

EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	Revenue and Capital Outturn Report – Final Outturn 2020/21	To be marked with an 'X' by Democratic Services after report has been presented
Meeting of:	Corporate Management Team – 18th May 2021	X
	Leader and Deputy Leaders – 24 th May 2021	X
	Leader's / Leader of the Opposition's Advisory Group – 2 nd June 2021 / 3rd June 2021	X
	Cabinet – 14 th June 2021	X
	Scrutiny Audit and Value for Money Council Services Committee – 24 th June 2021	

Is this an Executive Decision:	YES	Is this a Key Decision:	YES
Is this in the Forward Plan:	YES	Is the Report Confidential:	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

Deputy Monitoring Officer: **Linda Durham**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 14th June 2021

TITLE:	Revenue and Capital Outturn Report – Final Quarter 2020/21	
PORTFOLIO:	Finance	
HEAD OF SERVICE:	Sal Khan	
CONTACT OFFICER:	Lisa Turner – Chief Accountant	ext. 1399
WARD(S) AFFECTED:	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 2020/21.

2. Executive Summary

- 2.1 The report highlights overall there were **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 lockdowns. 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 £2.7m is taken into consideration there is a **small net surplus of £0.3m**.
- 2.2 The Council, like all local authorities, has faced 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. Taking into account the impact of the Pandemic, overall this is a very positive outcome. Paragraph 4.3 of the report highlights the most significant financial pressures with detailed variations outlined in Appendix A.

- 2.3 It is worth noting that the Government have provided an estimated £10.1 billion nationally in Covid support to local authorities in 2020/21 and it is estimated that this broadly matches forecast pressures. However the uneven financial pressures across the sector means that it is estimated that three in ten councils expect to receive more funding in 2020/21 than their forecast in-year pressures.¹
- 2.4 In respect of **capital projects**, the report sets out expenditure against a programme of £6.9m. During the course of the year the Council provided grants for disabled facilities as well as supporting a number of improvements to the Public Realm on Station Street and High Street, Burton. The Council also gave final approval to its plans for enhancements at the Washlands and working with the Towns Board developed initial plans for the Regeneration of Burton as part of the Stronger Towns Fund. Spending during the course of the year amounted to £2.9m, with some projects taking place over several years. It is proposed that £4m be carried forward to support the ongoing projects as outlined at Section 6 of the report.
- 2.5 As at 31st March 2021 **investments** stood at £46m. The average rate of return on the council's investments throughout 2020/21 was 0.21%, which exceeded benchmarks. The Council's external borrowing stands at £11m as at 31st March 2021. Treasury management activities during the year have been consistent with the approved strategy. Further details on investments and borrowing can 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. The Council in partnership with other Staffordshire authorities participates in a business rates pool which allows for 50% of any growth to be retained locally. The position for 2020/21 is very positive with a **draft surplus of £0.7m**. In addition to this we are waiting on the final results from the pool to ascertain our final share of any windfall, of which £0.2m has been retained and was built into the budget. Whilst this is a very positive outcome the outlook for business rates income remains uncertain and therefore the report recommends that this surplus be held in the business rates reserve and considered as part of the development of the MTFS for 2022/23 onwards. Further details on BRR Scheme can be found at section 7 of the report.
- 2.7 The Council's general fund reserve at the end of the 2020/21 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 31st March 2020, these reserves are estimated to be £18.3m (£15.1m as at 31st March 2020). In addition to this, £8.2m relating to Covid Business Rates Relief Section 31 Grant is held within the reserve to deal with timing differences, which will be needed to offset the corresponding Collection Fund Deficit in 2021/22.

¹ Source: Room151 Article: Financial pressures loom for 2023 and beyond, 30th March 2021

- 2.8 Local authority funding is facing significant uncertainty following a decade of reduced central government funding and future planned reforms. In addition to this, the impact of the Covid-19 Pandemic has been a significant financial challenge for local authority finances as well as our residents and businesses. The Council has made prudent financial provision within the Medium Term Financial Plan for the ongoing impact of the Pandemic, given the degree of uncertainty it remains to be seen whether this will be sufficient. Reserve levels are an indicator of financial resilience and whilst there is a high degree of financial uncertainty moving forward the Council is in a strong position to meet this challenge.
- 2.9 The outturn position includes carry forward requests totaling £0.190m and these are outlined in Appendix D for Cabinet approval. It is proposed that the net revenue outturn surplus of £0.3m be set aside within reserves, to support the ongoing pressures associated with Covid-19 (the MTFs for 2021/22 was balanced with the use of £1.1m from reserves to support ongoing pressures, including £1.3m associated with Covid-19).

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.

4. Revenue Budget Outturn 2020/21

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 Net Budget	Actual Outturn	Outturn Variation Over/(Under)	Forecast Variation Q3 Over/(Under)
	£'000	£'000	£'000	£'000
Arts, Brewhouse and Function Suite	402	560	158	170
Community and Open Spaces	1,407	2,133	726	689
Corporate Management Team	436	437	1	6
Corporate and Commercial	873	819	(54)	(40)
Cultural Services - Marketing	85	64	(21)	(18)
Enterprise	115	116	1	6
Environment	3,909	4,084	175	264
Environmental Health	467	443	(24)	35
Financial Services	965	1,187	222	227
Housing	309	293	(16)	45
Human Resources, Payments & Pensions	1,910	1,849	(61)	(21)
IT and Printing	409	387	(22)	(21)
Legal Services and Assets	(436)	(330)	106	100
Leisure Services	660	901	241	214
Licensing and Enforcement	86	81	(5)	(7)
Markets	15	113	98	135
Planning and Land Charges	42	19	(23)	27
Revenue, Benefits and Customer Contacts	408	1,225	817	803
Corporate Items	(1,038)	(959)	79	(187)
Total against Budget	11,024	13,422	2,398	2,427
Covid-19 Central Funding (Tranche 2,3 & Covid -19 Central Income Scheme	0	(1,836)	(1,836)	(1,836)
	0	(837)	(837)	(781)
Total - (Surplus) / Shortfall	11,024	10,749	(275)	(190)

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 2020/21 budget and the year-end outturn. Further supporting narrative in relation to those divisions with the most significant variations is set out below:

■ **Arts, Brewhouse and Functions – Net Pressure of £158k**

There has been a significant shortfall in income levels which has partially been offset by 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 shortfall.

