

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2020/21
SUMMARY
AT END OF MONTH: Jun-20


	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
Asset & Infrastructure	40,476	7,672	40,794	43,182	(2,388)	2,388	0	Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council
Economic Development & Corporate Services	9,835	2,561	13,902	12,713	1,189	(1,189)	0	Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council
Health & Social Care	53,946	(2,054)	53,733	56,706	(2,973)	2,973	0	Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council
Children & Young People	110,205	29,938	112,903	113,404	(501)	501	0	Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council
Customer & Communities	14,213	(29,753)	15,199	16,645	(1,446)	1,446	0	Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council
Finance & Regulatory Services	36,340	4,309	42,399	37,292	5,107	(6,500)	(1,393)	The remaining budget shortfall of £1.393m is being held centrally within the COVID-19 reserve, this will be updated on a monthly basis as more information becomes available
Human Resources	5,978	968	6,468	6,281	187	(187)	0	Balanced position is forecast following virements to reflect latest expenditure and income forecasts across the Council
Total	270,992	13,641	285,399	286,223	(825)	(568)	(1,393)	
Financed by:								
Revenue Support Grant	(186,755)	(53,516)	(192,750)	(193,768)	1,018	(1,018)	0	Additional income towards Discretionary Housing Payments (£956k including £74k funding for Covid-19) and 1+2 Lanquages (£62k).
Non-Domestic Rates	(23,388)	(6,885)	(23,388)	(23,388)	0		0	
Council Tax	(65,401)	(65,426)	(65,401)	(64,624)	(777)	777	0	Anticipated pressure from increased discounts and exemptions and delays in new housing growth as a result of Covid-19.
Second Homes Council Tax	(855)	(1,132)	(855)	(1,132)	277	(277)	0	Additional projected income through Second Homes Council Tax.
Council Tax Reduction Scheme	5,407	6,036	5,407	5,407	0		0	Projected outturn £6,086k. Assuming pressure will be met by additional Scottish Government funding.
Capital Financed from Current Revenue	0	0	0	0	0		0	
Reserves:								
Earmarked Balances from 2019/20	0	(8,412)	(8,412)	(8,412)	0		0	
Earmarked Balances for future years	0	0	0	2,544	(2,544)	2,544	0	To earmark Second Homes Council Tax budget into 2021/22 to support future investment in affordable housing.
Transfers to/from Reserves	0	0	0	(1,458)	1,458	(1,458)	0	2019/20 underspend released from Reserves to fund in-year Covid-19 pressures.
Total	(270,992)	(129,334)	(285,399)	(284,830)	(568)	568	0	

Asset & Infrastructure	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
Property	11,963	518	11,972	11,779	193	(193)	0	
Property Management Services	12,530	1,233	12,556	12,384	172	(172)	0	Delay in delivery to property rationalisation and Corporate Landlord savings (£150k), Utility savings as an impact of Covid 19 (£200k). Successful rates appeals (£122k)
Estates Management Services	426	75	409	409	0	0	0	
Commercial Property Income	(1,254)	(944)	(1,254)	(1,226)	(28)	28	0	Anticipated pressure based on reduced occupancy.
Architects	118	127	118	102	16	(16)	0	(£18k) Savings identified within service towards Covid Fund, (£2k) travel & expenses pressure as a result of Covid.
Major Projects	143	28	143	110	33	(33)	0	Undeliverable FP saving from previous year (£13k) being offset with staff savings (£11k) and reduction of Feasibility Fund (£35k) with the balance contributing to the Covid Fund.
Facilities	4,899	1,665	4,899	7,006	(2,107)	2,107	(0)	
Catering Services	786	465	721	1,420	(699)	699	(0)	(0) Loss of income due to impact of COVID 19 (£859k), £344k offset by saving in Education, School Meals. Reduction in food cost (£306k). FSM cost of food pressure £146k, funded by Food Fund.
Cleaning & Facilities Management	4,112	1,200	4,178	5,586	(1,408)	1,408	0	Pressure from additional manpower for touch points and desk cleaning within Education setting (£210k), additional PPE and cleaning materials (£1.053m), undeliverable financial plan savings as cleaning requirements mean changes cannot be made (£145k)
Parks & Environment	4,228	597	4,338	4,216	122	(122)	(0)	
								Savings in manpower (£124k), premises related costs (£27k), transport related costs (£40k), supplies and services (£28k) and third party payments (£6k). Covid pressures relating to net loss of toilet income for 6 months (£51k), toilet FP saving unachievable for 6 months (£50k), reduced income for sports pitches (£2k).
Passenger Transport	1,615	1,200	1,615	1,747	(132)	132	0	
								Pressures in Bus Subsidy Income (£39k), Community Transport grants (£37.5k) and non-delivery of savings due to Covid 19 (£55k)
Roads & Infrastructure	8,822	2,305	9,022	9,231	(209)	209	0	
Network & Infrastructure Asset Management	9,012	471	9,048	9,067	(19)	19	(0)	(0) Savings in manpower and hired and contracted services contributing to Covid Fund. Pressure of £70k income partially offset by underspend in third party
SBCContracts	(699)	1,194	(699)	(699)	0	0	0	
Fleet Management Services	(316)	377	(316)	(182)	(134)	134	0	Income pressure (£114k), pressure in materials & third party contracts (£20k)
Engineers	829	236	829	885	(56)	56	0	Income pressure (£35k), and additional legal costs (£21k). Service dealing with bridge repairs as a result of Storm Dennis and Ciara (£206k) by prioritising existing works budgets.
Pay Parking	(4)	26	160	160	0	0	0	

