

City Chambers  
DUNDEE  
DD1 3BY

27th February, 2026

Dear Colleague

I refer to the agenda of business issued in relation to the MEETING of the **CITY GOVERNANCE COMMITTEE** to be held on Monday, 2nd March, 2026 and would like to advise you that the Convener has agreed that the undernoted item of business be considered as a matter of urgency in terms of Standing Order No 17(b) in view of the timescales involved.

Yours faithfully

GREGORY COLGAN

Chief Executive

**AGENDA OF BUSINESS**

**8 CONSIDERATION OF LEAVE ARRANGEMENTS TO MARK SCOTLAND'S MEN'S FOOTBALL TEAM WORLD CUP APPEARANCE - Page 1**

(Report No 67-2026 by the Executive Director of Corporate Services, copy attached).

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**ITEM No ...8.....**

**REPORT TO:** CITY GOVERNANCE COMMITTEE - 2 MARCH 2026

**REPORT ON:** CONSIDERATION OF LEAVE ARRANGEMENTS TO MARK SCOTLAND'S MEN'S FOOTBALL TEAM WORLD CUP APPEARANCE

**REPORT BY:** EXECUTIVE DIRECTOR CORPORATE SERVICES

**REPORT NO:** 67-2026

**1.0 PURPOSE OF REPORT**

1.1 This report sets out various options for recognising the 15 June 2026 national bank holiday and outlines the operational, financial, and workforce considerations associated with each option.

**2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee:

- considers the options set out in section 4.3 and determines the Council's approach to the national bank holiday on 15 June 2026, alongside the financial, operational and statutory considerations and;
- if applicable, remit officers to seek permission from Scottish Government for an additional school day closure as required under section 133(4) of the Education (Scotland) Act 1980.

**3.0 FINANCIAL IMPLICATIONS**

3.1 The Executive Director of Corporate Services has confirmed the agreement of these recommendations that are estimated to result in the following direct one-off costs depending on which option is agreed.

Option	Details	£
1	Do nothing	Nil
2	Acknowledge the national bank holiday and grant an additional annual leave day to all employees' annual leave for 25/26	Nil
3	Observe the national bank holiday and grant an additional annual leave day to be taken on 15 June 2026 or a suitable alternative date	Nil
4	Observe the national bank holiday on 15 June 2026 and grant an additional public holiday on 15 June 2026	90,000

The above costs are not assumed in the Provisional Revenue Budget for 2026/27. If services are unable to contain their share of these costs within their respective budgets, then provision will be earmarked within the General Contingency to meet this expenditure.

It is not possible to determine any additional financial implications that will arise due to the loss of productivity that may occur from options 2 to 4 should this be agreed.

The above costs do not include any costs associated with the Council's share of additional costs that Tayside Contracts may incur through granting any additional leave or a public holiday should they agree to do so.

Leisure and Culture Dundee will require to decide their approach to the national bank holiday on June 15th, 2026. It is noted that option 4 could result in the closure of buildings where Leisure and Culture Dundee provide services.

**4.0 MAIN TEXT**

4.1 The Scottish Government has approved a one-off national bank holiday on 15 June 2026 for Scotland's first appearance at a men's World Cup since 1998, marking a culturally significant

national moment. This is to encourage national celebration, to allow the public, businesses, and communities to come together as well as supporting wider benefits such as tourism, cultural engagement, and national visibility on a global stage.

The First Minister has encouraged employers to work constructively with employees to enable as many people as possible to participate in celebrations. However, while the holiday is officially designated Scotland wide, observance of the bank holiday by councils is discretionary and decisions should balance celebration with service delivery, cost, and workforce consistency.

4.2 All Dundee City Council employees have an entitlement of 5 public holidays (pro rata) for a full leave year. The Council's Public Holidays are 24th, 25th and 26th December and 1st and 2nd January, unless these dates fall at the weekend, when they will be redesignated.

#### 4.3 **Applicable Options**

- 1 Do nothing.
- 2 Acknowledge the bank holiday and grant an additional annual leave day to all employees' annual leave entitlement for leave year 2025/26.
- 3 Observe the bank holiday on 15 June 2026 and grant an additional annual leave day to be taken on the same day or a suitable alternative date for those staff that are required to work on that date.
- 4 Observe the bank holiday on 15 June 2026 and grant a public holiday on this day.

Where additional leave is granted, then pro-rata adjustments would be applied for all part-time employees.

#### 4.4 **Options Appraisal**

Option 1 - Do nothing.

##### Advantages

- Avoids financial implications
- No operational disruption - services continue as normal, preventing any inconvenience to customers/communities
- Avoids precedent for future sporting or other significant events

##### Disadvantages

- May be perceived negatively by some employees
- Increased leave/short notice leave may create localised pressures

Option 2 - Acknowledge the bank holiday and grant an additional annual leave day to all employees' annual leave entitlement for leave year 2025/26, to be taken by 30 September 2026. (Similar to that which was granted for the Queen's Jubilee).

##### Advantages

- Employees can choose when to use additional annual leave
- Minimises impact on service delivery
- All employees benefit equally
- Likely to be perceived positively by employees

##### Disadvantages

- This period will require proactive and carefully coordinated leave management, as increased annual leave requests are likely, and all services will remain fully operational
- Will rule out certain groups of employees i.e. school-based employees as schools will be open

- Whilst there are no direct financial implications, there would be implications associated with awarding an additional day of annual leave to all DCC employees in terms of reduced productivity and service capacity
- This may be viewed as not in the spirit of the bank holiday which was intended to celebrate the start of Scotland's participation in the World Cup Finals

Option 3 - Observe the bank holiday on 15 June 2026 and grant an additional annual leave day to be taken that day or on a suitable alternative date for those required to work on that date. (Similar to that which was granted for the Queen's State Funeral).

#### Advantages

- Likely to be perceived positively by employees
- No public holiday enhancement payable
- All employees benefit equally as employees working shifts or on essential services can schedule time off later
- Seen as more of a one-off good will gesture so less risk of precedent

#### Disadvantages

- Whilst there are no direct financial implications, there would be implications associated with awarding an additional day of annual leave to all DCC employees in terms of reduced productivity and service capacity
- Public perception of giving an additional annual leave day in current financial climate
- Reduced service delivery (similar to Christmas & New Year)
- Approval would need to be sought from the Scottish Government to reduce the statutory school teaching year from 190 days to 189 days
- Potential to create childcare challenge for parents due to school/nursery closures

Option 4 - Observe the bank holiday on 15 June 2026 and grant a public holiday on that day (similar to that which was granted for the King's Coronation).

#### Advantages

- Likely to be perceived positively by employees
- Enhancements paid for those required to work on that day

#### Disadvantages

- There would be cost implications associated with awarding a public holiday to all DCC employees with enhancements and time back in lieu
- Public perception of giving a public holiday in current financial climate
- Reduced service delivery (similar to Christmas & New Year)
- Approval would need to be sought from the Scottish Government to reduce the statutory school teaching year from 190 to 189
- Potential to create childcare issues for parents due to school/nursery closure
- May create a precedent of future event-based holidays

- 4.5 In light of the above, it is essential that any decision regarding additional leave is considered carefully, with full awareness of the operational and financial impacts. While the intention to acknowledge the occasion is recognised, the associated costs and resource pressures must be balanced against organisational priorities and service delivery requirements.
- 4.6 An additional consideration is the impact of any decision made on Tayside Contracts and their workforce. Additional annual leave days or public holidays granted over recent years have been the same for Dundee, Angus and Perth & Kinross Council, allowing Tayside Contracts to agree a consistent approach for its workforce. (On 25<sup>th</sup> February Perth and Kinross Council voted not to grant a bank holiday for this instance and are instead providing community grant funding to support inclusive football across communities.)
- 4.7 Regulation 5 of the Schools General (Scotland) Regulations 1975, as amended, requires schools to be open for a minimum of 190 days in a school year. However, section 133(4) of the

Education (Scotland) Act 1980 allows Scottish Ministers, on application by a local authority, to modify this requirement providing they are satisfied that it would be unreasonable for Regulation 5 to apply.

- 4.8 Where an additional school closure day or leave day would cause a reduction in teaching days, the Scottish Government requires local authorities to seek permission for this from the Scottish Government Learning Directorate, in accordance with the statutory provisions noted in paragraph 4.7. The Scottish Government Learning Directorate have confirmed that they require any requests for exceptional school closures in relation to the above to be submitted by **Monday 23 March 2026**.

## 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 CONSULTATIONS

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

## 7.0 BACKGROUND PAPERS

- 7.1 [World Cup bank holiday confirmed - gov.scot](#)
- 7.2 [Scotland Bank Holiday Proclamation](#)

**PAUL THOMSON**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**25 FEBRUARY 2026**



City Chambers  
DUNDEE  
DD1 3BY

20th February, 2026

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, 2nd March, 2026 following the meeting of the Children and Families and Neighbourhood, Housing and Communities 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 FUTURE OF BALMOSSIE FIRE STATION**

This item has been placed on the agenda at the request of Councillor Duncan who will request that committee agrees that the Chief Executive writes on behalf of the City Council to Stuart Stevens, Chief Officer of the Scottish Fire and Rescue Service, expressing concern at the continuing delays in the service making a decision on the future of Balmossie Fire Station.

### **3 BANK OF SCOTLAND, BROUGHTY FERRY BRANCH**

This item has been placed on the agenda at the request of Councillor Duncan who will ask the committee to instruct the Chief Executive on behalf of the City Council to write to Charlie Nunn, Chief Executive of Lloyds Banking Group plc, making clear the council's objections to the proposed closure of the Bank of Scotland Broughty Ferry branch.

**4 NEIGHBOURHOOD SERVICES SERVICE PLAN 2023/2027 – MID YEAR PROGRESS REPORT 2025/2026 - Page 1**

(Report No 33-2026 by the Executive Director of Corporate Service, copy attached).

**5 CAPITAL EXPENDITURE MONITORING 2025/2026 - Page 27**

(Report No 40-2026 by the Executive Director of Corporate Services, copy attached).

**6 REVENUE MONITORING 2025/2026 - Page 43**

(Report No 41-2026 by the Executive Director of Corporate Services, copy attached).

**7 TENDER APPROVAL FOR CLOUD TELEPHONY AND DIGITAL CUSTOMER EXPERIENCE PLATFORM - Page 57**

(Report No 46-2026 by the Executive Director of Corporate Services, copy attached).

ITEM No ...4.....
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**REPORT TO:** CITY GOVERNANCE COMMITTEE – 2 MARCH 2026

**REPORT ON:** NEIGHBOURHOOD SERVICES SERVICE PLAN 2023-2027 – MID YEAR PROGRESS REPORT 2025/26

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

**REPORT NO:** 33-2026

## 1.0 PURPOSE OF REPORT

1.1 This report provides Committee with a six-monthly update showing progress made on the 2023-2027 Neighbourhood Services Service Plan, for the period up to 30 September 2025.

## 2.0 RECOMMENDATIONS

2.1 It is recommended that the Committee note the Service Plan update appended to the Report.

## 3.0 FINANCIAL IMPLICATIONS

3.1 There are no direct financial implications arising from the agreement of this report.

## 4.0 BACKGROUND

4.1 Report No 116-2023 presenting the Service Plan for Neighbourhood Services for the period 2023 – 2027 was approved at the Neighbourhood Services Committee of the 12 June 2023 (Article III of the minute of this meeting refers). The Service Plan outlines the strategic direction for Neighbourhood Services for the period covering financial years 2023/24 up to 2026/27 and outlines key priorities and improvements which the service intends to deliver, based on financial and employee resources which are expected to be available. It also provides details of the service's key responsibilities and identifies the key actions to be undertaken to meet these priorities, as well as the performance indicators which will be used to monitor progress.

4.2 This report provides an update on the performance indicators and actions under each priority theme in Neighbourhood Services Service Plan for the period up to 30 September 2025. In each area, where required, the report identifies further improvement activity to achieve the targets and actions in the plan.

4.3 Neighbourhood Services is responsible for the Environment Service and Housing, Construction and Communities Service, which includes Community Safety.

## 5.0 PERFORMANCE AND PROGRESS

5.1 The Neighbourhood Services' mid-year progress report shows the Service is focused on tackling its key priorities as well as contributing to those agreed in the Council Plan and City Plan.

5.2 The summary of Neighbourhood Service Plan performance confirms that 29 (67%) performance indicators are on target at the mid-year point.

5.3 The best performing indicators (most improved) at the mid-year point are: -

- Number of people consulted on Community Planning issues
- Number of council and registered social landlord new housing completions
- Number of antisocial behaviour complaints.

5.4 The indicators that require further improvement (most reduced) at the mid-year point are: -

- Number of targeted groupwork sessions
- Reduce the number of occupational health surveillance appointments not attended
- Health and Safety – reduction in number of days lost due to health and safety incidents.

5.5 There was one Action that was overdue in this reporting period which is: -

- Review management of risk assessment process including development of inventory and completion of Annual Assurance statements. This is 90% complete.

5.6 The actions which have progressed the most (where progress is now over 75%): -

- Manage waste sustainably by reducing, reusing, recycling, and recovering waste to improve resource efficiency whilst working towards a circular economy.
- Increase community use and ownership of Council owned assets.
- Target work to the most disadvantaged communities including focused local fairness initiatives in Linlathen and Stobswell West.
- Review management of risk assessment process including development of inventory and completion of Annual Assurance statements.

All other actions scheduled to have been completed up to this reporting period have been completed or have progressed at least 50% toward completion.

5.7 The Neighbourhood Services Plan Progress report is set out in Appendix 1 of this report.

## **6.0 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, 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.

## **7.0 CONSULTATIONS**

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

## **8.0 BACKGROUND PAPERS**

8.1 None.

Tony Boyle  
**Executive Director of Neighbourhood Services**

**Date:** 12 January 2026

Neighbourhood Services

# Service Plan 2023-2027

Mid-Year Report



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## Foreword

Neighbourhood Services is responsible for the management and maintenance of housing and the environment, waste management, supporting people to develop their communities and keeping people safe and healthy. Quality of life for the citizens of Dundee is one of our key priorities and Neighbourhood Services has overseen the transformation of communities with new housing, community facilities and building a strong sense of pride and satisfaction across the city.

Sustainability and a commitment towards increasingly enhancing biodiversity and environmental quality are key to our service delivery. By working together with the private and voluntary sectors across the city we can all adopt more sustainable practices. Our Waste and Recycling Strategy sets out our plans to maximise recycling and minimise general waste.

Neighbourhood Services together with its strategic partners have ambitious plans to improve the energy efficiency of our existing housing stock and work towards decarbonisation as set out within the Housing Energy Efficiency and Net Zero Strategy 2023-2027. The Service is also committed to increasing the supply of affordable housing across the city through the Strategic Housing Investment Plan and Local Housing Strategy. These plans address housing need, to ensure that affordable new build housing meets high standards in terms of energy efficiency while reducing the impact of residential accommodation on the climate. New build social rented accommodation meets 'Net Zero' guidance in terms of improved energy efficiency and moving towards the decarbonisation of residential accommodation using alternatives to fossil fuel for heating.

Dundee has well established processes for locality planning to facilitate work between community planning partners and communities. There is a Local Community Planning Partnership (LCPP) covering each of the eight wards of the city. These LCPPs are one of our key mechanisms for empowering communities with local people sitting alongside service providers as equal partners taking collective action. People who know their own communities best, people who have lived experience of using services and local workers who have built up relationships in those communities, work together to ensure the community's voice is heard and that local people are at the heart of actions taken to reduce inequalities in their neighbourhoods.

