

**EAST STAFFORDSHIRE BOROUGH COUNCIL**

**REPORT COVER SHEET**

<b>Title of Report:</b>	Revenue and Capital Outturn Report – Final Quarter 2018/19	To be marked with an 'X' by Democratic Services after report has been presented
<b>Meeting of:</b>	Corporate Management Team – 21 <sup>st</sup> May 2019	X
	Leader and Deputy Leaders – 28 <sup>th</sup> May 2019	X
	Leader's / Leader of the Opposition's Advisory Group - 5 <sup>th</sup> June 2019 / 6 <sup>th</sup> June 2019	X
	Cabinet – 17 <sup>th</sup> June 2019	
	Scrutiny Audit and Value for Money Council Services Committee – 20 <sup>th</sup> June 2019	

<b>Is this an Executive Decision:</b>	YES	<b>Is this a Key Decision:</b>	YES
<b>Is this in the Forward Plan:</b>	YES	<b>Is the Report Confidential:</b>	NO

**If so, please  
state relevant  
paragraph from  
Schedule 12A  
LGA 1972:**

[ ]

**Essential Signatories:**

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

Monitoring Officer: **Angela Wakefield**

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

Chief Finance Officer: **Sal Khan**

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

**EAST STAFFORDSHIRE BOROUGH COUNCIL**

Report to Cabinet

Date: 17<sup>th</sup> June 2019

<b>TITLE:</b>	Revenue and Capital Outturn Report – Final Quarter 2018/19	
<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 2018/19.

**2. Executive Summary**

- 2.1 This report highlights an under-spend against the Councils revenue budget of **£0.4m** for the full financial year ending 31<sup>st</sup> March 2019. Whilst there are a number of variations within this overall sum, the most significant underlying reason for this under-spend relates to windfall income from planning applications. Nevertheless, 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 2019/20 onwards. The most notable variances contained within the outturn are in the main those highlighted in earlier reports, these being:-

- **Corporate Management Team savings (£42k) arising from the senior management re-structure;**
- **The Human Resources and ICT Teams under-spent by £70k and £81k respectively. This arose largely from a reduction in spend on corporate training, as well as procurement and business change savings;**
- **Savings have arisen within Legal and Asset Management Services of £107k through a combination of increased rental income and legal costs recovered;**
- **Income from planning applications exceeded the budget, combined with other savings resulted in an under-spend of £473k;**
- **Increased net expenditure within Arts, Brewhouse and Functions (£85k) arising from a combination of factors;**
- **Net cost pressures within the Environment Service amounting to £279k; and finally**
- **There was increased net expenditure on Leisure Services (£122k) which is broadly in line with earlier forecasts before the transfer to a new provider.**

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 £1.7m. During the course of the year the Council provided support for Neighbourhood projects and grants for disabled facilities, as well as undertaking a number of essential building works. Spending during the course of the year amounted to £0.6m, with some projects taking place over several years. It is proposed that £1.1m be carried forward to support ongoing projects as outlined at Section 6 of the report.

2.4 As at 31<sup>st</sup> March 2019 investments stood at £26.7m. The average rate of return on the council's investments throughout 2018/19 was 0.72%, which is consistent with benchmarks. The Council's external borrowing remains at £11.2m as at 31<sup>st</sup> March 2019, which reflects a under borrowed position. Treasury management activities during the year have been consistent with the approved 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 2018/19 is positive, with a **provisional outturn figure showing a surplus against budget of £0.3m**. 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 2018/19 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 2019, these reserves are estimated to be £13.7m. (£12.6m as at 31<sup>st</sup> March 2018).
- 2.8 It is proposed that the net revenue outturn surplus of £0.4m be set aside within reserves to support initiatives that will generate ongoing savings for the authority. This includes spend to save, commercial opportunities or debt repayment, with the allocation to be determined as part of the development of the MTFs for 2020/21 onwards.

### 3. Revenue Budget 2018/19

- 3.1 On 26th February 2018, the full Council approved the Revenue Budget for the year 2018/19, totalling £10,667m as follows:

Approved Service Budgets	£000's
Arts, Brewhouse and Functions	393
Community and Open Spaces	1,287
Corporate Management Team	464
Corporate and Commercial	843
Cultural Services – Marketing	130
Enterprise	129
Environment	3,122
Environmental Health	495
Financial Services and Capital Financing	989
Housing	252
Human Resources, Payments & Pensions	1,709
IT and Printing	501
Legal Services, Assets and Licensing	(278)
Leisure - Indoor Facilities	891
Leisure - Outdoor Facilities	147
Markets	(14)
Planning and Land Charges	187
Revenue, Benefits and Customer Contacts	269
Corporate Budgets	(849)
Total Contributions to / (from) Reserves	0
<b>Total</b>	<b>10,667</b>

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

#### 4. Revenue Budget Outturn 2018/19

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	Actual Outturn	Outturn Variation (Over/(Under))	Forecast Variation Q3 (Over/(Under))
	£'000	£'000	£'000	£'000
Arts, Brewhouse and Functions	401	486	85	35
Community and Open Spaces	1,237	1,178	(59)	(24)
Corporate Management Team	466	424	(42)	(40)
Corporate and Commercial	845	858	13	19
Cultural Services - Marketing	119	123	4	(3)
Enterprise	198	196	(2)	11
Environment	3,174	3,453	279	205
Environmental Health	497	446	(51)	0
Financial Services	991	987	(4)	(2)
Housing	253	262	9	15
Human Resources, Payments & Pensions	1,712	1,642	(70)	(104)
IT and Printing	487	406	(81)	(48)
Legal Services and Assets	(360)	(467)	(107)	(63)
Leisure Services	1,071	1,193	122	107
Licensing and Enforcement	86	34	(52)	8
Markets	(12)	25	37	5
Planning and Land Charges	190	(283)	(473)	(496)
Revenue, Benefits and Customer Contacts	291	267	(24)	(39)
Corporate Items	(979)	(979)	0	0
Total Contributions to / (from) Reserves	0	0	0	0
<b>Total</b>	<b>10,667</b>	<b>10,251</b>	<b>(416)</b>	<b>(414)</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 2018/19 budget and the year-end outturn. Further supporting narrative in relation to those divisions with significant variations is set out below:

