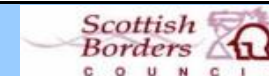


MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2023/24**
SUMMARY
AT END OF MONTH: Jun-23


	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
Infrastructure & Environment	54,408	9,532	58,700	55,941	2,759	(2,881)	(122)	Infrastructure & Environment are forecasting a pressure of £0.160m. The service continues to face recovery related pressures.
Social Work & Practice	82,010	1,069	77,445	82,780	(5,335)	1,958	(3,377)	Social Work & Practice are forecasting a pressure of £3.377m. Out of authority placements account for £2.699m of this due to the full year effect of additional placements from 2022/23, price inflation on national contracts and new clients in 2023/24. Children Affected by Disability budgets are showing a pressure of £0.678m which largely relates to a single client.
Education & Lifelong Learning	122,103	32,823	131,853	132,109	(256)	135	(121)	Education & Lifelong Learning are forecasting a pressure of £0.121m in respect of unitary charge due to high inflation in Jan/Feb 2023. Further work is required on several areas including once the new academic year starts in August and school numbers are known. Work has started on the Early Years review to ensure that the £1.7m savings for 2023/24 and £0.8m for 2024/25 are identified and implemented for financial year 2024/25.
Resilient Communities	25,274	(33,955)	28,530	30,042	(1,512)	1,512	0	Resilient Communities are forecasting a balanced position.
Finance & Corporate Governance	24,989	(1,261)	25,315	25,534	(219)	219	0	Finance & Corporate Governance are forecasting a balanced position.
People, Performance and Change	7,484	1,726	7,469	7,464	5	(5)	0	People, Performance and Change are forecasting a balanced position.
Strategic Commissioning & Partnership	27,493	7,587	32,854	33,452	(598)	447	(151)	Strategic Commissioning & Partnership is forecasting a net pressure of £0.151m in CGI service charges due to increased use of computer storage platforms and volumetrics.
Total	343,761	17,521	362,166	367,323	(5,156)	1,385	(3,771)	

Financed by:								
Revenue Support Grant	(213,888)	(53,020)	(205,842)	(210,074)	4,232	(4,232)	0	Gross up additional Revenue Support Grant relating to i) Adult Trauma (£50k); ii) Discretionary Housing Payments (£1,171k); iii) Real Living Wage (£2,333k); iv) Additional teachers pay (£648k) and v) Summer '23 funding (£87k). Reductions to 2023/24 funding for i) Empty Property Relief Devolution (£26k); ii) Valuation Appeal Committee Adjustment (£19k); and iii) Services for Home-Based Elderly (£17k).
Non-Domestic Rates	(37,818)	(9,454)	(37,818)	(37,818)	0	0	0	
Council Tax	(71,809)	(73,346)	(71,809)	(71,809)	0	0	0	
Second Homes Council Tax	(1,229)	0	(1,229)	(1,229)	0	0	0	
Capital Financed from Current Revenue	0	0	0	0	0	0	0	
Ring fenced grants	(14,106)	0	(14,105)	(14,102)	(3)	3	0	Reduction in ring-fenced grant for Early Learning & Childcare (£3k).
Reserves:								
Earmarked Balances from 2022/23	(3,503)	(31,142)	(31,142)	(31,142)	0	0	0	
Earmarked Balances for future years	0	1,187	1,187	4,111	(2,924)	2,924	0	To earmark Second Homes Council Tax into 2024/25 to support future investment in affordable housing (£2.924m).
Transfers to/from Reserves	(1,408)	0	(1,408)	(1,488)	80	(80)	0	Drawdown from unallocated reserve to fund the implementation of actions in relation to the independent inquiry (£34k). Drawdown from Workforce Management Allocated Reserve (£46k).
Total	(343,761)	(165,776)	(362,166)	(363,551)	1,385	(1,385)	0	

