

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



	<b>Final Approved Budget (£'000)</b>	<b>Final Outturn Actual (£'000)</b>	<b>Variance pre adjustments (£'000)</b>	<b>Decrease/ (Increase) to Balances (£'000)</b>	<b>Variance against final adjusted Budget (£'000)</b>	<b>Summary Financial Commentary</b>
Infrastructure & Environment	50,466	49,173	1,293	(153)	1,140	An underspend of £1.140m is being reported. Included in this position is an underspend in Temporary Accommodation which is offset by a compensating pressure in Resilient Communities and an underspend in Catering offset by a compensating pressure within Education and Lifelong Services. The net position is therefore an underspend of £868k. This is primarily driven from an increased surplus within SBCContracts as a result of increased gross profit and reduced plant & vehicle costs, additional income across the service and staff turnover. This has allowed the service to cover the cost of an above average winter period.
Social Work & Practice	67,712	67,195	517	(38)	479	An underspend of £479k is being reported. Included in this position is an overspend of £217k in Children & Families Social Work due to an increase on out of area placement costs which is offset by underspends in Child Protection and Generic Services due to vacancies along with resourcing issues in Safer Communities. There were also underspends in Older People, Joint Learning Disabilities, Mental Health and People with Physical Disabilities due to additional budget allocated during 2022/23 not being required at outturn due to lower than expected client demand. adult protection contributed through lower than budgeted external agency costs.
Education & Lifelong Learning	110,569	108,474	2,095	(2,153)	(58)	Education & Lifelong Learning had a pressure of £58k at outturn, £50k of which related to school meals which is offset by an underspend in Infrastructure & Environment (Catering). The other areas of the service account for the remaining £8k pressure with Primary & Secondary School non DSM underspends contributing £412k towards the pressure in Additional Support Needs. The underspend in Central Schools contributed the remaining £31k as well as covering the majority of the pressure in School Transport.
Resilient Communities	34,984	35,212	(228)	212	(16)	A small pressure of £16k is being reported. Included within this position is an overspend within Housing Benefit which is offset by a compensating underspend within Infrastructure & Environment. The net position is therefore an underspend of £206k which is primarily as a result of savings within staffing, discretionary spend and income which are offsetting a pressure within Scottish Welfare Fund where an increased demand on this service is being seen.
Finance & Corporate Governance	28,869	28,167	702	(496)	206	An underspend of £206k is being reported primarily due to additional staff turnover and discretionary spend savings which are offsetting additional election expenses and a shortfall in income within Licensing.

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People, Performance and Change	7,632	7,413	218	5	223	An underspend of £223k is being reported primarily due to additional staff turnover, additional income and discretionary spend savings.
Strategic Commissioning & Partnership	27,293	27,798	(505)	0	(505)	A pressure of £505k is being reported primarily due to increased service charges and mobile telephony costs following the implementation of Pathfinder and Total Mobile within Information Technology.
<b>Total</b>	<b>327,525</b>	<b>323,433</b>	<b>4,092</b>	<b>(2,624)</b>	<b>1,469</b>	
<b>Financed by:</b>						
Revenue Support Grant	(216,297)	(216,297)	0		0	
Non-Domestic Rates	(35,294)	(35,294)	0		0	
Council Tax	(67,909)	(67,972)	63		63	
Second Homes Council Tax	(1,193)	(1,193)	0		0	
Capital Financed from Current Revenue	430	430	0		0	
Reserves:						
Earmarked Balances from 2021/22	(37,189)	(37,189)	0		0	
Earmarked Balances for future years	29,254	31,142	(1,888)	1,888	0	Adjustment to earmark balance for i) Small Schemes (£143k); ii) Neighbourhood Support Fund, including Financial Insecurity and Cost of Living Support (£212k); iii) Community Engagement Fund (£95k); and iv) Local Heat and Energy Efficiency Strategy (£14k). To increase earmarking for i) Second Homes Council Tax (£126k); ii) Primary DSM (£580k); iii) Secondary DSM (£21k); iv) Early Years 1140 hours (£1,537k); v) Schools Covid-19 (£23k); vi) Recovery Fund (£27k); and vii) CCTV Members Priority (£38k).
Transfers to/from Reserves	673	1,409	(736)	736	0	Drawdown from Workforce Management Allocated Reserve for Early Retirement/Voluntary Severance and salary conservation pressure due to impact of teachers pay award (£5k & £8k respectively). Increase in Allocated Reserves for i) Treasury Reserve (£469k); and ii) Strategic Contract movement reserve (£280k).
<b>Total</b>	<b>(327,525)</b>	<b>(324,965)</b>	<b>(2,560)</b>	<b>2,624</b>	<b>63</b>	
<b>Total</b>	<b>0</b>	<b>(1,532)</b>	<b>1,532</b>	<b>0</b>	<b>1,532</b>	