- **Corporate Management Team – Under-spend £42k**  
 This has arisen following the introduction of a revised senior management structure<sup>1</sup>. The saving is partially offset by the standard vacancy factor applied to all employee budgets<sup>2</sup>.
- **Human Resources and ICT Teams – Under-spend £70k & £81k**  
 Savings have arisen within these teams due to a number of factors. In relation to HR, staffing departures have occurred during the year (for example a member of staff retired during the year and has been replaced by an apprentice), there has been a reduction in pension costs and demand against the corporate training budget is lower than anticipated as we have been able to make use of the apprenticeship levy funding. In relation to ICT, savings have arisen in relation to printing and postages following procurement exercises and as a result of business changes including the office accommodation move and the transfer of leisure services to a third party provider.
- **Legal Services and Assets – Net saving £107k**  
 Savings have materialised within this area due to additional income from property rentals. This has arisen largely due to occupancy levels being higher than budgeted and re-negotiated leases. In addition to which, legal costs recovered have exceeded expectations when the budget was set.
- **Planning – Net reduction in expenditure £473k**  
 Planning income has significantly exceeded budget during the year (£413k). In addition to which, there have been savings in relation to professional support and legal costs. There were pressures on staffing resources within this service due to a combination of factors. This pressure has been offset by the use of ring-fenced monies associated with the 20% fee increase introduced in 2017/18. The introduction of a new accounting standard has had an impact on the amount of income that can be recognised in the outturn compared to previous years. As a result of this change £160k has been drawn down from planning reserves to mitigate the impact.
- **Arts, Brewhouse and Functions – Increased net expenditure - £85k**  
 There has been increased net expenditure largely due to room hire income levels at the Civic Function Suite being lower than the target budget (although broadly in-line with the previous year). Increased levels of expenditure within the Brewhouse and Arts Development have not been offset by additional income.<sup>3</sup>

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<sup>1</sup> three Heads of Service reduced to two on an interim basis following the departure of the Head of Service – Paul Costiff in 2017, this was made permanent following the decision to transfer Leisure Services to a third party provider in November 2018)

<sup>2</sup> All staffing budgets are set at 98% of their expected cost, this reflects the fact that overall there will be savings during the year arising from staff turnover. This is referred to as the vacancy factor and it ensures that staffing budgets as a whole are not overstated (without this vacancy factor built into the budget council tax levels would have been approx. 3.5% higher).

<sup>3</sup> This area is subject to review as part of the Corporate Plan priorities for 2019/20.

■ **Environment – Increased net expenditure - £279k**

This pressure arises due to a number of factors. Following consideration of the review on public conveniences the original savings target (£60k) has not been achieved. The recycling contract has been the subject of re-negotiation during the course of the year in order to resolve two formal disputes with the service provider and to address a change in Chinese import policy which has had a significant impact on the commodities market. This has resulted in a pressure of £45k. In addition to which, recycling income budgets have seen a net shortfall (£143k). There are a number of factors behind this:-

- A reduction in garden waste tonnage levels following an extremely dry summer;
- A reduction in dry recycling tonnages due in part to contamination in the blue bins;
- A reduction in income received from the County Council in recycling credits as a direct result of the tonnage reductions detailed above;
- The impact of a change in Chinese import policy as detailed above, which resulted in a fall in general material market values.

The full analysis of variations is set out within Appendix A in the normal manner.

Many of the pressures outlined above are one-off in nature and/or have been addressed in the Medium Term Financial Strategy for 2019/20 onwards. Recycling income levels are to a large extent dictated by market conditions and for garden waste, weather conditions and as a result there will always be an element of risk to this income stream. This is an area that will be closely monitored during 2019/20.

■ **Leisure Services – Increased net expenditure - £122k**

The most significant underlying reasons for this pressure remain the same as those reported in earlier quarterly reports:

- Employee expenses were higher than budgeted primarily due to the vacancy factor<sup>4</sup> and increased staff turnover requiring increased resources to facilitate training needs and the requirement for existing staff to take their leave entitlement prior to the transfer to SLM;
- Income levels being lower than envisaged largely due to the impact on fitness income since the opening of the Gym group in Burton and anecdotally, potential members waiting to understand the benefits of joining under SLM; and in addition
- Increased investment in sports development activities (£36k).

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<sup>4</sup> All staffing budgets are set at 98% of their expected cost, this reflects the fact that overall there will be savings during the year arising from staff turnover. This is referred to as the vacancy factor and it ensures that staffing budgets as a whole are not overstated (without this vacancy factor built into the budget council tax levels would have been approx. 3.5% higher).



## ■ Homeless Accommodation

During the course of the year, significant pressures have been reported in relation to the homeless accommodation budget following the introduction of the Homelessness Reduction Act. This has manifested itself in a shortfall in housing benefits subsidy in relation to this accommodation (the government does not fully reimburse costs through the subsidy system). This shortfall (£113k) has been mitigated by the use of homelessness grant provided by the government. However future levels of this grant are uncertain and this may become a budget pressure in future years.

- 4.4 No specific revenue budget carry forward requests have been submitted for Cabinet approval. However a number of government grants were received very late in the year and these have been automatically carried forward in the budget carry forward reserve and will be allocated as appropriate during the course of 2019/20.

