

REPORT TO: POLICY & RESOURCES COMMITTEE – 9 MARCH 2015

REPORT ON: REVENUE MONITORING 2014/2015

REPORT BY: DIRECTOR OF CORPORATE SERVICES

REPORT NO: 107-2015

1 PURPOSE OF REPORT

- 1.1 To provide Elected Members with an analysis of the 2014/2015 projected revenue outturn as at 31 January 2015 monitored against the adjusted 2014/2015 Revenue Budget.

2 RECOMMENDATIONS

- 2.1 It is recommended that Elected Members:
- a note that the overall General Fund 2014/2015 projected revenue outturn as at 31 January 2015 is projecting an underspend of £615,000 against the adjusted 2014/2015 Revenue Budget.
 - b note that the Housing Revenue Account as at 31 January 2015 is projecting a breakeven position against the adjusted HRA 2014/2015 Revenue Budget.
 - c agree that the Director of Corporate Services will take every reasonable action to ensure that the 2014/2015 Revenue expenditure is below or in line with the adjusted Revenue Budget.
 - d instruct the Director of Corporate Services in conjunction with all Chief Officers to continue to monitor the Council's 2014/2015 projected revenue outturn.

3 FINANCIAL IMPLICATIONS (see Appendix A)

- 3.1 The overall projected 2014/2015 General Fund Revenue outturn position for the City Council is currently projecting an underspend of £615,000 based on the financial information available at 31 January 2015. A system of perpetual detailed monitoring will continue to take place up to 31 March 2015 with the objective of the Council achieving a final outturn which is below or in line with the adjusted 2014/2015 Revenue Budget.
- 3.2 The Housing Revenue Account outturn position for 2014/2015 is currently projecting a breakeven position based on the financial information available for the period to 31 January 2015. A system of perpetual detailed monitoring will continue to take place up to 31 March 2015 with the objective of the HRA achieving a final outturn which is below or in line with the adjusted 2014/2015 HRA Revenue Budget.

4 BACKGROUND

- 4.1 Following approval of the Council's 2014/2015 Revenue Budget by the Special Policy and Resources Committee on 13 February 2014 this report is now submitted in order to monitor the 2014/2015 projected revenue outturn position as at 31 January 2015, against the adjusted 2014/2015 Revenue Budget.
- 4.2 This report provides a detailed breakdown of departmental revenue monitoring information along with explanations of material variances against adjusted budgets. Where departments are projecting a significant under or overspend against adjusted budget, additional details have been provided. Where departmental expenditure is on target and no material variances are anticipated, additional information has not been provided.

5 RISK ASSESSMENT

5.1 In preparing the Council's 2014/2015 Revenue Budget, the Director of Corporate Services considered the key strategic, operational and financial risks faced by the Council over this period (please refer to report 83-2014, approved by Special Policy & Resources Committee on 13 February 2014, for further details). In order to alleviate the impact these risks may have should they occur, a number of general risk mitigation factors are utilised by the Council. These include the:

- system of perpetual detailed monthly budget monitoring carried out by departments
- general contingency provision set aside to meet any unforeseen expenditure
- level of general fund balances available to meet any unforeseen expenditure
- level of other cash backed reserves available to meet any unforeseen expenditure
- possibility of identifying further budget savings and efficiencies during the year, if required.

5.2 The key risks in 2014/2015 have now been assessed both in terms of the probability of whether they will occur and the severity of their impact on the Council should they indeed happen. These risks have been ranked as either zero, low, medium or high. Details of this risk assessment, together with other relevant information including any proposed actions taken by the Council to mitigate these risks, are included in Appendix D to this report.

6 GENERAL FUND SERVICES - MONITORING POSITION AS AT 31 JANUARY 2015

6.1 The forecast position as at 31 January 2015 for General Fund services is summarised below:

	<u>Adjusted</u> <u>Budget</u> <u>2014/15</u> <u>£000</u>	<u>Forecast</u> <u>2014/15</u> <u>£000</u>	<u>Variance</u> <u>£000</u>
Total Expenditure	341,843	341,228	(615)
Total Income	<u>(341,843)</u>	<u>(341,843)</u>	<u>-</u>
Forecast Position	<u>-</u>	<u>(615)</u>	<u>(615)</u>

The forecast position as at 31 January 2015 is shown in more detail in the appendices to this report, as follows:

Appendix A shows the variances between budget and projected outturn for each department/service of the Council.