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Infrastructure & Environment	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
<b>Property</b>	<b>14,272</b>	<b>13,936</b>	<b>336</b>		<b>336</b>	
Property Management Services	14,721	14,435	286		286	Additional temporary accommodation rental income (£222k) linked to the related pressure within Housing Benefits in Resilient Communities. Pressure in Property Maintenance (£338k) offset by underspend in Corporate Landlord (£380k) and furniture within Temporary Accommodation (£22k)
Estates Management Services	542	480	63		63	Underspends in consultancy and hired and contracted costs (£52k), staffing (£7k) and discretionary spend (£4k)
Commercial Property Income	(1,333)	(1,251)	(82)		(82)	Shortfall in income due to reduced occupancy.
Architects	143	105	38		38	Additional income.
Major Projects	199	167	32		32	Underspend in feasibility
<b>Facilities</b>	<b>6,569</b>	<b>5,996</b>	<b>573</b>		<b>573</b>	
Catering Services	1,721	1,309	412		412	Additional income across primary and secondary schools (£169k), underspends in staffing (£113k), supplies and services (£51k), equipment (£29k) and compensating underspend to offset overspend in Education (£50k).
Cleaning & Facilities Management	4,849	4,688	161		161	Underspends within staffing (£69k) and supplies & services including materials (£92k)
<b>Parks &amp; Environment</b>	<b>5,043</b>	<b>4,948</b>	<b>94</b>		<b>94</b>	
						94 Underspends in staffing (£28k), equipment (£27k) and premises costs (£8k). Additional burials income (£31k)
<b>Roads &amp; Infrastructure</b>	<b>10,980</b>	<b>11,282</b>	<b>(303)</b>	<b>143</b>	<b>(160)</b>	
Network & Infrastructure Asset Management	10,649	11,539	(890)	143	(747)	Pressure within winter maintenance (£491k) as a result of more severe winter weather. Increased works costs across the roads service primarily as a result of additional reactive costs and increased labour costs (£256k). Adjustment to earmark balance for Small Schemes to meet increased activity and expenditure in 2022/23 (£143k).
SBcContracts	(711)	(1,299)	588		588	Increased profit on jobs due to the nature of works undertaken & reduced staff turnover and sickness (£401k). reduced vehicle repairs and maintenance costs (£187k)
Engineers	937	908	29		29	Additional income.

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Fleet Management Services	107	137	(30)		(30)	Materials pressure.
Pay Parking	(2)	(2)	(0)		(0)	
<b>Waste Management Services</b>	<b>9,756</b>	<b>9,397</b>	<b>359</b>	<b>(280)</b>	<b>79</b>	Transfer available budget to Strategic Contract movement reserve (£280k). Additional income.
<b>Passenger Transport</b>	<b>2,070</b>	<b>2,030</b>	<b>40</b>		<b>40</b>	Demand Responsive Transport pilot underspend
<b>Planning Services</b>	<b>949</b>	<b>897</b>	<b>52</b>	<b>95</b>	<b>147</b>	Adjustment to earmark balance for Community Engagement Fund to meet increased activity and expenditure in 2022/23 (£95k). Additional planning fees (£147k).
<b>Housing Strategy &amp; Services</b>	<b>827</b>	<b>686</b>	<b>140</b>	<b>(111)</b>	<b>29</b>	Adjustment to earmark balance for Local Heat and Energy Efficiency Strategy to meet increased expenditure in 2022/23 (£14k). To earmark Second Homes Council Tax budget into 2023/24 to support future investment in affordable housing (£125.5k). Staffing underspends (£29k).
<b>Total</b>	<b>50,466</b>	<b>49,173</b>	<b>1,293</b>	<b>(153)</b>	<b>1,140</b>	

**Key Highlights, Challenges and Risks**

Infrastructure & Environment have delivered an underspend of £1.140m, £0.222m of this this underspend is offset by a compensating pressure within Housing Benefit in Resilient Communities and £0.050m is offset by a compensating pressure within School Meals in Education & Lifelong Learning.

