



City Chambers  
DUNDEE  
DD1 3BY

21st February, 2025

Dear Colleague

You are requested to attend a MEETING of the **CITY GOVERNANCE COMMITTEE** to be held in the Council Chamber, City Chambers, City Square, Dundee and also to be held remotely on Monday, 3rd March, 2025 following the meetings of the Children, Families and Communities and Neighbourhood Regeneration and Estate Management Committees called for 5.00pm.

The meeting will also be livestreamed to YouTube. Members of the Press or Public wishing to join the meeting as observers should follow this link [www.dundee.gov.uk/live](http://www.dundee.gov.uk/live) or alternatively they may attend in person.

Should you require any further information please contact Committee Services on telephone (01382) 434228 or by email at [committee.services@dundee.gov.uk](mailto:committee.services@dundee.gov.uk).

Yours faithfully

GREGORY COLGAN

Chief Executive

## **AGENDA OF BUSINESS**

### **1 DECLARATION OF INTEREST**

Members are reminded that, in terms of The Councillors Code, it is their responsibility to make decisions about whether to declare an interest in any item on this agenda and whether to take part in any discussions or voting.

This will include all interests, whether or not entered on your Register of Interests, which would reasonably be regarded as so significant that they are likely to prejudice your discussion or decision-making.

**2 CAPITAL EXPENDITURE MONITORING 2024/2025 - Page 1**

(Report No 64-2025 by the Executive Director of Corporate Services, copy attached).

**3 REVENUE MONITORING 2024/2025 - Page 21**

(Report No 45-2025 by the Executive Director of Corporate Services, copy attached).

**4 MANAGING THE WORKFORCE OF THE FUTURE - Page 35**

(Report No 43-2025 by the Executive Director of Corporate Services, copy attached).

**5 POSTAL SERVICES - Page 45**

(Report No 40-2025 by the Executive Director of Corporate Services, copy attached).

**6 SPYDUS LIBRARY MANAGEMENT SOFTWARE RENEWAL - Page 49**

(Report No 47-2025 by the Executive Director of Corporate Services, copy attached).

**7 GEOGRAPHIC INFORMATION SYSTEM SOFTWARE - Page 53**

(Report No 49-2025 by the Executive Director of Corporate Services, copy attached).

**8 NETWORK AND WI-FI HARDWARE FOR EAST END COMMUNITY CAMPUS - Page 57**

(Report No 63-2025 by the Executive Director of Corporate Services, copy attached).

**9 SOURCING STRATEGY FOR THE PROCUREMENT OF PROVISION OF OCCUPATIONAL HEALTH SERVICES - Page 61**

(Report No 74-2025 by the Executive Director of Corporate Services, copy attached).

**10 TENDERS RECEIVED BY LEISURE AND CULTURE DUNDEE FOR RENTAL, SERVICE AND MAINTENANCE OF GYM EQUIPMENT (MANAGED SERVICE) - Page 63**

(Joint Report No 66-2025 by the Director of Leisure and Culture Dundee and the Executive Director of Children and Families Service, copy attached).

**REPORT TO:** CITY GOVERNANCE COMMITTEE – 3 MARCH 2025  
**REPORT ON:** CAPITAL EXPENDITURE MONITORING 2024/25  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 64–2025

**1 PURPOSE OF REPORT**

1.1 To appraise Elected Members of the latest position regarding the Council's Capital Plan 2025-30.

**2 RECOMMENDATION**

2.1 It is recommended that the Committee note the latest position regarding the Council's Capital Plan 2025-30.

**3 FINANCIAL IMPLICATIONS**

3.1 This report shows the latest projections for 2024/25 expenditure and total cost as at 31st January 2025.

Appendix 1, which details the General Services position to the end of January 2025, shows a revised projected outturn for 2024/25 of £109.760m, a decrease of £1.195m since the Capital Plan 2025-30 was approved at City Governance Committee on 17<sup>th</sup> February 2025 (Report 44-2025, Article V refers). The net movements that have contributed to this decrease are summarised in paragraph 5.2 of this report. The net movements in budget of £1.195m will be required in 2025/26 and will be funded from a combination of borrowing and grants and contributions.

Appendix 3, which details the Housing HRA position to the end of January 2025, shows a projected outturn for 2024/25 of £15.888m, an increase of £0.174m since the Capital Plan 2025-30 was approved at City Governance Committee on 17<sup>th</sup> February 2025 (Report 44-2025, Article V refers).

**4 BACKGROUND**

4.1 The Capital Plan 2025-30 was approved at City Governance Committee on 17 February 2025 (Report 44-2025, Article V refers).

In addition to monitoring the in-year budget (i.e. 2024/25) the total projected cost of each project will be monitored against the cost when the tender acceptance was approved at Committee. Furthermore, the projected completion date for each project will be monitored against the completion date as anticipated when the tender report was approved. The capital programme is being monitored in conjunction with the Council's asset managers.

The Housing HRA Capital Programme 2024/25 was approved as part of the Capital Plan 2025-30 at the City Governance Committee on 17 February 2025 (Report 44-2025, Article V refers).

4.2 Local Authorities from 1 April 2004 are required, by Regulation, to comply with the Prudential Code under Part 7 of the Local Government Act 2003. The Capital Budget for 2024/25 is being monitored within the framework of the updated Prudential Code 2021.

4.3 The Capital Monitoring report provides detailed information on major projects and programmes contained within the Capital Budget and the impact of expenditure movements on future financial years.

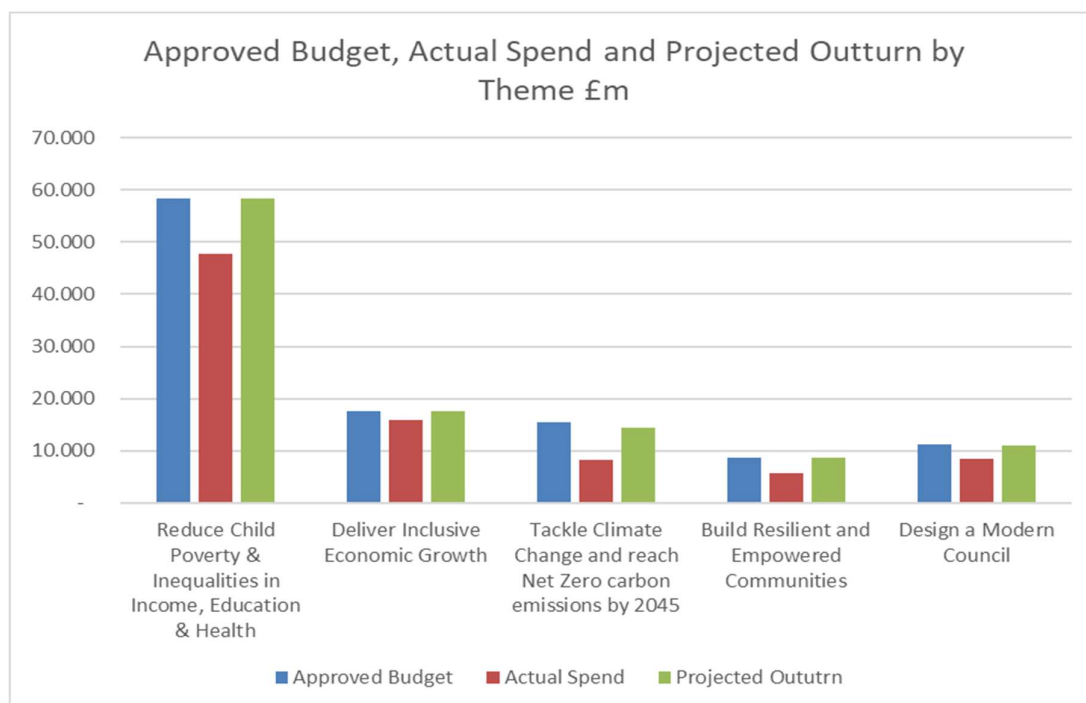
**5 GENERAL SERVICES CURRENT POSITION**

5.1 Appendix 2 details the latest projected outturn for major projects and programmes, both for 2024/25 and for the whole project life-span. In addition, the Appendix monitors project timescales, with approved completion dates taken from tender approval reports. In some instances, it is not possible to provide approved or projected total project costs and timescales due to the budget being a block programme containing various smaller projects within it. In these cases, the total cost is assumed to be the budgeted

figure plus previous year actuals. The projected completion date is assumed to be the end of the financial year.

Appendix 1 summarises the total gross expenditure for 2024/25 and how this expenditure is funded. The projected budgeted capital expenditure is 100% of the projected capital resources. Project cashflows, for phasing of budgets, are constantly being reviewed. Actual expenditure to 31st January is £84.877m, 78% of the Revised Budget 2024/25 compared to 73% for the same period last year.

The table below shows a comparison of approved budget, actual spend and projected outturn for 2024/25, broken down by Council Theme.



The decrease in the projected outturn for 2024/25 reflects project/programmes budgets being reprofiled. Key variation is as follows and details are provided in subsequent paragraph.

Reduction in planned expenditure:

- Low Carbon Transport (Green Transport Hub & Spokes – Bell Street) - (£1.0m)

## 5.2 2024/25 Expenditure Variations

Appendix 1, which details the General Services position to the end of January 2025, shows a revised projected outturn for 2024/25 of £109.760m, a decrease of £1.195m since the Capital Plan 2025-30 was approved at City Governance Committee on 17<sup>th</sup> February 2025 (Report 44-2025, Article V refers). The net movement that has contributed to this decrease is summarised in paragraph 5.2.1 below.

- 5.2.1 Low Carbon Transport (Green Transport Hub & Spokes – Bell Street (Tackle Climate Change and Reach Net Zero Emissions by 2045) – Reduction in projected expenditure of £1.0m in 2024/25. The budget has been rephased to reflect the latest programme of works from the contractor. The budget will be required in 2025/26. The expenditure is funded from the UK Government Levelling Up Fund. There will be a decrease in this grant in 2024/25 and a corresponding increase in 25/26. The estimated completion date for the project remains unchanged.

- 5.3 The table below shows the latest position regarding the capital resources for funding of the 2024/25 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	82.109	(195)	81.914	81.914	-
General Capital Grant	11.830	-	11.830	11.830	-
Capital Grants & Contributions	14.590	(1.000)	13.590	13.590	-
Capital Receipts – Sale of Assets	2.000	-	2.000	2.000	-
Capital Fund	<u>0.426</u>	<u>-</u>	<u>0.426</u>	<u>0.426</u>	
	<u>110.955</u>	<u>(1.195)</u>	<u>109.760</u>	<u>109.760</u>	<u>-</u>

- 5.3.1 Over the last 5 years the actual outturns achieved have been: -

	£m
2020/21	39.537
2021/22	45.038
2022/23	44.086
2023/24	73.454
2024/25 (Projected)	109.760

#### 5.4 Projected Total Cost Variations

There are no total cost variations to report since the previous capital monitoring report went to committee.

#### 5.5 Completion Date Variations (this compares the estimated completion date as per the tender acceptance report to the actual completion date)

There are no completion date variations to report since the previous capital monitoring report went to committee.

Officers are constantly reviewing the capital programme to ascertain the impact of global supply chain issues on the timescales for delivering projects. Officers will report any further revisions to estimated completion dates in future capital monitoring reports.

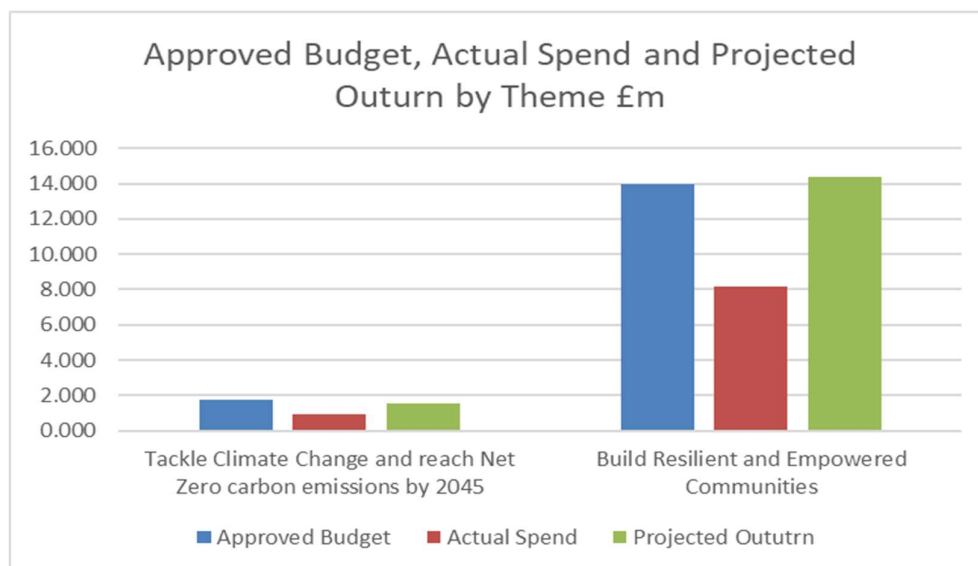
## 6 HOUSING HRA - CURRENT POSITION

### 6.1 2024/25 Expenditure Variations

Appendix 2 details the latest projected outturn for each project, both for 2024/25 and for the whole project lifespan. In addition, the Appendix monitors project timescales. In some instances, it is not possible to provide approved or projected total project costs and timescales due to the project being a block programme containing various smaller projects within it. In these cases, the total cost is assumed to be the budgeted figure plus previous year actuals. The projected completion date is assumed to be the end of the financial year. In addition, Procurement Strategy reports are being approved at committee which gives the Executive Directors delegated authority to award a contract to the successful bidder, without having to come back to committee, thus the approved total cost and timescales are not readily available for monitoring (previously taken from approved committee tender report). In these cases, reliance is on Service Officers updating the monitoring spreadsheet.