■ **Community, Open Spaces and Facilities – Net Pressure of £726k**

This pressure arises because of a shortfall in car parking income of £812k due to the Covid-19 Pandemic. The shortfall has been partially offset by savings and increased income across the wider service.

■ **Environment – Net Pressure - £175k**

This pressure arises due to a number of factors. There was an increase in staffing costs within waste management (£137k) 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 costing £27k and increased third party payments for processing/transportation. There was also a 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 has taken a robust position in this regard and as a result there were cost pressures in this area.

■ **Financial Services – Pressure £222k**

Pressures have arisen in this area due to 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 shortfall of £137k. There is also a shortfall 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 – Pressures £106k**

There were 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 it was necessary to increase the provision for outstanding debts.

■ **Leisure – Pressures £241k**

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, there were cost pressures of £377k, this has been partially offset by the use of existing contingency budgets within this area (£58k), an element of the leisure recovery fund (£66k) and a small underspend (£12k) elsewhere within this budget.

■ **Markets – Forecast Pressures £98k**

This pressure arose from a loss of income due to service closures and social distancing arising from the pandemic and also lower levels of occupancy than assumed within the budget. There has been an improvement against the forecast outturn at Quarter 3 due to a reduction in the need to provide for debts. This follows the receipt of Covid Grants, which have been utilised by the traders to reduce their outstanding rentals.

■ Revenues, Benefits and Customer Contacts – Pressures £817k

This pressure largely relates to three significant areas:

- Income from the recovery of court costs was £110k 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 outturn includes a pressure of £791k, which has been partially offset by the use of flexible housing funding from central government (£165k). This pressure includes £350k which has been transferred to a reserve pending the outcome of claims that have not yet been settled. 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.
- A new alert system has been introduced which is significantly reducing the level of housing benefit overpayments. Whilst this is a positive step forward and means that claimants do not accrue significant overpayment debt, there is an impact on the Councils income budgets.

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

- 4.4 Looking ahead to 2021/22, many of the pressures outlined in this report are one-off in nature and/or have been addressed in the Medium Term Financial Strategy for 2021/22 onwards. The Covid-19 Pandemic has represented an unprecedented challenge to both the Council and the nation as a whole. The financial impact has been substantial, impacting all areas of the Council's activities and most significantly its income streams, including council tax, business rates and parking. The Government have provided a range of funding packages to support both residents, business and local authorities during this challenging time. Additional funding has been allocated by Government in relation to 2021/22 and whilst the Council has made prudent provision for these pressures within the Medium Term Financial Plan the budget has been balanced from reserves.
- 4.5 Carry Forward requests totalling £190k are outlined within Appendix D to the report for consideration. These largely relate to areas that have been impacted by the Pandemic.

5 Treasury Management

- 5.1 The Council approved the Treasury Management Strategy Statement for 2020/21 on 24th February 2020. A full annual report on the treasury management activities and performance against the strategy is planned to be presented to the Scrutiny (Audit and Value for Money Council Services) Committee and full Council in June/July. 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 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 short to medium term and there remains the risk of negative rates, although recent developments mean this is now much lower. . A comparison with other benchmarks of the rate of return on investments achieved by ESBC in the year to 31 March 2021 is shown below:

	Average Rate Year to 31/03/21
ESBC	0.21%
3 Month LIBID Rate	0.02%
6 Month LIBID Rate	0.08%
Base Rate	0.10%
Budget	0.65%

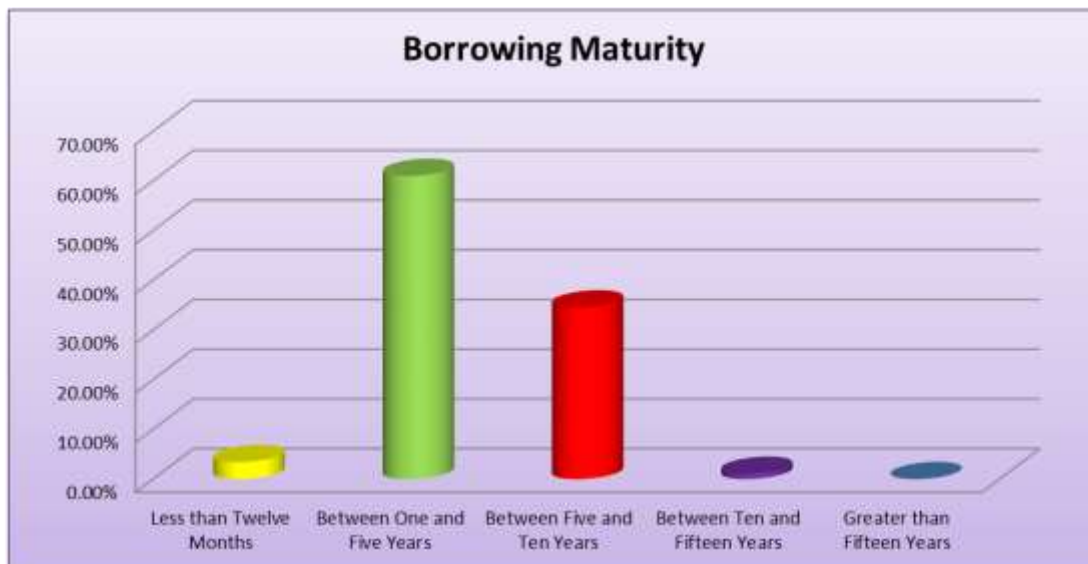
***LIBID = London Inter Bank Bid Rate*

- 5.3 The emergency cut in the base rates means that investment income returns were lower (£137k) than budget, the ESBC average return for the year exceeds both the base rate and other benchmarks. A full schedule of investments is set out in **Appendix C**.

