



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

| | | |
|-------------------------|---|---|
| Title of Report: | Quarter 3 - Revenue and Capital Outturn 2020/21 | To be marked with an 'X' by Democratic Services after report has been presented |
| Meeting of: | Corporate Management Team – 16 th February 2021 | X |
| | Leader and Deputy Leaders – 22 nd February 2021 | X |
| | Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group – 3 rd and 4 th March 2021 | X |
| | Cabinet – 15 th March 2021 | X |
| | Scrutiny Audit and Value for Money Council Services Committee – 24 th March 2021 | |



| | | | |
|--|-----|-----------------------------|----|
| Is this an Executive Decision: | Yes | Is this a Key Decision: | NO |
| Is this in the Forward Plan: | 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: **Angela Wakefield**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

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

Date: 24th March 2021

REPORT TITLE: Quarter 3 - Revenue and Capital Outturn 2020/21

PORTFOLIO: Leader / Finance

HEAD OF SERVICE: Sal Khan

CONTACT OFFICER: Lisa Turner, Chief Accountant Ext. No. 1399

WARD(S) AFFECTED: All

1. Purpose of the Report

- 1.1 To accord with the Council's financial regulations, this report presents the forecast outturn position in relation to the Council's revenue budget, capital programme of expenditure, treasury and risk management activities. This is the third quarterly report in the annual cycle of financial monitoring for the financial year 2020/21.

2. Executive Summary

- 2.1 The report highlights that overall there are **forecast net pressures against the original budget of £2.4m** for the full financial year against a net budget of £11.024m. However the vast majority of the pressures have arisen due to the Covid-19 Pandemic and related lockdown. The Government have provided a number of funding packages to local authorities to support them with Covid-19 related financial pressures, once this actual and estimated additional funding of £2.6m is taken into consideration there is a **small forecast net surplus to £0.2m**.
- 2.2 The Council, like all local authorities, is facing significant financial pressures due to COVID-19. These pressures not only include additional costs but also more significantly a reduction to the income levels the Council receives which are used to provide essential services to residents. Paragraph 4.2 of the report sets out the most significant variations identified at this point in the year.
- 2.3 There remains expectation that there will be increased volatility within the forecasts this year. With this in mind, sensitivity analysis of the forecasts demonstrates that a more pessimistic outlook would increase the forecast net pressures to an overall £0.3m shortfall and a more optimistic outlook would improve the net forecast position to an underspend of £0.7m.

- 2.4 Overall, the Council's underlying financial position is robust and this provides a strong foundation of financial resilience during these unprecedented circumstances. It remains crucial that budget holders and Heads of Service continue to monitor their budgets closely and where necessary take action to contain spending within budget.
- 2.5 Investments as at 31st December 2020 stood at £52.1m. Investment returns to the end of September averaged 0.26%, whilst this is below budget it exceeds both the base rate and benchmarks. However, the overall rate of return is expected to continue to reduce as investments mature and are replaced during the remainder of the year. External borrowing at the end of the quarter stands at £11m. The report continues to highlight the risk associated with the timing of capital receipts that have been ring-fenced towards debt repayment in the budget. Further information in relation to Treasury Management is set out within Section 5 of this report.
- 2.6 The authority's capital spending plans total £6.7m, which has increased since Quarter 2 following the approval and receipt of £0.75m accelerated Stronger Towns Funding for the High Street project and additional resources towards disabled facility grants. The report indicates that all projects are on target to deliver within budget. Further details in respect of the Capital Programme are set out within Section 6 of the report.

3. Revenue Budget 2020/21

- 3.1 On 24th February 2020, the full Council approved the Revenue Budget for the year 2020/21, totalling £11,024m as follows:

| Approved Service Budgets | £000's |
|---|----------------|
| Arts, Brewhouse and Functions | 393 |
| Community and Open Spaces | 1,401 |
| Corporate Management Team | 438 |
| Corporate and Commercial | 875 |
| Cultural Services – Marketing | 86 |
| Enterprise | 116 |
| Environment | 3,887 |
| Environmental Health | 470 |
| Financial Services and Capital Financing | 966 |
| Housing | 311 |
| Human Resources, Payments & Pensions | 1,913 |
| IT and Printing | 425 |
| Legal Services, Assets and Licensing | (430) |
| Leisure Services | 664 |
| Licensing and Enforcement | 84 |
| Markets | 15 |
| Planning and Land Charges | 46 |
| Revenue, Benefits and Customer Contacts | 417 |
| Corporate Budgets | (1,053) |
| Total | 11,024 |

3.2 Financial control is maintained by monitoring actual expenditure against approved budgets at regular intervals throughout the year and budget managers are required to forecast income and expenditure for the full financial year. Authorised budget transfers and virements take place between individual services in accordance with financial regulations.

4. Forecast Revenue Outturn 2020/21

4.1. The following table indicates the quarter one forecast variations and the expected effect on the outturn for the year. A number of variations are presently compensated for by temporary under or over spends.

| Summary by Service | Annual Net Budget | Forecast Outturn Q3 | Forecast Variation Q3 Over/(Under) | Forecast Variation Q2 Over/(Under) |
|---|-------------------|---------------------|------------------------------------|------------------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Arts, Brewhouse and Function Suite | 393 | 563 | 170 | 162 |
| Community and Open Spaces | 1,403 | 2,092 | 689 | 643 |
| Corporate Management Team | 438 | 444 | 6 | 5 |
| Corporate and Commercial | 876 | 836 | (40) | (26) |
| Cultural Services - Marketing | 86 | 68 | (18) | (5) |
| Enterprise | 116 | 122 | 6 | 6 |
| Environment | 3,887 | 4,151 | 264 | 199 |
| Environmental Health | 470 | 505 | 35 | 40 |
| Financial Services | 967 | 1,194 | 227 | 225 |
| Housing | 311 | 356 | 45 | 28 |
| Human Resources, Payments & Pensions | 1,913 | 1,892 | (21) | (20) |
| IT and Printing | 425 | 404 | (21) | (17) |
| Legal Services and Assets | (434) | (334) | 100 | 83 |
| Leisure Services | 664 | 878 | 214 | 303 |
| Licensing and Enforcement | 84 | 77 | (7) | (16) |
| Markets | 15 | 150 | 135 | 108 |
| Planning and Land Charges | 46 | 73 | 27 | 102 |
| Revenue, Benefits and Customer Contacts | 417 | 1,220 | 803 | 793 |
| Corporate Items | (1,053) | (1,240) | (187) | (136) |
| Total against Budget | 11,024 | 13,451 | 2,427 | 2,477 |
| Covid-19 Central Funding (Tranche 2,3 & Covid -19 Central Income Scheme | 0 | (1,836) | (1,836) | (1,836) |
| | 0 | (781) | (781) | (754) |
| Total - (Surplus) / Shortfall | 11,024 | 10,834 | (190) | (113) |

4.2 The tables at Appendix A summarise, by service, the variations between the 2020/21 budget and the year-end forecast outturn. Further supporting narrative in relation to those teams with significant variations is set out below:

■ **Arts, Brewhouse and Functions – Forecast Net Pressure of £170k**

There is a significant forecast shortfall in income levels of approx. £279k which has partially been offset by forecast expenditure savings on staffing, premises and other fees. This shortfall in income levels relates to the closure of services and subsequent social distancing measures necessary due to the pandemic. Officers have successfully bid for funding from the Arts Council and as a result this has reduced the forecast shortfall.

