

# Public Document Pack



## EXECUTIVE COMMITTEE TUESDAY, 13 FEBRUARY 2024

A MEETING of the EXECUTIVE COMMITTEE will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS, AND VIA MICROSOFT TEAMS on TUESDAY, 13 FEBRUARY 2024 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.**

N. MCKINLAY  
Director Corporate Governance,

2 February 2024

<b>BUSINESS</b>		
1.	<b>Apologies for Absence</b>	
2.	<b>Order of Business</b>	
3.	<b>Declarations of Interest</b>	
4.	<b>Minute</b> (Pages 3 - 10)  Minute of meeting held on 5 December 2023 to be noted for signature by the Chairman. (Copy attached.)	2 mins
5.	<b>Education Sub-Committee</b> (Pages 11 - 14)  Consider Minute of meeting held on 24 October 2023. (Copy attached.)	2 mins
6.	<b>Monitoring of the Capital Financial Plan 2023/24</b> (Pages 15 - 50)  Consider report by Director – Finance and Procurement. (Copy attached.)	10 mins
7.	<b>Monitoring of the General Fund Revenue Budget 2023/24</b> (Pages 51 - 98)  Consider report by Director – Finance and Procurement. (Copy attached.)	10 mins
8.	<b>Balances at 31 March 2024</b> (Pages 99 - 110)  Consider report by Director – Finance and Procurement. (Copy attached.)	10 mins
9.	<b>Debt Recovery Policy</b> (Pages 111 - 144)	10 mins

	Consider report by Director – Finance and Procurement. (Copy attached.)	
10.	<b>Peebles Pool Fire - Lessons Learned</b> (Pages 145 - 166)  Consider report by Director – infrastructure and Environment. (Copy attached.)	20 mins
11.	<b>Any Other Items Previously Circulated</b>	
12.	<b>Any Other Items which the Chairman Decides are Urgent</b>	

#### 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 (Chair), C. Cochrane, L. Douglas, M. Douglas, J. Greenwell, C. Hamilton, S. Hamilton, J. Linehan, S. Mountford, D. Parker, J. Pirone, E. Robson, M. Rowley, F. Sinclair, R. Tatler, E. Thornton-Nicol and T. Weatherston

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**SCOTTISH BORDERS COUNCIL  
EXECUTIVE COMMITTEE**

MINUTES of the Blended Meeting of the EXECUTIVE COMMITTEE held in Committee Rooms 2 and 3 Council Headquarters, Newtown St Boswells and via Microsoft Teams on Tuesday, 5<sup>th</sup> December 2023 at 10.00 am

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

Also Present:- Councillors W. McAteer

Apologies:- Councillors C. Cochrane and E. Thornton-Nicol,

In Attendance:- Chief Executive, Director – Corporate Governance, Director – Education and Lifelong Learning, Director- Infrastructure and Environment, Director - Resilient Communities, Director - Finance and Procurement, Democratic Services Team Leader (D. Hall).

**1. ORDER OF BUSINESS**

The Chair varied the order of business as shown on the agenda and the Minute reflects the order in which the items were considered at the meeting.

**ECONOMIC DEVELOPMENT BUSINESS**

Present: Ms Kathleen Mason (Federation of Small Businesses)

**2. ECONOMIC DEVELOPMENT UPDATE**

- 2.1 There had been circulated copies of a report by the Director - Resilient Communities which provided elected members with an update on key areas of economic development delivery in the Scottish Borders. The report identified the major policies and strategies that were driving regional economic development and detailed key pieces of work. The Local Employability Partnership (LEP) was established in September 2021 to help drive the employability agenda and to foster a strong collaborative approach to delivery. One of the key areas of work was the delivery of the No One Left Behind (NOLB) funding programme which had a greater focus in 2023/24 on Child Poverty. At the end of the first half of 2023/24 the Council's Employability Service had a working caseload of 419 clients across the region with a range of barriers to employment. Scottish Borders Council and South of Scotland Enterprise (SOSE) agreed to form a strategic partnership for delivery of the Business Gateway service in November 2020, with the transfer of services completed in April 2021. The report provided an update on delivery through the second quarter of the current financial year and indicated strong enquiry numbers and confirmed a continued general increase in Business Gateway activities. All of the key partners in the South of Scotland, including Scottish Borders Council were collaborating on the development of a single Responsible Tourism Strategy for the South of Scotland. The development of the new strategy was progressing well following consultation events led by the South of Scotland Destination Alliance (SSDA) over the summer, and it was proposed to launch the strategy at the SSDA Tourism Conference on 20 March 2024. Following assessment of the latest round of funding applications in November, twelve projects in the Scottish Borders had been awarded approximately £1.45m of UK Government Shared Prosperity (SPF) Funding, and the Scottish Government Community Led Local Development (CLLD) Programme was fully committed after the approval of a series of successful applications by the Local Action Group. As part of the Borderlands Inclusive Growth Deal, the Business Infrastructure Programme (Scotland) was a £13.7m capital programme for the South of Scotland, for building industrial units and the servicing of land at five sites across

the South of Scotland, including £3m of Borderlands funding for the Scottish Borders and a contribution of £632k from Scottish Borders Council for investment in Coldstream and Hawick in the Scottish Borders. Following recent business case approval by the Scottish and UK Governments and the Borderlands Partnership Board, the Coldstream project had started and site work would commence early next year. The Chief Officer – Economic Development, Ms Sam Smith, presented the report and highlighted that reference in the report to the first half of the year, should refer to throughout 2022/23.

- 2.2 The Chairman welcomed Ms Lesley Forsyth and Ms Tracey Graham of SOSE to the meeting to provide an update on the work that had been undertaken on the Scotland Starts Here project. Ms Forsyth explained that work to develop a website to act as a place to tell the story of the South of Scotland and to attract National and International investment. The website had been designed to be visually engaging, with embedded videos amongst other features. Maps, outlining the location of the region's key infrastructure, would also be available on the site. The key economic sectors of the area, including case studies, news and resources would also be present. Ms Smith highlighted that the website had the potential to provide a shop window for the region, and that work was ongoing to ensure that appropriate signposting to Council departments was in place. In response to a question regarding information on the workforce of the area, it was confirmed that information on the available labour force would be included on the site. The Director – Resilient Communities confirmed that a report evaluating the outcomes of shared prosperity investments would be presented in due course. In response to a question regarding collaborative work with national partners, Ms Graham confirmed that discussions had been held with the Department for Trade and Industry and Scottish Development International. The importance of providing effective transport infrastructure to the region was highlighted. The Chairman thanked attendees for their presentation and highlighted that 6 Thistle Awards had been won by businesses from the area.

## **DECISION**

### **AGREED to:-**

- (a) **note the information that was provided regarding the current economic development landscape affecting the Scottish Borders; and**
  - (b) **note where future delivery updates would be reported back to Executive.**
3. **CYCLING WORLD CHAMPIONSHIPS IMPACT REPORT**

The Chairman invited Mr Jim Law of Jim Law Research Associated Ltd to present an Economic and Social Impact Evaluation of the World Cycling Championships events which had taken place between Sunday 6 August 2023 and Saturday 12 August 2023 in Glentress Forest. 483 competitors from 61 countries had taken part in the mountain bike cross country, whilst 164 competitors from 37 countries had taken part in the mountain bike marathon. 360 volunteers had assisted at the event. 23,493 spectators were estimated to have attended across all the days, with the number of unique spectators estimated to be 11,082, with 4,339 event specific visitors to the region. It was estimated that there had been 3,410 commercially staying visitors who had come to the region specifically to attend the event. Mr Law explained that they had been commissioned by SBC to conduct the study at Glentress, with face-to-face primary research conducted on site. From all of the sources of information gathered it was estimated that the direct economic impact of the event was £6,039,308. £3,379,277 was generated in the accommodation sector, from 18,273 bed nights. A further £2.1m was spent by athletes/teams on food, drink and other items. £600k was spent by organisers with contractors based in the Scottish Borders. The breakdown of the spend by teams made up 59% of the economic impact, with 31% by spectators. The feedback from local residents and visitors had been extremely positive. 99% of all spectators agreeing that the region was friendly, whilst 98% of spectators thought that the Scottish Borders had beautiful countryside. A satisfaction rate of 100% was reported by attendees. Mr Law provided an overview of the viewing figures, highlighted that there was a cumulative

broadcast audience of 43.6 million views. Engagement with Scottish Borders Council event specific media included 426,569 Facebook impressions and 83,894 Twitter impressions. Members thanked Mr Law for his presentation, and expressed their gratitude to Jane Warcup and Cameron Balfour of SBC's events team for their outstanding work organising the event and ensuring that it went as planned. In response to a question regarding visitors experiencing difficulties finding hotel rooms in Peebles, Mr Law outlined that whilst he was aware of anecdotal reports of problems, no issues had been formally recorded. The Chief Officer – Economic Development undertook to explore with SBC's Communications team further promotion of the event and the positive feedback that had been received.

**DECISION  
NOTED.**

**4. PLACE MAKING UPDATE**

There had been circulated copies of a report by the Director – Resilient Communities which provided an update on progress with Place Making, including an update on funding allocated and the planning process in relation to the development of Local Place Plans, including the four Borderlands priority towns. Place making continued to represent a significant opportunity for communities across the Borders to unlock external funding opportunities and shaping and informing the planning and delivery of critical public services. It was increasingly being built into legislation (the Planning Scotland, Joint Working (Scotland), and Community Empowerment Acts). It would impact on and transform the way both Council and Community Planning Partners worked together with communities to understand, support and respond to local needs and ambitions. Continuing to follow the inclusive approach agreed with Area Partnerships to open up place making opportunities to all communities, over 50 places had noted an interest in developing community-led plans and their progress was supported through the place making officers within Community Engagement, Planning and Transformation teams. Over the coming year, the main focus of place making activity would be around four main areas of work: a) supporting the plans of Borderlands communities - Eyemouth, Galashiels, Hawick and Jedburgh - through the approval process to develop Borderlands Town Investment Plans; b) continuing to support other participating communities to progress their plans and ambitions; c) ensuring that funds such as the Shared Prosperity Funds were used to best effect in supporting communities; d) ensuring that place making was seen as “the way things get done” – informing service and community planning, the way that projects were identified and developed and the key to accessing external funding – all built on community needs, aspirations and priorities. Members welcomed the report and highlighted that Place Making had been well received by communities across the region. The Director – Resilient Communities explained that once work to update the Scottish Borders Council website had been completed there would be an opportunity to share case studies and other key information and documents online. It was agreed that a briefing on the support available for communities involved in Place Making for Elected Members would be held.

**DECISION  
AGREED:-**

- (a) to note the progress made with place making activity across the Scottish Borders; and**
- (b) that the continued focus for delivery in the coming year was on the four Borderlands towns as outlined in the report.**

**5. STRANRAER PLACE PLAN**

The Director – Resilient Communities introduced Mr Stuart McMillan of Dumfries and Galloway Council and Ms Barbera Chalmers, an independent consultant who had led work alongside Stranraer Development Trust to develop the Place Plan for Stranraer. Mr

McMillan explained that Dumfries and Galloway were in a similar position to the Scottish Borders, with 5 Borderlands towns. Each of the towns had unique challenges and had developed their own Place Plans. Support for developing the Plans had been provided by Dumfries and Galloway Council and from South of Scotland Enterprise. Ms Chalmers explained that the development of the plan had involved considerable engagement, involving different stakeholders and local people. A range of events had been held, with a total of 2849 engagements. Five key strands, including quality of life; work and opportunity; play and creativity; environment and climate; and pride and citizenship, had emerged from those sessions, with six priorities identified within those strands. Those elements had formed the basis of the Place Plan, which had been subject to a month-long consultation. 600 responses had been received, with the public able to vote via Citizen Space on which elements they thought were the most important. Members thanked Ms Chalmers for her presentation and insight into work on Place Plans. In response to a request that the presentation be shared at Area Partnership meetings, Ms Chalmers indicated that she was happy to share the presentation as part of a short film. Officers undertook to ensure that the video recording of the presentation could be shared.

### **OTHER BUSINESS**

#### **6. MINUTE**

There had been circulated copies of the Minute of the meeting held on 14 November 2023.

#### **DECISION**

**APPROVED for signature by the Chairman.**

#### **3. SCOTTISH BORDERS COUNCIL'S QUARTER 2 2023/24 PERFORMANCE INFORMATION**

With reference to paragraph 5 of the Minute of the meeting held on 12 September 2023, there had been circulated copies of a report by the Director – People, Performance and Change which presented a summary of Scottish Borders Council's Quarter 2 2023/24 performance information. The information contained within the report would be made available on the SBC website: [www.scotborders.gov.uk/performance](http://www.scotborders.gov.uk/performance). The Director presented the report and highlighted that of the 18 milestones reported in the quarter, 9 had been achieved as planned. One was rescheduled to a future quarter, and there were 8 milestones which had been partly completed. Of the 90 indicators presented, 68 were in a good position. 13 were highlighted as areas of focus for improvement. There was a delay in receiving information for 4 of the indicators. The Power Bi dashboard had been developed and allowed the public to view data on any of the performance indicators that they wished to see. The Community Action Team had been operating at full strength since 1 June 2023. There had been an upturn in statistics, particular for high visibility foot patrols and mobile patrol hours. In response to a question regarding the increase in time taken to process new housing benefits claims, the Director – Resilient Communities explained that there had been a considerable number of vacancies in the team, which combined with a spike in the number of staff on annual leave had led to performance levels dipping. Performance had returned to expected levels, however an analysis to fully understand the issue was ongoing. Regarding capacity to deal with the increasing volume of complaints being received, Ms Craig explained that complaints were dealt with by front line staff and that most complaints could be dealt with at that stage. Digital transformation efforts were expected to enable the Council to continue to effectively manage its complaints as the volume increased. In response to a question regarding the system in place for the closure of complaints, Mrs Craig highlighted that a report concerning the complaints system had been presented to the Committee at its meeting on 14 November 2023, and that a relatively small number of people reported being unsatisfied following the closure of their complaint. The Chief Executive outlined that a review of all outstanding complaints had been undertaken which had indicated that a number of complaints which were thought to have been closed had in fact been left outstanding in the system. Such instances had made a negative impact upon the overall

statistics. Training for complaint handlers was planned to resolve such issues. Members highlighted the importance of ensuring that the dashboard was user friendly, easily accessible, and requested that context could be provided alongside the statistical information where possible. It was agreed that a workshop session on the complaints system be held with elected members.

#### **DECISION**

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

- (a) note the Quarter 2 2023/24 Council Plan Key Milestones and Performance Indicators Report contained in Appendix 1 to the report; and**
- (b) note the quarter 2 2023/24 Community Action Team Performance Report contained in Appendix 2 to the report.**

#### **8. SECOND HOMES COUNCIL TAX AFFORDABLE HOUSING INVESTMENT BUDGET PROPOSALS**

There had been circulated copies of a report by the Director – Infrastructure and Environment which sought approval of an allocation of £961k in financial commitment from the Council's Second Homes Council Tax Affordable Housing Investment Budget to support the delivery of the identified affordable housing project at Upper Langlee and an additional £12k to support community led affordable housing opportunities across the Borders. As first reported in SHIP 2019-2024, the Council had been working closely with Waverley Housing to progress the regeneration of former public sector housing in and around the Beech Avenue area in Upper Langlee. That was a high-cost regeneration project with estimated costs of over £30m, requiring a total of £961k grant assistance to progress phase 1 delivery. South of Scotland Community Housing (SOSCH) provided long-term support to community organisations relative to the planning and delivery of community-led housing. £12k was required to support SOSCH with the early stages of project development work on behalf of communities. The sums recommended for approval supported the delivery of the Strategic Housing Investment Plan (SHIP) 2024-2029 which was approved in October 2023 and the Local Housing Strategy 2023-28. Contextual commentary on the SHIP and current challenges in delivery and the financial assistance required was also outlined. Members welcomed the report and highlighted the positive impact that the project could have on Galashiels.

#### **DECISION**

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

- (a) approve the use of £961k to ensure the delivery of phase 1 of the affordable housing development at Upper Langlee;**
- (b) approve the use of £12k to support South of Scotland Community Housing with community led affordable housing projects; and**
- (c) delegate authority to the Director of Finance and Procurement to liaise with Waverley Housing and agree the timing and payment arrangements for the £961k.**

#### **5. SECOND HOMES COUNCIL TAX AFFORDABLE HOUSING INVESTMENT BUDGET PROPOSALS (PART 2)**

There had been circulated copies of a report by the Director – Infrastructure and Environment which sought approval of a reallocation of £273k from a £450k commitment from the Council's Second Homes Council Tax Affordable Housing Investment Budget, initially earmarked for a project at Heather Mill, Selkirk to a project at Fairhurst Drive, Hawick. In May 2023, an allocation of £450k to support SBHA with the acquisition of Heather Mill, Selkirk and £512k to ensure the delivery of affordable homes at Fairhurst Drive and Leishman Place, Burnfoot, Hawick had been agreed. Due to significant change

in the costs associated with the delivery of the homes at Burnfoot in Hawick there was a substantial funding deficit of £374k. A Vacant and Derelict Land Fund (VDLF) application had been submitted to the Scottish Government which would help to fund the deficit at Burnfoot but the outcome of the application to Scottish Government would not be announced until the end of January 2024. Delaying the site start until after the outcome of the VDLF decision could result in a potentially greater project deficit due to continued construction price inflation and it would also delay the project delivery times detailed in the SHIP 2024-2029. As a result, that added further risks related to maximising the Affordable Housing Supply Programme grant funding allocated to the Borders in the current financial year. In response to a question regarding the potential impact of the project being unsuccessful in its VDLF application, the Principal Housing Officer, Ms Donna Bogdanovic, explained that the funding pot which had been allocated to Heather Mill, Selkirk would be reduced to £177k. The Chief Executive highlighted that the second homes council tax budget was replenished by £800k per year. In response to a question regarding the pipeline of schemes, Ms Bogdanovic explained that projects were usually prioritised based on their deliverability and in line with the Strategic Housing Investment Plan.

## **DECISION**

### **AGREED to:-**

- (a) approve the reallocation of £273k of the £450k approved to support Heather Mill, Selkirk to the project at Fairhurst Drive, Burnfoot, Hawick;**
- (b) note that initially this was an underwriting position. If the VDLF application was successful the reallocation of funds would not be required, but if the VDLF application was not successful the reallocation would be required to ensure the project is able to progress; and**
- (c) delegate authority to the Director of Finance and Procurement to liaise with SBHA and agree the timing and payment arrangements for the £273k reallocation should the outcome of the VDLF application not be favourable.**

## **10. KALEMOUTH SUSPENSION BRIDGE**

There had been circulated copies of a report by the Director – Infrastructure and Environment which provided an update on the status of Kalemouth Suspension Bridge. The report proposed that further detailed design work was undertaken and that external grant funding be sought to allow essential repair works to be undertaken on the timber elements of the bridge. The Bridge was a Category ‘A’ Listed structure which carried the unclassified D101/4 public road over the river Teviot. It was an example of a historic wrought iron chain-bar suspension bridge with timber deck. The bridge was closed to vehicular traffic in August 2020 when substantial decay was discovered in some of the main timber deck elements. Prior to its closure the bridge had a 3T weight restriction which allowed single file traffic to cross the river between the A698 and the small settlement of Ormiston Mains which consisted of around 12 properties. Various investigations and detailed assessment work had since been carried out and this had found that the main wrought iron suspension structure of the bridge was unable to demonstrate sufficient strength to safely carry 3T vehicles or sufficient strength to carry full pedestrian crowd loading. Passage had therefore been further restricted to a maximum of 10 people at any one time. Due to the very high costs that would be associated with strengthening a Category ‘A’ listed wrought iron suspension bridge and the potential for adverse impacts on the bridges special architectural and historic nature it was proposed to progress a scheme to only replace and renew the timber elements on the bridge. Those elements had reached the end of their serviceable life and replacing them would safeguard the bridge into the future and ensure it could remain in use for pedestrians and cyclists. Costs associated with replacing all timber elements on the bridge were estimated to be around £1M and as such a proportion of external grant funding was being sought to allow these works to go ahead. Members acknowledge local



frustration with the condition of the bridge and recognised that the report represented the best outcome based on the financial situation.

## **DECISION**

### **AGREED:-**

- (a) to note the updated position regarding Kalemouth Suspension Bridge;**
- (b) the proposed way forward of developing a project to replace all timber elements on the bridge in 2025/26, subject to successful external grant funding applications; and**
- (c) that local Elected Members be provided progress reports on a 6-month basis.**

## **11. OUT OF AREA PLACEMENTS**

11.1 The Chairman welcomed the Resources Group Manager – Social Work, Mr Gareth Stott to the meeting to provide a presentation on the topic of Out of Area Placements. Mr Stott explained that due to issues with recruitment and retention there had been a net decrease in the number of foster carers in the Scottish Borders. The trend has also been seen nationally. That decrease had contributed to pressure on the looked after children sector. The cost of external placements had also increased, whilst the needs of children, young people and parents were more complex. A Senior Officer Panel at the Council had been convened to explore alternative options to external placements where appropriate. A range of actions included building options for managing complex needs, developing community-based family support, and reviewing recruitment of foster carers were being explored. Mr Stott presented the number of cases involved and highlighted that the number of placements in 2023/24 had increased considerably compared to 2019/20. The associated costs had also increased considerably, ranging from an 75.7% increase in the costs of residential/secure placements to an 81% increase in the costs associated with complex needs. Fostering costs had remained largely stable. Mr Stott highlighted that a 1% increase in the costs of residential placements required an additional £129,287 of budget resource.

11.2 As part of the review of external placements, several emerging themes had been identified. The number of children aged under 11 years old being placed in external placements had increased dramatically over the preceding 5 years. That often had a negative impact on education and familial ties. Whilst many of the emerging trends were not new, they had become more significant in recent years. The Senior Officer Panel which had had been convened had also examined the decision-making process for current placements and had not identified any inappropriate placements. Meetings with SBHA for the provision of buildings for complex need provision were ongoing, and work was ongoing to scope options for an additional children's provision in the Scottish Borders. That required appropriate education and healthcare provision to be in place. Other areas of progress included the establishment of a Childrens Health and Disabilities Team and positive joint working arrangements with the Education department. Mr Stott explained that long-term solutions required multi-agency co-operation including the Council, NHS Borders, Police Scotland and the third sector. Systemic developments were required to improve the overall situation. Members thanked Mr Stott for his presentation and acknowledged that the solution to resolving the ongoing issues would be complex and multi-faceted. In response to a question regarding the factors behind the difficulty in recruiting foster carers Mr Stott explained that a consistent message was more effective at improving numbers compared to a large campaign. Regarding the potential for people to move from continuing care to foster care, Mr Stott explained that the legislation and rationale which underpinned continuing care was focused on replicating a healthy family environment. Mr Stott confirmed that there were instances where young people in continuing care moved out of the area for further education or employment but returned for visits and holidays. In response to a question regarding the evaluation of how well the

Council was performing, Mr Stott explained that the Council was good at evaluating outcomes for young people, and that work was ongoing to ensure that its delivery model continually improved.

**DECISION  
NOTED**

*The meeting concluded at 1.30 pm*

**SCOTTISH BORDERS COUNCIL**  
**EDUCATION SUB-COMMITTEE**

MINUTE of MEETING of the  
EDUCATION SUB-COMMITTEE held in  
Council Chamber and via Microsoft  
Teams on Tuesday, 24 October 2023 at  
10:00am

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- Present: - Councillors L. Douglas (Chair), J. Greenwell, C. Hamilton, A. Orr,  
N. Richards, C. Ramage, S. Scott, A. Smart, F. Sinclair, Pam Rigby (Youth  
Engagement Worker), M. Docherty (Religious Representatives); N); Eliza  
Bevan (Pupil Representative).
- Apologies:- A. Hood (Religious Representative); N. York, C. Clements, (Teacher  
Representatives and Daniel Newsam (Pupil Representative).
- In Attendance: - Director of Education and Lifelong Learning, Chief Education Officer,  
Equity and Inclusion Lead Officer, Senior Lead Officers – Education  
(C. Brown), Democratic Services Officer (F. Henderson).

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1. **WELCOME**

The Chair welcomed everyone to the meeting, which included members of the Sub-Committee and those watching via the Live Stream, and outlined how the meeting would be conducted.

2. **ATTAINMENT RESULTS 2022/23**

- 2.1 There had been circulated copies of a report by the Director of Education and Lifelong Learning, the purpose of which was to inform the Education Sub Committee of the progress schools were making in the Broad General Education for P1 to P7 and Senior Phase S4–6 Scottish Qualifications Examinations for session 2022-23. The report explained that the Academic session 2022-23 was the second year of 'normal' schooling across Scotland since the COVID-19. SQA examinations were delivered as expected with continued modifications to course assessments by SQA. The performance of almost all young people in 2023 remained in line with or above 2022 level Attainment trends.
- 2.2 The Broad General Education included children and young people from the ages 3 – 15. There were National Benchmark levels that most pupils in this phase of their education had to meet in Literacy and Numeracy. The achievement of these levels was based on teacher judgement, which were quality assured through moderation activities around teacher planning and pupil work. The National Benchmark levels were contained in the report and demonstrated the percentage of children who had achieved the National benchmark in Literacy and Numeracy for a particular level. The evidence was based on the judgement of the class teacher and the standard was moderated by other staff in the school, other schools within the cluster and a quality assurance process led by senior officers. In 2022-23 there was a clear demonstration

of improvement and a progression towards the Scottish Government's Stretch Aim of 85% of pupils attaining the appropriate levels and Borders schools continued to recover from the impact of COVID-19 and was reflected nationally.

- 2.3 In 2022-23 the majority of pupils in P1, P4 and P7 combined, achieved the appropriate Curriculum for Excellence level of attainment in the Broad General Education as measured by teacher professional judgement of progress in reading, talking and listening, with most pupils attaining the expected level in numeracy and writing. The levels of attainment of pupils in the Broad General Education was improving and there was evidence of recovery from the impact of the Covid-19 global pandemic, and in primaries 1,4 and 7 these had seen an increase for the second year running of pupils attaining the relevant benchmark.
- 2.4 For the Senior Phase, pupils had sat 14,000 exams across the Borders in May 2023, which remained in line with the previous years. The overall pass rate (A-C) for **S4** pupils at SCQF Level 5 remained in line with 2022 at 77,4% while 90.2% of S4 learners achieved an award at A-D. Examples of improvement in Quintile 1 attainment
- 2.5 Foundation Apprenticeships were available nationally at SCQF Levels 5 and 6 courses in a variety of subjects and these opportunities gave young people earlier exposure to the world of work, helping them develop the skills, experience and knowledge they'll need when they leave school. It's the chance to get a head start on their careers by gaining an industry-recognised qualification, work on real projects and broaden their career options and for employers, it's the chance to attract highly motivated and committed young people who are willing to learn, identify young people who are right for your business and ensure their organisation had people with the skills they need. For young people who left in May 2022, Scottish Borders remained in the top quartile nationally, with an increase from last year to 96.65 percent of young people achieving a positive and sustained destination. This was the highest for the last five years.
- 2.6 In response to a question about capturing other qualifications, Mrs Thomson confirmed that the figures included these. The monitoring of pupils with dyslexia and encouraging employers to employ them was raised and Mrs Thomson explained the measures in place, which included digital papers and the development of an app to a secure portal to allow ipads to be used in exams.

## **DECISION**

**AGREED to note progress that schools had made in maintaining and improving standards of attainment in the Broad General Education and Senior Phase in 2023.**

3. **STANDARDS AND QUALITY REPORT AND IMPROVEMENT PLAN**
- 3.1 There had been circulated copies of a report by the Director of Education and Lifelong Learning, which provided an update on the progress made by the Education Service and schools during 2022-2023 and to note the improvement priorities for session 2023-24.
- 3.2 The Standard in Scotland's Schools etc Act 2000 placed a responsibility on Local Authorities to provide schooling for children and to ensure continuous improvement of the education system. The 2022/23 Standards and Quality Report provided a high-level summary of the performance of schools in line with the Education Service Improvement Plan. It noted attainment and achievement across all aspects of service delivery.
- 3.3 The Standard & Quality Report was an evaluation of academic session 2022/23 and drew on a range of data/information to support its conclusion contained in (Appendix

A) to the report. The Improvement Plan was a statement of objectives for academic session 2023-24 and contained in (Appendix B) to the report. The Plan had a strong focus on raising attainment for all and accelerated progress in closing the poverty related attainment gap as well as our continuing to drive to promote positive relationships and inclusive practice in all educational settings. It was also important to note the inclusion of Inspire Learning as a key driver for improvement in schools. Both documents evidenced a strong commitment to improving outcomes for children and young people in the Borders and their families.

- 3.4 The plan for session 2023-24 continued the key themes of Recovery, Equity and Innovation and had been prepared to address accelerated improvement in schools and settings following the refreshed Scottish Attainment Challenge. In June 2021 the OECD published their findings and recommendations for curriculum review and reform, SBC remained committed to ensuring all schools develop a curriculum which reflected not only these findings but the wider national agendas of No One Left behind, UNCRC, Learning for Sustainability and The Promise.

#### **DECISION**

**AGREED to approve both Reports, namely 'Standards & Quality Report 2022 - 23' (Appendix A) and 'Education Improvement Plan 2023 - 24' (Appendix B).**

*Meeting concluded at 12 noon.*

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## **MONITORING OF THE CAPITAL FINANCIAL PLAN 2023/24**

**Report by Director of Finance & Procurement**

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### **EXECUTIVE COMMITTEE**

**13 February 2024**

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

- 1.1 **This report updates the Executive Committee on the progress of the delivery of the 2023/24 Capital Financial Plan and seeks approval for the virements and reallocation of funds required following the review of funding and forecasts as at the December Month end.**
- 1.2 The monitoring tables in Appendix 1 report on actual expenditure to 31 December 2023 and the key issues and highlights identified in these numbers are summarised within this report.
- 1.3 The December month end position reflects a projected outturn of £96.9m against a budget of £116.6m, giving a net budget variance of £19.7m. This budget variance includes net timing movements from 2023/24 into future years of £22m offset by funding increases of £2.4m from external funding for the Borders Innovation Park (£0.836m), insurance receipt for Peebles Swimming Pool (£0.481m), additional budget for Plant & Vehicle from the Fund (£0.720m) and increased capital receipts which are partially offsetting the Planned Programme Adjustments (£0.465m). Further timing movements from 2023/24 may occur at year end as the construction materials supply chain continues to experience disruption causing delays in sourcing essential materials and impacting on project timelines.
- 1.4 A number of macro-economic factors continue to affect the Capital Plan in 2023/24. Recent 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, material shortages and longer lead times. The impact on tender prices for major projects and the wider Capital Plan continues to be assessed and built into forecast costs as they are identified.
- 1.5 Current legally committed projects have a smaller risk of impact and block programmes of work can operate within a cash constrained budget and are considered lower risk; although it is likely to impact on the scale of project delivery within the blocks. The financial implications from these unfavourable market conditions will continue to be reported through the regular budget monitoring cycle with the longer term impacts reflected in the financial planning process.
- 1.6 During the 2023/24 budget setting process a Planned Programming Adjustment budget line was added to the Financial Plan, this is offset where unspent project budgets became available through the year. The remaining balance to be addressed in 2023/24 is £0.368m following some small underspends in projects and the application of capital receipts.