Appendix B provides detailed explanations for the variances against budget that are shown in Appendix A.

Appendix C lists the budget adjustments that have been undertaken to date.

Appendix D lists the key strategic, operational and financial risks being faced by the Council. These risks have been assessed and ranked accordingly both in terms of the probability of whether they will occur and the severity of their impact on the Council should they indeed happen. Any changes to the assessment from the previous reporting period, together with any additional comments included, are highlighted in bold type.

6.2 The following paragraphs summarise the main areas of variance by department along with appropriate explanations. It should be emphasised that this report identifies projections based on the first ten months of the financial year to 31 January 2015. The figures are therefore indicative at this stage and are used by the Chief Executive, Director of Corporate Services and Chief Officers to identify variances against budget and enable corrective action to be taken as appropriate.

Departmental Commentary

6.3 City Development (£740,000 overspend)

The department continue to forecast a shortfall in external rental income due to the number of commercial properties they anticipate will be vacant during the remainder of the year and the temporary loss of income from various ground leases during the development of the waterfront area.

6.4 Environment (£120,000 overspend)

The department project a shortfall in the level of chargeable income budgeted mainly due to the volatility in national and global commodity prices for the sale of recycle materials such as glass, metals and paper.

6.5 Education (£100,000 underspend)

Savings are expected from the department's share of the residential and secure care budget due to a reduction in the number of placements being made. In addition, savings in staff costs are anticipated due to the current number of unfilled vacancies, whilst energy costs have also reduced reflecting a reduction in consumption levels across all sectors. These underspends are partly offset by a projected overspend in transport costs for special schools as a result of an increase in the number of children requiring support by this service.

6.6 Social Work (£875,000 underspend)

Within Children and Families services, the department are projecting savings due to a reduction in the number of residential and secure care placements that are currently being made. Within Adult services, payments to third sector bodies are also expected to be lower than budgeted following delays in implementing various new service developments. The department are projecting these variances will be partly offset by additional expenditure for family placements due to the increased number of children requiring to be accommodated together with increased expenditure for Older People due to the greater level of demand for these services.

6.7 Capital Financing Costs (£500,000 underspend)

The above reflects a projected saving due to lower than anticipated interest rates together with a reduction in required level of borrowing due to slippage on expenditure in the 2014/15 capital programme.

7 HOUSING REVENUE ACCOUNT - MONITORING POSITION AT 31 JANUARY 2015

7.1 The forecast position as at 31 January 2015 for the HRA is summarised below:

	<u>Adjusted Budget 2014/15 £000</u>	<u>Forecast 2014/15 £000</u>	<u>Variance £000</u>
Total Expenditure	54,849	54,892	43
Total Income	<u>(54,849)</u>	<u>(54,892)</u>	<u>(43)</u>
Forecast Position	<u>—</u>	<u>—</u>	<u>—</u>

7.2 Expenditure on planned and open space maintenance is projected to be greater than budgeted due to the increased level of work currently being required together with a higher void rent loss than budgeted. These adverse variances are projected to be offset by a reduction in expenditure on day to day repairs and relets and lower than anticipated capital financing costs (please refer to Appendix B for further details).

- 7.3 The overall impact is a breakeven position against the adjusted HRA 2014/2015 Revenue Budget. A system of perpetual detailed monitoring will continue to take place up to 31 March 2015 with the objective of the HRA achieving a final outturn which is below or in line with the adjusted 2014/2015 HRA Revenue Budget.

8 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of sustainability, strategic environmental assessment, anti-poverty, equality impact assessment and risk management. Details of the risk assessment are included in Appendix D to this report.

There are no major issues.

9 CONSULTATIONS

The Chief Executive, Head of Democratic and Legal Services and all other Chief Officers have been consulted in the calculation of projected outturns included in this report, insofar as they apply to their own individual department.

10 BACKGROUND PAPERS

None.

MARJORY M STEWART
DIRECTOR OF CORPORATE SERVICES

26 FEBRUARY 2015

DUNDEE CITY COUNCIL
2014/2015 REVENUE OUTTURN MONITORING
PERIOD 1 APRIL 2014 - 31 JANUARY 2015

Statement analysing 2014/2015 Projected Revenue Outturn to Budget (Capital Charges, Central Support, Central Buildings & Corporate Property Recharges have been excluded from Departments as these costs are outwith their control).