- **Community, Open Spaces and Facilities – Forecast Net Pressure of £689k**
 This forecast pressure arises because of a shortfall in car parking income estimated to be £809k due to the Covid-19 Pandemic. The forecast shortfall is being partially offset by savings across the wider service, including grounds maintenance.
- **Environment – Forecast Net Pressure - £264k**
 This pressure arises due to a number of factors. There is a forecast increase in staffing costs within waste management (£109k) due to both increased workloads/waste arising from the pandemic and also a number of staff in this area being required to shield. This additional workload has also required the hire of an additional vehicle with an estimated cost of £25k. There is also a forecast shortfall in income levels in relation to trade waste and bulky household waste due to impact of the pandemic (£39k). Despite additional measures put in place by management in relation to waste contamination the contractor is taking a robust position in this regard and as a result there are forecast cost pressures in this area.
- **Financial Services – Forecast Pressure £225k**
 Forecast pressures arise in this area due to the emergency reductions in the bank base rate as a result of the pandemic during March 2020. This means that investment income returns from daily cash management are much lower than budgeted, with a forecast shortfall of £138k. There is also a shortfall forecast in relation to the budget for repayment of debt (£79k), this is linked to the timing of capital receipts that have been earmarked towards debt repayment.
- **Legal and Asset Management – Forecast Pressures £100k**
 There are forecast pressures in relation to Asset Management and in particular income levels. During the pandemic occupancy levels have been lower than budgeted and we have also seen levels of outstanding rentals increase and as a result forecast the need to increase the provision for outstanding debts. Recovery procedures commenced in Quarter 2 and this will continue to be monitored closely, as this remain a risk throughout the year.
- **Leisure – Forecast Pressures £214k**
 The Council's leisure centres have operated in line with national guidance in relation to lockdowns and tier restrictions during the course of the year as a result of the pandemic. Following extensive discussions with our external provider the Council agreed to provide additional support to the contractor until such a time as agreement can be reached to either move back to the contracted position or agree a revised management fee for the remainder of the contract. As a result of this, forecast cost pressures are currently anticipated of £309k, this has been partially offset by the use of existing contingency budgets within this area (£89k) and a small underspend (£6k) elsewhere within this budget. We also await the outcome of our submission to the National Leisure Recovery Fund, which if successful would have a positive impact on this forecast.
- **Markets – Forecast Pressures £135k**
 This forecast pressure arises from a loss of income due to service closures and social distancing arising from the pandemic, lower levels of occupancy than assumed within the budget and the need to increase the provision for outstanding debts.

■ Revenues, Benefits and Customer Contacts – Forecast Pressures £803k

This forecast pressure largely relates to two significant areas:

- Income from the recovery of court costs is forecast to be £146k lower than budget due to the suspension of recovery action as a result of the pandemic.
- As reported in late 2019/20, there are increasing cost pressures arising from supported housing costs in relation to providers that are not registered social landlords (RSL). The latest forecast indicates pressures of £659k, which have been partially offset by the use of flexible housing funding from central government (£165k). A new provider entered the local market in January 2019 and is the main reason for this increasing cost pressure. Officers are investigating options to support these providers to become a RSL as a means of mitigating these cost pressures in addition to this initiative negotiations are also ongoing with an existing RSL with the objective of expanding their portfolio to reduce the impact from supported accommodation.

5. Treasury Management

- 5.1 The Council approved the Treasury Management Strategy Statement for 2020/21 on 24th February 2020 and this section is an update on progress against this Strategy and the Revenue Budget.

Investment Returns

- 5.2 The average rate of investment return that was assumed in the 2020/21 budget was 0.65%, which at the time was a cautious forecast. Due to the Covid-19 Pandemic there have been two emergency cuts to the bank base rate by the Bank of England during March 2020, which means the rate now stands at 0.10%. The bank rate is not expected to increase in the medium term and there remains the risk of negative rates.
- 5.3 Appendix B shows the outstanding investments the authority had as at 31st December 2020. Average investment returns for the year to date are performing significantly below budget at 0.26%, with an estimated shortfall of £138k as outlined in Appendix A (Financial Services). This reflects the reduction in the base rate, but nevertheless the rate of return exceeds benchmarks. Investment rates available in the market have fallen during the year and a combination of this and investment maturing with higher yields means the rate of return stood at slightly above base rate at the end of the quarter (0.11%). The investment listing (Appendix B) includes certificates of deposit, as well as the UK Government deposit account, deposits with UK Banks, a local authority deposit and AAA rated Money Market Funds. These instruments offer significant counterparty strength as well as diversification of the portfolio.

5.4 Borrowing

The average rate payable on the Council's external borrowing as at 31st December 2020 is 5.4%, with total, outstanding external debt of £11.0m.

| Debt Type | Principal Outstanding (£) | Average Rate |
|----------------------------|---------------------------|---------------|
| Total Fixed Debt | | |
| PWLB Maturity | 5,700,000 | 4.646% |
| PWLB Annuity | 462,362 | 8.681% |
| Total Variable Debt | | |
| Market | 4,500,000 | 5.914% |
| GBSLEP Loan | 375,000 | - |
| Total External Debt | 11,037,362 | 5.362% |