- 1.7 Appendix 2 contains a list of the block funding allocations currently approved for this year as well as the approved projects, actual spend to the end of September and the movement requiring virements within the blocks.
- 1.8 Appendix 3 contains a list of estimated whole project capital costs for projects which in the main will not be completed in the current financial year.
- 1.9 As detailed within the approved 2023/24 Financial Plan there is a requirement for the Council to borrow to fund the Capital Programme and this will be actioned during the final quarter of the year, in line with our Treasury Strategy and advice from our external advisors.
- 1.10 The latest version of the CIPFA Prudential Code, published in December 2021, requires from financial year 2023/24 onwards that quarterly monitoring of prudential indicators should be reported by Councils. To meet this, quarters 2 and 4 of each financial year will continue to be reported through our existing treasury management reports. Quarters 1 and 3, which were not previously reported, will now be included in this report and as such Appendix 4 provides an updated position on key treasury indicators as at the 31 December 2023 quarter end. The information provided is a snapshot at the end of quarter 3, there are no concerns to highlight at this point in the 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 list of block allocations detailed in Appendix 2 and approve the required virements;**
  - (c) **Notes the list of whole project costs detailed in Appendix 3.**
  - (d) **Notes the requirement to borrow funding during Q4 of 2023/24 to fund capital expenditure as detailed in Appendix 1.**
  - (e) **Notes the update on key Treasury indicators at the 31<sup>st</sup> December 2023 detailed in Appendix 4.**



### 3 BACKGROUND

- 3.1 The Council approved the Capital Plan for the period 2023/24 to 2032/33 on 23 February 2023, 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 2023/24 so far:

	<b>£000s</b>
<b>Capital Plan 2023/24 as approved at Council 23 February 2023</b>	<b>123,705</b>
Timing movements and budget adjustments reported as part of out-turn 2022/23	11,427
Executive Committee 13 <sup>th</sup> June – Peebles Swimming Pool	40
June Executive Committee timing movements and budget adjustments	(4,767)
September Executive Committee timing movements and budget adjustments	(13,847)
<b>Revised Capital Plan 2023/24 as at 30<sup>th</sup> September 2023</b>	<b>116,558</b>
December virements proposed within this report	<b>(19,638)</b>
<b>Proposed Revised Capital Plan 2023/24</b>	<b>96,920</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 with the following 7 years amalgamated for presentation purposes. For 2023/24 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). Of the total £19.638m, £22m is due to timing movements offset by £2.4m cost increases. Within the £2.4m cost increase is additional external funding for the Borders Innovation Park (£0.836m), insurance receipt for Peebles Swimming Pool (£0.481m), additional budget for Plant & Vehicle from the Fund (£0.720m) and increased capital receipts which are partially offsetting the Planned Programme Adjustments (£0.465m).
- 3.4 For 2024/25 and 2025/26 the table presents the total variance projected between the latest approved budget and the current projected outturn. Below the tables for each service, explanatory narrative is provided where appropriate.
- 3.5 This report is the third quarterly monitoring report in the Capital reporting schedule for 2023/24.

## 4 MONITORING THE PLAN

- 4.1 Appendix 1 to this report shows the current financial position of each Capital project. The actual expenditure to 31 December 2023 is shown together with the projected outturn for the full financial year and where appropriate an explanation of budget movements is included.
- 4.2 Appendix 2 contains detail of each block allocation within the 2023/24 Capital Plan of approved and proposed budget movements for various projects and programmes.
- 4.3 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, this represents the latest approved budgetary position before the virements requested today.

## 5 HIGHLIGHTS

- 5.1 Key highlights from variances in Appendix 1 are:

### a) Peebles High School

Timing movement of £1.450m into 2024/25. The sports block is now complete and the construction work for the main school build commenced at the end of October 2023 a month later than originally planned.

### b) Digital Transformation

Timing movement £4.834m into 2024/25 to reflect the current planned delivery of the IT Transformation programme.

### c) Borders Innovation Park

We have received confirmation of grant funding from South of Scotland Enterprise (SOSE) of £3m over 2023/24-2025/26 to support the next phase of the Borders Innovation Park (Lowood) project. These works include roads construction and development works and the creation of hybrid working space (new floorspace created 3,716sqm). This funding is part of a decade long wider investment plan funded by the Borders Railway Blueprint and the Edinburgh and South East Scotland City Deal.

### d) Borderlands

Work has been undertaken with project leads and the Accountable Body to revise project timescales as Borderlands projects progress through outline and final business case approvals. Timing movements have been reflected in Appendix 1. These projects are funded by income from Borderlands Inclusive Growth Deals by Scottish and UK Governments and are part of an overall commitment to invest £64m in the Scottish Borders over a 10-year period.

### e) Developing Enterprise Infrastructure – Land at Duns Industrial Estate

Funding confirmed for 2023/24 and 2024/25 from Shared Prosperity Fund (£456k) and SOSE (£5k). The project will make more land available within the existing industrial estate in order to help retain local businesses by allowing them to grow and to help promote inward investment. This will help grow the economy and provide more employment opportunities within this part of Berwickshire.

## 5.2 Emergency & Unplanned Schemes

The table below provides an update on the position for Emergency & Unplanned Schemes showing the movement from the budget approved in February 2023. This position has not changed since the November Executive Committee.

<b>Emergency &amp; Unplanned</b>	<b>£000s</b>
Budget as Approved at Council 23 February 2023	0.175
Available budget from Energy Efficiency Works	0.220
Transfer budget to Easter Langlee Roundabout, Galashiels	(0.285)
Transfer of budget to Asset Rationalisation & Demolition for demolition of Gunsgreen Hill Squash Courts, Eyemouth	(0.100)
<b>Current balance</b>	<b>0.010</b>

5.3 During the 2023/24 budget setting process a Planned Programming Adjustment budget line was added to the Financial Plan which is offset throughout the year where unspent project budgets become available. The remaining balance to address in 2023/24 is £0.368m.

## 5.4 Funding

The Capital plan approved each February details the funding requirements to deliver the agreed plan. This figure includes an amount the Council intends to borrow each to fund the agreed expenditure and these figures are updated in each monitoring report to be approved by the Executive Committee. Over the last few years the Council has successfully utilised available cash balances rather than borrowing the amounts which have been approved. Having reduced the cash balances as far as prudent, we are now in a position to borrow in order to fund programme delivery for the remainder of the year. Following approval of this report the Council will borrow to support the projects detailed within Appendix 1 in Q4 of this financial year as required. This borrowing will be undertaken from the Public Works Loan Board in line with our Treasury strategy and guidance from our Treasury Advisors. The interest payable on these loans will be paid through Loans Charges in Revenue, the budget of which was increased for 2023/24 as part of the Financial plan to allow for this borrowing to take place.

5.5 The latest version of the CIPFA Prudential Code, published in December 2021, requires from financial year 2023/24 onwards that quarterly monitoring of prudential indicators should be reported by Councils. To meet this, quarters 2 and 4 of each financial year will continue to be reported through our existing treasury management reports. Quarters 1 and 3, which were not previously reported, will now be included in this report and as such the quarter 3 position is shown at Appendix 4 providing an updated position on key treasury indicators as at the 31<sup>st</sup> December 2023 quarter end. The information provided is a snapshot at the end of quarter 3, there are no concerns to highlight at this point in the year.

## **6 IMPLICATIONS**

### **6.1 Financial**

There are no financial implications beyond those contained in the report and Appendices 1-4.

### **6.2 Risk and Mitigations**

At the end of December 2023, actual expenditure totalled £58m which represents 60% of the projected outturn, excluding the impact of year end accruals. There is a risk of further timing movements this financial year. 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 of Corporate Governance, the Chief Officer Audit and Risk, the Director of People, Performance & Change, and Corporate Communications are being consulted and comments will be reported to the meeting.
- 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**  
**Director of Finance & Procurement**

**Signature .....**

### Author(s)

Name	Designation and Contact Number
Lizzie Turner	Chief Officer - Finance & Procurement

**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.

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Scottish Borders Council  
Capital Financial Plan

SUMMARY	2023/24				2024/25			2025/26			2026/27 - 2032/33		
	Actual to 31/12/23	Projected Outturn	Latest Approved Budget	Movement requiring Virement	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Plant & Vehicle Fund	3,718	6,474	5,754	720	2,000	0	2,000	2,000	0	2,000	14,000	0	14,000
Non Plant & Vehicle Fund	0	10	10	0	0	0	0	0	0	0	0	0	0
Flood & Coastal Protection	17,197	25,030	25,150	(120)	828	120	948	1,251	0	1,251	2,604	0	2,604
Land and Property Infrastructure	2,888	4,045	4,991	(946)	5,113	1,476	6,589	3,188	0	3,188	16,673	0	16,673
Road & Transport Infrastructure	6,243	10,731	10,797	(66)	9,447	20	9,467	7,667	5	7,672	52,969	0	52,969
Waste Management	97	251	251	0	106	0	106	112	0	112	956	0	956
<b>Total Infrastructure &amp; Environment</b>	<b>30,142</b>	<b>46,541</b>	<b>46,953</b>	<b>(412)</b>	<b>17,494</b>	<b>1,616</b>	<b>19,110</b>	<b>14,218</b>	<b>5</b>	<b>14,223</b>	<b>87,202</b>	<b>0</b>	<b>87,202</b>
Corporate	4,442	8,420	13,896	(5,476)	184	5,476	5,660	121	0	121	1,146	0	1,146
<b>Total Corporate Services</b>	<b>4,442</b>	<b>8,420</b>	<b>13,896</b>	<b>(5,476)</b>	<b>184</b>	<b>5,476</b>	<b>5,660</b>	<b>121</b>	<b>0</b>	<b>121</b>	<b>1,146</b>	<b>0</b>	<b>1,146</b>
School Estate	20,746	34,995	37,724	(2,729)	71,919	(3,115)	68,804	48,921	2,966	51,887	61,569	2,878	64,447
<b>Total Learning Estate</b>	<b>20,746</b>	<b>34,995</b>	<b>37,724</b>	<b>(2,729)</b>	<b>71,919</b>	<b>(3,115)</b>	<b>68,804</b>	<b>48,921</b>	<b>2,966</b>	<b>51,887</b>	<b>61,569</b>	<b>2,878</b>	<b>64,447</b>
Sports Infrastructure	362	643	718	(75)	410	0	410	2,007	0	2,007	4,868	0	4,868
Culture & Heritage	1	297	297	0	0	0	0	0	0	0	0	0	0
<b>Total Culture &amp; Sport</b>	<b>363</b>	<b>940</b>	<b>1,015</b>	<b>(75)</b>	<b>410</b>	<b>0</b>	<b>410</b>	<b>2,007</b>	<b>0</b>	<b>2,007</b>	<b>4,868</b>	<b>0</b>	<b>4,868</b>
Economic Regeneration	1,775	4,050	15,249	(11,199)	21,039	167	21,206	14,195	2,411	16,606	24,347	15,230	39,577
Housing Strategy & Services	254	984	984	0	500	0	500	500	0	500	3,500	0	3,500
<b>Total Economic Regeneration</b>	<b>2,029</b>	<b>5,034</b>	<b>16,233</b>	<b>(11,199)</b>	<b>21,539</b>	<b>167</b>	<b>21,706</b>	<b>14,695</b>	<b>2,411</b>	<b>17,106</b>	<b>27,847</b>	<b>15,230</b>	<b>43,077</b>
Emergency & Unplanned Schemes	0	10	10	0	175	0	175	175	0	175	1,225	0	1,225
<b>Total Emergency &amp; Unplanned Schemes</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>0</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	329	1,348	1,560	(212)	29,144	(25,100)	4,044	3,334	8,922	12,256	301	16,390	16,691
<b>Total Social Care Infrastructure</b>	<b>329</b>	<b>1,348</b>	<b>1,560</b>	<b>(212)</b>	<b>29,144</b>	<b>(25,100)</b>	<b>4,044</b>	<b>3,334</b>	<b>8,922</b>	<b>12,256</b>	<b>301</b>	<b>16,390</b>	<b>16,691</b>
Planned Programming Adjustments	0	(368)	(833)	465	(9,192)	0	(9,192)	(14,618)	0	(14,618)	(7,794)	0	(7,794)
<b>Total Planned Programming Adjustments</b>	<b>0</b>	<b>(368)</b>	<b>(833)</b>	<b>465</b>	<b>(9,192)</b>	<b>0</b>	<b>(9,192)</b>	<b>(14,618)</b>	<b>0</b>	<b>(14,618)</b>	<b>(7,794)</b>	<b>0</b>	<b>(7,794)</b>
<b>Total Scottish Borders Council</b>	<b>58,051</b>	<b>96,920</b>	<b>116,558</b>	<b>(19,638)</b>	<b>131,673</b>	<b>(20,956)</b>	<b>110,717</b>	<b>68,853</b>	<b>14,304</b>	<b>83,157</b>	<b>176,364</b>	<b>34,498</b>	<b>210,862</b>

Scottish Borders Council  
Capital Financial Plan

		2023/24				2024/25			2025/26			2026/27 - 2032/33		
	R A G	Actual to 31/12/23	Projected Outturn	Latest Approved Budget	Movement requiring Virement	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Plant &amp; Vehicle Fund</b>														
Plant & Vehicle Replacement - P&V Fund	G	3,718	6,474	5,754	720	2,000	0	2,000	2,000	0	2,000	14,000	0	14,000
		<b>3,718</b>	<b>6,474</b>	<b>5,754</b>	<b>720</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	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Fleet - Electric Vehicles - Infrastructure	G	0	10	10	0	0	0	0	0	0	0	0	0	0
		<b>0</b>	<b>10</b>	<b>10</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>Flood &amp; Coastal Protection</b>														
Flood Prevention Works & Scheme Preparation	G	311	678	678	0	372	0	372	372	0	372	2,604	0	2,604
General Flood Protection Block	G	94	94	94	0	0	0	0	0	0	0	0	0	0
Hawick Flood Protection	G	16,793	24,228	24,228	0	456	0	456	879	0	879	0	0	0
Coastal Change Adaptations	G	0	30	150	(120)	0	120	120	0	0	0	0	0	0
		<b>17,197</b>	<b>25,030</b>	<b>25,150</b>	<b>(120)</b>	<b>828</b>	<b>120</b>	<b>948</b>	<b>1,251</b>	<b>0</b>	<b>1,251</b>	<b>2,604</b>	<b>0</b>	<b>2,604</b>
<b>Land and Property Infrastructure</b>														
Asset Rationalisation & Demolition	G	104	460	618	(158)	170	158	328	0	0	0	0	0	0
Building Upgrades	G	914	915	540	375	437	140	577	397	0	397	4,368	0	4,368
Energy Efficiency Works	G	47	184	1,025	(841)	720	841	1,561	795	0	795	7,065	0	7,065
Health and Safety Works	G	169	337	337	0	400	0	400	400	0	400	3,500	0	3,500
Free School Meals	G	506	721	721	0	0	0	0	0	0	0	0	0	0
Play Areas & Outdoor Community Spaces	G	805	969	969	0	1,658	15	1,673	1,596	0	1,596	757	0	757
Jedburgh High Street Building	G	48	100	317	(217)	1,632	217	1,849	0	0	0	0	0	0
Cemetery Land Acquisition & Development	G	6	6	0	6	96	(6)	90	0	0	0	983	0	983
Land at Easter Langlee, Galashiels	G	0	0	111	(111)	0	111	111	0	0	0	0	0	0
Nature Restoration Fund	G	289	353	353	0	0	0	0	0	0	0	0	0	0
		<b>2,888</b>	<b>4,045</b>	<b>4,991</b>	<b>(946)</b>	<b>5,113</b>	<b>1,476</b>	<b>6,589</b>	<b>3,188</b>	<b>0</b>	<b>3,188</b>	<b>16,673</b>	<b>0</b>	<b>16,673</b>



Scottish Borders Council  
Capital Financial Plan

		2023/24				2024/25			2025/26			2026/27 - 2032/33		
	R A G	Actual to 31/12/23	Projected Outturn	Latest Approved Budget	Movement requiring Virement	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Road &amp; Transport Infrastructure</b>														
Cycling Walking & Safer Streets	G	294	741	741	0	507	0	507	507	0	507	1,729	0	1,729
Road Safety Improvement Fund	G	0	322	322	0	0	0	0	0	0	0	0	0	0
Community Bus Fund	G	0	243	243	0	0	0	0	0	0	0	0	0	0
Engineering Minor Works	G	0	14	14	0	0	0	0	0	0	0	0	0	0
Lighting Asset Management Plan	G	86	154	154	0	160	0	160	160	0	160	1,120	0	1,120
Peebles Bridge	G	0	0	0	0	0	0	0	0	0	0	420	0	420
Reston Station Contribution	G	0	0	0	0	1,740	0	1,740	0	0	0	0	0	0
Roads & Bridges -inc. RAMP, Winter Damage & Slopes	G	5,558	7,693	7,734	(41)	7,040	0	7,040	7,000	0	7,000	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	0	8	8	0	0	0	0	0	0	0	0	0	0
Roundabout at Easter Langlee, Galashiels	G	264	889	914	(25)	0	20	20	0	5	5	0	0	0
Eddleston Water Path	G	41	600	600	0	0	0	0	0	0	0	0	0	0
		<b>6,243</b>	<b>10,731</b>	<b>10,797</b>	<b>(66)</b>	<b>9,447</b>	<b>20</b>	<b>9,467</b>	<b>7,667</b>	<b>5</b>	<b>7,672</b>	<b>52,969</b>	<b>0</b>	<b>52,969</b>
<b>Waste Management</b>														
New Easter Langlee Waste Transfer Station	G	0	41	41	0	0	0	0	0	0	0	0	0	0
Closed Landfill Site- Health & Safety Works	G	37	57	57	0	0	0	0	0	0	0	0	0	0
Wheeled Bins (100 in total) - Street Cleansing	G	9	52	52	0	0	0	0	0	0	0	0	0	0
Waste Containers	G	42	101	101	0	106	0	106	112	0	112	956	0	956
		<b>97</b>	<b>251</b>	<b>251</b>	<b>0</b>	<b>106</b>	<b>0</b>	<b>106</b>	<b>112</b>	<b>0</b>	<b>112</b>	<b>956</b>	<b>0</b>	<b>956</b>
<b>Total Infrastructure &amp; Environment</b>		<b>30,142</b>	<b>46,541</b>	<b>46,953</b>	<b>(412)</b>	<b>17,494</b>	<b>1,616</b>	<b>19,110</b>	<b>14,218</b>	<b>5</b>	<b>14,223</b>	<b>87,202</b>	<b>0</b>	<b>87,202</b>

<p><b>Plant &amp; Vehicle Fund</b></p> <p>Plant &amp; Vehicle Replacement - P&amp;V Fund</p>	<p>An additional £720k is being drawn down from the replacement fund, to fund a revised forecast spend in the current year of £6.474m. This is based on current manufacturer delivery timescales.</p>
<p><b>Flood &amp; Coastal Protection</b></p> <p>Flood Prevention Works &amp; Scheme Preparation Coastal Change Adaptations</p>	<p>See appendix 2 for block re-allocation to cover additional costs for Selkirk FPS. Timing movement of £120k into 2024/25 due to weather related events.</p>
<p><b>Land and Property Infrastructure</b></p> <p>Asset Rationalisation &amp; Demolition</p> <p>Building Upgrades</p> <p>Energy Efficiency Works</p> <p>Health and Safety Works</p> <p>Play Areas &amp; Outdoor Community Spaces</p> <p>Tedburgh High Street Building</p> <p>Cemetery Land Acquisition &amp; Development</p> <p>Land at Easter Langlee, Galashiels</p>	<p>Timing movement of £158k required into 2024/25. This allocation is to support Property Rationalisation which is a fluid process and to an ongoing review of the overall Estate, the budget is being moved to 2024/25.</p> <p>Timing movement of £140k into 2024/25 required (see appendix 2 for details) the programme of works will be delivered in 2024/25. Gross up insurance receipt (£481k) for Peebles Swimming Pool and transfer of approved allocation (£60k) from the Sport &amp; Culture block. Underspend in this project to be transferred to Planned Programme adjustments (£26k).</p> <p>Timing movement into 2024/25 (£841k) for PV panels due to delays associated with the structural suitability of some buildings and an on-going dialogue with the Council's insurers regarding best practice. Works are progressing with Kelso High School and the Easter Langlee Waste Transfer Station, both of which will be operational in the first quarter of 24/25. Other sites and energy efficiency options are being examined currently.</p> <p>See appendix 2 for block re-allocation.</p> <p>See appendix 2 for block re-allocation.</p> <p>Timing movement into 2024/25 in line with tender process on receipt of the Bill of Quantities.</p> <p>Acceleration of funding from 2024/25 to address costs incurred in-year (£6k).</p> <p>Timing movement required into 2024/25, Eildon Housing still waiting on confirmation of when disconnections will take place.</p>
<p><b>Road &amp; Transport Infrastructure</b></p> <p>Lighting Asset Management Plan</p> <p>Roads &amp; Bridges -Inc. RAMP, Winter Damage &amp; Slopes</p> <p>Roundabout at Easter Langlee, Galashiels</p>	<p>See appendix 2 for block re-allocation to cover additional costs at Weensgate Drive, Hawick.</p> <p>See appendix 2 for block re-allocation and gross down of STTS funding (£72k). Transfer budget from Borders Town Centre Regeneration Block (£31k) to part fund resurfacing works at Pinnaclehill Industrial Estate.</p> <p>Reprofiling of project based on projected outturn. Budget profiling into 2024/25 and 2025/26 is for landscaping.</p>

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		2023/24				2024/25			2025/26			2026/27 - 2032/33		
	R	Actual to 31/12/23	Projected Outturn	Latest Approved Budget	Movement requiring Virement	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget
	A	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	G													
<b>Learning Estate</b>														
Early Years Expansion	G	274	766	1,525	(759)	614	759	1,373	433	0	433	0	0	0
Jedburgh Learning Campus	G	5	12	12	0	0	0	0	0	0	0	0	0	0
Eyemouth Primary School	G	53	100	250	(150)	8,988	150	9,138	5,585	0	5,585	0	0	0
Earlston Primary School	G	4,215	8,069	7,530	539	6,697	(529)	6,168	65	(10)	55	0	0	0
Gala Academy	G	10,080	16,023	16,108	(85)	32,711	(1,081)	31,630	9,753	349	10,102	864	817	1,681
New Hawick High School	G	656	1,497	1,497	0	886	0	886	7,023	0	7,023	46,004	0	46,004
Learning Estate Block	G	954	1,478	2,302	(824)	1,790	824	2,614	1,790	0	1,790	12,530	0	12,530
Inspire Academy	G	10	10	10	0	0	0	0	0	0	0	0	0	0
Peebles High School	A	4,482	6,980	8,430	(1,450)	20,233	(3,238)	16,995	24,272	2,627	26,899	2,171	2,061	4,232
Inspiring School Age Childcare Spaces Programme	G	14	60	60	0	0	0	0	0	0	0	0	0	0
Projects Funded from Revenue	G	0	0	0	0	0	0	0	0	0	0	0	0	0
		<b>20,746</b>	<b>34,995</b>	<b>37,724</b>	<b>(2,729)</b>	<b>71,919</b>	<b>(3,115)</b>	<b>68,804</b>	<b>48,921</b>	<b>2,966</b>	<b>51,887</b>	<b>61,569</b>	<b>2,878</b>	<b>64,447</b>
<b>Total Learning Estate</b>		<b>20,746</b>	<b>34,995</b>	<b>37,724</b>	<b>(2,729)</b>	<b>71,919</b>	<b>(3,115)</b>	<b>68,804</b>	<b>48,921</b>	<b>2,966</b>	<b>51,887</b>	<b>61,569</b>	<b>2,878</b>	<b>64,447</b>

<b>Learning Estate</b>	
Early Years Expansion	Timing movement to 2024/25 (£759k) whilst a feasibility exercise regarding the improvement and/or replacement of certain nurseries, housed in temporary units within the Learning Estate, is ongoing.
Eyemouth Primary School	Timing movement to 2024/25 (£150k). Project currently on hold whilst feasibility options are developed.
Earlston Primary School	Timing movement to 2023/24 (£539k) from 2024/25 (£529k) and 2025/26 (£10k) in line with project manager estimate. Main construction works commenced on site June 2023 with a estimated school handover date during August 2024. Further works on demolition of the old school and external landscaping are estimated to be complete by April 2025.
Gala Academy	Timing movement from 2023/24 (£85k) and 2024/25 (£1,081k) to 2025/26 (£349k) and 2026/27 (£817k) in line with project manager estimate. Main construction works commenced on site July 2023 with works progressing well with an estimated school handover date during October 2025. Further works on demolition of the old school and external landscaping are estimated to be complete by May 2026.
School Estate Block	Timing movement to 2024/25 (£824k) in line with project manager estimates.
Peebles High School	Timing movements from 2023/24 (£1,450k) and 2045/25 (£3,238k) to 2025/26 (£2,627k) and 2026/27 (£2,061k) in line with project manager estimate. Main construction works commenced at the end of October 2023, after a delay on one month, with an estimated school handover date during September 2025. Further works on demolition of the old school and external landscaping are estimated to be complete by June 2026.

		2023/24				2024/25			2025/26			2026/27 - 2032/33		
	R A G	Actual to 31/12/23 £000	Projected Outturn £000	Latest Approved Budget £000	Movement requiring Virement £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000
<b>Corporate</b>														
ICT - Outwith CGI Scope	G	20	26	26	0	56	0	56	56	0	56	560	0	560
Inspire Learning	G	1,796	1,796	2,438	(642)	128	642	770	65	0	65	273	0	273
Digital Transformation	A	2,626	6,598	11,432	(4,834)	0	4,834	4,834	0	0	0	313	0	313
		<b>4,442</b>	<b>8,420</b>	<b>13,896</b>	<b>(5,476)</b>	<b>184</b>	<b>5,476</b>	<b>5,660</b>	<b>121</b>	<b>0</b>	<b>121</b>	<b>1,146</b>	<b>0</b>	<b>1,146</b>
<b>Total Corporate</b>		<b>4,442</b>	<b>8,420</b>	<b>13,896</b>	<b>(5,476)</b>	<b>184</b>	<b>5,476</b>	<b>5,660</b>	<b>121</b>	<b>0</b>	<b>121</b>	<b>1,146</b>	<b>0</b>	<b>1,146</b>

<b>Corporate</b>		
Inspire Learning		Timing movement into 2024/25 (£642k). Budget will be reprofiled following a review of the Inspire Programme model.
Digital Transformation		Timing movement into 2024/25 to tie in with the current planned delivery of the IT Transformation programme (£4.834m).

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	R A G	Actual to 31/12/23 £000	Projected Outturn £000	Latest Approved Budget £000	Movement requiring Virement £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000
<b>Sports Infrastructure</b>														
Culture & Sports Trusts - Plant & Services	G	338	555	615	(60)	30	0	30	215	0	215	2,030	0	2,030
Netherdale Spectator Stand	G	16	77	77	0	0	0	0	0	0	0	0	0	0
Netherdale Pitch Replacement	G	8	11	26	(15)	0	0	0	0	0	0	0	0	0
Synthetic Pitch Replacement Fund	G	0	0	0	0	380	0	380	1,792	0	1,792	2,838	0	2,838
		<b>362</b>	<b>643</b>	<b>718</b>	<b>(75)</b>	<b>410</b>	<b>0</b>	<b>410</b>	<b>2,007</b>	<b>0</b>	<b>2,007</b>	<b>4,868</b>	<b>0</b>	<b>4,868</b>
<b>Culture &amp; Heritage</b>														
Jim Clark Museum	G	0	16	16	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
Sir Walter Scott Court House - Phase 2	G	1	0	0	0	0	0	0	0	0	0	0	0	0
		<b>1</b>	<b>297</b>	<b>297</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>363</b>	<b>940</b>	<b>1,015</b>	<b>(75)</b>	<b>410</b>	<b>0</b>	<b>410</b>	<b>2,007</b>	<b>0</b>	<b>2,007</b>	<b>4,868</b>	<b>0</b>	<b>4,868</b>

<b>Sports Infrastructure</b>														
Culture & Sports Trusts - Plant & Services		Transfer budget allocated for Peebles Swimming Pool to Building Upgrades Block (£60k).												
Netherdale Pitch Replacement		Transfer forecast underspend to Planned Programme Adjustments (£15k).												

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		2023/24				2024/25			2025/26			2026/27 - 2032/33		
	R	Actual to 31/12/23	Projected Outturn	Latest Approved Budget	Movement requiring Virement	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget
	A	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	G													
<b>Economic Regeneration</b>														
Borders Town Centre Regeneration Block	G	0	690	858	(168)	70	132	202	70	0	70	700	0	700
Borders Innovation Park	A	488	1,666	830	836	10,247	542	10,789	3,186	1,622	4,808	219	0	219
Newtown St Boswells Regeneration	G	0	0	344	(344)	56	344	400	0	0	0	0	0	0
Hawick Regeneration Block	G	863	863	863	0	0	0	0	0	0	0	0	0	0
Galashiels Town Centre Regeneration	G	76	78	375	(297)	0	297	297	0	0	0	0	0	0
Borderlands	A	344	727	11,974	(11,247)	10,666	(1,598)	9,068	10,939	789	11,728	23,428	15,230	38,658
Developing Enterprise Infrastructure – Land at Duns Industrial Estate	A	0	21	0	21	0	450	450	0	0	0	0	0	0
Earlston Business Relocation	G	4	5	5	0	0	0	0	0	0	0	0	0	0
		<b>1,775</b>	<b>4,050</b>	<b>15,249</b>	<b>(11,199)</b>	<b>21,039</b>	<b>167</b>	<b>21,206</b>	<b>14,195</b>	<b>2,411</b>	<b>16,606</b>	<b>24,347</b>	<b>15,230</b>	<b>39,577</b>
<b>Housing Strategy &amp; Services</b>														
Private Sector Housing Grant - Adaptations	G	202	526	526	0	500	0	500	500	0	500	3,500	0	3,500
Empty Homes Grants	G	52	458	458	0	0	0	0	0	0	0	0	0	0
		<b>254</b>	<b>984</b>	<b>984</b>	<b>0</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>2,283</b>	<b>6,017</b>	<b>17,217</b>	<b>(11,199)</b>	<b>22,039</b>	<b>167</b>	<b>22,206</b>	<b>15,195</b>	<b>2,411</b>	<b>17,606</b>	<b>31,347</b>	<b>15,230</b>	<b>46,577</b>
<b>Economic Regeneration</b>														
Borders Town Centre Regeneration Block		Timing movement into 2024/25 to align with revised project timescales. Contribution towards Developing Enterprise Infrastructure – Land at Duns IE project (£5k). Transfer budget to Roads & Bridge Block to part fund resurfacing works at Pinnaclehill Industrial Estate (£31k).												
Borders Innovation Park		Gross up funding from South of Scotland Enterprise (SOSE) to support early stages and development works, including road construction and the creation of hybrid working spaces (£3m).												
Newtown St Boswells Regeneration		Timing movement required into 2024/25, project to be reprofiled once plans discussed further and agreed.												
Galashiels Town Centre Regeneration		Timing movement into 2024/25 to align with revised project timescales.												
Borderlands		Updated profile following discussions with project leads.												
Developing Enterprise Infrastructure – Land at Duns IE		Gross up approved funding in 2023/24 and 2024/25 from Shared Prosperity Fund (£456k) and SOSE (£5k), transfer budget from Borders Town Centre Regeneration Block (£5k) and capitalise revenue budget (£5k). This project will make more land available to enable businesses to build their own premises, grow and create jobs.												

		2023/24				2024/25			2025/26			2026/27 - 2032/33		
	R A G	Actual to 31/12/23 £000	Projected Outturn £000	Latest Approved Budget £000	Movement requiring Virement £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000
<b>Emergency &amp; Unplanned Schemes</b>														
Emergency & Unplanned Schemes	G	0	10	10	0	175	0	175	175	0	175	1,225	0	1,225
Inflation Contingency	G	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Programming Adjustments		0	(368)	(833)	465	(9,192)	0	(9,192)	(14,618)	0	(14,618)	(7,794)	0	(7,794)
		<b>0</b>	<b>(358)</b>	<b>(823)</b>	<b>465</b>	<b>(9,017)</b>	<b>0</b>	<b>(9,017)</b>	<b>(14,443)</b>	<b>0</b>	<b>(14,443)</b>	<b>(6,569)</b>	<b>0</b>	<b>(6,569)</b>
<b>Total Emergency &amp; Unplanned Schemes</b>		<b>0</b>	<b>(358)</b>	<b>(823)</b>	<b>465</b>	<b>(9,017)</b>	<b>0</b>	<b>(9,017)</b>	<b>(14,443)</b>	<b>0</b>	<b>(14,443)</b>	<b>(6,569)</b>	<b>0</b>	<b>(6,569)</b>
<b>Planned Programming Adjustments</b>														
Planned Programming Adjustments		Transfer available budget from Netherdale Pitch Replacement (£15k) and Building Upgrades Block (£26k). Additional capital receipts (£424k).												

		2023/24				2024/25			2025/26			2026/27 - 2032/33		
	R A G	Actual to 31/12/23 £000	Projected Outturn £000	Latest Approved Budget £000	Movement requiring Virement £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000	Latest Approved Budget £000	Movement requiring Virement £000	Projected Budget £000
<b>Social Care Infrastructure</b>														
Care Inspectorate Requirements & Upgrades	G	35	41	41	0	41	0	41	43	0	43	301	0	301
Technology Enabled Care	G	0	33	33	0	0	0	0	0	0	0	0	0	0
Residential Care Accommodation - Upgrades	G	127	936	936	0	0	0	0	0	0	0	0	0	0
Care Village Tweedbank	G	118	288	500	(212)	15,500	(11,710)	3,790	3,078	8,922	12,000	0	3,000	3,000
Care Village Hawick	G	49	50	50	0	13,603	(13,390)	213	213	0	213	0	13,390	13,390
		<b>329</b>	<b>1,348</b>	<b>1,560</b>	<b>(212)</b>	<b>29,144</b>	<b>(25,100)</b>	<b>4,044</b>	<b>3,334</b>	<b>8,922</b>	<b>12,256</b>	<b>301</b>	<b>16,390</b>	<b>16,691</b>
<b>Total Social Care Infrastructure</b>		<b>329</b>	<b>1,348</b>	<b>1,560</b>	<b>(212)</b>	<b>29,144</b>	<b>(25,100)</b>	<b>4,044</b>	<b>3,334</b>	<b>8,922</b>	<b>12,256</b>	<b>301</b>	<b>16,390</b>	<b>16,691</b>

<b>Social Care Infrastructure</b>		
Care Village Tweedbank		Timing movement into 2024/25 due to delays in design and planning stage in 2023/24 (£212k).



