

# EAST STAFFORDSHIRE BOROUGH COUNCIL

## REPORT COVER SHEET

Title of Report:	Revenue and Capital Outturn Report – Final Quarter 2017/18
Meeting of:	Scrutiny (Audit and Value for Money Council Services) Committee
Date:	20 <sup>th</sup> June 2018
Is this an Executive Decision:	Yes
Is this a Key Decision:	Yes
Is the report Confidential:	No
If so, please state relevant paragraph from Schedule 12A LGA 1972:	n/a

### **Essential Signatories:**

### **ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE**

Monitoring Officer

Date ..... Signature .....

Chief Finance Officer

Date ..... Signature .....

**EAST STAFFORDSHIRE BOROUGH COUNCIL**

Report to Scrutiny (Audit and Value for Money Council Services) Committee

Date: 20<sup>th</sup> June 2018

<b>TITLE:</b>	Revenue and Capital Outturn Report – Final Quarter 2017/18	
<b>PORTFOLIO:</b>	Finance	
<b>HEAD OF SERVICE:</b>	Sal Khan	
<b>CONTACT OFFICER:</b>	Lisa Turner – Chief Accountant	ext. 1399
<b>WARD(S) AFFECTED:</b>	All	

**1. Purpose of the Report**

- 1.1 To accord with the Council's financial regulations, this report presents the final outturn position in relation to the Council's revenue budget, capital programme of expenditure and treasury management activities. In addition to which, the report sets out the most significant risks facing the authority and how these are being managed. This is the fourth and final report in the annual cycle of financial monitoring for the financial year 2017/18.

**2. Executive Summary**

- 2.1 This report highlights an under-spend against the Councils revenue budget of **£0.5m** for the full financial year ending 31<sup>st</sup> March 2018. This is a very pleasing outcome considering the level financial savings built into the budget since 2010/11. During the course of the year budget holders have examined their spending and management have taken action in order to achieve an outturn within budget.
- 2.2 Whilst extremely favourable, this year-end under-spend represents a one-off windfall, with many of the savings arising during the course of the year already incorporated into the Medium Term Financial Strategy for 2018/19 onwards. The most notable variances contained within the outturn are in the main those highlighted in earlier reports, these being:-

- **Savings arising from the interim senior management structure of £81k;**
- **Net savings (£77k) within the Community, Open Spaces and Facilities Division;**
- **Net Savings (£218k) within the Legal, Assets and Licensing Division.**
- **Income from planning applications exceeded the budget, resulting in a net saving of £296k;**
- **There was a net cost pressure on indoor leisure facilities (£105k) arising from a combination of factors; and finally,**
- **There were net cost pressures within the Environment Division amounting to £135k.**

Further details on these areas are detailed at paragraph 4.2.

- 2.3 In respect of capital projects, the report sets out expenditure against a programme of £2.4m. During the course of the year the Council has completed the vast majority of works at the Town Hall in order to support the move of its main office accommodation from the Maltsters on Wetmore Road. This will deliver ongoing efficiency savings to the revenue budget. There has also been support for Neighbourhood projects and grants for disabled facilities. Spending during the course of the year amounted to £1.8m, with some projects taking place of several years. It is proposed that £0.5m be carried forward to support ongoing projects.
- 2.4 As at 31<sup>st</sup> March 2018 investments stood at £23.3m. The average rate of return on the council's investments throughout 2017/18 was 0.43%, which exceeded benchmarks. Further details of investments can be found at Section 5.
- 2.5 The Council's external borrowing remains at £11.2m as at 31<sup>st</sup> March 2018, which reflects a under borrowed position. This is more cost effective in the current economic conditions and is consistent with the latest treasury management strategy. Further details on borrowing can also be found at Section 5.
- 2.6 The **Business Rates Retention (BRR) Scheme** was introduced from April 2013 and transfers both opportunities to generate additional revenue from business growth, but also substantial risks from both economic contraction and appeals lodged with the Valuation Office. This is one of the key risks highlighted within our Medium term Financial Strategy. Nevertheless, the position for 2017/18 is very positive, with a **provisional outturn figure showing a surplus against budget of £0.8m**. In addition to which, there is a levy of £1m payable to the Greater Birmingham and Solihull LEP towards economic regeneration in the wider region, of which it is estimated that £0.3m will be returned to ESBC. This is part of a formal pooling arrangement, without which these monies would have gone directly to central government. Further details on the BRR Scheme can be found at section 7 of the report.

- 2.7 The Council's general fund reserve at the end of the 2017/18 financial year is forecast to be £1.3m. This is in line with expectations when the budget was set. In addition to general reserves, the authority holds a number of reserves that are earmarked for specific purposes. As at 31<sup>st</sup> March 2018, these reserves are estimated to be £12.6m. (£12.2m as at 31<sup>st</sup> March 2017).
- 2.8 The outturn position includes a carry forward request and this is set out in Appendix D for Cabinet approval. It is proposed that the net revenue outturn surplus of £0.5m be set aside as follows:
- A sum of £0.1m be set aside to support the future development of capital projects/business cases (the allocation of which to be delegated to the Leader);
  - That £0.075m be set aside as a one-off in relation to prolonged and non-responsive negotiations with the landlord for the Maltsters Office Accommodation regarding the extent of contractually obliged repairs (dilapidations), which were finally agreed on 25<sup>th</sup> May;
  - The remainder (£0.342m) be set aside within reserves to support initiatives that will generate ongoing savings for the authority, such as spend to save, commercial opportunities or debt repayment, with the allocation to be determined as part of the development of the MTFs for 2019/20 onwards.

### 3. **Revenue Budget 2017/18**

- 3.1 On 27<sup>th</sup> February 2017, the full Council approved the Revenue Budget for the year 2017/18, totalling £10,582m as follows:

<b>Approved Service Budgets</b>	<b>£000's</b>
<b>Arts, Brewhouse and Functions</b>	<b>341</b>
<b>Community and Open Spaces</b>	<b>2,221</b>
<b>Corporate Management Team</b>	<b>497</b>
<b>Corporate and Commercial</b>	<b>825</b>
<b>Cultural Services – Marketing</b>	<b>126</b>
<b>Enforcement</b>	<b>(531)</b>
<b>Enterprise</b>	<b>132</b>
<b>Environment</b>	<b>2,850</b>
<b>Environmental Health</b>	<b>497</b>
<b>Financial Services and Capital Financing</b>	<b>1,385</b>
<b>Housing</b>	<b>238</b>
<b>Human Resources, Payments &amp; Pensions</b>	<b>1,546</b>
<b>IT and Printing</b>	<b>573</b>
<b>Land Charges</b>	<b>(3)</b>
<b>Legal Services</b>	<b>(306)</b>
<b>Leisure - Indoor Facilities</b>	<b>872</b>

Leisure - Outdoor Facilities	150
Markets	(13)
Planning	213
Revenue, Benefits and Customer Contacts	205
Corporate Budgets	(1,240)
Total Contributions to / (from) Reserves	4
<b>Total</b>	<b>10,582</b>

3.2 Financial control is maintained by monitoring actual expenditure against approved budgets at regular intervals throughout the year.

#### 4. Outturn 2017/18

4.1 The following table indicates the full year variations against budget at the final outturn for the year. A number of variations are compensated for by under or over spends.