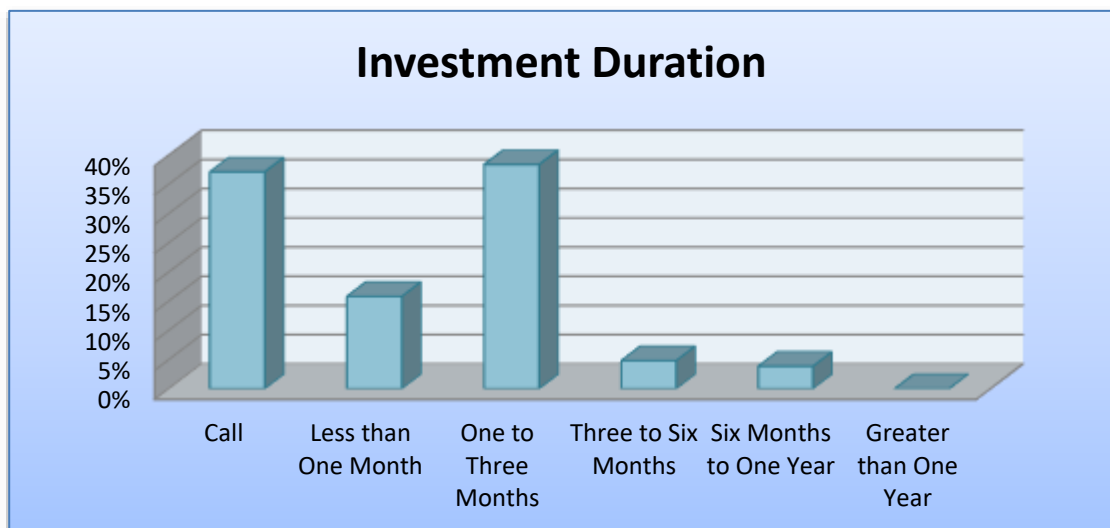
Capital Financing Budget

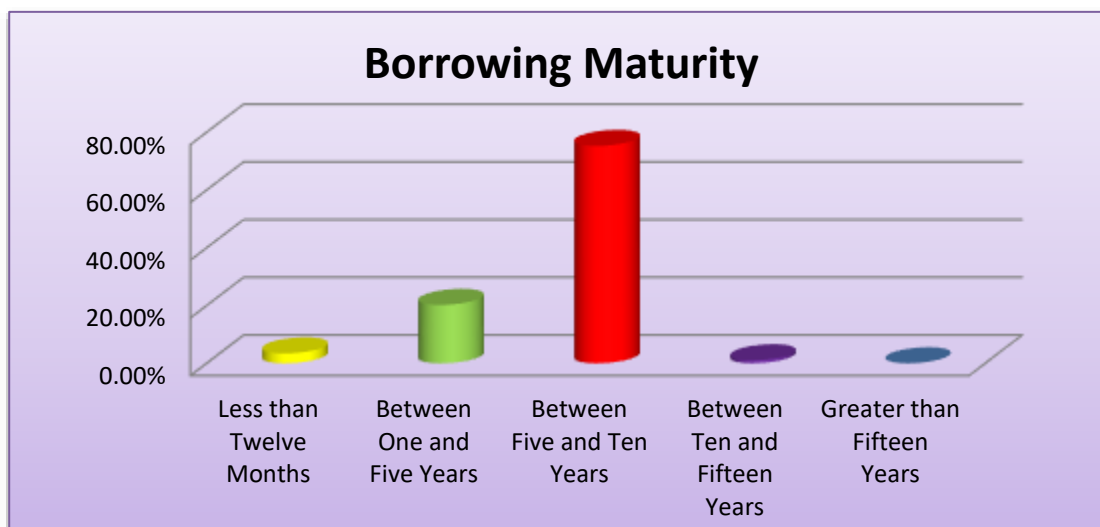
5.5 This budget consists of £0.8m associated with the cost of servicing the council's debt and £0.240m income from investment returns.

5.6 The capital financing budget has been reduced by £0.2m in 2020/21 as a result of expected savings from the utilisation of anticipated capital receipts (£3.5m) towards debt repayment as part of our existing financial strategy. The Medium Term Financial Strategy highlighted that there was a risk of shortfall against the budget arising from the timing of these receipts and at this stage of the year a shortfall of £0.1m has been forecast.

5.7 Maturity Structure of Investments and Borrowing

The following charts highlight the maturity structure for investments and for fixed term borrowing.





6. Capital Programme 2020/21

6.1 The table below details the approved capital projects for 2020/21 totalling £6.7m, including the addition of the accelerated Stronger Towns Funds Project at High Street, Burton following Cabinet approval in December 2020 and also additional funds received towards Disabled Facility Grants. This demonstrates that all projects are currently forecast to be delivered within the overall approved budget, however timescales for delivery have inevitably been impacted by the Covid-19 Pandemic for some schemes.

| 2020-21 | Current Year Budget £ | Current Year Expenditure £ | Remaining Budget £ | Forecast Expenditure at Quarter 3 £ | Increased expenditure / (Under-spend) £ | Comments |
|--|--------------------------|-------------------------------|-----------------------|--|--|------------------------------|
| Neighbourhood Working Fund | 56,200 | 26,530 | 29,670 | 56,200 | 0 | Ongoing |
| Disabled Facility Grants ¹ | 2,490,720 | 323,369 | 2,167,351 | 2,490,720 | 0 | Ongoing |
| Town Hall Office Accommodation Refurbishment | 1,756 | 0 | 1,756 | 1,756 | 0 | Final Account |
| Canal Street Industrial Units | 38,727 | 21,336 | 17,391 | 22,336 | (16,391) | Complete bar external issues |
| Bartec Street Cleaning Software | 25,842 | 13,100 | 12,742 | 25,842 | 0 | Ongoing |
| Station Street Burton | 1,093,795 | 880,926 | 212,869 | 1,093,795 | 0 | Ongoing |
| Cemetery Expansion | 20,000 | 1,650 | 18,350 | 20,000 | 0 | Scoping extended |
| Small Business Fund | 100,000 | 0 | 100,000 | 100,000 | 0 | Scoping scheme |
| ICT - CISCO Switches | 62,000 | 46,537 | 15,463 | 62,000 | 0 | Ongoing |
| Assets - Mandatory Works | 60,000 | 0 | 60,000 | 60,000 | 0 | Tender awarded |
| Washlands ² | 2,050,000 | 2,053 | 2,047,947 | 2,050,000 | 0 | Consultants appointed |
| Accelerated Stronger Towns Fund - High Street Project (Cabinet 14th December 2020) | 750,000 | 0 | 750,000 | 750,000 | 0 | |
| Total | 6,749,040 | 1,315,501 | 5,433,539 | 6,732,649 | (16,391) | |

Note 1 - An additional DFG grant determination awarded a further £137,708 of monies to the Council for DFG's. There are 145 active grants not yet completed, applications or enquiries currently in the system at Q3 worth an estimated additional £1.7m, this includes new DFG enquiries (£0.4m), those at referral stage (£0.6m), those at application stage (£0.3m) and those approved/work in progress (£0.4m). The COVID-19 Pandemic has impacted on the numbers that could be safely progressed in people's homes during the year to date.

Note 2 - Funding of the Washlands project has been rescheduled between the Local Enterprise Partnership (LEP)/ESBC and the Environment Agency (EA) allowing the Washlands Enhancement Works being undertaken by ESBC to be continued into 2021/22 following the impact of COVID-19. Originally the £3m awarded by the LEP was split £2m with the EA and £1m to ESBC. This has now been revised to £3m for the Burton Flood Defence Works on condition that the £1m will be paid over to ESBC by the EA the following year. All Washlands funds awarded by the LEP are to ESBC who remain the accountable body for the £3m. The Council has separate agreements with the EA to passport this funding onwards.