Appendix 3 summarises the total gross expenditure for 2024/25 and how this expenditure is funded. The projected budgeted capital expenditure is 100% of the projected capital resources. Project cashflows, for phasing of budgets, are constantly being reviewed. Actual expenditure to 31st January 2025 is £9.107m, 57% of the Revised Budget 2024/25 compared to 44% for the same period last year. There is expenditure of £2.1m within HRA revenue which still has to be recoded to HRA Capital ledger which will bring actual expenditure to 31<sup>st</sup> January 2025 to £11.207m, 71% of the Revised Budget 2024/25.

The table below shows a comparison of approved budget, actual spend and projected outturn for 2024/25, broken down by Council Theme. .



6.2 Appendix 3, which details the Housing HRA position to the end of January 2025, shows a projected outturn for 2024/25 of £15.888m, an increase of £0.174m since the Capital Plan 2025-30 was approved at City Governance Committee on 17<sup>th</sup> February 2025 (Report 44-2025, Article V refers)

6.3 The table below shows the latest position regarding the funding of the 2024/25 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	14.142	174	14.316	14.316	-
Capital Grants & Contributions	695	-	695	695	-
CFCR	450	-	450	450	-
Capital Receipts – Sale of Assets	262	-	262	262	-
Receipts from Owners	165	=	165	165	=
	<u>15.714</u>	<u>174</u>	<u>15.888</u>	<u>15.888</u>	<u>=</u>

6.3.2 Over the last 5 years the actual outturns achieved have been: -

	£m
2020/21	7.316
2021/22	12.338
2022/23	9.232
2023/24	12.175
2024/25 (Projected)	15.888

6.4 Projected Total Cost Variations

There are no total cost variations to report since the previous capital monitoring report went to committee.

6.5 Completion Date Variations (this compares the estimated completion date as per the tender acceptance report to the actual completion date)

There are no completion date variations to report since the previous capital monitoring report went to committee.

As indicated above, officers are presently reviewing the Housing Capital Plan for 2024/25 and will report back to Committee with any recommended changes.

7 **RISK ASSESSMENT**

7.1 There are a number of risks which may have an impact on the Capital Expenditure programme. The main areas of risk are identified in Appendix 4 to this report. along with the impact. consequences and controls in place to mitigate the risk together with the mechanisms in place to help mitigate these risks.

8 **POLICY IMPLICATIONS**

8.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

9 **CONSULTATION**

9.1 The Council Leadership Team have been consulted and are in agreement with the content of this report.

10 **BACKGROUND PAPERS**

10.1 None.

**ROBERT EMMOTT**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**18 FEBRUARY 2025**

*This page is intentionally left blank*



**2024/25 DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING TO 31st JANUARY 2025**

Appendix 1

	<u>Approved Capital Budget 2024/25 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2024/25 £000</u>	<u>Actual Spend 2024/25 £000</u>	<u>Projected Outturn 2024/25 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.1.25 as a % of Revised Budget</u>
<b>GENERAL SERVICES</b>							
<b><u>Capital Expenditure</u></b>							
Reduce Child Poverty & Inequalities in Income, Education & Health	58,275	0	58,275	47,789	58,275	0	82%
Deliver Inclusive Economic Growth	17,497	0	17,497	15,830	17,497	0	90%
Tackle Climate Change and reach Net Zero carbon emissions by 2045	15,376	(1,000)	14,376	8,180	14,376	0	57%
Build Resilient and Empowered Communities	8,628	(45)	8,583	5,655	8,583	0	66%
Design a Modern Council	11,179	(150)	11,029	8,423	11,029	0	76%
<b>Capital Expenditure 2024/25</b>	<b>110,955</b>	<b>(1,195)</b>	<b>109,760</b>	<b>85,877</b>	<b>109,760</b>	<b>0</b>	<b>78%</b>
<b><u>Capital Resources</u></b>							
Expenditure Funded from Borrowing	82,109	(195)	81,914	66,905	81,914		
General Capital Grant	11,830		11,830	10,646	11,830		
Capital Grants & Contributions - project specific	14,590	(1,000)	13,590	6,887	13,590		
Capital Receipts - Sale of Assets	2,000		2,000	1,013	2,000		
Capital Fund	426		426	426	426		
<b>Capital Resources 2024/25</b>	<b>110,955</b>	<b>(1,195)</b>	<b>109,760</b>	<b>85,877</b>	<b>109,760</b>		
<b>Capital Expenditure as % of Capital Resources</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>		

*This page is intentionally left blank*

## REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH

Project/Nature of Expenditure	Approved Budget	Total	Revised Budget	Expenditure to	Projected	Note 1				
	2024/25 £000	Adjusts £000	2024/25 £000	31/1/25 £'000	Outturn 2024/25 £000	Actual Project Cost to 31/1/25 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
<b>MAJOR PROJECTS - Reduce Child Poverty and Inequalities</b>										
Harris Academy Extension	150		150	148	150	4,777	5,174	4,779	Dec-23	Aug-24
(Less External Funding)	(150)		(150)	(131)	(150)	(4,760)	(5,174)	(4,779)		
School Estate Investment-East End Community Campus	57,790		57,790	47,358	57,790	77,477	100,800	100,900	Jul-25	Jul-25
<b>OTHER PROJECTS - Reduce Child Poverty and Inequalities</b>	335		335	283	335	3,706	4,836	4,758		
(Less External Funding)	(50)		(50)	(41)	(50)					
<b>Net Expenditure</b>	<b>58,075</b>		<b>58,075</b>	<b>47,617</b>	<b>58,075</b>	<b>81,200</b>	<b>105,636</b>	<b>105,658</b>		
<b>Receipts</b>	<b>(200)</b>		<b>(200)</b>	<b>(172)</b>	<b>(200)</b>	<b>(4,760)</b>	<b>(5,174)</b>	<b>(4,779)</b>		
<b>Gross Expenditure</b>	<b>58,275</b>		<b>58,275</b>	<b>47,789</b>	<b>58,275</b>	<b>85,960</b>	<b>110,810</b>	<b>110,437</b>		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2025-30

## Appendix 2

## DELIVER INCLUSIVE ECONOMIC GROWTH

Note 1

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 31/1/25 £'000	Projected Outturn 2024/25 £000	Actual Project Cost to 31/1/25 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
<b>MAJOR PROJECTS - Deliver Inclusive Economic Growth</b>										
Site 6 South Side - Office Development	17,163		17,163	15,639	17,163	22,063	26,202	26,202	Feb-25	May-25
<b>OTHER PROJECTS - Deliver Inclusive Economic Growth</b>	334		334	191	334	2,093	2,702	2,618		
<b>(Less External Funding)</b>	(80)		(80)	(22)	(80)	(86)	(475)	(475)		
<b>Net Expenditure</b>	<b>17,417</b>		<b>17,417</b>	<b>15,808</b>	<b>17,417</b>	<b>24,070</b>	<b>28,429</b>	<b>28,345</b>		
<b>Netted Off Receipts</b>	<b>(80)</b>		<b>(80)</b>	<b>(22)</b>	<b>(80)</b>	<b>(86)</b>	<b>(475)</b>	<b>(475)</b>		
<b>Gross Expenditure</b>	<b>17,497</b>		<b>17,497</b>	<b>15,830</b>	<b>17,497</b>	<b>24,156</b>	<b>28,904</b>	<b>28,820</b>		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2025-30

## TACKLE CLIMATE CHANGE AND REACH NET ZERO CARBON EMISSIONS BY 2045

Note 1

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 31/1/25 £'000	Projected Outturn 2024/25 £000	Actual Project Cost to 31/1/25 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
<b>MAJOR PROJECTS - Tackle Climate Change and Reach Net Zero Emissions by 2045</b>										
Broughty Ferry to Monifieth Active Travel Improvements	1,029		1,029	787	1,029	16,246	9,067	18,031	Sep-24	Sep-24
(Less External Funding)	(500)		(500)	(500)	(500)	(15,959)	(9,067)	(17,228)	Sep-24	Sep-24
Tier 1 Active Travel Infrastructure Fund (formerly known as Cycling, Walking & Safer Routes)	1,005		1,005	660	1,005	1,530	1,875	1,875	Mar-25	Mar-25
(Less External Funding)	(1,005)		(1,005)	(660)	(1,005)	(660)	(1,005)	(1,005)	Mar-25	Mar-25
DCA Lifecycle plant replacement programme	210		210	91	210	157	4,550	4,550	Tender targeted for approval during 2025/26	
Low Carbon Transport (Green Transport Hub & Spokes - Bell Street)	10,658	(1,000)	9,658	5,004	9,658	5,872	17,940	17,940	Sep-25	Sep-25
(Less External Funding)	(10,658)	1,000	(9,658)	(5,004)	(9,658)	(5,852)	(14,400)	(16,045)		
Vehicle Fleet & Infrastructure	1,073		1,073	1,065	1,073	2,190	2,198	2,198	Mar-25	Mar-25
(Less Sale of Vehicles & Equipment)	(82)		(82)	(82)	(82)	(82)	(82)	(82)	Mar-25	Mar-25
<b>OTHER PROJECTS - Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045</b>	1,401		1,401	573	1,401	21,578	23,777	23,713		
(Less External Funding)	(528)		(528)	(253)	(528)	(2,340)	(2,460)	(2,460)		
<b>Tackle Climate Change</b>	<b>2,603</b>		<b>2,603</b>	<b>1,681</b>	<b>2,603</b>	<b>22,680</b>	<b>32,393</b>	<b>31,487</b>		
<b>Receipts</b>	<b>(12,773)</b>	<b>1,000</b>	<b>(11,773)</b>	<b>(6,499)</b>	<b>(11,773)</b>	<b>(24,893)</b>	<b>(27,014)</b>	<b>(36,820)</b>		
<b>Gross Expenditure</b>	<b>15,376</b>	<b>(1,000)</b>	<b>14,376</b>	<b>8,180</b>	<b>14,376</b>	<b>47,573</b>	<b>59,407</b>	<b>68,307</b>		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2025-30

**BUILD RESILIENT AND EMPOWERED COMMUNITIES**

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 31/1/25 £'000	Projected Outturn 2024/25 £000
<b>MAJOR PROJECTS - Build Resilient and Empowered Communities</b>					
Road Maintenance Partnership	3,366		3,366	2,949	3,366
Street Lighting Renewal	1,100		1,100	821	1,100
City Improvement/Investment Fund	182		182	97	182
(Less External Funding)	0			0	0
Parks & Open Spaces	1,601		1,601	660	1,601
(Less External Funding)	(365)		(365)		(365)
<b>OTHER PROJECTS/PROGRAMMES - Build Resilient and Empowered Communities</b>	2,379	(45)	2,334	1,128	2,334
(Less External Funding)	(1,171)		(1,171)	(194)	(1,171)
<b>Net Expenditure</b>	<b>7,092</b>	<b>(45)</b>	<b>7,047</b>	<b>5,461</b>	<b>7,047</b>
<b>Receipts</b>	<b>(1,536)</b>		<b>(1,536)</b>	<b>(194)</b>	<b>(1,536)</b>
<b>Gross Expenditure</b>	<b>8,628</b>	<b>(45)</b>	<b>8,583</b>	<b>5,655</b>	<b>8,583</b>

Note 1

Actual Project Cost to 31/1/25 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/Actual Completion Date
2,949	3,366	3,366	Mar-25	Mar-25
821	1,100	1,100	Mar-25	Mar-25
169	1,596	1,596	Mar-25	Mar-25
(72)	(572)	(572)	Mar-25	Mar-25
1,448	2,555	2,555	Mar-25	Mar-25
(275)	(640)	(640)	Mar-25	Mar-25
6,356	8,563	7,659		
(677)	(1,529)	(1,531)		
<b>10,719</b>	<b>14,439</b>	<b>13,533</b>		
<b>(1,024)</b>	<b>(2,741)</b>	<b>(2,743)</b>		
<b>11,743</b>	<b>17,180</b>	<b>16,276</b>		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2025-30

## DESIGN A MODERN COUNCIL

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 31/1/25 £'000	Projected Outturn 2024/25 £000
<b>MAJOR PROJECTS/PROGRAMMES - Design a Modern Council</b>					
Baldovie Depot Redevelopment	100		100	62	100
Depot Rationalisation Programme	100		100	64	100
Dundee Ice Arena Plant & Upgrade	100		100	78	100
Olympia Refurbishment Works	644		644	642	644
Property Lifecycle Development Programme	5,763		5,763	4,369	5,763
Purchase Computer Equipment	1,272	(150)	1,122	867	1,122
(Less External Funding)	(1)		(1)		(1)
Desktop Management Software	258		258		258
Schools Connectivity	1,610		1,610	1,460	1,610
<b>OTHER PROJECTS/PROGRAMMES - Design a Modern Council</b>	1,332	0	1,332	881	1,332
<b>Net Expenditure</b>	<b>11,178</b>	<b>(150)</b>	<b>11,028</b>	<b>8,423</b>	<b>11,028</b>
<b>Netted Off Receipts</b>	<b>(1)</b>		<b>(1)</b>		<b>(1)</b>
<b>Gross Expenditure</b>	<b>11,179</b>	<b>(150)</b>	<b>11,029</b>	<b>8,423</b>	<b>11,029</b>

Note 1				
Actual Project Cost to 31/1/25 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
237	5,200	5,200		Tender will follow acquisition of land
425	3,063	3,063		Service review ongoing - tender will follow once review complete
1,128	9,100	9,100		Early stages of development with consultation on-going. Tender report will follow
6,709	6,163	6,711	Oct-23	Dec-23
7,249	8,643	8,643	Mar-25	Mar-25
2,073	2,532	2,382	Mar-25	Mar-25
(648)	(650)	(648)	Mar-23	Mar-23
1,486	2,600	2,636		
4,482	5,435	5,563		
<b>23,141</b>	<b>42,086</b>	<b>42,650</b>		
<b>(648)</b>	<b>(650)</b>	<b>(648)</b>		
<b>23,789</b>	<b>42,736</b>	<b>43,298</b>		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2025-30

