

REPORT TO: POLICY & RESOURCES COMMITTEE - 12 MARCH 2012

REPORT ON: REVENUE MONITORING 2011/2012

REPORT BY: DIRECTOR OF FINANCE

REPORT NO: 109-2012

1 PURPOSE OF REPORT

- 1.1 To provide Elected Members with an analysis of the 2011/2012 Projected Revenue Outturn as at 31 January 2012 monitored against the adjusted 2011/2012 Revenue Budget.

2 RECOMMENDATIONS

- 2.1 It is recommended that Elected Members:
- a note that the overall General Fund 2011/2012 Projected Revenue Outturn as at 31 January 2012 shows an underspend of £125,000 against the adjusted 2011/2012 Revenue Budget.
 - b note that the Housing Revenue Account as at 31 January 2012 is projecting a breakeven position against the adjusted HRA 2011/2012 Revenue Budget.
 - c agree that the Director of Finance will take every reasonable action to ensure that the 2011/2012 Revenue expenditure is below or in line with the adjusted Revenue Budget.
 - d instruct the Director of Finance in conjunction with all Chief Officers of the Council to continue to monitor the Council's 2011/2012 Projected Revenue Outturn.

3 FINANCIAL IMPLICATIONS (see Appendix A)

- 3.1 The overall projected 2011/2012 General Fund Revenue outturn position for the City Council shows an underspend of £125,000 based on the financial information available at 31 January 2012. A system of perpetual detailed monitoring will continue to take place up to 31 March 2012 with the objective of the Council achieving a final outturn which is below or in line with the adjusted 2011/2012 Revenue Budget.
- 3.2 The Housing Revenue Account outturn position for 2011/2012 is currently projecting a breakeven position based on the financial information available for the period to 31 January 2012. A system of perpetual detailed monitoring will continue to take place up to 31 March 2012 with the objective of the HRA achieving a final outturn which is below or in line with the adjusted 2011/2012 HRA Revenue Budget.

4 BACKGROUND

- 4.1 Following approval of the Council's 2011/2012 Revenue Budget by the Special Policy and Resources Committee on 10 February 2011 this report is now submitted in order to monitor the 2011/2012 Projected Revenue Outturn position as at 31 January 2012, against the adjusted 2011/2012 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 2011/2012 Revenue Budget, the Director of Finance considered the key strategic, operational and financial risks faced by the Council over this period (please refer to report 73-2011, approved by Special Policy & Resources Committee on 10 February 2011, 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 2011/2012 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 2012

6.1 The forecast position as at 31 January 2012 for General Fund services is summarised below:

	<u>Adjusted Budget 2011/12 £000</u>	<u>Forecast 2011/12 £000</u>	<u>Variance £000</u>
Total Expenditure	357,676	358,351	675
Total Income	<u>(357,676)</u>	<u>(358,476)</u>	<u>(800)</u>
Forecast Underspend	<u> -</u>	<u>(125)</u>	<u>(125)</u>

The forecast position as at 31 January 2012 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. These adjustments include funding transfers and the transfer of budgets between budget headings within the Revenue Budget, allocations from Contingencies and also unspent budgets that have been carried forward from the previous financial year.

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 2012. The figures are therefore indicative at this stage and are used by the Chief Executive, Director of Finance and Chief Officers to identify variances against budget and enable corrective action to be taken as appropriate.

Departmental Commentary

6.3 Social Work (£2,153,000 overspend)

The majority of this overspend reflects cost pressures surrounding Children Services, where payments for family placements are expected to be significantly greater than budgeted due to the increased number of children requiring permanent substitute care away from their birth parents together with an increase in the number of residential and secure placements being made. In addition, the department are projecting increased expenditure on third party payments for Adult Care due to further continued cost pressures in this area. These variances will be partly offset by savings that are anticipated due to slippage in staff costs across the department and various additional income projected to be received by the department.

