

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL
2018/19
AT END OF MONTH: Jun-18


Health & Social Care	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Child Protection	181	21	181	181	0	0	0	
Adult Protection	394	41	379	303	76	0	76	Staff turnover saving and managed reduced commitments
Emergency Duty Team	293	79	292	335	(43)	0	(43)	Over-establishment pressure assumed to continue due to service demands
Business Support - Staff Development	255	24	255	255	0	0	0	
Quality Improvement	211	48	171	184	(13)	0	(13)	Staffing pressure
Services in Criminal Justice System	1,123	45	1,139	1,184	(45)	45	0	
Safer Communities	441	(54)	441	441	0	0	0	Transfer of Community Policing budget from Neighbourhoods.
Older People	23,960	5,328	19,445	20,174	(729)	762	33	Demographic pressure in the Older Peoples service as in 2017/18.
Joint Learning Disability	16,644	2,638	17,316	17,296	20	150	170	Management of care packages delivering a small saving
Joint Mental Health	2,108	448	2,130	2,237	(107)	40	(67)	Increased client commitments
People with Physical Disabilities	5,831	568	3,358	3,553	(195)	51	(144)	Additional client pressure with increased number of care packages delivered
Generic Services	4,881	(2,636)	3,966	4,661	(695)	683	(12)	Additional care packages of £85k supported by managed savings.
Total	56,322	6,550	49,073	50,804	(1,731)	1,731	0	
Public Health	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	
Public Health	88	(34)	88	88	0	0	0	
Total	88	(34)	88	88	0	0	0	

Key Highlights, Challenges and Risks

The Health and Social Care function is experiencing pressures which, if remedial action were not taken, would result in expenditure exceeding budget by £1.096m with pressures of £1.116m relating to functions delegated to the IJB and an underspend of £20k on non-delegated functions. Financial Plan savings to the value of £429k are forecast to not be achievable in the current year contributing to the forecast overspend.

Demographic pressures across all services continue to be experienced with an increased number of care packages, many of a more complex nature.

The service has reviewed all current commitments and is able to manage these pressures of £1.096m within existing budgets by confirming revised funding assumptions for the development of the dementia care facility which can contribute one-off budget in 2018/19, emphasis on delivery of service efficiencies and a review of care packages.

Additional Social Care funding of £1.537m has been fully used in funding the Cosla Carehome uplift of 3.39%, (£402k), impact of the Carers Act (£322k), paying living wage of £8.75 per hour to commissioned services with the balance being used to fund

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the impact of the Scottish Living Wage on sleep-overs.

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Children & Young People	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Early Years	6,689	1,479	6,650	7,544	(894)	894	0	£1,424k allocated from Scottish Government in respect of 1140 hours 2018/19 rollout. Transfer available budget to cover two additional part year Social Worker posts in Children & Families (£50k). 2018/19 CPD Allocation £2k.
Primary Schools	30,377	7,393	31,693	33,106	(1,413)	1,413	0	Pupil Equity Funding allocation £1.391m. CPD Allocation £35k. Reduction of (£12k) to reflect probationer funding for 2017/18 summer term.
Secondary Schools	39,588	9,659	40,665	41,191	(526)	526	0	Pupil Equity Funding allocation £451k. CPD Allocation £31k. £45k to reflect probationer funding for 2017/18 summer term.
Additional Support Needs	10,505	2,137	10,465	10,472	(7)	7	(0)	The commencement of the new academic year will allow support teacher numbers and ANA numbers and budget availability to be confirmed by September 2018. 2018/19 CPD Allocation £7k.
Children & Families Social Work	15,294	3,086	15,290	15,040	250	(250)	0	Reduced one-off 18/19 Financial Plan investment in prevention, intervention and innovation in order to contribute to corporate pressures this financial year (£300k). £50k transferred from Early Years to cover two additional part year Social Workers.
Educational Psychology	647	37	647	647	0	0	0	Financial Plan saving on commissioned services forecast to be delivered in full.
Central Schools	4,842	(937)	4,754	2,756	1,998	(1,998)	0	Transfer (£25k) to Legal Services to part fund a dedicated school estate Solicitor and (£25k) to Human Resources to part fund dedicated support. Devolve probationer funding to Primary and Secondary Schools for 2017/18 summer term (£32k).£63k allocated from Scottish Government in respect of 1+2 Language Funding.
School Meals	1,782	(171)	1,782	1,782	0	0	0	
School Transport	3,627	(1)	3,627	3,627	0	0	0	
Community Learning & Development	1,219	244	1,219	1,219	0	0	0	
Total	114,568	22,926	116,792	117,384	(592)	592	0	