Asset & Infrastructure	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
Waste Management Services	8,948	1,387	8,948	9,203	(255)	255	(0)	Income pressure across the services (£460k Covid-19 related), offset by reduced residual waste contract charges relating to reduction in income as a result of Covid 19 £156k, manpower related costs (overtime) £4k, agency staff £9k, savings in vehicle costs £16k and supplies & services £20k.
Total	40,476	7,672	40,794	43,182	(2,388)	2,388	0	

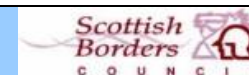
Key Highlights, Challenges and Risks

All known pressures and available budgets have been reflected in the corporate in-year budget exercise approved by Council on 27th August 2020. This leaves a balanced service position following all required virements.

**MONTHLY REVENUE MANAGEMENT REPORT
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AT END OF MONTH: Jun-20



Economic Development & Corporate 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
Audit & Risk	331	111	331	341	(10)	10	0	Pressure due to delayed implementation of shared risk service as a result of Covid-19 (£10k).
Business Planning Performance & Policy Development	491	136	499	491	8	(8)	0	Available budget through discretionary spend freeze.
Corporate Policy	294	(10)	294	293	1	(1)	0	Discretionary spend savings.
Cultural Services	3,563	1,775	3,553	3,553	0		0	
Economic Development	1,324	(172)	1,677	1,609	68	(68)	0	Savings in staffing costs.
Emergency Planning	128	30	128	128	0		0	Contribution towards joint Covid-19 Officer (£2k), funded from discretionary spend savings.
Housing Strategy & Services	883	111	4,812	2,546	2,266	(2,266)	0	To earmark Second Homes Council Tax budget into 2021/22 to support future investment in affordable housing (£2,544k). Additional projected Second Homes Council Tax (£277k). Small income pressure from anticipated reduction in Private Sector Housing Grants administration fees due to Covid-19 (£1k).
Planning Services	756	(382)	544	1,541	(997)	997	0	Estimated impact of Covid-19 on planning and building standards fee income (£951k) and Access & Countryside income (publication sales & ranger led walks) (£1k). Costs anticipated relating to enforcement works at Jedburgh High Street due to delays in securing ownership of the site (£70k) partly offset by savings in staffing costs and discretionary spend savings within service (£25k).
Sports Services	2,066	963	2,066	2,213	(147)	147	0	Transfer budget from Loan Charges to fund depreciation and interest charges for sports pitches (£147k).
Total	9,835	2,561	13,902	12,713	1,189	(1,189)	0	

Key Highlights, Challenges & Risks

All known pressures and available budgets have been reflected in the corporate in-year budget exercise approved by Council on 27th August 2020. This leaves a balanced service position following all required virements.