Grants Carried Forward to 2019/20	£
Parks Improvement Funding	18,451
National Community Clean Up	20,607
EU Preparation Grant	17,484
<b>Total</b>	<b>56,542</b>

## 5 Treasury Management

- 5.1 The Council approved the Treasury Management Strategy Statement for 2018/19 on 26th February 2018. 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 2018/19 budget was 0.5%. The base rate increased from 0.25% to 0.5% in November 2017, with a further increase to 0.75% in August 2018. The bank rate is now at a nine year high, although future changes are likely to be slow but gradual increases over the coming years. A comparison with other benchmarks of the rate of return on investments achieved by ESBC in the year to 31 March 2019 is shown below:

	Average Rate Year to 31/03/19
ESBC	0.72%
3 Month LIBID Rate	0.67%
6 Month LIBID Rate	0.73%
Base Rate	0.67%
Budget	0.50%

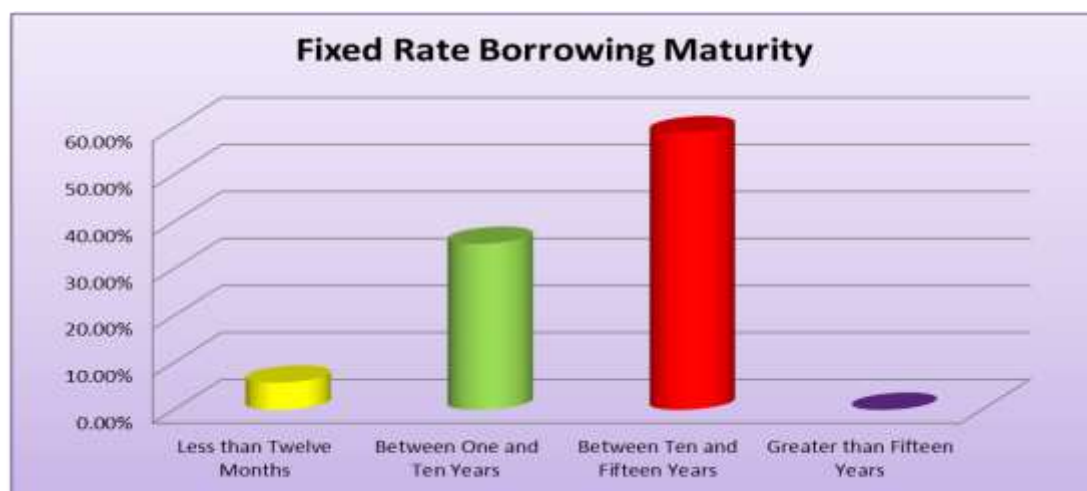
*\*\*LIBID = London Inter Bank Bid Rate*

- 5.3 The ESBC average return for the year exceeds the base rate and is consistent with 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 2019 is 5.4% (5.4% at 31<sup>st</sup> March 2018).
- 5.5 Borrowing levels as at 31<sup>st</sup> March 2019 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
<b>Total Fixed Debt</b>		
WLB Maturity	5,700,000	4.646%
PWLB Annuity	575,607	8.401%
<b>Total Variable Debt</b>		
Market	4,500,000	5.914%
GBSLEP Loan	375,000	
<b>Total External Debt</b>	<b>11,150,607</b>	<b>5.381%</b>



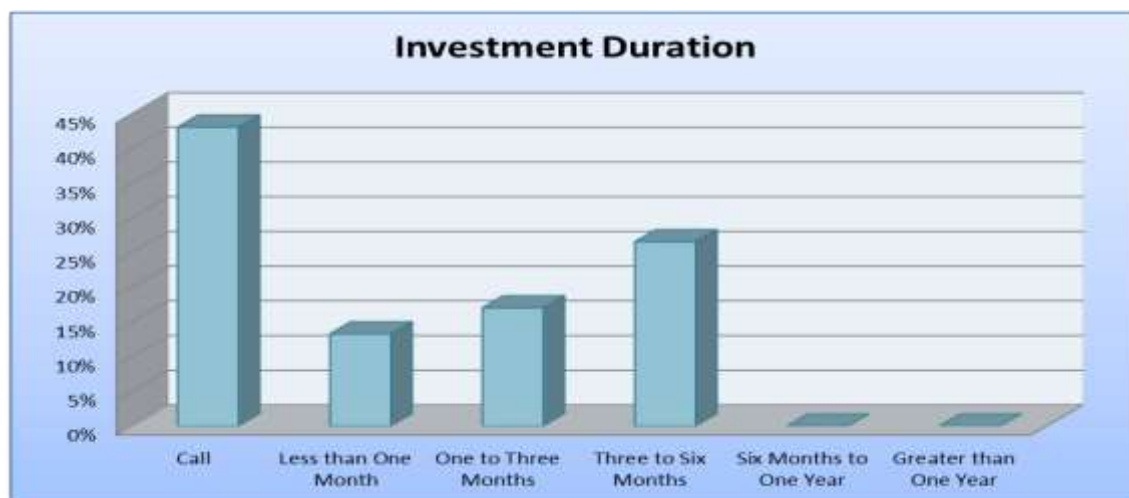
### Capital Financing Budget

- 5.6 This budget consists of £0.8m associated with the cost of servicing the council's debt and £0.1m income from investment returns.
- 5.7 The capital financing budget was reduced by £153k for 2018/19 as a result of expected savings from the utilisation of anticipated capital receipts of £3.8m<sup>5</sup> towards debt repayment. The Medium Term Financial Strategy highlighted that there was a risk of shortfall against the budget arising from the timing of these receipts. This risk has been mitigated through a combination of investment income, which exceeded the budget by £112k, and the debt repayment reserve.

<sup>5</sup> The Council has formally agreed the sale of a number of sites and these are at various stages within the process before the sale can be complete and the monies received.