6.4 Education (£200,000 overspend)

The majority of this overspend relates to projected overspends in staff costs in both primary and secondary sectors. In addition, the department are projecting overspends in third party payments for their share of the residential and secure placements budget (as para 6.3 above) and property costs relating to non-domestic rates for various properties. These variances are partly offset by various projected underspends across the department including lower than anticipated expenditure on energy costs (please refer to Appendix B for further details).

6.5 Finance General (£100,000 underspend)

The above variance reflects savings in staff costs that are anticipated due to a number of unfilled vacancies within the department. This will be partly offset by a projected overspend in supplies and services expenditure together with an estimated shortfall in various income streams received by the department.

6.6 Leisure & Communities (£209,000 underspend)

This variance mainly reflects projected savings in staff costs due to current level of staff slippage within the department.

6.7 Miscellaneous Services: Chief Executive (£157,000 underspend)

This variance mainly reflects grant income received from Improvement Service not previously assumed in the agreed budgets for Entitlement Cards. This is partly offset by a loss of income contributed from other local authorities for services provided by Employment Unit.

6.8 Finance Revenues (£300,000 underspend)

This variance reflects projected savings in staff costs mainly due to staff slippage together with various additional income anticipated by the department.

6.9 Capital Financing Costs / IORB (£950,000 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 2011/12 capital programme.

6.10 Council Tax Income (£800,000 additional income)

The above reflects additional income projected to be received this year over and above budgeted level of council tax. This is due to an increase in the total Council Tax billed as a result of an increase in the number and value of chargeable properties.

7 HOUSING REVENUE ACCOUNT - MONITORING POSITION AT 31 JANUARY 2012

7.1 The forecast position as at 31 January 2012 for the HRA is summarised below:

	<u>Adjusted Budget 2011/12 £000</u>	<u>Forecast 2011/12 £000</u>	<u>Variance £000</u>
Total Expenditure	51,859	52,442	583
Total Income	<u>(51,859)</u>	<u>(52,442)</u>	<u>(583)</u>
Forecast Position	_____ -	_____ -	_____ -

7.2 Expenditure on relets and repairs is projected to be greater than budgeted due to increased level of work being carried out. This is projected to be offset by additional rental income that is anticipated to be received along with efficiency savings within the Planned Maintenance Programme. The overall impact is a breakeven position against the adjusted HRA 2011/2012 Revenue Budget.

8 CHANGING FOR THE FUTURE

The Policy & Resources Committee on 23 August 2010 approved report 441-2010 on Changing for the Future, including a schedule of individual reviews to be undertaken. A number of these reviews have now been completed and reported to the Changing for the Future Board. The revenue budget savings identified in these completed reviews total around £8.5m in a full financial year. The majority of these savings (e.g. from the Voluntary Early Retirement / Voluntary Redundancy Schemes) have already been reflected in the approved 2011/2012 Revenue Budget. Where the savings have not already been reflected in the approved 2011/2012 Revenue Budget, they are reflected in the 2011/2012 monthly revenue monitoring where appropriate and will be incorporated into the Provisional 2012/2013 Revenue Budget in due course.

9 CONCLUSION

As in previous years, the Director of Finance will work with all Chief Officers of the Council to monitor the Council's 2011/2012 Revenue Budget and, through prudent budget management, take every reasonable action to achieve an outturn position below or in line with the approved 2011/2012 Revenue Budget.

10 **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.

11 **CONSULTATIONS**

The Chief Executive, Depute Chief Executive (Support 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.

12 **BACKGROUND PAPERS**

None.

MARJORY M STEWART
DIRECTOR OF FINANCE

29 FEBRUARY 2012

DUNDEE CITY COUNCIL

2011/2012 REVENUE OUTFURN MONITORING

Appendix A

PERIOD 1 APRIL 2011 - 31 JANUARY 2012

Statement analysing 2011/2012 Projected Revenue Outturn to Budget (Capital Charges, Central Support & Central Buildings Recharges have been excluded from Departments as these costs are outwith their control).