## TACKLE CLIMATE CHANGE AND REACH NET ZERO EMISSIONS BY 2045 - HOUSING REVENUE ACCOUNT ELEMENT

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 31/01/2025	Projected Outturn 2024/25 £000
Energy Efficient	1,749	(251)	1,498	928	1,498
<b>Net Expenditure</b>	<b>1,749</b>	<b>(251)</b>	<b>1,498</b>	<b>928</b>	<b>1,498</b>
<b>Receipts</b>					
<b>Gross Expenditure</b>	<b>1,749</b>	<b>(251)</b>	<b>1,498</b>	<b>928</b>	<b>1,498</b>

Note 1				
Actual Project Cost to 31/01/2025 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
1,042	1,841	1,610	Mar-25	Mar-25
<b>1,042</b>	<b>1,841</b>	<b>1,610</b>		
<b>1,042</b>	<b>1,841</b>	<b>1,610</b>		

## BUILD RESILIENT AND EMPOWERED COMMUNITIES - HOUSING REVENUE ACCOUNT ELEMENT

Project/Nature of Expenditure	Approved Budget 2024/25 £000	Total Adjusts £000	Revised Budget 2024/25 £000	Expenditure to 31/01/2025	Projected Outturn 2024/25 £000
Free from Serious Disrepair	5,805	(147)	5,658	3,396	5,658
Modern Facilities & Services	565	55	620	328	620
Healthy, Safe and Secure	2,603	(50)	2,553	1,415	2,553
Miscellaneous	1,798	(27)	1,771	1,355	1,771
Increased Supply of Council Housing	1,927	(10)	1,917	1,518	1,917
(Less External Funding)	(695)		(695)	(695)	(695)
Demolitions	167	70	237	17	237
Sheltered Lounge Upgrades	200		200	150	200
Improvement Plan	900	534	1,434		1,434
<b>Net Expenditure</b>	<b>13,270</b>	<b>375</b>	<b>13,695</b>	<b>7,484</b>	<b>13,695</b>
<b>Receipts</b>	<b>(695)</b>		<b>(695)</b>	<b>(695)</b>	<b>(695)</b>
<b>Gross Expenditure</b>	<b>13,965</b>	<b>375</b>	<b>14,390</b>	<b>8,179</b>	<b>14,390</b>

Note 1				
Actual Project Cost to 31/01/2025 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
4,605	7,098	6,776	Mar-25	Mar-25
345	490	637	Mar-25	Mar-25
7,415	10,071	10,004	Mar-25	Mar-25
2,370	2,869	2,822	Mar-25	Mar-25
7,367	7,776	7,766	Mar-25	Mar-25
(1,824)	(2,053)	(2,053)	Mar-25	Mar-25
42	192	262	Mar-25	Mar-25
167	200	217	Mar-25	Mar-25
	1,434	1,434	Mar-25	Mar-25
<b>20,487</b>	<b>28,077</b>	<b>27,865</b>		
<b>(1,824)</b>	<b>(2,053)</b>	<b>(2,053)</b>		
<b>22,311</b>	<b>30,130</b>	<b>29,918</b>		

Note 1: The Current approved project cost is either the approved cost as per the tender price, or the revised budgeted figure as per the Capital Plan 2025-30



## DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING 31 JANUARY 2025

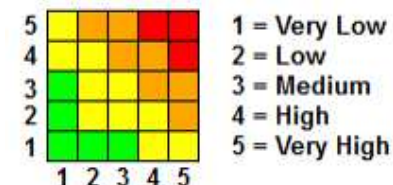
Appendix 3

	<u>Approved Capital Budget 2024/25 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2024/25 £000</u>	<u>Actual Spend to 31 Jan 2025 £000</u>	<u>Projected Outturn 2024/25 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.1.2025 as a % of Revised Budget</u>
<b><u>Capital Expenditure 2024/25</u></b>							
<b><u>Tackle Climate Change and reach Net Zero carbon emissions by 2045</u></b>							
Energy Efficiency	1,749	(251)	1,498	928	1,498	-	62%
<b><u>Build Resilient and Empowered Communities</u></b>							
Free from Serious Disrepair	5,805	(147)	5,658	3396	5,658	-	60%
Modern Facilities and Services	565	55	620	328	620	-	53%
Healthy, Safe & Secure	2,603	(50)	2,553	1,415	2,553	-	55%
Miscellaneous	1,798	(27)	1,771	1,355	1,771	-	77%
Increase Supply of Council Housing	1,927	(10)	1,917	1,518	1,917	-	79%
Demolitions	167	70	237	17	237	-	7%
Sheltered Lounge Upgrades	200		200	150	200	-	75%
Improvement Plan	900	534	1,434		1,434	-	0%
<b>Capital Expenditure 2024/25</b>	<b>15,714</b>	<b>174</b>	<b>15,888</b>	<b>9,107</b>	<b>15,888</b>	-	<b>57%</b>
<b><u>Capital Resources 2024/25</u></b>							
<b>Expenditure Funded from Borrowing</b>	14,142	174	14,316	8,122	14,316	-	
<b>Capital Receipts, Grants &amp; Contributions - project specific</b>							
Scottish Government Grants	695		695	695	<b>695</b>	-	
<b>Capital Funded from Current Revenue</b>							
Council Tax discount reductions used to fund affordable housing	450		450		<b>450</b>	-	
<b>Capital Receipts, Grants &amp; Contributions</b>							
Receipts from Owners	165		165	33	<b>165</b>	-	
<b>Capital Receipts:-</b>							
Sale of Assets - Land	262		262	257	<b>262</b>	-	
	<b>15,714</b>	<b>174</b>	<b>15,888</b>	<b>9,107</b>	<b>15,888</b>		
<b>Capital Expenditure as % of Capital Resources</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>		

*This page is intentionally left blank*

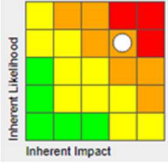
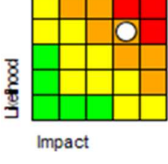
APPENDIX 4

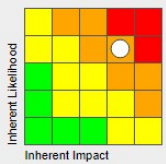
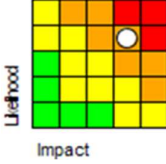
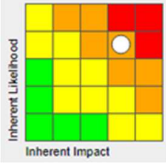
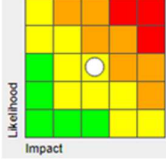
Pentana Risk Matrix



**Risk Report**  
**Report Type: Capital Monitoring 2024/25**  
**Report Author: Executive Director of Corporate Services**

Risk Title	Causes	Impact	Consequence	Inherent Risk	Controls	Residual Risk (Current)
1.General Price inflation may be greater than contingencies already built into figures in capital monitoring/plan.	<ul style="list-style-type: none"> <li>The invasion of Ukraine</li> <li>Labour shortages pushing up labour costs.</li> <li>Economic uncertainty due to political factors</li> </ul>	<ul style="list-style-type: none"> <li>Increased financial cost of projects.</li> <li>Potential Overspends as allowance in Capital Plan is insufficient to cover increased cost.</li> </ul>	<ul style="list-style-type: none"> <li>Changes to the scope of projects to accommodate additional costs.</li> <li>Delays to project progressing due to rescoping of project.</li> <li>Changes to Capital Plan to accommodate the additional costs by reallocation of resources from other projects</li> </ul>	<p>Inherent Likelihood vs Inherent Impact</p>	<ul style="list-style-type: none"> <li>Robust Capital Monitoring processes in place to enable any potential issues to be highlighted as soon as they arise, and any necessary action taken.</li> </ul>	<p>Likelihood vs Impact</p>
2.Additional Costs once Project has started and works on-going	<ul style="list-style-type: none"> <li>Unforeseen circumstances such as ground conditions leading to delay and /or additional cost.</li> <li>Under performance in the materials supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>Increased financial cost of projects.</li> <li>Potential Overspends as allowance in Capital Plan is insufficient to cover increased cost.</li> </ul>	<ul style="list-style-type: none"> <li>The estimated completion of the project is delayed</li> <li>Changes to the scope of the ongoing project, if possible, to accommodate the increased costs.</li> <li>Changes to Capital Plan to accommodate the</li> </ul>	<p>Inherent Likelihood vs Inherent Impact</p>	<ul style="list-style-type: none"> <li>Robust monitoring of the project by professional Project Managers means potential issues are highlighted and remedial action taken to resolve as soon as possible.</li> <li>Specific Risk registers exist for major capital</li> </ul>	<p>Likelihood vs Impact</p>

Risk Title	Causes	Impact	Consequence	Inherent Risk	Controls	Residual Risk (Current)
			<p>additional costs by reallocation of resources from other projects</p>		<p>projects contained within the capital monitoring, and they are continually reviewed as the project progresses, and corrective action taken where necessary.</p> <ul style="list-style-type: none"> <li>Capital monitoring processes ensure overspends are highlighted as soon as known and corrective action taken.</li> </ul>	
<p>3.Estimated Completion date for the Project</p>	<ul style="list-style-type: none"> <li>Extreme weather conditions can delay progress</li> <li>Unforeseen issues can arise once project starts e.g. ground conditions</li> <li>Under performance in the materials supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>Delay in the asset becoming operational.</li> <li>Negative press coverage for Council</li> <li>Service delivery impacted due to delays in completing works.</li> </ul>	<ul style="list-style-type: none"> <li>Potential additional revenue costs as asset not operational and ready to be used,</li> <li>Delay In achieving revenue savings from the project.</li> <li>Knock on effect of not being able to progress subsequent projects, as staff engaged on delivery of current project.</li> <li>Potential additional capital costs where equipment has been hired.</li> <li>Potential claim from contractors for extension of time.</li> </ul>		<ul style="list-style-type: none"> <li>Robust monitoring of the project by professional Project Managers means when potential delays to the project are highlighted and remedial action taken to resolve as soon as possible to minimise any delays to the completion date.</li> </ul>	

Risk Title	Causes	Impact	Consequence	Inherent Risk	Controls	Residual Risk (Current)
4.Capital Receipts from Sale of Assets not achieved	<ul style="list-style-type: none"> <li>Uncertain market conditions, e.g. level of interest rates and inflation, means housing developers are not purchasing sites for development.</li> <li>Abnormals can reduce the value of the site being marketed.</li> <li>Brownfield sites have higher level of abnormals due to contamination etc.</li> <li>Uncertain economic/world means businesses are not expanding.</li> </ul>	<ul style="list-style-type: none"> <li>Less funding available to fund current capital programme</li> </ul>	<ul style="list-style-type: none"> <li>Alternate capital resources identified to compensate for the shortfall, if possible.</li> <li>Capital programme is reprioritised to take account of the funding shortfall</li> </ul>		<ul style="list-style-type: none"> <li>Robust monitoring of the projected capital receipts by officers from City Development and Support services, means any shortfalls are identified and remedial action taken.</li> </ul>	
5.Delays in Capital Receipts being Received	<ul style="list-style-type: none"> <li>Uncertain market conditions, e.g. level of interest rates, inflation and uncertainties in the economy due to political climate means housing developers are delaying purchasing sites for development, in anticipation that interest rates and rate of inflation will come down</li> </ul>	<ul style="list-style-type: none"> <li>Less funding available to fund current capital programme in the short term</li> </ul>	<ul style="list-style-type: none"> <li>Capital programme is slipped to take account of the delays in receiving the capital receipts</li> </ul>		<ul style="list-style-type: none"> <li>Robust monitoring of the projected capital receipts by officers from City Development and Support services, means any short-term delays are identified and remedial action taken.</li> <li>The capital expenditure programme naturally slips due to external factors, so any delays in</li> </ul>	

Risk Title	Causes	Impact	Consequence	Inherent Risk	Controls	Residual Risk (Current)
	<ul style="list-style-type: none"><li>Businesses are delaying applying for business loans for expanding etc in anticipation that interest rates will come down further.</li></ul>				receiving receipts can be matched against the expenditure slippage.	

**ITEM No ...3.....**

**REPORT TO:** CITY GOVERNANCE COMMITTEE – 3 MARCH 2025

**REPORT ON:** REVENUE MONITORING 2024/2025

**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**REPORT NO:** 45-2025

**1 PURPOSE OF REPORT**

- 1.1 To provide Elected Members with an analysis of the 2024/25 projected revenue outturn as at 31 December 2024 and the impact on the Council's overall balances position.

**2 RECOMMENDATIONS**

- 2.1 It is recommended that the Committee:

- (a) note that as at 31 December 2024 the General Fund is projecting an overall overspend of £3.608m against the adjusted 2024/2025 Revenue Budget and the impact this has on the projected Council's General Fund Balances;
- (b) note the budget adjustments totalling £6.815m and detailed in the second column of Appendix A as virements to the previously approved Revenue Budget;
- (c) note that as at 31 December 2024 the Housing Revenue Account (HRA) is projecting an overspend of £2.649m against the adjusted HRA 2024/25 Revenue Budget and the impact this has on the element of the projected Renewal & Repair Fund balance earmarked to HRA;
- (d) authorise the Executive Director of Corporate Services to:
- (i) take steps to control in year spend to reduce the projected overspends including by limiting overtime, ceasing avoidable expenditure on supplies and services;
- (ii) further review earmarked balances and;
- (iii) in consultation with Corporate Leadership Team identify further financial recovery options.
- (e) note the key strategic, operational and financial risks being faced by the Council outlined in Appendix B;
- (f) notes the current position on Leisure and Culture Dundee (LACD), as set out in paragraph 7.1.