Appendix A

	Approved Budget £000	Budget Adjustments 01 April to 31 Dec £000	Budget Adjustments 01 Jan to 31 Jan £000	Total Budget Adjustments (see Appx C) £000	Adjusted Budget £000	Forecast £000	Worse Than Budget £000	Better Than Budget £000	Net Variance (see Appx B) £000	Notes	Previous Months Projected Variance £000	Movement since Previous Month £000
General Fund Departments												
City Development	20,565	250	1,430	1,680	22,245	22,985	740		740	1	530	210
Environment	18,806	30	(147)	(117)	18,689	18,809	120		120	2		120
Chief Executive	18,625	(44)	22	(22)	18,603	18,603						
Corporate Services	19,861	1,313	1,230	2,543	22,404	22,404						
Other Housing	2,566		29	29	2,595	2,595						
Supporting People	11,630				11,630	11,630						
Scottish Welfare Fund	1,497	437	(185)	252	1,749	1,749						
Education	116,591	2,331	1,002	3,333	119,924	119,824		(100)	(100)	3		(100)
Social Work	96,824	(153)	54	(99)	96,725	95,850		(875)	(875)	4	(275)	(600)
	306,965	4,164	3,435	7,599	314,564	314,449	860	(975)	(115)		255	(370)
Miscellaneous Income	(2,908)		(258)	(258)	(3,166)	(3,166)						
Capital Financing Costs /												
Interest on Revenue Balances	26,645	(137)		(137)	26,508	26,008		(500)	(500)	5	(300)	(200)
Contingencies:												
- General	653	(141)	(10)	(151)	502	502						
- Energy Costs	289		(289)	(289)	0	0						
- Unallocated Corporate Savings:												
CFTF - Admin / Clerical Review	(438)				(438)	(438)						
VER / VR Schemes	(250)	250		250	0	0						
CFTF - Procurement	(52)				(52)	(52)						
CFTF - Review of Transportation	(100)				(100)	(100)						
CFTF - Debt Recovery Section	(150)	150		150	0	0						
Mobile Telephones	(3)	3		3	0	0						
Discretionary NDR Relief	147				147	147						
Supplementary Superannuation Costs	2,276	49	600	649	2,925	2,925						
Tayside Valuation Joint Board	953				953	953						
Total Expenditure	334,027	4,338	3,478	7,816	341,843	341,228	860	(1,475)	(615)		(45)	(570)
Sources of Income												
General Revenue Funding	(227,701)	(1,740)	(5,245)	(6,985)	(234,686)	(234,686)						
Contribution from NNDR Pool	(59,025)				(59,025)	(59,025)						
Council Tax	(47,301)	(264)	2,424	2,160	(45,141)	(45,141)						
Use of Balances -												
Committed Balances c/f		(2,199)		(2,199)	(2,199)	(2,199)						
Renewal & Repair Fund		(50)	(57)	(107)	(107)	(107)						
VER/VR Scheme			(600)	(600)	(600)	(600)						
Other Balances		(85)		(85)	(85)	(85)						
(Surplus)/Deficit for the year	0	0	0	0	0	(615)	860	(1,475)	(615)		(45)	(570)
Housing Revenue Account	0				0	0			0	6	0	

REASONS FOR 2014/2015 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES
(Excludes Capital Charges, Central Support Services & Office Recharges)
AT 31 JANUARY 2015