Summary by Service	Annual Budget	Draft Outturn (Quarter 4)	Variation (Over/Under)	Q3 Variation (Over/Under)
	£'000	£'000	£'000	£'000
Arts, Brewhouse and Functions	338	396	58	44
Community and Open Spaces	1,578	1,501	(77)	(143)
Corporate Management Team	493	409	(84)	(81)
Corporate and Commercial	823	792	(31)	(2)
Cultural Services - Marketing	128	132	4	0
Enterprise	132	126	(6)	(14)
Environment	2,856	2,991	135	118
Environmental Health	522	469	(53)	(6)
Financial Services	1,397	1,382	(15)	(10)
Housing	237	286	49	21
Human Resources and Payments	1,566	1,525	(41)	(8)
IT and Printing	501	496	(5)	(3)
Land Charges	(3)	(11)	(8)	1
Legal Services, Assets and Licensing	(214)	(432)	(218)	(86)
Leisure Centres - Indoor Facilities	882	987	105	82
Leisure Centres - Outdoor Facilities	150	139	(11)	13
Markets	(13)	3	16	11
Planning	213	(83)	(296)	(140)
Revenue, Benefits and Customer Contacts	246	207	(39)	2
Corporate Items	(1,254)	(1,254)	0	0
Total Contributions to / (from) Reserves	4	4	0	0
<b>Total</b>	<b>10,582</b>	<b>10,065</b>	<b>(517)</b>	<b>(201)</b>

4.2 The budget has been revised during the course of the year to reflect transfers and virements approved in accordance with financial regulations.

4.3 The tables at **Appendix A** summarise, by service division, the variations between the 2017/18 budget and the year-end outturn. Further supporting narrative in relation to those divisions with significant variations is set out below:

■ **Community, Open Spaces and Facilities – Net reduction in expenditure - £77k**

There are a number of savings across the division, arising from a combination of factors. These arise due to a number of factors, including a pro-active approach to management, as well as the nature of this type of expenditure being influenced by factors outside of the Council's control. Staffing and grant funding savings have arisen within Neighbourhood Working and CCF (£31k), income exceeded budget (£24k) in relation to sponsorship activities and Cemeteries and there were net savings in relation to facility repairs and maintenance (£43k). These forecast savings are partially offset by cost pressures, including £40k of business rates for the Maltsters office accommodation, this arises from a tribunal case resulting in the rates being re-assessed and back dated. Income from car parking charges was £60k lower than when the budget was set, which takes into account the impact of the new charges approved by Cabinet. This has been partially offset by increased season ticket income.

■ **Corporate Management Team – Forecast under-spend £81k**

Savings are forecast following the introduction of an interim senior management structure amounting to £81k.

■ **Legal, Assets and Licensing – Reduction in net expenditure £218k**

Savings have largely arisen following a staffing re-structure within legal services (£21k), additional income raised from legal cost recovery (£42k), and an over-achievement of net income in relation to industrial units (£56k). The income generated from licensing activities also exceeded the budget (£46k), this is an area in which management keep fees under review over a rolling period to ensure that fees are set in accordance with the appropriate requirements.

■ **Planning – Net reduction in expenditure £296k**

Costs associated with the appointment of interim staff to cover maternity leave have been partially met from staffing savings. Planning application income has exceeded the budget by £368k, with a substantial increase in the final quarter of the year.

■ **Environment – Increased net expenditure - £135k**

There are two main areas contributing to this forecast pressure. The first relates to staffing costs within the waste collection service. These were in excess of budget due to a number of factors, including the need to cover vacancies and staff sickness with more expensive temporary workers and also increased working hours due to the housing growth pressures previously reported to Cabinet. The measures approved by Cabinet will result in these pressures being eased as we move forward.

The second relates to the estimated level of recycling credits, these were lower than budgeted due to reduced tonnage levels in garden waste as a result of the weather conditions experienced this year.

■ **Leisure Centres (Indoor Leisure) – Increased Net expenditure - £105k**

The underlying reasons for this net pressure are consistent with those reported during the year:

- Employee costs in relation to the leisure centres exceeded budget by £51k, this is partially due to the 2% vacancy factor built into the budget and partially due to the associated costs of increasing the wet and dry course provision. In addition to this, we have seen a higher turnover of staff in the last nine months that has contributed to an increase in training costs for both new starters and the delivery of mandatory training for all Leisure Centre employees, which happens during times when the leisure centre is closed;
- Income was lower than budgeted by £119k, this is partly due to VAT owing to Government relating to 2016/17 being adjusted in 2017/18 (£54k), with the remainder impacted by the bridge closure and a reduction in memberships at the Meadowside Leisure Centre, which is significantly influenced by the opening of Gym Group in Burton;
- These pressures are partly offset by forecast savings of £71k primarily in relation to premises costs such as energy and maintenance.

4.4 A carry forward request has been submitted for Cabinet approval and this is listed at **Appendix D**.

## **5 Treasury Management**

5.1 The Council approved the Treasury Management Strategy Statement for 2017/18 on 27th February 2017. A full annual report on the treasury management activities and performance against the strategy will be presented to the Scrutiny (Audit and Value for Money Council Services) Committee and full Council in June. This section provides a brief summary and update on progress against the Strategy and the Revenue Budget.

### **Investment Returns**

5.2 The average rate of investment return that was assumed in the 2017/18 budget was 0.33%; this was based on the forecast average Bank of England base rate plus an ESBC return factor. The base rate increased from 0.25% to 0.5% in November 2017, which is the first increase in the bank rate for over a decade. This has already started to have a positive impact on investment returns. It is likely that there will be further increases during 2018, however overall it is anticipated that future increases will be incremental and over a prolonged period. A comparison with other benchmarks of the rate of return on investments achieved by ESBC in the year to 31 March 2018 is shown below:

	Average Rate Year to 31/03/18
ESBC	0.43%
3 Month LIBID Rate	0.29%
6 Month LIBID Rate	0.40%
Base Rate (Average)	0.35%
Budget	0.33%

\*\*LIBID = London Inter Bank Bid Rate

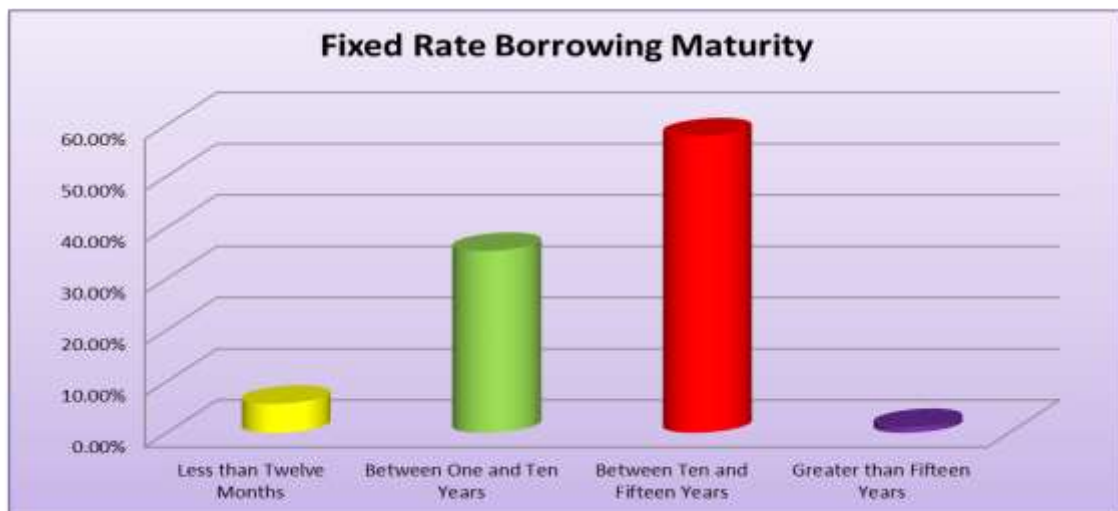
- 5.3 The ESBC average return for the year exceeds the base rate and other benchmarks. A full schedule of investments is set out in **Appendix C**.

