JAOC INVESTIGATIONS

SCOTTISH BORDERS COUNCIL

Investigation Dossier

Full Investigation Dossier

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EXECUTIVE SUMMARY

Our investigation into Scottish Borders Council reveals systemic governance and financial patterns consistent with those documented across East Lothian, Midlothian, West Lothian, and South Lanarkshire. A small group of long-serving councillors hold the majority of key decision-making posts. Reserves have reportedly depleted by 46.1%. Borrowing has reportedly increased by 41.5%. Consultancy costs have reportedly risen by 115.8%. Councillors reportedly awarded themselves pay increases of approximately 50% while Council Tax rose 18.6% and frontline services were reduced.

The Jedburgh community building sale -- advertised at GBP 120,000 and sold for GBP 60,000 -- raises urgent questions requiring official clarification. Land sales, overseas donations, borrowing arrangements, and contracts are reported to lack adequate transparency. The Register of Interests is reported to be incomplete, with concerns that declarations from senior decision-makers are not consistently published. Audit Scotland warnings have reportedly been repeated across multiple years. Former employees have reportedly moved to firms receiving substantial council contracts, raising revolving-door concerns, while subsidiary companies and trusts are reported to operate with limited public accountability.

All figures and claims in this summary are derived from publicly available sources and whistleblower submissions. Independent verification is essential before any conclusion is drawn.

SECTION 1 -- FINANCIAL COMPARISONS: PAY, TAX, SERVICES

Metric	2022/23	2025/26	Change	Status
Council Tax Income	GBP 84.5m	GBP 100.2m	+18.6%	Residents pay more
Revenue Reserves	GBP 42.3m	GBP 22.8m	-46.1%	GBP 19.5m reduction
Total Borrowing	GBP 128.4m	GBP 181.7m	+41.5%	GBP 53.3m additional debt
Consultancy / External Fees	GBP 1.9m	GBP 4.1m	+115.8%	GBP 2.2m increase
Councillor Remuneration	GBP 628,000	GBP 942,000	+50.0%	Rate exceeds tax rise
Overseas Donations	Undisclosed	Undisclosed	Unknown	Transparency concerns

The Comparison -- Key Observations

? Councillors' reported remuneration increased by 50.0%

? Consultancy and external fees reportedly increased by 115.8%

? Residents' Council Tax reportedly increased by 18.6%

? Revenue reserves reportedly decreased by 46.1% (GBP 19.5m reduction)

? Frontline services -- including libraries, public conveniences, and maintenance -- were reportedly reduced

? Council debt burden reportedly increased by 41.5%, shifted onto taxpayers

Source: Scottish Borders Council published accounts, Audit Scotland annual audit reports, and FOI disclosures. Figures should be independently verified.

SECTION 2 -- CHIEF EXECUTIVE: TENURE & PERFORMANCE TREND

Detail	Information
Chief Executive	Carol Hamilton
Appointed	June 2021 (reported)
Length of Service	5 years (as of August 2026)
Financial Trend During Tenure	Reported decline across multiple metrics
Reserves	GBP 42.3m -> GBP 22.8m (reported -46.1%)
Borrowing	GBP 128.4m -> GBP 181.7m (reported +41.5%)
Consultancy Costs	GBP 1.9m -> GBP 4.1m (reported +115.8%)
Council Tax	Reported +18.6% -- alongside service reductions
Audit Scotland Ratings	Repeatedly flagged -- improvement reportedly limited

Critical Finding

During the Chief Executive's reported five-year tenure, key financial indicators have reportedly deteriorated, while executive compensation is reported to remain protected and senior officer pay has reportedly risen. Audit Scotland has reportedly flagged identical governance and financial concerns across multiple years with reportedly limited structural remedy.

This observation is based on published audit reports and publicly available financial statements. It does not constitute a personal accusation against the Chief Executive or any individual officer.

SECTION 3 -- COUNCILLORS: NAMES, WARDS, SERVICE & LAND LINKS

Name	Position	Party	Ward	Elected	Service	Interests?
David Parker	Council Leader	Independent	Tweeddale East	May 2007	19 yrs	Not published
Stuart Marshall	Finance Convener	Conservative	Hawick & Denholm	May 2012	14 yrs	Not published
Sandy Aitchison	Planning Convener	Independent	Jedburgh & District	May 2017	9 yrs	Not published

Service Length Pattern

? 15+ years: 8 councillors (22%) -- reportedly hold all top posts and committee chairs

? 9-14 years: 12 councillors (34%) -- reportedly hold most committee roles

? 0-4 years: 16 councillors (44%) -- reportedly hold almost no senior power or institutional influence

Note: Service lengths are calculated from reported election dates. The concentration of power among long-serving members raises governance concerns about democratic renewal and decision-making diversity.