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2023/24

AT END OF MONTH: Jun-23



Infrastructure & Environment	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	15,645	1,832	15,968	16,162	(194)	72	(122)	
Property Management Services	15,943	2,654	16,273	16,383	(110)	(12)	(122)	Continued pressure for temporary units at Peebles High School after fire in November 2019 (£122k). Initial forecast calculations show potential pressures in both gas and electricity due to the full impact of inflation this year. Finance will carry out further analysis in conjunction with the procurement team to establish the likely impact.
Estates Management Services	619	129	631	630	1	(1)	0	
Commercial Property Income	(1,284)	(1,039)	(1,284)	(1,284)	0		0	
Architects	159	84	158	158	0		0	
Major Projects	208	4	190	275	(85)	85	0	Programme Management Office pressure (£85k) to be funded from underspend in Finance & Corporate Governance.
Facilities	7,552	1,329	7,264	7,259	5	(5)	0	
Catering Services	2,881	109	2,597	2,595	2	(2)	0	
Cleaning & Facilities Management	4,671	1,220	4,667	4,664	3	(3)	0	Ongoing Covid recovery pressure relating to reduced departure charges income from the Galashiels Transport Interchange (£38k) is expected to be managed within the service.
Parks & Environment	4,879	912	4,872	4,868	4	(4)	0	
Roads & Infrastructure	10,407	3,536	10,514	10,506	8	(8)	0	
Network & Infrastructure Asset Management	9,684	1,614	9,876	9,869	7	(7)	0	
SBcContracts	(425)	1,085	(728)	(728)	0		0	
Engineers	924	329	923	922	1	(1)	0	
Fleet Management Services	224	532	221	221	0		0	
Pay Parking	0	(24)	222	222	0		0	
Waste Management Services	10,937	833	10,942	10,934	8	(8)	0	

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

AT END OF MONTH: Jun-23



Passenger Transport	2,294	314	2,341	2,339	2	(2)	0	
Planning Services	1,346	188	1,214	1,213	1	(1)	0	
Housing Strategy & Services	1,348	588	5,585	2,660	2,925	(2,925)	0	To earmark Second Homes Council Tax into 2024/25 to support future investment in affordable housing (£2,924k).
Total	54,408	9,532	58,700	55,941	2,759	(2,881)	(122)	

Key Highlights, Challenges and Risks

The service has £1.926m of financial plan savings to deliver in 2023/24, £0.438m of these have been delivered permanently and £1.488m profiled to be delivered in the balance of the year. The service is showing pressures totalling £0.122m. Initial forecasts show potential pressures in both gas and electricity due to the full impact of inflation this year. Finance will carry out further analysis in conjunction with the procurement team to establish the likely impact.