Borrowing

- 5.4 The average rate payable on the Council's borrowing as at 31th March 2021 is 5.4% (5.4% at 31st March 2020).
- 5.5 Borrowing levels as at 31st March 2021 stood at £11m. This is consistent with the latest Treasury Management Strategy. The table below is a summary of the debt by type, followed by a graphical demonstration of the maturity profile.

Debt Type	Principal Outstanding (£)	Average Rate
Total Fixed Debt		
PWLB Maturity	5,700,000	4.646%
PWLB Annuity	562,297	8.682%
Total Variable Debt		
Market	4,500,000	5.914%
GBSLEP Loan	375,000	
Total External Debt	11,037,297	5.362%

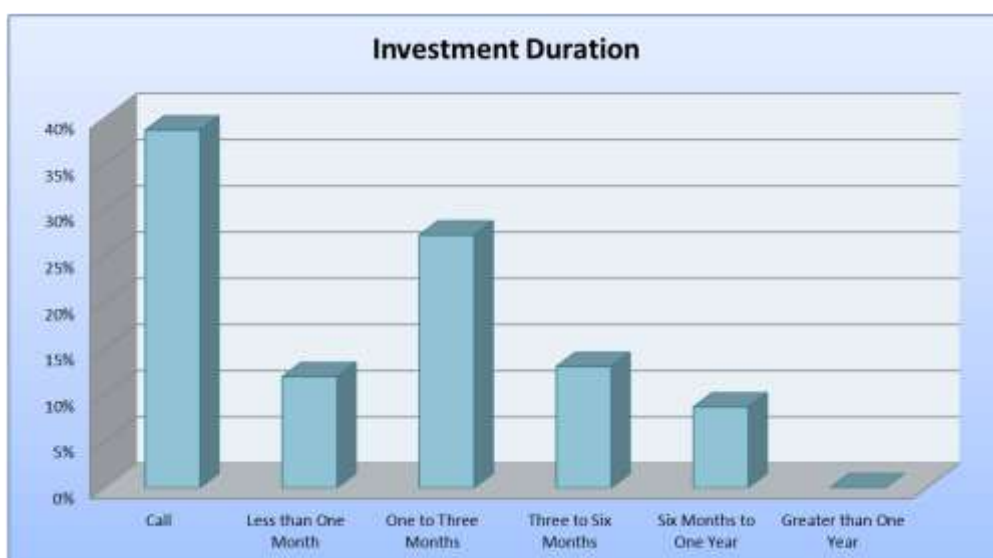


Capital Financing Budget

- 5.6 This budget consists of £0.8m associated with the cost of servicing the council's debt and £0.240m income from investment returns.
- 5.7 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, the outturn figures shown at Appendix A set out a shortfall in this regard of £79k at Outturn.

Investments

- 5.8 As at 31st March 2021 investments totalled £46m, a full schedule of these is set out within **Appendix C**. The following chart shows the maturity structure of the Council's Investments at 31st March 2021, with the vast majority of investments held short term reflecting a low risk approach during the current conditions:



6. Capital Programme 2020/21

- 6.1 The Council's Capital Programme for 2020/21 totals **£6.9m**, of which £2.5m relates to projects carried forward from 2019/20. Accrued spending on capital projects during 2020/21 amounted to **£2.9m**, resulting in £4m remaining of programmed expenditure.
- 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 2021/22 of £4m to allow for completion of the planned projects.

Capital Programme 2020-21	Budget £	Accrued Spend £	Amount to be Carried forward £	Overspend/ (Underspend) £
Annual Projects which are ongoing				
Neighbourhood Working Fund	56,200	28,268	22,324	(5,608)
Disabled Facility Grants	2,490,720	740,582	1,750,138	-
Sub-total A	2,546,920	768,850	1,772,462	(5,608)
Projects Taking Place Over Several Years				
Town Hall Office Accommodation	1,756	0	1,756	-
Bartec Street Cleaning Software	25,842	13,100	12,742	-
Station Street - Burton	1,093,795	1,014,050	79,745	-
Cemetery Expansion	20,000	5,050	14,950	-
Small Business Fund	100,000	0	100,000	-
IT - CISCO Switches	62,000	60,814	1,186	-
Assets Mandatory Works	60,000	22,346	37,654	-
Washlands ¹	2,050,000	76,692	1,973,308	-
Sub-total B	3,413,393	1,192,053	2,221,340	0
Projects Complete				
Canal Street Industrial Units	38,727	21,336	-	(17,391)
Accelerated Stronger Towns Fund Project	750,000	750,000	-	-
Sub-total C	788,727	771,336	0	(17,391)
Projects Complete and Sourced from Revenue and other External Funds				
Newton Road Open Space	111,050	111,050	-	-
IT Update 2020/21	72,440	72,440	-	-
Sub-total D	183,490	183,490	0	0
Total	6,932,530	2,915,730	3,993,802	(22,999)

Note 1 - 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.

- 6.3 The carry forward sums of £4m relate to projects that are ongoing or taking place over several years, such as the award of grant funding for disabled facilities (£1.8m) and the enhancements at the Washlands (£2m). The table also highlights £23k of funding that has been identified as no longer being required.

6.4 Capital receipts generated during the course of the year are set out in the table below:

Capital Receipts – 2020/21	£
Deposit, Land at Rosliston Road, Stapenhill	5,000
Sale of Land, Dove Way	1,250,000
Shareholding – Dividend Payment	125,000
Deed of Grant – Fennel Close, Uttoxeter	10,000
Total	1,390,000

7. Business Rates Retention Scheme

7.1 The business rates retention (BRR) scheme came into effect from 1st 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 £2.959m for 2020/21. However, for the Council has continued to participate in a Pooling arrangement in partnership with other Staffordshire Authorities. Whilst this means that collectively the Pool benefits from additional growth retained within the area, it also means that the pool is responsible for making its own safety net arrangements.