## Investments

- 5.6 As at 31<sup>st</sup> March 2019 investments totalled £26.7m, 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 2019:



## 6. Capital Programme 2018/19

- 6.1 The Council's Capital Programme for 2018/19 totals **£1.7m**, of which £0.5m relates to projects carried forward from 2017/18 and £1.2m relates to 2018/19 approvals. Accrued spending on capital projects during 2018/19 amounted to **£0.6m**, a variation against programmed spend of £1.1m.
- 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 2019/20 of £1.1m.

Capital Programme 2018-19	Budget £	Accrued Spend £	Carry forward £	Overspend/ (Underspend) £
<b>Annual Projects which are ongoing</b>				
Neighbourhood Working Fund	197,157	65,202	131,956	0
Disabled Facility Grants	1,142,133	253,450	888,683	0
Sub-total A	1,339,290	318,652	1,020,638	0
<b>Projects Taking Place Over Several</b>				
Brewhouse Arts Centre	45,000	0	45,000	0
Town Hall Office Accommodation	119,466	105,423	14,043 <sup>1</sup>	0
Sub-total B	164,466	105,423	59,043	0
<b>Projects Complete</b>				
Public Art Work Restoration	46,000	17,410 <sup>2</sup>	0	(28,590)
Car Parks - Contactless Machines	7,800	7,200	0	(600)
Yeoman Industrial Units Roofing Works	37,342	37,342	0	0
CSC (Burton) Alterations (Cabinet August 18)	39,900	31,516	0	(8,384)
CVSC Essential Works (Cabinet September 18)	40,000	37,371	0	(2,629)
Sub-total C	171,042	130,839	0	(40,203)
<b>Total</b>	<b>1,674,798</b>	<b>554,914</b>	<b>1,079,681</b>	<b>(40,203)</b>

Note 1 - Town Hall Office Accommodation - the approved contingency of £69k has been applied as envisaged towards revenue works £40k/capital works £29k. There remains £14k which has been carried forward pending completion of the final account with the contractor.

Note 2 - The Public Art Work Restoration expenditure of £17k is shown in the 2018/19 financial statements as £4k capital/£13k revenue expenditure. Any further works/expenditure are to be embedded as part of the Washlands and Burton Town Centre Strategies.

- 6.3 The carry forward sums of £1.080m relate to projects that are ongoing or taking place over several years, such as the award of grant funding for disabled facilities and Neighbourhood Working Initiatives. The table also highlights £40k of funding that has been identified as no longer being required.
- 6.4 In addition to the above, £156k has been spent on feasibility costs associated with the proposal for the Regeneration of Public Realm in Station Street, Burton. This has been financed from a combination of LEP Funding and the approved allocation of one-off revenue funding during the year. A full business case in relation to these proposals is set out elsewhere on the agenda.

- 6.5 Capital Receipts generated from asset sales during the course of the year are set out in the table below:

<b>Capital Receipts – 2018/19</b>	<b>£</b>
Shareholding – Dividend Payment	125,000
Sale of Land - De Montfort Way	140,000
Kick Start Loan Repayment	11,160
Equity Shareholding – Brambling Close	38,920
<b>Total</b>	<b>315,080</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 or changes in levels of reliefs. 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 £2.847m for 2018/19. Likewise there is levy payable, in our case to the Birmingham and Solihull LEP, on any business rate growth above the baseline (£3.077m), 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 an overall surplus of £0.3m, taking into account windfall sums. This is a very favourable outcome considering the extent of appeals that have been successful this year. This includes the repayment of a proportion of the levy which is payable to the Birmingham and Solihull Local Enterprise Partnership. Without our membership of the GBSLEP Business Rates Pool this funding would have been payable directly to Central Government.

<b>DRAFT Retained Business Rates – 2018/19</b>	<b>Budget £000</b>	<b>Draft Outturn £000</b>	<b>Variance £000</b>
Business Rates - ESBC Share (40%)	20,866	20,866	-
Government Compensation for extension of Small Business Rates Relief and other Reliefs	1,258	1,360	102
Less Tariff to Government	(18,192)	(18,192)	-
<b>Pre-levy retained business rates</b>	<b>3,932</b>	<b>4,034</b>	<b>102</b>
Section 31 Grant (RPI Cap)	82	61	(21)
Section 31 – Other Adjustments	-	33	33
Levy to GBSLEP	(427)	(479)	(52)
Volatility Provision*	(247)	(247)	-
<b>Post Levy Retained Business Rates 2018/19</b>	<b>3,340</b>	<b>3,402</b>	<b>62</b>
GBSLEP - Returned Levy @32.5%	-	156	156
MHCLG – Re-distribution	-	48	48
Revised Section 31 Grants – 2017/18	-	56	56
<b>Combined Surplus</b>	<b>3,340</b>	<b>3,662</b>	<b>322</b>

\*Actual transferred to business rates risk reserve

7.3 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 balance reviewed as part of the development of the Medium Term Financial Strategy for 2020/21.

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

8.1 The Council's risk management strategy was approved at Cabinet in September 2014. Attached at **Appendix D** 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 2018/19 Outturn. This is summarised below:

<b>Revenue</b>	2018/19 £'000	2019/20 £'000	2020/21 £'000
Revenue under-spend (earmarked to support future revenue savings initiatives as part of the development of the MTFS for 2020/21 onwards)	416		
<b>Capital</b>			
Carry forward of sums relation to ongoing projects set out in para. 6.2 and 6.3	(1,080)	1,080	

12.2 As set out within section 7, the draft outturn in relation to the Business Rates Retention Scheme indicates a combined surplus of £0.3m (including windfall items). It is proposed that this sum is set aside within the business rates risk reserve and review as part of the development of the MTFS for 2020/21.

### **13. Cabinet Recommendations**

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

- a) Note the revenue outturn position for 2018/19;
- b) Set aside the revenue under-spend of £0.416m to support future initiatives to deliver ongoing savings to the revenue budget, as part of the development of the MTFS for 2020/21 onwards.