Key Highlights Challenges & Risks

Management have taken steps to recognise areas of challenge within the service during 2018/19 and through targeted actions have ensured appropriate support is provided to schools, where required, in response to identified needs. These include additional the requirement for additional investment in 3 of the region's most deprived schools (£190k), additional investment in attainment, collaboration and innovation (£230k), additional social workers (£70k) to manage significant risk within the Children and Families service, additional Deputy Head-teachers within Hawick High School (£147k) and projected demand-driven pressure within Out of Area Placements where, despite rigorous planning and management, the numbers of children placed, particularly in intensive and secure settings, remains higher than budgeted (£150k) - This latter pressure has not yet been included as some of the drivers are very recent and work is still being undertaken to identify the full impact and identify appropriate mitigation.

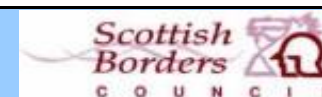
The commencement of the new academic year will allow teacher numbers and budget availability in both Primary and Secondary to be confirmed by September 2018.

These pressures are, in the main, being met from a range of balances and planned savings including the targeted use of school DSM carry forwards (£600k), the targeted use of 18/19 Pupil Equity Funding (total allocation of £1.841m) and other additional grant funding.

A total of £802k of budget has been carried forward from 2017/18 and allocated out to Primary and Secondary schools, under the DSM scheme, this financial year.

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Area of key risk pertains to Placements within Children and Families - £400k Financial Plan saving targeted made challenging by recent increase in number of foster, out of area and secure placements - this is being heavily managed currently. Further potential pressures attributable to Non-Domestic Rates, Energy & Utilities and Cleaning costs within new High School and new Primary Schools which opened last year are being investigated.

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Customer & Communities	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Business Support	6,564	1,509	6,172	6,172	0	0	0	
Business Planning Performance & Policy Development	1,033	210	1,019	993	26	(26)	0	£26k underspend in staffing and discretionary spend to support undeliverable Financial Plan savings.
Community Planning & Engagement	588	66	618	618	0	0	0	
Localities Fund	300	37	800	750	50	(50)	0	£50k Budget transfer of Locality Public Nuisance Fund to Neighbourhood Services
Customer Advice & Support Services	3,175	894	3,106	2,969	137	(137)	0	£116k reduced spend in employee costs, travel and discretionary spend to support undeliverable Financial Plan savings. £21k budget allocated during financial planning for DHP admin being removed from service as the funding is now being received directly by department.
Democratic Services	1,386	397	1,364	1,351	13	(13)	0	Reduced projected spend in civic functions (£7k) and member travel (£6k) to support undeliverable Financial Plan savings.
Business Change & Programme Management	422	185	473	473	0	0	0	
Discretionary Housing Payments	58	34	58	58	0	0	0	
Housing Benefits	593	(2,035)	593	593	0	0	0	Significant credit is a result of year end accruals. This forms part of the review of accounting practises associated with Housing Benefit currently underway.
Non Domestic Rates Relief	150	169	172	172	0	0	0	
Scottish Welfare Fund	492	107	492	492	0	0	0	
Corporate Savings	(2,572)	(7)	(2,187)	(683)	(1,504)	1,504	0	£1.504m of Digital Transformation savings not achievable in year, being met from projected underspends across the council.
Total	12,188	1,566	12,680	13,958	(1,278)	1,278	0	

Key Highlights, Challenges & Risks

The service is projecting a balanced position overall. A review of Housing Benefit Accounting practises is underway and will report back once complete. Corporate Digital Transformation savings are shown within the service and an in year pressure of £1.504m been identified, this has been vired in from other departments. A £500k Digital Transformation saving is still to be identified from across the Council.