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CAPITAL FINANCING	2023/24			2024/25			2025/26			2026/27 - 2032/33		
	Projected	Latest	Movement	Latest	Movement	Projected	Latest	Movement	Projected	Latest	Movement	Projected
	Outturn	Approved	requiring	Approved	requiring	Budget	Approved	requiring	Budget	Approved	requiring	Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>C9001 - Capital - General Capital Grant</b>												
Capital - General Capital Grant	(7,771)	(6,271)	(1,500)	(10,737)	0	(10,737)	(10,737)	0	(10,737)	(75,159)	0	(75,159)
Hawick Flood Protection	(16,198)	(16,198)	0	(148)	0	(148)	(920)	0	(920)	0	0	0
Play Areas & Outdoor Community Spaces	(234)	(234)	0	(352)	0	(352)	(586)	0	(586)	0	0	0
Flood Prevention Works & Scheme Preparation	(678)	(678)	0	(372)	0	(372)	(372)	0	(372)	(2,604)	0	(2,604)
Free School Meals	(721)	(721)	0	0	0	0	0	0	0	0	0	0
Nature Restoration Fund	(353)	(353)	0	0	0	0	0	0	0	0	0	0
Community Bus Fund	(243)	(243)	0	0	0	0	0	0	0	0	0	0
Coastal Adaptations	(30)	(150)	120	0	(120)	(120)	0	0	0	0	0	0
<b>C9002 - Scottish Government Specific Capital Grant</b>												
Cycling Walking & Safer Streets	(741)	(741)	0	(507)	0	(507)	(507)	0	(507)	(1,729)	0	(1,729)
Roads & Bridges -inc. RAMP, Winter Damage & Slopes	0	0	0	0	0	0	0	0	0	0	0	0
Early Years Expansion	(766)	(1,525)	759	(614)	(759)	(1,373)	(433)	0	(433)	0	0	0
Inspiring School Age Childcare Spaces Programme	(60)	(60)	0	0	0	0	0	0	0	0	0	0
	<b>(1,567)</b>	<b>(2,326)</b>	<b>759</b>	<b>(1,121)</b>	<b>(759)</b>	<b>(1,880)</b>	<b>(940)</b>	<b>0</b>	<b>(940)</b>	<b>(1,729)</b>	<b>0</b>	<b>(1,729)</b>
<b>C9003 - Other Grants &amp; Contributions - Capital</b>												
Other Fleet - Electric Vehicles	0	0	0	0	0	0	0	0	0	0	0	0
Other Fleet - Electric Vehicles - Infrastructure	(10)	(10)	0	0	0	0	0	0	0	0	0	0
Hawick Flood Protection	(3,231)	(3,231)	0	0	0	0	0	0	0	0	0	0
Hawick Flood Protection (SG CG Advance)	(935)	(935)	0	0	0	0	0	0	0	0	0	0
Play Areas & Outdoor Community Spaces	(50)	(50)	0	(50)	(15)	(65)	(133)	0	(133)	0	0	0
Road Safety Improvement Fund	(322)	(322)	0	0	0	0	0	0	0	0	0	0
Roads & Bridges -inc. RAMP, Winter Damage & Slopes	(443)	(515)	72	0	0	0	0	0	0	0	0	0
Jim Clark Museum	(16)	(16)	0	0	0	0	0	0	0	0	0	0
Hawick Regeneration Block	(753)	(753)	0	0	0	0	0	0	0	0	0	0
Borders Town Centre Regeneration Block	(558)	(558)	0	0	0	0	0	0	0	0	0	0
Borders Innovation Park	(1,336)	(500)	(836)	(8,762)	(542)	(9,304)	(3,186)	(1,622)	(4,808)	(219)	0	(219)
Borderlands	(727)	(11,974)	11,247	(10,034)	1,598	(8,436)	(10,939)	(789)	(11,728)	(23,428)	(15,230)	(38,658)
Developing Enterprise Infrastructure – Land at Duns IE	(11)	0	(11)	0	(450)	(450)	0	0	0	0	0	0
Earlston Primary School	(1,763)	(1,763)	0	0	0	0	0	0	0	0	0	0
Eddleston Water Path	(600)	(600)	0	0	0	0	0	0	0	0	0	0
Netherdale Pitch Replacement	(11)	(11)	0	0	0	0	0	0	0	0	0	0
Peebles Swimming Pool	(481)	0	(481)	0	0	0	0	0	0	0	0	0
Replace previous borrowing with Capital Grant	0	0	0	(768)	0	(768)	0	0	0	0	0	0
	<b>(11,247)</b>	<b>(21,238)</b>	<b>9,991</b>	<b>(19,614)</b>	<b>591</b>	<b>(19,023)</b>	<b>(14,258)</b>	<b>(2,411)</b>	<b>(16,669)</b>	<b>(23,647)</b>	<b>(15,230)</b>	<b>(38,877)</b>



CAPITAL FINANCING	2023/24			2024/25			2025/26			2026/27 - 2032/33		
	Projected Outturn	Latest Approved Budget	Movement requiring Virement	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget	Latest Approved Budget	Movement requiring Virement	Projected Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Waste Containers	(101)	(101)	0	(106)	0	(106)	(112)	0	(112)	(956)	0	(956)
Wheelie Bins (100 in total) - Street Cleansing	(52)	(52)	0	0	0	0	0	0	0	0	0	0
ICT - Outwith CGI Scope	(26)	(26)	0	(56)	0	(56)	(56)	0	(56)	(560)	0	(560)
Digital Transformation	(6,286)	(9,620)	3,334	0	(4,834)	(4,834)	0	0	0	(313)	0	(313)
Inspire Learning	(148)	(790)	642	(128)	(642)	(770)	(65)	0	(65)	(273)	0	(273)
Eyemouth Primary School	(100)	(250)	150	(8,988)	(150)	(9,138)	(5,585)	0	(5,585)	0	0	0
Earlston Primary School	(6,306)	(5,767)	(539)	(6,697)	529	(6,168)	(65)	10	(55)	0	0	0
Gala Academy	(16,023)	(16,108)	85	(27,291)	1,081	(26,210)	(9,753)	(349)	(10,102)	(801)	(817)	(1,618)
New Hawick High School	(1,497)	(1,497)	0	(886)	0	(886)	(7,023)	0	(7,023)	(46,004)	0	(46,004)
Jedburgh Learning Campus	(12)	(12)	0	0	0	0	0	0	0	0	0	0
Learning Estate Block	(1,335)	(2,159)	824	(1,690)	(824)	(2,514)	(1,690)	0	(1,690)	(11,930)	0	(11,930)
Inspire Academy	(10)	(10)	0	0	0	0	0	0	0	0	0	0
Peebles High School	(7,023)	(8,473)	1,450	(20,233)	3,238	(16,995)	(24,272)	(2,627)	(26,899)	(2,171)	(2,061)	(4,232)
Culture & Sports Trusts - Plant & Services	(555)	(615)	60	(30)	0	(30)	(215)	0	(215)	(2,030)	0	(2,030)
Floodlighting	0	0	0	0	0	0	0	0	0	0	0	0
Synthetic Pitch Replacement Fund	0	0	0	0	0	0	(660)	0	(660)	0	0	0
Netherdale Spectator Stand	(77)	(77)	0	0	0	0	0	0	0	0	0	0
Netherdale Pitch Replacement	0	(15)	15	0	0	0	0	0	0	0	0	0
Jim Clark Museum	0	0	0	0	0	0	0	0	0	0	0	0
Public Hall Upgrades	(281)	(281)	0	0	0	0	0	0	0	0	0	0
St. Walter Scott Court House - Phase 2	0	0	0	0	0	0	0	0	0	0	0	0
Great Tapestry of Scotland - Building	0	0	0	0	0	0	0	0	0	0	0	0
Borders Town Centre Regeneration Block	(132)	(300)	168	(70)	(132)	(202)	(70)	0	(70)	(700)	0	(700)
Hawick Regeneration Block	(110)	(110)	0	0	0	0	0	0	0	0	0	0
Borders Innovation Park	(330)	(330)	0	(1,485)	0	(1,485)	0	0	0	0	0	0
Newtown St Boswells Regeneration	0	(344)	344	(56)	(344)	(400)	0	0	0	0	0	0
Eyemouth Regeneration	0	0	0	0	0	0	0	0	0	0	0	0
Galashiels Town Centre Regeneration	(78)	(375)	297	0	(297)	(297)	0	0	0	0	0	0
Borderlands	0	0	0	(632)	0	(632)	0	0	0	0	0	0
Developing Enterprise Infrastructure – Land at Duns IE	(5)	0	(5)	0	0	0	0	0	0	0	0	0
Earlston Business Relocation	(5)	(5)	0	0	0	0	0	0	0	0	0	0
Private Sector Housing Grant - Adaptations	(526)	(526)	0	(500)	0	(500)	(500)	0	(500)	(3,500)	0	(3,500)
Emergency & Unplanned Schemes	(10)	(10)	0	(175)	0	(175)	(175)	0	(175)	(1,225)	0	(1,225)
Inflation Contingency	0	0	0	0	0	0	0	0	0	0	0	0
Planned Programming Adjustments	394	833	(439)	9,192	0	9,192	14,618	0	14,618	7,731	0	7,731
Care Inspectorate Requirements & Upgrades	(41)	(41)	0	(41)	0	(41)	(43)	0	(43)	(301)	0	(301)
Residential Care Accommodation - Upgrades	(936)	(936)	0	0	0	0	0	0	0	0	0	0
Care Village Tweedbank	(288)	(500)	212	(15,500)	11,710	(3,790)	(3,078)	(8,922)	(12,000)	0	(3,000)	(3,000)
Care Village Hawick	(50)	(50)	0	(13,603)	13,390	(213)	(213)	0	(213)	0	(13,390)	(13,390)
Technology Enabled Care	(33)	(33)	0	0	0	0	0	0	0	0	0	0
Adjustments (GCG and CapRcpts)	8,195	6,271	1,924	12,737	0	12,737	10,872	0	10,872	75,759	0	75,759
	<b>(47,889)</b>	<b>(57,498)</b>	<b>9,609</b>	<b>(88,465)</b>	<b>21,552</b>	<b>(66,913)</b>	<b>(37,662)</b>	<b>(11,893)</b>	<b>(49,555)</b>	<b>(55,162)</b>	<b>(19,268)</b>	<b>(74,430)</b>
<b>TOTAL CAPITAL FUNDING</b>	<b>(96,920)</b>	<b>(116,558)</b>	<b>19,638</b>	<b>(131,673)</b>	<b>20,956</b>	<b>(110,717)</b>	<b>(68,853)</b>	<b>(14,304)</b>	<b>(83,157)</b>	<b>(176,364)</b>	<b>(34,498)</b>	<b>(210,862)</b>

	Latest approved budget £000's	Movement requiring Virement	Projected Outturn	Actuals to 31/12/2023
<b>Infrastructure &amp; Environment</b>				
<b>Flood &amp; Coastal Protection</b>				
<b>Flood Prevention Works &amp; Scheme Preparation</b>				
Galashiels Natural Flood Management	40	0	40	8
Flood Scheme Preparation Peebles	5	0	5	3
Community Resilience	13	0	13	3
Ettrick Valley Study	49	0	49	26
Lindean Study	4	0	4	0
Slitrig Study	1	0	1	0
Newcastleton Temporary Bund	8	0	8	0
Dairy Mews Culvert, Galashiels	100	0	100	1
Romanno Bridge	51	0	51	34
Selkirk Flood Protection Scheme Erosion Works	71	20	91	91
Minor Works	58	(20)	38	1
Denholm Flood Scheme Upgrade	38	0	38	2
Jedburgh Flood Scheme Preparation	0	0	0	0
Eyemouth & Berwickshire Coastal Schemes	240	0	240	142
Gross up additional funding from Scottish Government for Coastal Change Adaptation	0	0	0	0
<b>Timing movement to 2024/25</b>	<b>678</b>	<b>0</b>	<b>678</b>	<b>311</b>
<b>General Flood Protection Block</b>				
Romanno Bridge Flood Bank	94	0	94	94
<b>Timing movement to 2024/25</b>	<b>94</b>	<b>0</b>	<b>94</b>	<b>94</b>

	Latest approved budget	Movement requiring Virement	Projected Outturn	Actuals to 31/12/2023
<b>Land and Property Infrastructure</b>				
<b>Asset Rationalisation</b>				
Hawick Town Hall - agile working	8	(3)	5	0
Paton Street Galashiels - agile working	12	2	14	12
Asset development and reconfiguration	188	(158)	30	0
Council HQ building upgrade works	310	0	310	90
Gungreen Hill Squash Courts at Eyemouth	100	0	100	0
St Mary's Mill	0	1	1	1
Unallocated Balance	0	0	0	
<b>Timing movement to 2024/25</b>		<b>158</b>		
	<b>618</b>	<b>0</b>	<b>460</b>	<b>103</b>
<b>Building Upgrades</b>				
Peebles Swimming Pool roofing upgrade	370	515	885	885
Lifts - Mechanical infrastructure upgrades	30	(3)	27	27
Hillview Industrial Estate Coldstream door replacement	0	3	3	3
Electrical Infrastructure management	25	(25)	0	0
Eyemouth Community Centre roofing upgrades	50	(50)	0	0
Industrial Units fabric upgrades	50	(50)	0	0
Linglie Mill roofing & rainwater goods upgrade	15	(15)	0	0
Transfer budget from Culture & Sports Trusts - Plant & Services for Peebles Swimming Pool		(60)		
Gross up income for Peebles Fire (Insurance)		(481)		
Transfer budget to Planned Programme Adjustments		26		
<b>Timing movement to 2024/25</b>		<b>140</b>		
	<b>540</b>	<b>0</b>	<b>915</b>	<b>915</b>
<b>Energy Efficiency Works</b>				
Solar Photo Voltaic panels installation	998	(742)	256	162
Existing Photo Voltaic estate reinstallations	100	(100)	0	0
Conversion of energy source (Oil to 'green' energy source)	0	0	0	0
Lowood Lodge	0	0	0	0
Chirnside PS window upgrade	(120)	1	(119)	(119)
Smart Grid	4	0	4	4
Unallocated Balance	43	0	43	0
<b>Timing movement to 2024/25</b>		<b>841</b>		
	<b>1,025</b>	<b>0</b>	<b>184</b>	<b>47</b>
<b>Health and Safety Works</b>				
Legionella upgrade water tanks	67	(22)	45	2
Asbestos Management	50	0	50	36
Fire alarm systems upgrades	155	22	177	39
Drumlanrig Primary School window upgrade	40	0	40	25
Cemetery wall works	25	0	25	65
<b>Timing movement to 2024/25</b>		<b>0</b>		
	<b>337</b>	<b>0</b>	<b>337</b>	<b>169</b>
<b>Free School Meals</b>				
Kitchen Equipment	20	0	20	10
Project Management	10	0	10	1
Gordon Primary School Extension	337	0	337	286
St Peter's Primary School Extension	18	0	18	20
Glendinning Primary School Extension	8	0	8	11
Philippaugh Primary School Refurbishment	15	0	15	10
St Margaret's Primary School Refurbishment	189	0	189	158
Burgh Primary School Refurbishment	24	0	24	2
Newcastleton Primary School Extension	0	0	0	0
Melrose Primary School Refurbishment	100	0	100	7
Drumlanrig Primary School Refurbishment	0	0	0	0
Stow Primary School Refurbishment	0	0	0	0
Balmoral Primary School Refurbishment	0	0	0	0
Kingsland Primary School Refurbishment	0	0	0	0
Newtown St Boswells Primary School Refurbishment	0	0	0	0
<b>Timing movement to 2024/25</b>		<b>0</b>		
	<b>721</b>	<b>0</b>	<b>721</b>	<b>505</b>

	Latest approved budget	Movement requiring Virement	Projected Outturn	Actuals to 31/12/2023
<b>Play Areas &amp; Outdoor Community Spaces</b>				
Jedburgh Allerley Well Park	308	(26)	282	282
Play Facilities & Surfacing Review	0	0	0	1
Jedburgh Skate Park	30	0	30	25
Peebles Victoria Park Skate Park	10	27	37	37
Gavinton Play Park	71	0	71	65
St Boswells Jenny Moore's Road	202	(7)	195	183
Newstead The Orchard	71	5	76	60
Selkirk Bog Park	70	0	70	63
Hawick Walled Garden Glass house	0	0	0	0
Kelso High Croft	69	0	69	64
Hawick Sleepy Valley, Burnfoot	52	0	52	1
Innerleithen Public Park Drainage & Surfacing Works	20	1	21	21
Walkerburn Pumptrack & Football Upgrade	50	0	50	3
Kelso Lighting	10	0	10	0
Roof Shelter - Peebles	6	0	6	0
Gross up Scottish Government funding	0	0	0	0
Gross up Jedburgh Common Good funding	0	0	0	0
Unallocated Balance	0	0	0	0
<b>Timing movement from 2024/25</b>				
	969	0	969	805

	Latest approved budget	Movement requiring Virement	Projected Outturn	Actuals to 31/12/2023
<b>Road &amp; Transport Infrastructure</b>				
<b>Cycling Walking &amp; Safer Streets</b>				
Walking Related Activities:	370	0	370	193
Cycling Related Activities:	371	0	371	101
Gross up additional funding from Scottish Government		0		
	<u>741</u>	<u>0</u>	<u>741</u>	<u>294</u>
<b>Lighting Asset Management Plan</b>				
Weensgate Drive, Hawick	29	21	50	47
St Ronan's Terrace, Innerleithen	24	(2)	22	19
Deanshead, Eyemouth	19	(9)	10	0
Bank Street Brae, Galashiels	10	0	10	0
Glebe Terrace, Selkirk	19	(1)	18	8
Scott Street, Newcastleton	19	0	19	0
Marchmont Road, Greenlaw	19	(5)	14	11
Carnarvon Street, Hawick	1	0	1	1
Corroded Columns	14	(4)	10	0
<b>Timing movement to 2024/25</b>				
	<u>154</u>	<u>0</u>	<u>154</u>	<u>86</u>
<b>Roads &amp; Bridges -inc. RAMP, Winter Damage &amp; Slopes</b>				
Surface Dressing	2,220	90	2,310	2,099
Patching	2,030	(190)	1,840	1,284
Resurfacing/Overlays	1,179	183	1,362	755
Walls & Structures	280	(30)	250	169
Footways	260	(33)	227	192
Drainage	320	30	350	265
Masonry Refurbishment	710	12	722	300
STTS Schemes	735	(103)	632	494
Gross down STTS Schemes		72		
Transfer budget from Borders Town Centre Regeneration Block		(31)		
<b>Timing movement to 2024/25</b>				
	<u>7,734</u>	<u>0</u>	<u>7,693</u>	<u>5,558</u>
<b>Corporate</b>				
<b>ICT-Outwith CGI Scope</b>				
PC Replacement	26	0	26	20
<b>Timing movement to 2024/25</b>				
	<u>26</u>	<u>0</u>	<u>26</u>	<u>20</u>

	Latest approved budget	Movement requiring Virement	Projected Outturn	Actuals to 31/12/2023
<b>Education &amp; Lifelong Learning</b>				
<b>Early Learning and Childcare</b>				
Early Years Expansion	1,525	(759)	766	274
<b>Timing movement to 2024/25</b>		<b>759</b>	<b>0</b>	
	<u>1,525</u>	<u>0</u>	<u>766</u>	<u>274</u>
<b>Learning Estate Block</b>				
<b><i>Improve and enhance school environments:</i></b>				
Outdoor Learning Provisions	312	(60)	252	64
Equipment & Furniture Replacement Programme (including white goods)	50	160	210	105
Primary School Refurbishments	1,342	(706)	636	559
School toilet programme	113	0	113	86
<b><i>Meet security and legislative obligations</i></b>				
Kitchen refurbishment programme	20	(20)	0	
Accessibility works	30	10	40	36
Secure receptions programme	125	0	125	97
<b><i>ASN Provision Enhancements</i></b>				
ASN Provision Enhancements	260	(208)	52	7
<b><i>Urgent, unplanned and fees</i></b>				
Professional fees	25	0	25	0
Project closure contingencies	25	0	25	0
Unallocated balance	0	0	0	0
<b>Timing movement to 2024/25</b>		<b>824</b>		
	<u>2,302</u>	<u>0</u>	<u>1,478</u>	<u>954</u>



## Culture &amp; Sport

## Sports Infrastructure

	Latest approved budget	Movement requiring Virement	Projected Outturn	Actuals to 31/12/2023
<b>Culture &amp; Sports Trusts - Plant &amp; Services</b>				
Jedburgh Leisure Facilities Trust	24	0	24	24
Berwickshire Recreation Education Sports Trust	15	0	15	16
Selkirk Leisure Centre - calorifier replacement & Legionella	35	0	35	33
Eyemouth Leisure Centre - secondary and main pool pumps & inverters	16	0	16	15
Eyemouth Leisure Centre - actuators pool heating	5	0	5	5
Peebles Swimming Pool - changing facilities, toilets, sauna, steam room	31	(31)	0	0
Peebles Swimming Pool - circulation pumps	10	(10)	0	0
Peebles Swimming Pool - heat pumps	19	(19)	0	0
Teviotdale Leisure Centre - replacement of pool side scum channels	13	0	13	13
Multiple Sites - Carbon Monoxide/Gas alarms (6x£4,575)	28	0	28	0
Multiple Sites - Plantroom emergency shutdown controls (6x£3000)	18	0	18	9
Multiple sites - Chlorine gas alarms	20	0	20	20
Selkirk Leisure Centre - Electrical works	6	0	6	6
Teviotdale Leisure Centre - actuators controls etc	13	0	13	5
GYTES - Boiler & Pump replacement including pressurisation unit	73	0	73	73
GYTES - Calorifier replacement	35	0	35	35
GYTES - Control works to facilitate £28,807	34	0	34	33
EYEMOUTH SP - Main pool AHU	100	0	100	50
EYEMOUTH SP - Controls Upgrade	65	0	65	1
EYEMOUTH SP - Pool Cover	8	0	8	0
EYEMOUTH SP - Joinery works	5	0	5	0
EYEMOUTH SP - Project management and principal designer	14	0	14	0
EYEMOUTH SP - Booster Pump Set	14	0	14	0
EYEMOUTH SP - Retrofit (changing room supply & extract unit - AHU)	14	0	14	0
Unallocated balance	0	0	0	0
Transfer budget for Peebles Swimming Pool to Building Upgrades	0	60	0	0
<b>Timing movement to 2024/25</b>		<b>0</b>		
	<b>615</b>	<b>0</b>	<b>555</b>	<b>338</b>
<b>Public Hall Upgrades</b>				
Gala Volunteer Hall	50	0	50	
Selkirk Victoria Hall	0	25	25	
Hawick Town Hall	0	25	25	
PA systems (all venues)	26	(26)	0	
Unallocated balance	205	(24)	181	
<b>Timing movement to 2024/25</b>		<b>0</b>		
	<b>281</b>	<b>0</b>	<b>281</b>	<b>0</b>

## Economic Regeneration

	Latest approved budget	Movement requiring Virement	Projected Outturn	Actuals to 31/12/2023
<b>Hawick Regeneration</b>				
Hawick Business Centre	863	0	863	863
<b>Timing movement to 2024/25</b>		<b>0</b>		
	<u>863</u>	<u>0</u>	<u>863</u>	<u>863</u>
<b>Galashiels Town Centre Regeneration</b>				
Galashiels Masterplanning & Town Centre redevelopment	375	(297)	78	76
<b>Timing movement to 2024/25</b>		<b>297</b>		
	<u>375</u>	<u>0</u>	<u>78</u>	<u>76</u>
<b>Borders Town Centre Regeneration Block</b>				
Workshop Development	86	(86)	0	0
Town Centre Regeneration Enabling Works (Galashiels, Hawick, Eyemouth, Jedburgh, Selkirk)	214	(80)	134	0
Jedburgh Abbey Ramparts	4	0	4	0
Unallocated Balance	2	(2)	0	0
Place Based Investment Programme 2023/24	552	0	552	0
Transfer budget to Developing Enterprise Infrastructure – Land at Duns IE project		5		
Transfer budget to Roads & Bridges Block		31		
<b>Timing movement to 2024/25</b>		<b>132</b>		
	<u>858</u>	<u>0</u>	<u>690</u>	<u>0</u>

	Latest approved budget	Movement requiring Virement	Projected Outturn	Actuals to 31/12/2023
<b>Adult Social Care</b>				
<b>Social Care Infrastructure</b>				
<b>Care Inspectorate Requirements &amp; Upgrades</b>				
Deanfield, Hawick	7	(1)	6	5
Grove House, Kelso	7	(6)	1	0
St. Ronan's, Peebles	7	(6)	1	0
Saltgreens, Eyemouth	7	(2)	5	4
Waverley, Galashiels	7	(6)	1	0
Day Services	6	21	27	26
<b>Timing movement to 2024/25</b>				
	41	0	41	35
<b>Residential Care Accommodation - Upgrades</b>				
Deanfield, Hawick	185	0	185	6
Grove House, Kelso	185	0	185	16
St. Ronan's, Peebles	176	0	176	23
Saltgreens, Eyemouth	167	0	167	24
Waverley, Galashiels	175	0	175	58
Garden View, Tweedbank	50	0	50	
<b>Timing movement to 2024/25</b>		0		
	936	0	936	127

	Previous Years Life to Date	2023/24			2024/25			2025/26			2026/27 - 2032/33			Total Project Cost		
		Actual	Latest		Approved Budget	Variance	Approved Budget	Variance	Projected Budget	Latest Approved Budget	Variance	Projected Budget	Latest Approved Budget		Variance	Projected Budget
			Approved Budget	Variance												
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
<b>Plant &amp; Vehicle Fund</b>																
Plant & Vehicle Replacement ( <i>Block</i> )	2,360	3,718	5,754	(2,036)	2,000	0	2,000	2,000	0	2,000	14,000	0	14,000	26,834		
<b>Non-Plant &amp; Vehicle Fund</b>																
01-C00180 - Electric Vehicles	460	0	0	0	0	0	0	0	0	0	0	0	0	460		
01-C100172 - Electric Vehicles - Infrastructure	498	0	10	(10)	0	0	0	0	0	0	0	0	0	508		
<b>Flood &amp; Coastal Protection</b>																
01-C00223 - Hawick Flood Protection	66,444	16,793	24,228	(7,435)	456	0	456	879	0	879	0	0	0	92,007		
<b>Land and Property Infrastructure</b>																
01-C100192 - Jedburgh High Street Building	951	48	317	(269)	1,632	217	1,849	0	0	0	0	0	0	2,900		
<b>Road &amp; Transport Infrastructure</b>																
01-C00162 - Union Chain Bridge	1,805	0	8	(8)	0	0	0	0	0	0	0	0	0	1,813		
01-C100561 - Roundabout at Easter Langlee, Galashiels	116	264	8	256	0	20	20	0	5	5	0	0	0	1,030		
01-C100487 - Eddleston Water Path	2,502	41	600	(559)	0	0	0	0	0	0	0	0	0	3,102		
<b>Corporate</b>																
01-C100403 - Digital Transformation	16,330	2,626	11,432	(8,806)	0	4,834	4,834	0	0	0	313	0	313	28,075		
<b>Learning Estate</b>																
Early Years Expansion	829	274	1,525	(1,251)	614	759	1,373	433	0	433	0	0	0	3,401		
01-C100262 - Eyemouth Primary School	1,177	53	250	(197)	8,988	150	9,138	5,585	0	5,585	0	0	0	16,000		
01-C100274 - Earlston Primary School	2,308	4,215	7,530	(3,315)	6,697	(529)	6,168	65	(10)	55	0	0	0	16,600		
01-C100264 - Gala Academy	5,064	10,080	16,108	(6,028)	32,711	(1,081)	31,630	9,753	349	10,102	864	817	1,681	64,500		
01-C100313 - Hawick High School	541	656	1,497	(841)	886	0	886	7,023	0	7,023	46,004	0	46,004	55,951		
01-C100419 - Peebles High School	5,894	4,482	8,430	(3,948)	20,233	(3,238)	16,995	24,272	2,627	26,899	2,171	2,061	4,232	61,000		
<b>Social Care Infrastructure</b>																
01-C100504 - Care Village Tweedbank	222	118	500	(382)	15,500	(11,710)	3,790	3,078	8,922	12,000	0	3,000	3,000	19,300		
01-C100392 - Care Village Hawick	269	50	50	0	13,603	(13,390)	213	213	0	213	0	13,390	13,390	14,135		
<b>Economic Regeneration</b>																
01-C00205 - Central Borders Business Park	7,684	488	830	(342)	10,247	542	10,789	3,186	1,622	4,808	219	0	219	25,166		
01-C100589 - Borderlands	419	344	11,974	(11,630)	10,666	(1,598)	9,068	10,939	789	11,728	23,428	15,230	38,658	60,600		

## APPENDIX 4a: Prudential and Treasury Indicators for 2023-24 as of 31<sup>st</sup> December 2023

Treasury Indicators	2023/24 Budget £'000	31.12.23 Projection £'000
Authorised limit for external debt *	607,972	584,120
Operational boundary for external debt *	506,643	486,767
Gross external debt *	373,092	348,592
Treasury deposits	45,500	2,250
Net borrowing	327,952	346,342
<b>Maturity structure of fixed rate borrowing - upper and lower limits</b>		
Under 12 months	0% to 20%	0% to 20%
12 months to 2 years	0% to 20%	0% to 20%
2 years to 5 years	0% to 20%	0% to 20%
5 years to 10 years	0% to 20%	0% to 20%
10 years to 20 years *1	20% to 100%	20% to 100%
20 years to 30 years *1	20% to 100%	20% to 100%
30 years to 40 years *1	20% to 100%	20% to 100%
40 years to 50 years *1	20% to 100%	20% to 100%
<b>Upper limit for principal sums invested over 365 days (split by financial years beyond current year end): - *2</b>		
Year 1	20%	20%
Year 2	20%	20%
Year 3	20%	20%
Year 4	20%	20%
Year 5	20%	20%

<b>Prudential Indicators</b>	<b>2023/24 Budget £'000</b>	<b>31.12.23 Projection £'000</b>
<b>Capital expenditure *</b>	123,705	96,920
<b>Capital Financing Requirement (CFR) *</b>	444,367	415,461
<b>In year borrowing requirement</b>	70,085	47,889
<b>Ratio of financing costs to net revenue stream *</b>	8.5%	5.8%

All indicators with \* are set out in the Treasury Management Strategy 2023/24

## APPENDIX 4b: Treasury Deposits

Treasury Deposits held as of 31<sup>st</sup> December 2023:

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest LT / Fund Rating	Historic Risk of Default
MMF Aberdeen Standard Investments	450,000	5.28%		MMF	AAAm	
MMF Aviva	450,000	5.32%		MMF	AAAm	
MMF BlackRock	450,000	5.32%		MMF	AAAm	
MMF Federated Investors (UK)	450,000	5.36%		MMF	AAAm	
MMF LGIM	450,000	5.29%		MMF	AAAm	
<b>Total Investments</b>	<b>£2,250,000</b>	<b>5.31%</b>				-

Note: An historic risk of default is only provided if a counterparty has a counterparty credit rating and is not provided for an MMF or USDBF, for which the rating agencies provide a fund rating. The portfolio's historic risk of default therefore measures the historic risk of default attached only to those investments for which a counterparty has a counterparty credit rating and also does not include investments which are not rated.

## APPENDIX 4c: Approved countries for investments as of 31<sup>st</sup> December 2023

### *Based on lowest available rating*

#### AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

#### AA+

- Canada
- Finland
- U.S.A.