	Approved Budget £000	Budget Adjustments £000	Adjusted Budget £000	Forecast £000	Worse Than Budget £000	Better Than Budget £000	Net Variance £000	Notes	Previous Months Projected Variance £000
General Fund Departments									
Social Work	86,224	796	87,020	89,173	2,153		2,153	1	1,930
Education	121,519	(73)	121,446	121,646	200		200	2	
Other Housing	3,348	(53)	3,295	3,322	27		27	3	27
City Development	12,722	(240)	12,482	12,502	20		20	4	169
Waste Management	15,065	254	15,319	15,319					
Environmental Health & Trading Stds	2,884		2,884	2,884					
DCS - Land Services Client	1,951		1,951	1,951					
Supporting People	12,279		12,279	12,279					
Central Support Services:									
Chief Executive	1,497	(94)	1,403	1,403					
Personnel	1,141	97	1,238	1,238					
Information Technology	4,919	727	5,646	5,646					
Support Services - Admin/Legal	3,228	(27)	3,201	3,201					
- Architects	(628)		(628)	(628)					
Finance General	3,353	(7)	3,346	3,246		(100)	(100)	5	(100)
Leisure & Communities	21,532	19	21,551	21,342		(209)	(209)	6	(72)
Miscellaneous Services:									
Chief Executive	7,162		7,162	7,005		(157)	(157)	7	(157)
Support Services	68		68	113	45		45	8	
Finance Revenues	3,396	(130)	3,266	2,966		(300)	(300)	9	(300)
Dundee CAB	111		111	111					
Contribution to Employment Unit	85		85	85					
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	301,856	1,269	303,125	304,804	2,445	(766)	1,679		1,497
Miscellaneous Income	(2,567)		(2,567)	(2,567)					
DCS - Contracting Activities and Land Services	(388)	(22)	(410)	(410)					
Capital Financing Costs / Interest on Revenue Balances	24,805	67	24,872	23,922		(950)	(950)	10	(800)
Contingencies									
General	650	(643)	7	7					
Other	42		42	42					
Electricity Contract	594		594	594					
Discretionary NDR Relief	147		147	147					
Supplementary Superannuation Costs	1,918	181	2,099	2,099					
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	327,057	852	327,909	328,638	2,445	(1,716)	729		697
Joint Boards									
Tayside Joint Police Board	16,223		16,223	16,223					
Tayside Fire & Rescue Board	12,553		12,553	12,553					
Tayside Valuation Joint Board	991		991	937		(54)	(54)	11	
	-----	-----	-----	-----	-----	-----	-----		-----
Total Expenditure	356,824	852	357,676	358,351	2,445	(1,770)	675		697
Sources of Income									
General Revenue Funding / Contribution from NNDR Pool	(300,302)		(300,302)	(300,302)					
Council Tax	(56,522)		(56,522)	(57,322)		(800)	(800)	12	(800)
Use of Balances -									
Committed Balances c/f	0	(760)	(760)	(760)					
Renewal & Repair Fund	0	(92)	(92)	(92)					
	-----	-----	-----	-----	-----	-----	-----		-----
(Surplus)/Deficit for the year	0	0	0	(125)	2,445	(2,570)	(125)		(103)
	=====	=====	=====	=====	=====	=====	=====		=====
Housing Revenue Account	0		0	0	===	===	0	13	0
	=====	=====	=====	=====	=====	=====	=====		=====

REASONS FOR 2011/2012 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES

Appendix B

(Excludes Capital Charges, Central Support Services & Office Recharges)