**3 FINANCIAL IMPLICATIONS**

- 3.1 The unallocated portion of the General Fund as at 31 December 2024 is projecting an overspend of £3.608m against the adjusted 2024/25 Revenue Budget. The impact this would have on the Council's General Fund Balances is outlined below:

<b>General Fund</b>	<b>Opening Balance 1 April 2024 £000</b>	<b>(Surplus) / Deficit for the Year £000</b>	<b>Transfers (In) / Out</b>	<b>Projected Balance 31 March 2025 £000</b>
Earmarked Carry-forwards*	4,124	1,176		2,948
Organisational Change Fund	2,388			2,388
Covid cost related pressures*	2,750	700	500	2,050
Covid recovery measures	405			405

Service change initiatives	5,000			5,000
Roof Remedial Works	2,702	945		1,757
Cost of Living Pressures	200			200
Contribution to 2024/25 budget	6,640	6,640		0
Employability third sector	0	(1,150)		1,150
Other Earmarked Funds	3,934	384		3,550
Service concessions flexibility	39,773			39,773
<b>Total earmarked funds</b>	<b>67,916</b>	<b>8,695</b>	<b>500</b>	<b>58,721</b>
Unallocated Balance	9,815	3,608	(500)	6,707
<b>Total General Fund</b>	<b>77,731</b>	<b>12,303</b>	<b>0</b>	<b>65,428</b>

\* These balances will be drawn down as required during the year.

- 3.2 The projected revenue outturn includes savings from the approved financial recovery plan amounting to £1.615m, which were detailed in the October revenue monitoring report. As detailed in the same report, a further review of earmarked reserves identified a further £0.895m to offset the projected reserve together with a review of the corporate property costs overspend concluding £0.584m of these costs were eligible to be capitalised. Both proposals were approved by elected members at the City Governance Committee meeting on 20 January 2025. The approved recovery measures are reflected within the numbers contained in this report.
- 3.3 The approved budget included an allowance of 3% for the 2024/25 pay awards for both LGE and teachers. The CoSLA pay offer for LGE staff, of either 3.6% or an uplift of £0.67 per hour where this would be higher, was agreed and implemented from 1 April 2024 in the November 2024 payroll. In overall terms, the LGE pay offer was estimated to be an average increase of 4.27%. The pay offer for teachers was also 4.27%, effective from 1 August 2024. This report includes funding from Scottish Government of £2.212m in respect of the LGE pay award and £0.748m in respect of the teachers pay award. In addition, a one-off additional £0.601m relating to the 2023/24 pay awards has been received. Provision for the pay award is included within contingencies and has not yet been allocated to service budgets. Officers estimate that the overall pay contingency will be underspent by £1.000m, which is reflected in this report.
- 3.4 The approved budget also included a provision of £2.000m to meet cost pressures within Children Services associated external childcare placements. It is noted that as at 31 December 2024 £1.359m of this has been utilised with the balance of £0.641m remaining in contingency and held to meet any further cost pressures should demand increase.
- 3.5 Based on the financial information available as at 31 December 2024 the HRA outturn position for 2024/25 is projecting an overspend of £2.649m. Further details are provided in section 8 of this report. This outturn includes savings of £1.200m, which were identified in the November report as HRA expenditure eligible to be capitalised to reduce cost pressures and approved by elected members at the City Governance Committee meeting on 17<sup>th</sup> February 2025.

## 4 BACKGROUND

- 4.1 Following approval of the Council's 2024/25 Revenue Budget by the City Governance Committee on 29 February 2024, this report provides the projected revenue outturn position as at 31 December 2024, against the adjusted 2024/25 Revenue Budget.
- 4.2 The total 2024/25 Revenue Budget is £468.789m. For revenue monitoring purposes, the Council Tax Reduction Scheme budget of £13.772m is moved from expenditure to income and netted off against Council Tax income. This results in total budgeted expenditure of £455.017m for revenue monitoring purposes, as set out in Appendix A.
- 4.3 This report provides a detailed breakdown of service revenue monitoring information along with explanations of material variances against adjusted budgets. Where services are projecting a significant (underspend) or overspend against adjusted budget, additional details have been



provided. Where service expenditure is on target and no material variances are anticipated, additional information has not been provided.

4.4 The forecast position is shown in more detail in the appendices to this report, as follows:

**Appendix A** shows the variances between budget and projected outturn for each service of the Council.

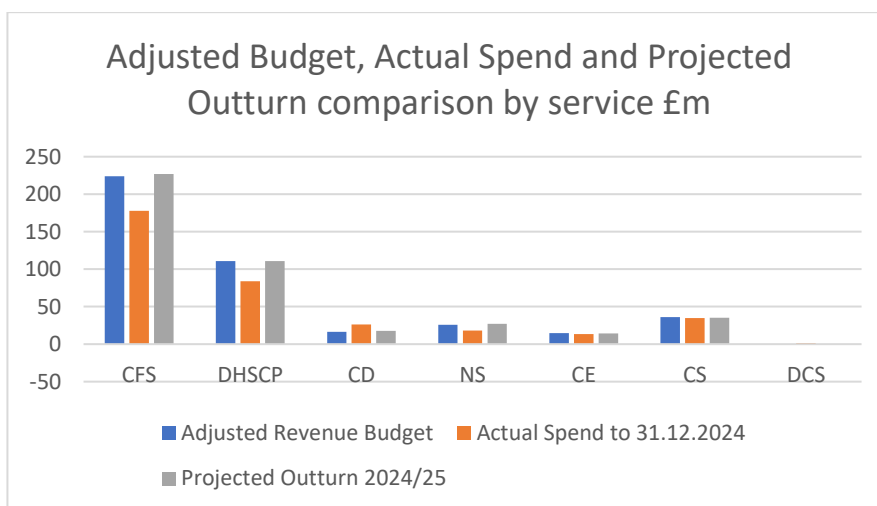
**Appendix B** lists the key strategic, operational and financial risks being faced by the Council.

**5 GENERAL FUND SERVICES - MONITORING POSITION AS AT 31 DECEMBER 2024**

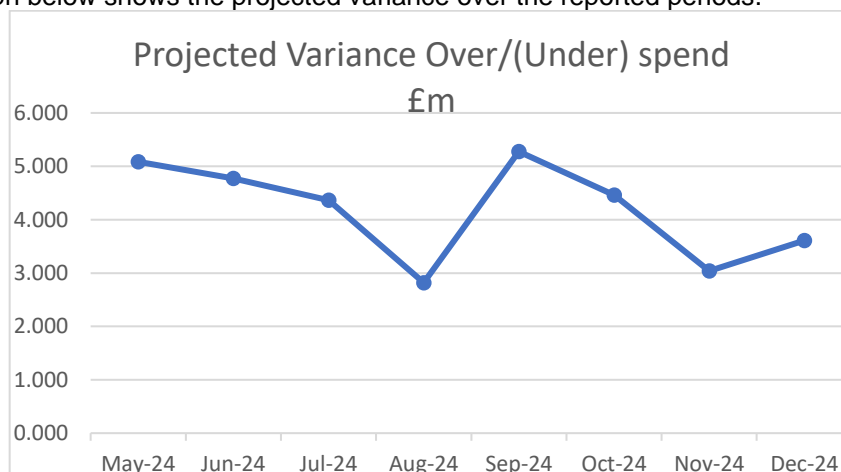
5.1 The forecast position as at 31 December 2024 for General Fund services is summarised below.

	(Under)/Over Spend as at 31 December £m	(Under)/Over Spend as at 30 November £m	Movement (from previous month) £m
Net Expenditure	4.407	3.934	0.473
Sources of Income	(0.799)	(0.897)	0.098
<b>Net projected reduction uncommitted balances</b>	<b>3.608</b>	<b>3.037</b>	<b>0.571</b>

The graph below details the comparison between each service's actual spend and projected outturn.



The graph below shows the projected variance over the reported periods.



5.2 The table below details the key factors which contributed to the movement from previous month.

	<b>£m</b>
Estimated winter maintenance overspend	0.700
Planned utilisation of General Contingency and decrease in forecasted over-recovery of Council Tax income	0.534
Increase in projected overspend in property costs within City Development relating to asbestos removal costs, miscellaneous increases in Health and Safety and unplanned repairs	0.200
Projected increase in school catering costs overspend reflecting greater charges than expected from Tayside Contracts	0.157
Increase in the projected overspend in teachers staff costs mainly relating to increased levels of use of supply cover and acting up allowance as a result of sickness levels	0.145
Increase in the projected overspend in Children's Services sessional staff	0.100
Reduction in the overspend in Neighbourhood Services waste management third party payments due to lower than previously expected costs on MEB Gate Fees	(0.124)
Decrease in the projected overspend in Early Years third party payments due to reduction in hours	(0.159)
Projected income in Neighbourhood Services forecasted from trade waste and recyclables to be lower than budgeted for	(0.162)
Reduction in the overspend in Children and Families LGE staff costs mainly due to unfilled vacancies	(0.305)
Reduction in the projected overspend of Empty Property Relief costs	(0.642)

## 6 DETAILED ANALYSIS

The following paragraphs summarise the main areas of variance by service along with appropriate explanations. These figures reflect movements for the full year to date.

6.1 Children & Families Services: £3.268m overspend

<b>Nov £m</b>		<b>Dec £m</b>
1.983	Projected overspend in teachers staff costs mainly relating to increased levels of use of supply cover and acting up allowance mainly due to sickness levels that have increased by 8% since the beginning of the year. In addition, a 50% reduction in the number of newly qualified teachers recruited compared to last year has also resulted in increased costs	2.128
1.137	Projected overspend in LGE mainly as result of demand for Additional Support Needs staff	0.832
0.324	Projected overspend in Children Services staff costs relating to sessional staff	0.424
0.528	Projected increase in Non-Domestic Rates payable due to the increase in poundage rate for properties with Intermediate and higher rateable values	0.528
0.218	Projected overspend in energy costs partly as energy consumption has not reduced as planned and standing charges have increased	0.205
0.172	Projected overspend in property costs due to repairs and maintenance	0.232
0.649	Projected overspend within supplies and services relating to increased Tayside Contracts catering costs and computer licenses	0.500
0.121	Projected overspend on pupil transport relating to taxis and buses ordered by service	0.148

0.829	Projected overspend mainly within Children Services third party payments as a result of increased residential school placements, an increased number of families in receipt of Self-Directed Support and fostering and adoption fee increases	1.359
(0.829)	Use of contingency budget to offset projected Children Services third party payments overspend	(1.359)
0.325	Projected overspend within Early Years third party payments, mainly as rates in private nurseries have increased at a level greater than budgeted	0.166
0.151	Projected overspend in third party payments relating to operational costs of sport co-ordinators	0.151
(1.078)	Additional income relating to funding for unaccompanied asylum-seeking children	(1.078)
(0.857)	Additional income in education mainly relating to fees from parents and SEN income	(0.866)
(0.102)	Additional income relating to one off funding for Ukrainian Refugees	(0.102)

The Children and Families budget includes an assumption of £4.032m of grant funding for teachers that is dependent on maintaining teacher numbers. The basis of determining these and the application of exceptions, for example, in relation to Scottish Equity Funding and Pupil Equity Funding, is the subject of ongoing discussions between COSLA and the Scottish Government. Officers will continue to monitor this, and further updates will be provided to Committee as more information becomes available.

## 6.2 Dundee Health & Social Care Partnership (DHSCP)

The latest financial monitoring report presented to Dundee IJB projects an overspend of £8.762m for 2024/25 (utilising actual info for first 9 months to end December), with this information presented to Dundee IJB at its meeting on 19th February 2025. This projected overspend continues to exceed 2024/25 IJB Financial Plan where up to £4m had been identified and set aside in IJB Reserves to cover the planned in-year shortfall. Financial Recovery Plans have now been implemented in line with IJB Integration Scheme to minimise the in-year overspend and also return the IJB to a financially sustainable position, however further General Reserves of £4.8m are held to fund this additional overspend if required.

DHSCP is continuing to experience significant operational challenges in demand and demographics (notably the growth in Care at Home provision as a result of shift in care to help mitigate against hospital delayed discharges, minimise unnecessary hospital admissions, reduce social care unmet need and reduce Care Home beds), staffing challenges (both recruitment and retention, sickness absence and premium cost of back-fill cover), increasing complexity of needs in community settings, and the wider impact of deferred treatments on health and wellbeing following the pandemic period, all of which continue to impact on the projected financial position. Operational managers and finance team continue work to explore ways of mitigating the overspend through efficiencies, cost reduction, transformation and savings opportunities and any impact of these actions will be reported to the IJB.

Under the risk sharing arrangement reflected in the Integration Scheme, the Integration Joint Board (IJB) retains any underspend within its reserve balances for investment in integrated health and social care services in future years, however any shortfall (after utilising reserves and implementing the Financial Recovery Plans) would be shared proportionately between the Partner Bodies. Officers continue to liaise with Council (and NHST) colleagues to monitor any financial implication. At present, the combined value of earmarked and general reserves is sufficient to cover the projected 24/25 overspend and therefore there is no projected financial implication for Dundee City Council.

## 6.3 City Development: £1.065m overspend

Nov £m		Dec £m
1.106	Projected overspend in corporate property mainly due to costs of unplanned and health and safety related repairs, including £220k additional costs occurred for urgent works at Morgan Academy.	1.306
-	Estimated winter maintenance overspend	0.700
0.700	Forecasted reduction in income relating to the decrease in off-street parking income	0.700
(0.700)	Funded by earmarked Covid reserve to meet associated loss of income	(0.700)
0.501	Forecasted overspend in energy costs within City Development partly as energy consumption has not reduced as planned and standing charges have increased	0.501
0.173	Reflects projected increased provision for bad debts mainly as a result of commercial rents	0.173
0.224	Shortfall in projected Building Warrants income due to reduced number of large-scale projects	0.224
(0.189)	Additional rental income within Dundee House	(0.234)
(0.464)	Projected underspend in staff costs due to vacancies	(0.464)
(0.535)	Additional income due to carry forward of employability grant income no longer required	(0.535)
(0.429)	Additional recoveries of architect services fees	(0.429)
(0.252)	Use of On-Street Car Parking and other earmarked reserves to fund roads maintenance	(0.252)

Please note that this report assumes full 2024/25 cost recovery of Architectural Services, predominantly from HRA and capital projects.