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

- a) Note the capital outturn position for 2018/19;
- b) Approve the budgets for outstanding projects from 2018/19 totaling £1.080m to be carried forward to 2019/20 (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 2019 (Section 5);
- b) The position in respect of the Council's general balances and earmarked reserves as at 31<sup>st</sup> March 2019 (Para.2.7);
- c) The draft outturn position in relation to the Business Rates Retention Scheme for 2018/19, 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 D**.

## VARIANCES AGAINST BUDGET AT OUTTURN 2018/19

Head of Service : Mark Rizk	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Arts, Brewhouse and Civic Functions</b>			
Brewhouse and Arts Development	324	368	44
Civic Function Suite	77	118	41
<b>Total Arts, Brewhouse and Civic Functions</b>	<b>401</b>	<b>486</b>	<b>85</b>

Division	Explanation	Amount Over/ (under) £'000
Civic Function Suite	Hire/Event Income	24
	Catering/Vending Income	3
	Employees (Including temp Staff)	9
	Premises	3
	Licences	2
Brewhouse and Arts Development	Employees	(2)
	Premises	19
	Professional Theatre Fees	11
	Supplies and Services	8
	Income	8
<b>Total</b>		<b>85</b>

Head of Service : Mark Rizk	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Community and Open Spaces</b>			
Cemeteries	(19)	(15)	4
Open spaces	1,360	1,333	(27)
Partnerships	36	31	(5)
Horticultural Centre	41	21	(20)
Facilities and Health and Safety	321	337	16
Community Centres	18	6	(12)
Car Parks Income	(804)	(798)	6
Community and Civil Enforcement	284	263	(21)
<b>Total Community and Open Spaces</b>	<b>1,237</b>	<b>1,178</b>	<b>(59)</b>



**APPENDIX A**

<b>Division</b>	<b>Explanation</b>	<b>Amount Over/ (under) £'000</b>
Cemeteries	Employee Costs	7
Cemeteries	Fees and Charges	10
Cemeteries	Contracted Ground Maintenance	(5)
Cemeteries	Repairs & Maintenance to Buildings	(12)
Cemeteries	Other minor changes (net)	4
Open Spaces	Employee Costs	(4)
Open Spaces	Other Income	(14)
Open Spaces	Car Park Maintenance	11
Open Spaces	Play Equipment	(20)
Partnerships	Employee Costs	(13)
Partnerships	General Grants	(2)
Partnerships	Contribution from PCC	10
Horticultural Centre	Contracted Ground Maintenance	(17)
Horticultural Centre	Supplies & Services	(13)
Horticultural Centre	Fees and Charges	10
Facilities and Health and Safety	Rents	8
Facilities and Health and Safety	Repair & Maintenance of Buildings	19
Facilities and Health and Safety	Other Premises expenses	11
Facilities and Health and Safety	Industrial Unit - Statutory Obligations	(20)
Facilities and Health and Safety	Other minor changes (net)	(2)
Community Centres	Repairs and Maintenance	(12)
Car Parks Income	Income - Season Tickets lower than anticipated	19
	Cash Collection Contract	(5)
	Supplies & Services	(10)
	Other Income - lower than anticipated	2
Community and Civil Enforcement	Employee Costs	(18)
	Fixed Penalty Notice Income	(3)
<b>Total</b>		<b>(59)</b>

	<b>Budget (£000's)</b>	<b>Outturn (£000's)</b>	<b>Variance (£000's)</b>
<b>Chief Officer : Andy O'Brien</b>			
Chief Executives	197	201	4
Heads of Service	269	223	(46)
<b>CMT</b>	<b>466</b>	<b>424</b>	<b>(42)</b>

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Division	Explanation	Amount Over/ (under) £'000
Chief Executives	Employee Costs	6
Chief Executives	Other small savings	(2)
Heads of Service	Employee Costs	(46)
<b>Total</b>		<b>(42)</b>

Head of Service : Sal Khan	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Corporate and Commercial</b>			
Programmes and Information	281	271	(10)
Committee Support	89	91	2
Elections	178	184	6
Emergency Planning	14	13	(1)
Members Allowances	283	299	16
<b>Total Corporate and Commercial</b>	<b>845</b>	<b>858</b>	<b>13</b>

Division	Explanation	Amount Over/ (under) £'000
Programmes and Information	Supplies and Services	(6)
Programmes and Information	Christmas Decorations	(4)
Committee Support	Employee costs	2
Elections	Government shortfall 2015 General Election	7
Elections	Employee costs	6
Elections	Supplies and Services	14
Elections	Income	(21)
Emergency Planning	General Grants	(1)
Members Allowances	Members Allowances	17
Members Allowances	Conference Expenses	(1)
<b>Total</b>		<b>13</b>

Head of Service : Mark Rizk	Budget (£000's)	Outturn (£000's)	Variance (£000's)
Cultural Services - Marketing	119	123	4
<b>Total Cultural Services - Marketing</b>	<b>119</b>	<b>123</b>	<b>4</b>

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Division	Explanation	Amount Over/ (under) £'000
Cultural Services - Marketing	Net increase in expenditure	4
<b>Total</b>		<b>4</b>

Chief Officer : Andy O'Brien	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Enterprise</b>			
Enterprise	129	120	(9)
Councillors Community Fund	39	30	(9)
Social Regeneration	30	46	16
<b>Total Enterprise</b>	<b>198</b>	<b>196</b>	<b>(2)</b>

Division	Explanation	Amount Over/ (under) £'000
Enterprise	Employee costs	3
Enterprise	Grants/Contributions to other bodies	(12)
Councillors Community Fund	Councillors Community Fund	(9)
Social Regeneration	Employee costs	11
Social Regeneration	Contributions from other bodies	5
<b>Total</b>		<b>(2)</b>