### Borrowing

- 5.4 The average rate payable on the Council's borrowing as at 31<sup>th</sup> March 2018 is 5.4% (5.4% at 31<sup>st</sup> March 2016).
- 5.5 Borrowing levels as at 31<sup>st</sup> March 2018 stood at £11.2m; this reflects an under-borrowed position, which is favourable in the current economic conditions. This is consistent with the latest Treasury Management Strategy. The table below is a summary of the debt by type, followed by a graphical demonstration of the maturity profile.

Debt Type	Principal Outstanding (£)	Average Rate
Total Fixed Debt		
PWLB Maturity	5,700,000	4.646%
PWLB Annuity	635,379	8.268%
Total Variable Debt		
Market	4,500,000	5.914%
GBSLEP Loan	375,000	
<b>Total External Debt</b>	<b>11,210,379</b>	<b>5.390%</b>

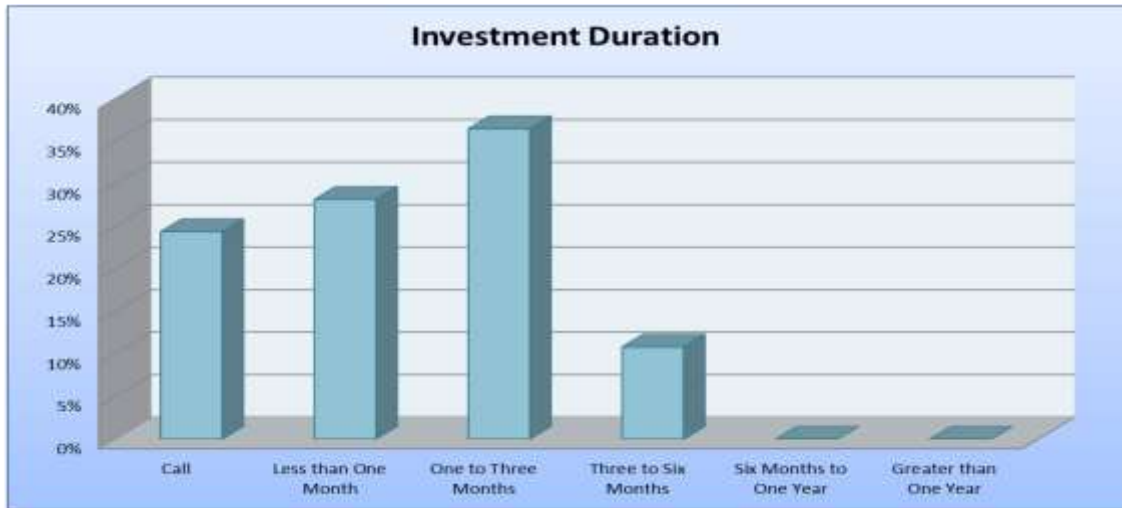
Actual borrowing interest was £18k lower than budgeted. As set out within previous reports, this saving has been used to reduce the need to draw down from the debt repayment reserve.





## Investments

- 5.6 As at 31<sup>st</sup> March 2018 investments totalled £23.3m, a full schedule of these is set out within **Appendix C**. The following chart shows the maturity structure of the Council's Investments at 31<sup>st</sup> March 2018:



## **6. Capital Programme 2017/18**

- 6.1 The Council's Capital Programme for 2017/18 totals **£2.4m**, of which £0.3m relates to projects carried forward from 2016/17 and £1.2m relates to in-year approvals. Accrued spending on capital projects during 2017/18 amounted to **£1.8m**, a variation against programmed spend of £0.6m.
- 6.2 A detailed schedule of all projects and funding is shown at **Appendix B**. The table below provides a summary of projects and Cabinet is asked to approve the budget carried forward into 2017/18 of £0.5m

<b>Capital Programme 2017/18</b>	<b>Budget £</b>	<b>Accrued Spend £</b>	<b>C-Fwd £</b>	<b>(Overspen d) £</b>
<b>Annual Projects which are ongoing</b>				
Neighbourhood Working Fund	131,770	34,613	97,157	0
Disabled Facility Grants	976,309	781,931	194,378	0
<b>Sub Total (A)</b>	<b>1,108,079</b>	<b>816,544</b>	<b>291,535</b>	<b>0</b>
<b>Projects Taking Place Over Several Years</b>				
Brewhouse Arts Centre	70,517	22,719	45,000	2,798
Public Art Work Restoration	85,000	2,250	46,000	36,750
Town Hall Office Accommodation	874,739	784,458	90,281	0
Car Parks - Contactless Machines	87,040	72,435	7,800	6,805
Yeoman Industrial Units Roofing Works	37,342	0	37,342	0
<b>Sub Total (B)</b>	<b>1,154,638</b>	<b>881,862</b>	<b>226,423</b>	<b>46,353</b>
<b>Projects Complete</b>				
Dove Way, Uttoxeter	133,199	133,199	0	0
<b>Sub Total (C)</b>	<b>133,199</b>	<b>133,199</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>2,395,916</b>	<b>1,831,605</b>	<b>517,958</b>	<b>46,353</b>

*The budget has increased since Quarter 3 to include additional funds (£133k) relating to Dove Way/Pennycroft lane (Cabinet – May 2018) and grant received in relation to the Neighbourhood Working Fund £1k.*

- 6.3 The carry forward sums of £518k relate to projects that are ongoing or taking place over several years, such as the works on the Town Hall, Brewhouse and Public Art Work, and also the award of grant funding for disabled facilities and Neighbourhood Working Initiatives. The table also highlights £46k of funding that has been identified as no longer being required.
- 6.4 As at the end of March 2018 works on the Town Hall Office Accommodation Project were substantially complete. Current projections indicate that spending in relation to the main contracted works is on track, taking into account the contingency approved by Cabinet. Officers have been engaged in prolonged and non-responsive negotiations with the landlord for the Maltsters Office Accommodation regarding the extent of contractually obliged repairs (dilapidations), which were finally agreed on 25<sup>th</sup> May. As such, paragraph 2.8 recommends setting aside a financial sum to make provision for this.
- 6.5 Capital Receipts generated from asset sales during the course of the year are set out in the table below.