Appendix B

<u>Department</u>	<u>Note</u>	<u>As at 31 Jan £000</u>	<u>As at 31 Dec £000</u>	<u>Cost Centre</u>	<u>Subjective Analysis</u>	<u>As at 31 Jan £000</u>	<u>As at 31 Dec £000</u>	<u>Reason / Basis of Over/(Under)spend</u>
<u>City Development</u>	1	740	530	Departmental	Staff	(450)	(450)	Reflects the level of staff slippage projected due to a number of unfilled posts.
				Roads Maintenance	Third Party Payments	110	0	Reflects increased activities due to recent weather conditions.
				Off Street Car Parks	Supplies & Services	50	50	Reflects higher than anticipated expenditure on security costs.
					Income	130	130	Reflects projected shortfall in level of budgeted income for car parking charges.
				Property	Property	100	0	Projected overspend on non-domestic rates, repairs and maintenance and health & safety contracts.
					Income	550	550	Reflects projected shortfall in external rental income due to the number of properties that are currently vacant.
				Investment Properties	Income	220	220	Mainly reflects temporary loss of income from ground leases during the development of the waterfront area.
<u>Environment</u>	2	120	Nil	Environmental Protection	Income	120	0	Largely due to a lower than budgeted income due to the volatility in national and global commodity prices for the sale of recycle materials such as glass, metals and paper.
<u>Education</u>	3	(100)	Nil	Departmental	Staff	(150)	(100)	Reflects projected staff slippage due to the current level of employee turnover.
					Property	(200)	0	Reflects saving mainly due to reduction in energy costs across all sectors.
				Special Schools	Transport	400	240	Projected overspend due to an increase in the number of children requiring support.
				Education other than at School	Third Party Payments	(150)	(100)	Reflects the reduction in number of residential and secure care placements currently being made.
<u>Social Work</u>	4	(875)	(275)	Departmental	Staff	(300)	(50)	Mainly reflects the level of staff slippage projected due to a number of unfilled posts across the department.
				Children & Families	Third Party Payments	(450)	(300)	Reflects the reduction in number of residential and secure care placements currently being made.
					Third Party Payments	200	200	Reflects increase in the number of children required to be looked after and accommodated by the family placement service.
				Older People	Third Party Payments	295	295	Mainly increased costs and demand of Older People and Free Personal Care placements.
				Adults	Third Party Payments	(620)	(420)	Due to delays in fully implementing service developments for which budgetary provision was made.

REASONS FOR 2014/2015 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES
(Excludes Capital Charges, Central Support Services & Office Recharges)
AT 31 JANUARY 2015

Appendix B

<u>Department</u>	<u>Note</u>	<u>As at 31 Jan £000</u>	<u>As at 31 Dec £000</u>	<u>Cost Centre</u>	<u>Subjective Analysis</u>	<u>As at 31 Jan £000</u>	<u>As at 31 Dec £000</u>	<u>Reason / Basis of Over/(Under)spend</u>
<u>Capital Financing Costs</u>	5	(500)	(300)	Corporate	Capital Financing Costs / IORB	(500)	(300)	Reflects projected saving on capital financing costs due to lower than anticipated interest rates together with slippage on expenditure in 2014/15 capital programme.
<u>Housing Revenue Account</u>	6	Nil	Nil	Repairs and Relets		154	245	Reflects increase in the level of planned and open space maintenance required partly offset by an underspend in day to day repairs and relets.
				Rents		(43)	(125)	Reflects increased rental income due to more properties within core stock than budgeted partly offset by an under recovery of homeless service charge due to reduction in temporary accommodation.
				Void Rent Loss / Bad Debts		189	180	Reflects higher void costs than budgeted and increased sales ledger debt provision.
				Capital Financing Costs / IORB		(300)	(300)	Reflects projected saving on capital financing costs due to lower than anticipated interest rates.

