.9%
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This gives an annual cost increase of £165,391

Age	Current Number	Current rate per Hour	Revised rate per hour	Increase per Hour	Additional Cost
2	39	5.65	5.97	0.32	14,227
3&4	510	5.31	5.57	0.26	151,164
					<b>165,391</b>

**4. Calculate rates from staffing models using current rLW as the entry level hourly rate for P&V staff.**

- This approach takes the expected volume of children at 2 years old and 3-5 years old in the individual settings (both funded and non-funded), calculate number of hours per week required and allocate staff appropriately taking into account staff to child ratios.
- Put the calculated number of direct staff into the staff structure models for the individual setting to allow a calculation of salaries including on costs for the model. This allows for different grades of staff in the setting and their associated rates of pay as only the lowest grades will be paid the rLW.
- Calculate indirect staff hours based on setting model, taking account of whether the requirement is the same for both funded and non-funded children e.g. additional paperwork requirement, non-funded children don't receive lunches, etc.
- Look at the effect three separate intakes - August, January and April - have on the above and calculate separately if necessary.
- All calculations took into account the old (13.8%) and new (15.05%) rates of National Insurance so the impact could be understood. It worked out between £0.02 and £0.03 per hour of childcare so £22.80 and £34.20 over 1140 hours.



f. Calculated rates

Elements making up rates	2	3-5
Staff costs	4.94	4.64
Non Staff Costs	1.62	1.58
<b>Revised Rate</b>	<b>6.55</b>	<b>6.21</b>

- g. This model can be updated when the rLW rate is published to arrive at a revised rates for staff costs. CPI at an agreed date can be used to recalculate non staff costs.

This gives an annual cost increase of **£563,274**

Age	Current Number	Current rate per Hour	Revised rate per hour	Increase per Hour	Additional Cost
2	39	5.65	6.55	0.90	40,014
3&4	510	5.31	6.21	0.90	523,260
					<b>563,274</b>

## Summary

Option	Description	Min* £000's	Max* £000's
1	Percentage increase to current rates	169.4	666.5
2	Use funded hourly rate apportioned between staff and non-staff costs	N/A	748.3
3	Blended rate using increase from NMW to rLW and non-staff cost inflation increase	N/A	165.4
4	Staffing model for staff costs rLW as min salary and non-staff costs inflation increase	N/A	563.3

\*based on 549 children

The most straightforward approach and is to apply a simple % to current rates as outlined in Option 1 to give an interim single year increase which will allow P&Vs to pay the NLW in line with the requirement outlined in the recent tender process. It takes no account of the difference in inflation and the requirement for providers to move from paying NMW to paying the rLW.

Both Options 2 & 3 contain information gathered from various sources including 2021/22 tender submissions, data from Covid funding calculations 2020/21 and Companies House information from which assumptions have been made for each P&V. rLW will be paid to the newest members of staff with little or no experience and qualifications, no allowance is made for staff with more experience and qualifications who are paid at a higher rate.

Option 4 looks at staffing models and structures for individual nurseries taking account of the requirement to pay different levels of salaries to staff with more qualifications / experience as well as the additional reporting requirements for funded children. It takes account of the 3 different enrolment periods which can skew figures in some smaller rural nurseries. The splitting of the salary costs from the non-salary costs allows the salary element to take account of uplifts in rLW and the non-salary element to take account of inflation.

## Recommendation

Option 4 is the best option with the information available to use to increase the hourly payment for funded places. It is based on how nurseries are actually set up rather than a theoretical calculation. Separating the staffing element of the payment made to providers from the non-staffing element will allow the requirement for providers to pay the rLW to staff providing funded care to be funded as well as allowing for an inflationary increase for non-staff costs. This option can be updated for increases in rLW and inflation for future years and can be used to calculate annual increases for the duration of the current contract.

Using this option, payments for funded 2 year olds will increase to £6.55 from £5.65 per hour and payments for funded 3&4 year olds will increase to £6.21 from £5.31 per hour. This is affordable within the Early Years funding from Scottish Government.

K E Maxwell

22 July 2022

**Appendix 3**

**EARLY YEARS - SUSTAINABILITY RATES**

<u>Increase Only</u>	<u>Assumed Numbers</u>			<u>Current Number</u>
No of Pupils/Places	700	600	500	549
No of Hours	1,140	1,140	1,140	1,140
<b>Total Hours</b>	<b>798,000</b>	<b>684,000</b>	<b>570,000</b>	<b>625,860</b>
10p Increase	£79,800	£68,400	£57,000	£62,586
25p Increase	£199,500	£171,000	£142,500	£156,465
50p Increase	£399,000	£342,000	£285,000	£312,930

<u>Yearly Cost (based on % in each stage) + Price Increase</u>	<u>Assumed Numbers</u>			<u>Current Number</u>
No of Pupils/Places	700	600	500	549
No Increase	£4,256,760	£3,648,707	£3,040,654	£3,338,433
10p Increase	£4,336,560	£3,717,107	£3,097,654	£3,401,019
25p Increase	£4,456,260	£3,819,707	£3,183,154	£3,494,898
50p Increase	£4,655,760	£3,990,707	£3,325,654	£3,651,363

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**Notes**

**1140 Hour Yearly Total (without price increases)**

Stages - current number is 589, 34 of these are 2 year olds (5.8%) and 555 are 3&4 year olds (94.2%)

Applied current stage % for 2, 3&4 year olds at their relevant cost and multiplied by 1140 hours

Cost - Assumed current prices, 34 - 2 year olds @£5.65 per hour and 555 - 3&4 year olds @£5.31 per hour

% of stages applied is at this point in time and numbers could vary in future, depending on birth rates, increase in eligibility for 2 year olds funding, etc.