<b>Capital Receipts – 2017/18</b>	<b>£</b>
Shareholding – Dividend Payment	125,000
Kick Start Loan Repayments	47,949
<b>Total</b>	<b>172,949</b>

## **7. Business Rates Retention Scheme**

- 7.1 The business rates retention (BRR) scheme came into effect from 1<sup>st</sup> April 2013 and now forms a principle element of local government funding. This provides local authorities with a direct financial benefit from economic growth, but also exposure to financial risk as a consequence of both economic contraction and appeals lodged with the Valuation Office. However there is a safety net built into the scheme to ensure that no authority's income falls below at set level, for East Staffordshire this was set at £2.764m for 2017/18. Likewise there is levy payable, in our case to the Birmingham and Solihull LEP, on any business rate growth above the baseline (£2.987m), for East Staffordshire this is set at 50%.
- 7.2 The table below compares, at summary level, the draft outturn position with the budget and highlights a surplus of £0.8m. The main reasons for this surplus include:
- a reduction in the provision estimated to be required in relation to outstanding appeals in relation to the 2010 list;
  - a reduction in the level of reliefs associated with empty/partially empty properties;
  - Central adjustments associated with the 2017 revaluation that were unknown at the time the budget was set; and
  - In-year changes made by central government to the mechanism for compensating local authorities for the small business rates relief scheme.
- 7.3 In addition to this surplus, a levy is also payable to the Birmingham and Solihull Local Enterprise Partnership, this amounts to £1m. Without our membership of the GBSLEP Business Rates Pool this funding would have been payable directly to Central Government, however under locally agreed arrangements 32.5% or £0.3m is repayable back to the Council. This results in a combined surplus of £1.1m.
- 7.4 Whilst this is a positive outcome, Members are reminded that there has been significant volatility arising from the scheme and therefore it is proposed that this sum is set aside within the Business Rates Reserve with the balanced reviewed as part of the development of the Medium Term Financial Strategy for 2019/20.

<b>DRAFT Retained Business Rates – 2017/18</b>	<b>Budget £000</b>	<b>Draft Outturn £000</b>	<b>Variance £000</b>
Business Rates - ESBC Share (40%)	20,871	21,658	787
Government Compensation for extension of Small Business Rates Relief and other Reliefs	710	1,280	570
Adjustment to spread cost of appeals	(200)	(200)	-
Less Tariff to Government	(17,871)	(17,662)	209
<b>Pre-levy retained business rates</b>	<b>3,510</b>	<b>5,076</b>	<b>1,566</b>
Section 31 Grant (RPI Cap)	44	57	12
Section 31 – Other Adjustments	-	23	23
Levy to GBSLEP	(261)	(1,044)	(783)
Volatility Provision	(209)	(209)	-
<b>Post Levy Retained Business Rates</b>	<b>3,084</b>	<b>3,903</b>	<b>818</b>
Returned Levy @32.5%	-	339	339
<b>Combined Surplus</b>	<b>3,084</b>	<b>4,242</b>	<b>1,157</b>

- 7.5 The complexities of this scheme, and the supporting legislation, mean that the various elements of the scheme are split, not only between the Council's General and Collection Funds, but also spread over financial years (2017/18 and 2019/20). The table below demonstrates this split in respect of the outturn position:

<b>Business Rates Retention: Outturn Split</b>	<b>£'000</b>
ESBC share of Business Rates Collection Fund Surplus – available in 2019/20	787
General Fund Surplus 2017/18	370
<b>Post Levy Retained Business Rates</b>	<b>1,157</b>

## **8. Risk Assessment and Management**

- 8.1 The Council's risk management strategy was approved at Cabinet in September 2014. Attached at **Appendix E** to this report is a schedule of the most significant risks facing the authority, including the actions taken or being taken in order to control or mitigate these risks.
- 8.2 The most significant risks associated with the authority's financial position are set out and provided for within the Medium Term Financial Strategy.

## **9. Legal Considerations**

*This section has been approved by the following member of the Legal Team:  
Angela Wakefield*

- 9.1 There are no direct implications arising from this report.

## 10. Equalities

10.1 Does the report involve the public, including staff, or have consequences for them?

Yes  No

## 11. Human Rights

11.1 There are no Human Rights issues arising from this Report.

## 12. Financial Considerations

*This section has been approved by the following member of the Finance Team: Lisa Turner*

12.1 The full report sets out the financial implications for the authority of the 2017/18 Outturn. This is summarized below:

<b>Revenue</b>	2017/18 £'000	2018/19 £'000	2019/20 £'000
Revenue under-spend (earmarked to support future revenue savings initiatives as part of the development of the MTFS for 2019/20 onwards)	(342)		
Revenue Underspend: Set-aside to support the development of future capital proposals	(100)		
Revenue Underspend: Set aside to support contractually obliged repairs at the Maltsters Office Accommodation	(75)		
Carry forward requests (as set out in Appendix D)	(14)	14	
<b>Capital</b>			
Carry forward of sums relation to ongoing projects set out in para. 6.2 and 6.3	(518)	518	

12.2 As set out within section 7, the draft outturn in relation to the Business Rates Retention Scheme indicates a combined surplus of £1.1m (including returned levy from the GBSLEP). It is proposed that this sum is set aside to mitigate the risks associated with this scheme.

### 13. **Cabinet Recommendations**

13.1 In relation to the Revenue Outturn, Cabinet is recommended to:-

- a) Note the revenue outturn position for 2017/18;
- b) Approve the carried forward request set out in **Appendix D**;
- c) Set aside £0.1m from the revenue budget underspend to support the development of future capital proposals, the allocation to specific projects to be approved by the Leader;
- d) Set aside £0.075m from the revenue underspend in relation to contractually obliged repairs at the Maltsters Office Accommodation, following prolonged and non-responsive negotiations with the landlord;
- e) Set aside the remaining revenue under-spend of £0.342m to support future initiatives to deliver ongoing savings to the revenue budget, as part of the development of the MTFs for 2019/20 onwards.

13.2 In relation to the Capital Outturn, Cabinet is recommended to:-

- a) Note the capital outturn position for 2017/18;
- b) Approve the budgets for outstanding projects from 2017/18 totaling £0.518m to be carried forward to 2018/19 (Para. 6.2);

13.3 Cabinet is also recommended to note:-

- a) The position in relation to the council's investments and borrowings as at 31<sup>st</sup> March 2018 (Section 5);
- b) The position in respect of the Council's general balances and earmarked reserves as at 31<sup>st</sup> March 2018 (Para.2.7);
- c) The draft outturn position in relation to the Business Rates Retention Scheme for 2017/18, and the subsequent set aside to reserves (Section 7).
- d) The significant risks facing the authority and associated mitigations or control measures in place, as outlined within **Appendix E**.