The framework for community participation and Participatory Budgeting (PB) will continue to deliver active participation of citizens in local decision making. The Council has used a range of ways to support local community engagement and local community planning; community involvement and engagement activities underpin these plans. Our Engage Dundee model commits to holding city wide engagement every two years as well as ongoing engagement, consultation and working with communities at a local level.

Neighbourhood Services will continue to review the needs of employees in adapting to challenging legislative and resource constraints through our Workforce Plans. We will continue to work with our employees, partners, Government, and communities to deliver on the key priorities in this Service Plan.

Tony Boyle – Executive Director of Neighbourhood Services.

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## Achievements

Under the direction of the Service Plan, Neighbourhood Services has continued to deliver strongly against strategic objectives. A summary of some of the key achievements by each service across Neighbourhood Services is described below: -

### 2.1 Environment

- As of September 2025, part of an ongoing programme of play improvements across Dundee's parks and open spaces, substantial renewals have been completed at Spey Drive, Longhaugh Road and Pitairlie Road play parks which included installation of new equipment, surface improvements, and improvements to infrastructure and landscape. In addition, smaller upgrades were completed at a further seven play parks as part of the Coldside and West End play area upgrades where new equipment was installed. These projects were jointly funded through Scottish Government Play Park Renewal Fund and the Council's Capital programme.
- As in previous years the Council received funding from the Scottish Government via the directly awarded Nature Restoration Fund of £184k. For the first time the award comprised of both capital and revenue funding and has been allocated to a range of projects which implement the Biodiversity Action Plan. These include working in partnership with both Eden Dundee and RSPB delivering biodiversity enhancements to local communities and schools, restoring the pumps at the Barnhill Rock Garden ponds, creating a perennial meadow and city-wide biodiversity planting, including the COVID memorial garden. The revenue funding has enabled the management of invasive species and carrying out survey work.
- Dundee's success in external Keep Scotland Beautiful award schemes continued, the city retained a Scotland's Beach Award at Broughty Ferry Beach, 7 Green Flag Awards at parks across the city, and was awarded a Certificate of Recognition in the non-judged category of Beautiful Scotland. In addition, 12 of Dundee's horticultural and environmental groups entered the It's Your Neighbourhood initiative.
- Between April and September 2025, a total of 25 litter picks were registered with the Council and Keep Scotland Beautiful. These included litter picks delivered in partnership between DCC Environment and both St. Paul's RC Academy and St. John's RC High School as part of a High School Litter Initiative, launched in June 2025. This initiative continues to encourage pupils to take responsibility for their local environment and behaviour regarding waste and litter with further engagement and litter picks planned for Baldragon Academy, Greenfield Academy and Harris Academy for May and June 2026.
- In line with the Biodiversity Action Plan, a programme of events aimed at increasing local people's awareness and knowledge of city's biodiversity is run throughout the year. Recent highlights include participating in the National Whale and Dolphin Watch in early August where a total of 82 people directly engaged with the survey. Up to 12 bottle nose dolphins were seen at 3 of the 4 events. Another highlight in September was a joint bat walk held in partnership with Friends of the Law. A total of 84 participants were able to see and hear a number of pipistrelle bats through bat detectors.
- Development of an updated Waste and Recycling Strategy & Action Plan 2026-2030 to promote further recycling and re-use activities going forward.
- Landfill rates remain low with less than 1% of all residual waste going to landfill and the remainder being used to provide energy through the Council's energy from waste facility.
- Commencement of improvement works at Baldovie and Riverside household waste recycling Centres part funded through the Scottish Government's Recycling Improvement Fund including updated signage.
- Under the Take Pride Campaign, a Community Clean Up was held in the Lochee Ward in September 2025 targeting the Lochee, Menzieshill and Charleston areas. This cross-service initiative is providing noticeable improvements for the local area, showcasing strong partnership working and public involvement. Further Clean Ups are planned before the end of March 2026 in the West End and City Centre.

- As part of investment proposals agreed in the 2025/26 budget, an allocation of £300k has been allocated as additional revenue to support environmental actions and improvements. As at September 2025, 8 temporary street scene staff have been recruited, an external contactor has been engaged to carry out additional mechanical sweeping and further investment into bin provision is currently underway.

## 2.2 Housing, Construction and Communities

- In 2024/25 a total of 341 social housing completions were achieved across the city in partnership with our Registered Social Landlords, the highest number of completions for several years. All of these new homes have met or surpassed the current building regulations and meet the Energy Efficiency Standard for Social Housing, ensuring that our tenants live in warm, affordable homes. Figures for 25/26 will be confirmed by the 31<sup>st</sup> March 2026.
- The Rapid Rehousing Transition Plan (RRTP) highlights that in a very challenging housing environment nationally, the efforts of our teams and partnership working have had a positive impact for people experiencing homelessness. Whilst pressures on the homeless service have increased, the service has continued to ensure it meets its legislative duty by providing temporary accommodation to everyone who needed it in 100% of cases. Progress includes: -
- The service has 'flipped' 209 temporary furnished properties to permanent accommodation.
- The service has continued to maintain a good performance in respect of average days to assess a homeless application. Average days to assess homeless application is 16 days against target of 28 days, this is the same level as the corresponding period last year.
- Applications where at least one member of the household claimed to have experienced rough sleeping the night before their application has remained at the same level as the corresponding period last year.
- The number of children associated with applications assessed as homeless or threatened with homelessness by Dundee City Council has reduced by 24% from the corresponding period last year.
- Tenancy Sustainment for households permanently rehoused is 91.15%
- Construction Services selected as a finalist in the APSE Performance Networks Awards 2025 for Most Improved Performer in Building Maintenance.
- Some of the works carried out by Housing and Construction Services in the reporting period include:-
  - 25,979 reactive repairs completed.
  - 583 mainstream properties and 126 network properties were prepared for letting.
  - 11,251 of 11,252 Gas Safety Checks completed on time in a rolling programme
  - 943 Electrical Safety Inspections were complete.
  - 83 major and 73 minor disabled adaptations were complete
  - Capital Improvements including Window Replacement, Roof Replacement, Disabled Adaptations, Kitchen, Heating and Boiler Replacements to over 257 properties.
- A new Neighbourhood Capital Fund participatory budgeting consultation was successfully delivered with a strong emphasis on youth and family involvement.
- Community asset transfers enabled groups like Ferry Fridge and The Yard to secure long-term leases and funding, enhancing local facilities and inclusive play spaces for children with additional needs.
- CLD Youth Work have delivered early intervention and transition support and expanded diversionary and leadership programmes, with a particular focus on integrating the two school communities around Drumgeith Campus.

- English for Speakers of Other Languages (ESOL) and Adult Literacy Teams provided tailored support refugees, asylum seekers to support their integration into community life in Dundee and support the progression of adults with literacies to build their skills.
- A number of participants were supported to successfully complete the health issues in the Community Course receiving formal accreditation and the skills to develop community responses to tackling the determinants of poor health.
- Dundee City Council and partners won two COSLA Excellence Awards. One for work on combatting poverty and inequality in Linlathen through the Local Fairness Initiative and the other for supporting families to lead on improving family and community life across the city as part of the family empowerment work in partnership with What Matters to You.
- The Community Safety Roadshow was successfully launched in September, reaching every Primary 7 class across Dundee. The roadshow, led by key partners in Community Safety, delivered a series of educational sessions focused on safety messages, each developed with input from subject matter experts to ensure relevance and impact.

## Key Performance Indicators Summary 2024/25

Status of our Key Performance Indicators compared to our targets: -

	29 - on target
	0 - within 5% of target
	14 - more than 5% from target

Best compared to target	Furthest from target
No of people consulted on Community Planning issues	Reduce the number of occupational health surveillance appointments not attended
Average length of time taken to complete emergency repairs	Street Cleanliness Score - Streets cleaned to an acceptable standard
Percentage of private sector properties managed by an accredited landlord or letting agent	Number of breaches of the unsuitable accommodation order

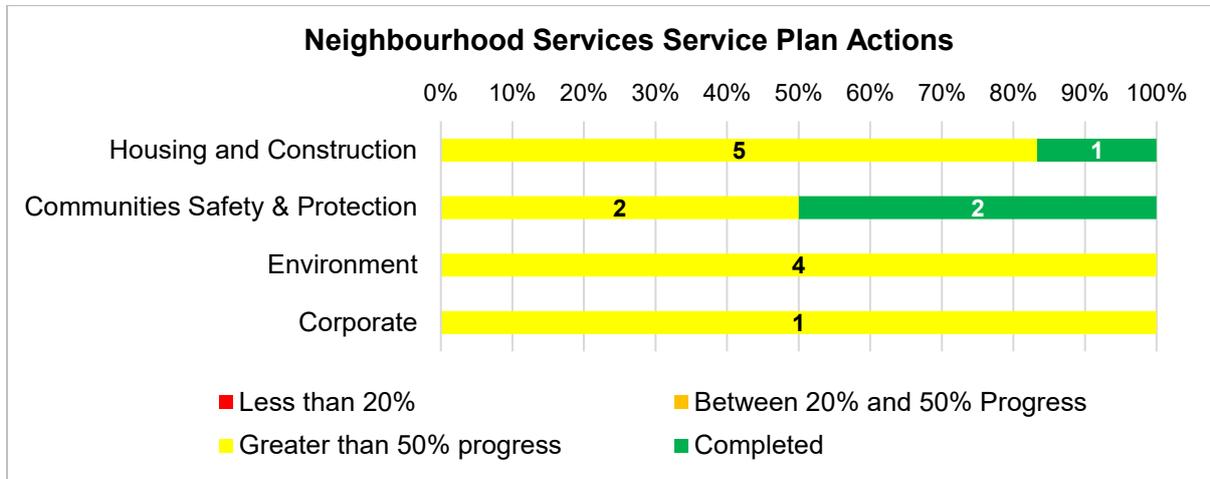
## Long term Trend of Key Performance Indicators

	Most improved PIs	Most reduced PIs
 <b>31 - Improving and maintaining</b>	No of people consulted on Community Planning issues	Number of targeted groupwork sessions
	Number of council and registered social landlord new housing completions	Reduce the number of occupational health surveillance appointments not attended
 <b>12 - Performance has reduced</b>	Number of antisocial behaviour complaints	Health and Safety – reduction in number of days lost due to health and safety incidents

**Note:** in the tables above 29 actions are on target though 31 are trending toward their target or maintaining their performance

## What Action Will We Take? -

### Service Plan Actions



In summary: -

- Housing and Construction have 5 actions that have progressed greater than 50% progress and 1 action complete.
- Communities Safety & Protection have 2 actions that have progressed greater than 50% progress and 2 action complete.
- Environment have 4 actions that have progressed greater than 50%.
- There is 1 Corporate action that has progressed greater than 50%.

#### **Actions which have been completed in the year 2025/26:-**

None during the first half of the year.

#### **Actions which are currently overdue:-**

Review management of risk assessment process including development of inventory and completion of Annual Assurance statements.

PERFORMANCE INDICATOR (PI) STATUS EXPLAINED					
Status		Short Term Trend		Long Term Trend	
	More than 5% away from Target		Improving		Improving
	Close to target		Maintaining		Maintaining
	On Target		Deteriorating		Deteriorating

ACTION PROGRESS SYMBOLS AND STAGES EXPLAINED	
	<b>Unassigned</b> – The action has been created on the system but hasn't yet had the required relevant officers assigned to it.
	<b>In Progress</b> - Action is progressing well, on target for achieving all objections set in the initiation phase. <b>20%</b> - The task is defined and agreed by relevant partners/stakeholders <b>40%</b> - Necessary tasks planned and implementation in early stages <b>60%</b> - Number of key actions achieved/agreed process or improvement taking shape or in place or underway <b>80%</b> - Majority of actions achieved/ agreed process or improvement largely in place or underway leading to confidence that the overall action will be delivered in full/on schedule
	<b>Overdue</b> – Action is still progressing; however, it has exceeded its due date.
	<b>Completed</b> - Action has been completed, and objectives have been achieved.
	<b>Alternative Action Identified</b> - When the action will not reach its due date or/and an alternative has been initiated



**Communities, Safety and Protection**

**Communities, Safety and Protection Performance Indicators**

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Mid-Year Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
✓	Number of Dundee Citizens engaged in CLD Programmes	4,808	4,861	5,369	3973	5,000	↑	↑	The consistent high numbers of young people and adults engaged in Community Learning and Development (CLD) activities suggests a growing interest and participation in lifelong learning and community empowerment. Involvement in CLD is leading to increased social cohesion, community involvement, and an awareness of various programmes and initiatives across the city.
✓	Percentage of Dundee Citizens from SIMD 1&2 (20% SIMD Rank) engaged in CLD learning programmed activities	57.18%	56.8%	58.5%	61%	60%	↑	↑	The communities service continues to target our CLD offer to Dundee's priority communities and with other disadvantaged groups with a focus on reducing the impacts of poverty and inequality and building stronger empowered communities.
✓	Number of attendances by young people engaged in Diversionary Learning Programmes.	36,160	40,069	38,588	19,984	40,000	▬	▬	Diversionary programmes are in place Monday to Friday, targeted at local community wards with the highest needs. This gives young people the opportunity to access a positive learning opportunity each evening and divert some away from possible anti-social/offending behaviour. The mid-year position shows we are on track to achieve the target.
✓	Number of targeted groupwork sessions	7,760	6,056	6,818	2762	8,000	↓	↓	CLD staff delivered 300 different targeted group work projects and 2762 sessions to 3174 local people through Youth Work, English Speakers of Other Languages (ESOL), Literacies and Community Health programmes.  Differentiated learning provides appropriate challenge and support learners to engage in language, literacy, numeracy, and digital learning, or promote wellbeing across all ages, or provides opportunities for young people to develop their skills and engage in new experiences.
✓	Number of learners receiving individualised support to reduce risk and support positive outcomes	863	972	919	647	900	↑	↑	The Communities Service has seen an increase in the mid-year number of young people and adults accessing individual support to improve outcomes. This takes the form of

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Mid-Year Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
									<ul style="list-style-type: none"> <li>• One to one ESOL or literacy support to adults who want to improve their reading, writing, spelling, numeracy, or digital skills,</li> <li>• Young people referred by education and other partners who need additional support to address challenges to learning such as family or social issues, help them to build confidence, meet goals and progress to other learning.</li> <li>• Local community members are being supported to take action in their area or help around governance or take on a committee role.</li> </ul>
	Number of Recovery & Resilience Sessions (Capacity Building)	1,731	2,585	2,139	1109	1900			The reported figures show strong capacity building activity across communities. Increased engagement with families city-wide has led to more new parent groups planning and delivering local opportunities. This builds on the success of partnerships including What Matters to You. The Communities Service continues to offer effective support to diverse groups and individuals. The Make it Happen Fund in North East, East End, Strathmartine, Coldside and Maryfield enabled more participants to gain skills by managing grants for community projects. Recovery-focused groups in these regions also benefited from expanded support, helping participants move from initial involvement to volunteer roles.
	Number of people attending community centres	331,151	460,110	428,768	219,133	333,000			<p>Community Centres continue to be the focus of a huge amount of anti-poverty work and, increasingly, family empowerment work</p> <p>With the onset of winter, community cafés are experiencing increased visitor numbers, while advice services offering outreach in community centres are connecting with more customers than before.</p> <p>In 6 wards the administration of What Matters to You, Make it Happen Funding has enabled a growth in community-based learning opportunities and activities based in local community centres.</p> <p>Additionally, new groups have been set up, including a Men's Group in Charleston, fresh Local Management Group initiatives in Coldside such as a Menopause café, and sports classes for children in Strathmartine.</p>
	Number of people consulted on Community Planning issues	3,454	10,729	12,201	7037	4,000			We have seen very high numbers of local people consulted on community priorities for the Neighbourhood Capital Fund. There was an emphasis in the Neighbourhood Capital Fund on engaging young people to ensure their voices were genuinely reflected in funding decisions. Collaborative efforts

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Mid-Year Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
									<p>involving Community Learning and Development (CLD) youth workers, Children and Families teams, as well as local sports clubs and community hubs, led to high levels of participation among children and young people in Dundee</p> <p>A growth in participation in consultation can also be attributed in part to the recent expansion of the What Matters 2 You (WM2U) initiative in Whitfield, which built upon earlier groundwork that took place in the Charleston and Kirkton areas. Throughout the summer months, a series of school holiday programmes hosted across various neighbourhoods in the city created valuable opportunities to engage with a diverse range of families, allowing them to voice their opinions on issues that directly affect their daily lives and communities.</p>
	Number of antisocial behaviour complaints	1,470	1,302	1,314	681	1,432			Short-term and long-term trends show a reduction in the number of antisocial behaviour complaints received. Despite a slight increase in reports during 2024/25 (+0.92%) the long-term trend shows complaints are reducing. The figures for 2025/26 at the 6-month period show a 7.4% reduction in complaints compared to the same period last year.
	% satisfaction with antisocial behaviour service	82%	82%	89%	90%	80%			The antisocial behaviour team continue to gather information relating to satisfaction upon case closure, using contextual data gathered to continue to improve the service.