Dundee's Low Emissions Zone (LEZ) scheme was launched on 31 May 2024. It is noted that the Transport (Scotland) Act 2019 states that all income from the Low Emission Zone must be first used to facilitate the scheme. It is forecast that income from the LEZ will decline over time and revenue received in the first year will be set aside to contribute to future years costs of operating and maintaining the LEZ infrastructure. To 31 December 2024, 10,584 fines were issued and receipts totalled £0.203m. Projected income for the year is £0.230m, which compares with estimated costs of £0.230m for operating the LEZ in 2024/25.

Fines are issued at values ranging from £60.00 for first offence rising to £960.00 for fifth offence. There is a 50% reduction in the value if the fine is paid within 14 days.

The above outturn assumes professional fees will be fully recovered, although there is a current estimated shortfall of £0.700m. This is currently being investigated as a matter of urgency with a system upgrade scheduled to be implemented imminently.

Please note that a detailed review of utilities charges is currently underway, the results of which will be reflected in a future Revenue Monitoring report.

## 6.4 Neighbourhood Services: £1.237m overspend

Nov £m		Dec £m
1.040	Projected overspend in waste management third party payments, mainly relating to increased MEB Gates Fees, increased tonnage and forecasted lower electricity income expected to be gained from the excess revenue share for the waste to energy contract	0.916
0.209	Projected overspend in other housing property costs due to spend on fixture and fittings	0.210

0.295	Projected shortfall in income generated from trade waste and recyclables	0.449
0.597	Streetscene & Land Management: income mainly from projects, interment fees and ground maintenance activities are forecasted to be lower than budgeted	0.597
0.742	Reduction in expected income from old waste plant due operational issues and lower than expected electricity revenues due to ongoing market conditions	0.742
(0.973)	Projected underspend in staff costs due to vacancies	(0.884)
(0.211)	Additional income recovered for housing benefits relating to Bed & Breakfasts	(0.211)
(0.644)	Use of Ash Dieback and other earmarked reserves to fund above cost pressures	(0.644)

6.5 Chief Executive: (£0.100m) underspend

Nov £m		Dec £m
(0.115)	Projected underspend in staff costs due to vacancies	(0.118)

6.6 Corporate Services: (£0.884m) underspend

Nov £m		Dec £m
(1.422)	Projected underspend in staff costs due to vacancies	(1.651)
0.468	Projected overspend in supplies and services, mainly relating to IT licence fees, postage increases, audit fees and removal of Central Government funding for electoral registration	0.734
0.320	Projected shortfall in income relating to Scientific Services mainly due to under recovery	0.324
0.168	Anticipated reduction in other income including shortfalls on mailroom recharges and Department for Works and Pensions admin funding	0.104
(0.383)	Use of earmarked reserves to fund above cost pressures	(0.383)

6.7 Capital Financing Costs: £0.579m overspend

Nov £m		Dec £m
0.579	Capital Financing Costs are anticipated to be greater than expected due to interest costs being higher than budgeted due to the continuation of shorter-term borrowing whilst interest rates remain high. This being mitigated, where possible, through the deferral of capital repayments to future years for assets that are still under construction.	0.579

6.8 New Monies: (£1.790m) underspend

Reflects the share of additional £62.7m monies announced by Scottish Government after the budget was agreed that will now be used to replenish any balances used. In addition, the Council will receive a share of an additional £21.0m (£0.601m) which will go towards pay awards in excess of what has been budgeted.

## 6.9 Corporate Fleet: £1.872m overspend

Reflects the projected net overspend associated with the corporate fleet. The cost of the Council's fleet remains a budget pressure mainly due to rising expenditure in relation to the external hire of vehicles used by services together with the cost of parts and materials for vehicle repairs. This latest report shows a favourable movement of £0.344m, although the fleet review is ongoing to ensure the overall fleet utilised by services is in line with the budget provision available and that the true cost of fleet managed on behalf of external bodies is recovered accordingly and the outcome will be reported to members as part of future monitoring reports.

## 6.10 Council Tax: (£0.799m) underspend

Reflects the projected over-recovery of Council Tax income of £0.633m plus the projected underspend on Council Tax Reduction.

## 6.11 Empty Property Relief: £0.250m overspend

Reflects the updated projected overspend associated with the total devolved empty property relief awarded in the 2024/25 financial year.

## 7 EXTERNAL ORGANISATIONS

7.1 Leisure and Culture Dundee (LACD) suffered considerable income shortfalls during the Covid-19 pandemic, due to the effects of lockdowns and operating restrictions once facilities reopened. It is recognised that, whilst facilities are now fully operational, income levels will take some time to be restored to pre-pandemic levels. To provide certainty, stability and time for Leisure and Culture Dundee to develop a balanced budget from 2024/25 onwards Dundee City Council confirmed its continuing financial support to cover the deficit position for a period until 31 March 2024. In December 2023, it was further agreed that the Chief Executive be authorised to extend the support to Leisure and Culture Dundee to 30 June 2024 should this be necessary. The Council will also continue to undertake cash flow management support to LACD to allow it to remain in credit at all times, and therefore have sufficient cash to continue to operate, thus allowing it to proceed as a going concern and meet its everyday cash liabilities. Any additional financial support provided will be met from reserves.

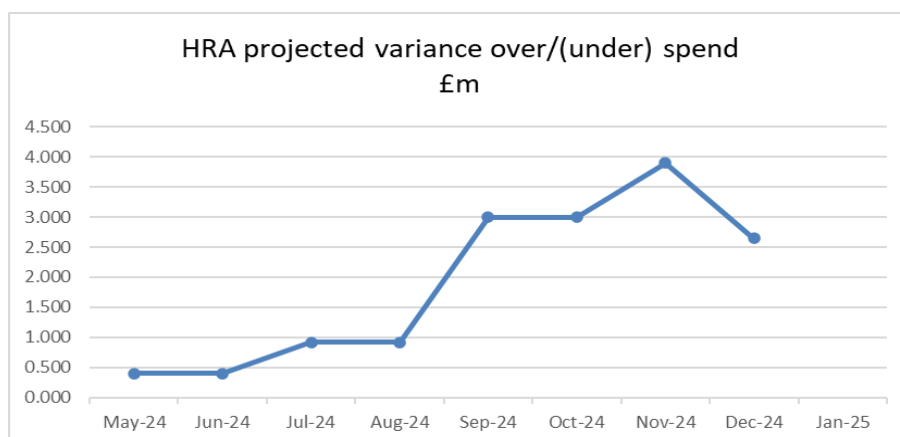
7.2 Our budget includes the assumption that Tayside Contracts will return a surplus in 2024/25, our share of which will be £0.343m. The latest projection (as at 30 September 2024) is that the Council share of surplus will be £0.232m.

## 8 HOUSING REVENUE ACCOUNT - MONITORING POSITION AT 31 DECEMBER 2024

8.1 The forecast position as at 31 December 2024 for the HRA is summarised below:

	(Under)/Over Spend as at 31 December £m	(Under)/Over Spend as at 30 November £m	Movement (from previous month) £m
Net Expenditure	3.480	4.658	(1.178)
Sources of Income	(0.831)	(0.782)	(0.830)
<b>Net over/ (underspend)</b>	<b>2.649</b>	<b>3.876</b>	<b>(1.227)</b>

The graph below shows the projected variance over/(under) spend.



Please note that the forecast position is compared to the HRA budget as adjusted following the approval of the Housing Repairs and Relet Plan (report 139-2024 approved by the Neighbourhood Regeneration, Housing and Estate Management Committee on 13 May 2024 refers). This report outlined additional expenditure of £4.845m to fund the existing repairs and relets backlog that were planned to be funded by savings amounting to £2.250m and a contribution of £2.595m from the Renewal & Repair Fund.

- 8.2 The key variances that make up the December position are shown in the table below together with a comparison to the previous month. These figures reflect movements for the full year to date.

Nov £m		Dec £m
0.500	Projected overspend in property costs mainly relating to additional void costs due to empty properties being let for longer than budgeted.	0.580
0.653	Reflects additional expenditure on unmetered landlord supplies and gas safety maintenance and emergency repairs	0.703
1.483	Reflects additional repairs and planned maintenance including specialist works in relation to damp and mould treatments and additional works in multi storey developments	1.483
0.360	Additional recharge through Repairs and Maintenance Partnership as a result of greater than budgeted pay award	0.361
(0.188)	Reflects lower than expected expenditure on relets due to alternative strategy for decoration	(0.188)
0.183	Overspend on Planned Maintenance due to saving identified in relets and repairs recovery plan not materialising	0.083
-	Less: HRA expenditure eligible for capitalisation	(1.280)
0.243	Reflects greater than anticipated spend on various other costs including energy, health & safety, cleaning and other property costs	0.243
1.321	Capital Financing Costs are anticipated to be greater than expected due to interest costs being higher than budgeted due to the continuation of shorter-term borrowing whilst interest rates remain high	1.321
0.148	Projected overspend in supplies and services mainly relating to additional storage costs and pest control services	0.148
(0.305)	Anticipated underspend in staff costs due to vacancies	(0.305)
(0.500)	Additional rental income	(0.500)

- 8.3 Any final variance adjusted against the Renewal & Repair Fund and is projected to be as follows:

<b>Nov £m</b>	<b>HRA Renewal and Repair Fund</b>	<b>Dec £m</b>
7.317	Opening Balance as at 1 April 2024	7.317
(3.876)	Less Projected Overspend to 31 March 2024	(2.649)
(2.595)	Less Use of HRA Renewal and Repair Fund towards Repairs & Relets Plan	(2.595)
<b>0.846</b>	<b>Projected Balance as at 31 March 2025</b>	<b>2.073</b>

## 9 RISK ASSESSMENT

- 9.1 In preparing the Council's 2024/25 Revenue Budget, the key strategic, operational and financial risks faced by the Council over this period were considered. To alleviate the impact these risks may have if they occur, a number of general risk mitigation factors are utilised by the Council.
- 9.2 The key risks in 2024/25 have been assessed both in terms of the probability of whether they will occur and the severity of their impact on the Council should they indeed happen. These risks have been ranked as either zero, low, medium or high. Details of this risk assessment are included in Appendix B to this report. Any changes to the assessment from the previous reporting period, together with any additional comments included, are highlighted in bold type.

## 10 POLICY IMPLICATIONS

- 10.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## 11 CONSULTATIONS

- 11.1 The Council Leadership Team were consulted in the preparation of this report.

## 12 BACKGROUND PAPERS

- 12.1 None.

**ROBERT EMMOTT**  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**18 FEBRUARY 2025**

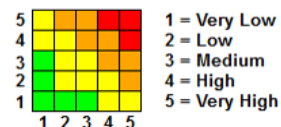


DUNDEE CITY COUNCIL									
2024/2025 REVENUE OUTTURN MONITORING									
PERIOD 1 APRIL 2024 - 31 DECEMBER 2024									
	Approved		Adjusted		Projected		Previous	Movement	Actual
	Revenue	Total	Revenue	Actual	Projected	Variance	Months	Since	31.12.2024
	Budget	Budget	Budget	Spend to	Outturn	Over/(under)	Projected	Previous	as a % of
	2024/25	Adjustments	2024/25	31.12.2024	2024/25	spend	Variance	Month	Adjusted
	£m	£m	£m	£m	£m	£m	£000	£000	Budget
<b>General Fund Services</b>									
Children & Families	213.996	9.797	223.793	177.623	227.061	3.268	3.506	(0.238)	79%
Dundee Health & Social Care Partnership	110.180	0.473	110.653	83.927	110.653	0.000	0.000	0.000	76%
City Development	12.235	4.397	16.632	26.086	17.697	1.065	0.210	0.855	157%
Neighbourhood Services	28.439	(2.764)	25.675	18.286	26.912	1.237	1.163	0.074	71%
Chief Executive	13.835	0.768	14.603	13.250	14.503	(0.100)	(0.117)	0.017	91%
Corporate Services	33.568	2.412	35.980	34.790	35.096	(0.884)	(0.857)	(0.027)	97%
Construction Services	0.000		0.000	1.369	(0.000)	(0.000)	0.000	(0.000)	
	412.253	15.083	427.336	355.330	431.921	4.585	3.905	0.680	83%
Capital Financing Costs / Interest on Revenue Balances	22.429		22.429	20.699	23.008	0.579	0.579		
Contingencies:									
- General	0.500	(0.165)	0.335		0.335	0.000	(0.436)	0.436	
- Budget growth/Cost Pressures	13.278	(9.420)	3.858		2.858	(1.000)	(1.000)		
- New monies	0.599	1.317	1.916		0.126	(1.790)	(1.790)		
Tayside Contracts surplus	(0.343)		(0.343)		(0.232)	0.111	0.111		
Corporate Fleet	3.023		3.023	2.985	4.895	1.872	1.872		
Miscellaneous Items	(2.044)		(2.044)	(1.533)	(2.044)				75%
Discretionary Non Domestic Rates (NDR) Relief	0.392		0.392	0.486	0.392	0.000	0.000		124%
Supplementary Superannuation Costs	2.938		2.938	1.818	2.738	(0.200)	(0.200)		62%
Tayside Valuation Joint Board	0.945		0.945	0.698	0.945				74%
Empty Property Relief Devolution	1.048		1.048	1.940	1.298	0.250	0.892	(0.642)	185%
<b>Total Expenditure</b>	<b>455.017</b>	<b>6.815</b>	<b>461.832</b>	<b>382.423</b>	<b>466.240</b>	<b>4.407</b>	<b>3.934</b>	<b>0.473</b>	83%
<b>Sources of Income</b>									
General Revenue Funding	(304.241)	(7.469)	(311.710)	(230.786)	(311.710)				74%
Contribution from National Non Domestic Rates (NNDR) Pool	(73.695)		(73.695)	(55.271)	(73.695)				75%
Council Tax	(63.906)		(63.906)	(13.606)	(64.705)	(0.799)	(0.897)	0.098	21%
Assumed SPPA Teachers Superannuation Contrib	(2.280)		(2.280)	(1.710)	(2.280)	0.000	0.000		75%
Use of Capital Grant to fund pay award			0.000		0.000				
Use of Balances -									
Balance on Covid Recovery Fund	(6.640)		(6.640)		(6.640)				0%
Committed Balances c/f	0.000	(0.281)	(0.281)		(0.281)				
Earmarked funds	0.000	1.085	1.085		1.085				
Service concessions	(4.255)		(4.255)		(4.255)				0%
Change Fund	0.000	(0.150)	(0.150)		(0.150)				
<b>(Surplus)/Deficit for the year</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>81.050</b>	<b>3.608</b>	<b>3.608</b>	<b>3.037</b>	<b>0.571</b>	
<b>(Surplus)/Deficit for Housing Revenue Acct</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(14.424)</b>	<b>2.649</b>	<b>2.649</b>	<b>3.898</b>	<b>(1.249)</b>	