## VARIANCES AGAINST BUDGET AT OUTTURN 2017/18

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
<b>Arts, Brewhouse and Civic Functions</b>			
Brewhouse and Arts Development	281	313	32
Civic Function Suite	57	83	26
<b>Total Arts, Brewhouse and Civic Functions</b>	<b>338</b>	<b>396</b>	<b>58</b>

Division	Explanation	Amount Over/ (under) £'000
Brewhouse and Arts Development	Employee Costs	17
Brewhouse and Arts Development	Café Bar	5
Brewhouse and Arts Development	Arts Development Project	21
Brewhouse and Arts Development	Project Worker/Professional Fees	35
Brewhouse and Arts Development	Other Running Costs	5
Brewhouse and Arts Development	Room Rental/Other Income	(51)
Civic Function Suite	Employees - Including vacancy factor	2
Civic Function Suite	Premises Costs	(21)
Civic Function Suite	Provision of Refreshments Income	8
Civic Function Suite	Room Hire Income	37
<b>Total</b>		<b>58</b>

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
<b>Community and Open Spaces</b>			
Cemeteries	41	31	(10)
Open spaces	1,333	1,343	10
Partnerships	34	8	(26)
Councillors Community Fund	39	33	(6)
Horticultural Centre	49	36	(13)
Neighbourhood Working	155	130	(25)
Facilities and Health and Safety	551	566	15
Community Centres	18	9	(9)
Car Parks Income	(918)	(921)	(3)
Community and Civil Enforcement	276	266	(10)
<b>Total</b>	<b>1,578</b>	<b>1,501</b>	<b>(77)</b>

**APPENDIX A**

<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Cemeteries	Employees	2
Cemeteries	Contracted Grounds Maintenance	(7)
Cemeteries	Contracted Grounds Maintenance - Variations	6
Cemeteries	Burial Fees/Monument and Turfing Fees	(15)
Cemeteries	Supplies and Services	4
Open Spaces	Employees (secondment from Partnerships)	10
Open Spaces	Grounds Maintenance	10
Open Spaces	Lighting Maintenance	13
Open Spaces	Car Park Maintenance	12
Open Spaces	Play Equipment	(32)
Open Spaces	Other running expenses	2
Open Spaces	Fees and Charges	(5)
Partnerships	Employees	(23)
Partnerships	Partnership Board	7
Partnerships	Contributions from Other Bodies	(10)
Councillors Community Fund	Councillors Community Fund	(6)
Horticultural Centre	Misc expenses	1
Horticultural Centre	Sponsorship income	(14)
Neighbourhood Working	Employees - vacant post	(29)
Neighbourhood Working	Contributions from Other Bodies	4
Facilities and Health and Safety	Maltsters Business Rates - Revaluation	40
	Industrial Units - Statutory Obligations	(39)
	Repairs and Maintenance	7
	Employee Costs - Staffing Changes	4
	Voluntary Organisations	(11)
	Other running expenses	14
Community Centres	Repairs and Maintenance	(9)
Car Parks Income	Penalty Charge Notice Processing	(14)
Car Parks Income	Parking Charges Income	60
Car Parks Income	Car Park Season Ticket Income	(51)
Car Parks Income	Car Park Penalty Charge Notice Income	2
Community and Civil Enforcement	Employees	(15)
	Supplies and Services	6
	Fees and Charges	(1)
<b>Total</b>		<b>(77)</b>



## APPENDIX A

Chief Officer : Andy O'Brien	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
Chief Executives	196	193	(3)
Heads of Service	297	216	(81)
<b>CMT</b>	<b>493</b>	<b>409</b>	<b>(84)</b>

Division	Explanation	Amount Over/ (under) £'000
Chief Executives	Sundry running expenses	(3)
Heads of Service	Savings from Interim Management Structure	(81)
<b>Total</b>		<b>(84)</b>

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
<b>Corporate and Commercial</b>			
Programmes and Information	266	260	(6)
Committee Support	86	87	1
Elections	174	157	(17)
Emergency Planning	14	11	(3)
Members Allowances	283	277	(6)
<b>Total Corporate and Commercial</b>	<b>823</b>	<b>792</b>	<b>(31)</b>

Division	Explanation	Amount Over/ (under) £'000
Programmes and Information	Employees - vacancy factor	7
Programmes and Information	Supplies and Services	(4)
Programmes and Information	Christmas Decorations	(8)
Programmes and Information	Other Fees and Charges	(1)
Committee Support	Employees	1
Elections	Employees	(2)
Elections	Supplies and Services	2
Elections	Income	(17)
Emergency Planning	Subscriptions	(3)
Members Allowances	Special Responsibility Allowance - Deputy Leader	3
Members Allowances	Special Responsibility Allowance - Scrutiny Chairs	(9)
<b>Total</b>		<b>(31)</b>

**APPENDIX A**

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
Cultural Services - Marketing	128	132	4
<b>Total</b>	<b>128</b>	<b>132</b>	<b>4</b>

Division	Explanation	Amount Over/ (under) £'000
Cultural Services - Marketing	Employee costs	7
Cultural Services - Marketing	Advertising costs	(3)
<b>Total</b>		<b>4</b>

Chief Officer : Andy O'Brien	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
Enterprise	132	126	(6)
<b>Total</b>	<b>132</b>	<b>126</b>	<b>(6)</b>

Division	Explanation	Amount Over/ (under) £'000
Enterprise	Employee costs	(1)
Enterprise	ERDF Grant Received	(5)
<b>Total</b>		<b>(6)</b>

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
<b>Environment</b>			
Council Depots	143	122	(21)
Public Conveniences	142	134	(8)
Waste Collection	1,540	1,724	184
Street Cleaning	925	913	(12)
Building Consultancy	54	48	(6)
Land Drainage	52	50	(2)
<b>Total</b>	<b>2,856</b>	<b>2,991</b>	<b>135</b>

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<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Council Depots	Business Rate/Utilities	(17)
Council Depots	Maintenance Costs	(4)
Public Conveniences	Employee Costs	4
Public Conveniences	Repair and Maintenance to Buildings	(8)
Public Conveniences	Vehicle Maintenance	(4)
Waste Collection	Vehicle Hire	18
Waste Collection	Supplies and Services (inc. Vehicle Maintenance)	(26)
Waste Collection	Wheelie Bins	27
Waste Collection	Staffing cost pressures	90
Waste Collection	Promotional Materials	(22)
Waste Collection	Third Party Payments - reduced tonnage	(30)
Waste Collection	Contribution from other bodies	(4)
Waste Collection	Recycling Income lower than budgeted	10
Waste Collection	Recycling Credits lower than budgeted	91
Waste Collection	Trade Waste Income lower than budgeted	30
Street Cleaning	Employee Costs	(3)
Street Cleaning	Vehicle Maintenance	3
Street Cleaning	Bulky Waste Collection	(4)
Street Cleaning	Private Street Cleaning	(8)
Building Consultancy	Employee Expenses	(12)
Building Consultancy	Fees and Charges	(4)
Building Consultancy	Consultants	(9)
Building Consultancy	Supplies and Services	(7)
Building Consultancy	Contribution no longer required from trading reserve	26
Land Drainage	Supplies and Services	(2)
<b>Total</b>		<b>135</b>

<b>Head of Service : Mark Rizk</b>	<b>Budget (£000's)</b>	<b>Actual Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>Environmental Health</b>			
Environmental Health	399	372	(27)
Animal Control	26	7	(19)
Housing Standards	97	90	(7)
<b>Total Environmental Health</b>	<b>522</b>	<b>469</b>	<b>(53)</b>