6.2 The table below outlines capital receipts received during the course of the year to date:

| Capital Receipts – Quarter 3 - 2020/21 | £ |
|--|----------------|
| Deposit Land at 300 Rosliston Road, Stapenhill | 5,000 |
| Deposit Sale of Land, Dove Way | 62,500 |
| Shareholding - Dividend Payment | 125,000 |
| Deed of Grant - Fennel Close, Uttoxeter | 10,000 |
| Total | 202,500 |

7. Financial Considerations

This section has been approved by the following member of the Financial Management Unit: Lisa Turner

7.1 This report deals solely with financial matters.

| Revenue | 2020/21 | 2021/22 | 2022/23 |
|---------------------|----------------|----------------|----------------|
| Forecast Surplus | (190,000) | - | - |
| Capital | 2020/21 | 2021/22 | 2022/23 |
| Forecast Underspend | (16,391) | - | - |

8. Risk Assessment and Management

8.1 The Council's risk management strategy was approved at Cabinet in September 2014. Attached at **Appendix C** 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 main risks associated with the budget are highlighted 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 significant legal issues arising from this report.

10. Equalities and Health

10.1 **Equality impacts:** The subject of this report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required.

10.2 **Health impacts:** The outcome of the health screening question does not require a full Health Impact Assessment to be completed. An equality and health impact assessment is not required.

11. Human Rights

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

12. Recommendations Approved by Cabinet

12.1 To note the financial position at quarter three of 2020/21 in relation to revenue and capital budgets together with the degree of financial uncertainty that exists due to the Covid-19 Pandemic.

12.2 To note the latest position in respect of the Council's investments and borrowing.

12.3 To note the corporate and strategic risks, together with actions being taken to manage these.

13. Background Papers

13.1 Medium Term Financial Strategy 2020/21 to 2024/25

14. Appendices

14.1 Appendix A: Forecast variances against budget – Quarter 3 2020/21

14.2 Appendix B: Investments at 31st December 2020

14.3 Appendix C: Corporate and Strategic Risks – Quarter 3 2020/21

**QUARTER THREE
FORECAST VARIANCES AGAINST BUDGET AT OUTTURN
2020/21**

Arts, Brewhouse and Functions

| Head of Service : Mark Rizk | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|--|--------------------|---------------------------------|----------------------------------|
| Arts, Brewhouse and Civic Function Suite | | | |
| Brewhouse and Arts Development | 303 | 372 | 69 |
| Civic Function Suite | 90 | 191 | 101 |
| Total Arts, Brewhouse and Civic Functions | 393 | 563 | 170 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|--------------------------------|--|---|
| Brewhouse and Arts Development | Professional Theatre Fees | (10) |
| Brewhouse and Arts Development | Shortfall in Ticket Sales Income | 29 |
| Brewhouse and Arts Development | Shortfall in Room Rental Income | 51 |
| Brewhouse and Arts Development | Other - Income Shortfall | 30 |
| Brewhouse and Arts Development | Arts Grants | (51) |
| Brewhouse and Arts Development | Other Running Costs | (5) |
| Brewhouse and Arts Development | Business Rates | (17) |
| Brewhouse and Arts Development | Brewhouse Cafe/Bar - Net Shortfall | 31 |
| Brewhouse and Arts Development | Arts Development Programme | 11 |
| Civic Function Suite | Employees | (5) |
| Civic Function Suite | Temporary Staff Savings & Set up Crews | (26) |
| Civic Function Suite | Premises Cost Savings | (10) |
| Civic Function Suite | Cancelled Event Expenses | 4 |
| Civic Function Suite | Room Hire - Shortfall in Income | 123 |
| Civic Function Suite | Other Income Shortfall | 15 |
| Total | | 170 |

Community, Open Spaces and Facilities

| Head of Service : Mark Rizk | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|--|--------------------|---------------------------------|----------------------------------|
| Community and Open Spaces | | | |
| Cemeteries | (14) | (30) | (16) |
| Open spaces | 1,400 | 1,353 | (47) |
| Partnerships | 33 | 33 | 0 |
| Horticultural Centre | 44 | 54 | 10 |
| Facilities and Health and Safety | 335 | 304 | (31) |
| Community Centres | 18 | 26 | 8 |
| Car Parks Income | (790) | (3) | 787 |
| Community and Civil Enforcement | 307 | 290 | (17) |
| Social Regeneration | 48 | 43 | (5) |
| Councillors Community Fund | 22 | 22 | 0 |
| Total Community and Open Spaces | 1,403 | 2,092 | 689 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|----------------------------------|---|---|
| Cemeteries | Employee Costs | 23 |
| Cemeteries | Burial Fees | (39) |
| Cemeteries | Monument Fees/Other Income | 9 |
| Cemeteries | Savings on Contracted Grounds Mtce | (9) |
| Open spaces | Employee Costs | 7 |
| Open spaces | Savings on Grounds Maintenance | (49) |
| Open spaces | Play Equipment | (5) |
| Horticultural Centre | Hanging Baskets Income | 10 |
| Facilities and Health and Safety | Repairs and Maintenance | (20) |
| Facilities and Health and Safety | Supplies and Services | (3) |
| Facilities and Health and Safety | Repairs & Maintenance Other Organisations | (8) |
| Community Centres | Repairs & Maintenance | 8 |
| Car Parks Income | Bargates Net Additional Income | 4 |
| Car Parks Income | Car Parking Income Forecast Shortfall | 721 |
| Car Parks Income | Season/Penalty Notices Income | 88 |
| Car Parks Income | Supplies and Services | (26) |
| Community and Civil Enforcement | Vacant Post | (17) |
| Social Regeneration | Supplies and Services | (5) |
| Total | | 689 |

Corporate Management Team

| Chief Officer : Andy O'Brien | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|------------------------------|--------------------|---------------------------------|----------------------------------|
| CMT | | | |
| Chief Executives | 205 | 208 | 3 |
| Heads of Service | 233 | 236 | 3 |
| Total CMT | 438 | 444 | 6 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|------------------|---------------------------------|---|
| Chief Executives | Employee Costs - Vacancy Factor | 3 |
| Heads of Service | Employee Costs - Vacancy Factor | 3 |
| Total | | 6 |

Corporate and Commercial

| Head of Service : Sal Khan | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|---------------------------------------|--------------------|---------------------------------|----------------------------------|
| Corporate and Commercial | | | |
| Programmes and Information | 254 | 236 | (18) |
| Committee Support | 95 | 97 | 2 |
| Elections | 205 | 190 | (15) |
| Emergency Planning | 14 | 31 | 17 |
| Members Allowances | 308 | 282 | (26) |
| Total Corporate and Commercial | 876 | 836 | (40) |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|----------------------------|-----------------------------------|-------------------------------------|
| Programmes and Information | Employee Costs | (7) |
| Programmes and Information | Supplies and Services | (4) |
| Programmes and Information | Christmas Decorations | (8) |
| Programmes and Information | Software Licenses & Contracts | 1 |
| Committee Support | Employee Costs | 2 |
| Committee Support | Zoom Software Licence | 1 |
| Committee Support | Supplies and Services | (1) |
| Elections | Employee Costs | 4 |
| Elections | Temp Staff Costs | (20) |
| Elections | Supplies and Services | 1 |
| Emergency Planning | General Grants | (2) |
| Emergency Planning | Covid Communications - ESBC Share | 19 |
| Members Allowances | Supplies and Services | (10) |
| Members Allowances | Basic Allowance | (12) |
| Members Allowances | Standards Committee | (2) |
| Members Allowances | Information Commissioner | (2) |
| Total | | (40) |