Future rate increases - how will this be determined

**Information to support above**

<u>Stage - Assumes Current % Split for 2 and 3&amp;4 Year Olds</u>	<u>Assumed Numbers</u>			<u>Current Number</u>	<u>% Stage</u>	<u>Current Price per Hour</u>
No of Pupils/Places	700	600	500	549		
2 Year Olds	50	43	36	39	7.10%	£5.65
3&4 Years Olds	650	557	464	510	92.90%	£5.31
<b>Total</b>	<b>700</b>	<b>600</b>	<b>500</b>	<b>549</b>	<b>100.00%</b>	

<u>Yearly Cost at Current Rates for 1140 Hours and % Stage</u>	<u>Assumed Numbers</u>			<u>Current Number</u>
No of Pupils/Places	700	600	500	549
2 Year Olds	£322,050	£276,963	£231,876	£251,199
3&4 Years Olds	£3,934,710	£3,371,744	£2,808,778	£3,087,234
<b>Total</b>	<b>£4,256,760</b>	<b>£3,648,707</b>	<b>£3,040,654</b>	<b>£3,338,433</b>

Sector	Site	N3	N4	N5	Grand Total
LA	Balmoral Primary School	4	7	20	31
LA	Broomlands Primary School	2	20	33	55
LA	Broughton Central Primary School		7	5	12
LA	Burgh Primary School		26	20	46
LA	Burnfoot Community School	11	29	23	63
LA	Channelkirk Primary School		6	7	13
LA	Chirnside Primary School	2	15	27	44
LA	Clovenfords Primary School		15	22	37
LA	Cockburnspath Primary School		5	12	17
LA	Coldingham Primary School		4	11	15
LA	Coldstream Primary School		9	22	31
LA	Drumlanrig St Cuthbert's Primary School		26	31	57
LA	Duns Primary School		28	31	59
LA	Earlston Primary School	5	4	9	18
LA	Edenside Primary School	5	9	26	40
LA	Ednam Primary School		3	4	7
LA	Eyemouth Primary School	3	15	16	34
LA	Fountainhall Primary School	1	3	8	12
LA	Glendinning Terrace Primary School		6	10	16
LA	Gordon Primary School		7	4	11
LA	Greenlaw Primary School		2	8	10
LA	Jedburgh Grammar Campus - Primary	3	61	55	119
LA	Kingsland Primary School		16	30	46
LA	Kirkhope Primary School		7	9	16
LA	Knowepark Primary School	7	14	29	50
LA	Langlee Primary School	9	27	35	71
LA	Lauder Primary School		16	37	53
LA	Lilliesleaf Primary School		3	5	8
LA	Melrose Primary School		18	30	48
LA	Morebattle Primary School		5	5	10
LA	Newcastleton Primary School		4	5	9
LA	Newtown Primary School	2	12	8	22
LA	Philiphaugh Community School	6	7	24	37
LA	Priorsford Primary School		18	30	48
LA	Reston Primary School		3	9	12
LA	St Boswells Primary School	1	7	12	20
LA	St Margaret's RC Primary School (Galashiels)		12	15	27
LA	St Peter's Primary School		22	26	48
LA	St Ronan's Primary School	1	20	31	52
LA	Stirches Primary School		11	27	38
LA	Stow Primary School		9	12	21
LA	Swinton Primary School		1	3	4
LA	Trinity Primary School	3	20	19	42
LA	Tweedbank Primary School		9	17	26
LA	Walkerburn Primary School	2	2	2	6
LA	West Linton Primary School		8	23	31
LA	Westruther Primary School		5	7	12
LA	Wilton Primary School		15	26	41
LA	Yetholm Primary School		4	7	11
LA Total		67	602	887	1556
PV	Argus Playgroup	1	7	3	11
PV	Busy Bees Nursery		21	11	32
PV	Castlegate Nursery	4	21	22	47
PV	Cherrytrees Nursery (Hawick)	4	15	9	28
PV	Cherrytrees Nursery (Melrose)	3	18	15	36
PV	Childminders	4	14	17	35
PV	Denholm Playgroup		11	15	26
PV	East Green Nursery		6	9	15
PV	First Nursery		21	22	43
PV	Fogo Nursery	1	8	11	20
PV	Highway Day Nursery	5	14	19	38
PV	Kingsmeadows Nursery	6	20	22	48
PV	Links Nursery	2	9	4	15
PV	Newlands & Kirkurd Playgroup		12	7	19
PV	Old Station Nursery	2	6	4	12
PV	Rosetta Early Learners		9	12	21
PV	Seashells Nursery		16	14	30
PV	The New Village Nursery		14	13	27
PV	Tweedbank Early Learners		8	10	18
PV	West Linton Early Learners		3	2	5
PV	Wiggly Worms Nursery	7	9	7	23
PV Total		39	262	248	549
Grand Total		101	869	1135	2105

**Private & Voluntary Rates**

Year	Lunch	Hourly Rate		
		2 Year Old	3 Year Old	4 Year Old
Aug-17	£2.10	£4.00	£3.65	£3.65
Aug-18	£2.10	£4.55	£4.20	£4.20
Aug-19	£2.10	£5.10	£4.75	£4.75
Nov-19	£2.20	£5.10	£4.75	£4.75
Aug-20	£2.20	£5.65	£5.31	£5.31

Note:-

Lunch increase (outwith yearly August increase) on 1st Nov 2019 from £2.10 to £2.20 to bring it in line with the fees being charged to parents

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