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<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Environmental Health	Employee Costs	11
Environmental Health	Consultants	(10)
Environmental Health	Equipment/IT and Maintenance	(9)
Environmental Health	Sundry Running Costs	(7)
Environmental Health	Income	(12)
Animal Control	Kennelling Costs	(19)
Housing Standards	Default Work	(5)
Housing Standards	Travel expenses	(2)
<u>Selective Licensing</u>		
Housing Standards	Employee Costs	7
Housing Standards	General Advertising	8
Housing Standards	Transfer to Reserve	22
Housing Standards	Income - Selective Licensing	(37)
<b>Total</b>		<b>(53)</b>

	<b>Budget (£000's)</b>	<b>Actual Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>Head of Service : Sal Khan</b>			
<b>Financial Services</b>			
Capital Financing Costs	841	841	0
Financial Management Unit	413	403	(10)
Internal & External Audit	143	138	(5)
<b>Total Financial Services</b>	<b>1,397</b>	<b>1,382</b>	<b>(15)</b>

<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Financial Management Unit	Employee costs - Professional Agency Cover	47
Financial Management Unit	Employee costs - Vacancy	(31)
Financial Management Unit	Contribution from Professional Reserve	(16)
Financial Management Unit	Sundry running costs	(10)
Internal & External Audit	External Audit Fees	(5)
<b>Total</b>		<b>(15)</b>

	<b>Budget (£000's)</b>	<b>Actual Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>Head of Service : Sal Khan</b>			
<b>Housing</b>			
Housing Options	237	286	49
<b>Total: Housing</b>	<b>237</b>	<b>286</b>	<b>49</b>

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<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Housing Options	Employee costs - vacancy factor	6
Housing Options	Various small savings	(7)
Housing Options	Homelessness Prevention Trailblazer grant	(3)
Housing Options	Software support and maintenance and licence	4
Housing Options	Accommodation costs - Rents	4
Housing Options	Accommodation Costs - B & B/Hotels	73
Housing Options	Contributions to costs - housing benefit entitlement	(28)
<b>Total</b>		<b>49</b>

	<b>Budget (£000's)</b>	<b>Actual Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>Chief Officer : Andy O'Brien</b>			
<b>Human Resources and Payments</b>			
HR and Payroll	441	409	(32)
Pension Payments	1125	1116	(9)
<b>Total Human Resources and Payments</b>	<b>1,566</b>	<b>1,525</b>	<b>(41)</b>

<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
HR and Payroll	Employee costs	(15)
HR and Payroll	Training	(14)
HR and Payroll	Sundries	(3)
Pension Payments	Superannuation	(9)
<b>Total</b>		<b>(41)</b>

	<b>Budget (£000's)</b>	<b>Actual Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>Head of Service : Sal Khan</b>			
<b>IT and Printing</b>			
Central Reprographics and Administration	183	180	(3)
Computer Services	318	316	(2)
<b>Total ICT and Printing</b>	<b>501</b>	<b>496</b>	<b>(5)</b>

<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Central Reprographics and Administration	Hire of equipment	(10)
Administration	Franking Machine Postages	7
Computer Services	Employee costs	5

**APPENDIX A**

	Procurement savings	(14)
	Mobile telephones	2
	ICT Departmental Purchases	5
<b>Total</b>		<b>(5)</b>

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
<b>Land Charges</b>	(3)	(11)	(8)
<b>Total</b>	<b>(3)</b>	<b>(11)</b>	<b>(8)</b>

Division	Explanation	Amount Over/ (under) £'000
Land charges	Employee costs	2
Land charges	Search an Investigation Fees	8
Land charges	Fees and Charges	(18)
<b>Total</b>		<b>(8)</b>

Chief Officer : Andy O'Brien	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
<b>Legal Services, Assets &amp; Licensing</b>			
Legal	230	158	(72)
Mayoral Support and Civic Ceremonials	74	57	(17)
Industrial Units	(533)	(589)	(56)
Assets and Estates Management	(70)	(71)	(1)
Licensing and Enforcement	3	(56)	(59)
CCTV	82	69	(13)
<b>Total Legal Services, Assets &amp; Licensing</b>	<b>(214)</b>	<b>(432)</b>	<b>(218)</b>

Division	Explanation	Amount Over/ (under) £'000
Legal	Service Restructure	(21)
Legal	Legal Fees Recovered	(42)
Legal	Other Sundry Running Expenses	(9)
Mayoral Support and Civic Ceremonials	Employee Costs	(8)
	Mayoral Allowances	(5)
	Public/Civil Function Expenses	(4)
Industrial Units	Net Overachievement of income	(56)
Assets and Estates Management	Statutes Fair Preparation	2
Assets and Estates Management	Consultants	(3)
Licensing and	Employee Costs	(9)

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Enforcement	Licence Additional Expenditure	7
	Provision for Aged Debts	(5)
	Other Sundry Running Costs	(6)
	Annual Licence Income	(46)
CCTV	Income	(2)
CCTV	Repair and Maintenance	(4)
CCTV	Maintenance Agreements	(7)
<b>Total</b>		<b>(218)</b>

	<b>Budget (£000's)</b>	<b>Actual Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>Head of Service : Mark Rizk</b>			
<b>Leisure Centres - Indoor Facilities</b>			
Leisure Centres - Indoor Facilities	680	779	99
Health and Leisure Grants	12	8	(4)
Active East Staffs	190	200	10
<b>Total Leisure Centres - Indoor Facilities</b>	<b>882</b>	<b>987</b>	<b>105</b>

<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Leisure Centres - Indoor Facilities	Employees - Including vacancy factor	51
	Premises related savings	(53)
	Supplies and Services	(9)
	Catering	(9)
	ULC/MLC Fees and charges	65
	ULC/MLC Fees and charges - VAT re-alignment 2016/17	54
Health and Leisure Grants	Grants	(4)
Active East Staffs	Employee Costs	23
	Income from Fees and Charges	(13)
<b>Total</b>		<b>105</b>

	<b>Budget (£000's)</b>	<b>Actual Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>Head of Service : Mark Rizk</b>			
<b>Leisure Centres - Outdoor Facilities</b>			
Leisure Centres - Outdoor Facilities	150	139	(11)
	<b>150</b>	<b>139</b>	<b>(11)</b>

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Division	Explanation	Amount Over/ (under) £'000
Leisure Centres - Outdoor Facilities	Employees - Including vacancy factor	10
	SLC - Fees and Charges/Vending Income	4
	Various Supplies and Services	(13)
	Premises related savings	(12)
<b>Total</b>		<b>(11)</b>

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
<b>Markets</b>	(13)	3	16
	<b>(13)</b>	<b>3</b>	<b>16</b>

Division	Explanation	Amount Over/ (under) £'000
Markets	Employee costs	17
Markets	Other running costs	(3)
Markets	Income	2
<b>Total</b>		<b>16</b>

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Variance (£000's)
<b>Planning</b>			
Planning Policy	155	119	(36)
Planning Delivery	58	(202)	(260)
<b>Total</b>	<b>213</b>	<b>(83)</b>	<b>(296)</b>

Division	Explanation	Amount Over/ (under) £'000
Planning Policy	Employee Costs	(37)
Planning Policy	Supplies and Services	2
Planning Delivery	Employee Costs	54
Planning Delivery	Temporary Staff Costs	116
Planning Delivery	Scanning	13
Planning Delivery	Consultants	(14)
Planning Delivery	Legal Costs	(28)
Planning Delivery	Planning Income	(368)
Planning Delivery	Other Fees and Charges	(34)
<b>Total</b>		<b>(296)</b>