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	191	28	191	197	(6)	6	0	
Adult Protection	317	68	328	330	(2)	2	0	
Emergency Duty Team	312	82	312	346	(34)	34	0	Higher than anticipated staffing costs
Business Support - Staff Development	196	0	0	0	0	0	0	
Quality Improvement	191	39	191	191	0	0	0	
Services in Criminal Justice System	1	95	1	1	0	0	0	
Safer Communities	1,154	28	1,175	1,141	34	(34)	0	Training courses not undertaken and lower than anticipated travel costs resulting on £34k favourable variance
Older People	9,025	(9,790)	8,288	9,804	(1,516)	1,516	0	£250k Covid related undeliverable savings as well as £2,224k Covid related additional expenditure in relation to increased homecare, residential and self-directed support costs, off set by initial allocation of Scottish Government Covid-19 funding of £341k. Further off-set by the release of financial plan growth that is not required due to Covid (delay in the opening of 2 extra care housing developments (£352k) and planned 'spend to save' growth relating to a focus on single handed homecare (£150k). Service savings arise from £79k higher than budgeted for increase in Social care Fund transfer from NHSB as well as slightly higher than anticipated SDS direct payment clawback (£29k)
Joint Learning Disability	16,399	3,127	16,529	16,868	(339)	339	0	£372k Covid related undeliverable savings plus further anticipated Covid expenditure of £121k relating to additional Homecare and residential beds, off set by initial allocation of Scottish Government Covid-19 funding of £62k. £92k service saving relating to unfilled vacancies.
Joint Mental Health	2,164	339	2,164	2,240	(76)	76	0	Significant client based cost pressure relating to higher than anticipated care costs (£246k), negated by savings in Staffing Team costs due to unfilled vacancies (£170k). Covid-19 pressure relating to forecast increased external provider costs of £5k off-set by initial allocation of Scottish Government Covid funding
People with Physical Disabilities	2,458	719	2,451	2,676	(225)	225	0	Service pressures relating to increased void rates at Station Court due to hospital admissions and 1 deaths (£38k), 2 new clients with significantly high Package of care costs (£101k), increased 24 hour permanent care costs (£44k), as well as £42k client driven pressures across all localities. Covid-19 pressure relating to forecast increased external provider costs of £1k off-set by initial allocation of Scottish Government Covid funding

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
Generic Services	5,278	(74)	5,270	6,186	(916)	916	0	£474k Covid related undeliverable savings plus further anticipated Covid expenditure of £68k relating to increased IT costs associated with staff deployment and homeworking, off set by initial allocation of Scottish Government Covid-19 funding of £11k. £110k service pressure relating to higher than anticipated client package costs across all localities. Virements relate to the movement of the START staffing team from SB Cares into Generic Services localities (£268k) as well as a minor alignment of budget to Generic Services to cover the cost of an externally provided service (£7k).
SB Cares	16,170	3,306	16,742	16,635	107	(107)	0	£51K Covid related undeliverable savings plus further anticipated Covid expenditure of £343k relating to Personal protective Equipment (PPE) and Community Equipment Store purchases, off-set by initial allocation of Scottish Government Covid funding (£148k). £85k savings contributing to Covid Fund as a result of significantly reduced Agency staff expenditure.
Total	53,855	(2,033)	53,642	56,615	(2,973)	2,973	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	92	(22)	92	92	0		0	
Total	92	(22)	92	92	0	0	0	