**Communities, Safety and Protection Actions**

	Action	Progress Bar	Due Date	Latest Update
	Increase community use and ownership of Council owned assets	75%	31-Mar-2027	<p>At the end of September 2025, there was one Community Asset Transfer request that had been received and assessed by the Community Asset Transfer review group. The group had been advised that further information is required, and this is now progressing.</p> <p>Communities have been enhancing links with Community Ownership Support Scotland. An advisor from the service met with 7 community groups in Dundee on the 14th of August and shared resources, advice and guidance around governance and community ownership.</p>
	Develop youth activities via CLD youth workers teams	100%	31-Mar-2025	Action Completed
	Maximise participatory budgeting in all forms	100%	31-Mar-2027	Action Completed
	Target work to the most disadvantaged communities including focused local fairness initiatives in Linlathen and Stobswell West	85%	31-Mar-2032	<p>Via the local fairness initiatives, in Linlathen £254,478 in additional income and £93,892 in benefit gains, while distributing 1,920 food bags that saved households a further £59,520. Affordable childcare for 95 children in 72 families.</p> <p>27 individuals from Linlathen assisted into employment and 31 residents participating in locally delivered, accredited courses. 60 volunteers contributed over 6,400 hours, generating more than £81,000 in social value. 456 visits to the Linlathen Works Drop-in centre.</p> <p>Over 1,000 attendances at drop-in sessions. 94 hours of family activities were delivered across 47 sessions.</p> <p>Improvements to housing and green spaces were driven by the development of three play trails and a park upgrade, enabled by £262,000 in funding and the involvement of 367 residents in co-design efforts. Home energy and housing advice, with over 1,200 support visits and more than 80 residents receiving tailored guidance.</p> <p>A key development within the initiative in Stobswell West has been a subgroup focusing specifically on housing issues in Stobswell West, mainly linked to the private rented sector. A working group in Stobswell West has been established focusing on increasing opportunities for community engagement. A strategy is being developed by the partners including a range of outreach door knocking, community-based activities and community information.</p>



Housing and Construction

Housing and Construction Performance Indicators

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Midyear Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
	Number of Council and Registered Social Landlord new housing completions	101	264	341	21	200			There were 21 completions as at 30.09.2025. Although this is significantly short of the target there are a number of large sites expected to complete before the year end and the annual target will be exceeded. At the time of writing the report there have been 174 completions.
	% of gas safety certificates obtained within 12 months	100%	99%	100%	99%	100%			One property was completed 1 day late as a result of access issues.
	% of reactive repairs carried out within timescales	78.87%	79.29%	83.1%	84.40%	93%			The number of reactive repairs is reducing, and as we work our way through these older repairs, the proportion of jobs completed on time is improving. This year the service has completed 25,979 repairs in the 6 months to September 2025.
	% of lets to statutory homeless households	53.5%	51.8%	66.8%	57.5%	55%			Percentage of lets to homeless is slightly above target. This is due to exceptional pressures on homelessness and temporary accommodation, and as set out within the RRTP, there will be a temporary increase in lets to homeless until the end of the financial year.
	Average length of time taken to complete emergency repairs	4.93	4.4	4.14	2.8	6			The service continues to respond to emergency repairs well within the target of 6 hours and to date have completed 1057 emergency repairs in the 6 months to September 2025.
	% of reactive repair jobs completed right first time	78.35%	79%	82.63%	84%	85%			This measure is of jobs completed on time and without subsequent complaint or rework. The Scottish Housing Regulator (SHR) is currently consulting on a replacement measure. For the first 6 months of 2025/26 84.01% of reactive repairs were considered right first time, reflecting the fact many repairs are being completed after the target date because of the repairs backlog but up on last year's performance.

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Midyear Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
	Average number of days taken to re-let properties	104.4	96.06	79.76	72.3	45			Average days to let continue to reduce but remain above target. Challenges include the condition of properties following termination and volume of work required to bring homes back to a lettable standard. Review of voids process following void recovery plan is intended to conclude early into 2026/27.
	% of lets to BME groups (Quarterly and Yearly)	1.3%	2.1%	1.6%	2.45%	3.3%			Proportion of lets to Black Minority and Ethic (BME) groups remains below target and there has been a small reduction in applications from BME applicants. The number of lets to BME groups has increased. This is not a mandatory question on the housing application and is dependent on applicants completing this section.
	% of tenancy offers refused during the year	47%	37.5%	39.7%	44.4%	47%			Percentage of tenancy offers refused is below target. Every effort is made to minimise refusals through a housing options approach and regular reviews of applications. The allocation policy imposes a 2-offer rule which is intended to further reduce refusals.
	Percentage of new tenancies sustained for more than one year	89.53%	88.9%	90.97%	91.15%	90%			This indicator remains above target. 91.15% sustained for more than 1 year.
	% Gross rent arrears	11.71%	10.7%	7.3%	7.5%	6.4%			Rent arrears have increased slightly by 0.2% from the last 6-month period mainly due to UC migration. The team continue to support tenants maintain their rent charge via Discretionary Housing Payments and Tenant Hardship Fund alongside collaborative working with Council Advice Services to maximise income.
	Average time taken to complete non-emergency repairs	15.8	13.79	15.67	12.75	9			The service continues to dedicate a high level of resource to responsive repairs. This increased resource will see a drop in jobs already in the system and in turn will show improved performance going forward in the average time to complete non-emergency repairs. As the service completes older repairs then this will have the impact of increasing the average days.
	Percentage of tenants satisfied with the overall service provided by their landlord	80.84%	83.2%	83.2%	83.2%	90%			The STAR survey is carried out every 3 years, and this was last complete at the end of 2023. Comparative figures are available for 23/24 for our peer group of medium sized local authorities and the average for that group is 78.89%

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Midyear Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
	Percentage of tenants satisfied with the overall quality of home	76.45%	83.2%	83.2%	83.2%	88%			The STAR survey carried out at the end of 2023 showed an improved performance in terms of tenants satisfied with the overall quality of their home. To build on this performance, the Housing Service is due to carry out a 100% Stock Condition Survey which will further inform resource allocation within the Housing Capital Plan.
	% of Rent due lost through properties being empty	2.33%	2.16%	1.77%	1.52%	1.5%			This is a cumulative indicator and represents the amount of annual rent lost due to voids.
	Average case duration for those assessed as homeless or threatened with homelessness	263 days	274 days	234 days	240 days	150 days			Average case duration is higher than the target due to the length of time to rehouse applicants because of number of households awaiting housing compared to number of available properties. This is particularly the case for single people and large households.
	Number of cases awaiting discharge of statutory duty	680	780	772	863	400			Sustained pressures on homeless services due to demand and delayed move on from temporary accommodation. Allocations to homeless applicants has temporarily increased and the service is maximising housing options for homeless applicants in all sectors.
	Number of breaches of the unsuitable accommodation order	47	228	272	182	0			Breaches of unsuitable accommodation order remain high due to demand exceeding capacity and difficulty in moving people within 7 days. New temporary accommodation is being set up, and the service is reviewing other opportunities to increase supply.
	Number of households in temporary accommodation at end of period	364	463	440	479	300			Sustained pressures on temporary accommodation due to demand and lack of move on from temporary accommodation. Allocations to homeless applicants has temporarily increased and the service is maximising housing options for homeless applicants in all sectors.
	Percentage of homeless or potentially homeless applicants securing permanent accommodation	79%	80%	83%	80%	85%			Mid-year position is below target. Allocations to homeless applicants has temporarily increased and the service is maximising housing options for homeless applicants in all sectors.
	Number of homeless applications	1430	1386	1638	807	1392			Demand remains high and this is placing sustained pressures on homelessness services and temporary accommodation. An additional Prevention Officer is being recruited prior to implementation of homeless prevention duties and other actions are set out within the RRTP.

## Housing and Construction Actions

	Action	Progress Bar	Due Date	Latest Update
	Maintain momentum in energy efficiency and wall insulation programmes to reduce fuel poverty for children and families	60%	31-Mar-2027	Multi retrofit programme will see approx. £10m investment in Phase 1 of Linlathen commencing early 2026.
	Build affordable houses that meet community needs	60%	31-Mar-2027	Over 600 affordable Houses have been completed since this Service plan was implemented. Ongoing planned affordable Housing development is detailed in the Strategic Housing /Investment Plan (SHIP) which is agreed by the Council and Scottish Government annually.
	Integrated Housing Management System (IHMS)	50%	20-Dec-2024	Project Manager has been recruited and is now leading the implementation of the Repairs and Maintenance phase due in 2026.
	Modernisation of Construction Services	50%	20-Dec-2024	Project Manager has been recruited and is now leading the implementation of the Repairs and Maintenance phase due in 2026.
	Complete the annual rent consultation exercise	65%	31-Mar-2027	The budget setting timetable for 2026/27 has been drafted and agreed. Actions to complete the rent setting process for 2026/7 are progressing.
	Review Not Just a Roof Housing Options and Homelessness Strategic Plan 2016 – 2021	100%	20-Sept-2024	Complete



## Environment

### Environment Performance Indicators

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Mid-Year Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
✓	Number of clean ups /litter picks recorded citywide (maintain/increase)	59	68	77	25	52	↑	↑	Litter picks are supported and encouraged city wide as part of the Council's Take Pride in Your City campaign. A mid-year figure of 25 known litter picks were registered with DCC Environment and Keep Scotland Beautiful, indicating that the target figure of 52 will be achieved. The registered figures do not include litter picking by groups or individuals who carry out work without engaging with DCC or KSB and the actual figure is likely to be higher.
✓	Number of 'Friends of Parks Groups' (maintain / increase)	N/A	9	9	9	9	▬	▬	There are 9 Friends of Parks groups. The Council continues to support existing groups and to encourage the development of new groups where appropriate.
✓	Maintain or increase the number of Keep Scotland Beautiful (KSB) Green Flag awards achieved	7	7	7	7	7	▬	▬	Dundee's Green Flag Awards were awarded in July 2025. The city successfully retained all 7 Green Flags for; Barnhill Rock Garden, Slessor Gardens and Waterfront Place, Dundee Law, Templeton Woods, Baxter Park, Trottick Mill Ponds LNR and Riverside Nature Park.
✓	Number of KSB, It's Your Neighbourhood' groups reaching the outstanding level (maintain / increase)	N/A	12	12	8	12	▬	▬	It's Your Neighbourhood (IYN) is a community environmental improvement initiative managed by KSB in partnership with the RHS. The volunteer-led community groups which enter are awarded one of five certificate levels, the highest being Outstanding level. Changes to the entry criteria have impacted on the number of groups eligible to apply to IYN. Despite all groups continuing their environmental work throughout the city, 12 groups applied in 2025. Results will be reported in the annual plan update.

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Mid-Year Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
	Street Cleanliness Score - Streets cleaned to an acceptable standard	86.2	86.4	83.2	N/A	94			Officers have carried out assessments during the first reporting period (April – July inclusive) and are awaiting the results of the second period’s assessment (August – November inclusive) from KSB. The annual cleanliness scores for 2025 will be published by KSB early in 2026/27. Throughout 2025, a dedicated plan was progressed to target priority locations, hotspots, and routes across Dundee. This included targeted mechanical sweeping, further roll out of larger capacity bins, delivery of community clean ups. Environment continues to strive to continue to implement measures to improve this score throughout 2025/26.
	Retain the Keep Scotland Beautiful Beach Award (Broughty Ferry)	1	1	1	1	1			Scotland’s Beach Award, administered by Keep Scotland Beautiful, was awarded to Broughty Ferry Beach in June 2025. An application to retain the award will be submitted in March 2026.
	Retain the Keep Scotland Beautiful (KSB) City Category	1	1	1	1	1			Bonnie Dundee entered the non-judged category of Beautiful Scotland in 2025; the entry was awarded a Certificate of Recognition. The decision to take a break from competition was taken by the steering group to allow time to refocus efforts and rebuild volunteer capacity of the group, to help ensure the city entry is more sustainable going forward.
	% of household waste landfilled	2%	1.5%	1%	N/A	7%			The SEPA verified landfill rate for 2025 will not be available until Autumn 2026.
	Percentage of household waste recycled or composted.	35.6%	36.6%	35.1%	N/A	40.2%			The SEPA verified recycling rate for 2025 will not be available until Autumn 2026.
	Net cost of waste collection per premise	£60.69	£62.98	£66.64	N/A	£75.19			New indicator. Comparison of current performance via the Local Government Benchmarking Framework, shows that Dundee is below the family group and Scotland wide average for the cost of waste collection per premise.
	Net waste disposal cost per premise	£6.17	£62.03	£68.95	N/A	£103.53			New indicator. Comparison of current performance via the Local Government Benchmarking Framework, shows that

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Mid-Year Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
									Dundee is below the family group and Scotland wide average for the cost of waste disposal per premise.