7.2 The table below compares, at summary level, the draft outturn position with the budget. This demonstrates a significant **surplus of £0.7m** against the budget which has largely arisen due to the provision held for appeals, which has been reduced to take account of the latest available data and information.

DRAFT Retained Business Rates – 2020/21	Budget £000	Draft Outturn £000	Variance £000
Business Rates - ESBC Share (40%)	21,248	13,748	(7,500)
Government Compensation for extension of Small Business Rates Relief and other Reliefs (inc. Covid-19)	1,819	10,287	8,468
Less Tariff	(18,913)	(18,913)	-
Pre-levy retained business rates	4,154	5,122	968
Section 31 Grant (RPI Cap)	94	(207)	(301)
Levy	(478)	(763)	(285)
Volatility Provision#	(246)	(246)	-
Post Levy Retained Business Rates 2020/21	3,524	3,906	382
Retained Levy	-	305	305
Adjustments relating to 2019/20	-	3	3
Combined Surplus	3,524	4,214	690*

#Actual transferred to business rates risk reserve

* Of this sum, £8.2m is within the general fund and £7.5m in the Collection Fund and is held in reserves to be funded in 2021/22.

7.3 In addition to the above surplus the Council is also due a windfall from the Business Rates Pool that is in operation with the other Staffordshire Authorities. The Council has already retained the guaranteed £215k, which was in the budget and we are waiting on the final amount due once all the submissions have been made.

7.4 Whilst this is a positive outcome, Members are reminded that there has been significant volatility arising from the scheme and taking into account the economic conditions the outlook for business rates income remains very uncertain. A number of Covid-19 related claims against business rates have been lodged with the VOA. The Government have already taken measures to prevent any further claims and have indicated that they intend to bring forward legislation to mitigate the existing claims, should for any reason this not take place there would be an additional risk to this income stream. 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 2022/23.

8. **Risk Assessment and Management**

8.1 The Council's risk management strategy has been approved by Cabinet. Attached at **Appendix E** to this report is a schedule of the most significant risks facing the authority, including the actions taken or being taken in order to control or mitigate these risks.

8.2 The most significant risks associated with the authority's financial position are set out and provided for within the Medium Term Financial Strategy.

9. **Legal Considerations**

This section has been approved by the following member of the Legal Team: Linda Durham

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 2020/21 Outturn. This is summarised below:

Revenue	2020/21 £'000	2021/22 £'000	2022/23 £'000
Revenue under-spend (transferred to reserves)	(275)		
Carry Forward Requests (Appendix D)	(190)	190	
Capital			
Carry forward of sums relation to ongoing projects set out in para. 6.2 and 6.3	(3,994)	3,994	

- 12.2 As set out within section 7, the draft outturn in relation to the Business Rates Retention Scheme indicates a combined surplus of £0.7m (excluding windfall items). It is proposed that this sum is set aside within the business rates risk reserve and reviewed as part of the development of the MTFs for 2022/23.

13. **Cabinet Recommendations**

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

- a) Note the revenue outturn position for 2020/21;
- b) Approve the carry forward requests shown in Appendix D (£0.190m);
- c) Transfer the remaining sum (£0.275m) to reserves in support of the ongoing Covid related pressure.

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

- a) Note the capital outturn position for 2020/21;
- b) Approve the budgets for outstanding projects from 2020/21 totaling £3.994m to be carried forward to 2021/22 (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 31st March 2021 (Section 5);

- b) The position in respect of the Council's general balances and earmarked reserves as at 31st March 2021 (Para.2.6);
- c) The draft outturn position in relation to the Business Rates Retention Scheme for 2020/21, and the subsequent set aside to reserves (Section 7).
- d) The significant risks facing the authority and associated mitigations or control measures in place, as outlined within **Appendix E**.

VARIANCES AGAINST BUDGET AT OUTTURN 2020/21

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Arts, Brewhouse and Civic Function Suite			
Brewhouse and Arts Development	311	370	59
Civic Function Suite	91	190	99
Total Arts, Brewhouse and Civic Functions	402	560	158

Division	Explanation	Actual Amount Over/ (under) £'000
Brewhouse and Arts Development	Professional Theatre Fees	(20)
Brewhouse and Arts Development	Shortfall in Ticket Sales Income	34
Brewhouse and Arts Development	Shortfall in Room Rental Income	52
Brewhouse and Arts Development	Other - Income Shortfall	30
Brewhouse and Arts Development	Arts Grant	(51)
Brewhouse and Arts Development	Other running costs	(14)
Brewhouse and Arts Development	Business Rates - Relief Awarded	(17)
Brewhouse and Arts Development	Brewhouse Cafe/Bar - Net Shortfall	31
Brewhouse and Arts Development	Arts Development Programme	14
Civic Function Suite	Employees	(5)
Civic Function Suite	Premises and Operational Savings	(38)
Civic Function Suite	Room Hire - Shortfall in Income	127
Civic Function Suite	Other Income Shortfall	15
Total		158

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Community, Open Spaces and Facilities			
Cemeteries	(14)	(45)	(31)
Open spaces	1,399	1,453	54
Partnerships	33	33	0
Horticultural Centre	44	45	1
Facilities and Health and Safety	338	319	(19)
Community Centres	19	23	4
Car Parks Income	(789)	(43)	746
Community and Civil Enforcement	307	286	(21)
Social Regeneration	48	42	(6)
Councillors Community Fund	22	20	(2)
Total Community and Open Spaces	1,407	2,133	726