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<b>Head of Service : Sal Khan</b>	<b>Budget (£000's)</b>	<b>Actual Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>SCC - Revenues, Benefits and Customer Contacts</b>			
Revenues	(27)	(43)	(16)
Benefits and Professional Services	(169)	(189)	(20)
Customer Contacts	442	439	(3)
<b>Total</b>	<b>246</b>	<b>207</b>	<b>(39)</b>

<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Revenues	Employee Costs	9
Revenues	Printing and Postages	(6)
Revenues	Other Running Costs	(9)
Revenues	Court Cost Income	(10)
Benefits and Professional Services	Employee Costs	(4)
Benefits and Professional Services	IT Costs	(8)
Benefits and Professional Services	Printing and Postages	(4)
Benefits and Professional Services	Other Running Costs	(4)
Benefits and Professional Services	Universal Credit Support -Partnership with Citizens Advice	8
Benefits and Professional Services	Universal Credit Income	(8)
Customer Contacts	Manning Emergency Rota	3
Customer Contacts	Other Running Costs	(6)
<b>Total</b>		<b>(39)</b>

# SUMMARY OF CAPITAL EXPENDITURE AGAINST PROGRAMME 2017-18

## Appendix B

Description	Brought Forward		2017/18 per MTFS		Changes Since MTFS		Total Budget	Spend 2017/18	Variation	Carry forward to 2018/19	
	ESBC	Other Funding	ESBC	Other Funding	ESBC	Other Funding				ESBC	Other Funding
	£	£	£	£	£	£				£	£
Neighbourhood Working Fund	30,770		100,000			1,000	131,770	34,613	(97,157)	97,157	
Disabled Facility Grants		7,890		700,000		268,419	976,309	781,931	(194,378)		194,378
Growth Point Projects <i>(Cabinet - October 2017)</i>		100,000				(100,000)	0	0	0		
Civic Function Suite Refurbishment <i>(Cabinet - June 2017)</i>	96,625					(96,625)	0	0	0		
Dove Way and Pennycroft, Uttoxeter <i>(Subject to Cabinet - May 2018)</i>						133,199	133,199	133,199	0		
Brewhouse Arts Centre	53,517		17,000				70,517	22,719	(47,798)	45,000	
Public Art Work Restoration			85,000				85,000	2,250	(82,750)	46,000	
Town Hall Office Accommodation Refurbishment <i>(Cabinet - June 2017)</i>						874,739	874,739	784,458	(90,281)	90,281	
Car Parks - Contactless Machines <i>(Cabinet - July 2017)</i>						87,040	87,040	72,435	(14,605)	7,800	
Yeoman Industrial Units Roofing Works <i>(Cabinet - December 2017)</i>						37,342	37,342	0	(37,342)	37,342	
<b>Total</b>	<b>180,912</b>	<b>107,890</b>	<b>202,000</b>	<b>700,000</b>	<b>1,035,695</b>	<b>169,419</b>	<b>2,395,916</b>	<b>1,831,605</b>	<b>(564,311)</b>	<b>323,580</b>	<b>194,378</b>
	<b>288,802</b>		<b>902,000</b>		<b>1,205,114</b>					<b>517,958</b>	

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date
<b>Call Accounts and Money Market Funds</b>				
RBS SIBA	223,430	0.01%		Call
Insight Money Market Fund	3,400,000	0.44%		Call
Federated MMF	2,000,000	0.44%		Call
Santander	3,500,000	0.60%		95 day notice
Barclays 95 Day Notice	3,410,782	0.70%		95 day notice
Barclays Holding Account	15	0.00%		
<b>Fixed Deposits:</b>				
BOS	1,500,000	0.65%	29/03/2018	28/09/2018
BOS	500,000	0.36%	06/10/2017	06/04/2018
BOS	500,000	0.65%	06/11/2017	08/05/2018
Lloyds TSB	1,000,000	0.65%	01/12/2017	01/06/2018
Lloyds TSB	1,500,000	0.36%	04/10/2017	04/04/2018
Nationwide CD	1,500,000	0.32%	13/10/2017	13/04/2018
Nordea CD	1,500,000	0.44%	25/10/2017	25/04/2018
Rabobank CD	1,500,000	0.50%	19/10/2017	19/04/2018
RBS CD	1,000,000	0.60%	04/09/2017	03/09/2018

Borrower - Icelandic Exposure	Principal (£)	Interest Rate	Start Date	Maturity Date
Singer	290,000	5.41%		08/10/2008

Investments rate of interest as at 31 March 2018	Principal (£)	Interest Rate
<b>Total Investments</b>	<b>23,324,227</b>	
<b>Total Investments - Excluding Icelandic Exposure</b>	<b>23,034,227</b>	<b>0.52%</b>
<b>Total Investments - Icelandic Exposure Only</b>	<b>290,000</b>	<b>5.41%</b>

Average rate of interest	Principal (£)	Interest Rate
<b>Total Investments</b>	<b>31,646,460</b>	
<b>Total Investments - Excluding Icelandic Exposure</b>	<b>31,356,460</b>	<b>0.43%</b>
<b>Total Investments - Icelandic Exposure Only</b>	<b>290,000</b>	<b>5.41%</b>

**REVENUE BUDGET  
CARRY FORWARD REQUESTS  
2017/18 OUTTURN**

The following requests have been made by Heads of Service and Budget Managers for approval:-

<b>Service</b>	<b>Amount £</b>	<b>Request</b>
Corporate and Commercial	14,000	Office Accommodation Project – Professional Fees and Moving Costs
<b>Total</b>	<b>14,000</b>	

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Business Rates Retention Scheme	Business Rate Retention Scheme. Impact of scheme on funding, including scale of reliefs/appeals, litigation in relation to NHS Trusts claiming mandatory relief, the impact of revaluation, business rates reset and the transition to 75% retained by the LA sector.	Regular in year monitoring of the scheme Keeping abreast of latest developments with Business Rates Retention and feeding into the consultations. Proactive monitoring of potential and lodged appeals and accounting for likely outcomes Robust MTFS to provide provision for financial resilience to changes in scheme.	3	4	15	31/03/2018
Central Government Funding	Uncertainty surrounding future government funding, including the impact of the business rates changes, New Homes Bonus, Consultation and needs assessment review. The impact of the 2019 Spending Review.	Robust MTFS with flexibility to respond to changes in government proposals Financial modelling/impact assessment. Keep abreast of Govt developments and pro-actively responding to consultations.	3	4	15	31/03/2018
Child Sexual Exploitation	Failure to identify instances of child sexual exploitation in relation to council services	Cross county partner working Internal manager awareness training	1	4	10	31/03/2018
Financial : Pension Scheme	Increasing pension liabilities result in the need to increase employer contributions above those assumed within the MTFS	Realistic provision within MTFS for cost and changes Overall robustness of MTFS to enable some resilience to increases	2	4	13	31/03/2018
Litigation - General	Failure to comply with the law on a range of services, including the New General Data Protection Regulations (GDPR)	Managers/Heads of service, with Legal support, keep abreast of new and changed law Monitoring Officer role to oversee legal compliance Action Plan agreed to implement new GDPR measures and monitored regularly by CMT	1	4	10	31/03/2018