## Environment Actions

	Action	Progress Bar	Due Date	Latest Update
▶	Manage waste sustainably by reducing, reusing, recycling, and recovering waste to improve resource efficiency whilst working towards a circular economy.	75%	31-Mar-2030	<p>The Waste Strategy Team has completed and published the updated Waste and Recycling Strategy and Action Plan for 2026 - 2030 and will progress each year as part of the long-term strategy.</p> <p>The Mobile App continues to gain traction with householders with approx. 13,500 users and continues to be a platform for providing updates and information to users.</p> <p>The updated strategy also interfaces with the key actions and aspects of the Take Pride Campaign will be included in the updated plan.</p>
▶	Provide further opportunities for pedestrianised areas, pocket-parks and support empowered communities to be partners and leaders on local plans and initiatives to develop biodiversity, local food growing and community spaces.	60%	31-Mar-2027	<p>This action promotes further development of pedestrianised areas (former roads now restricted to pedestrians) alongside other initiatives that transform spaces from car to community, social and biodiversity use. The public realm improvements to enhance the pedestrianised area of Lochee High Street was successfully undertaken and development works completed in Summer 2025. The Council have continued to work in partnership with Sustrans and the local community at Stobswell with the creation of pocket parks in the area and a collaborative concept design has been developed for the next planned pocket park at Eliza Street. Action has been taken to progress with delivering the outcomes within the Dundee's City Centre Strategic Investment Plan (CCSIP). A key aspect of this has been collaborative working with consultants in the preparation of the Eastern Quarter Masterplan which will establish a programme of deliverable public realm projects, such as enhancing public spaces and active travel opportunities. The plan will inform future capital investment in the Eastern Quarter area of the city centre.</p> <p>Other ward-based actions include: -</p> <p><b>Strathmartine</b></p> <ul style="list-style-type: none"> <li>• Keswick Greenspace: Strong community engagement led by the Community Empowerment Team, Kirkton Partnership, and DCC Environment Team. Sessions with households, schools, nurseries, and sheltered housing residents shaped initial</li> </ul>

Action	Progress Bar	Due Date	Latest Update
			<p>designs for children’s play area upgrades. Next steps: community feedback and funding.</p> <ul style="list-style-type: none"> <li>• Friends of Clatto: Volunteers planted a wildflower meadow, maintained vegetation, organised volunteer days, litter picks, and cared for bird feeders and park infrastructure.</li> <li>• St Mary’s Community Garden: Local volunteers grow crops (potatoes, onions, garlic, carrots) shared via the community larder and café, strengthening food and social ties.</li> </ul> <p><b>North East and East End</b></p> <ul style="list-style-type: none"> <li>• Longhaugh and Pitarlie Road Playpark: Upgraded following consultations with local parents.</li> <li>• Fintry Community Garden: Supports Fintry Larder with surplus produce.</li> <li>• Whitfield Community Garden: Hosted a fun day with Change Makers, promoting local growing and community spirit.</li> <li>• Dighty Connect: Preparing a Make It Happen Fund application to install benches along Dighty Water for improved accessibility</li> <li>• Community Spaces Group: Maintains planted areas and organises litter picks. Collaboration with Scottish Water for park and street enhancements. Resident suggestions gathered at Douglas Park event.</li> <li>• Weather station at Claypotts Primary School and flow monitor in the park’s SUDS system aid water management.</li> <li>• Douglas Growers: Fruit and veg beds dedicated to the Food Cupboard; seeking funds for a permanent compost pile.</li> </ul> <p><b>Coldside and Maryfield</b></p> <ul style="list-style-type: none"> <li>• Coldside Community Forum: Launching a wildflower project to enhance walking routes near Hilltown.</li> <li>• Maxwell Centre &amp; Community Empowerment Team: Working with young people to identify safe, welcoming spaces and support youth engagement.</li> </ul> <p><b>Maryfield</b></p> <ul style="list-style-type: none"> <li>• Albert Street Action Group focuses on pedestrian safety; Stobswell involved in sustainable transport consultations, especially cycle lanes and walkways.</li> <li>• LCPP: Four walkabouts planned to assess safety and maintenance in Coldside and Maryfield.</li> </ul>

Action	Progress Bar	Due Date	Latest Update
			<p><b>Lochee</b></p> <ul style="list-style-type: none"> <li>• Pocket Park on Lochee High Street: Co-produced with residents, now under construction. Features resident-funded street art and a community Christmas tree. Further improvements planned, including a water management area.</li> </ul> <p><b>West End</b></p> <ul style="list-style-type: none"> <li>• Recovery Garden at the Friary, City Church: Developed as a nurturing space for those in recovery. Funded by ADP, NHS charitable trust, and a CRF grant. Supports wellbeing and inclusion through engagement with nature and community.</li> </ul>
		31-Dec-2026	<p>The Waste Routemap and review of the household waste recycling code of practice is now being taken forward and the key activity with working group is the Co-design of future kerbside collection services ahead of the Code of Practice becoming mandatory.</p> <p>The engagement with local government and industry stakeholders is now underway with the aim of completing the co-design process by the end of 2026 and the Council are part of this working group.</p>
		31-Mar-2027	<p>The team have now developed and published the updated Waste Strategy and Action plan 2025 -2030. The strategy action plan includes an interface with key actions and aspects of the Take Pride Campaign.</p> <p>The updated strategy incorporates elements of new and emerging legislative and regulatory obligations and indicates how these will be met over the next 5 years.</p>



## Corporate Measures - Neighbourhood Services

### Corporate Performance Indicators - Neighbourhood Services

	Performance Indicator	2022/23 Value	2023/24 Value	2024/25 Value	2025/26 Value	2025/26 Target	Short Term Trend	Long Term Trend	Latest Update
	Reduce the number of occupational health surveillance appointments not attended	139	103	153	37	48			This is an internal measure relating to staff attending occupational health surveillance appointments. The mid-year target shows an improvement from the previous year. The service has put measures in place to ensure contact information between employees, and the Occupational Health provider is accurate to ensure that alerts for upcoming appointments are highlighted to the employee and the appropriate manager.

### Corporate Actions - Neighbourhood Services

	Action	Progress Bar	Due Date	Latest Update
	Review management of risk assessment process including development of inventory and completion of Annual Assurance statements	<div style="width: 90%; background-color: #4f81bd; height: 15px;"></div> 90%	23-Dec-2024	The H&S Team continue to support NS management to develop and implement updated procedures to manage operational risk assessments. Information created by these new procedures will support NS in completing their Annual Assurance statements. This will be an ongoing action.

**REPORT TO:** CITY GOVERNANCE COMMITTEE – 2 MARCH 2026  
**REPORT ON:** CAPITAL EXPENDITURE MONITORING 2025/26  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 40-2026

**1 PURPOSE OF REPORT**

1.1 To appraise Elected Members of the latest position regarding the Council's Capital Plan 2026-31.

**2 RECOMMENDATION**

2.1 It is recommended that the Committee note the latest position regarding the Council's Capital Plan 2026-31.

**3 FINANCIAL IMPLICATIONS**

3.1 This report shows the latest projections for 2025/26 expenditure and total cost as at 31<sup>st</sup> January 2025.

Appendix 1, which details the General Services position to the end of January 2026, shows a revised projected outturn for 2025/26 of £55.903m, an increase of £0.041m since the Capital Plan 2026-31 report was approved at City Governance Committee on 16<sup>th</sup> February 2026 (Report 24-2026, Article IV refers). The movements that have contributed to this increase are below the £0.250m reporting threshold. The net movement of budget from 2025/26 into 2026/27 of £0.009m since the Capital Plan report was approved will be funded from borrowing.

Appendix 3, which details the Housing HRA position to the end of January 2026, shows a revised projected outturn for 2025/26 of £19.439m, a decrease of £1.097m since the Capital Plan 2026-31 report was approved at City Governance Committee on 16<sup>th</sup> February 2026 (Report 24-2026, Article IV refers). The movement that has caused this decrease is detailed in paragraph 6.2 of this report.

**4 BACKGROUND**

4.1 The Capital Plan 2026-31 was approved at City Governance Committee on 16 February 2026 (Report 24-2026, Article IV refers).

In addition to monitoring the in-year budget (i.e.2025/26) the total projected cost of each project will be monitored against the cost when the tender acceptance was approved at Committee, or if no tender accepted at committee, will instead be monitored via sourcing strategies or direct awards. Furthermore, the projected completion date for each project will be monitored against the completion date as anticipated when the tender report was approved or as per the sourcing strategies. The capital programme is being monitored in conjunction with the Council's asset managers.

The Housing HRA Capital Programme 2025/26 was approved as part of the Capital Plan 2026-31 at the City Governance Committee on 16 February 2026 (Report 24-2026, Article IV 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 2025/26 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 2025/26 and for the whole project lifespan. In addition, the Appendix monitors project timescales, with approved completion dates taken from tender approval reports and sourcing strategies.

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.

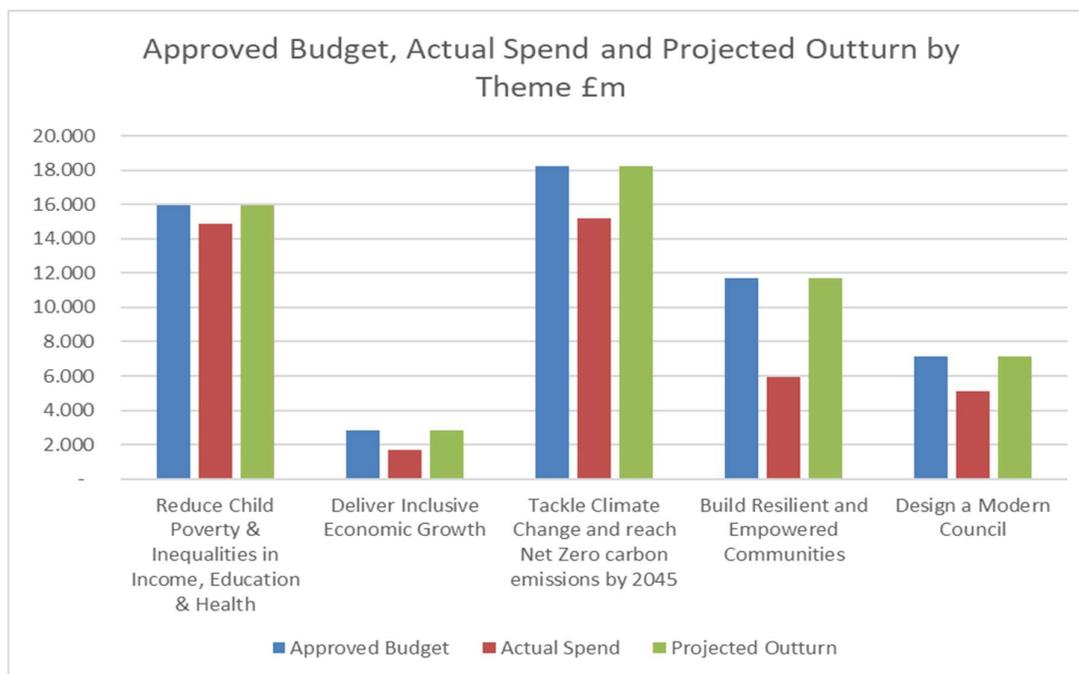
5.1.1 In respect to, the projects funded from the £20m Dundee Community Regeneration Partnership, shown in Appendix 4, progress continues to be made in the development and delivery of the named projects.

There are quarterly meetings between Dundee City Council and the UK Government (Ministry of Housing, Communities and Local Government) where the Council provide updates on each of the named projects in the programme. To date, there have been no concerns expressed about the delivery timescales of the projects.

Internally, progress is reviewed fortnightly by the appointed Community Regeneration Partnership Board, whose membership includes the Executive Directors of Corporate Services and City Development, who have delegated authority to deliver the Programme.

5.1.2 Appendix 1 summarises the total gross expenditure for 2025/26 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 31<sup>st</sup> January 2026 is £42.817m, 77% of the Revised Budget 2025/26 compared to 78% for the same period last year.

The table below shows a comparison of approved budget, actual spend and projected outturn for 2025/26, broken down by Council Theme.



The net increase in the projected outturn for 2025/26 reflects additional grant income awarded to the Council that will be spent in year, and project/programme budgets being reprofiled from 2025/26 into 2026/27. The variances are below the £0.250m reporting threshold.

5.2 2025/26 Expenditure Variations

Appendix 1, which details the General Services position to the end of January 2026, shows a revised projected outturn for 2025/26 of £55.903m, an increase of £0.041m since the Capital Plan 2026-31 was approved at City Governance Committee on 16<sup>th</sup> February 2026 (Report 24-2026, Article IV refers). The net movement that have contributed to this increase are below the £0.250m reporting threshold.

- 5.3 The table below shows the latest position regarding the capital resources for funding of the 2025/26 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	23.620	(0.011)	23.611	23.611	-
General Capital Grant	14.181		14.181	14.181	-
Capital Grants & Contributions	15.682	50	15.732	15.732	-
Capital Receipts – Sale of Assets	2.000		2.000	2.000	-
Capital Financed from Current Revenue	<u>0.379</u>		<u>0.379</u>	<u>0.379</u>	-
	<u>55.862</u>	<u>0.041</u>	<u>55.903</u>	<u>55.903</u>	<u>-</u>

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

	£m
2021/22	45.038
2022/23	44.086
2023/24	73.454
2024/25	105.619
2025/26 (Projected)	55.903

#### 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.

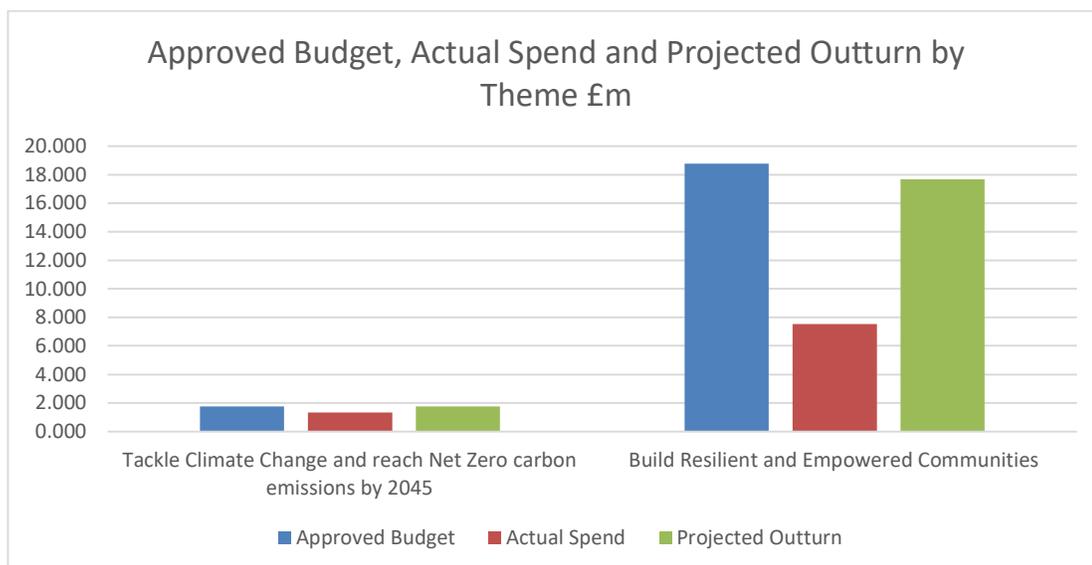
## 6 HOUSING HRA - CURRENT POSITION

### 6.1 2025/26 Expenditure Variations

Appendix 2 details the latest projected outturn for each project, both for 2025/26 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.

Appendix 3 summarises the total gross expenditure for 2025/26 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 31<sup>st</sup> January 2026 is £8.879m, 46% of the Revised Budget 2025/26 compared to 57% for the same period last year. There is expenditure of £1.167m within HRA revenue which still has to be transferred to HRA Capital which will bring actual expenditure to 31<sup>st</sup> January 2025 to £10.046m, 52% of the Revised Budget 2025/26.

The table below shows a comparison of approved budget, actual spend and projected outturn for 2025/26, broken down by Council Theme.



6.2 Appendix 3, which details the Housing HRA position to the end of January 2026, shows a revised projected outturn for 2025/26 of £19.439m, a decrease of £1.097m since the Capital Plan 2026-31 report was approved at City Governance Committee on 16th February 2026 (Report 24-2026, Article IV refers). The movement that has caused this decrease is detailed in paragraph 6.2.1 below.

6.2.1 Increased Supply of Council Housing- Blackness – (Build Resilient and Empowered Communities) - The projected expenditure for 2025/26 has decreased by £1.097m. The project spend profile has been updated now that a meaningful start has been made on site. This has been rephased to reflect the latest projections provided by the contractor. The project is reported to be on programme.