Head of Service : Sal Khan	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Environment</b>			
Council Depots	141	140	(1)
Public Conveniences	71	123	52
Waste Collection	1,911	2,173	262
Street Cleaning	936	931	(5)
Building Consultancy	61	32	(29)
Land Drainage	54	54	0
<b>Total Environment</b>	<b>3,174</b>	<b>3,453</b>	<b>279</b>

Division	Explanation	Amount Over/ (under) £'000
Council Depots	Net under-spend on running costs	(1)
Public Conveniences	Employee costs	4
Public Conveniences	Other running costs	(12)

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Public Conveniences	Outcome of Review	60
Waste Collection	Employee costs	42
Waste Collection	Vehicle Maintenance	(14)
Waste Collection	Wheelie Bins	22
Waste Collection	Supplies & Services	5
Waste Collection	Third Party Payments Tonnage Reduction	(54)
Waste Collection	Third Party Payments Agreement Variation	44
Waste Collection	Contributions from other bodies	(5)
Waste Collection	Recycling Income lower than budgeted	59
Waste Collection	Recycling Credits lower than budgeted	138
Waste Collection	Trade Waste Income	25
Street Cleaning	Employee costs	19
Street Cleaning	Other running costs	(8)
Street Cleaning	Bulky Waste collection	(6)
Street Cleaning	Private Street Cleaning	(10)
Building Consultancy	Employee costs	7
Building Consultancy	Other running costs	(6)
Building Consultancy	Professional fees	(9)
Building Consultancy	Building consultancy income	(5)
Building Consultancy	Reduced contribution from trading account	10
Building Consultancy	Other Income	(16)
Building Consultancy	NLPG - change in service location	(10)
<b>Total</b>		<b>279</b>

Head of Service : Mark Rizk	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Environmental Health</b>			
Environmental Health	386	360	(26)
Animal Control	16	7	(9)
Housing Standards	95	79	(16)
<b>Total Environmental Health</b>	<b>497</b>	<b>446</b>	<b>(51)</b>

Division	Explanation	Amount Over/ (under) £'000
Environmental Health	Employee costs	(8)
Environmental Health	Supplies & Services	(9)
Environmental Health	Fees & Charges	(9)
Housing Standards	Employee costs	(6)
Housing Standards	Sundry running costs	(4)
Housing Standards	Default works	(6)
Animal Control	Kennelling & Other Expenses	(9)
<b>Total</b>		<b>(51)</b>

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Head of Service : Sal Khan	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Financial Services</b>			
Capital Financing Costs	434	434	0
Financial Management Unit	427	435	8
Internal & External Audit	130	118	(12)
<b>Total Financial Services</b>	<b>991</b>	<b>987</b>	<b>(4)</b>

Division	Explanation	Amount Over/ (under) £'000
Financial Management Unit	Employee costs - Professional Agency Cover	21
Financial Management Unit	Employee costs - Vacancy	(50)
Financial Management Unit	Contribution to Professional Reserve	29
Financial Management Unit	Bank/Electronic payment charges	7
Financial Management Unit	Sundry running costs	1
Internal & External Audit	External Audit Fees	(8)
Internal & External Audit	Internal Audit Fees	(4)
<b>Total</b>		<b>(4)</b>

Head of Service : Sal Khan	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Housing</b>			
Housing options	253	262	9
<b>Total: Housing</b>	<b>253</b>	<b>262</b>	<b>9</b>

Division	Explanation	Amount Over/ (under) £'000
Housing Options	Employee Costs	68
Housing Options	Homeless Prevention Grants	26
Housing Options	Homelessness Govt. Funding held in reserves	(79)
Housing Options	Homelessness Grants Received	(4)
Housing Options - Accommodation	B&B Accommodation/ Rental Costs	150
	Accommodation Income / Housing Benefits	(144)
	Supplies and Services	(8)
<b>Total</b>		<b>9</b>

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Chief Officer : Andy O'Brien	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Human Resources and Payments</b>			
HR, Payroll and Corporate Training	451	394	(57)
Pension Payments	1261	1248	(13)
<b>Total Human Resources and Payments</b>	<b>1,712</b>	<b>1,642</b>	<b>(70)</b>

Division	Explanation	Amount Over/ (under) £'000
HR, Payroll and Corporate Training	Employee Costs	(17)
HR, Payroll and Corporate Training	Supplies and Services	(8)
HR, Payroll and Corporate Training	System Maintenance	3
HR, Payroll and Corporate Training	Debt Provision - Mobility Link	32
HR, Payroll and Corporate Training	Corporate Training budget underspend	(67)
Pension Payments	Revised estimates from SCC	(15)
Pension Payments	Professional fees	2
<b>Total</b>		<b>(70)</b>

Head of Service : Sal Khan	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>IT and Printing</b>			
Central Reprographics	168	104	(64)
ICT	319	302	(17)
<b>Total ICT and Printing</b>	<b>487</b>	<b>406</b>	<b>(81)</b>

Division	Explanation	Amount Over/ (under) £'000
Central Reprographics	Employee Costs	1
Central Reprographics	Procurement/Business Change Savings - Hire of Equipment	(43)
Central Reprographics	Procurement/Business Change Savings - Postages	(21)
Central Reprographics	Printing and Stationery	(1)
ICT	Employee Costs	6
ICT	Savings on Hardware/Software and Remote Links	(23)
<b>Total</b>		<b>(81)</b>

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Chief Officer : Andy O'Brien	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Legal Services &amp; Assets</b>			
Legal	207	176	(31)
Mayoral Support and Civic Ceremonials	59	55	(4)
Industrial Units	(554)	(621)	(67)
Assets and Estates Management	(72)	(77)	(5)
<b>Total Legal Services &amp; Assets</b>	<b>(360)</b>	<b>(467)</b>	<b>(107)</b>