#### AA

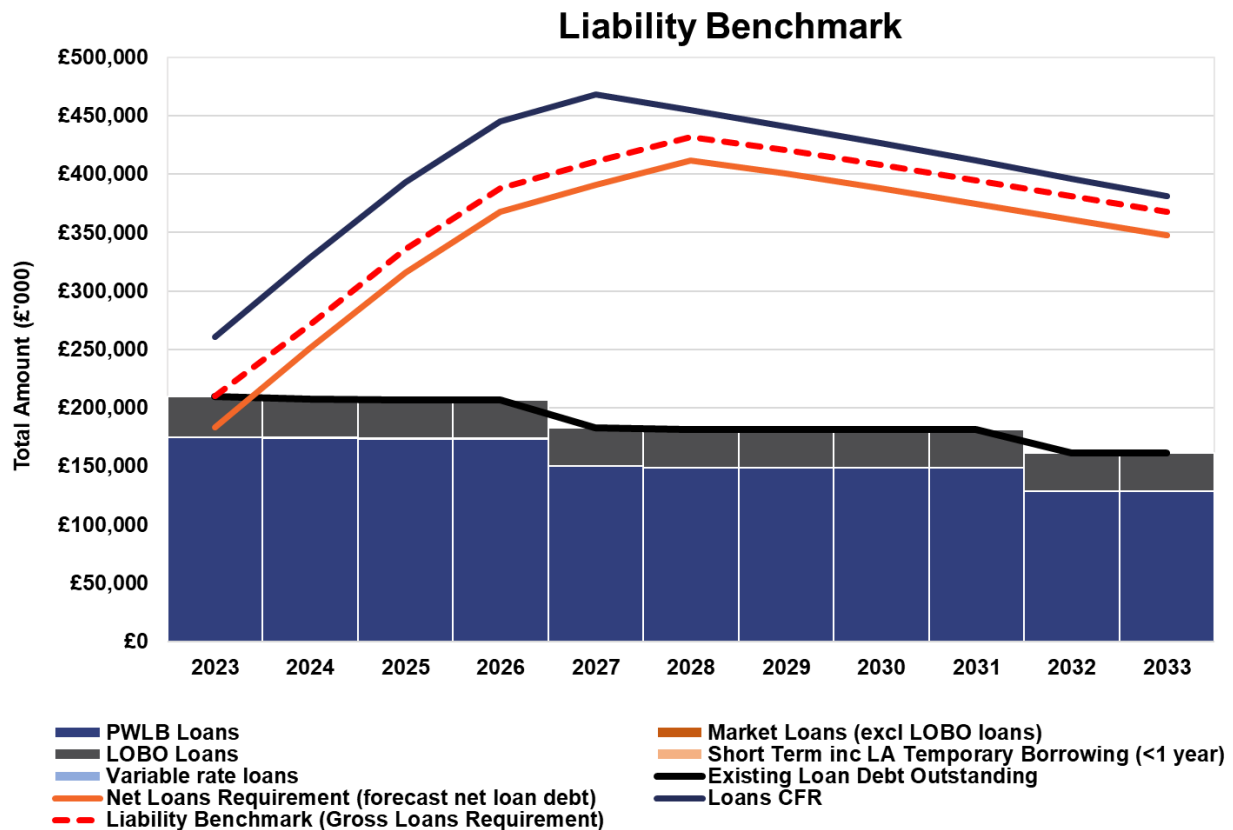
- Abu Dhabi (UAE)

#### AA-

- Belgium
- France
- Qatar
- **U.K.**



## APPENDIX 4d



The Authority is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum. The Council has measured the LB for a 10 year period in line with the Capital Plan as shown in the graph above.

There are four components to the LB: -

- 1 **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years, this is shown in the bar chart.
- 2 **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned Loans Fund advances/Loans Fund principal repayments, this is the top line.
- 3 **Net loans requirement:** this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned Loans Fund principal repayments and any other major cash flows forecast.
- 4 **Liability benchmark** (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.

The graph below shows the Council to be in an under-borrowed position with a requirement for further borrowing in future years. The Council will actively monitor the progress of the Capital Plan and align forecast spend to the most efficient borrowing options available at that time.

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## **MONITORING OF THE GENERAL FUND REVENUE BUDGET 2023/24**

### **Report by Director of Finance & Procurement EXECUTIVE COMMITTEE**

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**13 FEBRUARY 2024**

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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 31 December 2023 along with explanations of the major variances identified between projected outturn and the current approved budget.**
- 1.2 Services are currently forecasting an unfunded overspend of £3.0m at the end of the financial year. This is £1.7m more than the unfunded position reported to the Executive Committee in November.
- 1.3 Service pressures continue to be experienced across the Council. Budget overspends remain within out of area placements for young people (£1.8m) and new overspends in ASN and School transport have been identified of £0.9m due to increased contract pricing. A further £0.2m overspend in IT and £0.1m less Council Tax income are also reported.
- 1.4 Several actions were agreed at the Executive Committee on 14<sup>th</sup> November in order to reduce the level of overspend facing the Council:
- The freeze on discretionary spend has not created a material underspend across the Council but is likely to have positively impacted on the individual service positions. The impact of the freeze on discretionary expenditure will continue to be tracked. A significant element of expenditure is traditionally incurred in the last quarter of the year and the freeze enacted should be expected to impact during the last 3 months of the financial year. Further instruction has been issued to managers across the Council reiterating the need to reduce expenditure.
  - The 6 week delay on recruitment of vacant posts created savings of £0.3m which have been used to partially offset corporate financial plan savings.
  - Under the Council's financial regulations no earmarking, outwith specific Council policy, can take place unless the Council has a balanced outturn position. Within the overall Q3 position reported, £0.8m of funding which was carried forward from 2022/23 has not been spent and is therefore supporting the Council's overall position. Within Resilient Communities £0.5m has not been utilised, mainly relating to No one left behind (£0.375m) and within Properties and Facilities £0.3m set aside to support the delivery of sustainability and carbon reduction has not been used for the original purpose.

- 1.5 The overall overspend of £3.0m poses a significant risk to the Council's ability to balance the 2023/24 budget, one off measures will be required at the year end to ensure the Council does not overspend this financial year.
- 1.6 Financial plan savings of £11.505m were planned to be delivered in 2023/24. An analysis of delivery of savings as at the end of quarter 3 is provided in Appendix 3. This analysis shows that following the December month end £6.348m (55%) savings have been delivered permanently, and £5.157m (45%) have been delivered on a temporary basis through alternative means, this includes corporate savings held within Finance and Corporate Governance amounting to £1.994m relating to a new commissioning strategy (£0.250m) and digital transformation (£1.744m).

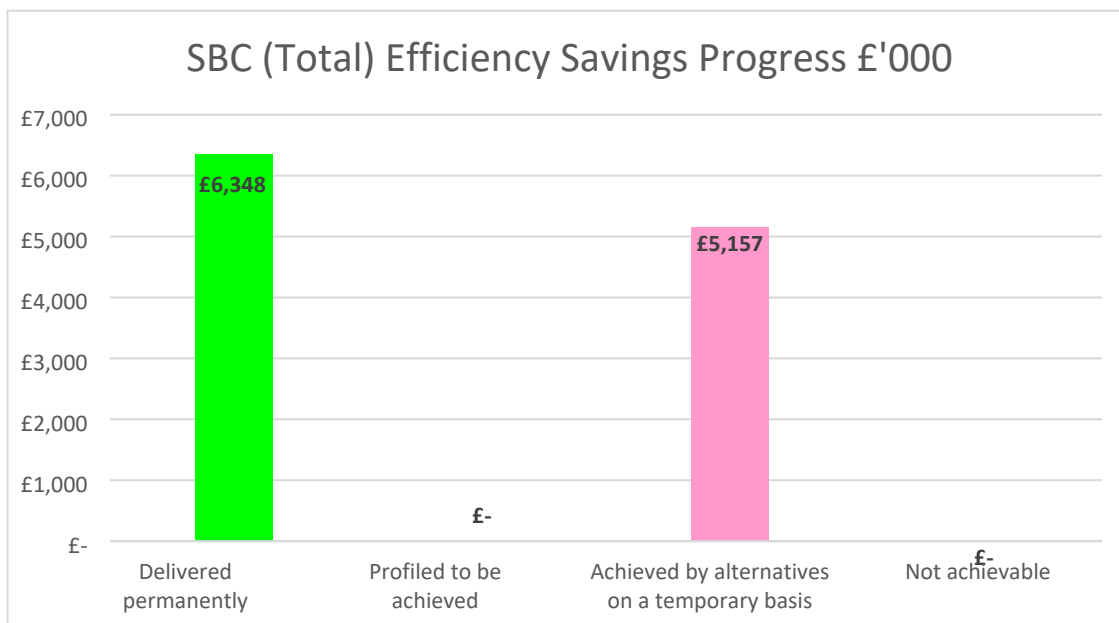
## **2 RECOMMENDATIONS**

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

- (a) notes the projected corporate monitoring position reported at 31 December 2023, the remaining pressures identified, the underlying cost drivers of this position and the identified areas of financial risk as reflected in Appendix 1;**
- (b) agrees to a pause on all non statutory spend until 31 March 2024 to mitigate some of £3.0m overspend detailed in appendix 1;**
- (c) notes the need to agree robust delivery plans for 2024/25 savings before the start of the next financial year.**
- (d) notes the Recovery Fund resources detailed in Appendix 2;**
- (e) notes the progress made in achieving Financial Plan savings in Appendix 3;**
- (f) approves the virements attached at Appendix 4 and 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 31 December 2023 and forecasts for the remainder of the year.
- 3.2 We are currently forecasting an unfunded overspend of £3.0m for the year. All pressures are detailed in Appendix 1, the most significant service overspends relate to additional forecast costs in out of area placements within Children & Families Social Work (£1.8m) and ASN and Home to School Transport £0.9m. The delay in the delivery of corporate savings have been offset by forecast underspends in Economic development largely due to earmarked balances brought forward from 2022/23 not being spent in year and other corporate funding. A further £0.2m pressure in IT and £0.1m less Council Tax income are also reported.
- 3.3 As previously reported the position around the cost of out of area placements and caring for our young people is one being reported across the UK with the number and complexity of cases increasing alongside increases in the cost of placements. This budget was already under significant pressure during 2022/23 and as such elected members approved budget growth of £2.5m through the 2023/24 financial planning process. A further budget of £3.4k was transferred into the service as approved at the August Executive Committee and an additional unfunded overspend of £1.3m was reported to members at the November Executive Committee. The C&FSW pressure has risen by a further £0.5m (net) in Q3 to give a total reported unfunded overspend of £1.8m.
- 3.4 A senior officer panel continues to meet frequently, convened by the Chief Executive involving senior staff from Social Work, Education, Finance and Legal Services to scrutinise all future decisions on this budget and also to consider opportunities to reduce current forecast costs through supporting young people locally. The permanent budgetary impact of these pressures is being considered as part of the 2024/25 financial planning process and a project to review and deliver changes to the service is being commissioned; initiated through a full CMT away day at the end of January.
- 3.5 Within Education previously reported pressures within Additional support needs staff in schools and school transport contracts are being dealt with within existing budgets, however an additional inflationary pressure in Transport has been identified (£0.9m). This is over and above growth provided in the budget and has arisen due to increased pricing when retendering of contracts throughout the year.
- 3.6 The level of savings required by the financial plan in 2023/24 totals £11.505m. An analysis of delivery of savings as at the end of quarter 3 is provided in Appendix 3 and shows that £6.348m (55%) savings have been delivered permanently and £5.157m (45%) have been delivered on a temporary basis through alternative means, this includes corporate savings held within Finance and Corporate Governance amounting to £1.994m relating to a new commissioning strategy (£0.250m) and digital transformation (£1.744m).



- 3.7 The level of savings achieved on a temporary basis pose a significant risk to the Council. Non delivery of savings reduces the Council's ability to deal with unplanned service and inflationary pressures which arise throughout the year. These savings will roll forward into 2024/25 and the work currently underway to develop a new programme of change to ensure continued sustainability of the council will develop a delivery programme for these and future year savings.
- 3.8 As detailed within the report to the November Executive Committee, under the Council's financial regulations no earmarking, outwith specific Council policy, can take place if the Council does not have a balanced outturn position. Within the overall position £0.8m of funding which was carried forward from 2022/23 has not been spent and is therefore supporting the Council's overall position. Within Resilient Communities £0.5m has not been utilised mainly from No one left behind funding (£0.375m) and in Properties and Facilities (£0.3m) has not been utilised and is positively impacting on the overall financial position of the Council.
- 3.9 SJC pay inflation budget has been allocated across all directorates following the finalisation of the pay award for 2023/24. The total cost of the SJC Pay award was £5.4m and was funded through a combination of £4.8m SG funding and £0.7m of Council funding, in addition to that provided within the 2023/24 financial plan. Teachers pay was reflected in the budget earlier in the year.
- 3.10 As shown in Appendix 2, the Recovery Fund balance remains at £0.4m at Q3. The remaining balance is available to support the Council during the remainder of the financial year and is being maintained at this time to contribute to any additional Live Borders pressures that emerge during the final quarter of the year. As approved by Council on 14<sup>th</sup> December 2023, £1m has been provided to Live Borders with a further up to £0.5m approved should it be required.
- 3.11 Due to the scale of financial challenge remaining and the late stage of the financial year, the Council is likely to be in a position of being reliant on one off funding to balance the financial position at year end which is unsustainable in the long term. The Executive Committee is asked to approve a pause on all non statutory Council spend to reduce the anticipated year end pressure.

- 3.12 Appendix 4 and 5 provide detail of the budget movements highlighted in Appendix 1 which require approval via the Executive Committee.

## **Service Highlights**

### **3.13 Infrastructure & Environment (I&E)**

The service is reporting a balanced position as detailed in Appendix 1. Underspends have arisen in Properties and Facilities as budget which was carried forward from 22/23 to support delivery of sustainability and carbon reduction (£0.318m) and funding received to deliver the roll out of Free School Meals to Primary 6s and 7s in Facilities (£0.4m) will no longer be spent. In addition, there are underspends in depreciation (£0.247m) and a further reduction of costs within supplies and services in waste treatment are expected due to current pricing (£0.2m). These underspends are meeting financial plan savings not delivered (£0.525m) on a temporary basis and covering increased costs within Facilities (£0.326m) primarily due to food inflation and additional equipment purchases, SBContracts increased overhead costs (£0.1m), Fleet Services reduced income (£0.085m) and other smaller pressures across the service.

### **3.14 Social Work & Practice**

There are significant budget pressures of £1.8m within Children & Families Social Work services. Since the position notified in the November Executive Committee, costs have increased by £819k; These costs have partially been offset by savings elsewhere across the service.

In Homelessness Property Management, previously reported pressures relating to property management and Rapid Rehousing Transition Plan activity are anticipated to be met by lower than anticipated costs elsewhere within Safer Communities, notably a reduction in the Community Access Team costs due to ongoing vacant posts.

### **3.15 Education & Lifelong Learning**

Scottish Government has tasked all Councils with maintaining minimum teacher numbers, at census, and Scottish Borders Council is in line with this figure meaning held back funding for teachers has now been released by Scottish Government. Several strands of funding have now been confirmed including Pupil Equity and Strategic Equity and Teachers Pay Award and have been distributed accordingly.

Previously reported pressures in Additional Support Needs in schools and Transport pressures have been offset by underspends elsewhere in the E&LL budget but further overspends in Additional Support Needs transport and Home to School transport have now arisen due to the increased costs of contracts retendered throughout the year (£0.9m).

Devolved Schools Management (DSM) carry forwards for Primary and Secondary schools are estimated at £0.239m and £0.493m respectively. Pupil Equity Funding carry forwards in Primary and Secondary schools are estimated at £0.317m and £0.096m respectively. Other schools carry forwards relating to Strategic Equity Fund and Care Experienced Children & Young People amount to £0.257 across Primary and Secondary schools. DSM carry forwards are governed under a specific Council policy and are therefore remain eligible for earmarking.

### **3.16 Resilient Communities**

The service is forecasting a balanced position with a net service underspend amounting to £0.7m. £0.5m of this is being used to offset the

Corporate savings targets which have been delayed in year. This is driven by underspend in Economic Development due to lower than anticipated spend No one left behind £0.375m, Employment support £0.050m, Tourism £0.087m and additional staff turnover with the Access Team of £0.118m.

Within the Scottish Welfare Fund a further upsurge in demand for Community Care Grants during October and November has resulted in a overspend in this area (£0.124m). A change from Low to Medium priority in the early part of the year did not produce the expected reduction in spend, mainly due to substantial supplier price increases. A further change in priority from Medium to High has been implemented from 1 January 2024 in attempt to reduce the financial pressure during the remainder of the financial year.

As approved during the Council Meeting on 14<sup>th</sup> December 2023 additional funding of £1m was provided to Live Borders during this period. Up to a further £0.5m may be transferred, if required, during the final quarter of the financial year.

### 3.17 **Finance & Corporate Governance**

The service is forecasting a balanced position. Delays in delivery of corporate financial plan savings of £1.994m as detailed above and pressures within Democratic services of £0.1m (including Elected members travel £12k), are being offset by the transfer of £0.35m from Bridge Homes LLP following the winding up of the business, £0.7m from Economic Development as detailed above and the recruitment freeze actioned in November (£0.3m).

### 3.18 **People, Performance and Change**

The service is forecasting a balanced position following transfer of budget of £0.237m from Social Work & Practice to fund the Social Work Trainee Programme.

### 3.19 **Strategic Commissioning and Partnerships**

IT service pressures amounting to £192k relating to the inflationary increases in software licenses (£89k), mobile phone costs (£46k) and the Ipad refresh (£44k) are also detailed in Appendix 1.

Within Adult Social Care an increasing pressure of £1.2m is forecast due to increased costs in care homes and within care at home staff. This is being caused by the high overtime and agency costs required to cover high levels of staff sickness and a shortage of bank staff. In addition, higher than anticipated fleet vehicle costs contribute to this pressure (£0.203m). This pressure has been offset on a temporary basis by unallocated Scottish Government funding for Adult Social care that was carried forwards from 2022/23. It should be noted that although work is being undertaken to mitigate some of these pressures, including a focus on Care home and Home Care staff rotas and allocations, further work is required to fully address these pressures in 2024/25.

## **4 IMPLICATIONS**

### **4.1 Financial**

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 2023/24.



## 4.2 Risk and Mitigations

The Risk Register associated with the Financial Strategy 2023/24 – 2027/28 ([Item No. 7 - Financial Strategy Risk Register.pdf \(modern.gov.co.uk\)](#)) that was approved by Council on 23 February 2023 lists the following examples of relevant Budget Control risks:

“If we are unable to deliver budgeted savings then expenditure may not be contained within approved budgets and there may be negative impacts on service provision” (No.5 - Amber risk); and

“If we are unable to accurately forecast demographics in relation to vulnerable children/children with complex needs then we may not be able to plan service provision accordingly and expenditure may not be contained within approved budgets, resulting in the potential for reduced service provision” (No.7 - Red risk).

In respect of the former Financial Strategy Risk No.5, it is imperative therefore that as many savings as possible identified within the 2023/24 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 CMT, 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.

In respect of the latter Financial Strategy Risk No.7, a ‘deep-dive’ into Corporate Risk CMT019 “C&YP/Learner Placements - If children, young people and learners are placed/educated out with the local area to meet their needs, this may result in significant costs to SBC” is continuing to be progressed considering its heightened risk score. An increased frequency of meetings continue to be held with the Director Education & Lifelong Learning and the Chief Officer Children & Families Social Work to maintain focus on this risk, share updates on the current position and discuss the progress of actions that are underway. The Corporate Risk Register was presented to the Audit Committee on 10 May 2023 as an Appendix to the Risk Management Annual Report 2022/23 ([Item No. 10 a - Appendix 1 - Corporate Risk Register Quarter 4 2022-23.pdf \(modern.gov.co.uk\)](#)).

Furthermore, 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 **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.

#### 4.4 **Sustainable Development Goals**

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

#### 4.5 **Climate Change**

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

#### 4.6 **Rural Proofing**

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

#### 4.7 **Data Protection Impact Statement**

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

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

No changes to either the Scheme of Administration or the Scheme of Delegation is required because of this report.

### **5 CONSULTATION**

- 5.1 The Director of Corporate Governance, the Chief Officer Audit and Risk, the Director of People, Performance & Change, and Corporate Communications are being consulted and any comments received will be reported to the meeting.

#### **Approved by**

**Suzy Douglas**

**Director of Finance & Procurement**

**Signature .....**

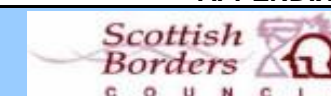
#### **Author(s)**

Name	Designation and Contact Number
Lizzie Turner	Chief Officer - Finance & Procurement

#### **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**      **2023/24**  
**SUMMARY**
**AT END OF MONTH: Dec-23**


	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
Infrastructure & Environment	54,408	39,886	55,330	56,963	(1,633)	1,633	0	<p>Increasing commitments primarily relating to Out of Area child placements contributing to an overall pressure of £1.775m in 2023/24. There is a risk that further pressures may materialise in Quarter 4. The permanent effect of known pressures to date is being addressed through the 2024/25 budget setting process. Overall pay award funding of £0.7m allocated.</p> <p>Total pressure of £0.9m in relation to Home to School and Additional Support Needs transport being reported. This pressure relates to the increased cost of retendered contracts. Overall pay award funding of £1.6m allocated.</p> <p>Strategic Commissioning &amp; Partnership are forecasting an overspend position of £0.2m within Information Technology due to increased software licencing and mobile phone costs, iPad refresh and inflationary cost of pensions for staff TUPED over to CGI. Operational pressures in Adult Social Care relating to overtime and agency staff costs amounts to £1.2m and are being funded from non-recurring additional Scottish Government funding in 2023/24. Overall pay award funding of £0.9m allocated.</p>
Social Work & Practice	82,010	48,532	81,222	82,290	(1,069)	(706)	(1,775)	
Education & Lifelong Learning	122,103	95,305	134,395	136,481	(2,086)	1,178	(908)	
Resilient Communities	25,274	(3,203)	30,258	30,550	(292)	292	0	
Finance & Corporate Governance	24,989	9,217	25,932	27,582	(1,650)	1,650	0	
People, Performance and Change	7,484	5,830	7,611	8,088	(477)	477	0	
Strategic Commissioning & Partnership	27,493	25,227	34,326	34,969	(643)	451	(192)	
<b>Total</b>	<b>343,761</b>	<b>220,795</b>	<b>369,073</b>	<b>376,922</b>	<b>(7,849)</b>	<b>4,976</b>	<b>(2,873)</b>	

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<b>Financed by:</b>								
Revenue Support Grant	(213,888)	(155,060)	(213,445)	(218,563)	5,118	(5,118)	0	Gross up additional funding for i) Local Government Pay (£3.294m); ii) Self Directed Support (£6k); iii) Ukraine Refugee Resettlement (£625k); iv) Temporary Accommodation (£20k); vi) Teacher Induction Scheme (£942k); and vii) Employability Staffing (£294k). Gross down RSG for i) Summer Programmes (£4k); ii) Climate Intelligence Service (£8k); and iv) National Trauma Training Programme (£50k).
Non-Domestic Rates	(37,818)	(27,636)	(37,818)	(37,818)	0	0	0	
Council Tax	(71,809)	(73,689)	(71,809)	(71,691)	(118)	(118)	(118)	Forecast shows an overall pressure within Council Tax at this time (£118k).
Second Homes Council Tax	(1,229)	0	(1,331)	(1,331)	0	0	0	
Capital Financed from Current Revenue	0	0	0	0	0	0	0	
Ring fenced grants	(14,106)	(11,463)	(14,102)	(14,102)	0	0	0	
Reserves:								
Earmarked Balances from 2022/23	(3,503)	(31,142)	(31,142)	(31,142)	0	0	0	
Earmarked Balances for future years	0	3,779	3,779	5,181	(1,402)	1,402	0	To earmark budget into 2024/25 for DSM (£732k), Pupil Equity Funding (£413k) as well as Strategic Equity Funding and Care Experienced Children & Young People (£257k)
Transfers to/(from) Reserves	(1,408)	(798)	(3,206)	(4,465)	1,259	(1,259)	0	Drawdown from Service Concession/Change Fund Allocated Reserve to fund implementation costs for Workflow 360 (Comino) to the Cloud (£75k) and unallocated reserve to support the impact of the 2023/24 pay deal (£439k) and digital transformation Financial Plan savings (£745k).
<b>Total</b>	<b>(343,761)</b>	<b>(296,008)</b>	<b>(369,073)</b>	<b>(373,931)</b>	<b>4,857</b>	<b>(4,975)</b>	<b>(118)</b>	

<b>Total</b>	<b>0</b>	<b>(75,213)</b>	<b>0</b>	<b>2,991</b>	<b>(2,991)</b>	<b>0</b>	<b>(2,991)</b>	
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**MONTHLY REVENUE MANAGEMENT REPORT  
SCOTTISH BORDERS COUNCIL 2023/24**

**AT END OF MONTH: Dec-23**



Infrastructure & Environment	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
<b>Property</b>	<b>15,645</b>	<b>12,891</b>	<b>16,656</b>	<b>16,748</b>	<b>(92)</b>	<b>92</b>	<b>0</b>	
Property Management Services	15,943	13,718	16,958	16,986	(28)	28	0	Pay award funding allocated (£28k). Release uncommitted earmark balance (£318k) and underspend in unitary charge (£57k) to offset undeliverable Financial Plan savings (£296k) and remaining Corporate Landlord pressures.
Estates Management Services	619	505	622	603	19	(19)	0	Pay award funding allocated (£11k). Additional staff turnover savings achieved (£30k).
Commercial Property Income	(1,284)	(1,742)	(1,340)	(1,298)	(42)	42	0	Reduced occupancy (£42k).
Architects	159	142	139	119	20	(20)	0	Pay award funding allocated (£15k). Forecast additional income £35k.
Major Projects	208	269	277	338	(61)	61	0	Pay award funding allocated (£16k). Extension of Project Management Office to 31 March 2024 (£45k).
<b>Facilities</b>	<b>7,552</b>	<b>5,211</b>	<b>6,890</b>	<b>7,336</b>	<b>(446)</b>	<b>446</b>	<b>0</b>	
Catering Services	2,881	1,449	2,217	2,158	59	(59)	0	Pay award funding allocated (£223k). Net pressure in cost of food (£118k) offset by available budget set aside for the roll-out of P6 and P7 FSM (£400k).
Cleaning & Facilities Management	4,671	3,762	4,673	5,178	(505)	505	0	Pay award funding allocated (£297k). Previously reported ongoing Covid recovery pressures relating to additional requirements for cleaning materials and PPE (£70k) and equipment (£92k). Increased staffing costs (£46k).
<b>Parks &amp; Environment</b>	<b>4,879</b>	<b>3,484</b>	<b>4,893</b>	<b>5,440</b>	<b>(547)</b>	<b>547</b>	<b>0</b>	
								Pay award funding allocated (£264k). Forecast pressure within burials income (£93k) and underspend in depreciation due to vehicle disposals (£39k). Undeliverable Financial Plan savings (£229k).
<b>Roads &amp; Infrastructure</b>	<b>10,407</b>	<b>7,402</b>	<b>10,503</b>	<b>11,095</b>	<b>(592)</b>	<b>592</b>	<b>0</b>	
Network & Infrastructure Asset Management	9,684	5,510	9,864	10,121	(257)	257	0	Pay award funding allocated (£257k).
SBCContracts	(425)	170	(728)	(628)	(100)	100	0	Pressure within overheads due to increased utility and rates costs (£100k).
Engineers	924	795	924	1,001	(77)	77	0	Pay award funding allocated (£32k). Additional pressure highlighted for the maintenance of flood schemes and emergency response of checking flood grilles (£45k).
Fleet Management Services	224	986	221	379	(158)	158	0	Pay award funding allocated (£73k). Pressure from increased use of third parties and reduced income (£85k).
Pay Parking	0	(61)	222	222	0	0	0	

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**MONTHLY REVENUE MANAGEMENT REPORT  
SCOTTISH BORDERS COUNCIL 2023/24**

**AT END OF MONTH: Dec-23**



<b>Waste Management Services</b>	<b>10,937</b>	<b>6,411</b>	<b>10,574</b>	<b>10,478</b>	<b>96</b>	<b>(96)</b>	<b>0</b>	Pay award funding allocated (£254k). Release forecast underspend in supplies & services within Waste Treatment (£200k). Underspend in depreciation due to vehicle disposals (£150k).
<b>Passenger Transport</b>	<b>2,294</b>	<b>3,585</b>	<b>2,335</b>	<b>2,320</b>	<b>15</b>	<b>(15)</b>	<b>0</b>	Pay award funding allocated (£47k). Additional staff turnover (£52k). Permanent budget transferred from Education & Lifelong Learning following removal of Ayton and Chirside bus routes (£48k) as a contribution towards Financial Plan savings. Underspend in depreciation due to vehicle disposals (£58k).
<b>Planning Services</b>	<b>1,346</b>	<b>583</b>	<b>1,201</b>	<b>1,252</b>	<b>(51)</b>	<b>51</b>	<b>0</b>	Pay award funding allocated (£122k). Release uncommitted budget in sustainability and climate change (£67k) and Community Engagement Fund (£25k), reduced by forecast shortfall in planning fee income (£29k). Gross down Revenue Support Grant for Climate Intelligence Service (£8k).
<b>Housing Strategy &amp; Services</b>	<b>1,348</b>	<b>319</b>	<b>2,280</b>	<b>2,295</b>	<b>(15)</b>	<b>15</b>	<b>0</b>	Pay award funding allocated (£15k).
<b>Total</b>	<b>54,408</b>	<b>39,886</b>	<b>55,330</b>	<b>56,963</b>	<b>(1,633)</b>	<b>1,633</b>	<b>0</b>	

**Key Highlights, Challenges and Risks**

The service is reporting a balanced position. An allocation of £1.654m from a combination of Scottish Government funding and Council reserves is covering the impact of the 2023/24 pay award which has now been agreed. Within Property management services we are currently showing a balanced position, however the inflationary impact on utilities and property maintenance continues to be challenging and will be monitored over the remainder of the year. A small pressure in Planning Fee income is being reported, this can be a volatile area and will be monitored over the remainder of the year. The service can be impacted by adverse winter weather, cold periods haven been experienced during early December and mid January. The impact of these and any further events will be monitored. The service has £1.926m of financial plan savings to deliver in 2023/24, £0.793m of these have been delivered permanently and £1.133m temporarily.

Social Work & Practice	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/underspend	
Child Protection	224	171	225	257	(32)	32	0	Pay award funding allocated (£9k). Transfer budget from Generic Services for staffing pressure.(£23k)
Children & Families Social Work	18,319	17,540	22,641	24,668	(2,027)	252	(1,775)	Pressure due to 6 additional Out of Area placements notified in September (£738k) plus further 2 in October as well as price and usage increases identified in October (£232k). 4 further out of area placements commenced in December with 1 child coming back resulting in a net pressure (£76k). Pressure due to a young person required intensive 24 hour care (£907k). Pressure due to Unaccompanied Asylum Seekers funding not being sufficient for number of young people being cared for (£95k). Offset savings in other areas reduce the overall overspend (£176k) with further savings in November amounting to £97k including Family Group Decision Making and CHAD. Pay award funding allocated (£256k) . Gross down RSG in relation to Summer of Activities (£4k)
Adult Protection	374	289	349	380	(31)	31	0	Pay award funding allocated (£13k). Budget transfer from Generic Services to cover staffing pressures £18k)
Emergency Duty Team	332	296	407	393	14	(14)	0	(£9k) to meet pay award pressures within service. Pay award funding allocated (£14k) from within the department.
Quality Improvement	513	386	597	616	(19)	19	0	Pay award funding allocated (£19k).
Services in Criminal Justice System	1,273	488	1,261	1,261	0	0	0	
Safer Communities	2,223	(1,328)	2,444	3,085	(641)	641	0	Pay award funding allocated (£51k). Gross up RSG relating to Ukraine Refugee Support (£625k) and Temporary Accommodation (£20k). Additional temporary accommodation rental income linked to a related pressure within Housing Benefits in Resilient Communities resulting in proposed virement between the services of £55k.
Older People	24,735	6,526	16,677	15,077	1,600	(1,600)	(0)	Pay award funding allocated from within the department (£45k). Temporary additional SG funding (£1,199k) being transferred to Adult Social Care to relieve in-year overtime, agency and car leasing cost pressures. £305k from Commission Services relating to the return of the Social Prescribing Grant budget. Commission Team staffing budget pressure in Strategic Commissioning & Partnerships (£85k). £237k transferred to HR to temporarily fund additional Social Worker training costs. Gross down RSG in relation to The National Trauma Training Programme (£50k).
Joint Learning Disability	20,404	14,587	21,796	21,848	(52)	52	0	Pay award funding allocated from within the department (£52k).
Joint Mental Health	2,178	1,475	2,272	2,316	(44)	44	0	Pay award funding allocated from within the department (£44k).
People with Physical Disabilities	2,698	2,288	3,202	3,103	99	(99)	0	Service savings in client specific direct payment and void rent costs £99k.
Generic Services	8,639	5,759	9,251	9,184	67	(67)	0	Pay award funding allocated from within the department (£220k). £171k to meet further pay awards within the service. Transfer (£81k) to Education & Lifelong Learning for CYPPP. (£41k) to Child Protection and Adult Protection to cover staffing pressures. Gross up RSG in relation to Self Directed Transformation funding (£6k).
<b>Total</b>	<b>81,912</b>	<b>48,477</b>	<b>81,124</b>	<b>82,190</b>	<b>(1,066)</b>	<b>(709)</b>	<b>(1,775)</b>	

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**MONTHLY REVENUE MANAGEMENT REPORT**

**SCOTTISH BORDERS COUNCIL**

**2023/24**

**AT END OF MONTH:**

**Dec-23**

**723**



<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)/under spend</b>	
Public Health	98	55	98	101	(3)	3	0	Pay award funding allocated (£3k).
<b>Total</b>	<b>98</b>	<b>55</b>	<b>98</b>	<b>101</b>	<b>(3)</b>	<b>3</b>	<b>0</b>	

**Key Highlights, Challenges and Risks**

Increasing pressures within Children & Families SW relating to new client commitments and increasing commitments for existing clients receiving care since the reported position in September, as detailed above. This pressure is after significant budget support already in 2023-24, the permanent effect of which is being addressed in the 2024/25 budget setting process. There is a risk that the budget set for Out of Area Placements within this service in 2023/24 is insufficient if the number of placements continue to rise. Lower than anticipated expenditure in Older Peoples, Generic and Physical Disabilities services amounting to £663k - largely due to staffing vacancies and reduced extra care housing care costs - used to fund non-budgeted, in-year pay award pressures within IJB delegated services including Adult Social Care (ASC). Further pay award pressures amounting to £935k being allocated through a combination of Scottish Government funding and Council reserves (including £584k in ASC). The service has £0.604m of financial plan savings to deliver in 2023/24, all of which has been delivered on a permanent basis.