Cultural Services - Marketing

| Head of Service : Mark Rizk | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|--|-----------------|---------------------------|----------------------------|
| Cultural Services - Marketing | 86 | 68 | (18) |
| Total Cultural Services - Marketing | 86 | 68 | (18) |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|-------------------------------|-------------|-------------------------------------|
| Cultural Services - Marketing | Advertising | (18) |
| Total | | (18) |

Enterprise

| Chief Officer : Andy O'Brien | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|------------------------------|-----------------|---------------------------|----------------------------|
| Enterprise | | | |
| Enterprise | 116 | 122 | 6 |
| Total Enterprise | 116 | 122 | 6 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|--------------|-----------------------|---|
| Enterprise | Employee Costs | 10 |
| Enterprise | Grants Payable | (9) |
| Enterprise | ERDF Grant Receivable | 9 |
| Enterprise | Use of reserve | (4) |
| Total | | 6 |

Environment

| Head of Service : Sal Khan | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|----------------------------|--------------------|---------------------------------|----------------------------------|
| Environment | | | |
| Council Depots | 144 | 139 | (5) |
| Public Conveniences | 145 | 130 | (15) |
| Waste Collection | 2,479 | 2,782 | 303 |
| Street Cleaning | 1,013 | 994 | (19) |
| Building Consultancy | 50 | 50 | 0 |
| Land Drainage | 56 | 56 | 0 |
| Total Enviroment | 3,887 | 4,151 | 264 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|----------------------|--|---|
| Council Depots | Staffing Restructure | (10) |
| Council Depots | Premises-Related Expenditure | (7) |
| Council Depots | Honoraria - sickness cover recognition | 2 |
| Council Depots | Covid-19 PPE Stock | 10 |
| Public Conveniences | Employee Costs | (18) |
| Public Conveniences | Temporary Staff | 3 |
| Waste Collection | Employee Costs | 21 |
| Waste Collection | Temporary Staff | 77 |
| Waste Collection | Honoraria - COVID working recognition | 11 |
| Waste Collection | Hire of additional Refuse Vehicle | 25 |
| Waste Collection | Recycling Income | (10) |
| Waste Collection | Third Party Payments - Gate Fees/Contamination | 126 |
| Waste Collection | Third Party Payments - Garden Waste Reprocessing | 10 |
| Waste Collection | Third Party Payments - Dry Recycling Transport Costs | 15 |
| Waste Collection | Third Party Payments - Trade Refuse Disposal | (7) |
| Waste Collection | Trade Refuse Income | 35 |
| Street Cleaning | Employee Costs | (10) |
| Street Cleaning | Temporary Staff | (18) |
| Street Cleaning | Honoraria - COVID working recognition | 5 |
| Street Cleaning | Bulky Waste Income | 4 |
| Building Consultancy | Shortfall in Buiding Control Fee Income | 23 |
| Building Consultancy | Supplies and Services | (2) |
| Building Consultancy | Increased contribution from Building Control Reserve | (21) |
| Total | | 264 |

Environmental Health

| Head of Service : Mark Rizk | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|-----------------------------------|--------------------|---------------------------------|----------------------------------|
| Environmental Health | | | |
| Environmental Health | 389 | 389 | 0 |
| Animal Control | 6 | 1 | (5) |
| Housing Standards | 75 | 115 | 40 |
| Total Environmental Health | 470 | 505 | 35 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|----------------------|--------------------------------------|-------------------------------------|
| Environmental Health | Employee costs overtime/out of hours | 65 |
| Environmental Health | Interim Support Costs (Other) | 56 |
| Environmental Health | COVID-19 Income (SCC) | (121) |
| Housing Standards | Employee costs | 8 |
| Housing Standards | Loss of HIMO income | 40 |
| Housing Standards | Impact use of HIMO reserve | (8) |
| Animal Control | Dog Kennelling | (5) |
| Total | | 35 |

Financial Services

| Head of Service : Sal Khan | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|---------------------------------|-----------------|---------------------------|----------------------------|
| Financial Services | | | |
| Capital Financing Costs | 353 | 570 | 217 |
| Financial Management Unit | 493 | 505 | 12 |
| Internal & External Audit | 121 | 119 | (2) |
| Total Financial Services | 967 | 1,194 | 227 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|---------------------------|---|-------------------------------------|
| Capital Financing Costs | Debt Repayment - timing of capital receipts | 79 |
| Capital Financing Costs | Investment Income - reduction in base rate (Covid-19) | 138 |
| Financial Management Unit | Employee Costs - Vacancy Factor | 4 |
| Financial Management Unit | Temp Staff Costs | 4 |
| Financial Management Unit | MTD Software/Support | 10 |
| Financial Management Unit | Contribution from Professional Reserve | (14) |
| Financial Management Unit | Credit Card Charges | 8 |
| Internal & External Audit | Audit Fee Savings | (2) |
| Total | | 227 |

Housing

| Head of Service : Sal Khan | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|----------------------------|-----------------|---------------------------|----------------------------|
| Housing | | | |
| Housing Options | 311 | 356 | 45 |
| Total: Housing | 311 | 356 | 45 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|--------------------------------|--|-------------------------------------|
| Housing Options | Employee Costs | 32 |
| Housing Options | Contribution from Reserves/Govt Grant Funding | (30) |
| Housing Options: Accommodation | Rents | (6) |
| Housing Options: Accommodation | B&B Costs (excluding Covid 19) | (22) |
| Housing Options: Accommodation | Premises Rental/ B&B Rentals income (excluding Covid 19) | 20 |
| Housing Options: Accommodation | B&B Costs (Covid 19) | 127 |
| Housing Options: Accommodation | Premises Rental/ B&B Rentals income (Covid 19) | (76) |
| Total | | 45 |

Human Resources, Payments and Pensions

| | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|---|-----------------|---------------------------|----------------------------|
| Chief Officer : Andy O'Brien | | | |
| Human Resources and Payments | | | |
| HR and Payroll | 368 | 339 | (29) |
| Pension Payments | 1,545 | 1,553 | 8 |
| Total Human Resources and Payments | 1,913 | 1,892 | (21) |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|------------------|-------------------------|-------------------------------------|
| HR & Payroll | Employee Costs | 11 |
| HR & Payroll | Supplies and Services | (8) |
| HR & Payroll | Corporate Training | (32) |
| Pension Payments | Consultants | 2 |
| Pension Payments | Superannuation Payments | 6 |
| Total | | (21) |