Division	Explanation	Amount Over/ (under) £'000
Legal	Employee Costs	(5)
Legal	Books and Publications	(7)
Legal	Legal and Court Costs Recovered	(19)
Mayoral Support and Civic Ceremonials	Employee Costs	5
	Allowances	(9)
Industrial Units	Fees & Charges	(67)
Assets & Estates Management	Professional fees	(5)
<b>Total</b>		<b>(107)</b>

Head of Service : Mark Rizk	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Leisure Centres - Indoor Facilities</b>			
Leisure Centres - Indoor Facilities	855	956	101
Health and Leisure Grants	12	8	(4)
Active East Staffs	156	192	36
<b>Sub- Total Leisure Centres - Indoor Facilities</b>	<b>1,023</b>	<b>1,156</b>	<b>133</b>
Leisure Centres - Outdoor Facilities	128	117	(11)
Leisure Management	(80)	(80)	0
<b>Grand Total Leisure Services</b>	<b>1,071</b>	<b>1,193</b>	<b>122</b>

Division	Explanation	Amount Over/ (under) £'000
Leisure Centres - Indoor Facilities	Employees including vacancy factor	60
Leisure Centres - Indoor Facilities	Other running costs	(10)
Leisure Centres - Indoor Facilities	Catering	7
Leisure Centres - Indoor Facilities	Income shortfall	44
Health and Leisure Grants	General Grants	(4)
Active East Staffs	Other minor variances	4
Active East Staffs	Sports Development Activities	32
Leisure Centres - Outdoor Facilities	Employees including vacancy factor	22
Leisure Centres - Outdoor Facilities	Premises	(7)

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Leisure Centres - Outdoor Facilities	Supplies and Services	(7)
Leisure Centres - Outdoor Facilities	Fees and Charges	(19)
Leisure Management		0
<b>Total</b>		<b>122</b>

Head of Service : Mark Rizk	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Licensing and Enforcement</b>			
Licensing and Enforcement	6	(20)	(26)
CCTV	80	54	(26)
<b>Total Licensing and Enforcement</b>	<b>86</b>	<b>34</b>	<b>(52)</b>

Division	Explanation	Amount Over/ (under) £'000
Licensing and Enforcement	Employee Costs	6
Licensing and Enforcement	Supplies & Services	(6)
Licensing and Enforcement	Licence Fee Income	(47)
Licensing and Enforcement	Loss of street trader income	21
CCTV	Maintenance Agreements	(21)
CCTV	Supplies & Services	(5)
<b>Total</b>		<b>(52)</b>

Head of Service : Mark Rizk	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Markets</b>	(12)	25	37
<b>Total Markets</b>	<b>(12)</b>	<b>25</b>	<b>37</b>

Division	Explanation	Amount Over/ (under) £'000
Markets	Income	48
Markets	Supplies and Services	(11)
<b>Total</b>		<b>37</b>

Head of Service : Sal Khan	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>Planning</b>			
Planning Policy	146	117	(29)
Planning Delivery	60	(383)	(443)
Land Charges	(16)	(17)	(1)
<b>Total Planning</b>	<b>190</b>	<b>(283)</b>	<b>(473)</b>



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Division	Explanation	Amount Over/ (under) £'000
Planning Policy	Employee costs	(5)
Planning Policy	Consultants	(20)
Planning Policy	Other running costs	(4)
Planning Delivery	Employee costs/temp staffing	114
Planning Delivery	IFRS15 Accounting Change for 2018/19 (met from reserves)	160
Planning Delivery	Contribution from Reserves	(272)
Planning Delivery	Planning Fees/ Other Fees and Charges	(413)
Planning Delivery	Professional fees/Legal Costs	(20)
Planning Delivery	Scanning	(10)
Planning Delivery	Other running costs	(2)
Land Charges	Fees and Charges	4
Land Charges	Search & Investigation Fees	(4)
Land Charges	Other running costs	(1)
<b>Total</b>		<b>(473)</b>

Head of Service : Sal Khan	Budget (£000's)	Outturn (£000's)	Variance (£000's)
<b>SCC - Revenues, Benefits and Customer Contacts</b>			
Revenues	(9)	(24)	(15)
Benefits and Professional Services	(122)	(145)	(23)
Customer Contacts	422	436	14
<b>Total - Revenues, Benefits and Customer Contacts</b>	<b>291</b>	<b>267</b>	<b>(24)</b>

Division	Explanation	Amount Over/ (under) £'000
Revenues	Employee costs	(34)
	Supplies and Services - Clerk to Justices	(12)
	Council Tax Printing and Postage	11
	Court Costs Recovered	20
Benefits and Professional Services	Reduction in Discretionary Housing Payment Grant	35
	Reduction in Discretionary Housing Payments Awarded	(35)
	Universal Credit Support -Partnership with Citizens Advice	3
	Universal Credit DWP Income	(3)

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	Supplies and Services	(14)
	Housing Benefit Admin Grant	(9)
	Housing Benefit Restriction on Homeless Subsidy Recoverable	113
	Housing Homeless Grant Reserve	(113)
Customer Contacts	Employee costs	8
	Other running costs	2
	Manning Emergency Rota	4
<b>Total</b>		<b>(24)</b>