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	25	223	223	0		0	
Children & Families Social Work	18,319	4,647	18,331	22,195	(3,864)	487	(3,377)	Full year effect of 22-23 out of authority placements amounts to £766k pressure. New clients in 23-24 forecast to cost c. £1,512k. Price inflation in respect of increasing national contract prices amounts to £383k, also an additional calendar day in 2024 impacts on costs £38k. Children Affected by Disability (CHAD) budgets across the Scottish Borders are showing a pressure of £678k, largely relating to a single client. These forecast costs are based on knowledge of existing and future placements. Allocation of £410k from Carers Act 2016. Summer '23 funding for targeted children and young people from Scottish Government (£87k). Summer '23 funding to be vired to Safer Communities for Homelessness participatory budgeting (£10k).
Adult Protection	374	85	349	349	0		0	
Emergency Duty Team	332	93	332	332	0		0	
Quality Improvement	513	120	614	614	0		0	
Services in Criminal Justice System	1,273	62	1,273	1,273	0		0	
Safer Communities	2,223	(2,166)	2,719	2,498	221	(221)	0	£166k pressure being investigated due to ambiguity around ring fenced funding and core budget transfer for Rapid Rehousing Transition Programme from CASS. Recurring £150k pressure also being investigated within Homelessness Property Management in relation to repairing and furnishing properties to get them ready for use. Additional temporary accommodation rental income linked to a related pressure within Housing Benefits in Resilient Communities, current projection, using new forecasting model, assumes similar pattern to 2022/23, resulting in proposed virement between the services of £231k. Summer '23 funding from Children & Families Social Work (£10k).
Older People	24,735	(6,262)	17,358	19,460	(2,102)	2,102	0	Gross up additional Scottish Government funding for Adult Trauma (£50k) and Real Living Wage (£2,321k). Transfer of budget to Resilient Communities to support the recruitment of 3 FTE Business Support staff to support Social Work Locality Teams (£76k, £91k recurring). Mosaic renewal pressure (£133k) to be offset in-year from available funding identified within Social Work & Practice.
Joint Learning Disability	20,404	2,481	21,403	21,403	0		0	Current forecast pressures relating to higher than anticipated contract costs relating to Eildon Day Service provision as well as corresponding undeliverable savings (£294k). Pressures relating to similarly higher than anticipated agreed supported living contract costs (£70k). It is anticipated that these pressures will be met from reallocation of additional Scottish Government funding.
Joint Mental Health	2,178	321	2,238	2,238	0		0	
People with Physical Disabilities	2,698	805	2,852	2,852	0		0	Potential pressures relating to 24 hour permanent care and other residential care costs anticipated to be met through a rebasing of all Social Work & Practice 24 hour permanent care budgets during quarter 2
Generic Services	8,639	849	9,657	9,247	410	(410)	0	Re-allocation of Carers Act 2016 ring fenced funding to Children & Families.
Total	81,912	1,062	77,348	82,682	(5,335)	1,958	(3,377)	

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

AT END OF MONTH: Jun-23



Public Health	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/unders pend
Public Health	98	7	98	98	0		0
Total	98	7	98	98	0	0	0

Key Highlights, Challenges and Risks

Material budget pressures within Children & Families services resulting from a steep increase in the number of children being placed in out of authority placements during Q1 2023-24. Other factors contributing to this pressure relating to national placement contract prices. The placement of children in out of authority settings is under close scrutiny and review however, there is a risk that this pressure as at the end of Q1 will not be managed within the year and within existing budgets. Within IJB delegated services, pressures are emerging in relation Learning Disability day services and community support as well as 24 hour permanent care within other services. At this stage in the financial year, it is anticipated that these pressures can be met from reallocated additional Scottish Government funding as well as savings in other areas.

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	4,306	22,675	22,661	14	(14)	0	Gross up balance of additional Scottish Government funding for additional teachers pay relating to 2021/22 (£2k). Reduction in ring fenced funding from Scottish Government (£3k). Assume breakeven.
Primary Schools	30,408	8,658	32,074	32,115	(41)	41	0	Gross up balance of additional Scottish Government funding for additional teachers pay relating to 2021/22 (£42k). Assume breakdown.
Secondary Schools	48,309	13,958	50,493	50,650	(157)	36	(121)	Gross up balance of additional Scottish Government funding for additional teachers pay relating to 2021/22 (£45k). Unitary charge inflationary pressure £121k.
Additional Support Needs	12,790	3,127	12,819	12,811	8	(8)	0	Gross up balance of additional Scottish Government funding for additional teachers pay relating to 2021/22 (£1k). Assume breakeven at time of monitoring - assumes outstanding budget required from ELC, and for Teachers Pay Award (2%) from January 2024. Potential overspend - further analysis work being done on forecasting and manpower - potential outstanding virement to be actioned to Secondary Schools. Figs not yet updated for new academic year intake.
Educational Psychology	741	191	758	758	0	0	0	Gross up balance of additional Scottish Government funding for additional teachers pay relating to 2021/22 (£1k). Pressure for Teachers Pay Award (2%) from January 2024 plus additional 3% from April as only 2% awarded per manpower. Assume that funding will be received in due course.
Central Schools	5,394	799	5,834	5,919	(85)	85	0	Gross up balance of additional Scottish Government funding for additional teachers pay relating to 2021/22 (£9k). Drawdown from unallocated reserve to fund the implementation of actions in relation to the independent inquiry (£34k). Drawdown from workforce reserve to cover salary conservation as a result of revised DSM scheme (£46k). Newly Qualified Teacher (NQT) pressure (£244k) will be reviewed when final numbers of NQTs are available in August at the start of the new academic year. Potential overspends within Central schools are being reviewed with the expectation that these can be covered elsewhere within the wider service.
School Meals	1,756	935	2,043	2,042	1	(1)	0	Budget holder forecasting budget pressure. Further analysis to be carried out in conjunction with catering service.
School Transport	4,123	693	4,123	4,120	3	(3)	0	Budget holder forecasting budget pressure. Further analysis to be carried out in conjunction with transport team and to review expected changes with new academic year from August.
Community Learning & Development	1,035	156	1,033	1,032	1	(1)	0	
Total	122,103	32,823	131,853	132,109	(256)	135	(121)	