IT and Printing

| | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|-----------------------------------|-----------------|---------------------------|----------------------------|
| Head of Service : Sal Khan | | | |
| IT and Printing | | | |
| Central Reprographics | 109 | 95 | (14) |
| ICT | 316 | 309 | (7) |
| Total ICT and Printing | 425 | 404 | (21) |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|-----------------------|--------------------------|-------------------------------------|
| Central Reprographics | Employee Costs | 1 |
| Central Reprographics | Photocopier Hire/Postage | (12) |
| Central Reprographics | Printing and Stationery | (3) |
| ICT | Employee Costs | 4 |
| ICT | Remote Links | (8) |
| ICT | Hardware Contracts | (3) |
| Total | | (21) |

Legal and Asset Services

| Chief Officer : Andy O'Brien | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|--|-----------------|---------------------------|----------------------------|
| Legal Services & Assets | | | |
| Legal | 206 | 213 | 7 |
| Mayoral Support and Civic Ceremonials | 57 | 50 | (7) |
| Industrial Units | (624) | (521) | 103 |
| Assets and Estates Management | (73) | (76) | (3) |
| Total Legal Services & Assets | (434) | (334) | 100 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|---------------------------------------|--|-------------------------------------|
| Legal | Employee Costs | (9) |
| Legal | Operational costs saving offset by reduced costs recovered | 16 |
| Mayoral Support and Civic Ceremonials | Employee Costs | 14 |
| Civic Ceremonials | Lease Car and reduced events | (21) |
| Industrial Units | Business Rates etc - Vacant Units | 25 |
| Industrial Units | Rental Income shortfall | 38 |
| Assets & Estates | Professional Fees & Employee Costs | (9) |
| Assets & Estates | Cancellation of Statutes Fair | 6 |
| Assets and Estates/ Industrial Units | Increased Debt Provision | 40 |
| Total | | 100 |

Leisure Services

| Head of Service : Mark Rizk | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|---------------------------------|-----------------|---------------------------|----------------------------|
| Leisure Services | | | |
| Health and Leisure Grants | 24 | 18 | (6) |
| Leisure Management | 640 | 860 | 220 |
| Total Leisure Management | 664 | 878 | 214 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|---------------------------|---|-------------------------------------|
| Leisure Management | Covid-19 Estimated Impact following change in law | 309 |
| Leisure Management | Use of Contingency Funds | (89) |
| Health and Leisure Grants | Grant Savings | (6) |
| Total | | 214 |

Licensing and Enforcement

| Head of Service : Mark Rizk | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|--|-----------------|---------------------------|----------------------------|
| Licensing and Enforcement | | | |
| Licensing and Enforcement | 21 | 14 | (7) |
| CCTV | 63 | 63 | 0 |
| Total Licensing and Enforcement | 84 | 77 | (7) |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|---------------------------|-----------------------|-------------------------------------|
| Licensing and Enforcement | Employee Costs | (21) |
| Licensing and Enforcement | DBS Checking Service | (3) |
| Licensing and Enforcement | Supplies and Services | 3 |
| Licensing and Enforcement | Taxi Licence fees | 11 |
| Licensing and Enforcement | Other licence fees | 3 |
| Total | | (7) |

Markets

| Head of Service : Mark Rizk | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|-----------------------------|-----------------|---------------------------|----------------------------|
| Markets | 15 | 150 | 135 |
| Total Markets | 15 | 150 | 135 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|--------------|------------------|-------------------------------------|
| Markets | Income Shortfall | 142 |
| Markets | Employee Costs | (7) |
| Total | | 135 |

Planning and Land Charges

| Head of Service : Sal Khan | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|----------------------------|--------------------|---------------------------------|----------------------------------|
| Planning | | | |
| Planning Policy | 145 | 133 | (12) |
| Development Control | (84) | (61) | 23 |
| Land Charges | (15) | 1 | 16 |
| Total Planning | 46 | 73 | 27 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|---------------------|---|---|
| Planning Policy | Consultants | (10) |
| Planning Policy | Supplies & Services | (2) |
| Development Control | Employee Costs | 3 |
| Development Control | Additional Contribution from Ringfenced Fee Reserve | (27) |
| Development Control | Fees and Charges | 49 |
| Development Control | Supplies & Services | (2) |
| Land Charges | Employee Costs | 6 |
| Land Charges | Fees and Charges | 30 |
| Land Charges | Search and Investigation Fees | (20) |
| Total | | 27 |

Revenue and Benefits and Customer Contacts

| Head of Service : Sal Khan | Budget (£000's) | Forecast Outturn (£000's) | Forecast Variance (£000's) |
|---|--------------------|---------------------------------|----------------------------------|
| SCC - Revenues, Benefits and Customer Contacts | | | |
| Revenues | 4 | 148 | 144 |
| Benefits and Professional Services | (11) | 638 | 649 |
| Customer Contacts | 424 | 434 | 10 |
| Total - Revenues, Benefits and Customer Contacts | 417 | 1,220 | 803 |

| Division | Explanation | Forecast Amount Over/ (under) £'000 |
|-------------------|--|---|
| Revenues | Employee Costs | 38 |
| Revenues | Additional direct costs re Business Support/Covid | 41 |
| Revenues | C Tax/ NNDR reduced income from costs raised | 146 |
| Revenues | Additional Grant re Business Support/Council Tax | (86) |
| Revenues | NNDR collection allowance grant | 5 |
| Benefits | Housing Benefit - supported housing costs | 824 |
| Benefits | Housing Benefits - net position remaining elements | (31) |
| Benefits | Use of Flexible Homelessness Funding/Grant | (165) |
| Benefits | Employee Costs | 13 |
| Benefits | Overpayments: increased provision | 25 |
| Benefits | Use of new burdens grant | (17) |
| Customer Contacts | Employee Costs | 7 |
| Customer Contacts | Additional costs re Covid 19 | 7 |
| Customer Contacts | Reduced Operational costs during closure | (4) |
| Total | | 803 |