*This page is intentionally left blank*

Risks - Revenue Assessment

Corporate Risk Matrix



Risk Title	Causes	Impact	Inherent Risk	Controls	Residual Risk (Previous Month)	Residual Risk (Current Month)
1. General price inflation may be greater than anticipated.	<ul style="list-style-type: none"> <li>Government policies and regulations</li> <li>Poor economic conditions</li> <li>Impact of rising price rises e.g. energy</li> </ul>	<ul style="list-style-type: none"> <li>Increased financial cost / rising prices</li> <li>Potential budget overspends</li> <li>Potential for interest rate rises through intervention measures</li> </ul>		<ul style="list-style-type: none"> <li>Corporate Procurement strategy in place, including access to nationally tendered contracts for goods and services</li> <li>Fixed price contracts agreed for major commodities i.e. gas and electricity.</li> <li>Budgetary controls are in place, to identify potential overspends and take remedial action as required or possible, for example by utilising budget virements.</li> </ul>		
2. Capital Financing Costs - level of interest rates paid will be greater than anticipated.	<ul style="list-style-type: none"> <li>Substantial decline of global financial market</li> <li>Economic factors impacting on interest rates</li> </ul>	<ul style="list-style-type: none"> <li>Increased borrowing costs</li> <li>Greater return on investments / cash balances</li> </ul>		<ul style="list-style-type: none"> <li>Treasury Management Strategy. Limited exposure to variable rate funding.</li> <li>Budgetary controls are in place, to identify potential overspends and take remedial action as required or possible.</li> </ul>		
3. Unforeseen new cost pressures arising during the course of the financial year.	<ul style="list-style-type: none"> <li>Financial constraints</li> <li>Demand pressures</li> <li>Cost of Living</li> </ul>	<ul style="list-style-type: none"> <li>Potential overspends</li> </ul>		<ul style="list-style-type: none"> <li>Budgetary controls are in place, to identify potential overspends and take remedial action as required or possible, for example by utilising budget virements.</li> </ul>		
4. Chargeable income budget not achieved.	<ul style="list-style-type: none"> <li>Reduced demand for chargeable services, for example due to cost of living crisis</li> <li>Market competition</li> </ul>	<ul style="list-style-type: none"> <li>Loss of income</li> <li>Revision of budgeted income collection levels required</li> </ul>		<ul style="list-style-type: none"> <li>Budgetary controls are in place, to identify potential overspends and take remedial action as required or possible, for example by utilising budget virements.</li> </ul>		

*This page is intentionally left blank*

**REPORT TO:** CITY GOVERNANCE COMMITTEE - 3 MARCH 2025  
**REPORT ON:** MANAGING THE WORKFORCE OF THE FUTURE  
**REPORT BY:** EXECUTIVE DIRECTOR CORPORATE SERVICES  
**REPORT NO:** 43-2025

## **1 PURPOSE OF REPORT**

- 1.1 To seek approval of a fixed duration Voluntary Severance/Early Retirement scheme with enhancements.

## **2 RECOMMENDATIONS**

- 2.1 It is recommended that the Committee:
- (a) agrees to implement a revised Voluntary Severance/Early Retirement Scheme as outlined in the report; and
  - (b) authorises the Chief Executive, after consultation with Trade Unions, to determine a policy for the scheme and arrange for it to be implemented.

## **3 FINANCIAL IMPLICATIONS**

- 3.1 Savings arising from the implementation of the scheme will contribute to achieving any staffing savings that form part of the 2025/2026 Budget.
- 3.2 A fundamental aspect of the scheme is that any post released will ordinarily have a payback period to recoup costs of no greater than 24 months, with 30 months being considered only under exceptional circumstances.
- 3.3 Where any voluntary severance or early retirement does not realise a net saving in the year it occurs, any costs will require to be funded from balances including the Organisational Change Fund and Service Change Initiatives Fund.

## **4 BACKGROUND**

- 4.1 The Council continues to operate in a challenging financial environment and providing the opportunity for staff to leave through voluntary severance or early retirement is one mechanism that can support a reduction in the workforce.
- 4.2 The Council has previously operated Early Retirement/Voluntary Redundancy schemes which were linked to the Council's Transformation Programme, organisational change and the Council budget. The previous schemes were open for fixed periods of time and employees who met the criteria were able to apply.
- 4.3 Currently the Council has an ongoing policy that was agreed by the Policy and Resources Committee on 24 April 2023 (Article VII of the minute refers), to date there had been limited use of this scheme.
- 4.4 The proposed scheme will run for limited periods and offer additional incentivisation that is expected to provide more opportunities for this voluntary route to be used to assist workforce planning and organisational change in line with our budgetary requirements.

## 5 POLICIES

### Voluntary Severance/Early Retirement

- 5.1 The Executive Director of Corporate Services and Head of People have been liaising regularly with Trade Union colleagues to discuss modernising the Council workforce, including budgetary challenges ahead which may result in changes ways of working/role content and reductions Council jobs. This is also an opportunity to reduce overall employment costs, assist with workforce planning and create career development opportunities.

Such a voluntary scheme may require to be reported under the Trade Union and Labour Relations (Consolidations) Act and, in which case, the Chief Executive will follow this through fully, in conjunction with Trade Union colleagues.

Whilst it is generally the intention that reducing the workforce can be achieved by natural employee turnover, this is not always possible. Where efficiencies can be made through job redesign, improved methods of working or restructuring of services, eligible employees, whose post may not require to be filled, either directly or indirectly, could access the Scheme to leave their employment early.

- 5.2 To facilitate this, it is proposed that the Council seeks volunteers for Voluntary Severance or Early Retirement under a revised scheme.

- 5.3 Key aspects of the scheme will be that:

- it is open to all staff except those employed under Scottish Negotiating Committee for Teachers (SNCT);
- to be eligible, the postholder's post will be removed;
- key skills within the Council will need to be retained;
- there will be flexibility around leaving dates; and
- approved exits achieve a payback saving within 24 months.

- 5.4 Officers are developing a streamlined process for considering applications that will include clear communications so that employees understand the benefits of the scheme and their likely eligibility.

### Objectives

- 5.5 A clear and inclusive communications plan will be rolled-out to facilitate and permit early release of an employee whose post will not be back-filled, using appropriate compensatory benefits and where at least one of the following criteria is met:

- to support the delivery of a balanced budget;
- to assist with workforce management to ensure that we have the right people with the right skills in the right place at the right time; and
- to assist in the provision of more responsive, efficient and cost-effective services.

- 5.6 Costs will be critically evaluated against financial savings and other quantifiable organisational benefits derived from an applicant's release.

### Options Available to Employees

- 5.7 The scheme will be open to all employees with a minimum of two years' service (excepting those employed under to SNCT terms and conditions). The scheme will provide two options for applicants, depending on their circumstances.

(a) Voluntary Severance

Employees volunteering for severance who are not LGPS members or who are not of an age entitled to access their pension will receive a redundancy payment equal to twice their statutory entitlement.

(b) Voluntary Early Retirement

Employees volunteering for severance who are members of the LGPS and are able to access their pension will receive their accrued pension without actuarial reduction for early retirement along with their choice of either:

- (i) a payment equal to their statutory redundancy entitlement; or
- (ii) added years (either 1, 2 or 3 years depending on service and eligibility\*).

The scheme will include flexibility to offer a reduced voluntary early retirement package where this could mean an affordable agreement could be reached with an employee.

*\*Scheme rules limit eligibility to added years in some circumstances.*

- 5.8 Applications will be approved by the Chief Executive, Executive Director of Corporate Services and Head of People. For any applications under posts which are, as per standing orders, appointed to by Council, normal governance procedures will be followed.

## 6 POLICY IMPLICATIONS

- 6.1 This report has been subject to an Integrated Impact Assessment to identify impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. An impact, positive or negative, on one or more of these issues was identified. An appropriate senior manager has checked and agreed with this assessment. A copy of the Integrated Impact Assessment showing the impacts and accompanying benefits of/mitigating factors for them is included as an Appendix to this report.

## 7 CONSULTATIONS

- 7.1 The Council Leadership Team and Trade Unions have been consulted on the terms of this report.

## 8 BACKGROUND PAPERS

- 8.1 None.

**LINDSAY MACINNES**  
**HEAD OF PEOPLE**

**ROBERT EMMOTT**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**17 FEBRUARY 2025**

*This page is intentionally left blank*



# Integrated Impact Assessment

Committee Report Number: 43-2025

Document Title: Managing the Workforce of the Future: VSER Approach

Document Type: Policy

Description:

Voluntary Early Retirement/Voluntary Severance Policy

Intended Outcome:

Provide opportunities for employees to apply for Voluntary Early Retirement or voluntary severance.

Period Covered: 03/03/2025 to 31/12/2025

Monitoring:

The proposal will be continually monitored by Officers during the time the scheme is open.

Lead Author:

Kerry Gethins, Business Support Manager, Corporate Services,

[kerry.gethins@dundee.gov.uk](mailto:kerry.gethins@dundee.gov.uk) , 01382 431302,

Dundee City Council

Director Responsible:

Robert Emmott, Executive Director, Corporate Services, Corporate Services

[robert.emmott@dundee.gov.uk](mailto:robert.emmott@dundee.gov.uk), 01382 433000

Dundee City Council

## Equality, Diversity and Human Rights

### Impacts & Implications

Age: Positive

The scheme has options available to all age groups. Colleagues in the older age group may benefit in terms of the ability to fulfill work-life balance earlier than anticipated.

Disability: Positive

The inclusive approach allows for staff with any underlying conditions (which are nonetheless manageable within existing policies) to be considered for release earlier than anticipated should this meet with the individuals aspirations and plans around work-life balance alongside managing their condition.

Gender Reassignment: No Impact

Marriage & Civil Partnership: No Impact

Pregenancy & Maternity: No Impact

Race / Ethnicity: No Impact

Religion or Belief: No Impact

Sex: Negative

Female employees may have had less opportunity to accrue years of service and pay less into their pension due to caring responsibilities. The open and inclusive approach of this initiative being employee led with allow the Council to consider these requests more widely as to whether these requests can be accommodated.

Sexual Orientation: No Impact

Are any Human Rights not covered by the Equalities questions above impacted by this report?

No

## Fairness & Poverty

### Geographic Impacts & Implications

Strathmartine:	No Impact
Lochee:	No Impact
Coldside:	No Impact
Maryfield:	No Impact
North East:	No Impact
East End:	No Impact
The Ferry:	No Impact
West End:	No Impact

### Household Group Impacts and Implications

Looked After Children & Care Leavers: No Impact

## Household Group Impacts and Implications

Carers: No Impact

Lone Parent Families: No Impact

Single Female Households with Children: No Impact

Greater number of children and/or young children: No Impact

Pensioners - single / couple: No Impact

Unskilled workers or unemployed: No Impact

Serious & enduring mental health problems: No Impact

Homeless: No Impact

Drug and/or alcohol problems: No Impact

Offenders & Ex-offenders: No Impact

## Socio Economic Disadvantage Impacts & Implications

Employment Status: No Impact

Education & Skills: No Impact

Income: No Impact

Caring Responsibilities (including Childcare): No Impact

Affordability and accessibility of services: No Impact

Fuel Poverty: No Impact

Cost of Living / Poverty Premium: No Impact

Connectivity / Internet Access: No Impact

Income / Benefit Advice / Income Maximisation: No Impact

Employment Opportunities: No Impact

Education: No Impact

Health: No Impact

Life Expectancy: No Impact

Mental Health: No Impact

Overweight / Obesity: No Impact

Child Health: No Impact

Neighbourhood Satisfaction: No Impact

Transport: No Impact

## **Environment**

### **Climate Change Impacts**

Mitigating Greenhouse Gases: No Impact

Adapting to the effects of climate change: No Impact

### **Resource Use Impacts**

Energy efficiency & consumption: No Impact

Prevention, reduction, re-use, recovery or recycling of waste: No Impact

Sustainable Procurement: No Impact

### **Transport Impacts**

Accessible transport provision: No Impact

Sustainable modes of transport: No Impact

### **Natural Environment Impacts**

Air, land & water quality: No Impact

Biodiversity: No Impact

Open & green spaces: No Impact

### **Built Environment Impacts**

Built Heritage: No Impact

Housing: No Impact

Is the proposal subject to a Strategic Environmental Assessment (SEA)?