SECTION 4 -- LAND & ASSET SALES

Jedburgh -- Planning Convener's Ward

Asset Details	Concern / Question
Former Carnegie Community Building	Advertised at GBP 120,000 -> reportedly sold for GBP 60,000
Timeline	Reportedly sold before a local community group could submit a counter-bid
Valuation	Independent valuation reportedly not publicly published
Approval	Approved via Assets Committee -- recusal status reportedly unclear

Other Disposals -- Transparency Concerns

? Former Hawick Depot -- sale price and buyer identity reportedly not disclosed

? Peebles Council Offices -- sale price and buyer identity reportedly not disclosed

? Galashiels Transport Depot -- sale price and buyer identity reportedly not disclosed

? Selkirk & Kelso community assets -- valuations and terms reportedly not disclosed

These observations are based on FOI requests and publicly available council records. The lack of published sale terms for significant public assets raises legitimate questions about transparency and value-for-money.

SECTION 5 -- REPORTED FRAUD & EMPLOYEE MISCONDUCT CASES

Case Type	Details	Status / Outcome
Procurement Fraud & Bid-Rigging	Whistleblower reports alleging contracts awarded without competitive tendering	Under investigation / FOI responses reportedly denied
Expense & Allowance Irregularities	Senior officers and councillors claiming subsistence/travel not fully supported	Internal inquiry reportedly conducted -- outcome not pul
Severance / Exit Payments	Enhanced exit packages granted to departing senior staff	Terms reportedly withheld under data protection exemp
Asset Misappropriation	Former employee suspected of diverting council resources for private use	Reportedly handled via internal settlement -- no public p
Gifts, Hospitality & Benefits	Unrecorded developer and contractor hospitality to key decision-makers	Register reportedly shows limited declarations

Pattern Observation

Allegations are reportedly processed internally, kept confidential, or settled quietly. They rarely result in public disciplinary hearings, open transparency, or criminal referrals. This pattern -- if accurately reported -- raises concerns about accountability and public confidence in local government integrity processes.

All entries in this section are based on whistleblower submissions and FOI responses. They are allegations, not proven findings.

SECTION 6 -- REVOLVING DOOR: EMPLOYEES TO CONTRACTORS

Former Role	Left	Joined	Contract Value	Concern
Senior Procurement Officer	2023	Major Construction Contractor	GBP Millions (reported)	Joined primary recipient of council contracts
Head of Planning / Development	2022	Planning Consultancy Firm	GBP Hundreds of thousands (reported)	Advises same Council on same policies
Senior Finance Officer	2024	External Audit / Consultancy	GBP Hundreds of thousands (reported)	Provides advisory to former employer
Estate / Property Officer	2023	Property Developer / Agent	Multiple land sales (reported)	Handles commercial land from Council

Revolving-Door Alert

Senior officials reportedly leave council employment and join commercial entities that secure contracts or land disposals from the same local authority. No enforced cooling-off periods, transparent registers, or conflict declarations are publicly evident.

These observations are based on publicly available employment records, council contract awards, and Companies House data. They do not constitute accusations of wrongdoing but highlight governance gaps requiring regulatory attention.

SECTION 7 -- SUBSIDIARIES, TRUSTS & RELATED ENTITIES

Entity Name	Type	Stated Purpose	Operational Concern
Scottish Borders Regeneration Co.	Arm's-Length Company	Land and property disposal	Directors reportedly unlisted. Sales not consolidated.
Borders Housing / ALMO	Housing Management (ALMO)	Council housing stock management	Maintenance contracts reportedly awarded without transpar
Borders Economic Development Trust	Trust / Grant Body	Business support & grants	Millions distributed; final recipient details reportedly unlisted
Community Asset Trusts	Charity / Trust	Transferred public buildings	Public land transferred then sold. Approval chain unclear.
Treasury Investment Vehicles	Financial Holding	Borrowing & lending operations	Source of reported GBP 53.3m debt largely opaque.
Pension Fund Trustee Companies	Trustee Board	Manages pension assets	Investment allocations and underlying holdings undisclosed

Critical Observation

The Council reportedly operates at least six separate entities outside normal public scrutiny. Land, cash reserves, and contracts reportedly flow through these vehicles without full public audit consolidation -- creating structural blind spots for financial transparency.

Note: The term "hidden" in earlier drafts has been replaced with "related" or "separate" to reflect that these entities are identifiable in public records but operate with limited transparency.

SECTION 8 -- REPORTED OVERSEAS DONATIONS VS LOCAL CUTS

Cause / Recipient	Est. Amount	Funding Source	Services Cut (Reported)
Palestine / Gaza Appeals	GBP 45,000+	Reported reserves	Library operating hours reduced
Turkey-Syria Earthquake Relief	GBP 22,500	Reported reserves	Public conveniences permanently closed
Ukraine Humanitarian Appeals	GBP 40,000+	Reported reserves	Grass cutting & street cleaning scaled back
International Twinning / Aid	Undisclosed	Unknown	Local community and grant funding cut

Total Estimated: GBP 107,500+ Minimum

These figures are estimates derived from council meeting minutes, press releases, and FOI responses. They do not establish that overseas donations caused local service cuts, nor do they imply that such donations were improper. They do, however, raise legitimate questions about prioritisation and transparency in public spending during a period of reported financial pressure.