AT 31 JANUARY 2012

<u>Department</u>	<u>Note</u>	<u>Total Variance £000</u>	<u>Previous Months Total Variance £000</u>	<u>Cost Centre</u>	<u>Subjective Analysis</u>	<u>Breakdown of Projected Variance £000</u>	<u>Breakdown of Previous Months Projected Variance £000</u>	<u>Reason / Basis of Over/(Under)spend</u>
<u>Social Work</u>	1	2,153	1,930	Departmental	Staff	(335)	(250)	Reflects projected savings mainly due to staff slippage.
					Third Party Payments	900	811	Reflects continuous cost pressures around Adult Care.
				Income	(138)	(143)	Non-recurring additional income generated through repayment of cash reserves and balances from Social Work funded voluntary bodies.	
				Children	Third Party Payments	394	112	Reflects an increased number of residential and secure care placements being made.
					Third Party Payments	1,506	1,600	Increase in number of children requiring permanent substitute care away from their birth parents.
				Older People	Income	(274)	(286)	Reflects clients non-recurring contributions towards residential accommodation in local authority homes.
				Adult	Income	100	86	Reflects reduction in the utilisation of services by other local authorities partly offset by increased income from charges for enabler and day care services.
<u>Education</u>	2	200	Nil	Departmental	Property	(600)	(600)	Reflects projected underspend in energy costs across the department.
					Property	220	220	Reflects overspend on non-domestic rates across the department.
					Various	(232)	0	Reflects various underspends projected by the department.
				Nursery	Income	20	20	Reflects lower than budgeted income for various grants.
				Primary	Staff	205	279	Projected teacher numbers expected to be greater than budgeted level.
				Special	Staff	266	0	Projected overspend on assisted support needs assistants due to an increase in the number of children requiring support.
				Transport		82	0	Reflects projected overspend on home to school transport.
EOTAS	Third Party Payments	239	81	Education Department share of projected overspend on residential and secure placements budget.				
<u>Other Housing</u>	3	27	27	Miscellaneous	Income	30	30	Reflects shortfall in level of income for property enquiries.

REASONS FOR 2011/2012 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES

Appendix B

(Excludes Capital Charges, Central Support Services & Office Recharges)

AT 31 JANUARY 2012

<u>Department</u>	<u>Note</u>	<u>Total Variance £000</u>	<u>Previous Months Total Variance £000</u>	<u>Cost Centre</u>	<u>Subjective Analysis</u>	<u>Breakdown of Projected Variance £000</u>	<u>Breakdown of Previous Months Projected Variance £000</u>	<u>Reason / Basis of Over/(Under)spend</u>	
<u>City Development</u>	4	20	169	Transportation	Staff	(50)	(40)	Staff costs are projected to be underspent due to various unfilled vacancies.	
				Sustainable Transport	Staff	(50)	(50)	Staff costs are projected to be underspent due to various unfilled vacancies.	
					Third Party Payments	(248)	(185)	Reflects lower than anticipated expenditure following changes to contracts for registered bus services.	
					Income	75	75	Income for advertising is lower than budgeted, reflecting a reduction in these activities.	
					Property	(200)	(160)	Staff costs are projected to be underspent due to various unfilled vacancies.	
					Building Quality	(100)	(64)	Staff costs are projected to be underspent due to various unfilled vacancies.	
					Income	380	380	Income for building warrants, planning applications and property enquiries is lower than budgeted, reflecting a reduction in these activities due to the current economic climate.	
					Mainstream: Economic Development	(257)	(257)	Reflects lower than anticipated expenditure on various budget heads.	
					City Square	70	70	Reflects projected overspend on health and safety contracts.	
					Off Street Car Parks	400	400	Reflects shortfall in level of budgeted income for car parking charges.	
<u>Finance General</u>	5	(100)	(100)	General	Staff	(202)	(202)	Mainly reflects projected savings due to staff slippage.	
					Supplies & Services	57	57	Reflects projected overspend mainly due to legal fees, computer software and other miscellaneous supplies and services being greater than anticipated.	
					Income	51	51	Income from property enquiries is lower than budgeted, reflecting a reduction in these activities due to the current economic climate. In addition, insurance fund recharge is lower than expected although this will be offset by a corresponding underspend in staff costs.	
<u>Leisure & Communities</u>	6	(209)	(72)	Library, Information & Cultural Services	Property	19	(36)	Reflects projected overspend on energy costs from McManus Galleries partly offset by prior year refund for non-domestic rates on Camperdown House.	
					Community Learning & Development	Staff	(194)	0	Reflects current level of staff slippage across division together with projected underspend on employers superannuation contributions for Community Safety Wardens due to actual contributions made being less than budgetary provision provided. In addition, expenditure on overtime for Community Safety section is lower than budgeted.
					Business Development & Support Services	Staff	(36)	(33)	Staff costs are projected to be underspent due to an unfilled vacant post and a reduction in expenditure on staff training and development.
<u>Miscellaneous Services: Chief Executive</u>	7	(157)	(157)	NEC Project	Income	(145)	(145)	Reflects grant income received from Improvement Service.	
					Dundee NEC Office	Income	(67)	(67)	Reflects grant income received from Improvement Service.
					Income	55	55	Reflects loss of income contributions from other local authorities partly offset by various other additional income not included in budget.	