No further action is required as it does not qualify as a Plan, Programme or Strategy as defined by the Environment Assessment (Scotland) Act 2005.

## **Corporate Risk**

### **Corporate Risk Impacts**

Political Reputational Risk: No Impact

Economic/Financial Sustainability / Security & Equipment: No Impact

Social Impact / Safety of Staff & Clients: No Impact

Technological / Business or Service Interruption: No Impact

Environmental: No Impact

Legal / Statutory Obligations: No Impact

Organisational / Staffing & Competence: No Impact

Corporate Risk Implications & Mitigation:

There are moderate levels of risk associated with the subject matter of this report. However, having undertaken a full analysis of the upside and downside risks there is a clear benefit in what is proposed and we are satisfied that adequate controls are available to mitigate the downside risks. The downside financial exposure to the Council is less than Â£250,000 and this together with other areas of risk can be effectively managed

*This page is intentionally left blank*

**REPORT TO:** CITY GOVERNANCE COMMITTEE – 17 FEBRUARY 2025

**REPORT ON:** POSTAL SERVICES

**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**REPORT NO:** 40-2025

**1. PURPOSE OF REPORT**

1.1 The purpose of this report is to provide an update on the development of a sourcing strategy for the tender process for Postal Services and to seek approval to commence a compliant tender process, leading to the award of a contract.

**2. RECOMMENDATION**

- 2.1 It is recommended that the Committee:
- a approves the commencing of a procurement exercise in respect of the project described, based on the sourcing strategy, summarized in this report; and
  - b delegates authority to the Executive Director of Corporate Services to award a contract to the successful bidder, following a tender process carried out in compliance with the Public Contracts (Scotland) Regulations of 2015.

**3. FINANCIAL IMPLICATIONS**

3.1 There are no direct financial implications associated with this report, other than the estimated cost of the contract to be awarded, the sum of which has already been approved in the relevant budget. From previous experience and market testing carried out, the total cost of the contracts awarded is anticipated to be around £300k per annum. Any material deviation from this sum, resulting from the tender process that is above the amount allowed for contingencies, will require further approval from this Committee, prior to the contract being awarded.

3.2 There are 3 options for consideration in 2025/26:

Option	Total Spend	Saving (in year)
Continue outwith contract provider (Whistl)	£383,219.29	£0
Engage in a contract with Royal Mail	£361,629.99	£21,589.30
Engage in a contract with Whistl	£348,059.47	£35,159.82

Our recommendation is to engage in a contract with Whistl. The contract will be for 2 years, with the option to extend.

**4. DETAILS OF THE PROJECT BEING COMMISSIONED**

4.1 Whistl provides a service for collection of physical mail and present it to Royal Mail who make the final delivery. We would wish to continue with this service by utilising the Crown Commercial Services framework, RM6280 Postal Services and Solutions. Our previous contract has expired. A move to Royal Mail for this service would be cost prohibitive, not only in terms of pricing but also in terms of the cost of change.

4.2 Estimated cost saving to formalise the contract with Whistl would be approximately £35k per annum, with no cost of change implications.

- 4.3 The different elements of Community Wealth Building have been considered within this assessment. The results are as follows:

Local contractors – staff are employed locally in relation to their depot and office locations.

Community Benefits - This contract will be procured through the Crown Commercial Framework which is an English based framework so therefore does not include specific community benefit requirements. The contractor has confirmed that they are involved in various community programmes in Scotland.

#### **Fair Work Practice**

Whistl staff are locally employed in relation to their depot and office locations.

Although Whistl are not Living Wage accredited, the account management team assigned to Dundee City Council are all paid above the living wage.

#### **Environmental / Fleet**

Whistl are firm in their commitment to transitioning to zero and ultra-low emission vehicles and expect to be 100% zero and ultra-low emission small vehicles by 2030. 65% of their current car fleet is electric or low emission. To support the electrification of vans and their car fleet, they have now successfully installed EV charging infrastructure across seven of their sites.

In 2023, they used transport management software to reduce vehicle mileage by planning efficient routes and optimising loads across each vehicle. In doing so, they increased their volume per route by 10%. In 2024, they continue to use this software to enhance efficiency. They invested in higher-efficiency internal combustion engine (ICE) vehicles to reduce the emissions generated by their HGVs. Their focus will be on increased miles per gallon (MPG), driving fuel reduction and subsequent emissions reductions. Whistl prioritise the use of low-emission vehicles in their fleet and have updated their commercial car fleet policy to include electric and ultra-low emission vehicles.

#### **Mail Handling**

Whistl's Glasgow depot collects from Dundee City Council and takes it back to the Glasgow depot for processing, before handing over to Royal Mail.

The supplier shall meet the applicable [Government Buying Standards](#) applicable to Deliverables.

## **5 SOURCING STRATEGY SUMMARY**

- 5.1 There is no opportunity to collaborate at the moment. Hybrid mail will eventually replace physical mail. We would wish to continue with this service by utilising the available Crown Commercial Services framework RM6280 Postal Services and Solutions. A move to Royal Mail for this service would be cost prohibitive, not only in terms of pricing but also in terms of the cost of change.
- 5.2 Whistl has been our main provider for 10+ years, procedures and processes are well established. There will be an annual cost saving of approx. £35k. Additional resource would be required to change provider with an associated cost implication.

## **6. RISK ANALYSIS**

- 6.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge.



Description of Risk	Actions to be taken to manage Risk
<b>Commercial Risk</b> – That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Pricing will increase as per the framework rules
<b>Technical Risk</b> – This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification	The specification is contained within the framework agreement
<b>Performance Risk</b> – This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits	We need a reliable service for outgoing mail and have experience of Whistl delivering the service to the required standard
<b>Contractual Risk</b> – Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	The supplier is experienced in delivering the service
<b>Legal Risk</b> – where a procurement is found unsound in law, through the public procurement rules	Procurement is through an existing framework

## 7. CONCLUSION

- 7.1 Whistl continues to deliver good service to the Council through our long-term relationship. Whistl meets our requirements and once the contract is awarded there will be an annual saving of approximately £35k.

## 8. POLICY IMPLICATIONS

- 8.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## 9. CONSULTATION

- 9.1 The Council Leadership Team were consulted in the preparation of this report.

## 10. BACKGROUND PAPERS

- 10.1 None

**ROBERT EMMOTT**  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

15 FEBRUARY 2025

*This page is intentionally left blank*

**REPORT TO:** CITY GOVERNANCE COMMITTEE - 3 MARCH 2025  
**REPORT ON:** SPYDUS LIBRARY MANAGEMENT SOFTWARE RENEWAL  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 47-2025

**1.0 PURPOSE OF REPORT**

1.0 The purpose of this report is to present a sourcing strategy and seek approval to award the contract for purchase of library management software.

**2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee:

(a) approves the purchase described, and delegates to the Head of Digital and Customer Services to make the purchase based on the sourcing strategy detailed in Appendix 1. The procurement route is specified in Section 4.8.

**3.0 FINANCIAL IMPLICATIONS**

3.1 The total cost of the purchase is £174,542 for 4 years and 11 months, from 1 May 2025 to 31 March 2030. This cost will be met from provision within the Digital and Customer Services budget. The annual cost of the contract is £35,500, with a cost of £32,542 for the final 11 months until the co-terminus end date of 31 March 2030.

**4.0 BACKGROUND**

4.1 This report supports the Council's IT Strategy which was approved at the City Governance committee on 4 March 2024 (Article VIII of the meeting of the committee refers). The Councils IT strategy sets out to deliver secure, robust, and affordable IT platforms. Helping to enable digital services, mobile and flexibly accessible services with best value technology products and a cloud first approach.

4.2 Leisure and Culture Dundee currently use Civica Spydus integrated library management system in all Dundee libraries. Civica are a leading provider of library management software and this has been used within Dundee libraries for many years. The software is used to manage the library resources, lending and bookings for the public.

4.3 Civica Spydus is a flexible, user-centric library management system that is used widely across Scotland. The management and administration features of the software ensure that library staff have a modern digital solution to help improve operational efficiencies with increased self-service options for library users.

4.4 Civica have redeveloped the software and changed the licensing and support to a subscription model. Part of this process involves migrating the software to cloud, which helps to streamline support and provide an easier upgrade path for new software versions. The new cloud software version will provide improvements on the current software, with a new reporting tool and the latest features.

4.5 The new software version will introduce a mobile app for members of the public to better interact with library services. Providing library users with a personalised experience on a smartphone app, their loan and account details, alerts, title recommendations based on borrower profile and their borrowing history, as well as the ability to add reviews and link to social media.

4.6 The new contract with Civica will include upgrading to the latest release of the software. The upgrade will be carried out within the first year of the contract. The upgrade process is included within the pricing of the new contract.

4.7 The current license expires on 30 April 2025. The license cost has increased from £31,579 in 2022 to £33,1226 in 2024. The contract will fix the cost until 31 March 2030, which will provide best value.

4.8 The software will be procured through Crown Commercial Services compliant framework RM6259 and directly awarded to Civica UK Limited.

## 5.0 POLICY IMPLICATIONS

5.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## 6.0 RISK ANALYSIS

6.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge:

Key Risks			
Description of Risk	Probability (L/M/H)	Impact on DCC (L/M/H)	Actions required to manage Risk
<b>Commercial Risk</b> - That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Low	Low	Benchmarked costs and requirements are known as there are existing licenses in place.
<b>Technical Risk</b> - This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification	Low	Low	Continuation of current software service has no technical risk.
<b>Performance Risk</b> - This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits	Low	Low	Current supplier will be maintained. The service provided is known and well established.
<b>Contractual Risk</b> - Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	Low	Low	Contract management will be put in place as part of the ongoing service from the supplier.
<b>Procurement Risk</b> - where a procurement is found unsound in law, through the public procurement rules	Low	Low	A compliant framework will be used to award the contract directly to the software supplier of choice.

## 7.0 CONSULTATIONS

7.1 The Council Leadership Team were consulted in the preparation of this report.

## 8.0 BACKGROUND PAPERS

8.1 None.

**ROBERT EMMOTT**  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**3 MARCH 2025**

## APPENDIX 1

<b>SOURCING STRATEGY</b>	Purchase of Spydus library management software renewal.
<b>PROJECT NUMBER</b>	
<b>PROJECT INFORMATION</b>	The contract will be awarded directly Civica via the Crown Commercial Services G-Cloud 14 framework agreement for supply of cloud software and infrastructure.
<b>PROPOSED CONTRACT DURATION</b>	1 May 2025 to 31 March 2030.
<b>RECOMMENDATION</b>	(a) It is recommended that the Committee: approves the purchase described, and delegates to the Head of Digital and Customer Services to make the purchase based on the sourcing strategy detailed in Appendix 1.
<b>FINANCIAL IMPLICATIONS</b>	The total cost of the purchase is £174,542 for 4 years and 11 months, from 1 May 2025 to 31 March 2030. This cost will be met from provision within the Digital and Customer Services budget. The annual cost of the contract is £35,500, with a cost of £32,542 for the final 11 months until the co-terminated contract end date of 31 March 2030.
<b>POLICY IMPLICATIONS</b>	There are no issues.
<b>BACKGROUND PAPERS</b>	IT Strategy as approved by the City Governance Committee on 4 March 2024 (Article VIII of the meeting of the Committee refers).

*This page is intentionally left blank*

**REPORT TO:** CITY GOVERNANCE COMMITTEE - 3 MARCH 2025  
**REPORT ON:** GEOGRAPHIC INFORMATION SYSTEM SOFTWARE  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 49-2025

## **1.0 PURPOSE OF REPORT**

1.0 The purpose of this report is to present a sourcing strategy and seek approval to award the contract for purchase of geographic information system software licenses and service.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee:

(a) approves the purchase described, and delegates to the Head of Digital and Customer Services to make the purchase based on the sourcing strategy detailed in Appendix 1. The procurement route is specified in Section 4.8.

## **3.0 FINANCIAL IMPLICATIONS**

3.1 The total cost of the purchase is £134,101 for a three year period from 16 April 2025 to 15 April 2028. This cost will be met from provision within the Digital and Customer Services budget. The cost for 2025/26 is £43,656, 2026/27 is £44,690 and in 2027/28 it will be £45,755.

## **4.0 BACKGROUND**

4.1 This report supports the Council's IT Strategy which was approved at the City Governance committee on 4 March 2024 (Article VIII of the meeting of the committee refers). The Councils IT strategy sets out to deliver secure, robust, and affordable IT platforms. Helping to enable digital services, mobile and flexibly accessible services with best value technology products and a cloud first approach.

4.2 The Council uses ArcGIS by Esri (UK) Ltd, as the geographic information system (GIS) technology. It is a geospatial software platform that allows the visualisation, analysis, collection and mapping of Council data. This tool is used across the Council to provide visual insights into our data to support decision making and improve outcomes.

4.3 The use of ArcGIS supports the Council's digital strategy that was approved at policy and resources committee on 15 May 2023. One of the strategy outcomes is to be technology and data enabled. "Data will be used to inform decision making, enable joint services and achieve better outcomes for our citizens." Data can play a transformational role for service design and drive efficiencies throughout services.

4.4 ArcGIS is used by Council services for many purposes, such as identifying flood risk areas, modelling supply and demand for services, maintaining roads and other infrastructure, service optimisation and public consultations like green transport corridors.

4.5 The Council's open data portal is provided by the ArcGIS platform. The tools within the platform support the Council in achieving the open government action plan and providing transparency, empowering communities through open data and ensuring the Council is data-driven.

