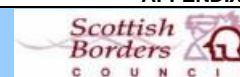


MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2019/20**
SUMMARY



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

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

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



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

Key Highlights, Challenges & Risks

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

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



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

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



Asset & Infrastructure	Final Approved Budget (E'000)	Final Outturn Actual (E'000)	Variance pre adjustments (E'000)	Decrease/ (Increase) to Balances (E'000)	Variance against final adjusted Budget (E'000)	Summary Financial Commentary
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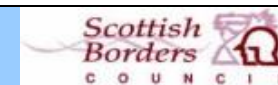
Key Highlights, Challenges and Risks

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

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

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

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



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

Key Highlights, Challenges & Risks

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

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



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

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



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

Key Highlights, Challenges and Risks

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

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



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

Key Highlights Challenges & Risks

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

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



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

Key Highlights, Challenges & Risks

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

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



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

Key Highlights, Challenges & Risks

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

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



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

Key Highlights, Challenges & Risks

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

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

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2019/20



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

Key Highlights, Challenges & Risks

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

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