APPENDIX A

Division	Explanation	Actual Amount Over/ (under) £'000
Cemeteries	Employee Costs	28
Cemeteries	Burial Fees	(76)
Cemeteries	Monument Fees/Other Income	12
Cemeteries	Carry forward - Staffing support for 2021/22	8
Cemeteries	Premises Related Expenditure	(3)
Open spaces	Employee Costs	7
Open spaces	Car Parks Maintenance	33
Open spaces	Contracted Grounds Maintenance	14
Horticultural Centre	Contracted Grounds Maintenance	(2)
Horticultural Centre	Seeds, Plants and Shrubs	(7)
Horticultural Centre	Hanging Baskets Income	10
Facilities and Health and Safety	Supplies and Services	(5)
Facilities and Health and Safety	Other Premise related expenditure	(11)
Facilities and Health and Safety	Employee Costs	(3)
Community Centres	Repairs & Maintenance	4
Car Parks Income	Bargates Net Additional Income	4
Car Parks Income	Car Parking Income Shortfall	723
Car Parks Income	Season/Penalty Notices Income	89
Car Parks Income	Supplies and Services	(68)
Community and Civil Enforcement	Employee Costs	(27)
Community and Civil Enforcement	Fixed Penalty Fines	4
Social Regeneration	Supplies and Services	(6)
Councillors Community Fund	Project underspend	(2)
Total		726

Chief Officer : Andy O'Brien	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
CMT			
Chief Executives	204	203	(1)
Heads of Service	232	234	2
Total CMT	436	437	1

Division	Explanation	Actual Amount Over/ (under) £'000
Chief Executives	Employee Costs - Vacancy Factor	2
Chief Executives	Supplies and Services	(3)
Heads of Service	Employee Costs - Vacancy Factor	2
Total		1

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	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Head of Service : Sal Khan			
Corporate and Commercial			
Programmes and Information	253	228	(25)
Committee Support	95	97	2
Elections	204	182	(22)
Emergency Planning	13	31	18
Members Allowances	308	281	(27)
Total Corporate and Commercial	873	819	(54)

Division	Explanation	Actual Amount Over/ (under) £'000
Programmes and Information	Employee Costs	(7)
Programmes and Information	Supplies and Services	(6)
Programmes and Information	Christmas Decorations	(13)
Programmes and Information	Software Licenses & Contracts	1
Committee Support	Employee Costs	2
Committee Support	Software Licenses & Contracts	1
Committee Support	Supplies and Services	(1)
Elections	Employee Costs	4
Elections	Temp Staff Costs	(20)
Elections	Supplies and Services	(6)
Emergency Planning	General Grants	(1)
Emergency Planning	Covid Communications - ESBC Share	19
Members Allowances	Supplies and Services	(11)
Members Allowances	Basic Allowance	(12)
Members Allowances	Standards Committee	(2)
Members Allowances	Information Commissioner	(2)
Total		(54)

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Head of Service : Mark Rizk			
Cultural Services - Marketing	85	64	(21)
Total Cultural Services - Marketing	85	64	(21)

Division	Explanation	Actual Amount Over/ (under) £'000
Cultural Services - Marketing	Advertising	(21)
Total		(21)

APPENDIX A

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Chief Officer : Andy O'Brien			
Enterprise			
Enterprise	115	116	1
Total Enterprise	115	116	1

Division	Explanation	Actual Amount Over/ (under) £'000
Enterprise	Employee Costs	11
Enterprise	Other Running Costs	(3)
Enterprise	Grants/Contributions Payable	(12)
Enterprise	ERDF Grant Receivable	9
Enterprise	Use of reserve	(4)
Total		1

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Head of Service : Sal Khan			
Environment			
Council Depots	136	120	(16)
Public Conveniences	148	117	(31)
Waste Collection	2,499	2,798	299
Street Cleaning	1,021	955	(66)
Building Consultancy	49	43	(6)
Land Drainage	56	51	(5)
Total Environment	3,909	4,084	175

APPENDIX A

Division	Explanation	Actual Amount Over/ (under) £'000
Council Depots	Staffing including Restructure	(7)
Council Depots	Premises-Related Expenditure	(20)
Council Depots	Covid-19 PPE Stock	11
Public Conveniences	Employee Costs	(19)
Public Conveniences	Transport Related Expenditure	(6)
Public Conveniences	Supplies and Services	(6)
Waste Collection	Employee Costs	22
Waste Collection	Temporary Staff	104
Waste Collection	Honoraria - COVID working recognition	11
Waste Collection	Hire of additional Refuse Vehicle	27
Waste Collection	Third Party Payments - Gate Fees/Contamination	106
Waste Collection	Third Party Payments - Garden Waste Reprocessing	14
Waste Collection	Third Party Payments - Dry Recycling Transport Costs	16
Waste Collection	Third Party Payments - Trade Refuse Disposal	3
Waste Collection	Recycling Income	(43)
Waste Collection	Trade Refuse Income	39
Street Cleaning	Employee Costs	(9)
Street Cleaning	Temporary Staff	(20)
Street Cleaning	Honoraria - COVID working recognition	5
Street Cleaning	Transport Related Expenditure	(20)
Street Cleaning	Supplies and Services	(6)
Street Cleaning	Street Cleaning Fee Income	(13)
Street Cleaning	Bulky Waste Income	(3)
Building Consultancy	Shortfall in Building Control Fee Income	11
Building Consultancy	Premises and other Operational Savings	(10)
Building Consultancy	Other Fees and Charges	(7)
Land Drainage	Premises-Related Expenditure	(5)
Total		175

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Head of Service : Mark Rizk			
Environmental Health			
Environmental Health	387	364	(23)
Animal Control	6	(1)	(7)
Housing Standards	74	80	6
Total Environmental Health	467	443	(24)

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Division	Explanation	Actual Amount Over/ (under) £'000
Environmental Health - Covid-19	Employee costs Outbreak Response	86
Environmental Health - Covid-19	Overtime/Weekend Call Out	14
Environmental Health - Covid-19	Interim Support Costs (Other)	17
Environmental Health - Covid-19	COVID-19 Income (Outbreak Response SCC)	(117)
Environmental Health	Service Running Cost Savings	(14)
Environmental Health	Income	(8)
Animal Control	Dog Kennelling	(7)
Housing Standards	Employee costs	(3)
Housing Standards	Service Running Costs	(1)
Housing Standards	Loss of HMO income	39
Housing Standards	Reduced contribution to HMO reserve	(30)
Total		(24)