The net position to the is therefore a net underspend of £0.868m. This underspend is primarily driven by increased income across a number of service areas including Planning, Catering and Waste Management Services, additional staff turnover and additional surplus delivered by SBcContracts as a result of increased profit from delivery of additional works to forecast and increased margin due to the mix of works alongside reduced vehicle maintenance costs which is

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<b>Social Work &amp; Practice</b>	<b>Final Approved Budget (£'000)</b>	<b>Final Outturn Actual (£'000)</b>	<b>Variance pre adjustments (£'000)</b>	<b>Decrease/ (Increase) to Balances (£'000)</b>	<b>Variance against final adjusted Budget (£'000)</b>	<b>Summary Financial Commentary</b>
Child Protection	208	181	27		27	Underspend due to a vacancy (Team Leader).
Children & Families Social Work	18,220	18,437	(217)		(217)	Increase in out of area placement costs, specifically relating to one new placement in January, one care placement transferring to secure accommodation and also extensions to placements that were forecast to finish prior to the 31st March. (Was £240k in March Monitoring).
Adult Protection	350	324	26		26	Underspend relates to lower than budgeted external agency costs.
Emergency Duty Team	380	375	5		5	
Quality Improvement	426	426	0		0	
Services in Criminal Justice System	0	0	(0)		(0)	
Safer Communities	2,230	2,125	105	(38)	67	To earmark funding into 2023/24 for CCTV members priority (£38k). Community Policing expenditure less than forecast due to resourcing issue.
Older People	11,803	11,614	188		188	Extra Care Housing - £141k underspend (£44k-Longfield, £54k-Wilkie Gardens, £43k-Dovecot), less than projected due to client demand.
Joint Learning Disability	21,129	21,104	25		25	Small amount of additional budget allocated during 2022/23 was found not to be required at outturn.
Joint Mental Health	2,140	1,998	142		142	Majority of additional budget allocated during 2022/23 based on projected client demand was found not to be required at outturn due to lower than expected client demand.
People with Physical Disabilities	2,698	2,586	112		112	Half of additional budget allocated during 2022/23 based on projected client demand was found not to be required at outturn due to lower than expected client demand.
Generic Services	8,033	7,931	102		102	Vacancies underspend.
<b>Total</b>	<b>67,617</b>	<b>67,101</b>	<b>517</b>	<b>(38)</b>	<b>479</b>	

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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	94	95	(0)		(0)	
<b>Total</b>	<b>94</b>	<b>95</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>	

**Key Highlights, Challenges and Risks**

An underspend of £479k is being reported. Included in this position is an overspend of £217k in Children & Families Social Work due to an increase on out of area placement costs which is offset by underspends in Child Protection and Generic Services due to vacancies along with resourcing issues in Safer Communities. There were also underspends in Older People, Joint Learning Disabilities, Mental Health and People with Physical Disabilities due to additional budget allocated during 2022/23 not being required at outturn due to lower than expected client demand. adult protection contributed through lower than budgeted external agency costs. The service had £1.175m of financial plan savings to deliver in 2022/23, £0.860m of these have been delivered permanently with £0.315m delivered on a temporary basis and therefore being carried forward for delivery in 2023/24.

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Education & Lifelong Learning	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	7,219	5,681	1,537	(1,537)	(0)	Unspent ring-fenced funding earmarked for ELC 1140 hours ensuring specific grant funding is retained within the service for spend in future years. Part of this earmarking will be utilised to offset the £1.7m reduction in funding in 2023/24.
Primary Schools	33,573	32,838	735	(580)	155	As per DSM scheme, underspend earmarked along with other external funding such as PEF. Remaining balance was achieved by ensuring that only essential items were funded from the non DSM budget in order to partially cover the overspend in Additional Support Needs.
Secondary Schools	45,989	45,711	278	(21)	257	As per DSM scheme, underspend earmarked along with other external funding such as PEF. The remaining balance relates to developer contributions received in 2022/23
Additional Support Needs	11,413	11,856	(443)		(443)	Pressure caused by additional demand for support hours within schools and the additional day of annual leave per recent pay award negotiations which is paid to staff not given as a day off.
Educational Psychology	765	766	(1)		(1)	Pressure as a result of overlap between trainee qualifying and filling position of retiree
Central Schools	4,386	4,232	154	(14)	140	Drawdown from workforce reserve to cover impact of teachers pay award on salary conservation as a result of revised DSM scheme (£8k). Remainder of Covid funding released to cover pressures within other areas.
School Meals	2,043	2,093	(50)		(50)	Overspend in primary school meals is offset by an underspend in I&E (catering)
School Transport	4,187	4,306	(119)		(119)	Scholar's passes figure higher than expected due to lower than anticipated take up of U22 free bus travel.
Community Learning & Development	994	991	3		3	
<b>Total</b>	<b>110,569</b>	<b>108,474</b>	<b>2,095</b>	<b>(2,153)</b>	<b>(58)</b>	