Appendix C

	<u>2013/14</u>		<u>Alloc</u>	<u>Alloc</u>		<u>Council</u>	<u>Vol Early</u>	
	<u>Alloc</u>	<u>Under</u>	<u>from</u>	<u>from</u>	<u>T/Fs</u>	<u>Tax</u>	<u>Retiral/</u>	
	<u>From</u>	<u>spends</u>	<u>R&R</u>	<u>Other</u>	<u>Between</u>	<u>Reduction</u>	<u>Redund</u>	<u>Dept</u>
<u>General Fund Departments</u>	<u>Conts</u>	<u>b/fwd</u>	<u>T/Fs</u>	<u>Fund</u>	<u>Bals</u>	<u>Depts</u>	<u>Scheme</u>	<u>Totals</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
<u>Education</u>								
1. DSM Balances		1,043						
2. Early Years Change Fund - Children's Wellbeing Project		91						
3. Funding for Second Languages		46						
4. 1 + 2 Language Policy			131					
5. Copyright for School Pupils			38					
6. T/f Supplementary Supn Costs to General Fund					(44)			
7. Installation of car parking barrier for Craigowl PS				10				
8. Children & Young People Act			700					
9. New National Qualifications			145					
10. Early Years Change Fund (FDWS)					250			
11. T/f Staff costs to General Fund							(42)	
12. T/f Staff costs to City Development					(11)			
13. Teachers Induction Monies			501					
14. Free School Meals			392					
15. Teachers Pay			58					
16. Early Years Change Fund (Aspire)					30			
17. Procurement Category Management Structure					(5)			
								3,333
<u>Social Work</u>								
1. Community Equipment Service		51						
2. Protecting People		13						
3. Dundee Violence Against Women Partnership		29						
4. Sensory Impairment Strategy		28						
5. Implementation of Self-Directed Support		25						
6. Prudential Borrowing (Meals on Wheels Service)					(9)			
7. Early Years Change Fund (FDWS)					(250)			
8. T/f Staff costs to General Fund							(40)	
9. Family Support			74					
10. T/F Staff Costs from Corporate Services					10			
11. Early Years Change Fund (Aspire)					(30)			
								(99)
<u>City Development</u>								
1. T/f Whitfield Life Centre budgets from Chief Executive					17			
2. T/f Dundee Ice Arena Management Fee from Chief Executive					375			
3. Prudential Borrowing (DERL Lease)					146			
4. T/f Staff costs from Education					11			
5. T/f Admin & Clerical staff to Corporate Services					(299)			
6. Dundee Airport			1,121					
7. DISC Pitch Sprinkler Systeem					1			
8. Car park barriers for primary schools				34				
9. Procurement Category Management Structure					(15)			
10. T/f from Energy Costs Contingency					289			
								1,680
<u>Environment</u>								
1. T/f Staff costs to General Fund							(6)	
2. T/F of Curling Budget to Chief Executive					(4)			
3. Drainage Works at Craigowl PS & Downfield PS				40				
4. Commonwealth Games	10							
5. Procurement Category Management Structure					(18)			
6. T/f Admin & Clerical staff to Corporate Services					(139)			
								(117)
<u>Chief Executive</u>								
1. Community Asset T/f		15						
2. Interim Manager- MASH Review		16						
3. Whitfield Café Shortfall		11						
4. The Corner / Peer Education		22						
5. Translation Service		52						
6. Disabled Go Access Guides		8						
7. T/f Whitfield Life Centre budgets from Chief Executive					(17)			
8. T/f Dundee Ice Arena Management Fee from Chief Executive					(375)			
9. T/f Staff costs from Corporate Services					136			
10. Various T/fs from General Contingency	84							
11. T/F of Curling Budget from Environment					4			
12. Regional Performance Centre for Sport				23				
13. DISC Pitch Sprinkler Systeem					(1)			
								(22)