6.3 The table below shows the latest position regarding the funding of the 2025/26 programme: -

	Approved Budget £m	Adjustments £m	Revised Budget £m	Projected Outturn £m	Variance £m
Borrowing	18.509	(1.097)	17.412	17.412	-
Capital Grants & Contributions	980	-	980	980	-
CFCR	450	-	450	450	-
Capital Receipts – Sale of Assets	432	-	432	432	-
Receipts from Owners	<u>165</u>	<u>-</u>	<u>165</u>	<u>165</u>	<u>-</u>
	<u>20.536</u>	<u>(1.097)</u>	<u>19,439</u>	<u>19,439</u>	<u>-</u>

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

	£m
2021/22	12.338
2022/23	9.232
2023/24	12.175
2024/25	16.530
2025/26 (Projected)	19.439

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.

7 **POLICY IMPLICATIONS**

7.1 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.

8 **CONSULTATION**

8.1 The Council Leadership Team have been consulted with the content of this report.

9 **BACKGROUND PAPERS**

9.1 None.

**PAUL THOMSON**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**17 FEBRUARY 2026**

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## 2025/26 DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING TO 31st JANUARY 2026

Appendix 1

	<u>Approved Capital Budget 2025/26 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2025/26 £000</u>	<u>Actual Spend 2025/26 £000</u>	<u>Projected Outturn 2025/26 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.01.26 as a % of Revised Budget</u>
<b>GENERAL SERVICES</b>							
<b><u>Capital Expenditure</u></b>							
Reduce Child Poverty & Inequalities in Income, Education & Health	15,944	0	15,944	14,864	<b>15,944</b>	0	93%
Deliver Inclusive Economic Growth	2,838	0	2,838	1,690	<b>2,838</b>	0	60%
Tackle Climate Change and reach Net Zero carbon emissions by 2045	18,241	0	18,241	15,181	<b>18,241</b>	0	83%
Build Resilient and Empowered Communities	11,686	39	11,725	5,963	<b>11,725</b>	0	51%
Design a Modern Council	7,153	2	7,155	5,119	<b>7,155</b>	0	72%
<b>Capital Expenditure 2025/26</b>	<b>55,862</b>	<b>41</b>	<b>55,903</b>	<b>42,817</b>	<b>55,903</b>	<b>0</b>	77%
<b><u>Capital Resources</u></b>							
Expenditure Funded from Borrowing	23,620	(9)	<b>23,611</b>	20,034	<b>23,611</b>		
General Capital Grant	14,181		<b>14,181</b>	12,392	<b>14,181</b>		
Capital Grants & Contributions - project specific	15,682	50	<b>15,732</b>	9,858	<b>15,732</b>		
Capital Receipts - Sale of Assets	2,000		<b>2,000</b>	288	<b>2,000</b>		
Capital Financed from Current Revenue	379		<b>379</b>	245	<b>379</b>		
<b>Capital Resources 2025/26</b>	<b>55,862</b>	<b>41</b>	<b>55,903</b>	<b>42,817</b>	<b>55,903</b>		
<b>Capital Expenditure as % of Capital Resources</b>	<b>100%</b>		<b>100%</b>		<b>100%</b>		

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REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH

Project/Nature of Expenditure	Approved Budget 2025/26 £000	Total Adjusts £000	Revised Budget 2025/26 £000	Expenditure to 31/01/2026 £'000	Projected Outturn 2025/26 £000
<b>MAJOR PROJECTS - Reduce Child Poverty and Inequalities</b>					
School Estate Investment-Greenfield Academy (EECC)	15,173		15,173	14,697	15,173
(Less External Funding)	(100)		(100)	(100)	(100)
School Estate Investment - Western Gateway Primary School	150		150	4	150
(Less External Funding)	(150)		(150)		(150)
<b>OTHER PROJECTS - Reduce Child Poverty and Inequalities</b>	621		621	163	621
(Less External Funding)	(15)		(15)		(15)
<b>Net Expenditure</b>	<b>15,679</b>		<b>15,679</b>	<b>14,764</b>	<b>15,679</b>
<b>Receipts</b>	<b>(265)</b>		<b>(265)</b>	<b>(100)</b>	<b>(265)</b>
<b>Gross Expenditure</b>	<b>15,944</b>		<b>15,944</b>	<b>14,864</b>	<b>15,944</b>

Note 1

Actual Project Cost to 31/01/2026 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
100,424	100,800	100,900	Jul-25	Aug-25
(100)		(100)		
	25,000	25,000		
	(3,662)	(3,662)		
622	1,277	1,293		
(50)	(275)	(275)		
<b>100,896</b>	<b>123,140</b>	<b>123,156</b>		
<b>(150)</b>	<b>(3,937)</b>	<b>(4,037)</b>		
<b>101,046</b>	<b>127,077</b>	<b>127,193</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 2026-31

## DELIVER INCLUSIVE ECONOMIC GROWTH

Project/Nature of Expenditure	Approved Budget 2025/26 £000	Total Adjusts £000	Revised Budget 2025/26 £000	Expenditure to 31/01/2026 £'000	Projected Outturn 2025/26 £000
<b>MAJOR PROJECTS - Deliver Inclusive Economic Growth</b>					
Site 6 South Side - Office Development	1,406		1,406	1,161	1,406
Demolition of Properties & Remediation Works	1,392		1,392	546	1,392
<b>OTHER PROJECTS - Deliver Inclusive Economic Growth</b>	40		40	(17)	40
<b>(Less External Funding)</b>	(10)		(10)	(6)	(10)
<b>Net Expenditure</b>	<b>2,828</b>		<b>2,828</b>	<b>1,684</b>	<b>2,828</b>
<b>Netted Off Receipts</b>	<b>(10)</b>		<b>(10)</b>	<b>(6)</b>	<b>(10)</b>
<b>Gross Expenditure</b>	<b>2,838</b>		<b>2,838</b>	<b>1,690</b>	<b>2,838</b>

## Note 1

Actual Project Cost to 31/01/2026 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
24,657	26,202	26,202	Feb-25	Sep-25
742	1,588	1,588	Mar-26	Mar-26
1,803	2,321	2,150		
(140)	(485)	(434)		
<b>27,062</b>	<b>29,626</b>	<b>29,506</b>		
<b>(140)</b>	<b>(485)</b>	<b>(434)</b>		
<b>27,202</b>	<b>30,111</b>	<b>29,940</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 2026-31

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

Project/Nature of Expenditure	Approved Budget 2025/26 £000	Total Adjusts £000	Revised Budget 2025/26 £000	Expenditure to 31/01/2026 £'000	Projected Outturn 2025/26 £000
<b>MAJOR PROJECTS - Tackle Climate Change and Reach Net Zero Emissions by 2045</b>					
Broughty Ferry to Monifieth Active Travel Improvements	1,014		1,014	869	1,014
(Less External Funding)	(864)		(864)	(570)	(864)
Tier 1 Active Travel Infrastructure Fund (formerly known as Cycling, Walking & Safer Routes)	877		877	721	877
(Less External Funding)	(877)		(877)	(682)	(877)
DCA Lifecycle plant replacement programme	1,180		1,180	998	1,180
Low Carbon Transport (Green Transport Hub & Spokes - Bell Street)	8,872		8,872	8,738	8,872
(Less External Funding)	(6,598)		(6,598)	(6,598)	(6,598)
Vehicle Fleet & Infrastructure	3,136		3,136	2,986	3,136
(Less Sale of Vehicles & Equipment)	(229)		(229)	(229)	(229)
<b>OTHER PROJECTS - Tackle Climate Change and Reach Net Zero Carbon Emissions by 2045</b>					
	3,162		3,162	869	3,162
(Less External Funding)	(2,192)		(2,192)	(529)	(2,192)
<b>Net Expenditure</b>	<b>7,481</b>		<b>7,481</b>	<b>6,573</b>	<b>7,481</b>
<b>Receipts</b>	<b>(10,760)</b>		<b>(10,760)</b>	<b>(8,608)</b>	<b>(10,760)</b>
<b>Gross Expenditure</b>	<b>18,241</b>		<b>18,241</b>	<b>15,181</b>	<b>18,241</b>

Note 1

Actual Project Cost to 31/01/2026 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
17,417	17,479	17,562	Sep-24	Mar-26
(17,049)	(17,314)	(17,314)	Sep-24	Mar-26
721	877	877	Mar-26	Mar-26
(682)	(877)	(877)	Mar-26	Mar-26
1,254	4,550	4,550	Main Works Tender targeted for approval during 2025/26	
18,480	17,940	18,614	Sep-25	Nov-25
(16,340)	(14,400)	(15,940)	Sep-25	Sep-25
3,042	3,192	3,192	Mar-26	Mar-26
(229)	(229)	(229)	Mar-26	Mar-26
17,488	21,659	21,685		
(531)	(2,818)	(2,818)		
<b>23,571</b>	<b>30,059</b>	<b>29,302</b>		
<b>(34,831)</b>	<b>(35,638)</b>	<b>(37,178)</b>		
<b>58,402</b>	<b>65,697</b>	<b>66,480</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 2026-31

## BUILD RESILIENT AND EMPOWERED COMMUNITIES

Project/Nature of Expenditure	Approved Budget 2025/26 £000	Total Adjusts £000	Revised Budget 2025/26 £000	Expenditure to 31/01/2026 £'000	Projected Outturn 2025/26 £000
<b>MAJOR PROJECTS - Build Resilient and Empowered Communities</b>					
Road Maintenance Partnership	3,383		3,383	2,454	3,383
Street Lighting Renewal	1,048		1,048	794	1,048
City Improvement/Investment Fund	391		391	112	391
(Less External Funding)	(391)		(391)		(391)
Community Regeneration Partnership	700		700	474	700
(Less External Funding)	(700)		(700)	(474)	(700)
Union Street Infrastructure Improvements	1,116		1,116	3	1,116
(Less External Funding)	(1,116)		(1,116)		(1,116)
Parks & Open Spaces	1,437		1,437	897	1,437
(Less External Funding)	(609)		(609)	(508)	(609)
<b>OTHER PROJECTS/PROGRAMMES - Build Resilient and Empowered Communities</b>	3,611	39	3,650	1,229	3,650
(Less External Funding)	(1,831)	(50)	(1,881)	(162)	(1,881)
<b>Net Expenditure</b>	<b>7,039</b>	<b>(11)</b>	<b>7,028</b>	<b>4,820</b>	<b>7,028</b>
<b>Receipts</b>	<b>(4,647)</b>	<b>(50)</b>	<b>(4,697)</b>	<b>(1,144)</b>	<b>(4,697)</b>
<b>Gross Expenditure</b>	<b>11,686</b>	<b>39</b>	<b>11,725</b>	<b>5,963</b>	<b>11,725</b>

## Note 1

Actual Project Cost to 31/01/2026 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/Actual Completion Date
2,454	3,383	3,383	Mar-26	Mar-26
794	1,048	1,048	Mar-26	Mar-26
154	986	874	Mar-26	Mar-26
	(500)	(391)	Mar-26	Mar-26
474	700	700	Mar-26	Mar-26
(474)	(700)	(700)	Mar-26	Mar-26
3	1,870	1,870	Sep-26	Sep-26
	(1,116)	(1,116)	Mar-26	Mar-26
1,632	2,228	2,228	Mar-26	Mar-26
(703)	(804)	(804)	Mar-26	Mar-26
2,789	4,969	4,997		
(922)	(2,468)	(2,471)		
<b>6,202</b>	<b>9,596</b>	<b>9,618</b>		
<b>(2,099)</b>	<b>(5,588)</b>	<b>(5,482)</b>		
<b>8,300</b>	<b>15,184</b>	<b>15,100</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 2026-31

## DESIGN A MODERN COUNCIL

Project/Nature of Expenditure	Approved Budget 2025/26 £000	Total Adjusts £000	Revised Budget 2025/26 £000	Expenditure to 31/01/2026 £'000	Projected Outturn 2025/26 £000
<b>MAJOR PROJECTS/PROGRAMMES - Design a Modern Council</b>					
Baldovie Depot Redevelopment	231		231	47	231
Depot Rationalisation Programme	3	2	5	5	5
Dundee Ice Arena Plant & Upgrade	98		98	96	98
Property Lifecycle Development Programme	3,969		3,969	2,946	3,969
Purchase Computer Equipment	1,263		1,263	856	1,263
Schools Connectivity	49		49	49	49
<b>OTHER PROJECTS/PROGRAMMES - Design a Modern Council</b>	1,540	0	1,540	1,120	1,540
<b>Net Expenditure</b>	<b>7,153</b>	<b>2</b>	<b>7,155</b>	<b>5,119</b>	<b>7,155</b>
<b>Netted Off Receipts</b>					
<b>Gross Expenditure</b>	<b>7,153</b>	<b>2</b>	<b>7,155</b>	<b>5,119</b>	<b>7,155</b>

## Note 1

Actual Project Cost to 31/01/2026 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
291	6,300	6,300		Tender will follow acquisition of land
335	3,063	3,063		Service review ongoing - tender will follow once review complete
1,271	9,100	9,100		Early stages of development with consultation on-going. Tender report will follow
5,962	8,069	8,072	Mar-26	Mar-26
921	1,360	1,360	Mar-26	Mar-26
1,538	2,600	2,679		
4,708	5,998	6,122		
<b>15,026</b>	<b>36,490</b>	<b>36,696</b>		
<b>15,026</b>	<b>36,490</b>	<b>36,696</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 2026-31

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

Project/Nature of Expenditure	Approved Budget 2025/26 £000	Total Adjusts £000	Revised Budget 2025/26 £000	Expenditure to 31/1/2026	Projected Outturn 2025/26 £000
Energy Efficiency	1,760		1,760	1,341	1,760
<b>Net Expenditure</b>	<b>1,760</b>		<b>1,760</b>	<b>1,341</b>	<b>1,760</b>
<b>Receipts</b>					
<b>Gross Expenditure</b>	<b>1,760</b>		<b>1,760</b>	<b>1,341</b>	<b>1,760</b>

Note 1				
Actual Project Cost to 31/1/2026 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
1,643	11,727	11,949	Mar-26	Mar-26
<b>1,643</b>	<b>11,727</b>	<b>11,949</b>		
<b>1,643</b>	<b>11,727</b>	<b>11,949</b>		

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

Project/Nature of Expenditure	Approved Budget 2025/26 £000	Total Adjusts £000	Revised Budget 2025/26 £000	Expenditure to 31/1/2026	Projected Outturn 2025/26 £000
Free from Serious Disrepair	9,337		9,337	4,653	9,337
Modern Facilities & Services	812		812	377	812
Healthy, Safe and Secure	2,180		2,180	1,002	2,180
Miscellaneous	3,109		3,109	888	3,109
Increased Supply of Council Housing	2,762	(1,097)	1,665	470	1,665
(Less External Funding)	(980)		(980)		(980)
Demolitions	66		66	56	66
Digital /ICT	310		310	20	310
Sheltered Lounge Upgrades	200		200	72	200
<b>Net Expenditure</b>	<b>17,796</b>	<b>(1,097)</b>	<b>16,699</b>	<b>7,538</b>	<b>16,699</b>
<b>Receipts</b>	<b>(980)</b>		<b>(980)</b>		<b>(980)</b>
<b>Gross Expenditure</b>	<b>18,776</b>	<b>(1,097)</b>	<b>17,679</b>	<b>7,538</b>	<b>17,679</b>

Note 1				
Actual Project Cost to 31/1/2026 £000	Current Approved Project Cost £000	Projected Total Cost £000	Approved Completion Date	Projected/ Actual Completion Date
8,069	12,753	12,753	Mar-26	Mar-26
527	962	962	Mar-26	Mar-26
3,989	5,479	5,508	Mar-26	Mar-26
2,709	3,337	3,515	Mar-26	Mar-26
1,871	8,673	8,689	Apr-27	Apr-27
	(2,526)	(2,526)	Apr-27	Apr-27
108	118	118	Mar-26	Mar-26
521	811	811	Mar-21	TBC
72	200	200	Mar-26	Mar-26
<b>17,866</b>	<b>29,807</b>	<b>30,030</b>		
	<b>(2,526)</b>	<b>(2,526)</b>		
<b>17,866</b>	<b>32,333</b>	<b>32,556</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 2026-31