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Financial Services			
Capital Financing Costs	353	569	216
Financial Management Unit	490	497	7
Internal & External Audit	122	121	(1)
Total Financial Services	965	1,187	222

Division	Explanation	Actual 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)	137
Financial Management Unit	Employee Costs	(2)
Financial Management Unit	Temp Staff Costs	4
Financial Management Unit	MTD Software/Agresso Support	13
Financial Management Unit	Professional Fees	5
Financial Management Unit	Contribution from Professional Reserve	(18)
Financial Management Unit	Supplies and Services	5
Internal & External Audit	Audit Fee Savings	(1)
Total		222

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Housing			
Housing Options	309	293	(16)
Total: Housing	309	293	(16)

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Division	Explanation	Actual Amount Over/ (under) £'000
Housing Options	Employee Costs	34
Housing Options	Contribution from Reserves/Govt Grant Funding	(30)
Housing Options	Supplies and Services	(3)
Housing Options: Accommodation	Rents	(5)
Housing Options: Accommodation	B&B Costs (excluding Covid 19)	(70)
Housing Options: Accommodation	B&B Costs (Covid 19)	86
Housing Options: Accommodation	Premises Rental/ B&B Rentals income	(29)
Housing Options: Accommodation	Supplies and Services	(4)
Housing Options: Accommodation	Contribution from Reserves	5
Total		(16)

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Chief Officer : Andy O'Brien			
Human Resources and Payments			
HR and Payroll	365	307	(58)
Pension Payments	1,545	1,542	(3)
Total Human Resources and Payments	1,910	1,849	(61)

Division	Explanation	Actual Amount Over/ (under) £'000
HR & Payroll	Employee Costs	11
HR & Payroll	Supplies and Services	(8)
HR & Payroll	Corporate Training	(38)
HR & Payroll	Recovered losses - Mobility Link	(23)
Pension Payments	Professional Fees	2
Pension Payments	Superannuation Payments	(5)
Total		(61)

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Head of Service : Sal Khan			
IT and Printing			
Central Reprographics	108	91	(17)
ICT	301	296	(5)
Total ICT and Printing	409	387	(22)

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Division	Explanation	Actual Amount Over/ (under) £'000
Central Reprographics	Employee Costs	1
Central Reprographics	Photocopier Hire/Postage	(15)
Central Reprographics	Printing and Stationery	(3)
ICT	Employee Costs	8
ICT	Operational Savings	(13)
ICT	ICT Departmental Purchases/Software Licenses	(35)
ICT	Top up ICT Reserve	35
Total		(22)

Chief Officer : Andy O'Brien	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Legal Services & Assets			
Legal	205	212	7
Mayoral Support and Civic Ceremonials	57	44	(13)
Industrial Units	(625)	(589)	36
Assets and Estates Management	(73)	3	76
Total Legal Services & Assets	(436)	(330)	106

Division	Explanation	Actual Amount Over/ (under) £'000
Legal	Employee Costs	(12)
Legal	Operational costs savings	(10)
Legal	Reduction in Costs Recovered	29
Mayoral Support and Civic Ceremonials	Employee Costs	14
Mayoral Support and Civic Ceremonials	Lease Car and reduced events	(27)
Industrial Units	Business Rates etc - Vacant Units	4
Industrial Units	Rental Income shortfall	32
Assets & Estates	Professional Fees and recovered costs	(4)
Assets & Estates	Cancellation of Statutes Fair	6
Assets & Estates	Increased Debt Provision	74
Total		106

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Leisure Services			
Health and Leisure Grants	19	12	(7)
Leisure Management	641	889	248
Total Leisure Management	660	901	241

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Division	Explanation	Actual Amount Over/ (under) £'000
Leisure Management	Employee Savings	(5)
Leisure Management	Additional Contractor Support following change in	377
Leisure Management	National Leisure Recovery Funding	(66)
Leisure Management	Use of Contingency Funds	(58)
Health and Leisure Grants	Grant Savings	(7)
Total		241

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Licensing and Enforcement			
Licensing and Enforcement	20	17	(3)
CCTV	66	64	(2)
Total Licensing and Enforcement	86	81	(5)

Division	Explanation	Actual Amount Over/ (under) £'000
Licensing and Enforcement	Employee Costs	(22)
Licensing and Enforcement	DBS Checking Service	(6)
Licensing and Enforcement	Abandoned Vehicles	5
Licensing and Enforcement	Enforcement Service Running Costs	(8)
Licensing and Enforcement	Licence fees	23
Licensing and Enforcement	Provision for Aged Debt	5
CCTV	Other Running Expenses	(2)
Total		(5)

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Markets	15	113	98
Total Markets	15	113	98

Division	Explanation	Actual Amount Over/ (under) £'000
Markets	Income Shortfall	127
Markets	Premises Related Expenses	(17)
Markets	Supplies and Services	(5)
Markets	Employee Costs	(7)
Total		98

APPENDIX A

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Planning			
Planning Policy	144	131	(13)
Development Control	(87)	(92)	(5)
Land Charges	(15)	(20)	(5)
Total Planning	42	19	(23)

Division	Explanation	Actual Amount Over/ (under) £'000
Planning Policy	Employee Costs	12
Planning Policy	Additional Contribution from Ringfenced Fee Reserve	(13)
Planning Policy	Consultants	(11)
Planning Policy	Supplies & Services	(1)
Development Control	Employee Costs	17
Development Control	Additional Contribution from Ringfenced Fee Reserve	(17)
Development Control	Software/Systems Development/Other Equipment	(9)
Development Control	Supplies & Services	(7)
Development Control	Fees and Charges	11
Land Charges	Employee Costs	6
Land Charges	Fees and Charges	18
Land Charges	Search and Investigation Fees	(29)
Total		(23)