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	17,547	14,107	21,527	22,272	(745)	745	0	Working towards meeting pressure arising from reduced SG funding (£1.7m) any shortfall will be met through their earmarked balance brought forward from 22/23. Pay award funding allocated (£745k).
Primary Schools	30,408	25,907	33,737	34,558	(821)	821	0	Pupil Equity Funding (PEF) (£1.421m). Indicative DSM carry forward earmarked from 2023/24 to 2024/25 (£239k). Projected Pupil Equity Fund (PEF) earmarked from 2023/24 to 2024/25 to cover staffing costs to the end of the academic year (£317k). Projected Strategic Equity Fund (SEF) and Care Experienced Children & Young People (CECYP) funding earmarked from 2023/24 to 2024/25 to cover staffing costs to the end of the academic year (£152k). Pay award funding allocated (£108k).
Secondary Schools	48,309	38,704	53,804	53,687	117	(117)	0	Pupil Equity Funding (PEF) (£528k). Indicative DSM carry forward earmarked from 2023/24 to 2024/25 (£493k). Projected Pupil Equity Fund (PEF) earmarked from 2023/24 to 2024/25 to cover staffing costs to the end of the academic year (£96k). Projected Strategic Equity Fund (SEF) and Care Experienced Children & Young People (CECYP) funding earmarked from 2023/24 to 2024/25 to cover staffing costs to the end of the academic year (£105k). Pay award funding allocated (£49k).
Additional Support Needs	12,790	8,595	11,430	12,575	(1,145)	635	(510)	Pressure on service as needs have increased, especially following Covid (£869k) which is expected to be managed within the service. P. Re-tending of transport costs during quarter 3 of 2023/24 has resulted in a pressure (£510k). Pay award funding allocated (£635k).
Educational Psychology	741	527	764	764	0		0	
Central Schools	5,394	3,567	5,948	5,038	910	(910)	0	Allocate Pupil Equity Funding to schools (£1.949m). Agreed funding from Social Work & Practice towards Children & Young Peoples Partnership Plan (CYPPP) (£81k). Additional funding from Scottish Government for Teachers Induction Scheme (£942k). Pay award funding allocated (£16k).
School Meals	1,756	1,827	2,042	2,042	0		0	Further analysis to be carried out in conjunction with catering service.
School Transport	4,123	1,172	4,120	4,470	(350)	(48)	(398)	Forecast pressure due to contracts handed back by suppliers being replaced by more expensive provision in the short term. Re-tendering during quarter 3 of 2023/24 has resulted in an additional increased pressure (£398k). Saving transferred to Passenger Transport as a result of removal of Avton and Chirnside school bus routes (£48k).
Community Learning & Development	1,035	901	1,023	1,075	(52)	52	0	Pay award funding allocated (£52k).
<b>Total</b>	<b>122,103</b>	<b>95,305</b>	<b>134,395</b>	<b>136,481</b>	<b>(2,086)</b>	<b>1,178</b>	<b>(908)</b>	

**Key Highlights Challenges & Risks**

The Additional Support Needs service has a pressure of c. £869k partly caused by the return to post covid normality across the whole education spectrum as well as a transport pressure of £510k, staffing pressures are expected to be met from within existing budgets. Schools passenger transport pressures amount to £592k and relates to increased pricing on retendered contracts. The service has £0.155m of financial plan savings to deliver in 2023/24, £0.030m of these have been delivered permanently and £0.125m temporarily. £1.6m allocated to cover 23/24 pay award which has been allocated through a combination of Scottish Government funding and Council reserves.



**MONTHLY REVENUE MANAGEMENT REPORT**

**SCOTTISH BORDERS COUNCIL**

**2023/24**

**AT END OF MONTH:**

**Dec-23**



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	5,512	4,473	5,553	5,865	(312)	312	0	Pay award funding allocated (£303k). Undeliverable staff turnover (£9k).
Community Planning & Engagement	485	375	483	486	(3)	3	0	Pay award funding allocated (£20k). Additional staff turnover savings (£17k).
Neighbourhood Support Fund	471	368	1,493	1,431	62	(62)	0	Release uncommitted earmarking for Community Grants (£39k) and LACER (£23k).
Customer Advice & Support Services	3,153	1,931	2,978	3,204	(226)	226	0	Pay award funding allocated (£226k).
Economic Development	1,885	162	3,435	3,135	300	(300)	0	Pay award funding allocated (£83k). Release Borderlands Business Infrastructure project earmarking (£25k) due to successful grant application. Underspends in NOLB (£375k) and PESF (£22k) earmarking from 22/23. Additional staff turnover within the Access Team (£118k) and Employment Support Service (£50k) and planned underspend in discretionary Tourism budget (£87k).
Cultural Services	3,442	4,435	4,403	4,403	0	0	0	
Sports Services	1,836	1,707	1,904	1,904	0	0	0	
Discretionary Housing Payments	0	600	1,132	1,132	0	0	0	
Housing Benefits	608	439	839	945	(106)	106	0	Additional HB expenditure linked to additional temporary accommodation reported under Safer Communities (£106k). Pressure partially offset by transfer of available budget from Social Work & Practice (£55k).
Non Domestic Rates Relief	1,561	(23,821)	1,535	1,450	85	(85)	0	Underspend due to relief applied to new sites added to the valuation role on 1 April 2023.
Scottish Welfare Fund	586	302	736	860	(124)	124	0	Expenditure on Community Care Grants in December was lower than expected however the total budget of £736k is likely to be fully utilised by early/mid February.
Council Tax Reduction Scheme	5,735	5,824	5,767	5,735	32	(32)	0	Forecast underspend based on a reduction of 4 cases per week for the remainder of the year. This outturn brings us back in line with the base budget.
<b>Total</b>	<b>25,274</b>	<b>(3,203)</b>	<b>30,258</b>	<b>30,550</b>	<b>(292)</b>	<b>292</b>	<b>0</b>	

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**Key Highlights, Challenges & Risks**

The service is reporting a balanced position. An allocation of £632k from a combination of Scottish Government funding and Council reserves is covering the impact of the 2023/24 pay award which has now been agreed. A pressure in Housing Benefit subsidy is being driven by additional homeless properties. The homeless service is reported within the Social Work & Practice Service and additional net income is being reported in that area which partially offsets this subsidy pressure. As approved during the Council Meeting on 14th December 2023 additional funding of £1m was provided to Live Borders during this period. Up to a further £500k may be transferred if required during the final quarter of the financial year. The service has £0.546m of financial plan savings to deliver in 2023/24, £0.210m of these have been delivered permanently and £0.336m temporarily.

Finance & Corporate Governance	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
Recovery Fund	0	(5)	(9)	(9)	0		0	
Corporate	(3,082)	0	(2,048)	(912)	(1,136)	1,136	0	Undeliverable Financial Plan savings relating to new commissioning Strategy (£250k) and Digital Transformation (£1,744k) being offset by additional staff turnover (£309k), Council's share of Bridge Homes remaining funds (£349k), balance of 2022/23 underspend not required to address impact of 2023/24 pay award (£745k). Transfer available budget from Infrastructure & Environment (£61k) and Resilient Communities (£525k)
Chief Executive	192	166	209	215	(6)	6	0	Pay award funding allocated (£6k).
Emergency Planning	221	186	217	260	(43)	43	0	Pay award funding allocated (£9k). Pressures in staffing, overtime/standby payments and undeliverable staff turnover savings (£13k), as well as supplies and services (£21k).
Finance	4,544	3,433	4,494	4,578	(84)	84	0	Pay award funding allocated (£84k).
Legal Services	716	436	667	703	(36)	36	0	Pay award funding allocated (£40k). Small underspend forecast due to discretionary spend freeze (£4k).
Protective Services	1,559	1,271	1,604	1,769	(165)	165	0	Pay award funding allocated (£110k). Pressures due to i) Avian flu (£10k); ii) shortfall in income (£4k); iii) staffing pressure including unachievable remaining staff turnover (£25k); and iv) undeliverable Financial Plan savings (£16k).
Audit & Risk	384	289	383	399	(16)	16	0	Pay award funding allocated (£12k). Small pressure from external audit resource (£4k).
Assessor & Electoral Registration Services	1,006	758	991	1,002	(11)	11	0	Pay award funding allocated (£40k). Additional staff turnover savings (£29k).
Democratic Services	1,859	1,479	1,806	1,936	(130)	130	0	Pay award funding allocated (£31k). Pressures due to i) forecast cost of By-election to be held in February 2024 (£50k); ii) shortfall in Street Naming & Numbering income (£22k); iii) increase in Members travel (£12k); and iv) undeliverable staff turnover savings (£15k).
Communications & Marketing	553	422	526	550	(24)	24	0	Pay award funding allocated (£24k).
Loan Charges	17,520	608	17,572	17,572	0		0	
Provision for Bad Debts	125	125	125	125	0		0	
Recharge to Non-General Fund	(608)	(57)	(608)	(608)	0		0	
<b>Total</b>	<b>24,989</b>	<b>9,217</b>	<b>25,932</b>	<b>27,582</b>	<b>(1,650)</b>	<b>1,650</b>	<b>0</b>	

**Key Highlights, Challenges & Risks**

The service is reporting a balanced position. An allocation of £356k from a combination of Scottish Government funding and Council reserves is covering the impact of the 2023/24 pay award which has now been agreed. Undeliverable savings linked to Council wide commissioning and Digital Transformation (£1.994m) are being offset by Reserves (£745k), the Council's share of remaining funding from Bridge Homes (£349k) and additional staff turnover across the wider Council (£309k), available budget from Infrastructure & Environment (£61k) and Resilient Communities (£525k).  
The Recovery Fund is held within the Finance & Corporate Governance service to be allocated to services as required, a balance of £400k remains uncommitted.  
There are £6.143m of financial plan savings to be delivered in 2023/24, £3.837m of these have been delivered permanently and £2.306m temporarily.

People, Performance & Change	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
Human Resources	4,959	3,832	4,927	5,241	(314)	314	0	Pay award funding allocated (£123k). Pressure relating to Social Work Trainee Programme (£237k) to be funded by Social Work & Practice. Additional staff turnover savings (£46k).
Early Retiral/Voluntary Severance	67	8	67	33	34	(34)	0	Forecast underspend based on actuals to date and known estimates (£34k).
Corporate Transformation	730	598	674	806	(132)	132	0	Pay award funding allocated (£38k). Staffing pressure due to increased/extended support to Pathfinder, HR and Fleet projects (£94k).
Business Change & Programme Management	1,261	1,015	1,498	1,534	(36)	36	0	Pay award funding allocated (£58k). Additional staff turnover savings (£22k).
Business Planning Performance & Policy Development	467	379	446	475	(29)	29	0	Pay award funding allocated (£21k). Small staffing pressure (£8k).
<b>Total</b>	<b>7,484</b>	<b>5,830</b>	<b>7,611</b>	<b>8,088</b>	<b>(477)</b>	<b>477</b>	<b>0</b>	

**Key Highlights, Challenges & Risks**

The service is reporting a balanced position. An allocation of £240k from a combination of Scottish Government funding and Council reserves is covering the impact of the 2023/24 pay award which has now been agreed. Additional costs relating to the Social Work Trainee Programme are being funded from available budget in Social Work & Practice.  
 The service had £0.161m of financial plan savings to deliver in 2023/24, £0.028m of these have been delivered permanently and £0.133m temporarily.

19/06/23

Strategic Commissioning & Partnerships	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
Information Technology	11,918	10,609	16,445	15,220	1,225	(1,417)	(192)	Pay award funding allocated (£8k). Switch out Scottish Government funding between capital and revenue to support 2023/24 pay deal (£1.5m). Implementation costs for Workflow 360 (Comino) to the Cloud (£75k), to be funded from Service Concession/Change Fund Allocated Reserve. Pressures relating to i) inflationary increase in pension costs associated with SBC staff TUPED over to CGI (£13k); ii) iPad refresh (£44k); iii) increased software licensing costs (£89k); and iv) additional mobile phones charges (£46k).
Adult Social Care	16,341	14,361	16,920	19,008	(2,088)	2,088	0	Operational pressure amounting to (£1.2m) being funded from uncommitted additional SG funding in Social Work and Practice on a temporary basis. These pressures relate to higher than anticipated overtime and agency costs as well as increased vehicle leasing costs. Pay award funding allocated (£889k) of which (£302k) has been funded from Social Work & Practice.
Commissioning	(766)	258	961	741	220	(220)	0	Return of Social Prescribing Grant (£305k) budget to Social Work & Practice . (£85k) commissioning team staffing pressure funded from additional SG funding.
<b>Total</b>	<b>27,493</b>	<b>25,227</b>	<b>34,326</b>	<b>34,969</b>	<b>(643)</b>	<b>451</b>	<b>(192)</b>	

**Key Highlights, Challenges & Risks**

The service has £1.970m of financial plan savings to deliver in 2023/24, £0.846m of these have been delivered permanently and £1.124m temporarily.

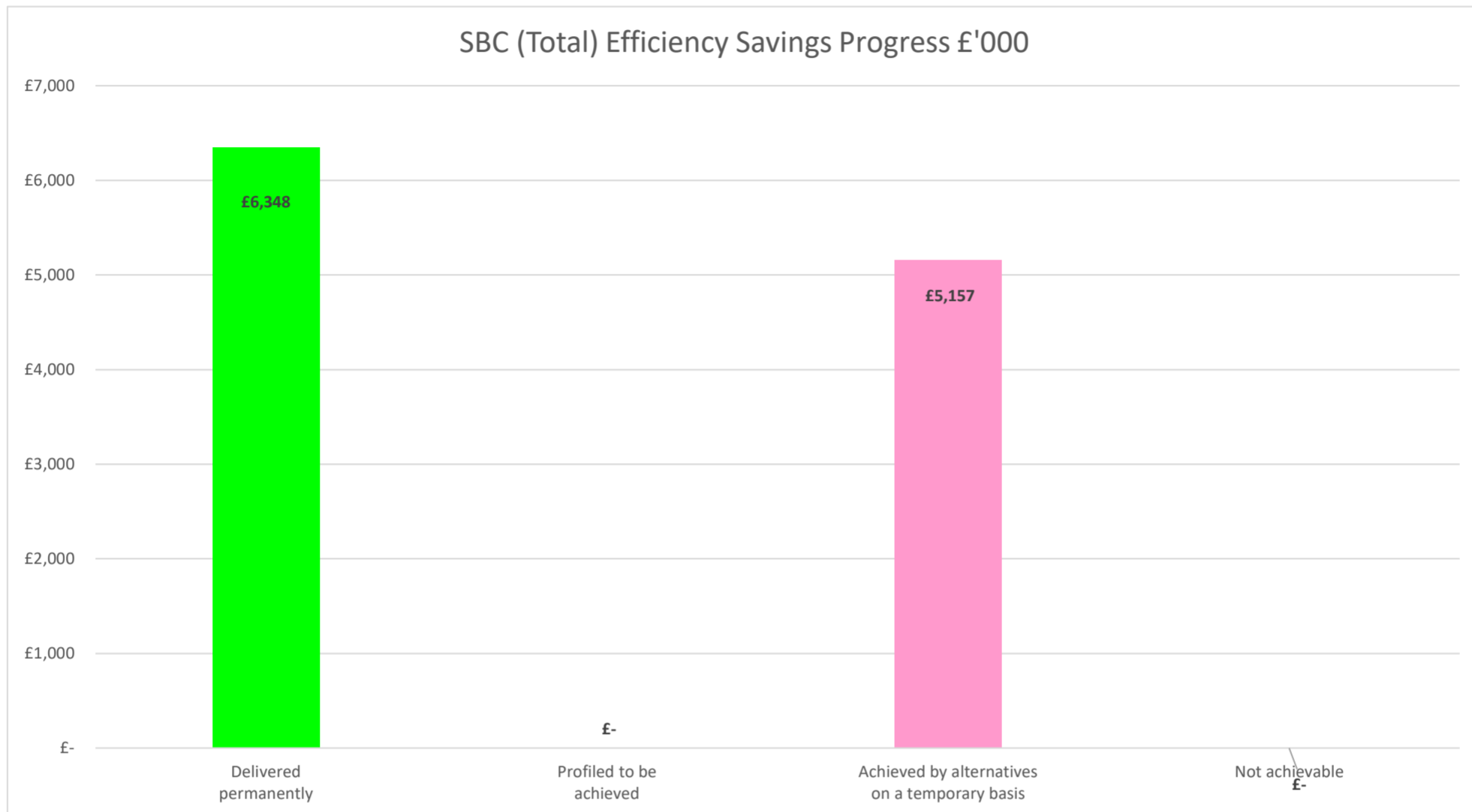


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FINANCIAL PLAN EFFICIENCY PROGRESS 2023/24

SBC Total

Status	Saving £'000	Saving %
Delivered permanently	£ 6,348	55%
Profiled to be achieved	£ -	0%
Achieved by alternatives on a temporary basis	£ 5,157	45%
Not achievable	£ -	0%
	<u>11,505</u>	<u>100%</u>

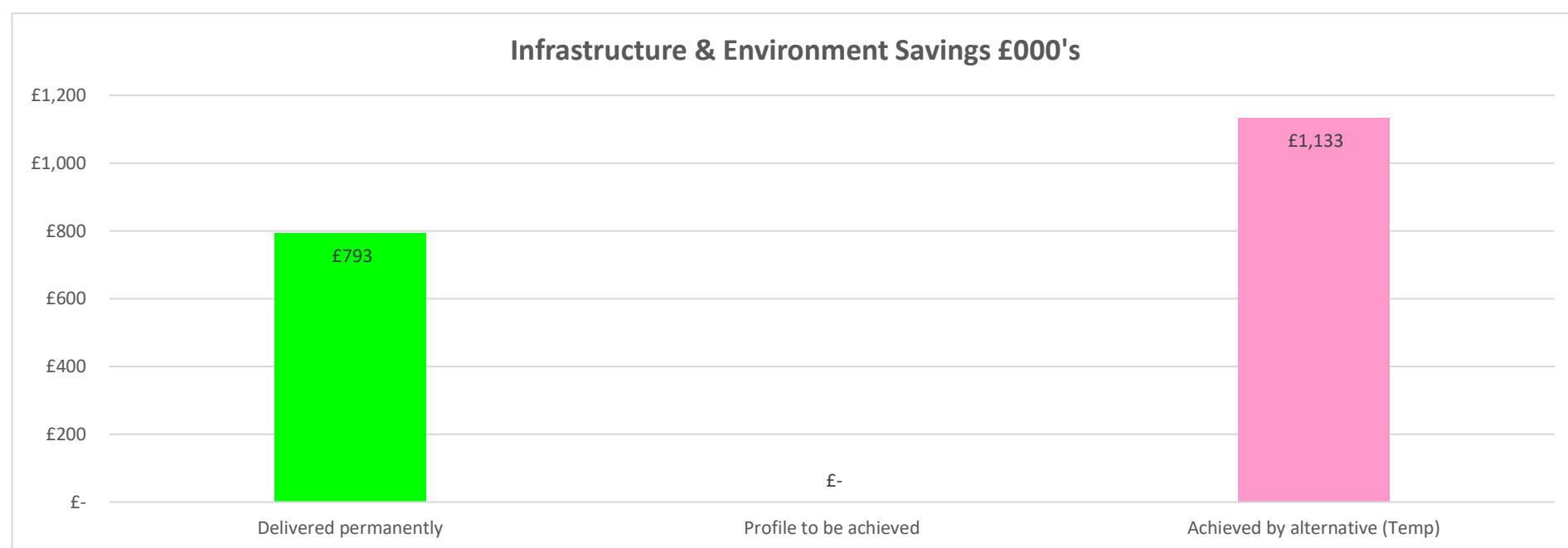


**FINANCIAL PLAN EFFICIENCY PROGRESS 2023/24**

**Infrastructure & Environment**

**Savings:**

	£'000	Delivered permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not achievable
<b>Brought Forwards Savings</b>					
Energy Efficiency Project	102		-	102	
More efficient property and asset portfolio and implementation of Parks & Environment	252	13	-	239	
Roads & Infrastructure	187	25	-	162	
Waste Management	176	176	-		
Passenger Transport	105		-	105	
Planning Services	170	48	-	122	
	44		-	44	
<b>2023/24 Savings</b>					
Additional Fees and Charges	171	171	-		
Commercial rent income	10	10	-		
Energy Efficiency Project	50		-	50	
More efficient property and asset portfolio	126		-	126	
Facilities Management	183	183	-		
Parks & Environment	100		-	100	
Roads & Infrastructure	167	167	-		
Waste Management	50		-	50	
Passenger Transport	24		-	24	
Planning Services	9		-	9	
	<b>1,926</b>	<b>793</b>	<b>-</b>	<b>1,133</b>	<b>-</b>





FINANCIAL PLAN EFFICIENCY PROGRESS 2023/24

Social Work & Practice

Savings:

	£'000	Delivered permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not achievable
<b>Brought Forwards Savings</b>					
Review of Care Packages (LD)	190	190	-	-	-
Trusted Assessment (OP and LD)	50	50	-	-	-
Review of Day Care Services (LD)	75	75	-	-	-
<b>2023/24 Savings</b>					
Review of Day Care Services (LD)	75	75	-	-	-
Shared Lives	200	200	-	-	-
Safer Communities - Homeless Service	14	14	-	-	-
	<b>604</b>	<b>604</b>	-	-	-



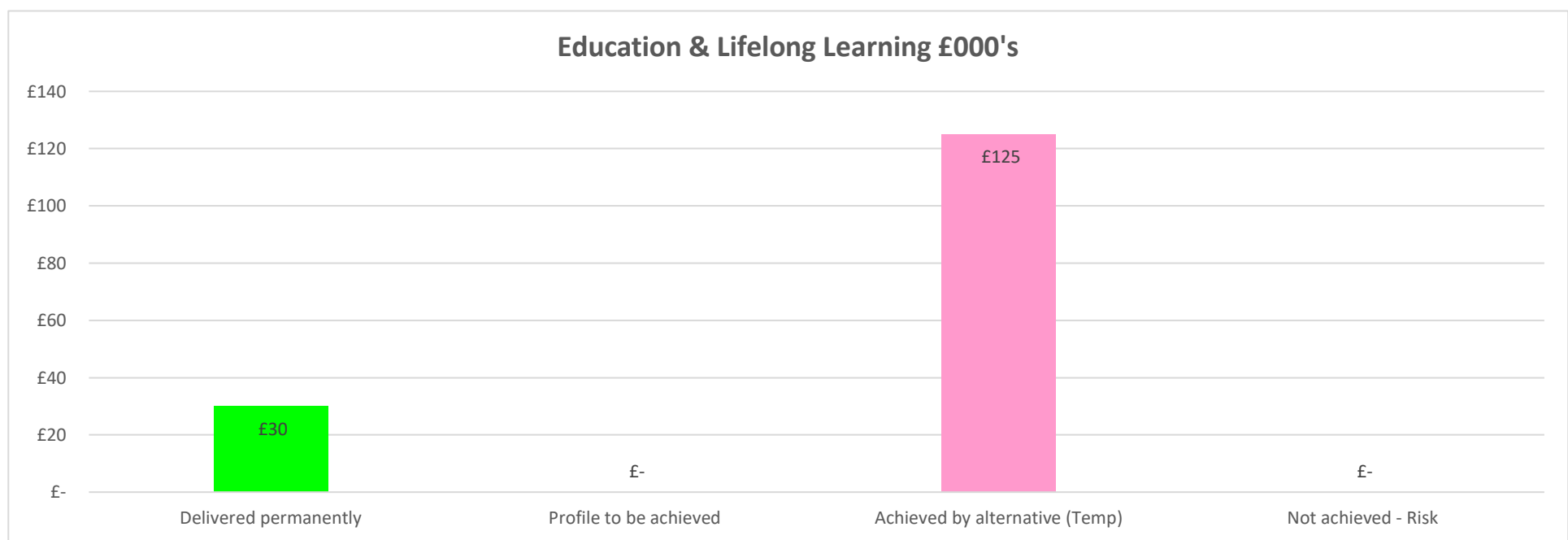
FINANCIAL PLAN EFFICIENCY PROGRESS 2023/24

Education & Lifelong Learning

Savings:

	£'000	Delivered permanently <sup>1</sup>	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not achievable
<b>Brought Forwards Savings</b>					
<b>2023/24 Savings</b>					
Increased fees & charges for lets	9	9	-	-	-
Increases to fees for non-funded childcare	21	21	-	-	-
Central Schools	125	-	-	125	-
	<b>155</b>	<b>30</b>	<b>-</b>	<b>125</b>	<b>-</b>

<sup>1</sup>assumes proposed DSM Scheme approved by Executive



FINANCIAL PLAN EFFICIENCY PROGRESS 2023/24

Resilient Communities

Savings:

	£'000	Delivered permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not achievable
<b>Brought Forwards Savings</b>					
A redesigned operating model for the Customer and Business Admin function through the rollout of digital service across the Council	166	114	-	52	
<b>2023/24 Savings</b>					
Additional fees & charges income	18	18	-		
Scottish Water Commission	11	11	-		
A redesigned operating model for the Customer and Business Admin function through the rollout of digital service across the Council	248	62	-	186	
Roll out of Digital Customer Access within Customer Advice and Support Services	98		-	98	
Employment Support Service	5	5	-		
	<b>546</b>	<b>210</b>	<b>-</b>	<b>336</b>	<b>-</b>

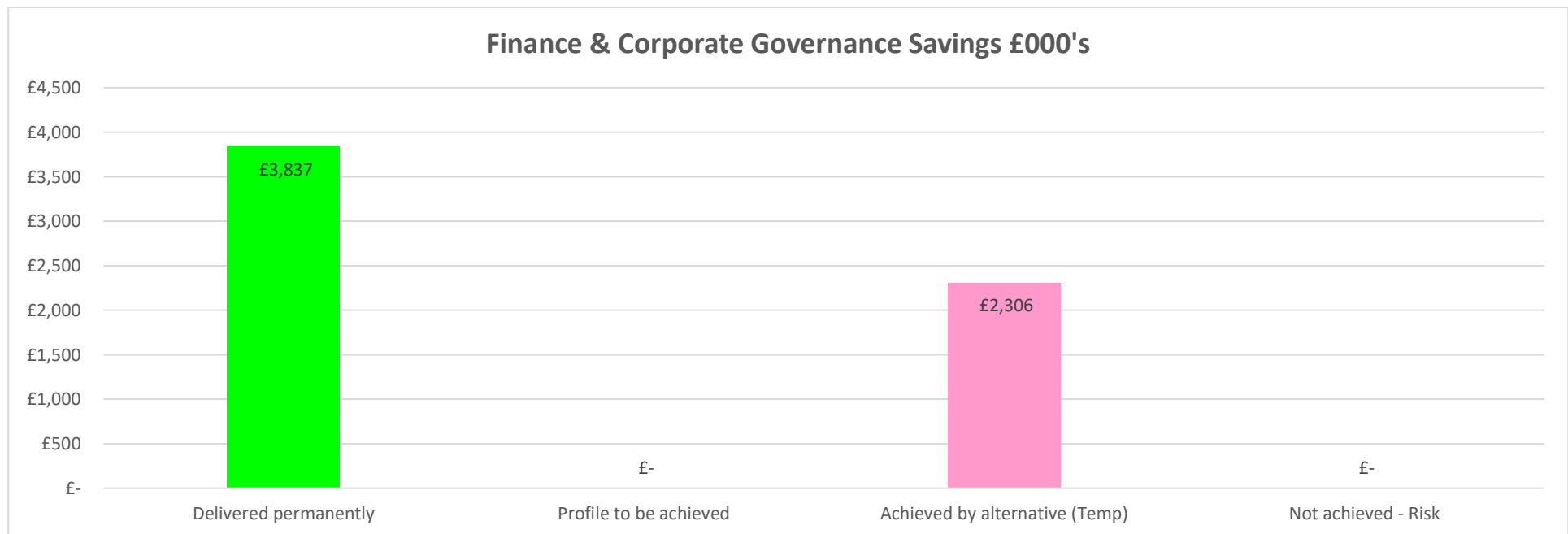


FINANCIAL PLAN EFFICIENCY PROGRESS 2023/24

Finance & Corporate Governance

Savings:

	£'000	Delivered permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not achievable
<b>Brought Forwards Savings</b>					
Finance Savings	47	18	-	29	
Protective Services	54			54	
Assessors & Electoral Registration Services	9		-	9	
<b>2023/24 Savings</b>					
Additional Fees & Charges Income	137	137	-		
Service Concessions	3,562	3,562	-		
Finance	125		-	125	
Loans Charges	25	25	-		
Legal Services	9		-	9	
Protective Services	86		-	86	
Communications & Marketing	7	7	-		
Audit & Risk	19	19	-		
Remove COVID-19 base budget	69	69	-		
New Commissioning Strategy	250		-	250	
Digital Transformation	1,744		-	1,744	
	<b>6,143</b>	<b>3,837</b>	<b>-</b>	<b>2,306</b>	<b>-</b>

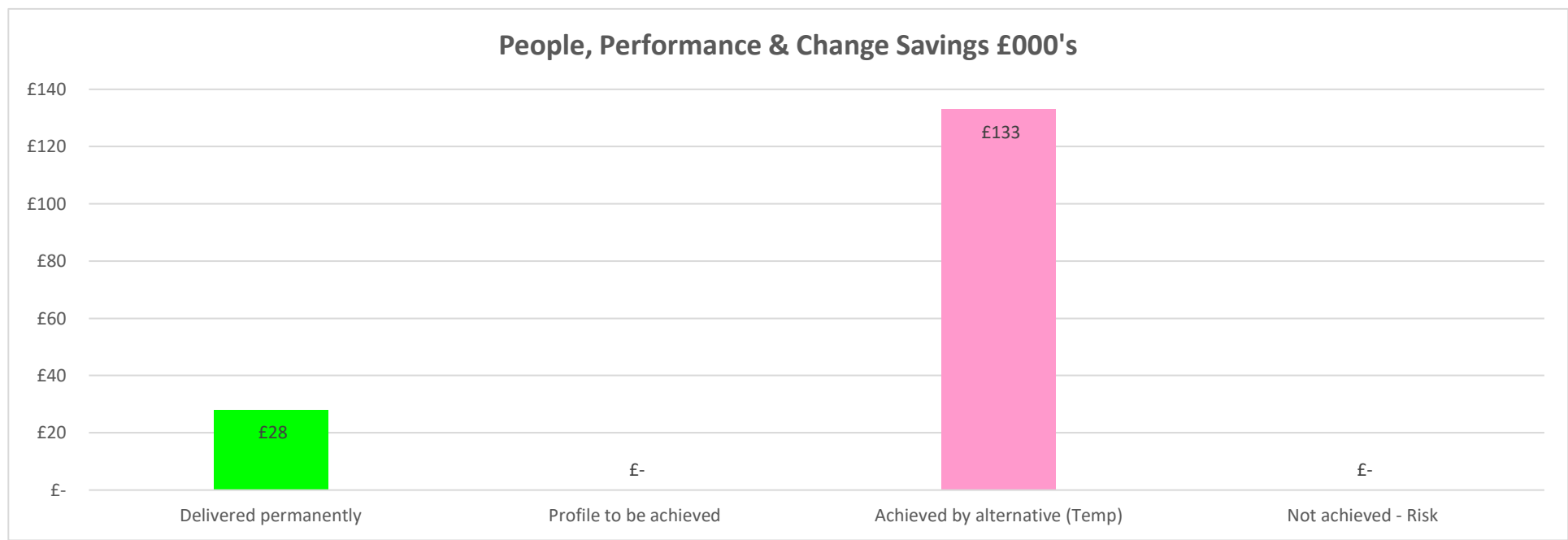


FINANCIAL PLAN EFFICIENCY PROGRESS 2023/24

People, Performance & Change

Savings:

	£'000	Delivered permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not achievable
<b>Brought Forwards Savings</b>					
Business Change	15		-	15	
Reduce subscriptions budget across the Council by a further 10%	29		-	29	
Progress the roll-out of digital services across the Council	34		-	34	
<b>2023/24 Savings</b>					
Service Reviews	83	28	-	55	
	<b>161</b>	<b>28</b>	<b>-</b>	<b>133</b>	<b>-</b>

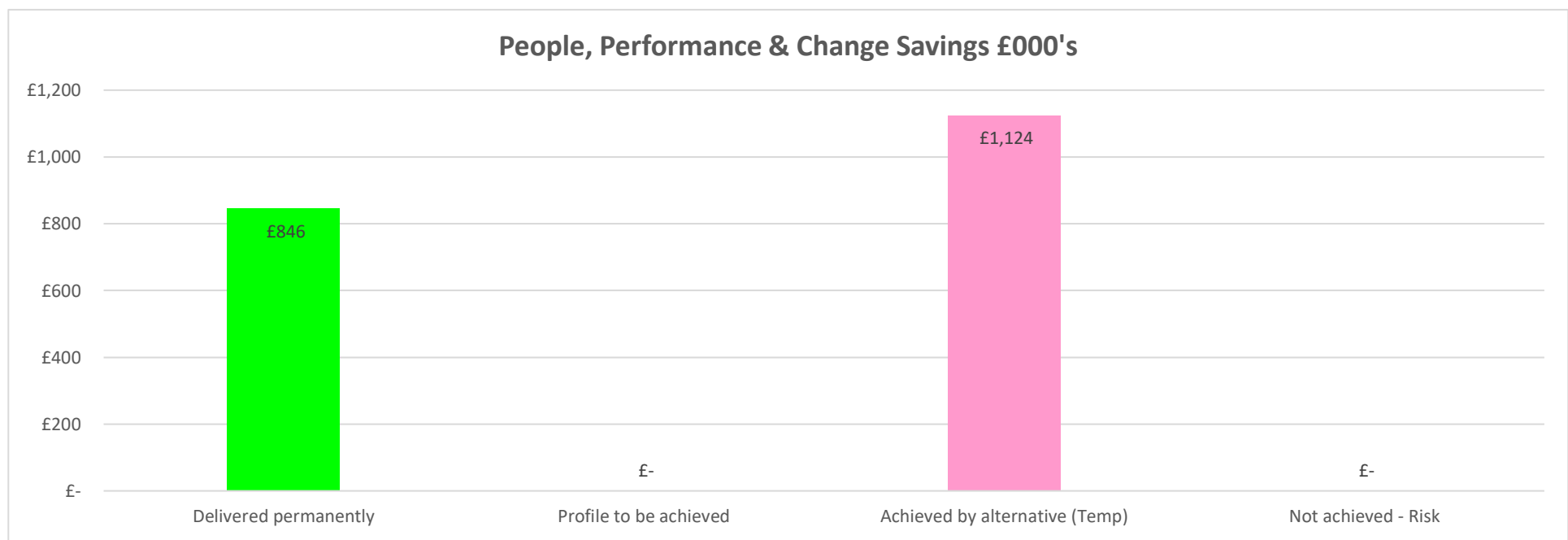


FINANCIAL PLAN EFFICIENCY PROGRESS 2023/24

Strategic Commissioning & Partnership

Savings:

	£'000	Delivered permanently	Profiled to be achieved	Achieved by alternatives on a temporary basis	Not achievable
<b>Brought Forwards Savings</b>					
Strategic Commissioning Savings	591	309	-	282	
Reablement Savings	722	437	-	285	
Bordercare Alarms	75		-	75	
<b>2023/24 Savings</b>					
Better use of Fleet Vehicles	45		-	45	
Residential Care Retendering	100		-	100	
IT Savings	100	100	-		
Strategic Commissioning Savings	337		-	337	
	<b>1,970</b>	<b>846</b>	<b>-</b>	<b>1,124</b>	<b>-</b>



Budget Virement Requirement

Corporate

No. of Virements 1

1 Virement is required from

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(3,294,000)	0	0

Service	Transfers to/(from) Reserves	£	£	£
Budget Head	Capital Financing Costs	(439,000)	0	0

Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Finance	£	£	£
Budget Head	Income	(200,000)	0	0

Department	Strategic Commissioning & Partnerships	2023/24	2024/25	2025/26
Service	Information Technology	£	£	£
Budget Head	Third Party Payments	(1,500,000)	0	0

Total		(5,433,000)	0	0
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To

Department	Infrastructure & Environment	2023/24	2024/25	2025/26
Service	Property Management Services	£	£	£
Budget Head	Employee Costs	28,368	0	0

Service	Estates Management Services	£	£	£
Budget Head	Employee Costs	11,245	0	0

Service	Architects	£	£	£
Budget Head	Employee Costs	14,582	0	0

Service	Major Projects	£	£	£
Budget Head	Employee Costs	16,369	0	0

Service	Catering Services	£	£	£
Budget Head	Employee Costs	223,000	0	0

Service	Cleaning & Facilities Management	£	£	£
Budget Head	Employee Costs	296,532	0	0

Service	Parks & Environment	£	£	£
Budget Head	Employee Costs	263,593	0	0

Service	Network & Infrastructure Asset Management	£	£	£
Budget Head	Employee Costs	257,000	0	0

Service	Engineers	£	£	£
Budget Head	Employee Costs	32,196	0	0

Service	Fleet Management Services	£	£	£
Budget Head	Employee Costs	73,153	0	0

Service	Waste Management Services	£	£	£
Budget Head	Employee Costs	253,912	0	0

Service	Passenger Transport	£	£	£
Budget Head	Employee Costs	47,000	0	0

Service	Planning Services	£	£	£
Budget Head	Employee Costs	121,558	0	0
Service	Housing Strategy & Services	£	£	£
Budget Head	Employee Costs	15,000	0	0
Department	Social Work & Partnership	2023/24	2024/25	2025/26
Service	Child Protection	£	£	£
Budget Head	Employee Costs	9,096	0	0
Service	Adult Protection	£	£	£
Budget Head	Employee Costs	12,655	0	0
Service	Children & Families Social Work	£	£	£
Budget Head	Employee Costs	255,892	0	0
Service	Public Health	£	£	£
Budget Head	Employee Costs	3,258	0	0
Service	Quality Improvement	£	£	£
Budget Head	Employee Costs	19,356	0	0
Service	Safer Communities	£	£	£
Budget Head	Employee Costs	50,949	0	0
Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service	Early Years	£	£	£
Budget Head	Employee Costs	745,634	0	0
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	107,729	0	0
Service	Secondary Schools	£	£	£
Budget Head	Employee Costs	49,203	0	0
Service	Additional Support Needs	£	£	£
Budget Head	Employee Costs	634,892	0	0
Service	Central Schools	£	£	£
Budget Head	Employee Costs	16,084	0	0
Service	Community Learning & Development	£	£	£
Budget Head	Employee Costs	51,789	0	0
Department	Resilient Communities	2023/24	2024/25	2025/26
Service	Business Support	£	£	£
Budget Head	Employee Costs	302,551	0	0
Service	Community Planning & Engagement	£	£	£
Budget Head	Employee Costs	19,755	0	0
Service	Customer Advice & Support Services	£	£	£
Budget Head	Employee Costs	226,230	0	0
Service	Economic Development	£	£	£
Budget Head	Employee Costs	82,822	0	0
Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Chief Executive	£	£	£
Budget Head	Employee Costs	6,322	0	0
Service	Emergency Planning	£	£	£
Budget Head	Employee Costs	9,168	0	0
Service	Finance	£	£	£
Budget Head	Employee Costs	84,455	0	0



Service	Legal Services	£	£	£
Budget Head	Employee Costs	39,599	0	0
Service	Protective Services	£	£	£
Budget Head	Employee Costs	110,152	0	0
Service	Audit & Risk	£	£	£
Budget Head	Employee Costs	12,358	0	0
Service	Assessor & Electoral Registration Services	£	£	£
Budget Head	Employee Costs	39,685	0	0
Service	Democratic Services	£	£	£
Budget Head	Employee Costs	31,474	0	0
Service	Communications & Marketing	£	£	£
Budget Head	Employee Costs	24,219	0	0
Department	People Performance & Change	2023/24	2024/25	2025/26
Service	Human Resources	£	£	£
Budget Head	Employee Costs	122,603	0	0
Service	Corporate Transformation	£	£	£
Budget Head	Employee Costs	38,206	0	0
Service	Business Change & Programme Management	£	£	£
Budget Head	Employee Costs	57,846	0	0
Service	Business Planning Performance & Policy Development	£	£	£
Budget Head	Employee Costs	21,312	0	0
Department	Strategic Commissioning & Partnerships	2023/24	2024/25	2025/26
Service	Adult Social Care	£	£	£
Budget Head	Employee Costs	586,086	0	0
Service	Information Technology	£	£	£
Budget Head	Employee Costs	8,112	0	0
	Total	5,433,000	0	0

**Because**

Reallocation of budgets across Council Services to address impact of 2023/24 SJC pay award.
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**Budget Virement Requirement**

**Infrastructure & Environment**

**No. of Virements 3**

**1 Virement is required from**

Department	Infrastructure & Environment	2023/24	2024/25	2025/26
Service	Catering Services	£	£	£
Budget Head	Supplies & Services	(229,000)	0	0

**To**

Department	Infrastructure & Environment	2023/24	2024/25	2025/26
Service	Parks & Environment	£	£	£
Budget Head	Employee Costs	229,000	0	0

**Because**

Release available budget set aside for the roll-out of P6 and P7 Free School Meals to fund Parks & Environment undeliverable Financial Plan saving.

**2 Virement is required from**

Department	Infrastructure & Environment	2023/24	2024/25	2025/26
Service	Estates Management Services	£	£	£
Budget Head	Employee Costs	(30,000)	0	0

Service	Architects	£	£	£
Budget Head	Income	(35,000)	0	0

Service	Catering Services	£	£	£
Budget Head	Supplies & Services	(53,000)	0	0

Service	Waste Management Services	£	£	£
Budget Head	Third Party Payments	(200,000)	0	0
	Capital Financing Costs	(88,000)	0	0

Service	Passenger Transport	£	£	£
Budget Head	Employee Costs	(52,000)	0	0
	Capital Financing Costs	(58,000)	0	0

Service	Planning Service	£	£	£
Budget Head	Third Party Payments	(63,000)	0	0

<b>Total</b>		<b>(579,000)</b>	<b>0</b>	<b>0</b>
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**To**

Department	Infrastructure & Environment	2023/24	2024/25	2025/26
Service	Commercial Property Income	£	£	£
Budget Head	Income	42,000	0	0

Service	Major Projects	£	£	£
Budget Head	Third Party Payments	45,000	0	0

Service	Cleaning & Facilities Management	£	£	£
Budget Head	Employee Costs	46,000	0	0
	Supplies & Services	162,000	0	0

Service	Parks & Environment	£	£	£
Budget Head	Income	54,000	0	0

Service	SBc Contracts	£	£	£
Budget Head	Income	100,000	0	0

Service	Engineers	£	£	£
Budget Head	Third Party Payments	45000	0	0

Service	Fleet Management Services			
Budget Head	Income	85,000	0	0

Total		579,000	0	0
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**Because** Reallocation of budgets across Infrastructure & Environment to address service pressures.

**3 Virement is required from**

Department	Infrastructure & Environment	2023/24	2024/25	2025/26
Service	Waste Management Services	£	£	£
Budget Head	Capital Financing Costs	(61,000)	0	0

**To**

Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Corporate	£	£	£
Budget Head	Supplies & Services	61,000	0	0

**Because** Reallocation of available budget within Waste Services to part fund Corporate digital transformation savings.

**Budget Virement Requirement**

**Social Work & Practice**

**No. of Virements 6**

**1 Virement is required from**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Generic Services	£	£	£
Budget Head	Other Hired & Contracted Services	(81,000)	(81,000)	(81,000)

**To**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service	Central Schools	£	£	£
Budget Head	Third Party Payments	81,000	81,000	81,000

**Because**

To permanently transfer Children & Young People's Partnership Plan Leadership Group Carers Act in line with management of the service.

**2 Virement is required from**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Generic Services	£	£	£
Budget Head	Employee Costs	(40,485)	0	0

**To**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Child Protection	£	£	£
Budget Head	Employee Costs	22,612	0	0

Service	Adult Protection	£	£	£
Budget Head	Employee Costs	17,873	0	0

Total	40,485	0	0
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**Because**

Projected overspend in staffing offset by locality underspends due to vacant posts.

**3 Virement is required from**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Safer Communities	£	£	£
Budget Head	Income	(54,726)	0	0

**To**

Department	Resilient Communities	2023/24	2024/25	2025/26
Service	Housing Benefits	£	£	£
Budget Head	Transfer Payments	54,726	0	0

**Because**

Additional temporary accommodation rental income linked to a related pressure within Housing Benefits in Resilient Communities resulting in a virement between the services.

**4 Virement is required from**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Older People	£	£	£
Budget Head	Third Party Payments	(237,000)	0	0

**To**

Department	People, Performance & Change	2023/24	2024/25	2025/26
Service	Human Resources	£	£	£
Budget Head	Employee Costs	237,000	0	0

**Because**

Temporary transfer to Human Resources to fund additional Social Worker training costs.

**5 Virement is required from**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Generic Services	£	£	£
Budget Head	Employee Costs	(171,000)	0	0

Service	People with Physical Disabilities	£	£	£
Budget Head	Employee Costs	(98,719)	0	0

Service	Older People	£	£	£
Budget Head	Employee Costs	(333,975)	0	0

Service	Emergency Duty Team	£	£	£
Budget Head	Employee Costs	(13,940)	0	0

<b>Total</b>		<b>(617,634)</b>	<b>0</b>	<b>0</b>
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**To**

Department	Strategic Commissioning & Partnership	2023/24	2024/25	2025/26
Service	Adult Social Care	£	£	£
Budget Head	Employee Costs	301,914	0	0

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Joint Learning Disability	£	£	£
Budget Head	Employee Costs	51,991	0	0

Service	Mental Health	£	£	£
Budget Head	Employee Costs	43,574	0	0

Service	Generic Services	£	£	£
Budget Head	Employee Costs	220,155	0	0

<b>Total</b>		<b>617,634</b>	<b>0</b>	<b>0</b>
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**Because**

Utilising Departmental staffing underspends to cover Pay Award pressures .

**6 Virement is required from**

Department	Social Work & Partnership	2023/24	2024/25	2025/26
Service	Older People	£	£	£
Budget Head	Third Party Payments	(1,284,441)	0	0

**To**

Department	Strategic Commissioning & Partnership	2023/24	2024/25	2025/26
Service	Commissioning Services	£	£	£
Budget Head	Employee Costs	85,441	0	0

Service	Adult Social Care	£	£	£
Budget Head	Employee Costs	1,199,000	0	0

Total		1,284,441	0	0
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**Because**

Temporary transfer of additional Scottish Government funding to cover overtime, agency and car leasing cost pressures in Adult Social Care and a staffing pressure in the Commissioning Team.
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**Budget Virement Requirement**

**Education & Lifelong Learning**

**No. of Virements 2**

**1 Virement is required from**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service	Central Schools	£	£	£
Budget Head	Supplies & Services	(1,948,855)	0	0

**To**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service	Primary Schools	£	£	£
Budget Head	Supplies & Services	1,420,780	0	0

Service	Secondary Schools	£	£	£
Budget Head	Supplies & Services	528,075	0	0

<b>Total</b>		<b>1,948,855</b>	<b>0</b>	<b>0</b>
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**Because**

To allocate 2023/24 Pupil Equity Funding (PEF) to Primary and Secondary schools.

**2 Virement is required from**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service	School Transport	£	£	£
Budget Head	Transport Related	(48,000)	(48,000)	(48,000)

**To**

Department	Infrastructure & Environment	2023/24	2024/25	2025/26
Service	Passenger Transport	£	£	£
Budget Head	Third Party Payments	48,000	48,000	48,000

**Because**

To transfer permanent budget to Passenger Transport within Infrastructure & Environment following the reduction in Ayton and Chirnside contracts

**Budget Virement Requirement**

**Resilient Communities**

**No. of Virements 2**

**1 Virement is required from**

Department	Resilient Communities	2023/24	2024/25	2025/26
Service	Community Planning & Engagement	£	£	£
Budget Head	Employee Costs	(17,000)	0	0
Service	Neighbourhood Support Fund	£	£	£
Budget Head	Supplies & Services	(39,000)	0	0
	Third Party Payments	(23,000)	0	0
Service	Non Domestic Rates Relief	£	£	£
Budget Head	Third Party Payments	(85,000)	0	0
Service	Council Tax Reduction Scheme	£	£	£
Budget Head	Transfer Payments	(20,000)	0	0
	<b>Total</b>	<b>(184,000)</b>	<b>0</b>	<b>0</b>

**To**

Department	Resilient Communities	2023/24	2024/25	2025/26
Service	Business Support	£	£	£
Budget Head	Employees Costs	9,000	0	0
Service	Housing Benefits	£	£	£
Budget Head	Transfer Payments	51,000	0	0
Service	Scottish Welfare Fund	£	£	£
Budget Head	Transfer Payments	124,000	0	0
	<b>Total</b>	<b>184,000</b>	<b>0</b>	<b>0</b>

**Because**

Reallocation of budgets across Resilient Communities to address service pressures.
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**2 Virement is required from**

Department	Resilient Communities	2023/24	2024/25	2025/26
Service	Economic Development	£	£	£
Budget Head	Employee Costs	(168,000)	0	0
	Supplies & Services	(87,000)	0	0
	Third Party Payments	(422,000)	0	0

Service	Council Tax Reduction Scheme	£	£	£
Budget Head	Transfer Payments	(12,000)	0	0

Total	(689,000)	0	0
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**To**

Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Emergency Planning	£	£	£
Budget Head	Employee Costs	13,000	0	0
	Supplies & Services	21,000	0	0

Service	Protective Services	£	£	£
Budget Head	Employee Costs	17,000	0	0
	Third Party Payments	10,000	0	0
	Income	4,000	0	0

Service	Democratic Services	£	£	£
Budget Head	Employee Costs	15,000	0	0
	Transport Related Expenditure	12,000	0	0
	Supplies & Services	50,000	0	0
	Income	22,000	0	0

Service	Corporate	£	£	£
Budget Head	Supplies & Services	525,000	0	0

Total	689,000	0	0
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**Because**

Reallocation of budgets across Council Services to address service pressures.
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Budget Virement Requirement

Finance & Corporate Governance

No. of Virements 2

**1 Virement is required from**

Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Assessor & Electoral Registration Services	£	£	£
Budget Head	Employee Costs	(16,000)	0	0

**To**

Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Protective Services	£	£	£
Budget Head	Employee Costs	16,000	0	0

**Because**

Additional staff turnover savings within Assessors & Electoral Registration Services to be used to temporarily fund balance of Financial Plan savings within Protective Services (£16k).

**2 Virement is required from**

Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Assessor & Electoral Registration Services	£	£	£
Budget Head	Employee Costs	(13,000)	0	0

Service	Legal Services	£	£	£
Budget Head	Supplies & Services	(4,000)	0	0

Total	(17,000)	0	0
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**To**

Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Protective Services	£	£	£
Budget Head	Employee Costs	8,000	0	0

Service	Audit & Risk	£	£	£
Budget Head	Third Party Payments	4,000	0	0

Service	Corporate	£	£	£
Budget Head	Supplies & Services	5,000	0	0

Total	17,000	0	0
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**Because**

Reallocation of budgets across Resilient Communities to address service pressures.

**Budget Virement Requirement**

**People, Performance & Change**

**No. of Virements 1**

**1 Virement is required from**

Department	People, Performance & Change	2023/24	2024/25	2025/26
Service	Human Resources	£	£	£
Budget Head	Employee Costs	(46,000)	0	0
Service	Early Retiral/Voluntary Severance	£	£	£
Budget Head	Employee Costs	(34,000)	0	0
Service	Business Change & Programme Management	£	£	£
Budget Head	Employee Costs	(22,000)	0	0
<b>Total</b>		<b>(102,000)</b>	<b>0</b>	<b>0</b>

**To**

Department	People, Performance & Change	2023/24	2024/25	2025/26
Service	Corporate Transformation	£	£	£
Budget Head	Employee Costs	94,000	0	0
Service	Business Planning Performance & Policy Developme	£	£	£
Budget Head	Employee Costs	8,000	0	0
<b>Total</b>		<b>102,000</b>	<b>0</b>	<b>0</b>

**Because**

Reallocation of budgets across People, Performance & Change to address service pressures.

Budget Virement Requirement

Strategic Commissioning & Partnership No. of Virements 1

**1 Virement is required from**

Department	Strategic Commissioning & Partnership	2023/24	2024/25	2025/26
Service	Commissioning Services	£	£	£
Budget Head	Third Party Payments	(305,190)	0	0

**To**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Older People	£	£	£
Budget Head	Third Party Payments	305,190	0	0

**Because**

Return of The Social Prescribing Grant to Social Work & Practice.
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**Budget Virement Requirement**

**Financed by**

**No. of Virements 10**

**1 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(625,000)	0	0

**To**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Safer Communities	£	£	£
Budget Head	Supplies & Services	625,000	0	0

**Because**

Gross up additional funding for Ukraine Refugee Support.

**2 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(20,000)	0	0

**To**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Safer Communities	£	£	£
Budget Head	Supplies & Services	20,000	0	0

**Because**

Gross up Temporary Accommodation funding

**3 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(6,000)	0	0

**To**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Generic Services	£	£	£
Budget Head	Third Party Payments	6,000	0	0

**Because**

Gross up Self Directed Support Transformation Funding

**4 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	50,000	0	0

**To**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Older People	£	£	£
Budget Head	Third Party Payments	(50,000)	0	0

**Because**

Gross down National Trauma Training Programme and Trauma Informed Approaches.

**5 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	4,000	0	0

**To**

Department	Social Work & Practice	2023/24	2024/25	2025/26
Service	Children & Families Social Work	£	£	£
Budget Head	Supplies & Services	(4,000)	0	0

**Because**

Gross down Summer of Activities

**6 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(294,000)	0	0

**To**

Department	Resilient Communities	2023/24	2024/25	2025/26
Service	Economic Development	£	£	£
Budget Head	Third Party Payments	294,000	0	0

**Because**

Gross up additional Revenue Support Grant for employability staffing (£294k).

**7 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	8,000	0	0

**To**

Department	Infrastructure & Environment	2023/24	2024/25	2025/26
Service	Planning Services	£	£	£
Budget Head	Third Party Payments	(8,000)	0	0

**Because**

Gross down Revenue Support Grant for climate intelligence service (£8k).

**8 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Revenue Support Grant	£	£	£
Budget Head	Income	(942,000)	0	0

**To**

Department	Education and Lifelong Learning	2023/24	2024/25	2025/26
Service	Central School	£	£	£
Budget Head	Employee Costs	942,000	0	0

**Because**

Gross up additional Revenue Support Grant for Teachers Induction Scheme (£942k).

**9 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Transfer to / from reserves	£	£	£
Budget Head	Capital Financing	(75,000)	0	0

**To**

Department	Strategic Commissioning & Partnership	2023/24	2024/25	2025/26
Service	Information Technology	£	£	£
Budget Head	Third Party Payments	75,000	0	0

**Because**

Drawdown from Service Concession/Change Fund allocated reserve to fund implementation costs for Workflow 360 (Comino) to the Cloud (£75k).

**10 Virement is required from**

Department	Financed by	2023/24	2024/25	2025/26
Service	Transfer to / from reserves	£	£	£
Budget Head	Capital Financing	(745,000)	0	0

**To**

Department	Finance & Corporate Governance	2023/24	2024/25	2025/26
Service	Corporate	£	£	£
Budget Head	Supplies & Services	745,000	0	0

**Because**

Drawdown from unallocated reserve no longer required to fund pay award pressures to partly offset undeliverable digital transformation Financial Plan savings (£745k).

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**Budget Virement Requirement**

**Education & Lifelong Learning**

**No. of Virements 3**

**1 Virement is required from**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	(238,747)	238,747	
Service	Secondary Schools	£	£	£
Budget Head	Employee costs	(492,660)	492,660	0
<b>Total</b>		<b>(731,407)</b>	<b>731,407</b>	<b>0</b>

**To**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	731,407	(731,407)	

**Because**

To earmark projected Devolved School Management (DSM) carry forwards budget from 2023/24 into 2024/25 as per recent forecasting.

**2 Virement is required from**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	(316,841)	316,841	
Service	Secondary Schools	£	£	£
Budget Head	Employee costs	(96,341)	96,341	0
<b>Total</b>		<b>(413,182)</b>	<b>413,182</b>	<b>0</b>

**To**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	413,182	(413,182)	

**Because**

To earmark projected Pupil Equity fund (PEF) carry forward from 2023/24 into 2024/25 to cover employee contracts until the end of the academic year.

**3 Virement is required from**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service	Primary Schools	£	£	£
Budget Head	Employee Costs	(151,737)	151,737	
Service	Secondary Schools	£	£	£
Budget Head	Employee costs	(104,856)	104,856	0
<b>Total</b>		<b>(256,593)</b>	<b>256,593</b>	<b>0</b>

**To**

Department	Education & Lifelong Learning	2023/24	2024/25	2025/26
Service		£	£	£
Budget Head	General Fund Reserve - Earmarked Balances	256,593	(256,593)	

**Because**

To earmark projected Strategic Equity fund (SEF) and Care Experienced Children & Young People (CYPPP) funding carry forward from 2023/24 into 2024/25 to cover employee contracts until the end of the academic year.

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## **BALANCES AT 31 MARCH 2024**

### **Report by Director of Finance & Procurement**

### **EXECUTIVE COMMITTEE**

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**13 February 2024**

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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 2023 and advises Members of the projected balances at 31 March 2024.**
- 1.2 The Council's General Fund useable reserve (non-earmarked) balance was £9.980m at 31 March 2023. The General Fund useable reserve is projected to be around £7.0m at 31 March 2024, this follows a £1m transfer of funding to Live Borders as approved at Council on 14<sup>th</sup> December 2023 and a planned drawdown of £1.2m towards the 2023/24 pay award (£0.37m of which will be returned by Scottish Government next year).
- 1.3 The total of all useable balances, excluding development contributions, at 31 March 2024 is projected to be £57.15m as summarised in section 4.2.
- 1.4 The projected balance on the Capital Fund of £9.284m (including development contributions) as detailed in Appendix 3, will be affected by any further capital receipts, development contributions, interest received 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 audited 2022/23 revenue balances at 31 March 2023;**
- (b) Notes the projected revenue balances as at 31 March 2024 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 The Council maintains a number of funds and balances, known as reserves, which are reported to Elected Members at regular intervals during the financial year. The Council holds reserves in order to manage identified risks, smooth uneven cash flows and provide a contingency against unforeseen circumstances.
- 3.2 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 anticipated transactions and resultant projected balances at 31 March 2024 on the General Fund and Appendix 2 shows the projected non-General Fund balances. The useable General Fund balance, after earmarked funds and allocated reserves, is projected to be around **£7.0m** at 31 March 2024. This is £1.4m less than the recommended level included in the 2023/24 Financial Strategy previously approved by Council. £0.370m of the agreed funding of the 2023/24 pay award package will be returned by Scottish Government during 2024/25, this will raise the balance to £7.4m.
- 4.2 The projections in the statements attached in Appendices 1, 2 and 3 are based on actual expenditure and income to 31 December 2023 as well as further anticipated movements before year end and are summarised in the table below.

<b>BALANCES</b>	<b>31/03/24 projection £m</b>
Earmarked Balances (non DSM)	3.380
Recovery Fund (previously COVID-19 reserve)	0.400
Earmarked Balances (DSM)	1.402
Allocated Balances	36.089
General Fund (Unallocated Reserve)	7.044
Corporate Property Repairs & Renewals Fund	0.000
Pitch & Play Park replacement fund	1.875
Plant & Vehicles Renewals Fund	4.785
Insurance Fund	1.027
Capital Fund (exc. Development Contributions)	1.151
	<b>57.153</b>

4.3 The key movements in the General Fund balance since the last reporting period are:

- £1.0m – draw down to provide Live Borders with additional financial support during 2023/24 as approved by Council on 12<sup>th</sup> December 2023. Council also approved up to £0.5m in further funding, if required, during the financial year.
- £1.184m– planned draw down from unallocated reserves to fund SJC pay agreement for 2023/24. £0.37m of this will be returned by Scottish Government in 2024/25.
- £1.145m – DSM carry forwards earmarked from 2023/24 into 2024/25 as per Appendix 5 of the Revenue report per the agreed DSM policy.

4.4 The Corporate Financial Risk Register was considered at the Council Meeting on 23 February 2023 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 £8.4m, approved by Council as part of the Financial Strategy on 23 February 2023, equated to 2.5% of net revenue expenditure and was sufficient to cover 59% of the risks identified in the finance risk register should they be realised. This amount has now reduced due to the increased support provided to Live Borders for 2023/24 and the planned draw down to support the 2023/24 pay award. £0.37m of the pay award funding will be replaced by Scottish Government in 2024/25 bringing the total reserve to £7.414m. The general fund reserve will continue to be monitored through the Corporate Financial Risk Register on a regular basis.

4.5 Within reserves the Council also holds allocated balances which are reserves held for specific purposes. The following allocated balances have been maintained in the current reporting period per the table below:

<b>ALLOCATED BALANCES</b>	<b>31<sup>st</sup> March 2023 £m</b>	<b>Increase during 2023/24 £m</b>	<b>Released during 2023/24 £m</b>	<b>31<sup>st</sup> March 2024 £m</b>
Municipal Mutual	0.233	0	(0.233)	0
Adverse Weather (including flood)	1.000	0	0	1.000
Workforce Management	0.890	0	(0.046)	0.844
Treasury reserve	5.131	0	0	5.131
Strategic Contract movement reserve	1.271	0	(0.493)	0.778
Service concessions (support financial plan)	0	9.093	(0.682)	8.411
Service concessions (Change Fund)	0	20.000	(0.075)	19.925
<b>Total</b>	<b>8.525</b>	<b>29.093</b>	<b>(1.529)</b>	<b>36.089</b>

- 4.6 Since the Q2 report £75k has been transferred from the Change Fund to support a project within Resilient Communities to move Workflow 360 to the Cloud in order to reduce cost and improve performance. This will be repaid over the next 3 financial years from savings delivered by the project and is the first approved investment from this fund.
- 4.7 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 Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), and Corporate Communications are being consulted on this report and any comments will be reported to the meeting.

**Approved by**

**Suzy Douglas**

**Signature .....**

**Director of Finance & Procurement**

**Author(s)**

Lizzie Turner	Chief Officer Finance & Procurement
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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.