REASONS FOR 2011/2012 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES

Appendix B

(Excludes Capital Charges, Central Support Services & Office Recharges)

AT 31 JANUARY 2012

<u>Department</u>	<u>Note</u>	<u>Total Variance £000</u>	<u>Previous Months Total Variance £000</u>	<u>Cost Centre</u>	<u>Subjective Analysis</u>	<u>Breakdown of Projected Variance £000</u>	<u>Breakdown of Previous Months Projected Variance £000</u>	<u>Reason / Basis of Over/(Under)spend</u>
<u>Miscellaneous Services: Support Services</u>	8	45	Nil	Electoral Registration	Supplies & Services	45	0	Reflects additional software costs incurred for postal voting system.
<u>Finance Revenues</u>	9	(300)	(300)	Revenues	Staff	(260)	(260)	Projected underspend mainly due to unfilled vacancies and maternity leave.
					Income	(37)	(39)	Mainly reflects additional commission income received from Scottish Water.
<u>Capital Financing Costs/IORB</u>	10	(950)	(800)	Corporate	Capital Financing Costs/IORB	(950)	(800)	Reflects projected saving on capital financing costs due to lower than anticipated interest rates together with slippage on expenditure in 2011/12 capital programme.
<u>Tayside Valuation Joint Board</u>	11	(54)	Nil	Corporate	Requisitions	(54)	0	Reflects DCC's share of TVJB latest projected underspend.
<u>Council Tax</u>	12	(800)	(800)	Corporate	Income	(800)	(800)	Reflects an increase in total Council Tax billed as a result of an increase in the number and value of chargeable properties.
<u>Housing Revenue Account</u>	13	Nil	Nil	Repairs & Relets		231	258	Mainly reflects the level of responsive repairs that are currently being required.
				Lost Rents and Bad Debts		111	122	Mainly this relates to an increase in lost rents as a result of a greater number of void properties at the start of the year, however this is now on budget along with a fall in the level of council sales.
				Stair Lighting		30	10	Mainly reflects increased price of electricity charges.
				Homelessness		93	70	Mainly this is due to an anticipated increase in repairs and maintenance expenditure.
				Rent of Houses		(583)	(570)	Increased rental income mainly due to a higher level of housing stock than budgeted.
				Capital Financing Costs		118	110	Overspend reflects higher than budgeted loan repayments.