## SUMMARY OF CAPITAL EXPENDITURE AGAINST PROGRAMME 2018-19

## Appendix B

Description	Brought Forward 2017/18		2018/19 - per MTFS		Changes Since MTFS Approved		Total Budget	Spend 2018/19	Variation	Carried Forward to 2019/20		Completed / Ongoing & Comments
	ESBC	Other Funding	ESBC	Other Funding	ESBC	Other Funding				ESBC	Other Funding	
	£	£	£	£	£	£				£	£	
Neighbourhood working Fund	97,157		100,000				197,157	65,202	(131,956)	131,956		Ongoing
Disabled Facility Grants		194,378		871,000		76,755	1,142,133	253,450	(888,683)		888,683	Ongoing
Brewhouse Arts Centre	45,000						45,000	0	(45,000)	45,000		Ongoing
Town Hall Office Accommodation Refurbishment	90,281				29,185		119,466	105,423	(14,043) <sup>1</sup>	14,043		Final Account
Public Art Work Restoration	46,000						46,000	17,410 <sup>2</sup>	(28,590)			Completed
Car Parks - Contactless Machines	7,800						7,800	7,200	(600)			Completed
Yeoman Industrial Units Roofing Works	37,342						37,342	37,342	0			Completed
CSC (Burton) Alterations 2018.19 (Cabinet - August 2018)					39,900		39,900	31,516	(8,384)			Completed
CVSC Essential Works (Cabinet - September 2018)					40,000		40,000	37,371	(2,629)			Completed
<b>Total</b>	<b>323,580</b>	<b>194,378</b>	<b>100,000</b>	<b>871,000</b>	<b>109,085</b>	<b>76,755</b>	<b>1,674,798</b>	<b>554,914</b>	<b>(1,119,884)</b>	<b>190,999</b>	<b>888,683</b>	
	<b>517,958</b>		<b>971,000</b>		<b>185,840</b>					<b>1,079,682</b>		

Note 1 - Town Hall Office Accommodation - the approved contingency of £69k has been applied as envisaged towards revenue works £40k/capital works £29k. There remains £14k which has been carried forward pending agreement of the final account.

Note 2 - The Public Art Work Restoration expenditure of £17k is shown in the 2018/19 financial statements as £4k capital/£13k revenue expenditure.

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date
<b>Call Accounts and Money Market Funds</b>				
RBS SIBA	630,673	0.01%		Call
Federated MMF	4,000,000	0.78%		Call
Insight MMF	3,175,000	0.76%		Call
Aberdeen MMF	3,575,000	0.73%		Call
<b>Fixed Deposits:</b>				
BOS	500,000	1.00%	06/07/2018	08/07/2019
BOS	1,500,000	1.05%	28/09/2018	27/09/2019
BOS	500,000	1.00%	08/11/2018	08/05/2019
Lloyds	1,000,000	1.00%	01/06/2018	03/06/2019
UK Treasury Bill	509,000	0.72%	08/10/2018	08/04/2019
UK Treasury Bill	1,000,000	0.72%	05/11/2018	07/05/2019
UK Treasury Bill	1,000,000	0.73%	19/11/2018	20/05/2019
UK Treasury Bill	1,000,000	0.74%	10/12/2018	10/06/2019
UK Treasury Bill	1,000,000	0.73%	14/01/2019	15/07/2019
UK Treasury Bill	1,000,000	0.72%	14/01/2019	15/04/2019
UK Treasury Bill	1,015,000	0.75%	25/02/2019	27/08/2019
UK Treasury Bill	2,000,000	0.77%	04/03/2019	02/09/2019
National Westminster RFB	1,000,000	0.91%	02/10/2018	02/04/2019
National Westminster RFB	1,000,000	0.91%	24/10/2018	26/04/2019
National Westminster RFB	1,000,000	1.04%	17/09/2018	16/09/2019

Borrower - Icelandic Exposure	Principal (£)	Interest Rate	Start Date	Maturity Date
Singer	285,000	5.41%		08/10/2008

Investments rate of interest as at 31 March 2018	Principal (£)	Interest Rate
<b>Total Investments</b>	<b>26,689,673</b>	
<b>Total Investments - Excluding Icelandic Exposure</b>	<b>26,404,673</b>	<b>0.79%</b>
<b>Total Investments - Icelandic Exposure Only</b>	<b>285,000</b>	<b>5.41%</b>

Average rate of interest	Principal (£)	Interest Rate
<b>Total Investments</b>	<b>35,511,542</b>	
<b>Total Investments - Excluding Icelandic Exposure</b>	<b>35,226,542</b>	<b>0.72%</b>
<b>Total Investments - Icelandic Exposure Only</b>	<b>285,000</b>	<b>5.41%</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	31/03/2019	
Central Government Funding	Uncertainty surrounding future government funding, including the impact of the business rates changes, New Homes Bonus, fair funding review and 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	31/03/2019	
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	31/03/2019	
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	31/03/2019	
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 Training rolled out in respect of GDPR requirements. Compliance oversight by Monitoring Officer and CMT	1	4	10	31/03/2019	
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	31/03/2019	

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
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). Potential for operational/service delivery disruption.	Monitoring of Economic conditions / external forecasts, horizon scanning by CMT and Senior Officers. Prudent and Robust rolling MTFS Understanding and acting on any intelligence forthcoming from local and central government bodies.	3	4	15	31/03/2019
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	31/03/2019
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	31/03/2019
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	31/03/2019
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	ICT Security Policy Access controls and permissions within system applications Protective defences such as antivirus Perimeter protection with hardware firewalls Regular patching Access controls and permissions within system applications Prevention of access to unnecessary physical facilities e.g. CD drives and USB	2	4	13	31/03/2019

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
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.	Robust MTFS generally provides some financial resilience to respond to changes Seek and develop opportunities to increase income or reduce costs across all Council operations Senior level discussions may mitigate or prevent such cost shunts	3	4	12	31/03/2019

Strategic Risks		Risk Owner: Corporate Management Team					Last Reviewed
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level		
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	31/03/2019	
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. Regular re-refresh of plans take place. Approved, up to date BC policy in place.	1	4	10	31/03/2019	
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	31/03/2019	
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	31/03/2019	
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	31/03/2019	
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	31/03/2019	
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	31/03/2019	



Strategic Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
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	31/03/2019
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	31/03/2019
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	1	4	10	31/03/2019
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	31/03/2019
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	31/03/2019

<b>Strategic 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>
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.	<p>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.</p> <hr/> <p>Adequate and suitably trained staff. Regular member training/briefings.</p> <hr/> <p>The appointment of professional treasury management advisors</p>	1	4	10	31/03/2019