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
MTFS: Budget Assumptions	Assumptions made in the MTFS in relation to inflation, interest rates, pay awards etc. have a negative impact on financial plans/resources.	Robust MTFS provides some degree of resilience to financial shocks Proactive treasury management forecasting, monitoring and reporting Budgeting based on prudent forecasts	2	4	13	31/03/2018
Brexit	Consequences of decision to exit the EU has a negative impact. (Economic consequences impacting on resources, both central and local, additional strain on pension fund, value of council assets etc)	Monitoring of Economic conditions / external forecasts Prudent and Robust rolling MTFS	2	4	13	31/03/2018
Unforeseen Environmental Impacts	Floods, fire, chemical, major disaster, terrorism	Major Incident/Emergency Plan Test exercises ensure readiness for incidents Internal resource and support from CSU County wide preventing violent extremism working group	1	4	10	31/03/2018
Unforeseen Health Impacts	Pandemics/wider health issues impacting on council	Succession planning/ability to access temporary staff. Major Incident/Emergency Plan Robust, tested business continuity plans	1	4	10	31/03/2018
Welfare Reforms	Welfare Reforms. 1) Delivery of Universal Credit 2) Financial impact of Council Tax Reduction, including demographic changes 3) Bedroom Subsidy 4) Financial impact of universal credit on subsidy levels, ability to recover overpayments and housing options funding.	Council Tax Reduction scheme approved and complied with Regular monitoring of scheme against financial provisions / MTFS Financial modelling/impact assessment. More frequent in year monitoring.	2	4	13	31/03/2018

<b>Corporate Risks</b>		<b>Risk Owner: Corporate Management Team</b>				
<b>Risk</b>	<b>Source of Risk</b>	<b>Treatment Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Risk Level</b>	<b>Last Reviewed</b>
ICT Security	Unintentional or intentional introduction of malware, resulting impacts on normal service delivery and/or breach of data protection, via:  1) Prevention of access to systems or data 2) Physical destruction of hardware 3) Data Exposure or leaks  4) Data alteration	<u>ICT Security Policy</u> <u>Access controls and permissions within system applications</u> <u>Protective defences such as antivirus software</u> <u>Perimeter protection with hardware firewalls</u> <u>Regular patching</u> <u>Access controls and permissions within system applications</u> <u>Prevention of access to unnecessary physical facilities e.g. CD drives and USB ports</u>	2	4	13	31/03/2018
Wider Public Sector Funding Reductions	Impact on the Council of the wider public/voluntary sector funding reductions, including issues which arise working within a two tier area.	<u>Robust MTFS generally provides some financial resilience to respond to changes</u> <u>Seek and develop opportunities to increase income or reduce costs across all Council operations</u> <u>Senior level discussions may mitigate or prevent such cost shunts</u>	3	3	12	31/03/2018

Strategic Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
A fear of not being able to influence the GBSLEP	Failure to be adequately represented and therefore limited ability to influence. Opportunity risk of not maximising potential benefits from working within the GBSLEP.	Senior officers (CE and Heads of service) heavily involved in working with the LEP to represent Council's interests One member (Council) one vote, provides Council with a strong voice	1	4	10	31/03/2018
Business Continuity	Failure to have effective plans in place	Approach to business continuity revised during 2016, new streamlined and "fit for purpose" approach adopted, which focuses on key risk areas. Approved, up to date BC policy in place.	1	4	10	31/03/2018
Combined Authority	Potential opportunity risk of not maximising any benefits from joining a combined	Opportunities being constantly reviewed and monitored by the executive	1	4	10	31/03/2018
Communication	Lack of community engagement and failure to take into account residents views in the decision making process	Consultation strategy in force	2	2	5	31/03/2018
Corporate Plan	Failure to deliver corporate plan objectives	Corporate Plan is adopted at full council and refreshed at full council annually. The CP is established with COs and DLs working together to realign political manifesto into a series of objectives and SMART targets. Performance of the CP is formally reported on a quarterly basis through Cabinet and all political groups as well as through three quarterly scrutiny boards. Any slippage is identified at an early stage and preventative and/or corrective actions are taken as necessary. Performance against the current corporate plan continues to be very positive.	1	4	10	31/03/2018



Strategic Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Council Tax Reduction Scheme	Failure to adopt a scheme that is fit for purpose	Scheme suitably approved and adopted; budget set based on forecasts and reviewed; CTR correctly applied per scheme	1	3	6	31/03/2018
Health & Safety	Failure to deliver/comply with H&S policy/strategy	The strategy/policy is adopted following consultation with all relevant internal stakeholders and approved by the Leader H&S team advises, educates and reviews risk assessments etc and has direct reporting access to Chief Executive Incident/accident reporting process in place.	1	4	10	31/03/2018
Local Plan Implications	Monitoring of the local plan and maintenance of a five year land supply	Regular monitoring /compliance Planning decisions complying with approved plan/existing planning law/policy. Education of members on importance of decisions complying with policy	2	4	13	31/03/2018
Managing Change	Ineffective change management resulting in a reduction in the quality of services	Workforce Planning Strategy in place Effective track record of performance management - via Corporate Plan, Service Planning, Staff Performance Appraisals Effective Communications - Corporate Management Team, Managers Forum, Team Meetings, Staff 1-1s, Staff Briefings.	2	2	5	31/03/2018
Medium Term Financial Strategy	Failure to adopt and implement an effective and robust MTFS impacting on the Council's ability of the Council to meet its objectives.	The MTFS is established with COs and DLs working together to realign political manifesto into a series of objectives and financial targets. Financial support and challenge to proposals with financial implications, minimising risks of a budget shortfall. The MTFS is adopted at full council and refreshed at full council annually. Performance of the MTFS is formally reported on a quarterly basis through Cabinet and all political groups as well. Any slippage is identified at an early stage and preventative and/or corrective actions are taken as necessary.	1	4	10	31/03/2018

Strategic Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Member Training/Awareness	Lack of awareness/understanding of key responsibilities.	Constitution Member induction programme, member training and regular briefings. Open door policy with Heads of service; discussions/briefings with officers.	2	2	5	31/03/2018
Planning Appeals	Appeals against planning decisions arising from failure to take into account professional and legal advice leading to financial loss from cost of appeal and potentially new homes bonus.	Member training Financial provision/contingency to meet potential costs of appeals Legal advice at committee	3	4	15	31/03/2018
Treasury Management Strategy	An ineffective TM Strategy does not protect the Council adequately against the risks associated with this activity resulting in potential significant financial loss and possible reputational damage. The associated opportunity risk of ineffective cashflow management, resulting in returns lower than might be realised, taking into account the Council's risk appetite.	The TMS reflects statutory and non-statutory guidance and is adopted at full council annually, following scrutiny by the Audit and Value for Money Council Services Committee. Performance of the TMS is formally reported on a quarterly basis through the Financial Outturn report to Cabinet and all political groups as well as through the Audit Committee. Mid year performance and Outturn is formally reported through to full council.  Adequate and suitably trained staff. Regular member training/briefings.  The appointment of professional treasury management advisors	1	4	10	31/03/2018