Appendix B - Investments as at 31st December 2020

| Borrower | Principal (£) | Interest Rate | Start Date | Maturity Date |
|---|---------------|---------------|------------|---------------|
| Call Accounts and Money Market Funds | | | | |
| RBS SIBA | 1,750,144 | 0.01% | | |
| Barclays | 73 | 0.05% | | |
| Santander 95 day notice account | 3,500,000 | 0.40% | | 95 day notice |
| Bank of Scotland | 2,500,000 | 0.30% | | 95 day notice |
| Lloyds | 3,500,000 | 0.10% | | 95 day notice |
| MMF Federated | 4,000,000 | 0.01% | | Call |
| MMF CCLA | 4,000,000 | 0.05% | | Call |
| Fixed Deposits / Certificates of Deposit | | | | |
| National Westminster Bank CD | 2,000,000 | 0.89% | 19/02/2020 | 18/02/2021 |
| National Westminster Bank CD | 1,000,000 | 0.26% | 12/08/2020 | 12/08/2021 |
| National Westminster Bank CD | 1,000,000 | 0.18% | 24/06/2020 | 24/03/2021 |
| National Westminster Bank CD | 1,000,000 | 0.13% | 25/11/2020 | 24/11/2021 |
| Wrexham CBC | 2,500,000 | 0.10% | 21/12/2020 | 21/06/2021 |
| DMO (UK Debt Management) | 2,500,000 | -0.11% | 23/12/2020 | 06/01/2021 |
| DMO (UK Debt Management) | 5,700,000 | 0.01% | 13/11/2020 | 19/01/2021 |
| DMO (UK Debt Management) | 5,000,000 | 0.01% | 01/12/2020 | 22/02/2021 |
| DMO (UK Debt Management) | 3,900,000 | 0.01% | 09/12/2020 | 22/02/2021 |
| DMO (UK Debt Management) | 5,000,000 | 0.00% | 22/09/2020 | 22/03/2021 |
| DMO (UK Debt Management) | 3,000,000 | 0.01% | 15/10/2020 | 22/03/2021 |

| Borrower - Icelandic Exposure | Principal (£) | Interest Rate | Start Date | Maturity Date |
|-------------------------------|---------------|---------------|------------|---------------|
| Singer | 264,000 | 5.41% | | 08/10/2008 |

| Investments rate of interest as at 30 th September 20 | Principal (£) | Interest Rate |
|--|-------------------|---------------|
| Total Investments | 52,114,217 | |
| Total Investments - Excluding Icelandic Exposure | 51,850,217 | 0.11% |
| Total Investments - Icelandic Exposure Only | 264,000 | 5.41% |

| Average rate of interest (Year to date) | Principal (£) | Interest Rate |
|---|-------------------|---------------|
| Total Investments | 49,734,396 | |
| Total Investments - Excluding Icelandic Exposure | 49,470,396 | 0.26% |
| Total Investments - Icelandic Exposure Only | 264,000 | 5.41% |

| 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, impact on procurement and VFM etc.). Potential for operational/service delivery | 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 | 31/12/2020 |
| Business Rates Retention Scheme | Business Rate Retention Scheme. Impact of scheme on funding, including scale of reliefs/appeals, economic impact of Covid-19, 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. | 4 | 4 | 16 | 31/12/2020 |
| Covid -19 | <u>People and Processes</u> 1) Availability of staff and skills to deliver services to residents, maintain operations and deliver strategic 2) Ability to continue council business and decision making during lockdown and social distancing requirements. | Up to date and suitable business continuity plans in place and working in partnership as part of the Staffordshire Resilience Forum. Mobile and agile working arrangements with majority of staff working from home with ICT infrastructure in place to ensure business continuity during lockdown and social distancing HR Policies and procedures reviewed and revised to support revised arrangements. Internal staff survey to feedback challenges, benefits and impact of wellbeing from revised working arrangements in order to inform actions required and enable senior management to tailor the response going forward. Virtual decision making processes in place and operating effectively, including virtual Council, Cabinet, Scrutiny and Committee meetings. Regular monitoring and situation reporting at all levels, including daily Corporate Management Team Meetings, Daily Situation Reporting to Staffordshire Resilience Forum, weekly member briefings and monthly update reports to Cabinet and the political groups. | 2 | 4 | 13 | 31/12/2020 |

Corporate Risks

Risk Owner: Corporate Management Team

| Risk | Source of Risk | Treatment Description | Likelihood | Impact | Risk Level | Last Reviewed |
|-------------------------|---|---|------------|--------|------------|---------------|
| Covid-19 (continued) | <p><u>Service and Communications</u></p> <p>1) Impact of lockdown regulations and social distancing requirements on the delivery of services by the council and its contractors.</p> <p>2) Communication of impacts and response to the community</p> | <p>Working in partnership with contractors and following government guidance in relation to contractor support during the pandemic.</p> <p>Regular monitoring and situation reporting at all levels, including daily Corporate Management Team Meetings, Daily Situation Reporting to Staffordshire Resilience Forum, weekly member briefings and monthly update reports to Cabinet and the political</p> <p>Significantly increased and proactive social media work undertaken by the Corporate and Commercial Team in conjunction with services</p> <p>Covid Marshals deployed in a customer-facing ambassadorial role that will help residents and visitors with advice on the national guidance on COVID-19, including social distancing and the wearing of face masks where appropriate.</p> <p>A new 'Shop Safe Shop Local' campaign supporting Reopening High Streets Safely will be launched in the lead up to Christmas as an expected increase in visitors to the town during November and December 2020.</p> <p>The Customer Service Centre re-opened on 12th October for pre-booked appointments. The Brewhouse Arts Centre reopened on Monday 3rd August 2020. The Burton Town Hall reopened on Monday 6th July for appointment only viewings.</p> | 3 | 4 | 15 | 31/12/2020 |
| | <p><u>Council Finances</u></p> <p>Financial pressures from increased expenditure and loss of income impact on the Council's ability to deliver services in the short, medium and long term.</p> | <p>Government support through various funding packages. Bid jointly submitted to the National Leisure Fund with SLM to provide support to maintain leisure services. Arts Grant Funding (£51k) awarded to support our Arts and Brewhouse Service.</p> <p>A robust and prudent Medium Term Financial Strategy and resilient underlying financial position</p> <p>Regular monitoring and reporting to the Corporate Management Team, the Leader (as portfolio holder), Government through monthly returns to MHCLG and Cabinet.</p> | 3 | 4 | 15 | 31/12/2020 |