**Key Highlights Challenges & Risks**

Education & Lifelong Learning had a pressure of £58k at outturn, £50k of which related to school meals which is offset by an underspend in Infrastructure & Environment (Catering). The other areas of the service account for the remaining £8k pressure with Primary & Secondary School non DSM underspends contributing £412k towards the pressure in Additional Support Needs. The underspend in Central Schools contributed the remaining £31k as well as covering the majority of the pressure in School Transport. Collaboration with the Passenger transport team will be required in 2023/24 to see if a reduction in the number of Scholar's Passes required can be achieved through targeted promotion of the U22 Free bus travel scheme.

The service has delivered the £1.642m of financial plan savings required in 2022/23.

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<b>Resilient Communities</b>	<b>Final Approved Budget (£'000)</b>	<b>Final Outturn Actual (£'000)</b>	<b>Variance pre adjustments (£'000)</b>	<b>Decrease/ (Increase) to Balances (£'000)</b>	<b>Variance against final adjusted Budget (£'000)</b>	<b>Summary Financial Commentary</b>
Business Support	5,382	5,359	23		23	Additional staff turnover savings.
Community Planning & Engagement	472	472	(1)		(1)	
Neighbourhood Support Fund	2,927	3,139	(212)	212	0	Adjustment to earmark balance for King's Coronation Fund (£4k), Financial Insecurity Fund (£6k), Cost of Living Support (£169k), Local Authority Covid Economic Recovery Fund (LACER) (£1k) and Community Funds (£32k) to meet increased activity and expenditure in 2022/23.
Customer Advice & Support Services	9,310	9,257	53		53	Overpayments Recovered in March greater than last forecast.
Economic Development	2,401	2,271	130		130	Additional income (£35k), staff turnover (£65k) and available budget due to the end of the European Social Fund (ESF) during 2022/23 (£30k).
Cultural Services	3,779	3,731	49		49	Underspend in depreciation and interest.
Sports Services	2,325	2,279	46		46	Underspend in rates for Melrose 3G being funded through NDR Relief (£24k) and Jedburgh Campus management fee (£22k).
Discretionary Housing Payments	1,107	1,057	50		50	Budget allocated from Cost of Living Support not required for DHP but partly offsetting pressure in Scottish Welfare Fund (£50k).
Housing Benefits	668	927	(259)		(259)	Additional HB expenditure (£222k) linked to additional temporary accommodation rental income reported under Property Management Services in Infrastructure & Environment and overpayments recovered less than expected (£37k).
Non Domestic Rates Relief	213	216	(3)		(3)	
Scottish Welfare Fund	797	929	(132)		(132)	Demand for this service increased substantially in the last quarter with expenditure exceeding that forecast.
Council Tax Reduction Scheme	5,603	5,574	29		29	Outturn reflects continuing reduction in claims and improving outlook.
<b>Total</b>	<b>34,984</b>	<b>35,212</b>	<b>(228)</b>	<b>212</b>	<b>(16)</b>	



**Key Highlights, Challenges & Risks**

The service is reporting a small pressure of £0.016m, included within this is a pressure of £0.259m relating to Housing Benefits, £0.222m of this this pressure is offset by a compensating underspend within Infrastructure & Environment, Property Management Service, linked to increased Housing Benefits in Temporary Accommodation.

The net position is therefore an underspend of £0.206m which is primarily linked to reduced staffing costs, increased overpayment recovery, additional income and discretionary spend savings. These underspends are offsetting an overspend within the Scottish Welfare Fund where we are continuing to see an increased demand for this service, linked to the continuing cost of living crisis.

The service had £0.380m of financial plan savings to deliver in 2022/23, £0.214m of these have been delivered permanently and £0.166m delivered temporarily and therefore being carried forward for delivery in 2023/24.