## DUNDEE CITY COUNCIL CAPITAL EXPENDITURE MONITORING 31 JANUARY 2026

Appendix 3

	<u>Approved Capital Budget 2025/26 £000</u>	<u>Total Budget Adjustments £000</u>	<u>Revised Capital Budget 2025/26 £000</u>	<u>Actual Spend to 31 Jan 2026 £000</u>	<u>Projected Outturn 2025/26 £000</u>	<u>Variance £000</u>	<u>Actual Spend to 31.1.2026 as a % of Revised Budget</u>
<b><u>Capital Expenditure</u></b>							
<b><u>Tackle Climate Change and reach Net Zero carbon emissions by 2045</u></b>							
Energy Efficiency	1,760		1,760	1,341	1,760	-	76%
<b><u>Build Resilient and Empowered Communities</u></b>							
Free from Serious Disrepair	9,337		9,337	4653	9,337	-	50%
Modern Facilities and Services	812		812	377	812	-	46%
Healthy, Safe & Secure	2,180		2,180	1,002	2,180	-	46%
Miscellaneous	3,109		3,109	888	3,109	-	29%
Increase Supply of Council Housing	2,762	(1,097)	1,665	470	1,665	-	28%
Demolitions	66		66	56	66	-	85%
Digital /ICT	310		310	20	310	-	6%
Sheltered Lounge Upgrades	200		200	72	200	-	36%
<b>Capital Expenditure 2025/26</b>	<b>20,536</b>	<b>(1,097)</b>	<b>19,439</b>	<b>8,879</b>	<b>19,439</b>		<b>46%</b>
<b><u>Capital Resources</u></b>							
<b>Expenditure Funded from Borrowing</b>	18,509	(1,097)	17,412	8,626	17,412	-	
<b>Capital Receipts, Grants &amp; Contributions - project specific</b>							
Scottish Government Grants	930		930		<b>930</b>	-	
Insurance contribution	50		50		<b>50</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		<b>165</b>	-	
<b>Capital Receipts:-</b>							
Sale of Assets - Land	432		432	253	<b>432</b>	-	
<b>Capital Resources 2025/26</b>	<b>20,536</b>	<b>(1,097)</b>	<b>19,439</b>	<b>8,879</b>	<b>19,439</b>		
<b>Capital Expenditure as % of Capital Resources</b>	<b>100%</b>				<b>100%</b>		

## CAPITAL MONITORING 2025/26

## COMMUNITY REGENERATION PARTNERSHIP

**Dundee City Council Capital Projects**

Project	Grant Award £000	Adjustment to Grant Award	Revised Grant Award	Expenditure to 31/01/2026 £000	Comments	Making satisfactory progress at March 26
Phase 3 Waterfront Office Development	3,000	- 1,500.00	1,500		Funding is being reallocated from this project to other projects in the programme.	No
City Centre Masterplanning	200		200	118	Supporting the City Centre Traffic Modelling study as part of the City Centre Strategic Investment Plan. This work is on-going.	Yes
Eastern Quarter Improvements	1,000		1,000		Engineers working on detailed design and procuring contractor. Tender report to be taken to Fair Work, Economic Growth & Infrastructure Committee in early 2026/27 for approval.	Yes
Dundee Green Circular Active Travel	500		500	356	Report 230-2025 approved at Fair Work, Economic Growth & Infrastructure Committee on 18th August, committed £0.5m spend in 25/26. Project underway.	Yes
	4,700	- 1,500	3,200	474		

**Third Party Capital Projects**

Project	Grant Award £000	Adjustment to Grant Award	Revised Grant Award	Expenditure to 31/01/2026 £000	Comments	Making satisfactory progress at March 26
Commercial Buildings Enhancement Scheme	1,000		1,000		Scheme is open. The fund has been extended to allow applicants to meet criteria for submissions, after which applications will be assessed. Next deadline for the grant scheme will be in late March, with applications open from early February.	Yes
Historic Buildings Renewal Fund	2,000		2,000		Scheme open. Engagement underway with potential applicants. The Fund is currently open for expressions of interest and is being promoted. City Development developing the full application process. Members will be briefed once grants have been finalised.	Yes
Community Facilities Grant Scheme	1,000		1,000		Scheme closed. 8 projects funded. Grants were announced in late December. Grant offer letters being completed. £91,000 still to be allocated. New challenge fund launching 4th February to allocate the remaining funding.	Yes
Life Sciences Innovation District	2,000		2,000		Programme of works subject to a scoping study being undertaken by University of Dundee. Confirmation of outcome of scoping study anticipated in March.	Yes
Dundee Waterfront - A Home For LegalTech Education & Innovation	1,100		1,100		Discussions with lead partner on-going. Designs progressing and grant offer letter is being finalised. Work going out to tender shortly, with proposed start in Q4 2025/26.	Yes
Dundee Museum of Transport	1,200	1,500	2,700	21	Additional funding of £1.5M reallocated from the waterfront office project. This allows DMOT to sign their contract for the demolition works and the future construction works. The project has now been confirmed and launched. Work commenced on site in January 2026.	Yes
Dundee & Angus College Future Skills	4,500		4,500		Dundee & Angus College will separate this project from their larger scale regeneration plans with the aim of delivering the future skills project within the necessary timescales. This will require an element of match funding from the SFC. An extension has been granted by UKG to this project, with satisfactory progress to be made within the 2026/27 financial year.	Yes
Dundee & Angus College Health Facility	500		500		Project is on site, work is likely to be completed by end of May 2026.	Yes
Kirkton Community Enterprise Centre	1,500		1,500	149	Development options and approach being reviewed. Stage 2 application to the Scottish Government's Regeneration Capital Grant Fund was submitted on the 28th of November. The outcome from Stage 2 will not be known until February/March 2026. SCIO has worked with Business Gateway to revise business plan and with QS to revise scale/cost of building. Potential to allocate additional funding if RCGF is unsuccessful.	Yes
Social Bite Recovery Village	500		500		Social Bite commencing community consultation on project. Conversations on-going with DCC, planning application due in Q4, 2025/26.	Under Review
	15,300	1,500	16,800	170		

**Dundee City Council Revenue Projects**

Project	Grant Award £000	Adjustment to Grant Award	Revised Grant Award	Expenditure to 31/01/2026 £000	Comments	Making satisfactory progress at March 26
Housing Research Dundee	60		60		Tender was launched, but there were no responses. Looking at potential frameworks and reframing the tender.	Yes
Improving Business Support for High Potential Start-ups	120		120		Support programmes identified, businesses need to be identified. Abertay University to develop micro-credentials. Grant offer letters to providers being finalised.	Yes
Community Facilities Fund - Development Support	70		70		Challenge fund to be launched in February to support projects at the development stage. Focus will be on projects that support youth diversionary activities as per the initial UK Government approval.	Yes
	250	-	250	-		

<b>TOTAL</b>	20,250	-	20,250	644		
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**ITEM No ...6.....**

**REPORT TO:** CITY GOVERNANCE COMMITTEE – 2 MARCH 2026  
**REPORT ON:** REVENUE MONITORING 2025/2026  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 41-2026

**1 PURPOSE OF REPORT**

1.1 To provide Elected Members with an analysis of the 2025/2026 projected revenue outturn as at 31 December 2025 and the impact on the Council's overall revenue budget position.

**2 RECOMMENDATIONS**

2.1 It is recommended that the Committee:

- (a) note that as at 31 December 2025 the General Fund is projecting an overall overspend for the year of £1.886m against the adjusted 2025/2026 Revenue Budget, the impact this has on the Council's General Fund Balances and the actions being taken to address the forecast budget shortfall;
- (b) note the budget adjustments totalling £9.584m and detailed in the second column of Appendix A and (summarised in Appendix B) as adjustments to the previously approved Revenue Budget;
- (c) note that as at 31 December 2025 the Housing Revenue Account (HRA) is projecting an overspend of £2.751m against the adjusted HRA 2025/2026 Revenue Budget and the impact this has on the projected Renewal & Repair Fund balance earmarked to HRA;
- (d) note the information included in paragraph 3.7 in relation to financial recovery and authorise the Executive Director of Corporate Services to continue to take actions to address forecast overspends with the objective of achieving a balanced budget;
- (e) note that as outlined in paragraph 3.3, this report reflects anticipated costs associated with the Voluntary Severance and Early Retirement (VSER) scheme.

**3 FINANCIAL IMPLICATIONS**

3.1 The unallocated portion of the General Fund as at 31 December 2025 is projecting an overspend of £1.886m against the adjusted 2025/2026 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 2025 £000</b>	<b>(Surplus) / Deficit for the Year £000</b>	<b>Transfers (In) / Out</b>	<b>Projected Balance 31 March 2026 £000</b>
Earmarked Carry-forwards *	1,509	977		532
Children Services pressures	1,033	1,033		0
Organisational Change Fund	2,169	86		2,083
Covid cost related pressures *	1,550	700		850
Service change initiatives	5,000	513		4,487
Roof Remedial Works	1,875	1,264		611

General Fund	Opening Balance 1 April 2025 £000	(Surplus) / Deficit for the Year £000	Transfers (In) / Out	Projected Balance 31 March 2026 £000
Other earmarked Funds	5,948	405		5,543
Service concessions flexibility	39,773			39,773
<b>Total earmarked funds</b>	<b>58,857</b>	<b>4,978</b>	<b>0</b>	<b>53,879</b>
Unallocated Balance	8,174	1,886		6,288
<b>Total General Fund</b>	<b>67,031</b>	<b>6,864</b>	<b>0</b>	<b>60,167</b>

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

3.2 The projected unallocated general fund balance of £6.288m may fail to provide sufficient in year buffer against potential additional pressures. Additional financial pressures could arise in year from:

- The Housing Revenue Account (HRA) reserve balance at year end is projected to be £0.442m as outlined in paragraph 8.3. A significant risk would arise should the HRA reserve balance be fully drawn down, for example, due to additional cost pressures passed on from contractors. Any spend over and above the reserve balance would be required to be absorbed by the General Fund.
- Any unplanned and unavoidable expenditure arising over the remainder of the financial year that cannot be contained within the remaining general contingency amount.

3.3 On 3 March 2025, City Governance Committee approved a Voluntary Severance/ Early Retirement (VSER) Scheme, report 43-2025 refers. A fundamental aspect of the scheme was that any post released (i.e. a budget saving) would have a payback period to recoup upfront costs of no greater than 24 months, with 30 months being considered only under exceptional circumstances.

3.4 The outcome from the VSER Scheme is reflected in this Revenue Monitoring report. Upfront costs incurred for voluntary redundancy payments and pension strain costs etc. totalled £1.156m, with an overall payback period of 11 months which is well within the parameters set for the VSER Scheme. 33 employees exited Council employment through the Scheme. The upfront costs will be funded by a combination of the General Fund and its earmarked reserves, the HRA Renewal and Repair Fund and the Dundee IJB:

VSER	Upfront costs £000	Number of employees	Payback period (m)	Annual savings £000
General fund	590	13	11.0	641
HRA Renewal and Repair Fund	358	9	11.6	370
IJB Balances	208	11	10.7	233
<b>Total</b>	<b>1,156</b>	<b>33</b>	<b>11.0</b>	<b>1,244</b>

3.5 The approved budget included an allowance of 3% for the 2025/2026 pay awards for both LGE and teachers. It should be noted the pay deal for LGE of 4% increase for the current financial year has been agreed, and the funding to support the additional 1% will be received later this year. The LGE pay award was made in August, back-dated to April. The estimated cost of £6.057m is met from the contingency budget and funding from the Scottish Government. The agreed pay offer for teachers is 4%, effective from 1 August 2025. The teachers pay award cost £2.862m in the current year, applied to salaries in December and back-dated to August.

3.6 Based on the financial information available as at 31 December 2025 the HRA outturn position for 2025/2026 is projecting an overspend of £2.751m. Further details are provided in section 8 of this report.

### 3.7 Financial Recovery Plan

As agreed previously (Report 240-2025 to City Governance Committee 22 September 2025 refers) given the adverse forecasts on both General Fund and HRA budgets, the following specific actions continue to be taken forward to mitigate current pressures:

- a) services will limit recruitment of vacancies to posts that are considered essential or where not filling these posts would place the Council at significant risk. All recruitment requests will be monitored through the Establishment Control Board.
- b) non-contractual overtime will be restricted to essential areas only and will only be approved where considered essential or where not undertaking overtime would place the Council at significant risk. All requests for overtime will not be granted without approval from Heads of Service.
- c) the Head of Corporate Finance is undertaking a review of earmarked balances to ascertain whether these can be utilised to offset in year pressures.
- d) the Head of Design and Property has established an internal working group to review all property expenditure and ensure only essential works are undertaken. Any changes arising from this review will be considered as part of the established budget process moving forward.
- e) the Head of Corporate Finance is undertaking a review of all property contracts to ensure that value for money is being achieved across all property, maintenance and inspection contracts.
- f) the Head of Design and Property is undertaking a review of energy costs to ensure energy usage is reduced and consider any spend to save projects that can be undertaken. This review will include the raising of awareness to promote more efficient energy usage in all council buildings.
- g) the Head of Housing, Construction and Communities is also conducting a thorough review of expenditure and income within the Housing Revenue Account to ensure expenditure is prioritised on essential spend.

The above actions will continue to be monitored closely by the Council Leadership Team through regular meetings and elected members will be kept updated on progress through regular budget monitoring reports.

## **4 BACKGROUND**

4.1 Following approval of the Council's 2025/2026 Revenue Budget by the City Governance Committee on 27 February 2025, this report provides the projected revenue outturn position as at 31 December 2025, against the adjusted 2025/2026 Revenue Budget.

4.2 The total 2025/2026 Revenue Budget is £496.111m. For revenue monitoring purposes, the Council Tax Reduction Scheme budget of £14.741m is moved from expenditure to income and netted off against Council Tax income. This results in total budgeted expenditure of £481.370m 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 budget adjustments undertaken to date.

## 5 GENERAL FUND SERVICES - MONITORING POSITION AS AT 31 DECEMBER 2025

5.1 The forecast position as at 31 December 2025 for General Fund services is summarised below.

	(Under)/Over Spend as at 31 Dec £m	(Under)/Over Spend as at 30 Nov £m	Movement (from previous month) £m
Net Expenditure	1.792	4.529	(2.737)
Sources of Income	0.094	0.041	0.053
<b>Net projected reduction uncommitted balances</b>	<b>1.886</b>	<b>4.570</b>	<b>(2.684)</b>

## 6 DETAILED ANALYSIS

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

6.1 Children & Families Services: (£3.149m) underspend

The Children & Families underspend increased since November 2025. This was largely due to recognition of projected energy cost underspend (£1.057m), additional funding grant redeterminations now confirmed that were not included in the approved budget (£0.684m) and release of contingency funds to cover cost pressures.

Overall, the projected underspend is primarily driven by movements in staff costs. There are also underspends within property costs due to rates rebates (£0.951m) and underspends in energy across all sectors (£1.057m).

The favourable underspends noted above are offsetting overspends within other areas of the Service including staffing costs within Children Services of £0.540m, reflecting continued high levels of service demand. In addition, Repairs & Maintenance is forecasting an overspend of £0.395m due to ongoing cost pressures and decant costs associated with the Braeview/Craigie relocation. Further overspends include £0.304m within supplies and services across Children Services as well as £0.406m anticipated within Pupil Transport, driven by demand-related pressures, particularly within the Special and Secondary sectors.