| Corporate Risks | | Risk Owner: Corporate Management Team | | | | |
|----------------------------|---|---|------------|--------|------------|---------------|
| Risk | Source of Risk | Treatment Description | Likelihood | Impact | Risk Level | Last Reviewed |
| | <p><u>Economic</u></p> <p>Negative impact on health and well being of the community as a result of the economic downturn arising from the pandemic.</p> | <p>Business Support Grants, retail and hospitality business rates relief and Council tax hardship fund. Test and Trace Support Payments.</p> <hr/> <p><u>Borough:</u> Towns fund deal (up to £25m in investment), Business Development Fund, £1.4m Station Street regeneration and £0.75m High Street regeneration, Job fairs and Business advice from the Enterprise Team (more details can be found in the Covid-19 update report.)</p> <hr/> <p><u>Government schemes,</u> including furlough, self employed income support, Vat and stamp duty cuts etc. (More detail can be found in the latest Covid-19 Update report.)</p> <hr/> <p><u>Ward:</u> Councillors community fund, frontline councillor advocacy for individuals and families, Parish Council community support and community support by the community and civil enforcement team.</p> | 3 | 4 | 15 | 31/12/2020 |
| Central Government Funding | Uncertainty surrounding future government funding, including the impact of the business rates changes, New Homes Bonus, Fair Funding Review, the impact of the next Spending Review and potential fallout from Brexit and Covid-19 on national finances. | <p>Robust MTFS with flexibility to respond to changes in government proposals</p> <hr/> <p>Financial modelling/impact assessment.</p> <hr/> <p>Keep abreast of Govt developments and pro-actively responding to consultations.</p> | 3 | 4 | 15 | 31/12/2020 |
| Climate Change | Failure to deliver the climate change action plan approved by Council 17th August 2020. | <p>Annual monitoring and reporting. Proposed additional staffing resource to support implementation.</p> <hr/> <p>Regular reviews by the Deputy Leader</p> | 1 | 4 | 10 | 31/12/2020 |
| Financial : Pension Scheme | Increasing pension liabilities result in the need to increase employer contributions above those assumed within the MTFS | <p>Realistic provision within MTFS for cost and changes</p> <hr/> <p>Overall robustness of MTFS to enable some resilience to increases</p> | 2 | 4 | 13 | 31/12/2020 |
| ICT Security | <p>Unintentional or intentional introduction of malware, resulting impacts on normal service delivery and/or breach of data protection, via:</p> <p>1) Prevention of access to systems or 2) Physical destruction of hardware 3) Data Exposure or leaks</p> <p>4) Data alteration</p> | <p>ICT Security Policy</p> <hr/> <p>Access controls and permissions within system applications</p> <hr/> <p>Protective defences such as antivirus software</p> <hr/> <p>Perimeter protection with hardware firewalls</p> <hr/> <p>Regular patching</p> <hr/> <p>Access controls and permissions within system applications</p> <hr/> <p>Prevention of access to unnecessary physical facilities e.g. CD drives and USB ports</p> | 2 | 4 | 13 | 31/12/2020 |

| Corporate Risks | | Risk Owner: Corporate Management Team | | | | | Last Reviewed |
|--|---|---|------------|--------|------------|------------|---------------|
| Risk | Source of Risk | Treatment Description | Likelihood | Impact | Risk Level | | |
| 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 | 31/12/2020 | |
| 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. Regular in-year monitoring, including scenario planning in relation to the impact of Covid-19. | 4 | 4 | 16 | 31/12/2020 | |
| Treasury Management - Counter-party risk | Market volatility results in counter-party failure and financial loss to the Council. | Robust Treasury Management Strategy and generally a low risk approach to investments. Advice from professional treasury advisors, monitoring market developments. | 3 | 4 | 15 | 31/12/2020 | |
| 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 The Council is working closely with the Environment Agency in relation to extensive flood defence work on the Washlands and wider areas to prevent major flooding events in the future. County wide preventing violent extremism working group | 2 | 4 | 13 | 31/12/2020 | |
| Unforeseen Health Impacts | Pandemics/wider health issues impacting on council (more detail in relation to Covid-19 above) | Succession planning/ability to access temporary staff. Major Incident/Emergency Plan Robust, tested business continuity plans | 4 | 4 | 16 | 31/12/2020 | |

| Corporate Risks | | Risk Owner: Corporate Management Team | | | | |
|--|--|--|------------|--------|------------|---------------|
| Risk | Source of Risk | Treatment Description | Likelihood | Impact | Risk Level | Last Reviewed |
| Welfare Reforms | Welfare Reforms. 1) Delivery of Universal Credit 2) Financial impact of Council Tax Reduction, including demographic changes 3) Financial impact of universal credit on subsidy levels, ability to recover overpayments and housing options | Council Tax Reduction scheme approved and complied with <hr/> Regular monitoring of scheme against financial provisions / MTFS <hr/> Financial modelling/impact assessment. More frequent in year monitoring. | 3 | 4 | 15 | 31/12/2020 |
| Wider Public Sector Funding Reductions | Impact on the Council of the wider public sector funding reductions. | Robust MTFS generally provides some financial resilience to respond to changes <hr/> Seek and develop opportunities to increase income or reduce costs across all Council operations <hr/> Senior level discussions may mitigate or prevent such cost shunts | 3 | 4 | 15 | 31/12/2020 |

| 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/SSLEP | Failure to be adequately represented and therefore limited ability to influence. Opportunity risk of not maximising potential benefits from working within the LEPS. | Senior officers (CE and Heads of service) heavily involved in working with the LEP to represent Council's Recently accepted the invite to join the SSLEP with a place on the board. One member (Council) one vote, provides Council with a strong voice on GBSLEP | 1 | 4 | 10 | 31/12/2020 | |
| 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. BC's reviewed in preparation for recent Covid-19 events Approved, up to date BC policy in place. | 1 | 4 | 10 | 31/12/2020 | |
| Devolution | Forthcoming devolution white paper potential for mayoral combined authorities / unitary authorities | Opportunities under review with county council and other districts. Monitored by the executive | 1 | 4 | 10 | 31/12/2020 | |
| Communication | Lack of community engagement and failure to take into account residents views in the decision making process | Consultation strategy in force Proactive social media work undertaken by the Corporate and Commercial Team | 2 | 2 | 5 | 31/12/2020 | |
| 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 quarterly scrutiny boards. Any slippage is identified at an early stage and preventative and/or corrective actions are taken as necessary. Delivery of the Corporate Plan is likely to be significantly more challenging due to the impact of the Covid-19 Pandemic. | 3 | 4 | 15 | 31/12/2020 | |

| 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/SSLEP | Failure to be adequately represented and therefore limited ability to influence. Opportunity risk of not maximising potential benefits from working within the LEPS. | Senior officers (CE and Heads of service) heavily involved in working with the LEP to represent Council's Recently accepted the invite to join the SSLEP with a place on the board. One member (Council) one vote, provides Council with a strong voice on GBSLEP | 1 | 4 | 10 | 31/12/2020 | |
| 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-fresh of plans take place. BC's reviewed in preparation for recent Covid-19 events Approved, up to date BC policy in place. | 1 | 4 | 10 | 31/12/2020 | |
| Devolution | Forthcoming devolution white paper potential for mayoral combined authorities / unitary authorities | Opportunities under review with county council and other districts. Monitored by the executive | 1 | 4 | 10 | 31/12/2020 | |
| Communication | Lack of community engagement and failure to take into account residents views in the decision making process | Consultation strategy in force Proactive social media work undertaken by the Corporate and Commercial Team | 2 | 2 | 5 | 31/12/2020 | |
| 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 quarterly scrutiny boards. Any slippage is identified at an early stage and preventative and/or corrective actions are taken as necessary. Delivery of the Corporate Plan is likely to be significantly more challenging due to the impact of the Covid-19 Pandemic. | 3 | 4 | 15 | 31/12/2020 | |

| Strategic Risks | | Risk Owner: Corporate Management Team | | | | | Last Reviewed |
|------------------------------|--|--|------------|--------|------------|------------|---------------|
| Risk | Source of Risk | Treatment Description | Likelihood | Impact | Risk Level | | |
| 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 | 31/12/2020 | |
| 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 | 31/12/2020 | |
| 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 | 2 | 4 | 13 | 31/12/2020 | |