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<b>Finance &amp; Corporate Governance</b>	<b>Final Approved Budget (£'000)</b>	<b>Final Outturn Actual (£'000)</b>	<b>Variance pre adjustments (£'000)</b>	<b>Decrease/ (Increase) to Balances (£'000)</b>	<b>Variance against final adjusted Budget (£'000)</b>	<b>Summary Financial Commentary</b>
Recovery Fund	646	619	27	(27)	0	Return unused drawdown of funding for SBContracts Covid-19 absences to Recovery Fund Reserve.
Chief Executive	119	120	(1)		(1)	
Emergency Planning	219	212	7		7	
Finance	4,162	4,110	52		52	Staff turnover savings.
Legal Services	761	803	(42)		(42)	Shortfall in taxi and alcohol licensing fees (£38k) and additional pressure as a result of legal expenses relating to historic child abuse cases (£4k).
Protective Services	1,660	1,509	151		151	Significant staff turnover savings as a result of recruitment difficulties.
Audit & Risk	370	368	2		2	
Assessor & Electoral Registration Services	936	906	30		30	Staff turnover (£7k) and discretionary spend (£23k) savings.
Democratic Services	2,132	2,161	(29)		(29)	Election income accrual pressure following review and feedback on expenses claimed.
Communications & Marketing	548	519	29		29	Staff turnover (£8k) and discretionary spend (£21k) savings.
Loan Charges	17,802	17,333	469	(469)	0	Reduced borrowing requirement due to timing movements in the capital programme to be transferred to Treasury Reserve to smooth capital financing requirements in future years (£469k).
Provision for Bad Debts	125	125	0		0	
Recharge to Non-General Fund	(608)	(616)	8		8	
<b>Total</b>	<b>28,869</b>	<b>28,167</b>	<b>702</b>	<b>(496)</b>	<b>206</b>	

**Key Highlights, Challenges & Risks**

The service is reporting an underspend of £0.206m this is primarily from staffing underspends and discretionary spend savings which are offsetting some additional expenses related to elections and income pressures within Licensing. Reduced borrowing requirements allows £0.469m to be transferred to the Treasury Reserve to smooth capital financing requirements in future years. The service had £3.477 of financial plan savings to deliver in 2022/23, £3.367m of these have been delivered permanently, £0.110 delivered on a temporary basis and therefore being carried forward for delivery in 2023/24.

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People, Performance & Change	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	4,977	4,837	140		140	Additional income (£23k), staff turnover savings (£45k), increased salary sacrifice scheme benefit contributions (£16k) and underspends in medical fees, training and conference expenses (£56k).
Early Retiral/Voluntary Severance	184	189	(5)	5	0	Drawdown from Workforce Management Allocated Reserve (£5k).
Corporate Transformation	740	684	55		55	Managed underspends, some commitments forecast no longer required or carried forward into 2023/24.
Business Change & Programme Management	1,294	1,292	2		2	
Business Planning Performance & Policy Development	437	411	26		26	Additional income and discretionary spend savings.
<b>Total</b>	<b>7,632</b>	<b>7,413</b>	<b>218</b>	<b>5</b>	<b>223</b>	

**Key Highlights, Challenges & Risks**

The service is reporting an underspend of £0.223m primarily from staff savings, discretionary spend and additional income.  
 The service had £0.190m of financial plan savings to deliver in 2022/23, £0.112m of these have been delivered permanently with £0.078m delivered on a temporary basis and therefore being carried forward for delivery in 2023/24.

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**2022/23**



<b>Strategic Commissioning &amp; Partnerships</b>	<b>Final Approved Budget (£'000)</b>	<b>Final Outturn Actual (£'000)</b>	<b>Variance pre adjustments (£'000)</b>	<b>Decrease/ (Increase) to Balances (£'000)</b>	<b>Variance against final adjusted Budget (£'000)</b>	<b>Summary Financial Commentary</b>
Information Technology	8,661	9,170	(509)		(509)	Increased service charges and pressure in mobile telephony following the implementation of Pathfinder and Total Mobile. As per the approved business cases, these pressures will be offset going forward from savings generated within the services as a result of the roll-out.
SB Cares	18,490	18,487	3		3	
Commissioning	142	140	1		1	
<b>Total</b>	<b>27,293</b>	<b>27,798</b>	<b>(505)</b>	<b>0</b>	<b>(505)</b>	

**Key Highlights, Challenges & Risks**

Strategic Commissioning & Partnerships is reporting a pressure of £0.505m at outturn. Increased service charges due to volumetrics and increased mobile telephony costs following the implementation of Pathfinder and Total Mobile, savings generated within the services will offset the pressures going forward.  
The service had £2.671m of financial plan savings to deliver in 2022/23, £1.283m of these have been delivered permanently with £1.388m delivered on a temporary basis and therefore being carried forward for delivery in 2023/24.