6.2 Dundee Health & Social Care Partnership (DHSCP): £0.720m overspend

The latest financial monitoring report presented to Dundee IJB projects an overspend of £4.675m for 2025/26 (utilising actual info to end December), with this information presented to Dundee IJB at its meeting on 18 February 2026. This projected overspend reflects the challenging financial position continuing to be experienced by Dundee IJB and while it reflects progress towards achieving savings targets totalling £17.5m for 2025/26, there remains a shortfall in the overall position.

At present, the IJB only holds £0.644m in General Reserves to offset this shortfall and, as a result, the IJB remains in Financial Recovery with a Financial Recovery Plan also presented to the IJB's October 2025 meeting. A further £0.425m was approved to be de-committed from IJB earmarked reserves to support the financial recovery actions. For more information, please refer to the Dundee Integration Joint Board Financial Recovery Plan 2025/26 within the agenda papers for the City Governance Committee to be held on 17 November 2025, report 338-2025 refers.

DHSCP is continuing to respond to significant operational challenges in demand and demographics (notably in community and Care at Home provision to help support discharge without delay from hospital, minimise unnecessary hospital admissions, reduce social care unmet need and reduce Care Home beds), and in particular staffing challenges (both recruitment and retention, sickness absence and premium cost of essential back-fill cover) and increasing complexity of needs in both inpatient / residential and community settings. Operational managers and finance team continue work to explore ways of mitigating the overspend through efficiencies, cost reduction, whole system working, transformation, prioritisation and savings opportunities against current year and recurring budgets with any impact of these being 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 work with Council (and NHS Tayside) colleagues to monitor and mitigate the financial implication.

The Council's estimated share of the Dundee IJB's residual financial deficit, as outlined in the IJB financial recovery plan, is £0.720m. This amount is included within the overall projections presented in this report. This report is prepared on the assumption that any net VSER costs relating to the IJB will be contained within this figure.

### 6.3 City Development: £3.890m overspend

There has been no movement in the overall forecasted overspend since November 25. The projected overspend is mainly within Corporate Property £3.087m, primarily due to costs associated with property maintenance, inspection contracts, and remedial repairs arising from inspections. This is partly offset by a refund from rates revaluation appeals amounting to (£0.388m).

There is a forecasted overspend of £0.766m within Roads and Transportation, primarily attributable to projected overspends on third party payments for winter maintenance and road maintenance. The winter maintenance projection is subject to regular review in consultation with Tayside Contracts, and the current forecast is based on the assumption that extreme winter conditions will not further deteriorate.

There is also a projected shortfall in income of £0.250m relating to additional commercial rental income that was assumed in the budget but has not materialised so far. In addition, there is a projected shortfall in income for Building Warrants £0.244m and Planning Applications £0.100m.

The forecasted pressures within this service area are partially offset by a projected underspend of (£0.440m), resulting from vacant posts.

As part of the financial recovery plan, an analysis of current and historical property costs has been issued across services to identify cost savings and opportunities for property rationalisation. A working group was set up to review the overall position regarding property cost pressures. The working group has met regularly, sharing substantial data with relevant stakeholders. Further meetings with all Executive Directors are scheduled to agree next steps.

Savings from posts continue to be monitored monthly, with no change from previous forecasts, and service redesign opportunities and other income generation remain under active discussion at Management Team meetings.

In line with previous years there is a medium-term risk of under recovery in off-street car parking income against budgeted levels, reflecting reduced parking activity since the pandemic. The projected income shortfall for the current year will be funded from the earmarked reserve set aside for this purpose.

#### 6.4 Neighbourhood Services: £0.470m overspend

There has been a reduction in the overall forecasted overspend since November 25.

There is a projected overspend in waste management third party payments of £0.155m, mainly due to increased MEB Gates Fees, forecasted lower electricity income expected to be gained from the excess revenue share for the waste to energy contract and two unexpected shutdowns at the new waste plant that reduced revenue.

In addition, an income shortfall of £1.117m is expected within waste management. Key factors include the old waste plant reaching the end of its operational life and generating less income from lifetime extension agreements (LEAs), lower trade waste income (similar to last year), and reduced recycling income caused by changes under the Extended Producer Responsibility scheme.

These impacts are partly offset by an underspend of £1.661m from holding vacant posts.

The Council is in regular dialogue with the waste plants' contractor in relation to the impacts of the plants' performance and future plans.

#### 6.5 Corporate Fleet: £0.865m overspend

Reflects the projected net overspend associated with the corporate fleet. There has been a slight reduction in the overall forecast since November 25, mainly due to a decrease in vehicle hire costs. 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.

#### 6.6 Corporate Services: (£0.835m) underspend

There has been an increase in the overall forecasted underspend since November 25.

The service is currently projecting an underspend of (£1.312m) in staff costs, resulting from the holding of vacant posts. An overspend of £0.372m in transfer payments, primarily due to increased use of hotels for housing homeless individuals. These costs do not receive full housing benefit subsidy from the Department of Work and Pensions and are outside the control of the Benefit Delivery Team. A projected net shortfall in income of £0.178m is mainly attributed to under-recovery in Scientific Services and under-recovery of income for car parking in the underground garage.

#### 6.7 Supplementary Superannuation: (£0.322m) underspend

Projected underspend in Supplementary Superannuation costs.

#### 6.8 Miscellaneous Items: £0.325m overspend

Reduction in grant income reflecting lower than expected allocation from Extended Producer Responsibilities.

#### 6.9 Capital Financing Costs: (£1.300m) underspend

The total projected underspend in Capital Financing Costs includes savings relating to a restructuring exercise to replace current loan agreements with short-term local authority borrowing until longer-dated interest rates fall, when appropriate replacement borrowing would be undertaken.

#### 6.10 Corporate Staff Savings: £0.933m overspend

The overspend arises from the shortfall in achieving corporate staff savings. Elected members will be aware that the target staff savings in the 2025/26 budget volume is £2.457m. Vacant posts totalling £2.005m were identified and associated budget was allocated against the target saving, leaving a net budget savings target of £0.452m in the 2025/26 budget volume. Since then, budget adjustments of £0.547m were required for essential posts approved by the Establishment Control Board (ECB) along with associated advisory legal costs. These are offset by estimated in-year savings from the Voluntary Severance and Early Retirement (VSER) scheme amounting to £0.176m. The full-year effect of VSER savings will materialise in 2026/27 and future years. Options to address the remaining staff savings target are being considered as part of the 2026/27 budget preparation process.

Please note this overspend figure excludes any upfront costs associated with the agreed VSER scheme, which will be met from other sources as outlined in paragraph 3.4.

In addition, the uptake of the budgeted savings scheme for staff to purchase additional annual leave through salary sacrifice was less than anticipated, by £0.110m.

## 7 EXTERNAL ORGANISATIONS

- 7.1 The budget includes the assumption that Tayside Contracts will return a surplus in 2025/2026, our share of which will be £0.232m. Any expected variances against this will be reflected as known.

## 8 HOUSING REVENUE ACCOUNT - MONITORING POSITION AT 31 DECEMBER 2025

- 8.1 The forecast position as at 31 December 2025 for the HRA is summarised below:

	(Under)/Over Spend as at 31 Dec £m	(Under)/Over Spend as at 30 Nov £m	Movement (from previous month) £m
Net Expenditure	2.740	2.511	0.229
Sources of Income	0.041	0.041	(0.030)
<b>Net over/ (underspend)</b>	<b>2.751</b>	<b>2.552</b>	<b>0.199</b>

- 8.2 The key variances contributing to the above projection include an increased recharge from Construction Services for repairs, reflecting a higher number of employees working on repairs and a pay award that was greater than expected £1.866m. In addition, property-related costs for non-construction repairs and maintenance, such as fire damage, tenant allowances, and decant payments, are expected to exceed the budget by £1.117m. The anticipated cost of relets is also higher than budgeted, due to an increase in the number of relet properties assumed within the budget £1.352m. These adverse variances are partially offset by projected underspends on environmental improvements, resulting from delays in the commencement of these projects (£0.747m).

The above projection also includes savings of £0.427m relating to a restructuring exercise to exit current loan agreements and replace with short-term local authority borrowing until longer-dated interest rates fall, when appropriate replacement borrowing would be undertaken.

- 8.3 A system of ongoing monitoring will continue to take place up to 31 March 2026 with the objective of the HRA achieving a final outturn which is below or in line with the adjusted 2025/2026 HRA Revenue Budget.

Any variance will be adjusted against the Renewal & Repair Fund, the housing element of which amounted to £3.193m as at 31 March 2025:

<b>HRA Renewal and Repair Fund</b>	<b>October £m</b>
Opening Balance as at 1 April 2025	3.193
<u>Less</u> Projected Overspend to 31 March 2026	(2.751)
<b>Projected Balance as at 31 March 2026</b>	<b>0.442</b>

## 9 POLICY IMPLICATIONS

- 9.1 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.

## 10 CONSULTATIONS

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

## 11 BACKGROUND PAPERS

- 11.1 None.

**PAUL THOMSON**  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

**19 FEBRUARY 2026**

DUNDEE CITY COUNCIL							
2025/2026 REVENUE OUTTURN MONITORING							
PERIOD 1 APRIL 2025 - 31 DECEMBER 2025							
	Approved	Total	Adjusted		Projected	Previous	Movement
	Revenue	Budget	Revenue	Projected	Variance	Months	Since
	Budget	Adjustments	Budget	Outturn	Over/(under)	Projected	Previous
	2025/26	(see Appx B)	2025/26	2025/26	spend	Variance	Month
	£m	£m	£m	£m	£m	£000	£000
<b>General Fund Services</b>							
Children & Families	233.620	8.983	242.603	239.454	(3.149)	(0.873)	(2.276)
Dundee Health & Social Care Partnership	114.842	0.424	115.266	115.986	0.720	0.720	
City Development	18.250	3.325	21.575	25.465	3.890	3.890	
Neighbourhood Services	23.603	1.501	25.104	25.574	0.470	0.623	(0.154)
Chief Executive	14.320	0.436	14.756	14.711	(0.045)	(0.046)	0.000
Corporate Services	35.318	1.550	36.868	36.033	(0.835)	(0.231)	(0.604)
Construction Services	0.000	1.264	1.264	1.264	0.000	0.000	(0.000)
	439.953	17.483	457.436	458.486	1.050	4.084	(3.032)
Capital Financing Costs / Interest on Revenue Balances	30.863		30.863	29.563	(1.300)	(1.453)	0.152
Contingencies:							
- General	0.500	(0.229)	0.271	0.271	0.000	0.000	
- Budget growth/Pay Pressures	8.324	(6.937)	1.387	1.387	0.000	0.000	
- Unallocated Corporate Savings	(0.944)	(0.044)	(0.988)	(0.055)	0.933	0.823	0.110
- New monies	0.922	(0.723)	0.199	0.199	0.000	0.000	
Tayside Contracts surplus	(0.232)		(0.232)	(0.232)	0.000	0.000	
Corporate Fleet	3.982	0.034	4.016	4.881	0.865	0.902	(0.037)
Miscellaneous Items	(7.628)		(7.628)	(7.303)	0.325	0.325	
Discretionary Non Domestic Rates (NDR) Relief	0.392		0.392	0.511	0.119	0.119	0.000
Supplementary Superannuation Costs	3.041		3.041	2.719	(0.322)	(0.322)	
Tayside Valuation Joint Board	1.149		1.149	1.149	0.000	0.000	
Empty Property Relief Devolution	1.048		1.048	1.170	0.122	0.051	0.071
<b>Total Expenditure</b>	<b>481.370</b>	<b>9.584</b>	<b>490.954</b>	<b>492.747</b>	<b>1.792</b>	<b>4.529</b>	<b>(2.737)</b>
<b>Sources of Income</b>							
General Revenue Funding	(335.339)	(5.739)	(341.078)	(341.078)			
Contribution from National Non Domestic Rates (NDR) Pool	(71.406)		(71.406)	(71.406)			
Council Tax	(70.249)		(70.249)	(70.155)	0.094	0.041	0.053
Use of Balances -							
Committed Balances c/f	0.000		0.000	0.000			
Earmarked funds	0.000	(3.679)	(3.679)	(3.679)			
Service concessions	(4.376)		(4.376)	(4.376)			
Change Fund	0.000	(0.086)	(0.086)	(0.086)			
R&R Fund	0.000	(0.080)	(0.080)	(0.080)			
<b>(Surplus)/Deficit for the year</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.886</b>	<b>1.886</b>	<b>4.570</b>	<b>(2.684)</b>
<b>(Surplus)/Deficit for Housing Revenue Acct</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>2.751</b>	<b>2.751</b>	<b>2.552</b>	<b>0.199</b>

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Dundee City Council										
Revenue Monitoring to 31st March 2026 - Budget Adjustments to date										
	Alloc To/From General Conts	Alloc To/From Conts: Cost Pressures	To/From Conts: New Monies	Alloc To/From Conts: Savings	Funding Transfers	Alloc from Earmarked Funds	Alloc from Change Fund	Alloc from R&R Fund	T/Fs Between Depts / Conts	Dept Totals
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>General Fund Services</b>										
<b>Children &amp; Families</b>										<b>8,983</b>
Social Care Uplift 2024-25 and 2025-26			467		230					
Revenue Support Grant & Contingencies to Children & Families - Early Learning Care uplift 2025/26			257		16					
Revenue Support Grant to Children & Families - Holiday playschemes and activities					31					
Earmarked Reserves to Children & Families service re Children Services TPP pressures						1,033				
Contingencies to Children & Families - LGE 2025/26 Pay Award		2,246								
RSG to Children & Families - Tayside Contracts 2025/26 Pay Award					126					
RSG to Children & Families - uplift to Scottish Recommended Allowance for kinship and foster carers					60					
School Milk Subsidy Scheme					25					
Contingencies to Children & Families- VSER savings				(86)						
Contingencies to Children & Families - cyber insurance and assurance	72									
Salary Sacrifice, White Goods & Leave Purchase scheme corporate saving allocation				(46)						
Procurement Savings				(41)						
Contingencies to CFS - Teachers Pay Award 25/26		2,862								
Social Care Uplift 25-26 FC 1-2026					127					
Teacher Induction Scheme FC 1-2026					684					
2024/25 Carry Forwards - Whole Family Wellbeing Fund						470				
Contingencies to Children & Families - Whole Family Wellbeing Fund		82	177							
Contingencies to Children & Families - Children Services uplift 24/25		191								
<b>Dundee Health &amp; Social Care Partnership</b>										<b>424</b>
Contingencies to Dundee Health & Social Care Partnership - 2025/26 Pay Award		424								
<b>City Development</b>										<b>3,359</b>
Contingencies to City Development - transfer of budget for post				34						
Contingencies to City Development - Bus Shelters/Street Lighting	100									
Earmarked Reserves to City Development - Eden Project						405				
Contingencies to City Development - recruitment approval for post				2						
Contingencies to City Development - 2025/26 Pay Award		767								
RSG to City Development - Tayside Contracts 2025/26 Pay Award					49					
Corporate Services to City Development - Transfer of Software Budget £15k (permanent)									15	
Transfer of Learning & Organisational Development staff budget (permanent)									272	
Change Fund to City Development - Co-Pilot Licences							2			
Contingencies to City Development- VSER savings				(8)						
Procurement Savings				(10)						
RSG to City Development - No One Left Behind per FC 1-2026					77					
RSG to City Development - Regional Connectivity PSO Services (Dundee) per FC 1-2026					1,664					
City Development - VSER Savings				(8)						
Salary Sacrifice, White Goods & Leave Purchase scheme corporate saving allocation				(7)						
Single-use vapes FC 1-2026					5					