Key Highlights, Challenges and Risks

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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	5,801	4,267	7,119	7,120	(1)	1	0	2020/21 CPD Allocation £1k. Pressure due to additional costs of childcare for key workers and vulnerable children due to Covid-19 by the Private & Voluntary sector of £1,313k to 11th August 2020 is being absorbed within the EY budget using the earmarked balance from 2019/20. It is anticipated that any additional pressures will be absorbed using the EY funding in year.
Primary Schools	29,096	7,592	29,612	31,117	(1,505)	1,505	0	2020/21 Pupil Equity Funding allocation £1.324m, 2020/21 CPD Allocation £34k. Covid Pressures relate to supply teacher retention scheme £230k and reduction in lets of income £12k. There is a reduction in sickness of 60% from the same period in 19/20, gives a potential £95k allowing for anticipated increased absence when schools return in August. Greater flexibility around existing C&YP government funding will be utilised to offset additional costs that are expected to arise when the Covid-19 education recovery plan is finalised.
Secondary Schools	39,852	11,630	40,491	41,001	(511)	511	0	2020/21 Pupil Equity Funding allocation £465k, 2020/21 CPD Allocation £30k. Covid Pressures relate to supply teacher retention scheme £207k and reduction in lets of income £18k. There is a reduction in sickness of 60% from the same period in 19/20, giving a potential £95k allowing for anticipated increased absence when schools return in August. There is an unachievable Librarian saving of £178k. Unitary charge insurance releases £95k. Greater flexibility around existing C&YP government funding will be utilised to offset additional costs that are expected to arise when the Covid-19 education recovery plan is finalised.
Additional Support Needs	11,382	1,824	11,382	11,439	(57)	57	0	2020/21 CPD Allocation £7k. £50k financial plan saving re transport unlikely to be achieved. Tier 2 allocations not yet finalised for new term, initial applications show large increase in applications but until further details are known the extent of pressure is not known.
Children & Families Social Work	14,417	2,679	14,641	14,641	0		0	Breakeven position projected although potential pressure as there are 4 external residential placements being sought.
Educational Psychology	719	131	719	691	28	(28)	0	Underspend due to vacancy £28k.
Central Schools	2,754	1,145	2,754	1,130	1,624	(1,624)	0	Pupil Equity Funding allocation £1.789m PEF to schools. Devolve CPD allocations to Early Years, Primary and Secondary Schools and Additional Support Needs in respect of teacher training (£72k). Allocation from Scottish Government in respect of 1+2 Languages Funding (£62k). Savings of Music (£75k) and Clothing & Footwear Grants (£42k) require resource and management time which are severely constrained due to Covid-19. There is an additional FP saving (£58k) subject to Fit for 2024 review which requires resource and management time which are severely constrained due to Covid-19.
School Meals	1,781	396	1,781	1,438	344	(344)	0	Projected loss of revenue due to Covid-19 to end June is offset by reduction in recharge from Catering. Further assessment will be made when details of Education Recovery Plan is finalised.
School Transport	3,442	1	3,442	3,754	(312)	312	0	Additional FP savings of £312k are subject to Fit for 2024 review which requires and management time which are severely constrained due to Covid-19.

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Community Learning & Development	961	271	961	1,071	(111)	111	0	Additional FP savings of £111k are subject to Fit for 2024 review which requires and management time which are severely constrained due to Covid-19.
Total	110,205	29,938	112,903	113,404	(501)	501	0	

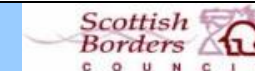
Key Highlights Challenges & Risks

All known pressures and available budgets have been reflected in the corporate in-year budget exercise approved by Council on 27th August 2020. This leaves a balanced service position following all required virements. Funding which has been freed up from specific grants (Early Years expansion and Pupil Equity Fund) for use specifically within Children & Young People has been applied within the service to support children return to school on 11th August 2020, with £1.481m remaining uncommitted.

**MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL**

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AT END OF MONTH: Jun-20



Customer & 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
Assessor & Electoral Registration Services	805	184	825	825	0		0	
Business Change & Programme Management	1,183	254	1,175	1,030	145	(145)	0	Additional staff savings to be used to fund pressures within Customer & Communities.
Business Support	5,306	1,247	5,326	5,311	15	(15)	0	Small discretionary spend saving. Staff turnover (£228k) and Financial Plan (£195k) savings fully delivered.
Community Planning & Engagement	329	74	176	238	(62)	62	0	Balance of funding required to support extension of Locality Development Officer position to March 2021 (£62k).
Localities/Community Fund	318	53	871	943	(72)	72	0	Covid-19 pressure (payments to Community Council's) to be funded from Food Fund.
Customer Advice & Support Services	3,226	854	3,410	3,679	(269)	269	0	Projected loss of income (registrars, blue badge, overpayments recovered and penalty income) and additional homeless accommodation costs due to Covid-19 (£417k). Additional staff turnover savings (£24k) and discretionary spend savings (£124k). Staff turnover (£164k) and Financial Plan savings (£137k) delivered.
Democratic Services	1,726	583	1,732	1,792	(60)	60	0	Projected underspends in Elected Members costs (travel expenses and delayed bi-election) and Civic Functions due to Covid-19 (£38k). Costs associated with bi-election re-scheduled to November 2020 estimated at £40k. Pressure as a result of staffing contribution for NHS PA support (£15k) and anticipated costs above budget relating to Children's Panel, Reporters and Appeal Expenses (£43k). Staff turnover (£25k) and Financial Plan (£10k) savings fully delivered.
Discretionary Housing Payments	0	152	0	956	(956)	956	0	Additional Scottish Government funding through Revenue Support Grant (includes £74k funding for Covid-19).
Housing Benefits	623	340	623	797	(174)	174	0	Assumed pressure in net spend and reduction in overpayments recovered as a consequence of Covid-19.
Non Domestic Rates Relief	150	(33,586)	150	163	(13)	13	0	Pressure as a result of an increase in charitable relief for youth and community.
Scottish Welfare Fund	546	91	911	911	0		0	
Total	14,213	(29,753)	15,199	16,645	(1,446)	1,446	0	

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Finance and 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
Chief Executive	188	70	181	174	7	(7)	0	Managed underspends through discretionary spend freeze.
Finance	3,558	(95)	3,136	3,336	(200)	200	0	Projected shortfall in grants administration recharge based on current external funding opportunities (£200k).
Covid-19 Reserve Fund	0	(1,744)	6,470	2,533	3,937	(5,330)	(1,393)	Transfer budget to offset pressures elsewhere in the Council.
Information Technology	11,611	4,015	11,617	11,617	0		0	
Legal Services	743	247	757	772	(15)	15	0	Projected loss of licensing fee (pubs, private functions, taxi licences) income due to Covid-19 (£104k). Additional staff turnover savings and increased income (£89k).
Loan Charges	19,111	1,284	19,111	17,665	1,446	(1,446)	0	Reduced borrowing due to timing movements in the capital programme as a result of Covid-19. Transfer budget to Sports Services to fund depreciation and interest charges for sports pitches (£147k).
Protective Services	1,588	408	1,584	1,612	(28)	28	0	Income pressure from estimated reduction in sampling (private water and food) and domestic pest control treatments suspended due to Covid-19 (£105k). Additional staff (£65k) and discretionary spend savings (£12k).
Provision for Bad Debts	125	125	125	125	0		0	
Recharge to Non-General Fund	(583)	0	(583)	(543)	(40)	40	0	Pressure to be funded from underspend in Loan Charges.
Total	36,340	4,309	42,399	37,292	5,107	(6,500)	(1,393)	

Key Highlights, Challenges & Risks

All known pressures and available budgets have been reflected in the corporate in-year budget exercise approved by Council on 27th August 2020. The Finance service holds the COVID-19 reserve and therefore the remaining budget shortfall of £1.393m is being held centrally within this service, this position will be updated on a monthly basis as more information becomes available.

**MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2020/21**

AT END OF MONTH: Jun-20



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
Communications & Marketing	542	126	542	532	10	(10)	0	Loss of income from reduced printing production (£15k) and purchase of laminator for signage (£7k) as a result of Covid-19. Additional staff turnover and discretionary spend savings (£32k).
Corporate Transformation	724	(218)	1,015	765	250	(250)	0	Contribution to Covid Fund (£250k).
Early Retiral/Voluntary Severance	67	0	67	67	0		0	
Employment Support Service	378	75	378	366	12	(12)	0	Additional staff turnover and discretionary spend savings (£6k) and projected income from Skills Development Scotland (£6k).
Human Resources	4,266	984	4,466	4,551	(85)	85	0	Pressures in apprenticeship levy (£85k).
Total	5,978	968	6,468	6,281	187	(187)	0	

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