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
SCC - Revenues, Benefits and Customer Contacts			
Revenues	1	102	101
Benefits and Professional Services	(14)	694	708
Customer Contacts	421	429	8
Total - Revenues, Benefits and Customer Contacts	408	1,225	817

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Division	Explanation	Actual Amount Over/ (under) £'000
Revenues	Employee Costs	19
Revenues	Additional employee and direct costs re Covid 19	59
Revenues	C Tax/ NNDR reduced income from costs raised	110
Revenues	Additional operational costs	4
Revenues	NNDR collection allowance grant	5
Revenues	Additional Grant re Business Support/Council Tax	(96)
Benefits	Housing Benefit - supported housing costs	791
Benefits	Use of Flexible Homelessness Funding/Grant	(165)
Benefits	Housing Benefits - net position remaining elements	29
Benefits	Employee Costs	7
Benefits	Additional employee and direct costs re Covid 19	17
Benefits	Additional operational costs	4
Benefits	Additional Grant income	(53)
Benefits	Provision for Aged Debts	(1)
Benefits	Reduced Level of Overpayments - Alert System	79
Customer Contacts	Employee Costs	(5)
Customer Contacts	Additional employee and direct costs re Covid 19	17
Customer Contacts	Reduced Operational costs during closure	(4)
Total		817

SUMMARY OF CAPITAL EXPENDITURE AGAINST PROGRAMME 2020-21

Appendix B

Description	Brought Forward 2019/20		2020/21 - per MTFS (Budget Book)		Changes Since MTFS Approved		Total Budget	Spend 2020/21	Variation	Carryforward to 2021/22		Completed / Ongoing & Comments
	ESBC	Other Funding	ESBC	Other Funding	ESBC	Other Funding				ESBC	Other Funding	
	£	£	£	£	£	£				£	£	
Neighbourhood working Fund	56,200						56,200	28,268	27,932	22,324		Ongoing
Disabled Facility Grants		1,330,328		1,023,000		137,392	2,490,720	740,582	1,750,138		1,750,138	Ongoing
Town Hall Office Accommodation Refurbishment	1,756						1,756	0	1,756	1,756		Final Account
Canal Street Industrial Units	38,727						38,727	21,336	17,391	0	0	Programme works completed
Bartec Street Cleaning Software	25,842						25,842	13,100	12,742	12,742		Ongoing
Station Street Burton	439,856	653,939					1,093,795	1,014,050	79,745	79,745		Practical Completion
Cemetery Expansion (Note 1)			20,000				20,000	5,050	14,950	14,950		Ongoing
Small Business Fund			100,000				100,000	0	100,000	100,000		Commencing 2021/22
ICT - CISCO Switches			62,000				62,000	60,814	1,186	1,186		
Assets - Mandatory Works			60,000				60,000	22,346	37,654	37,654		Ongoing
Washlands			1,050,000	1,000,000			2,050,000	76,692	1,973,308	1,973,308		Scoping for Procurement
Accelerated Stronger Towns Fund - High Street Project						750,000	750,000	750,000	0	0	0	
Newton Road Open Space					111,050		111,050	111,050	0	0	0	
IT Update 2020/21					72,440		72,440	72,440	0	0	0	
	562,381	1,984,267	1,292,000	2,023,000	183,490	887,392	6,932,530	2,915,730	4,016,800	2,243,664	1,750,138	
	2,546,648		3,315,000							3,993,802		

Note 1 - Cemetery Expansion - Approved funding of £195k relates to £20k in 2020/21 and £175k in 2021/22.

INVESTMENTS AT 31ST MARCH 2021

Appendix C

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date
Call Accounts and Money Market Funds				
RBS SIBA	1,186,505	0.01%		
Barclays	43	0.05%		
Santander Account	3,500,000	0.40%		95 day notice
Bank of Scotland Account	2,500,000	0.30%		95 day notice
Lloyds Account	3,500,000	0.10%		95 day notice
MMF Federated	3,000,000	0.01%		Call
MMF - CCLA	4,000,000	0.04%		Call
National Westminster Bank CD	1,000,000	0.26%	12/08/2020	12/08/2021
National Westminster Bank CD	1,000,000	0.13%	25/11/2020	24/11/2021
National Westminster Bank CD	1,000,000	0.14%	30/03/2021	30/12/2021
National Westminster Bank CD	2,000,000	0.09%	18/02/2021	18/02/2022
Wrexham CBC	2,500,000	0.10%	21/12/2020	21/06/2021
DMO (UK Debt Management)	2,000,000	0.01%	14/01/2021	14/04/2021
Derbyshire CC	2,000,000	0.07%	26/03/2021	16/04/2021
Rugby BC	1,500,000	0.08%	29/03/2021	29/04/2021
Powys CC	5,000,000	0.03%	01/03/2021	01/06/2021
Basildon BC	5,000,000	0.04%	22/03/2021	22/06/2021
Merseyside PCC	5,000,000	0.10%	18/03/2021	20/09/2021

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

Investments rate of interest as at 31 March 2021			
	Principal (£)	Interest Rate	
Total Investments	45,950,548		
Total Investments - Excluding Icelandic Exposure	45,686,548	0.11%	
Total Investments - Icelandic Exposure Only	264,000	5.41%	

Average rate of interest		
	Principal (£)	Interest Rate
Total Investments	51,518,186	
Total Investments - Excluding Icelandic Exposure	51,254,186	0.21%
Total Investments - Icelandic Exposure Only	264,000	5.41%

**REVENUE BUDGET
CARRY FORWARD REQUESTS
2020/21 OUTTURN**

The following requests have been made by Chief Officers and Budget Managers for approval:-

Service	Amount £	Request
Cemeteries	8,000	To Support Staffing Resilience
Environmental Health	79,000	To make provision for additional staffing support for the Environmental Health Team who's workload has been heavily impacted by the Pandemic.
Facilities	48,000	To support essential repairs and maintenance to facilities deferred due to the Pandemic.
Legal	20,000	To support ongoing member conduct investigations
Corporate	35,000	Provision for Covid-19 Honorarium Payments
Total	190,000	