Dundee City Council											
Revenue Monitoring to 31st March 2026 - Budget Adjustments to date											
	Alloc To/From General Conts	Alloc To/From Conts: Cost Pressures	To/From Conts: New Monies	Alloc To/From Conts: Savings	Funding Transfers	Alloc from Earmarked Funds	Alloc from Change Fund	Alloc from R&R Fund	T/Fs Between Depts / Conts	Dept Totals	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>General Fund Services</b>											
<b>Neighbourhood Services</b>											<b>1,501</b>
Renewal & Repair fund to Neighbourhood Services - Kirkton overspend £80k								80			
Contingencies to Neighbourhood Services - Communities Staff Budget				212							
Contingencies to Neighbourhood Services - Maintenance Budget for Caird Park	27										
RSG to Neighbourhood Services - 2025/26 Pay Award					1,027						
RSG to Neighbourhood Services - Tayside Contracts 2025/26 Pay Award					5						
Contingency to Neighbourhood Services - ECB recruitment approvals August 2025 Various Refuse Collector posts				146							
RSG to Neighbourhood Services - Rapid Rehousing Transition Plan Distribution					34						
Salary Sacrifice white goods & Leave Purchase scheme corporate saving allocation				(18)							
Procurement Savings				(71)							
RSG to Neighbourhood Services - Nature Restoration Fund					59						
<b>Chief Executive</b>											<b>436</b>
2024/25 Carry Forwards - Protecting People						38					
Contingencies to Chief Executive - budget for post				26							
Change Fund to Chief Executive - EKOS project							8				
RSG to Chief Executive - 2025/26 Pay Award					80						
RSG to Chief Executive - LACD 2025/26 Pay Award					200						
Chief Executive to Contingencies - Reversal of part of LACD Pay Award 2025/26				(43)							
Corporate Services to Chief Executive - Transfer of Software Budget to LACD £50k									50		
Change Fund to Chief Executive - Improvement Service							8				
2024/25 Carry Forwards - Gaelic Plan & Training						3					
Change Fund to Chief Executive - Transformation Programme Officer post extended							68				
Salary Sacrifice white goods & Leave Purchase scheme corporate saving allocation				(1)							
Procurement Savings				(1)							
<b>Corporate Services</b>											<b>1,550</b>
Contingencies to Corporate Services - transfer of budget for various posts				121							
Contingencies to Corporate Services - 2025/26 Pay Award					20						
Corporate Services to Chief Executive - Transfer of Software Budget to LACD £50k		1,156							(50)		
Corporate Services to City Development - Transfer of Software Budget £15k (permanent)									(15)		
General Contingency to Corporate Services - equipment for Floor 4 Dundee House	10										
2024/25 Carry Forwards - Scottish Welfare Fund						318					
2024/25 Carry Forwards - Cost of Living Advice Work						55					
2024/25 Carry Forwards - Scottish Welfare Fund admin						93					
Transfer of Learning & Organisational Development staff budget (permanent)									(272)		
RSG to Corporate Services - Discretionary Housing Payments – additional funding for 2025-26					46						
Contingencies to Corporate Services - VSER Scheme Legal Advice Costs				6							
Contingencies to Corporate Services - VSER savings				(19)							
Corporate Services - Salary Sacrifice white goods & Leave Purchase scheme corporate saving allocation				(22)							
Corporate Services - Procurement Savings				(165)							
RSG to Corporate Services - Discretionary Housing Payments - Housing Emergency Action Plan per FC 1-2026					44						
RSG to Corporate Services - Scottish Welfare Fund per FC 1-2026					204						
Contingencies to Corporate Services - Consultancy Fees	20										

Dundee City Council										
Revenue Monitoring to 31st March 2026 - Budget Adjustments to date										
	Alloc To/From General Conts	Alloc To/From Conts: Cost Pressures	To/From Conts: New Monies	Alloc To/From Conts: Savings	Funding Transfers	Alloc from Earmarked Funds	Alloc from Change Fund	Alloc from R&R Fund	T/Fs Between Depts / Conts	Dept Totals
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>General Fund Services</b>										
<b>Construction</b>										<b>1,264</b>
Earmarked Reserves to Construction service re Roofs						1,264				
<b>General Contingency</b>										<b>(229)</b>
Contingencies to City Development - Bus Shelters/Street Lighting	(100)									
Contingencies to Neighbourhood Services - Maintenance Budget for Caird Park	(27)									
Contingencies to Corporate Services - equipment for Floor 4 Dundee House	(10)									
Contingencies to Children & Families - cyber insurance and assurance	(72)									
Contingencies to Corporate Services - Consultancy Fees	(20)									
<b>Contingency: Cost Pressures</b>										<b>(6,937)</b>
Contingencies to Children & Families - LGE 2025/26 Pay Award		(2,246)								
Contingencies to Dundee Health & Social Care Partnership - 2025/26 Pay Award		(424)								
Contingencies to City Development - 2025/26 Pay Award		(767)								
Contingencies to Corporate Services - 2025/26 Pay Award		(1,156)								
RSG to Contingencies - LA Pay revenue FC 1-2026					791					
Contingencies to CFS - Teachers Pay Award 25/26		(2,862)								
Contingencies to Children & Families - Whole Family Wellbeing Fund		(82)								
Contingencies to Children & Families - Children Services uplift 24/25		(191)								
<b>Contingency: New monies</b>										<b>(723)</b>
Social Care Uplift 2024-25 and 2025-26			(467)							
Funding for LA Resettlement Teams 2025-26					97					
Prisoner Early Release FC 1-2026					81					
Contingencies to Children & Families - Early Learning Care uplift 2025/26			(257)							
Contingencies to Children & Families - Whole Family Wellbeing Fund			(177)							

Dundee City Council										
Revenue Monitoring to 31st March 2026 - Budget Adjustments to date										
	Alloc To/From General Conts	Alloc To/From Conts: Cost Pressures	To/From Conts: New Monies	Alloc To/From Conts: Savings	Funding Transfers	Alloc from Earmarked Funds	Alloc from Change Fund	Alloc from R&R Fund	T/Fs Between Depts / Conts	Dept Totals
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>General Fund Services</b>										
<b>Contingency: Unallocated Savings</b>										(44)
Contingencies to City Development - budget for driver post (permanent)				(34)						
Contingencies to Neighbourhood Services - Communities Staff Budget				(212)						
Contingencies to City Development - recruitment approval for post				(2)						
Contingencies to Chief Executive - budget for post				(26)						
Contingencies to Corporate Services - transfer of budget for various posts				(121)						
Contingencies to Neighbourhood Services - ECB recruitment approvals August 2025 Various Refuse Collector posts				(146)						
Contingencies to Corporate Services - VSER Scheme Legal Advice Costs				(6)						
Contingencies to Children & Families- VSER savings				86						
Contingencies to City Development- VSER savings				8						
Contingencies to Corporate Services - VSER savings				19						
Neighbourhood Services - Salary Sacrifice white goods & Leave Purchase scheme corporate saving allocation				18						
Chief Executive - Salary Sacrifice white goods & Leave Purchase scheme corporate saving allocation				1						
City Development - Procurement Savings				10						
Neighbourhood Services - Procurement Savings				71						
Corporate Services - Salary Sacrifice white goods & Leave Purchase scheme corporate saving allocation				22						
Corporate Services - Procurement Savings				165						
City Development - VSER Savings				8						
Children & Families - Salary Sacrifice white goods & Leave Purchase scheme corporate saving allocation				46						
City Development - Salary Sacrifice white goods & Leave Purchase scheme corporate saving allocation				7						
Children & Families - Procurement Savings				41						
Chief Executive - Procurement Savings				1						
<b>Total Adjustments (General Fund)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,739</b>	<b>3,679</b>	<b>86</b>	<b>80</b>	<b>0</b>	<b>9,584</b>

**REPORT TO:** CITY GOVERNANCE COMMITTEE – 2 MARCH 2026

**REPORT ON:** TENDER APPROVAL FOR CLOUD TELEPHONY AND DIGITAL CUSTOMER EXPERIENCE PLATFORM

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

**REPORT NO:** 46-2026

## **1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to provide details of the outcome of a procurement process and seek approval of a contract award for cloud telephony and digital customer experience platform.

## **2 RECOMMENDATION**

- 2.1 It is recommended that the Committee:
- a) notes the information in this report and
  - b) approves the award of contract to 8x8 Uk Limited following a competitive procedure, which was carried out as outlined in Section 6 of this report, in compliance with the Public Contracts (Scotland) Regulations 2015.

## **3 FINANCIAL IMPLICATIONS**

- 3.1 The approval of this award would result in estimated costs of £1,541,672 over the period of the extended contract.
- 3.2 The Executive Director of Corporate Services has confirmed these costs can be met in from the approved Capital Plan 2026-31. The costs of £150,509 will be funded in years 2026-27 from the 'Purchase of Corporate Computer Equipment' line within the Design a Modern Council section of the approved plan.
- 3.3 The net revenue cost implications associated with this expenditure are expected to be £198,738 per annum and these will be funded from the existing revenue budgets of all services Revenue Budget 2026-27 to 2032-33.

## **4 BACKGROUND**

- 4.1 The Councils Standing Orders and Schemes of Administration for Financial Regulations, Tender Procedures and Delegation of Powers to Officers were previously approved by elected members (Article V of the minute of meeting of the City Governance Committee of 22 September 2025, Report 293-2025 refers). This document includes the arrangements for procurement, and within Schedule 1 of the Contract Standing Orders. This includes a requirement that when proposing to enter into contracts in excess of £0.300m, then approval must be given by elected members. The details of the proposed contract together with how this contract has been procured along with any other wider benefits to the Council are set out within this report.

## 5 DETAILS OF THE PROJECT BEING COMMISSIONED

- 5.1 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.
- 5.2 Dundee City Council has an Avaya enterprise telephone system that provides telephone extensions, voicemail, contact centre, call recording and call handling functions across all Council offices, schools, libraries and sports centres.
- 5.3 The current contract for licenses and support of the Avaya telephone system will expire on 30th of September 2026. The hardware for the current system has reached end of life and significant investment would be required in this system if long term operation continued. There are also technical restrictions that make this system unsuitable for digital transformation and future improvement to customer services. It also does not fit with the strategy to move services to cloud computing.
- 5.4 Procuring a new system will significantly improve the capabilities to deliver modern digital communication and customer experience. Including many new features to enable the Council's ambition to be a modern digital Council. The platform will consolidate multiple channels of communication to one place, such as voice calls, email, SMS, Chatbots and Social Media communication from members of the public.
- 5.5 The implementation of a new cloud-based telephony and digital customer experience platform will support improved customer outcomes, operational efficiency, integration with current DCC systems, and service resilience. The solution will enable the Council to manage high volumes of customer contact more effectively through integrated voice and digital channels, improved call routing, and increased opportunities for self-service and automation. Enhanced reporting, analytics and workforce management capabilities will provide improved insight into demand, performance and customer behaviour, supporting more informed service planning and decision making. Over time, the platform will support a reduction in reliance on traditional voice contact, improved first contact resolution, and greater flexibility to adapt services in response to changing customer needs. The realisation of these benefits will be monitored through existing service performance and governance arrangements following implementation.
- 5.6 Artificial Intelligence (AI) will be introduced in the new system to help further transform the customer service experience. By leveraging technologies such as natural language processing, machine learning, predictive analytics, and chatbots, the Council can deliver faster, more personalised, and efficient customer interactions. AI-driven engagement can enhance customer satisfaction and improve the operational performance of our customer service.
- 5.7 All elements of the proposed solution, including any artificial intelligence enabled functionality, will be implemented in accordance with the Council's information governance, data protection and security frameworks. Appropriate Data Protection Impact Assessments will be undertaken prior to going live, and AI features will operate with human oversight and transparency to support safe and responsible use. The platform will support accessibility standards and inclusive service delivery, and non-digital channels will remain available to ensure no customer is excluded from accessing Council services.
- 5.8 Due to the complex technical nature of the solution, there are very few local suppliers

that could deliver this service for the Council. Market research was carried out, and 5 different technical solutions were identified and presented to Council officers. There are a number of large well-established national suppliers that can deliver this service.

- 5.9 Community Benefits have been offered by the bidder as part of their tender offer and delivery of these will be monitored as part of the contract monitoring arrangements.
- 5.10 The proposed cloud-based telephony solution will replace traditional physical desk handsets with soft phones. A physical phone is a dedicated hardware device that sits on a desk and connects via fixed cabling. A soft phone is software that runs securely on a user's digital desktop, laptop or approved mobile device, using a headset for audio. Calls are made and received through an on-screen interface that looks similar to a modern call app, displaying caller details, call controls such as hold, transfer and conference, and presence of information showing colleague availability. This removes the need for desk-based hardware, increases flexibility for hybrid working, and enables telephony to be fully integrated with other digital systems and collaboration tools.

## 6 SOURCING STRATEGY SUMMARY

- 6.1 A mini-competition exercise was carried out via the Crown Commercial Services framework was identified as the best route to market. RM6116 network services 3, relating to the purchase of unified communications, contact centre and customer experience platform lots 4b digital communication services (unified communications) and lot 4c (contact centre solutions)
- 6.2 Procuring a cloud platform to deliver telephony and digital customer experience will reduce our running costs for on-premises hosted hardware, support costs and staff time to carry out system administration. A cloud platform will provide a robust, highly available, scalable, and secure service that supports current requirements and future service improvement. This is delivered through system redundancy, built-in disaster recovery, and backup.
- 6.3 The advanced features of the cloud platform will provide AI-powered tools such as transcription, chatbots, automated voice response, and call summary. Improving reporting and analytics capabilities through with an improved reporting engine, real-time dashboards, customisable reports, workforce management and quality management reporting.

## 7 RISK ANALYSIS

- 7.1 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.	Competition carried out via national supply framework (CCS), to ensure maximum opportunity for best value. Estimated costs and requirements are known from market research and benchmarking of similar licenses and services costs

<p><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</p>	<p>Many suppliers and solutions are available within the framework Lot. Technical solutions are well established in the market. The risk will be managed through the project implementation. Bidders will be required to demonstrate technical competence as part of the mini-competition exercise. Additionally, Implementation will be managed through a controlled and phased approach to minimise service disruption, with appropriate governance, testing and transition arrangements in place to ensure continuity of customer services throughout the change period.</p>
<p><b>Performance Risk</b> – This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits</p>	<p>There are well-established suppliers and services available within the Framework Lot, and the suppliers have a long-term track record of supplying similar requirements. The framework call-off contract will ensure delivery of the requirements with service level agreements, service management processes and suitable performance monitoring will be established at project initiation.</p>
<p><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.</p>	<p>The contract will be managed through a Crown Commercial Service framework call off arrangement, which includes provisions to mitigate supplier dependency and support exit planning. This will ensure that data portability, service continuity and the ability to transition to an alternative solution at contract end are maintained, reducing the risk of vendor lock in.</p>
<p><b>Procurement Risk</b> – where a procurement is found unsound in law, through the public procurement rules</p>	<p>The procurement exercise will be carried out in compliance with the Public Procurement (Scotland) Regulations 2015 and in accordance with the Framework call-off rules</p>

## 8 CONCLUSION

- 8.1 It is recommended that the contract award is made to 8x8 Uk Limited for the period of 5 years with an option to extend for a further 2 years.

## 9 POLICY IMPLICATIONS

- 9.1 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.

## 10 CONSULTATION

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

**11 BACKGROUND PAPERS**

11.1 None.

**PAUL THOMSON  
EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**13 FEBRUARY 2026**