Appendix C

<u>General Fund Departments</u>	<u>Alloc From Conts £000</u>	<u>2010/11 Under spends b/fwd £000</u>	<u>Funding T/Fs £000</u>	<u>Alloc from R&R Fund £000</u>	<u>Alloc from Other Bals £000</u>	<u>T/Fs Between Depts £000</u>	<u>Other T/Fs £000</u>	<u>Dept Totals £000</u>
<u>Education</u>								
1. DSM Balances		308						
2. T/f Staff Costs to Information Technology						(98)		
3. T/f Supplementary Supn Costs to General Fund						(181)		
4. T/f Staff Costs to CSS - Admin & Legal						(7)		
5. T/f Staff Costs to Leisure & Communities						(60)		
6. Operating Model Re-design - Review of Health & Safety Function						(35)		
								(73)
<u>Social Work</u>								
1. Community Equipment Service		85						
2. T/f Staff Costs to Information Technology						(149)		
3. Cont to Dundee Women's Aid Project	17							
4. Violence Against Women Team						53		
5. Closure of Rosebank Care Home	104							
6. Children's Services Cost Pressures	500							
7. Operating Model Re-design - Review of Health & Safety Function						(19)		
8. Integrated Children Services						205		
								796
<u>City Development</u>								
1. Flood Risk Management		57						
2. T/f Staff Costs to Information Technology						(273)		
3. Dundee House relocation costs				78				
4. T/f Staff Costs to Chief Executive						(89)		
5. T/f Staff Costs to Admin & Legal						(13)		
								(240)
<u>Leisure & Communities</u>								
1. T/f Staff Costs from Finance General						12		
2. Prudential Borrowing - McManus Galleries						(67)		
3. T/f Staff Costs from Education						60		
4. Contribution towards major repairs at Dundee Ice Arena				14				
								19
<u>Waste Management</u>								
1. Various commitments c/fwd		275						
2. Operating Model Re-design - Review of Health & Safety Function						(21)		
								254
<u>CSS - Chief Executive</u>								
1. Contribution to V&A Project	22							
2. T/f Staff Costs from City Development						89		
3. Integrated Children Services						(205)		
								(94)
<u>CSS - Personnel</u>								
1. Operating Model Re-design - Review of Health & Safety Function						97		
								97
<u>CSS - Information Technology</u>								
1. T/f Operations Team from Finance Revenues						145		
2. T/f Staff Costs from City Development						273		
3. T/f Staff Costs from Education						98		
4. T/f Staff Costs from Admin & Legal						62		
5. T/f Staff Costs from Social Work						149		
								727

Appendix C

<u>General Fund Departments</u>	<u>Alloc From Conts £000</u>	<u>2010/11 Under spends b/fwd £000</u>	<u>Funding T/Fs £000</u>	<u>Alloc from R&R Fund £000</u>	<u>Alloc from Other Bals £000</u>	<u>T/Fs Between Depts £000</u>	<u>Other T/Fs £000</u>	<u>Dept Totals £000</u>
<u>CSS - Admin & Legal</u>								
1. T/f Staff Costs from Finance Revenues						19		
2. T/f Staff Costs to Information Technology						(62)		
3. T/f Staff Costs from City Development						13		
4. T/f Staff Costs from Education						7		
5. T/f Supplies & Services Costs to Finance Revenues						(4)		
								(27)
<u>CSS - Finance General</u>								
1. Computer Audit		5						
2. T/f Staff Costs to Leisure & Communities						(12)		
								(7)
<u>MS - Finance Revenues</u>								
1. T/f Staff Costs to CSS - Admin & Legal						(19)		
2. T/f Operations Team to Information Technology						(145)		
3. Single Persons Discount Review		30						
4. T/f Supplies & Services Costs from Admin & Legal						4		
								(130)
<u>Other Housing</u>								
1. Violence Against Women Team						(53)		
								(53)
<u>DCS - Contracting Activities and Land Services</u>								
1. Operating Model Re-design - Review of Health & Safety Function						(22)		
								(22)
<u>Capital Financing Costs / IORB</u>								
1. Prudential Borrowing - McManus Galleries						67		
								67
<u>General Contingency</u>								
1. T/f to Chief Executive (V&A Cont)	(22)							
2. T/f to Social Work (Dundee Women's Aid)	(17)							
3. T/f to Social Work (Rosebank Care Home)	(104)							
4. T/f to Social Work (Children's Services)	(500)							
								(643)
<u>Supplementary Superannuation</u>								
1. T/f Supplementary Supn Costs from Education						181		
								181
Total Adjustments (General Fund)	0	760	0	92	0	0	0	852

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>Single Status</u> The provision for the costs associated with implementing Single Status may be insufficient.	Low	Low	Departmental budgets increased to cover incremental progression through the new grades.
<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>Interest on Revenue Balances</u> Level of interest rates will be lower than anticipated.	Med/ High	Med/ High	Treasury Mgmt Strategy. Reduction in income will be offset by lower temporary borrowing costs.
<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.