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 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.	2	4	13	31/03/2021
Business Rates Retention Scheme	Business Rate Retention Scheme. Impact of scheme on funding, including scale of reliefs/appeals, economic impact of Covid-19, 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	31/03/2021
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. Staff surveys to explore staff experiences of working from home during the latest lockdown and returning to the work-based premises during the coming months. 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 regular update reports to Cabinet and the political groups.	2	4	13	31/03/2021

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, regular situation reporting to Staffordshire Resilience Forum, weekly member briefings and regular update reports to Cabinet and the political groups.</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>The Council is encouraging residents to 'Stay Local' in its latest campaign to support businesses in the Borough. The 'Stay Local' campaign, which features a range of local business owners, is designed to promote Burton and Uttoxeter town centres, as well as other high streets and shopping areas across East Staffordshire, whilst reminding residents to continue to shop safely.</p> <p>The Customer Service Centre remains closed. The Brewhouse Arts Centre has been closed during the most recent national lockdown and partially re-opened w/c 26th April. Burton Market Hall reopened on 12th April. Everyone Active opened outdoor facilities at Shobnall on 29th March and the Leisure Centres were re-opened on 12th April in line with national guidance.</p>	3	4	15	31/03/2021
	<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. A successful bid jointly submitted to the National Leisure Fund with SLM to provide support to maintain leisure services (£236k). Arts Grant Funding (£51k) awarded to support our Arts and Brewhouse Service. (£236k)</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	31/03/2021

Corporate Risks		Risk Owner: Corporate Management Team					Last Reviewed
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level		
	<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 £22.8m 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	31/03/2021	
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	31/03/2021	
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	31/03/2021	
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	31/03/2021	

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
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 2) Physical destruction of hardware 3) Data Exposure or leaks 4) Data alteration	ICT Security Policy <hr/> Access controls and permissions within system applications <hr/> Protective defences such as antivirus software <hr/> Perimeter protection with hardware firewalls <hr/> Regular patching <hr/> Access controls and permissions within system applications <hr/> Prevention of access to unnecessary physical facilities e.g. CD drives and USB ports	2	4	13	31/03/2021
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 <hr/> Monitoring Officer role to oversee legal compliance <hr/> Training rolled out in respect of GDPR requirements. Compliance oversight by Monitoring Officer and CMT	1	4	10	31/03/2021
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 <hr/> Proactive treasury management forecasting, monitoring and reporting <hr/> Budgeting based on prudent forecasts. Regular in-year monitoring, including scenario planning in relation to the impact of Covid-19.	4	4	16	31/03/2021
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. <hr/> Advice from professional treasury advisors, monitoring market developments.	2	4	13	31/03/2021

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Unforeseen Environmental Impacts	Floods, fire, chemical, major disaster, terrorism	<p>Major Incident/Emergency Plan</p> <p>Test exercises ensure readiness for incidents</p> <p>Internal resource and support from CSU</p> <p>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.</p> <p>County wide preventing violent extremism working group</p>	2	4	13	31/03/2021
Unforeseen Health Impacts	Pandemics/wider health issues impacting on council (more detail in relation to Covid-19 above)	<p>Succession planning/ability to access temporary staff.</p> <p>Major Incident/Emergency Plan</p> <p>Robust, tested business continuity plans</p>	4	4	16	31/03/2021
Welfare Reforms	<p>Welfare Reforms.</p> <p>1) Delivery of Universal Credit</p> <p>2) Financial impact of Council Tax Reduction, including demographic changes</p> <p>3) Financial impact of universal credit on subsidy levels, ability to recover overpayments and housing options funding.</p>	<p>Council Tax Reduction scheme approved and complied with</p> <p>Regular monitoring of scheme against financial provisions / MTFS</p> <p>Financial modelling/impact assessment. More frequent in year monitoring.</p>	3	4	15	31/03/2021
Wider Public Sector Funding Reductions	Impact on the Council of the wider public sector funding reductions.	<p>Robust MTFS generally provides some financial resilience to respond to changes</p> <p>Seek and develop opportunities to increase income or reduce costs across all Council operations</p> <p>Senior level discussions may mitigate or prevent such cost shunts</p>	3	4	15	31/03/2021

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 interests 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	31/03/2021	
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	31/03/2021	
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	31/03/2021	
Communication	Lack of community engagement and failure to take into account residents views in the decision making process. Covid-19 has made this more challenging, in particular relation to the ability to undertake face to face consultations.	Consultation strategy in force Proactive social media work undertaken by the Corporate and Commercial Team	2	2	5	31/03/2021	
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 has been significantly more challenging due to the impact of the Covid-19 Pandemic.	3	4	15	31/03/2021	

Strategic Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Council Tax Reduction Scheme	Failure to adopt a scheme that is fit for purpose	Scheme suitably approved and adopted; budget set based on forecasts and reviewed; CTR correctly applied per scheme	1	3	6	31/03/2021
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	31/03/2021
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	31/03/2021
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	31/03/2021
Medium Term Financial Strategy	Failure to adopt and implement an effective and robust MTFS impacting on the Council's ability of the Council to meet its objectives.	The MTFS is established with COs and DLs working together to realign political manifesto into a series of objectives and financial targets. Financial support and challenge to proposals with financial implications, minimising risks of a budget shortfall. The MTFS is adopted at full council and refreshed at full council annually. Performance of the MTFS is formally reported on a quarterly basis through Cabinet and all political groups as well. Any slippage is identified at an early stage and preventative and/or corrective actions are taken as necessary.	1	4	10	31/03/2021

Strategic Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Member Training/Awareness	Lack of awareness/understanding of key responsibilities.	Constitution Member induction programme, member training and regular briefings. Open door policy with Heads of service; discussions/briefings with officers.	2	2	5	31/03/2021
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	31/03/2021
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	31/03/2021