4.6 The ArcGIS software currently operates from the Council's data centre and the cloud. The new contract will allow for further migration of services to cloud to increase scalability, resilience and reliability.

4.7 Alternative GIS software platforms have been considered. ArcGIS by Esri (UK) Ltd is the only one that can provide the range of tools that the Council requires. Esri are one of the market leaders and are a well-established provider of GIS.

4.8 The contract will be awarded directly to Esri (UK) Ltd via the Crown Commercial Services G-Cloud 14 framework agreement for supply of cloud software and infrastructure.

## 5.0 POLICY IMPLICATIONS

5.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## 6.0 RISK ANALYSIS

6.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge:

Key Risks			
Description of Risk	Probability (L/M/H)	Impact on DCC (L/M/H)	Actions required to manage Risk
<b>Commercial Risk</b> - That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Low	Low	Benchmarked costs and requirements are known as there are existing licenses in place.
<b>Technical Risk</b> - This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification.	Low	Low	Continuation of current software service has no technical risk.
<b>Performance Risk</b> - This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	Low	Low	Current supplier will be maintained. The service provided is known and well established.
<b>Contractual Risk</b> - Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	Low	Low	Contract management will be put in place as part of the ongoing service from the supplier.
<b>Procurement Risk</b> - where a procurement is found unsound in law, through the public procurement rules.	Low	Low	A compliant framework will be used to award the contract directly to the software supplier of choice.

## 7.0 CONSULTATIONS

7.1 The Council Leadership Team were consulted in the preparation of this report.

## 8.0 BACKGROUND PAPERS

8.1 None.

**ROBERT EMMOTT**  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**3 MARCH 2025**



<b>SOURCING STRATEGY</b>	Purchase of geographic information system licenses.
<b>PROJECT NUMBER</b>	
<b>PROJECT INFORMATION</b>	The contract will be awarded directly to Esri (UK) Ltd via the Crown Commercial Services G-Cloud 14 framework agreement for supply of cloud software and infrastructure.
<b>PROPOSED CONTRACT DURATION</b>	16 April 2025 to 15 April 2028.
<b>RECOMMENDATION</b>	(a) It is recommended that the Committee: approves the purchase described, and delegates to the Head of Digital and Customer Services to make the purchase based on the sourcing strategy detailed in Appendix 1.
<b>FINANCIAL IMPLICATIONS</b>	The total cost of the purchase is £134,101 for a three year period from 16 April 2025 to 15 April 2028. This cost will be met from provision within the Digital and Customer Services budget. The cost for 2025/26 is £43,656, 2026/27 is £44,690 and in 2027/28 £45,755.
<b>POLICY IMPLICATIONS</b>	There are no issues.
<b>BACKGROUND PAPERS</b>	IT Strategy as approved by the City Governance Committee on 4 March 2024 (Article VIII of the meeting of the Committee refers). Digital strategy as approved at committee on 15 May 2023.

*This page is intentionally left blank*

**REPORT TO:** CITY GOVERNANCE COMMITTEE - 3 MARCH 2025  
**REPORT ON:** NETWORK AND WIFI HARDWARE FOR EAST END COMMUNITY CAMPUS  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 63-2025

## **1.0 PURPOSE OF REPORT**

1.1 The purpose of this report is to summarise the sourcing strategy for the purchase of Network and Wi-Fi hardware to be installed in East End Community Campus.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee:

- (a) approves the commencement of a procurement exercise in respect of the purchase described, and delegates to the Head of Digital and Customer Services to make the purchase based on the sourcing strategy detailed in Appendix 1. The procurement route is specified in Section 4.6.

## **3.0 FINANCIAL IMPLICATIONS**

3.1 The total cost of the purchase is £170,000 for all hardware. This cost will be met from the budget for the project, within the non-contract allowances.

## **4.0 BACKGROUND**

4.1 This report supports the Council's IT Strategy which was approved at the City Governance committee on 4 March 2024 (Article VIII of the meeting of the committee refers). The Council's IT strategy sets out to deliver secure, robust, and affordable IT platforms. Helping to enable digital services, mobile and flexibly accessible services with best value technology products and a cloud first approach.

4.2 The purchase of hardware to provide IT network connections and Wi-Fi at the East End Community Campus is required. This hardware will provide the underlying IT Services for the whole building. This includes access to the internet for all web and cloud services, telephony, CCTV and building management systems.

4.3 It is essential to provide an IT network within the building. The school requires the IT network and Wi-Fi to support digital learning, provide access to cloud and other online services, as well as resources within the Council data centre. Wi-Fi is required throughout the building for public access and to ensure laptops, tablets and smartphones used within the school can be connected to the internet.

4.4 The telephone service within the building relies on this network hardware. The services operating within the building will require access to desk phones, which must be connected to the network. This allows the phones to connect to the Council phone system, which is located within the Council's data centre.

4.5 The hardware will be configured and tested by Council IT Officers and passed to the main contractor of the project for installation within the new building.

4.6 The purchase will be awarded through the Scottish Government framework agreement (SP-21-012) for Technology, Peripherals and Infrastructure, Lot 1. Computacenter (UK) Ltd are the single supplier on this framework. Procuring through this route ensures best value can be obtained from the discounts and pricing catalogue on the framework.

## 5.0 POLICY IMPLICATIONS

5.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## 6.0 RISK ANALYSIS

6.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge:

Key Risks			
Description of Risk	Probability (L/M/H)	Impact on DCC (L/M/H)	Actions required to manage Risk
<b>Commercial Risk</b> - That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Low	Low	Benchmarked costs and requirements are known as similar hardware has been purchased for other Council buildings.
<b>Technical Risk</b> - This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification.	Low	Low	IT requirements have been identified and the required hardware specification is known.
<b>Performance Risk</b> - This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	Low	Low	The supplier is a global leader in supply of IT hardware. The framework contract in place ensures they meet the requirements.
<b>Contractual Risk</b> - Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	Low	Low	Delivery of hardware will be managed by IT and procurement staff. Estimated delivery dates will be provided after the order is placed.
<b>Procurement Risk</b> - where a procurement is found unsound in law, through the public procurement rules.	Low	Low	Existing framework in place with a single supplier.

## 7.0 CONSULTATIONS

7.0 The Council Leadership Team were consulted in the preparation of this report.

## 8.0 BACKGROUND PAPERS

8.1 None.

**ROBERT EMMOTT**  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**3 MARCH 2025**

<b>SOURCING STRATEGY</b>	Purchase of Network and Wi-Fi hardware to be installed in East End Community Campus.
<b>PROJECT NUMBER</b>	
<b>PROJECT INFORMATION</b>	The purchase will be awarded through the Scottish Government framework agreement (SP-21-012) for Technology, Peripherals and Infrastructure, Lot 1.
<b>PROPOSED CONTRACT DURATION</b>	2024/2025 one off purchase.
<b>RECOMMENDATION</b>	(a) It is recommended that the Committee: approves the commencement of a procurement exercise in respect of the purchase described, and delegates to the Head of Digital and Customer Services to make the purchase based on the sourcing strategy detailed in Appendix 1.
<b>FINANCIAL IMPLICATIONS</b>	The total cost of the purchase is £170,000 for all hardware. This cost will be met from the budget for the project, within the non-contract allowances. There are no ongoing support costs for the hardware.
<b>POLICY IMPLICATIONS</b>	There are no issues.
<b>BACKGROUND PAPERS</b>	IT Strategy as approved by the City Governance committee on 4 March 2024 (Article VIII of the meeting of the committee refers).

*This page is intentionally left blank*

**REPORT TO:** CITY GOVERNANCE COMMITTEE - 3 MARCH 2025

**REPORT ON:** SOURCING STRATEGY FOR THE PROCUREMENT OF PROVISION OF OCCUPATIONAL HEALTH SERVICES

**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**REPORT NO:** 74-2025

## **1 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to provide a progress update on the proposed sourcing route for the provision of Occupational Health Services to Dundee City Council.
- 1.2 This report seeks permission to extend the existing contract arrangement to allow the future sourcing arrangements to be fully explored.
- 1.3 A report will be brought back to Committee to update on the proposed sourcing route referred to in Section 4.1.

## **2 RECOMMENDATION**

- 2.1 It is recommended that Committee approves the extension of the existing contract with People Asset Management Occupational Health Solutions (PAM) for up to 12 months to 31 March 2026 under an exemption from tendering to allow the completion of the procurement exercise as mentioned at Section 4 of this report.

## **3 FINANCIAL IMPLICATIONS**

- 3.1 The cost of extending the existing contract for a full year will be £241,728. The Executive Director of Corporate Services has confirmed that the funding for this supply is contained within the Individual Services' Revenue Budget. Any revised financial implications, including how they are to be funded, following the new procurement arrangement will be reported to Committee once this exercise is completed.

## **4 SOURCING STRATEGY SUMMARY**

- 4.1 Local authorities and partner organisations have historically entered into individual or locality-based arrangements for the provision of occupational health services, including statutory health surveillance. A new, national collaborative contract has now been being taken forward, and Dundee City Council is one of the local authorities who are exploring this route to market.
- 4.2 Scotland Excel, on behalf of participating local authorities, are leading the procurement exercise (mini competition from a Crown Commercial Services Framework) for a single supplier framework agreement, whereby each of the participating local authorities will enter into a commitment contract with the successful bidder. The Framework will be for 4 years, plus 1, plus 1. Mini-Competition Documents are currently being finalised, with a target date of May 2025 for award of the contract.
- 4.3 Dundee City Council's incumbent occupational health provider, PAM, is one of the companies who will be invited to tender as part of the mini-competition exercise.
- 4.4 Whilst our existing service arrangement with PAM will have exhausted its contractual capacity on 31 March 2025, PAM have agreed to provide an ongoing service on a month-to-month basis,

for the period of up to one calendar year until 31 March 2026 at no increase in current cost levels.

## 5 POLICY IMPLICATIONS

- 5.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate Senior Manager has reviewed and agreed with this assessment.

## 6 RISK ANALYSIS

- 6.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge.

Description of Risk	Actions to be taken to manage Risk
<b>Commercial Risk</b> - That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	There will no increase in cost for the proposed period of contract extension. The future sourcing route will ensure that competition is achieved.
<b>Technical Risk</b> - This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification.	The extension to contract ensures business continuity. The future sourcing route will be underpinned by a clear specification of requirement and Framework contractual conditions.
<b>Performance Risk</b> - This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	The future sourcing route will be underpinned by a clear specification of requirements and Framework conditions including KPIs.
<b>Contractual Risk</b> - Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	The contract extension ensures business continuity. We have an action plan for exploring the new, national collaborative contract.
<b>Procurement Risk</b> - where a procurement is found unsound in law, through the public procurement rules.	We are making arrangements for the future procurement of occupational health services. We are exploring the new national collaborative contract which has been competed, and which offers a compliant route to market.

## 7 CONSULTATIONS

- 7.1 The Council Leadership Team has been consulted in the preparation of this report.

## 8 BACKGROUND PAPERS

- 8.1 None.



**REPORT TO:** CITY GOVERNANCE COMMITTEE – 3 MARCH 2025

**REPORT ON:** TENDERS RECEIVED BY LEISURE AND CULTURE DUNDEE FOR RENTAL, SERVICE AND MAINTENANCE OF GYM EQUIPMENT (MANAGED SERVICE)

**REPORT BY:** DIRECTOR, LEISURE & CULTURE DUNDEE AND EXECUTIVE DIRECTOR OF CHILDREN AND FAMILIES SERVICE

**REPORT NO:** 66-2025

## 1. PURPOSE OF REPORT

- 1.1 This report details tender received for the rental, service and maintenance of fitness equipment and seeks approval on acceptance thereof.

## 2. RECOMMENDATION

- 2.1 It is recommended that the Committee approve the acceptance of the tender submitted by Gym Rental Company as set out in the report, with the total amount detailed below.

## 3. SUMMARY OF SERVICES TENDERED

- 3.1 Report number 175-2024 to City Governance Committee on 24 June 2024 (Article XII of the Minute refers) gave approval to commence a compliant tender process and to bring back a report on the outcome.

- 3.2 The objective of the contract is to provide gym equipment to both Schools and Leisure Active members across many of the sites in Dundee. Leisure Active members pay a monthly fee for access to the facilities and equipment. By arranging a rental contract, it allows current trends to be kept up with by being able to change equipment with 30 days of notice to the supplier. By using a single supplier to rent, service and maintain all gym equipment, it allows Dundee City Council to have a strategic relationship with the supplier and ensure that gym equipment provision is up to date with all trends and ensures no downtime in equipment items ensuring continuity of service for the patrons of Dundee.

- 3.3 The tender received is in relation to the above is from:

<b>Contract For</b>	<b>Bidding Organisation</b>
Rental, service and maintenance of fitness equipment	Gym Rental Company

## 4. FINANCIAL IMPLICATIONS

- 4.1 The total cost of the contract over the maximum 5 years is £709,481. This includes an option for a 10% discount for annual payment, which is being utilised taking the cost down to £638,533. This contract is a 3-year contract with the option to extend for 1 year, then a further 1 year totalling 5 years.

- 4.2 The budget for the contract has been confirmed as being able to be contained with the current revenue budgets of the Chief Executive's Service paying £124,284.40 per year and Children & Families Service's £3,426.00 per year), over the contract term.

**5. BACKGROUND PAPERS**

None.

**6. POLICY IMPLICATIONS**

6.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

**7. CONSULTATION**

7.1 The Council Leadership Team were consulted in the preparation of this report.

**8. BACKGROUND PAPERS**

None.

JUDY DOBBIE  
DIRECTOR, LEISURE & CULTURE DUNDEE

17 FEBRUARY 2025

AUDREY MAY  
EXECUTIVE DIRECTOR OF CHILDREN AND  
FAMILIES SERVICE