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**Appendix 1**

**SCOTTISH BORDERS COUNCIL**  
**GENERAL FUND BALANCES AT 31 MARCH 2024**

	GENERAL FUND £'000's	GENERAL FUND (DSM) £'000's	GENERAL FUND (EARMARKED) £'000's	ALLOCATED RESERVES £'000's	TOTAL £'000's
<b>Balance at 1 April 2023</b>	<b>9,980</b>	<b>3,589</b>	<b>27,553</b>	<b>8,525</b>	<b>49,647</b>
Projected Income (RSG, NDR, Council Tax)	343,505				<b>343,505</b>
Projected Net Revenue Expenditure	(370,995)				<b>(370,995)</b>
Earmarked Balances from previous year	31,142	(3,589)	(27,553)		<b>0</b>
Earmarked Balances to future years	(5,181)	1,402	3,779		<b>0</b>
Drawdown from allocated reserves to support 23/24 Financial Plan	726			(726)	<b>0</b>
Creation of Service Concession allocated reserve to support 5 year revenue financial plan				9,093	<b>9,093</b>
Creation of Service Concession allocated reserve to create change fund to support transformational change linked to financial sustainability				20,000	<b>20,000</b>
Service Concessions draw down to support 2023/24 budget	682			(682)	<b>0</b>
Drawdown from unallocated reserve to fund the implementation of actions in relation to the independent inquiry	(34)				<b>(34)</b>
Drawdown from Workforce Management Allocated reserve to cover conserved teacher salaries	46			(46)	<b>0</b>
Drawdown from unallocated reserve to fund shortfall in teachers pay award	(718)				<b>(718)</b>
Drawdown from Service Concession/Change Fund allocated reserve to fund Comino to Cloud	75			(75)	<b>0</b>
Drawdown from unallocated reserve to provide financial support to Live Borders	(1,000)				<b>(1,000)</b>
Drawdown from unallocated reserve to fund shortfall in SJC pay award	(814)				<b>(814)</b>
Drawdown from unallocated reserve to fund shortfall in SJC pay award for 2023/24, to be repaid 2024/25 through additional RSG	(370)				<b>(370)</b>
<b>Projected Balance at 31 March 2024</b>	<b>7,044</b>	<b>1,402</b>	<b>3,779</b>	<b>36,089</b>	<b>48,314</b>

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**SCOTTISH BORDERS COUNCIL**  
**REVENUE FUND BALANCES AT 31 MARCH 2024**  
**(EXCLUDING GENERAL FUND)**

	<b>CORPORATE PROPERTY REPAIRS &amp; RENEWALS FUND</b>	<b>PLANT &amp; VEHICLES RENEWAL FUND</b>	<b>INSURANCE FUND</b>	<b>PITCH &amp; PLAY PARK REPLACEMENT FUND</b>	<b>TOTAL</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
<b>Balance at 1 April 2023</b>	-	<b>8,597</b>	<b>1,387</b>	<b>1,401</b>	<b>11,385</b>
Projected Income	<u>2,307</u>	<u>2,662</u>	<u>1,857</u>	<u>474</u>	<u><b>7,300</b></u>
	2,307	11,259	3,244	1,875	<b>18,685</b>
Projected Expenditure	2,307	6,474	2,217	-	<b>10,998</b>
Contribution to Reserves					-
Transfer to/from General Fund	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Projected Balance at 31 March 2024</b>	-	<b>4,785</b>	<b>1,027</b>	<b>1,875</b>	<b>7,687</b>

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**SUMMARY OF CAPITAL FUND**

	<b>Balance as at 31/03/23 £'000</b>	<b>Balance as at 31/03/24 £'000</b>
<b>DEVELOPER CONTRIBUTIONS</b>		
Waverley Railway	-	-
Technical Services	979	511
Education & Lifelong Learning	6,305	6,195
Social Work - Affordable Housing	525	533
Accrued Interest	736	894
<b>Sub Total Developer Contributions</b>	<b><u>8,545</u></b>	<b><u>8,133</u></b>
Capital Receipts	1,212	1,151
<b>Total</b>	<b><u><u>9,757</u></u></b>	<b><u><u>9,284</u></u></b>

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## **DEBT RECOVERY POLICY**

**Report by Director of Finance & Procurement**

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**Executive Committee**

**13<sup>th</sup> February 2024**

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### **1 PURPOSE AND SUMMARY**

- 1.1 The purpose of this report is to present the updated Debt Recovery Policy to the Executive Committee for approval.**
- 1.2 The Debt Recovery Policy sets out a framework for providing a fair, consistent and transparent approach to collecting sundry debt ensuring that the Council continues to maximise collection performance.
- 1.3 Appendix 1 contains the Council's Debt Recovery Policy, which has been amended to reflect changes to Council structure, roles and responsibilities, working practices, and an update of Performance Indicators and Targets.

### **2 RECOMMENDATIONS**

- 2.1 I recommend that the Executive Committee approve the amendments to the Debt Recovery Policy (Appendix 1).**

### **3 BACKGROUND**

- 3.1 The Director of Finance & Procurement has responsibility, under Section 95 of The Local Government (Scotland Act) 1973, for the proper administration of the financial affairs of the Council. One such area of administration is that relating to Sundry Debtors.
- 3.2 Council Departments raise invoices to charge the general public or businesses for a range of goods or services, such as rent of industrial property, trade waste collection, residential care charges etc. These charges need to be recovered from the debtor; to do this in a uniform way across the Council a policy is required.
- 3.3 The Debt Recovery Policy was previously approved in August 2021, this is an update in line with changes in Council structure, roles and responsibilities, working practices, and an update of Performance Indicators and Targets

### **4 THE DEBT RECOVERY POLICY**

- 4.1 The Debt Recovery Policy, as shown in Appendix 1, sets out the principles of recovering debt at Scottish Borders Council and will support officers and Members in understanding the purpose and role of sundry debt collection. The Council is required to collect income from private individuals and businesses for a variety of reasons, some statutory, while others may be discretionary or essential for wellbeing. In undertaking this process it is inevitable that the Council will be required to pursue the recovery of arrears from individuals or businesses that may experience difficulty in paying such accounts. An agreed policy of how debts are managed and collected is important in ensuring consistency and best practice.
- 4.2 The policy will apply to all Council departments and will not prejudice any legal action the Council may wish to take in recovery of the debt. It seeks to be 'fair but firm' and the full range of collection and recovery methods will be exercised if debts are not paid. The policy objectives are to collect debt promptly, effectively, efficiently and economically, while ensuring fair treatment of all debtors.

### **5 IMPLICATIONS**

#### **5.1 Financial**

The amendments to this policy should have a positive financial effect as per Performance targets look to improve the income collection rate.

#### **5.2 Risk and Mitigations**

The risks to the Council of not implementing a consistent approach to managing debt and maximising income are high. The current economic conditions and council savings targets cannot be addressed unless an efficient and effective approach to income collection and recovery is embedded across the organisation. Failure to meet these targets may result in the loss of income, services and an increased and unsustainable debt position.



Approval of the updated Debt Recovery Policy, as proposed in this report will enable completion of an Internal Audit recommendation recently made as part of the Sales to Cash audit. Furthermore, the revised policy will form the basis for the SB Learn staff training module to be updated and a formal monitoring process of compliance with policy will be introduced (to address other Internal Audit recommendations within the same Sales to Cash audit) that are designed to improve the clarity of and therefore compliance with the system of governance, risk management and control of debt across the whole Council.

### 5.3 **Integrated Impact Assessment**

There is no impact or relevance to Equality Duty or the Fairer Scotland Duty for this report. This is a routine amendment to an existing policy which forms part of the financial governance of the Council. Nevertheless, a light touch assessment has been conducted and this will be published on SBC's Equality and Diversity Pages of the website as in doing so, signifies that equality, diversity and socio-economic factors have duly been considered when preparing this report.

### 5.4 **Sustainable Development Goals**

There are no direct economic, social or environmental issues with this report which would affect the Council's sustainability policy.

### 5.5 **Climate Change**

There are no direct carbon emissions impacts as a result 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**

It is anticipated that the proposals in this report will have a minimal impact on data subjects and the Data Protection Officer has confirmed that a Data Protection Impact Assessment is not required.

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

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

## **6 CONSULTATION**

6.1 The Director (Finance & Procurement), the Director (Corporate Governance), the Chief Officer Audit and Risk, the Director (People Performance & Change), and Corporate Communications and any comments received will need to be incorporated into the final report.

6.2 Others to be consulted if required are –

- External organisations
- Procurement Officer – if you are buying any goods or services.

**Approved by**

**Suzanne Douglas**

**Director of Finance & Procurement**

**Author(s)**

Name	Designation and Contact Number
Allison Exley	Income & Reconciliation Manager – 01835 824000 Ext 5909
Kirsten Robertson	Statutory Reporting & Treasury Business Partner – 01835 824000 Ext 5506

**Background Papers:** Debt Recovery Policy August 2021

**Previous Minute Reference:** not applicable

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

Contact us at Income & Reconciliation Team, Finance, Scottish Borders Council, Headquarters, Newtown St Boswells, Melrose, TD6 0SA Tel: 01835 824000 Ext 5909 email: [complianceandcontrol@scotborders.gov.uk](mailto:complianceandcontrol@scotborders.gov.uk)

## **DEBT RECOVERY POLICY**

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## **1. INTRODUCTION**

The Director of Finance & Procurement has responsibility, under Section 95 of The Local Government (Scotland Act) 1973, for the proper administration of the financial affairs of the Council. One such area of administration is that relating to Sundry Debtors.

Council Departments raise invoices to charge the general public or businesses for a range of goods or services such as:

- Rent of industrial and commercial land and property.
- Trade and special waste collection.
- Other environmental services.
- Residential Care charges.
- Homecare charges
- Allotment rents.
- Hire of Council premises.
- Nursery Care Charges.

These charges need to be recovered from the debtor. To do this in a uniform way across the Council a policy is required.

This policy applies to sundry debtors only and sets out the general principles in relation to income collection and debt management so that there is a consistent approach. This policy focuses on collecting a charge rather than how that charge has been calculated.

All departments have a duty to ensure that all income due is collected in a timely and efficient manner. The late payment and non-payment of income due to the Council will impact adversely on the Council's cash flow and may place an additional burden on service users through increased charges or reductions in the quality or quantity of the services provided if budgets are restricted.

Our aim is to maximise sundry debt income for the Council so that late and non-payment are kept to an absolute minimum. We also recognise that there will be circumstances where some of our service users may be suffering hardship and need help and advice. The approach to debt recovery will therefore be sensitive to individual circumstances and take account of multiple debts owed.

This policy sets out to ensure that all staff in every department provide customers with a fair, consistent and transparent income collection and debt recovery service. It aims to strike a fair balance between the financial needs of the Council and social needs of the customer.

Performance targets for income collection and debt management will be set and these will be monitored at monthly and quarterly intervals. A summary of the quarterly performance outcomes to target will be submitted to the Director of Finance & Procurement and the relevant Manager responsible for the management of the sundry debt service for review. A review of the targeted outcomes will be undertaken annually, when the policy is reviewed.

The overall responsibility for the effective operational implementation of this policy will lie with the Statutory Reporting & Treasury Business Partner.

## **2. POLICY AIMS**

The key aims of the debt recovery policy are as follows:

- To develop a council wide approach towards sundry debt collection.
- To ensure a professional and timely approach to recovery action is followed consistently across all Council services.
- To ensure that staff in all departments are aware of their responsibilities to carry out effective and timely invoicing and resolution of invoice disputes with customers.
- To ensure a consistent and timely approach to income collection and debt management.
- To improve the levels of income collected and protect the Council's cash flow position.
- To reduce the levels of debt owed to the Council.
- To treat service users consistently and fairly and ensure that an individual's rights are protected.
- To develop good relationships with stakeholders (customers, debt collectors, welfare benefit advisors, social workers etc) to support the fair and effective collection of debts.

## **3. LINKS TO THE COUNCILS CORPORATE PRIORITIES**

Our Debt Recovery Policy is aligned to the Council's commitments under themes which are: clean, green future, fulfilling our potential, strong, inclusive economy, empowered vibrant communities, good health & wellbeing and working together improving lives.

## **4. ROLES AND RESPONSIBILITIES**

The Director of Finance & Procurement is responsible for the organisation and supervision of all income arrangements, which includes proper accounting, management reporting, and collection arrangements. To achieve this, the Director of Finance & Procurement assigns responsibility to the Service Directors across all departments that give rise to the debt or potential income with appropriate support provided by the Credit Control Team.

A full breakdown of roles and responsibilities can be found in Appendix 1.

## **5. SUNDRY CHARGES**

Sundry charges are fees and charges made to the general public and businesses for a wide range of goods or services provided by the Council where payment is not required in advance. The chargeable fees for services are approved by Council in line with national guidelines and legislation where applicable. To minimise the costs involved in the raising of invoices, the originating department should seek permission from the debtor to issue invoices by email and, where agreed, enter these details against the customer record in Business World.

**Sundry debtor accounts will be raised in one of two ways:**

- Periodic accounts which are raised for re-occurring charges; or
- Sundry accounts for one-off charges

**Invoices will not be raised unless:**

- The fee or charge has been set by the Council.
- The charge could not have been obtained in advance.
- The charge is collectable.
- The charging department has evidence to support the raising of a charge (i.e., order, written contract, statutory obligation etc)
- There is a realistic prospect that debt can be recovered.

Officers **must not raise an invoice for a debt less than £20.00 unless there is a contractual obligation** to do so for example peppercorn rent, as it is uneconomical. Officers are encouraged to collect income of less than £20.00 in other ways, such as payment in advance by telephone or internet. In some service areas, where the individual amounts charged are very small, consideration should be given to alternative methods of funding, although it is recognised that raising an invoice may be the only solution.

All invoices will be dispatched within five working days of the charge being raised.

Where it is established that an invoice has been raised erroneously, the invoice will be cancelled immediately by the raising of a credit note, ensuring there is an audit trail. This includes any invoice raised that has been raised with an incorrect name, company name or address. These must be credited in full and the account amended then a new invoice raised. This is to ensure compliance for audit purposes and also to ensure correct and legal invoices for full debt recovery where legal action may be necessary.

**Payment Dates**

For the purposes of efficient administration the payment date for invoices paid by direct debit will be 1<sup>st</sup> or 15<sup>th</sup> of the month. All other invoices will be 30 days after the invoice date.

**5.2 Payment Terms**

The Council's standard terms require payment to be made within 30 days upon receipt of the invoice. However, where charge is made in advance for an ongoing service, e.g. residential care fees, then the originating department will enter instalment facilities on the invoice. These terms are set by the Charging Policy.

For 30-day terms cases, payment by instalments will be considered by the Credit Control Team if requested in cases where the settlement of a debt in full will cause financial hardship. In such circumstances, payment by direct debit is preferred.

**5.3 Advanced Payment**

Where practical and legally allowable, advance payment can be requested for all services, or by the debtor signing a direct debit agreement form before the provision of service. This minimises the financial risk to the Council.

## **6. ISSUING OF INVOICES**

It is important that customers are made aware at the point of service that they will be invoiced, that invoices are issued in a timely manner (ideally within 30 days from service delivery) and that they are both clear and concise. We are also committed to issuing invoices that are right first time.

### **We will ensure that all invoices are:**

- Accurate (based on the information we hold)
- Clear, jargon free and written in plain English
- Available in Braille, large print or other language if required
- Promptly issued

### **We will ensure that all bills and invoices contain the following details:**

- A clear and full description of what the charge is for and with no abbreviations.
- The amount due (and where appropriate any instalment amounts and dates). The payment date is the date the payment should reach the Council.
- How the payment can be made
- The contact point for query of the invoice or to discuss payment
- What will happen if the customer does not pay

Problems and discrepancies raised by customers will be resolved as quickly as possible to prevent unnecessary delays in payment (see 15. Disputed Invoices).

**Attachments** - Departments wishing to send attachments should ensure that they are typed and look professional.

**Evidence** - All invoices raised must be properly supported by documentary evidence that supports the debt. Where required by the debtor, a Purchase Order Number must be included on the invoice. All appropriate contracts must be signed by the legal entity responsible for making payment, e.g. Power of Attorney (POA) where person receiving service lacks capacity. Evidence of legal responsibility e.g. POA Certificate, must be held on file as this will be used for resolving any disputes and recovering the debt.

### **6.1 Issuing of Credit Notes**

In conjunction with Financial Regulations there must be a clear distinction between raising a credit note and writing off a debt.

A credit note to cancel or reduce a debt must only be issued to:

- a) Correct a factual inaccuracy;
- b) Correct an administrative error;
- c) Process a discount granted by the Director of the department where the account was originated;
- d) Cancel an invoice that was raised without reasonable prospect of recovery;
- e) Cancel an invoice where dispute cannot be settled within 28 days.

All credit notes require approval by authorised staff in the relevant department before they can be processed and an explanation for the credit note must be stated in every case.

## 6.2 Issuing of Refunds

Where an account goes into credit as a result of an overpayment or a credit note, the Credit Control Team will look to refund the credit directly to the customer within 28 days. Where a Customer has another invoice or another debt to the Council outstanding such as Council Tax or Business Rates, the credit will be offset against this first.

## 7. PAYMENTS

It is recognised that the easier it is for customers to pay, the more likely that payment will be made and the less likely that debts will accrue.

### Direct Debit

We will promote Direct Debit as the preferred method of payment as this has benefits for both the Council and its customers. We will also ensure that other cost effective payment methods are promoted in order that collection costs are kept to a minimum.

### The accepted forms of payment to Scottish Borders Council are:

- Direct Debit
- Direct bank transfer
- Debit Card (Visa & Mastercard)
- Credit Card (Visa & Mastercard)
- Cash (Sterling) via PayPoint, Post Office
- Cheque (Sterling)
- Standing Order

**Contact Centres** do not take cash for payment of sundry debt invoices. However, all invoices and reminders have a printed barcode which can be taken to any Post Office or PayPoint outlet in the UK for payment.

All payments will be processed in accordance with the Council's Income Management Policy.

## 8. APPROACH TO DEBT MANAGEMENT

The effective management of debts owed to the Council is crucial in terms of maximising income in order to avoid an increase in costs or decrease in the quality and quantity of services provided. The majority of our customers make their payments on time but there will still be a significant number who do not.

When pursuing debts we will abide by the following principles:

- Our action will be **proportionate**
- Our approach will be **consistent**
- Our actions will be **transparent**

### Our overall approach to the collection of all debts owed to the Council will be:

- That our customers have a responsibility to pay their invoices on time;
- To treat all customers fairly and consider all the available information before taking enforcement action;
- To take prompt, appropriate and effective action to recover debts;



- To take a holistic approach to the collection of multiple debts owed to the Council;
- To provide appropriate advice and support to increase the debtors ability to pay;
  
- To make sure that enforcement action is appropriate to the circumstances;
- To use legal proceedings in appropriate circumstances;
- To recharge the costs of taking legal proceedings to the debtor where the Council is legally entitled to do so;
- To consider charging interest where payment is beyond the period allowed for payment if the Council is legally entitled to do so;
- To offset any debt due from payments due to be made by SBC, where agreed;
- To protect the interest of Council Taxpayers within the Scottish Borders by taking action to secure legal rights to recover the debt.

We recognise that taking legal proceedings is a serious step and will always consider alternative actions. Whilst every effort will be made to support our customers to manage their Council debts, legal proceedings will be pursued where customers fail to pay or make contact or do not keep to a repayment agreement.

When pursuing legal action we will deal with debtors even-handedly and inform them in writing at each stage of the legal process. Even where legal proceedings are being pursued our Legal staff or representatives will continue to maintain contact with the debtor in an effort to obtain acceptable payments which will enable the suspension of legal proceedings.

## **9. RECOVERY PROCESS**

Where an invoice remains unpaid after 30 days, reminder letters will be sent to the debtor (5 days after due date, and 14 days later). If after two reminder letters there is no payment, contact or repayment agreement in place then the recovery processes will commence.

We will commence proceedings to obtain a decree so that sheriff officers can take formal action to recover the outstanding debt, where the following circumstances apply:

- Failure to pay the full amount due, there is a good chance that legal action will be successful and it is economic to pursue a debt.
- Failure to agree to a suitable repayment plan if the full amount cannot be paid in full.
- Failure to comply with a repayment agreement.

Once a decree has been obtained, if the debtor does not comply with the terms of the judgement we will take further proportionate enforcement action by obtaining one of the following:

- Use of Sheriff Officers
- Arrestment of Earnings or Bank Accounts
- Commence bankruptcy/insolvency proceedings

In appropriate circumstances we will reserve the right to pursue alternative courses of action. This may include the use of external collection agents where appropriate and cost effective.

We will also reserve the right to terminate any non-statutory services where payments are not made in accordance with the payment terms, bearing in mind the vulnerability of the debtor. Where a service must continue due to a debtor's vulnerability, the issuing department will be responsible for meeting the cost and no invoices will be issued. \_

## **10. CUSTOMER CONTACT**

The need for customers to get in touch is central to our debt recovery process and we will encourage customers to make early contact to discuss any difficulties before debts become onerous and unmanageable.

Where a customer does not pay or contact us following a reminder or warning letter Credit Control staff or representatives will make proactive attempts to make and maintain contact with the customer by:

- Telephone
- Text
- Email
- Office interview

We expect our largest debtors to be contacted regularly to establish good relationships and timely payment.

### **During all personal contact with customers our staff will:**

- Identify the reason for non-payment;
- Undertake a financial assessment with the customer's agreement where possible;
- Provide help and advice;
- Make the customer aware of the consequences of non-payment.

#### **10.1 Letters to Debtors**

We will promptly advise customers of any overdue payments and will send reminder letters/emails in order that the customer is given an opportunity to rectify any missed payments.

We will ensure that all our communication:

- Is clear, jargon free and in plain English;
- Clearly shows the amount outstanding and by when it should be paid;
- State the action which will follow if payment is not made;
- Contain details on who to contact to discuss the outstanding debt;
- Detail how payments can be made.

## **11. REPAYMENT ARRANGEMENTS**

In some cases it may be necessary for the Credit Control Team to make instalment arrangements. These will not be set up where payment can reasonably be made in full; however, it is recognised that some customers will not be in a position to clear the full amount due. All repayment arrangements will be based on the principle of preventing further debt.

Where a customer is having difficulty in paying the full amount, Credit Control Officers will consider the circumstances and, if appropriate, agree a repayment arrangement based on the following criteria:

**A repayment arrangement will be agreed with debtors in the following circumstances:**

- Where the debtor is on low income and likely to suffer financial hardship;
- Where the debtor is suffering hardship, is in poor health or is vulnerable.

In appropriate cases e.g. particularly low repayment proposal, arrangements entered into will be subject to a financial appraisal to assess their disposable income using the proforma in Appendix 3 and debtors will not be placed in a position of being required to pay at a rate that they clearly cannot afford. In addition, neither will the debtor be allowed a rate of repayment that the debt is not repaid within a reasonable period.

A failure of the customer to maintain the arrangement will result in recovery action being escalated and the possible withdrawal of the service.

**11.1 Arrangement Guidelines**

Only Credit Control and Legal teams can make repayment arrangements, however there may be liaison with departments for further information. This is because these teams have an overall picture of the debtor who may owe the Council money for other debts.

Value Terms (from date of invoice)

- Debts below £500 - No more than 3 months
- Debts below £1,500 - No more than 6 months
- Debts below £2,500 - No more than 9 months
- Debts £2,500 and above - No more than 12 months

In order for an individual debtor to receive more than 12 months credit, a detailed income and expenditure sheet, as shown in Appendix 3, should be completed for their case to be considered. For a business, their latest accounts should be submitted along with their latest balance sheet for consideration by the Income & Reconciliation Manager.

**11.2 Arrangement Principles**

- Repayment arrangements will normally be accepted by Direct Debit. In exceptional circumstances other payment methods can be used where a debtor can show that they cannot pay by this method but can give other assurance such as their employers name and address or evidence of an asset that the debt can be recovered against;
- The responsibility for making sure that the agreed payment reaches the account by the due date remains with the customer;
- Recovery action will be suspended providing the customer maintains payments in accordance with the agreement;
- Where there is a significant change to the debtors circumstances the repayment arrangement will be re-evaluated;
- Prompt recovery action will be taken in respect of missed payments;
- Low value arrangements should be reviewed on a regular basis to see if payments can be increased.

Should a customer default on a repayment arrangement, the Credit Control Team will escalate the recovery action to the next stage which could be passing to the Council's Legal Department for Court Action or alternatively to a debt collection company.

### **11.3 Arrangement Exceptions**

Where a customer or their representative wishes to make an arrangement to pay (at any recovery stage including legal) and the balance owed exceeds £50,000, before the arrangement is agreed it must be passed to the Director of Finance & Procurement with all backing papers for a formal decision to be made.

## **12. ENFORCEMENT ACTION**

The Council will take all necessary actions to recover any debts owed. In order to achieve this objective we will engage the Council's Legal Department, Sheriff Officers and debt collection agents in the process of recovering Sundry Debts.

We will ensure that all private enforcement agencies employed are members of a recognised trade association which has a code of guidance by which its members are bound.

The external agencies we use will also be bound by a service specification or code of practice issued by the Council to ensure that debtors are treated fairly and in accordance with the principles contained in this policy. We will closely monitor that external agencies are complying with the Council's Code of Practice.

Where Sheriff Officer action is taken the debtor will incur statutory and other fees which must be paid to the Sheriff Officer.

## **13. TRACING DEBTORS**

In the event of a debtor leaving an address without providing a forward address, we will use various methods for tracing people who owe debts to the Council including:

- Use of data held within other areas of the Council
- Use of Experian and Companies House
- Use of Social Media
- Use of tracing agents
- Personal visits and interviews

## **14. WRITE OFFS**

We normally consider debts owed to the Council as being recoverable. We will seek to minimise the cost of write-offs for each Council Department by ensuring that all debts are subject to full recovery and legal processes as outlined by this policy.

When all means of recovery have been exhausted there will be circumstances when it will be appropriate to consider writing debts off as irrecoverable.

It is recognised that where a debt is irrecoverable, prompt and regular write off of such debts is good accounting practice and we will make an adequate bad debt provision for all types of income.

An annual review of the write off provision will be recommended by the Director of Finance & Procurement and form part of the Council's published annual accounts.

#### **14.1 Reasons for write off**

The circumstances where a debt will be regarded as being irrecoverable and appropriate for write off are:

- Debtor is deceased and there are insufficient funds in the estate to pay the debt;
- Debtor is untraceable;
- Debt is uneconomical to pursue;
- Debtor is insolvent (bankrupt, in liquidation or in administrative receivership);
- Company has ceased to trade and has insufficient assets;
- No prospect of payment (i.e. due to debtors inability to pay, mental condition, having no assets etc);
- All recovery processes have been exhausted;
- Legal action has been unsuccessful;
- Out of time debt due to statutory limitations;
- Not in the Council's or Public interest to pursue further.

Prior to any individual debt being proposed for write off, the Income & Reconciliation Manager will review the debt to confirm that no further recovery action is possible or practical. This will then be reviewed by The Statutory Reporting & Treasury Business Partner before authorisation is given for writing the debt off

The powers for writing off debts are contained within the Council's Financial Regulations and Scheme of Delegation. These powers are delegated to the Director of Finance & Procurement who, for practical reasons, may delegate authority to Officers within the Finance Department to approve individual write off amounts up to a pre-determined level. The Director of Finance & Procurement has delegated authority to write off amounts up to £100k. Any potential write off greater than £100k must be approved by Council. The current list of Authorised Officers and limits is contained in Appendix 2.

A write off report giving summary details of the number of debts and amounts-written off by category will be submitted yearly by the Director of Finance & Procurement to the Executive in accordance with the Financial Regulations.

#### **14.2 Evidence**

**The following supporting documentation should be retained and available for auditing by staff in all departments who are responsible for raising invoices:**

- Evidence to support write off
- Recovery history
- Details of any tracing or other enquiries carried out
- Case review checklist (signed by the senior officer reviewing the debt)

Where debts have been written off, if at a later date there is a prospect of payment, the debt will be reinstated to enable recovery action to re-commence.

### **14.3 Insolvency**

Where the Council is aware or notified of a customer falling into receivership or liquidation, etc. then the Credit Control Team should be made aware immediately. Subsequently the Credit Control Officer should determine whether a receiver or liquidator has been appointed. The Credit Control Team will submit the proof of debt as soon as possible to make a claim against any assets.

Under no circumstances should a service or facility be provided to a company that is in receivership or any individual who is in the process of being declared bankrupt. Suitable checks on Companies who have voluntary agreements that allow them to continue trading should be made.

Similar rules should apply to individuals who are attempting to clear debts under voluntary arrangements. Advice should be sought from Legal and credit checks made.

The Council is likely to be an unsecured creditor, behind the preferential creditors such as commercial banks and Her Majesties Revenue and Customs Office, in any insolvency proceedings. Therefore, such debts should be written off as soon as a proof of debt has been lodged.

## **15. DISPUTED INVOICES**

Where a customer disputes an invoice, the Credit Control Team shall refer the matter to the Department that originated the request for an invoice. It is the responsibility of that Department to resolve the issue of the dispute and to ensure that they have all the required information to substantiate any sundry debtor account which is issued by their Department. The contact name and telephone number appears on invoices.

At all times, the Department that originated the request for an invoice must keep the Credit Control Team informed of the status of the dispute and whether the collection of debt should be suspended or re-commenced by the Credit Control Team. This will ensure that the collection cycle is managed appropriately.

To help customer service and efficient debt collection, all disputes should be resolved within 28 days in accordance with best practice guidance. Departments should ensure that they work towards these targets and issue suppression requests to the Credit Control Team. The Credit Control Team will monitor suppressions and liaise with departments as necessary to determine when recovery action can re-commence.

Request to suppress an invoice must be made by email to [accrev@scotborders.gov.uk](mailto:accrev@scotborders.gov.uk). Confirmation will then be emailed to the department with the date that debt recovery will re-commence if no further correspondence is received from the department. If a further suppression is required this will require a further email and confirmation by the Income & Reconciliation Manager.

Where an incorrect charge to a customer has been made by the originating Department, or the address provided for the invoice was incorrect, the originating Department must update the invoicing system within 3 days of discovering the error and notify the customer as to how the matter will be resolved.

Where the dispute relates to a charge of sub-standard work, goods not received or service not provided, then these may take longer to resolve.

However, they should never be left unresolved and it is the responsibility of departmental managers providing the service, to review on a regular basis any disputes under their responsibility and bring to a conclusion as soon as possible.

In any event, after 28 days, it is expected that the account is either paid or recovery action recommended. Only in exceptional circumstances will the 28 day period be extended at the discretion of the Credit Control Team. Requests must be made by email and authorised by the Income & Reconciliation Manager. If the dispute remains unresolved after 28 days and no extension agreed, a credit note will be raised and this is charged back to the originating departmental cost centre. A correct invoice should then be raised if appropriate. **It is not acceptable for any department to raise an invoice and ask for it not to be pursued.**

A dispute is not resolved unless it meets one of the following conditions:

- Customer is correct and gets full credit;
- Customer is partly correct, gets partial credit and accepts revised charge;
- Customer is incorrect and accepts the charge;
- Customer is not correct but does not accept the situation (the issuing department must be prepared for the commencement of legal proceedings).

### 15.1 Budget Adjustments

Where an invoice is cancelled after being on hold for 28 days or more without an agreed extension, the invoice amount will be written back to the originating departmental budget.

## 16. MONITORING AND REPORTING

**To ensure that this policy is meeting its aim and is effective we will:**

- Monitor actual performance to targets set;
- Consult with customers and Service Directors;
- Evaluate complaints received;
- Undertake quality checks on work processes and work processed by our staff.
- Feedback to services where invoices are noted to have not been raised correctly

### 16.1 Monitoring and Reporting

The Director of Finance & Procurement will monitor service performance utilising the information provided as detailed in the table below.

No.	Reporting Requirements	Frequency
1	Level of debt outstanding	Quarterly
2	Level of write off against provision	Quarterly
3	Number and value of disputed accounts and those where action is on hold.	Quarterly
4	Percentage of debt by number and value collected in 30,60,90,90+ days	Annually
5.	Collection rates / Performance of Debt Collection Agency and Legal Team	Annually
6.	No. Customers paying by Direct Debit	Annually

## 17. PERFORMANCE TARGETS

Performance Indicator	Performance 2020/21	Performance 2021/22	Performance 2021/22
Income received as a percentage of the opening Sundry Debtors balance	87.46%	85.97%	86.59%
Percentage of Customers paying by direct debit	26.6%	29.6%	30.5%
Cost of collecting Sundry Debtors per £1 issued	£0.003	£0.003	£0.003
Proportion of outstanding debt that is more than 90 Days Old	25.98%	21.01%	23.56%

## 18. CUSTOMER CARE

In order to ensure that we are delivering a high level of customer care in our income collection service we will:

- Monitor that staff are meeting the corporate customer service standards;
- Ensure our staff are well trained, experienced and knowledgeable so that they can deal with a wide range of enquiries from customers;
- Provide staff with a dedicated telephone number and email address which ensures ease of contact for the customer if they need help or advice;
- Ensure our staff have regard to the sensitivity of the information they are dealing with and ensure confidentiality and privacy during discussions;
- Ensure our staff conduct themselves, when dealing with debt, in a way that does not deliberately alarm, harass, distress or subject people to public ridicule;
- Provide a range of information leaflets and booklets which give information to customers about the services offered ensuring these are available at local Contact Centres and other Council offices;
- Provide website information about council services and ways to pay;
- Seek the views of our service users so that we can improve services;
- Advise customers how to complain if they are unhappy with the service they have received.



## 19. **DIVERSITY**

We will ensure that our income collection service is accessible to everyone and that no service user receives less favourable treatment. In this regard we will:

- Monitor that the corporate equality and diversity service standards are being met;
- Ensure all staff receive cultural awareness, disability discrimination and mental health awareness training;
- Communicate to customers using plain English and help customers whose first language is not English;
- Ensure that our staff have access to a person who can communicate with customers in sign language;
- Ensure that our staff have guidance notes on how to access the translating and interpreting services available;
- Ensure that our policies, letters, information leaflets/booklets and other documents can be made available in different languages and formats including Braille and audiotape where appropriate;
- Where appropriate provide interpreters and 'signers' for those whose first language may not be English and/or for those who are hard of hearing or deaf.