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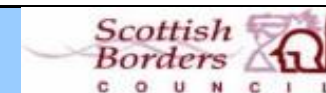
Finance, IT & Procurement	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Chief Executive	392	51	389	389	0	0	0	
Finance	4,049	1,559	4,103	4,103	0	0	0	
Information Technology	11,332	3,579	11,380	11,380	0	0	0	
Corporate Savings	(232)	0	(232)	(232)	0	0	0	Corporate Commissioning saving to be delivered
Capital Financed from Current Revenue	0	0	218	218	0	0	0	
Interest on Revenue Balances	(20)	0	(20)	(20)	0	0	0	
Loan Charges	20,467	4,072	20,467	18,667	1,800	(1,800)	0	Reduced borrowing requirement due to favourable interest rates (£1.8m) to support corporate budget pressures.
Provision for Bad Debts	125	(3)	125	125	0	0	0	
Recharge to Non-General Fund	(701)	0	(701)	(701)	0	0	0	
Total	35,412	9,258	35,729	33,929	1,800	(1,800)	0	

Key Highlights, Challenges & Risks

Following the introduction of Business World the staffing restructure in Finance and Procurement is now complete delivering £500k of permanent savings. Work continues to embed the new processes in relation to Business World.

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Human Resources	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Human Resources	3,439	597	3,422	3,417	5	(5)	0	Reduced requirement in enhanced pension payments (£30k) to support undeliverable Financial Plan savings. £25k Coming to HR from Central Schools as a contribution to additional HR Support
HR Shared Services	642	209	660	660	0	0	0	
Early Retirement/Voluntary Severance	67	(7)	67	67	0	0	0	
Communications & Marketing	466	126	452	502	(50)	50	0	SB Connect advertising saving (£50k) met permanently through other budgets
Corporate Transformation	773	94	991	1,022	(31)	31	0	Grant Review Savings (£31k) met permanently through other budgets
Corporate Savings	(1,509)	0	(948)	30	(978)	978	0	Organisational Efficiency savings and Workforce Transformation savings not being fully delivered are being met temporarily through available loan charges and 2017/18 underspends.
Total	3,877	1,019	4,644	5,698	(1,054)	1,054	0	

Key Highlights, Challenges & Risks

The corporate Transformation budget is now reflected under the HR service in recognition of the change of Service Director responsibility. Corporate savings for Organisational Efficiency and Workforce Transformation are included here as the Service Director HR is the lead officer on these programmes.

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Regulatory Services	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Planning Services	648	(614)	622	705	(83)	83	0	£24k budget transfer to fund pressures across the Council. Potential pressure in Planning & building standards fee income partially offset by £107k budget transfer from Waste Services. Future fee levels will be monitored closely.
Assessor & Electoral Registration Services	658	154	652	652	0	0	0	
Passenger Transport	2,140	1,261	2,112	2,045	67	(67)	0	£50k Transport interchange underspend to fund pressures across the Council. £17k budget transfer to Cleaning Services to fund Transport Interchange Cleaner.
Audit & Risk	332	96	328	328	0	0	0	
Legal Services	726	169	708	733	(25)	25	0	£25k budget from central schools to part fund a dedicated school estates Solicitor
Protective Services	1,579	333	1,527	1,527	0	0	0	
Housing Strategy & Services	1,568	395	4,821	4,806	15	(15)	0	Staff savings available to fund pressures across the Council.
Total	7,650	1,794	10,770	10,796	(26)	26	0	

Key Highlights, Challenges & Risks

The Planning service is highly dependent on fee income to achieve their budget target. The 1st quarter of 2018/19 has seen lower levels of income than the previous year. Actual income will be monitored closely on a monthly basis to determine impact on outturn position.