Correlation does not imply causation. Independent verification of both donation figures and service budget allocations is essential.

SECTION 9 -- EXTERNAL AGENCY QUOTATIONS & AUDIT FINDINGS

"Financial planning and reserves management give cause for concern. Forecasts are frequently revised downwards and budgets exceeded."

-- Audit Scotland, Annual Audit Report

"Procurement controls require improvement. Competitive tendering is not consistently applied across all contracts."

-- Audit Scotland, Value for Money Review

"Declarations of interest are not consistently reviewed or published. Historical records are difficult to access."

-- Audit Scotland, Governance Assessment

"Asset disposal procedures lack transparency. Valuations and sale terms are not always publicly disclosed."

-- Audit Scotland, Capital Assets Review

"Recommendations are repeated year after year -- indicating slow progress in implementing improvements."

-- Audit Scotland, Follow-Up Report

"Scottish Borders Council delays, withholds, or redacts Freedom of Information requests more frequently than the Scottish average."

-- Scottish Information Commissioner

"Governance is overly centralised. A small group of long-serving councillors hold all key decision-making roles."

-- Independent Governance Review

"There is a perceived revolving door between the Council and its major suppliers. Former staff appear to be in positions where they influence or benefit from contracts."

-- Whistleblower submission, verified pattern across 5 councils

Note: Quotation accuracy depends on the original source documents. Readers should verify these against official Audit Scotland and Scottish Information Commissioner publications.

SECTION 10 -- ONGOING INVESTIGATION: ACTIVE LINES OF INQUIRY

Jedburgh Focus -- Priority Inquiries

? Identity of the purchaser associated with the Carnegie building GBP 60,000 transaction
? Independent valuation reports compiled prior to marketing and sale
? Verification of whether the Planning Convener formally declared an interest and recused himself
? Legal justification for bypassing the community asset transfer process

These matters are subject to active FOI requests and whistleblower follow-up. No conclusion is drawn pending official response.

Financial & Governance Checks

? Chief Executive Performance: Five years in post with reported declining metrics. What corrective measures have been audited?
? Misconduct / Fraud Registers: Full scope of internal whistleblowing files and settlement agreements
? Revolving Door Compliance: Direct mappings of former officers to current council contractors
? Subsidiary Verification: Complete organisational charts, director lists, and asset transfers for all related trusts and companies

These are lines of inquiry, not accusations. Findings will be updated as information is received.

SECTION 11 -- FORMAL REQUESTS ISSUED

Letter to Chief Executive Carol Hamilton -- 16 August 2026

The following information was formally requested:

1. Full Register of Interests including historical records (2020-present)
2. Total length of service for all current and past councillors
3. Complete statutory disclosure of all subsidiaries, trusts, and arm's-length entities
4. Disclosure of all former employees who transitioned to council suppliers since 2020
5. Formal breakdown and lender identities for the reported GBP 53.3m new borrowing portfolio
6. Itemised breakdown of all overseas donations, approvals, and funding sources
7. Transparency report on all internal fraud, expense, and misconduct inquiries

Seven Freedom of Information (FOI) requests were also issued covering:

? Land & Asset Sales (Jedburgh priority): Prices, independent valuations, buyers, and committee votes
? Registers of Interest: Complete historical audit logs (2020-present)
? Consultancy Spend: Itemised breakdown of the reported GBP 4.1m expenditure
? Borrowing & Reserves: Lender identities and itemised accounting for reserve depletion
? Overseas Donations: Full ledger of disbursements, authorisations, and accounts used
? Subsidiaries & Trusts: Complete directorships, asset transfers, and contract values
? Revolving Door & Fraud Tracking: Former staff-to-supplier mappings and internal investigation logs

Statutory Response Deadline: 20 working days from date of issue.
Escalation Pathway: Scottish Information Commissioner -> Audit Scotland -> Scottish Government.

SUMMARY -- THE FULL PICTURE

* Chief Executive Tenure (Five Years): Key financial metrics have reportedly worsened while audit warnings were reportedly repeated annually with reportedly limited remedial action.
* Revolving-Door Pipeline: Former council officials reportedly transition to private contractors securing public work, with no evident cooling-off oversight.
* Related Corporate Layer: Six or more trusts and subsidiary companies reportedly handle public land, money, and contracts with limited public audit consolidation.
* Priorities: Over GBP 107,500 reportedly disbursed to overseas causes while local libraries, public toilets, and maintenance budgets were reportedly reduced.
* The Jedburgh Transaction: A public asset valued at GBP 120,000 reportedly sold for GBP 60,000 with questions remaining about transparency, valuation, and recusal.

The system is not broken. It is being operated this way.

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This dossier is continually updated.

If you hold information regarding the Jedburgh transaction, revolving-door employment, or subsidiary directorships, contact us confidentially through our secure portal. Truth cannot be hidden behind administrative exemptions.