## 20. **VULNERABLE PERSONS**

A sensitive approach towards debt recovery will be taken in respect of debtors who are deemed to be vulnerable. Where there is a recognised vulnerability our staff will be given sufficient flexibility to defer any recovery actions and take alternative action which is more appropriate to the person's needs.

We consider the following to be vulnerable persons:

- A person of fragile health due to old age or disability;
- A person who clearly has difficulty in dealing with their own affairs;
- A person who is registered disabled or demonstrates a physical or mental impairment;
- Persons suffering long term or serious illness;
- Persons who have recently suffered a bereavement, recent marriage break-up or ending of a long-term partnership;
- Persons suffering from severe financial hardship;
- Persons who are pregnant or who are in hospital;
- People who have a communication difficulty, such as a person who is deaf, illiterate or has difficulty in understanding or speaking English.

## **21. FINANCIAL INCLUSION**

Whilst this policy is mainly about income collection and debt recovery, we recognise that personal indebtedness is increasing and acknowledge that recovery action can often cause distress, particularly where the person has other debts or is on low income. We will take the following measures to limit the impact that recovery action may have on our customers and communities:

- Provide a wide range of payment methods at no cost to the customer;
- Take early recovery action before debts become unmanageable;
- Ensure that any action taken is balanced, just and fair;
- Undertake home visits in appropriate circumstances;
- Defer recovery action in appropriate circumstances;
- Give special consideration to a person's level of understanding;
- Develop and maintain close working relationships with advice agencies including setting up formal referral arrangements for customers who require specialist advice;
- Signpost customers where appropriate to independent welfare benefits advice.

## **22. CONFIDENTIALITY**

We will ensure that all information provided to us about a customer's personal and/or financial circumstances will be dealt with in the strictest confidence. All data held in respect of customers will be recorded and processed in accordance with the Data Protection Act 2018.

Wherever possible, we will ensure that all interviews of a confidential nature are conducted in private.

We will facilitate private interviews when requested by our customers.

## **23. REVIEWING THIS POLICY**

We are committed to continuous improvement so it is inevitable that there will be changes to the way in which the Debt Recovery Service is delivered. This policy will be reviewed annually by the Statutory Reporting & Treasury Business Partner and agreed by the Director of Finance & Procurement. It will be updated to take into account changes in legislation, service improvements or changes, and changes to the Charging Policy or Financial Regulations.

Any proposed changes to this policy will be fully discussed with appropriate stakeholders such as:

- Relevant Finance Teams
- Relevant departments
- Relevant external bodies

**APPENDIX 1**

<b>Stakeholder</b>	<b>Key Role &amp; Responsibilities</b>
Customer	To make payment for goods or services received within the terms and conditions of the service provision.
Executive	To be accountable for the effective management of invoicing and collection by Officers of the Council.
Service Directors	<ul style="list-style-type: none"> <li>• To be accountable for the effective management of income by Officers of the Council.</li> <li>• Ensure Financial Regulations and the Scheme of Delegation in relation to the collection of income is adhered to;</li> <li>• Ensure the parts of Corporate Policy &amp; Strategy that apply to their directorate are correctly followed;</li> <li>• Proactively support the achievement of corporate targets for debt collection;</li> <li>• Ensure that Budget Managers are fully aware of their income management responsibilities;</li> <li>• Ensure that relevant invoicing and income management systems and procedures are put in place;</li> <li>• Ensure that employees involved in the income collection process are appropriately trained and the quality of training is kept under continuous review.</li> </ul>
Director of Finance & Procurement	<ul style="list-style-type: none"> <li>• Advising and providing guidance on setting the policy and ensuring that the policy is implemented;</li> <li>• Responsible for managing all debt owed to the Council;</li> <li>• Ensure that effective systems and procedures for financial administration are in place so that debt collection is completed timeously and in accordance with legal and regulatory requirements.</li> </ul>
Statutory Reporting & Treasury Business Partner	Ensure payment channels are easily and widely accessible; Ensure that the right messages on the Council's approach to debt recovery are conveyed to all stakeholders simply, clearly and effectively.

Income & Reconciliation Manager	<ul style="list-style-type: none"> <li>• Promote awareness on debt collection and consistency council- wide;</li> <li>• To promote and communicate debt recovery and to involve all officers in the process;</li> <li>• To coordinate training activities to ensure that a core competency on Debt Collection is maintained within the directorate;</li> <li>• To scrutinise and provide assurance to directorate management on the processes and procedures;</li> <li>• Escalate the recovery processes in a timely and controlled manner consistent with established procedures;</li> <li>• To monitor KPIs against targets;</li> <li>• Invoice production and debt recovery, the provision of reports, reconciliations;</li> <li>• Liaison with service users in departments with regards to business processes, disputed invoices and recovering arrears;</li> <li>• Provide joint training along with Systems Support for users</li> </ul>
Credit Controllers	Pursue all outstanding sundry debt due to the Council in line with this Policy
Systems Support	<ul style="list-style-type: none"> <li>• To support and develop the Accounts Receivable System;</li> <li>• Develop reports;</li> <li>• Schedule Daily Cash Interface;</li> <li>• Monitor Cash Reconciliation;</li> <li>• Provide joint training along with the Credit Control Team for users</li> </ul>
Anyone that processes invoices or income	<p>Raise the charge in a timely fashion either prior to or within 30 days following the provision of the goods or service;</p> <p>Ensure invoice is accurate and timely and that evidence to support the charge is retained for audit purposes;</p> <p>Ensure that the payment is processed efficiently immediately following receipt of the income.</p>

**WRITE-OFF AUTHORISATION LEVELS**

<b>Limit</b>	<b>Authoriser</b>
Up to £20	Income & Reconciliation Manager
£20.01 up to £5,000	Statutory Reporting & Treasury Business Partner
£5,000.01 up to £50,000	Chief Officer - Financial & Procurement Services; or Director of Finance & Procurement
£50,000.01 up to £100,000	Director of Finance & Procurement
Over £100,000	Executive Committee

**STATEMENT OF INCOME AND EXPENDITURE**

<b>Name-</b>	<b>Address-</b>
<b>Reference No.-</b>	

<b>HOUSEHOLD INCOME</b>	<b>£</b>	<b>EXPENDITURE</b>	<b>£</b>
Earnings - Householder		Rent (net of HB)	
Earnings - Partner			
State Pension		Food	
State Pension (partner)		Telephone/Mobile	
Pension Credit		Gas	
Working Tax Credit		Electricity	
Child Tax Credit		Coal	
Income Support		Other Fuel	
Jobseekers Allowance (IB)		Clothing	
Jobseekers Allowance (Cont)		Car (insure/road tax, etc)	
Incapacity Benefit		Petrol/Diesel	
DLA (Mob)		TV/Other Rental/Sky	
DLA(Care)		Loans/HP	
Child Benefit		Cleaning Materials	
Carers Allowance		Laundry	
Other benefits (list)		Cigarettes	
		Catalogues	
		School Meals	
Private Pension		Insurances	
Child Support		Other Outgoings:	
Maintenance		Fines	
Other income (list)		Pet Costs	
		Household insurances	

<b>1. Total Income</b>		<b>2. Total Expenditure</b>	
	Surplus Income	Weekly/Monthly	
	Current CT	Weekly/Monthly	
	Arrears NSA	Weekly/Monthly	

<b>ASSET DETAILS (houses, cars, boats, etc)</b>			
<b>Asset Type</b>	<b>Current Value</b>	<b>Loan still due</b>	<b>Net amount</b>
	£	£	£
	£	£	£
	£	£	£



I agree the above information is a true and accurate record of my present circumstances.

Signed .....Date.....

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## Integrated Impact Assessment (IIA)

### Stage 1 Scoping and Assessing for Relevance

#### Section 1 Details of the Proposal

<b>A. Title of Proposal:</b>	DEBT RECOVERY POLICY
<b>B. What is it?</b>	A new Policy/Strategy/Practice <input type="checkbox"/> A revised Policy/Strategy/Practice <input checked="" type="checkbox"/>
<b>C. Description of the proposal:</b> (Set out a clear understanding of the purpose of the proposal being developed or reviewed (what are the aims, objectives and intended outcomes, including the context within which it will operate))	Report to Executive Committee presenting the amendments to the Debt Recovery Policy
<b>D. Service Area:</b> <b>Department:</b>	Statutory Reporting & Treasury Income and Reconciliations
<b>E. Lead Officer:</b> (Name and job title)	Kirsten Robertson, Statutory Reporting & Treasury Business Partner
<b>F. Other Officers/Partners involved:</b> (List names, job titles and organisations)	Allison Exley, Income & Reconciliations Manager
<b>G. Date(s) IIA completed:</b>	30/01/2024

**Section 2 Will there be any impacts as a result of the relationship between this proposal and other policies?**

No
If yes, - please state here:

**Section 3 Legislative Requirements**

**3.1 Relevance to the Equality Duty:**

**Do you believe your proposal has any relevance under the Equality Act 2010? No**  
*(If you believe that your proposal may have some relevance – however small please indicate yes. If there is no effect, please enter “No” and go to Section 3.2.)*

Equality Duty	Reasoning:
<b>A. Elimination of discrimination (both direct &amp; indirect), victimisation and harassment.</b> <i>(Will the proposal discriminate? Or help eliminate discrimination?)</i>	
<b>B. Promotion of equality of opportunity?</b> <i>(Will your proposal help or hinder the Council with this)</i>	
<b>C. Foster good relations?</b> <i>(Will your proposal help to foster or encourage good relations between those who have different equality characteristics?)</i>	

**3.2 Which groups of people do you think will be or potentially could be, impacted by the implementation of this proposal?  
(You should consider employees, clients, customers / service users, and any other relevant groups)**

Please tick below as appropriate, outlining any potential impacts on the undernoted equality groups this proposal may have and how you know this.

	Impact			Please explain the potential impacts and how you know this
	No Impact	Positive Impact	Negative Impact	
<b>Age</b> Older or younger people or a specific age grouping	✓			
<b>Disability</b> e.g. Effects on people with mental, physical, sensory impairment, learning disability, visible/invisible, progressive or recurring	✓			
<b>Gender Reassignment/ Gender Identity</b> anybody whose gender identity or gender expression is different to the sex assigned to them at birth	✓			
<b>Marriage or Civil Partnership</b> people who are married or in a civil partnership	✓			
<b>Pregnancy and Maternity</b> (refers to the period after the birth, and is linked to <b>maternity</b> leave in the employment context. In the non-work context, <b>protection</b> against <b>maternity</b> discrimination is for 26 weeks after giving birth),	✓			
<b>Race Groups:</b> including colour, nationality, ethnic origins, including minorities (e.g. gypsy travellers, refugees, migrants and asylum seekers)	✓			

<b>Religion or Belief:</b> different beliefs, customs (including atheists and those with no aligned belief)	✓			
<b>Sex</b> women and men (girls and boys)	✓			
<b>Sexual Orientation</b> , e.g. Lesbian, Gay, Bisexual, Heterosexual	✓			
<p><b>3.3 Fairer Scotland Duty</b></p> <p>This duty places a legal responsibility on Scottish Borders Council (SBC) to actively consider (give due regard) to how we can reduce inequalities of outcome caused by socioeconomic disadvantage when making <u>strategic</u> decisions.</p> <p>The duty is set at a strategic level - these are the key, high level decisions that SBC will take. This would normally include strategy documents, decisions about setting priorities, allocating resources and commissioning services.</p>				
<p><b>Is the proposal strategic?</b> No (<i>please delete as applicable</i>) <b>If No go to Section 4</b></p>				
<p><b>If yes, please indicate any potential impact on the undernoted groups this proposal may have and how you know this:</b></p>				
	<b>Impact</b>			<b>State here how you know this</b>
	<b>No Impact</b>	<b>Positive Impact</b>	<b>Negative Impact</b>	
<b>Low and/or No Wealth</b> – enough money to meet basic living costs and pay bills but have no				

savings to deal with any unexpected spends and no provision for the future.				
<b>Material Deprivation</b> – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure and hobbies				
<b>Area Deprivation</b> – where you live (e.g. rural areas), where you work (e.g. accessibility of transport)				
<b>Socio-economic Background</b> – social class i.e. parents’ education, employment and income				
<b>Looked after and accommodated children and young people</b>				
<b>Carers</b> paid and unpaid including family members				
<b>Homelessness</b>				
<b>Addictions and substance use</b>				
<b>Those involved within the criminal justice system</b>				

### 3.4 Armed Forces Covenant Duty (*Education and Housing/ Homelessness proposals only*)

This duty places a legal responsibility on Scottish Borders Council (SBC) to actively consider (give due regard) to the three matters listed below in Education and Housing/ Homelessness matters.

This relates to current and former armed forces personnel (regular or reserve) and their families.

**Is the Armed Forces Covenant Duty applicable?**

**Yes/ No**

If “Yes”, please complete below

Covenant Duty	How this has been considered and any specific provision made:
The unique obligations of, and sacrifices made by, the armed forces;	
The principle that it is desirable to remove disadvantages arising for Service people from membership, or former membership, of the armed forces;	
The principle that special provision for Service people may be justified by the effects on such people of membership, or former membership, of the armed forces.	

## Section 4 Full Integrated Impact Assessment Required

Select No if you have answered “No” to all of Sections 3.1 – 3.3.

**No**

If yes, please proceed to Stage 2 and complete a full Integrated Impact Assessment

**If a full impact assessment is not required briefly explain why there are no effects and provide justification for the decision.**

Report is a routine update of Policy required to ensure good governance of the financial administration of the Council. All Council Members, Officers and members of the public have equal status under the Policy.

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<b>Signed by Lead Officer:</b>	<b>Kirsten Robertson</b>
<b>Designation:</b>	<b>Statutory Reporting &amp; Treasury Business Partner</b>
<b>Date:</b>	
<b>Counter Signature Director:</b>	
<b>Date:</b>	

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## **Peebles Pool Fire – Lessons Learned**

**Report by Director Infrastructure & Environment**

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### **EXECUTIVE COMMITTEE**

**13 February 2024**

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

1.1 This report outlines the lessons learned review that took place with the relevant Council Officers, the Council's Insurers, Loss Adjustors and Contractors following the Fire at Peebles Swimming Pool on 19 June 2022

1.2 The lessons learned review found that:

- A review is to be undertaken across the operational and leased estate on how bins are managed and stored to prevent this type of scenario occurring again elsewhere within the Borders. This should focus initially on 'high risk' buildings such as schools, followed by those where external organisations occupy and manage Council owned buildings.
- The Council and those that manage our buildings need to regularly audit assets to reduce risks.
- Leases and Service Level Agreements should be redrafted clearly explaining responsibilities of all parties.
- A claims protocol should be developed to clearly outline the process and responsibilities of landlord, tenant and other relevant parties during and following an incident to ensure clarity and timely nature of response.
- A project team (lead by the Council) should be established and begin working immediately post incident to respond and support the reinstatement whilst also engaging with key parties and stakeholders.
- A communications plan will be determined with the project reinstatement group at the outset.
- Input from the Loss Adjustor along with the appointment of relevant specialists is required immediately post incident to ensure accurate information is captured at the outset of a claim.

#### **2 RECOMMENDATIONS**

2.1 **I recommend that the Executive Committee:-**

- a. Acknowledge and endorse the lessons learned outcomes as outlined within this report; and**
- b. Agree that further reports are brought to Executive Committee for consideration as they are developed during 2024/25.**

### **3 BACKGROUND**

- 3.1 On Sunday 19 June 2022, Peebles Swimming Pool suffered a significant fire. The fire was the result of a wilful fireraising incident, where a bin was set alight by teenagers. The bin was located in close proximity to the rear of the pool meaning that the fire quickly spread to the building itself. The building belongs to Scottish Borders Council and is operated by Live Borders.
- 3.2 The Scottish Fire & Rescue Service (SFRS) attended the incident and extinguished the fire. The fire caused damaged to the plant room, the roof and some of the external fabric. The building suffered greater and more significant damage from water used in extinguishing the fire. Following the fire the Council's insurers and contractors supported the reinstatement of the pool which reopened in August 2023.
- 3.3 The works to reinstate Peebles Swimming Pool cost £1.42m. The reinstatement works were funded through a receipt of £719k from the Council's insurance policy, net of the £100k property deductible (or excess); £517k from the Capital Programme; £100k from the Insurance Fund and £84k from property revenue budgets. Reinstatement works included the installation of solar PV panels (£117.4k), redecoration throughout (£35.7k) and a new fire alarm system (£45k).
- 3.4 In January 2024, a lessons learned exercise was undertaken. This was attended by Council Officers, the Insurers, the Loss Adjustor and Contractors. The aim was to identify key learning points in relation to the reinstatement process. Zurich Municipal (the Council's current insurers) have offered incident management training for these types of incidents in the future.

### **4 LESSONS LEARNED**

#### **4.1 Bin Management**

- 4.1.1 There was an enclosure for the bins near the pool building. On the date of the fire, the bin was positioned against the building and not within the enclosure. It is unclear whether the bin:
- had been temporarily relocated and left out of the enclosure on this one occasion,
  - whether the bin was relocated prior to the fire being started, or
  - whether the bin was located adjacent to the building (and outwith the bin store) on a regular occurrence.
- 4.1.2 Post incident, it is recommended that a review is undertaken across the operational and leased estate on how bins are managed and stored to prevent this type of scenario occurring again elsewhere within the Borders. Estates are responding to this recommendation, working with the Councils' insurers (Zurich Municipal), who are supporting the Council in providing risk management guidance.

- 4.1.3 The highest risk identified for these types of incident are within the school estate. It is proposed that the initial focus should be on these buildings followed by those where external organisations occupy and manage Council owned buildings. A full audit of bin management across the estate will take time however this should be carried out within the next 12 months. The Council is re-tendering insurance provision from February 2024 and potential bidders will be keen to understand the progress made against this.
- 4.1.4 The Council are working to remove or mitigate risks that bin management presents for new build properties by working with the insurers. However, performance of the organisation and those that manage our buildings needs to be regularly audited and responsibilities clearly outlined within service level agreements and leases (refer to 4.2.2 below).

#### 4.2 Leases in Force

- 4.2.1 Post incident, there were issues in obtaining an updated version of the lease to ensure that responsibilities were defined. The lease in force was found to be lacking in detail in that it did not clearly outline responsibilities of landlord and tenant and updates did not cover all of the activities undertaken.
- 4.2.2 Since the reinstatement, the Council approved in November 2023 a 12-month joint transformational change programme with Live Borders to implement 26 external consultant recommendations along with 5 additional pieces of work. This is in addition to completing a review of existing governance arrangements and the creation of a new Service Provision Agreement and a new Performance Management Framework. Included within this suite of recommendations, which covers the estate leased to Live Borders, is a review of current maintenance and repair responsibilities. This is likely to conclude April 2024; and the implementation of new leases (with associated service level agreements, maintenance schedules, etc), is likely to conclude July 2024. Council will be kept updated on progress being made within the transformational change programme with Live Borders on a regular basis with the first update expected in March 2024.
- 4.2.3 As part of the review, it is proposed that a claims protocol is developed to clearly outline the process and responsibilities of landlord and tenant during and following an incident to ensure clarity and timely nature of response and parties that would be involved (eg loss adjustor, insurers and contractors as required). Where a building is managed by an external organisation, the insurance is held by the Council and whilst officers will endeavour to involve the organisation, it may not always be possible to do so. This applies to all tenant/ 3<sup>rd</sup> party occupied buildings. Estates are responding to this recommendation, working with the Councils' insurance partners at the City of Edinburgh Council in progressing this.

#### 4.3 Officer Resource for Building Reinstatement

- 4.3.1 With workload pressures and competing priorities across the region, it proved very challenging to manage reinstatement planning and works whilst officers also carried out their day-to-day roles within the Council.
- 4.3.2 The instruction of external contractor, on this occasion, SB Contracts, resulted in expediting the progress made against reinstatement.
- 4.3.3 It is therefore proposed that, in the event of future losses, a project team (lead by the Council) is established and begins working immediately post incident to respond and support the reinstatement whilst also engaging with key parties and stakeholders. This will form part of the claims protocol referenced in 4.2.3 above.

#### 4.4 Communications

- 4.4.1 Whilst there were regular progress meetings for the insurance reinstatement, it was clear that Elected Members and members of the local community were not privy to much of this information. It is clear that a greater level of regular external communications would have been beneficial.
- 4.4.2 For future incidents, a communications plan will be determined with the project reinstatement group at the outset. This will form part of the claims protocol referenced in 4.2.3 above.

#### 4.5 Reinstatement – Insurer Requirements

- 4.5.1 The Council has engaged with the Insurers and loss adjustors throughout the reinstatement process.
- 4.5.2 Maintenance subcontractors, reporting to Live Borders, provided initial damage assessment reports however these were not sufficient from an insurance perspective. This resulted in more detailed additional surveys and assessments being undertaken to provide sufficient detail on scale and nature of reinstatement works required.
- 4.5.3 Input from the Loss Adjustor along with the appointment of relevant specialists is required immediately post incident to ensure accurate information is captured at the outset of a claim. This helps inform the reserve of the claim which is a regulatory requirement for insurers.
- 4.5.4 The Insurance Team will publish information on the intranet to share insurers processes after a loss and provide similar support in the event of a future loss.

## 5 IMPLICATIONS

### 5.1 Financial

The total cost of reinstatement was £1.420m. A summary of the costs is detailed in the table below, alongside the funding arrangements.

Description of Work	Cost £m
Construction costs	1.337
Demolition works	0.053
Professional fees	0.030
<b>Total Cost</b>	<b>1.420</b>
Source of Funding	Funding £m
Insurance receipt	0.719
Capital Blocks	0.517
Insurance Fund	0.100
Property Revenue Budget	0.084
<b>Total Funding</b>	<b>1,420</b>

### 5.2 Risk and Mitigations

The report fully describes all the elements of risk that have been identified in relation to this project and no specific additional concerns need to be addressed

### 5.3 Integrated Impact Assessment

This report considers the circumstances around the fire at Peebles Swimming Pool and the approach and works that followed in response that.

Part 1 of the IIA template has been completed. It determines that a Full IIA is not required for this specific report. This is because the detail within this report does not have an immediate impact on other policies.

The report will impact on Estates and Property Practices, it will lead to the revision or development of an operational procedures that seek to better protect built assets, services that use these and building users more generally.

In addition, it will inform lease arrangements with third parties in future, more clearly setting out roles and responsibilities of parties.

It will also lead to the development of a new insurance claims protocol and process to tighten focus on the steps that need to be taken, the roles that need to be fulfilled, the responsibilities of each party involved and a clear communications plan.

As each of these steps are taken forward, reports will be brought to Executive Committee, where appropriate for consideration and these will be accompanied by an IIA.

#### 5.4 Sustainable Development Goals

N/A

#### 5.5 Climate Change

N/A

#### 5.6 Rural Proofing

This section should only be completed if this is a new or amended policy or strategy.

#### 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

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

### 6 CONSULTATION

- 6.1 The Director (Finance & Procurement), the Director (Corporate Governance), the Chief Officer Audit and Risk, the Director (People Performance & Change) and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

#### Approved by

##### Name

John Curry

##### Title

Director – Infrastructure & Environment

#### Author(s)

Name	Designation and Contact Number
Ruth Kydd	Insurance Manager (Shared Insurance Service) 07599 101 996

#### 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. John Curry can also give information on other language translations as well as providing additional copies.

Contact us at [John.Curry@scotborders.gov.uk](mailto:John.Curry@scotborders.gov.uk)

# Integrated Impact Assessment (IIA)

## Part 1 Scoping

### 1 Details of the Proposal

<b>Title of Proposal:</b>	Peebles Swimming Pool – Fire, Lessons Learned
<b>What is it?</b>	A new Policy/Strategy/Practice <input type="checkbox"/> A revised Policy/Strategy/Practice <input type="checkbox"/>
<b>Description of the proposal:</b> (Set out a clear understanding of the purpose of the proposal being developed or reviewed (what are the aims, objectives and intended outcomes, including the context within which it will operate)).	This proposal considers the circumstances around the fire at Peebles Swimming Pool and the approach and works that followed in response that.
<b>Service Area:</b> <b>Department:</b>	I&E – involving Estates, SB Contracts but more widely Finance, Insurance and Live Borders.
<b>Lead Officer:</b> (Name and job title)	Ray Cherry, CO Estates
<b>Other Officers/Partners involved:</b> (List names, job titles and organisations)	John Curry Director Infrastructure & Environment Lauren Green, Property Maintenance & Building Services Manager Bryan Kirkwood, Energy & Building Services Officer Live Borders SB Contracts

	City of Edinburgh Council (Insurance Lead) Crawford & Company (Loss Adjustors) Zurich Insurance
<b>Date(s) IIA completed:</b>	2.2.2024

## 2 Will there be any cumulative impacts as a result of the relationship between this proposal and other policies?

<b>Yes / No</b> <i>(please delete as applicable)</i>
<b>If yes, - please state here:</b>

## 3 Legislative Requirements

<b>3.1 Relevance to the Equality Duty:</b>	
<p><b>Do you believe your proposal has any relevance under the Equality Act 2010?</b>  <i>(If you believe that your proposal may have some relevance – however small please indicate yes. If there is no effect, please enter "No" and go to Section 3.2.)</i></p>	
<b>Equality Duty</b>	<b>Reasoning:</b>
<b>Elimination of discrimination (both direct &amp; indirect), victimisation and harassment.</b> <i>(Will the proposal discriminate? Or help eliminate discrimination?)</i>	No, not within this specific report.



<b>Promotion of equality of opportunity?</b> <i>(Will your proposal help or hinder the Council with this)</i>	The recommendations and actions that will result from this report should help promote equality of opportunity, but not this report specifically.
<b>Foster good relations?</b> <i>(Will your proposal help or hinder the council s relationships with those who have equality characteristics?)</i>	The recommendations and actions that will result from this report should help foster good relations, but not this report specifically.

**3.2 Which groups of people do you think will be or potentially could be, impacted by the implementation of this proposal?**  
**(You should consider employees, clients, customers / service users, and any other relevant groups)**

Please tick below as appropriate, outlining any potential impacts on the undernoted equality groups this proposal may have and how you know this.

	Impact			Please explain the potential impacts and how you know this
	No Impact	Positive Impact	Negative Impact	
<b>Age</b> Older or younger people or a specific age grouping	X			
<b>Disability</b> e.g. Effects on people with mental, physical, sensory impairment, learning disability, visible/invisible, progressive or recurring	X			
<b>Gender Reassignment/ Gender Identity</b> anybody whose gender identity or gender expression is different to the sex assigned to them at birth	X			
<b>Marriage or Civil Partnership</b> people who are married or in a civil partnership	X			

<b>Pregnancy and Maternity</b> (refers to the period after the birth, and is linked to <b>maternity</b> leave in the employment context. In the non-work context, <b>protection</b> against <b>maternity</b> discrimination is for 26 weeks after giving birth),	X			
<b>Race Groups:</b> including colour, nationality, ethnic origins, including minorities (e.g. gypsy travellers, refugees, migrants and asylum seekers)	X			
<b>Religion or Belief:</b> different beliefs, customs (including atheists and those with no aligned belief)	X			
<b>Sex</b> women and men (girls and boys)	X			
<b>Sexual Orientation</b> , e.g. Lesbian, Gay, Bisexual, Heterosexual	X			
<p><b>3.3 Fairer Scotland Duty</b></p> <p>This duty places a legal responsibility on Scottish Borders Council (SBC) to actively consider (give due regard) to how we can reduce inequalities of outcome caused by socioeconomic disadvantage when making <u>strategic</u> decisions.</p> <p>The duty is set at a strategic level - these are the key, high level decisions that SBC will take. This would normally include strategy documents, decisions about setting priorities, allocating resources and commissioning services.</p>				

**Is the proposal strategic?**Yes/ No (*please delete as applicable*)**If No go to Section 4****If yes, please indicate any potential impact on the undernoted groups this proposal may have and how you know this:**

	Impact			State here how you know this
	No Impact	Positive Impact	Negative Impact	
<b>Low and/or No Wealth</b> – enough money to meet basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future.				
<b>Material Deprivation</b> – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure and hobbies				
<b>Area Deprivation</b> – where you live (e.g. rural areas), where you work (e.g. accessibility of transport)				
<b>Socio-economic Background</b> – social class i.e. parents' education, employment and income				
<b>Looked after and accommodated children and young people</b>				

<b>Carers</b> paid and unpaid including family members				
<b>Homelessness</b>				
<b>Addictions and substance use</b>				
<b>Those involved within the criminal justice system</b>				

#### 4 Full Integrated Impact Assessment Required

Select No if you have answered "No" to all of Sections 3.1 – 3.3.

~~Yes~~ / **No** (please delete as applicable)

**If a full impact assessment is not required briefly explain why there are no effects and provide justification for the decision.**

The detail within this report does not have an immediate impact on other policies. The report will impact on Estates and Property Practices, it will lead to the revision or development of a operational procedures that seek to better protect built assets, services that use these and building users more generally. In addition, it will inform lease arrangements with third parties in future, more clearly setting out roles and responsibilities of parties. It will also lead to the development of a new insurance claims protocol and process to tighten focus on the steps that need to be taken, the roles that need to be fulfilled, the responsibilities of each party involved and a clear communications plan.

As these steps are taken forward, these will be brought to Executive Ctte for approval and these will be accompanied by an IIA.

<b>Signed by Lead Officer:</b>	<b>Ray Cherry</b>
<b>Designation:</b>	<b>CO Estates</b>
<b>Date:</b>	<b>2.2.24</b>
<b>Counter Signature Director</b>	<b>John Curry</b>
<b>Date:</b>	<b>2.2.24</b>

## Part 2 Full Integrated Impact Assessment

### 5 Data and Information

#### **What evidence has been used to inform this proposal?**

(Information can include, for example, surveys, databases, focus groups, in-depth interviews, pilot projects, reviews of complaints made, user feedback, academic publications and consultants' reports).

Please state your answer here

**Describe any gaps in the available evidence, then record this within the improvement plan together with all of the actions you are taking in relation to this** (e.g. new research, further analysis, and when this is planned)

Please state your answer here

## 6 Consultation and Involvement

**Which groups are involved in this process and describe their involvement**

Please state your answer here

**Describe any planned involvement saying when this will take place and who is responsible for managing the process**

Please state your answer here

**Describe the results of any involvement and how you have taken this into account.**

Please state your answer here

**What have you learned from the evidence you have and the involvement undertaken? Does the initial assessment remain valid? What new (if any) impacts have become evident?**

(Describe the conclusion(s) you have reached from the evidence, and state where the information can be found.)

Please state your answer here

## 7 Mitigating Actions and Recommendations

Consider whether:

**Could you modify the proposal to eliminate discrimination or reduce any identified negative impacts?  
(If necessary, consider other ways in which you could meet the aims and objectives of the proposal.)**

**Could you modify the proposal to increase equality and, if relevant, reduce poverty and socioeconomic disadvantage?**

**Describe any modifications which you can make without further delay (e.g. easy, few resource implications)**

<b>Mitigation</b> Please summarise all mitigations for approval by the decision makers who will approve your proposal			
<b>Equality Characteristic/Socio economic factor</b>	<b>Mitigation</b>	<b>Resource Implications (financial, people, health, property etc)</b>	<b>Approved Yes/No</b>

## 8 Recommendation and Reasoning *(select which applies)*

- Implement proposal with no amendments
- Implement proposal taking account of mitigating actions (as outlined above)
- Reject proposal due to disproportionate impact on equality, poverty, health and



Socio-economic disadvantage

**Reason for recommendation:**

**Signed by Lead Officer:**

**Designation:**

**Date:**

**Counter Signature Director**

**Date:**

**Office Use Only (not for publication)**

**This assessment should be presented to those making a decision about the progression of your proposal.**

**If it is agreed that your proposal will progress, you must send an electronic copy to corporate communications to publish on the webpage within 3 weeks of the decision.**

**Complete the below two sections. For your records, please keep a copy of this Integrated Impact Assessment form.**

## Action Plan (complete if required)

<b>Actioner Name:</b>	<b>Action Date:</b>
<b>What is the issue?</b>	
<b>What action will be taken?</b>	
<b>Progress against the action:</b>	
<b>Action completed:</b>	<b>Date completed:</b>

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## Monitoring and Review

**State how the implementation and impact of the proposal will be monitored, including implementation of any amendments? For example what type of monitoring will there be? How frequent?**

Please state your answer here

**What are the practical arrangements for monitoring? For example who will put this in place? When will it start?**

Please state your answer here

**When is the proposal due for review?**

Please state your answer here

**Who is responsible for ensuring that this happens?**

Please state your answer here

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