Appendix C

	<u>2013/14</u>		<u>Alloc</u>	<u>Alloc</u>		<u>Council</u>	<u>Vol Early</u>	
	<u>Alloc</u>	<u>Under</u>	<u>from</u>	<u>from</u>	<u>T/Fs</u>	<u>Tax</u>	<u>Retiral/</u>	
	<u>From</u>	<u>spends</u>	<u>R&R</u>	<u>Other</u>	<u>Between</u>	<u>Reduction</u>	<u>Redund</u>	<u>Dept</u>
<u>General Fund Departments</u>	<u>Conts</u>	<u>b/fwd</u>	<u>T/Fs</u>	<u>Fund</u>	<u>Bals</u>	<u>Depts</u>	<u>Scheme</u>	<u>Totals</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
<u>Corporate Services</u>								
1. Civica Legal Management System		45						
2. Welfare Reform		150						
3. Discretionary Housing Payments		132						
4. Allocation of Mobile Telephones Saving						(3)		
5. Discretionary Housing Payments			1,328					
6. Council Tax Reduction Scheme: Admin Costs			260					
7. Single Fraud Investigation Scheme			22					
8. Discretionary Housing Payments: Staffing costs					85			
9. T/f Staff costs to General Fund							(113)	
10. Medical Redeployment Costs	3							
11. T/f Staff costs to Chief Executive						(136)		
12. T/f Admin & Clerical staff from City Development						299		
13. T/f Staff costs to General Fund						(150)		
14. T/f Staff costs from HRA						269		
15. T/F Staff Costs to Social Work						(10)		
16. Realignment of Scottish Welfare Fund						170		
17. Scottish Welfare Fund			15					
18. Procurement Category Management Structure (various)						38		
19. T/f Admin & Clerical staff from Environment						139		
								2,543
<u>Other Housing</u>								
1. Housing Support Grant			29					
								29
<u>Scottish Welfare Fund</u>								
1. Admin Grant		73						
2. Crisis Grants		158						
3. Community Care Grants		191						
4. Realignment of Scottish Welfare Fund						(170)		
								252
<u>General Contingency</u>								
1. VER / VR Scheme	(54)							
2. Medical Redeployment Costs	(3)							
3. Dundee Ice Arena	(10)							
4. Procurement of Covalent system	(30)							
5. Digital Communications Officer	(13)							
6. Commonwealth Games	(41)							
								(151)
<u>Energy Costs Contingency</u>								
1. T/f to City Development						(289)		
								(289)
<u>Savings Contingency: Mobile Telephones</u>								
1. T/f to Corporate Services						3		
								3
<u>Savings Contingency: VER / VR Scheme</u>								
1. T/f savings from various departments							196	
2. T/f from General Contingency Fund	54							
								250
<u>Savings Contingency: Corporate Debt & Welfare Reform Team</u>								
1. T/f to Corporate Services						150		
								150
<u>Supplementary Superannuation</u>								
1. T/f Supplementary Supn Costs from Education						44		
2. T/f Supplementary Supn Costs from various departments							5	
3. Upfront costs associated with VERVR Scheme					600			
								649
<u>Capital Financing Costs / IORB</u>								
1. Prudential Borrowing (Meals on Wheels Service)						9		
2. Prudential Borrowing (DERL Lease)						(146)		
								(137)
<u>Miscellaneous Income</u>								
1. Additional Central Services recharge from HRA						(269)		
2. Police Transfer			11					
								(258)
<u>Council Tax Income</u>								
1. Council Tax Reduction Scheme			(264)				264	
2. Council Tax Reduction Scheme (Holdback)			2,424				(2,424)	
								0
Total Adjustments (General Fund)	0	2,199	6,985	107	685	0	(2,160)	0
								7,816

Risks - Revenue	Assessment		Risk Management / Comment
	Original	Revised	
<u>General Inflation</u> General price inflation may be greater than anticipated.	Med	Med	Corporate Procurement strategy in place, including access to nationally tendered contracts for goods and services. In addition, fixed price contracts agreed for major commodities i.e. gas and electricity.
<u>Equal Pay Claims</u> A provision may be required for the cost of equal pay claims.	Low	Low	Relatively few cases being taken through the Employment Tribunal process.
<u>Capital Financing Costs</u> Level of interest rates paid will be greater than anticipated.	Low/ Med	Low/ Med	Treasury Mgmt Strategy. Limited exposure to variable rate funding.
<u>Savings</u> Failure to achieve agreed level of savings & efficiencies.	Low/ Med	Low/ Med	General risk mitigation factors (ref para 5.1), in particular, regular monitoring by departments to ensure savings targets are met.
<u>Emerging Cost Pressures</u> The possibility of new cost pressures or responsibilities emerging during the course of the financial year.	Low/ Med	Low/ Med	General risk mitigation factors (ref para 5.1), in particular, regular monitoring by departments to ensure cost pressures are identified early and corrective action can be taken as necessary.
<u>Chargeable income</u> The uncertainty that the level of chargeable income budgeted will be received.	Med/ High	Med/ High	General risk mitigation factors (ref para 5.1), in particular, regular monitoring by departments to ensure any shortfalls are identified as early as possible and corrective action can be taken as necessary.
<u>Council Tax Collection</u> Provision for non-collection of Council Tax (3.2%) may not be adequate.	Low	Low	Provision set takes cognisance of amounts collected for previous financial years. Non-payers subject to established income recovery procedures.
<u>Welfare Reform</u> The changes introduced as part of the welfare reform exercise may increase the risk that budgeted income collection levels are not achieved and that current non-collection provision levels are inadequate.	Low/ Med	Low/ Med	General risk mitigation factors (ref para 5.1), in particular, regular monitoring by departments to ensure any shortfalls are identified as early as possible and corrective action can be taken as necessary. Budget also introduced for discretionary housing payments to assist those affected by these changes.