Key Highlights Challenges & Risks

Significant funding is still to be received from Scottish Government (SG) in respect of the agreed Teachers pay award from January 2023 and 2023/24. It is assumed that this will be received in due course. A further £919k has been retained by SG to ensure that a minimum number of teachers is maintained by Scottish Borders Council. Pupil Equity Funding amounts have not yet been confirmed at school level, schools are planning for the 2023/24 levels as indicated in the 23/24 settlement. Pressures have been identified by budget holders for both School Meals and School Transport, further analysis is required which will take into account the new academic year impact from August. Work has been started to review the Early Years Service in order to ensure the £1.7m savings for 2023/24 and £0.8m for 2024/25 are identified and implemented for financial year 2024/25.

Resilient Communities	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/unders pend	Summary Financial Commentary
Business Support	5,512	1,350	5,508	5,580	(72)	72	0	Transfer of budget from Social Work & Practice to support the recruitment of 3 FTE Business Support staff to support Social Work Locality Teams (£76k, £91k recurring).
Community Planning & Engagement	485	114	484	484	0		0	
Neighbourhood Support Fund	471	63	1,771	1,771	0		0	
Customer Advice & Support Services	3,153	(36)	3,152	3,189	(37)	37	0	Gross up additional Scottish Government funding for Discretionary Housing Payments administration (£39k).
Economic Development	1,885	(172)	3,696	3,694	2	(2)	0	
Cultural Services	3,442	891	3,443	3,443	0		0	
Sports Services	1,836	606	1,836	1,904	(68)	68	0	Transfer available budget from loan Charges to fund depreciation and interest charges for sports pitches (£68k).
Discretionary Housing Payments	0	31	0	1,132	(1,132)	1,132	0	Gross up additional Scottish Government funding (£1,132k).
Housing Benefits	608	301	608	839	(231)	231	0	Additional HB expenditure linked to additional temporary accommodation rental income reported under Safer Communities. Projection, using new forecasting model, assumes similar pattern to 2022/23.
Non Domestic Rates Relief	1,561	(42,944)	1,561	1,535	26	(26)	0	Reduction in Scottish Government funding for Empty Property Relief Devolution (£26k).
Scottish Welfare Fund	586	(68)	736	736	0		0	
Council Tax Reduction Scheme	5,735	5,908	5,735	5,735	0		0	
Total	25,274	(33,955)	28,530	30,042	(1,512)	1,512	0	

Key Highlights, Challenges & Risks

The service has £0.546m of financial plan savings to deliver in 2023/24, £0.21m of these have been delivered permanently and £0.336m profiled to be delivered in the balance of the year. The service are forecasting a balanced position in the current quarter following virements from Loan Charges and Safer Communities (Homeless).

MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL 2023/24

AT END OF MONTH: Jun-23



Finance & Corporate Governance	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/unders pend	Summary Financial Commentary
Recovery Fund	0	(87)	0	(85)	85	(85)	0	Funding available from returned Business Grants following Scottish Government reconciliation and programme closure (£85k). To be utilised to fund pressure in Major Projects feasibility.
Corporate	(3,082)	0	(2,744)	(2,346)	(398)	398	0	Gross up additional Scottish Government for additional teachers pay relating to 2021/22 (£548k). Vire additional corporate STA (£150k) to IT to offset volumetrics pressure.
Chief Executive	192	51	209	209	0		0	
Emergency Planning	221	57	218	218	0		0	
Finance	4,544	49	4,520	4,517	3	(3)	0	
Legal Services	716	182	713	712	1	(1)	0	
Protective Services	1,559	344	1,551	1,550	1	(1)	0	Forecast subject to potential pressure relating to disposal of avian flu infected birds (£10k).
Audit & Risk	384	92	383	383	0		0	
Assessor & Electoral Registration Services	1,006	212	1,002	1,001	1	(1)	0	
Democratic Services	1,859	532	1,866	1,846	20	(20)	0	Reduction in Scottish Government funding for Valuation Appeal Committee (£19k).
Communications & Marketing	553	130	558	558	0		0	
Loan Charges	17,520	(2,993)	17,520	17,452	68	(68)	0	Transfer available budget to Sports Services to fund depreciation and interest charges for sports pitches (£68k).
Provision for Bad Debts	125	125	125	125	0		0	
Recharge to Non-General Fund	(608)	0	(608)	(608)	0		0	
Total	24,989	(1,261)	25,315	25,534	(219)	219	0	

Key Highlights, Challenges & Risks

The service has £6.134m of financial plan savings to deliver in 2023/24, £3.819m of these have been delivered permanently and £2.315m profiled to be delivered in the balance of the year. The service are forecasting a balanced position in the current quarter following virements to Major Projects and Sports Trusts.

People, Performance & Change	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/unders pend	Summary Financial Commentary
Human Resources	4,959	1,112	4,947	4,943	4	(4)	0	
Early Retiral/Voluntary Severance	67	3	67	67	0		0	
Corporate Transformation	730	95	730	674	56	(56)	0	Transfer available budget, on a permanent basis, to fund additional resource requirement in Business Change & Programme Management (£56k).
Business Change & Programme Management	1,261	399	1,260	1,315	(55)	55	0	Creation of 2 x Grade 5 Project Support positions to alleviate increased resources requirement to deliver transformational change (£56k).
Business Planning Performance & Policy Development	467	117	466	466	0		0	
Total	7,484	1,726	7,469	7,464	5	(5)	0	

Key Highlights, Challenges & Risks

The service has £0.083m of financial plan savings to deliver in 2023/24, and these are profiled to be delivered in the balance of the year.
 The service are forecasting an overall balanced position in the current quarter.

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	3,915	15,769	16,379	(610)	459	(151)	Mosaic renewal pressure (£133k) to be offset in-year from available funding identified within Social Work & Practice. Ongoing pressure in CGI service charges due to increased use of computer storage platforms (£76k) and volumetrics (£75k). Focus on and prioritisation of IT has increased development and a permanent budget requirement has been identified for the recruitment of an IT Contract Manager and establishment of an infrastructure budget (£176k in-year, £129k permanently); this has been funded from services across the Council.
Adult Social Care	16,341	3,616	15,872	15,860	12	(12)	0	Significant forecast pressures in care homes being offset by underspends in Homecare and day care services. Remaining pressures are being targeted to be met from efficiencies in agency staffing costs, other employee expenses and also savings in PPE budgets.
Commissioning	(766)	56	1,213	1,213	0		0	Potential pressures relating to STA, however, it is anticipated that this can be addressed within the wider services throughout the year
Total	27,493	7,587	32,854	33,452	(598)	447	(151)	

Key Highlights, Challenges & Risks

Recurring IT pressures relating to CGI contract, directly related to increased use of storage and volumetrics causing a pressure of £151k. Mosaic licence costs (£133k) as well as an IT Contract Manager and infrastructure budgets (£175k) being funded from other departments. Significant budget pressures relating to staff costs within Adult Social Care are forecast within Care Homes, however, underspends within Homecare services and also efficiencies from the planned use of agency staff are anticipated to cover this during the remainder of the year.