

**REPORT TO: CITY GOVERNANCE COMMITTEE – 4<sup>TH</sup> MARCH 2024****REPORT ON: REVENUE MONITORING 2023/2024****REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES****REPORT NO: 50-2024****1 PURPOSE OF REPORT**

1.1 To provide Elected Members with an analysis of the 2023/24 projected revenue outturn as at 31 December 2023 and the impact on the Council’s overall balances position.

**2 RECOMMENDATIONS**

2.1 It is recommended that the Committee:

- (a) note that as at 31 December 2023 the General Fund is projecting an overall overspend of £2.689m against the adjusted 2023/2024 Revenue Budget and the impact this has on the projected Council’s General Fund Balances;
- (b) note the budget adjustments totalling £19.968m and detailed in second column of Appendix A as virements to the previously approved Revenue Budget;
- (c) note that as at 31 December 2023 the Housing Revenue Account (HRA) is projecting an overspend of £3.001m against the adjusted HRA 2023/24 Revenue Budget and the impact this has on the element of the projected Renewal & Repair Fund balance earmarked to HRA;
- (d) note the position on ring-fenced grants expenditure outlined in Appendix B;
- (e) note that the Chief Executive, in consultation with Executive Directors, will continue to take appropriate steps to manage current and recurring revenue expenditure, including reviewing all vacancies within the Council, reduce discretionary expenditure where possible and limit any new recurring commitments. Executive Directors will work with Corporate Finance to develop recovery plans to identify options to reduce the projected in year overspend;
- (f) note the key strategic, operational and financial risks being faced by the Council outlined in Appendix C; and
- (g) notes the current position in relation to Leisure and Culture Dundee (LACD), as set out in paragraph 7.3.

**3 FINANCIAL IMPLICATIONS**

3.1 The unallocated portion of the General Fund as at 31 December 2023 is projecting an overspend of £2.689m against the adjusted 2023/24 Revenue Budget. The impact this would have on the Council’s General Fund Balances is outlined below:

<b>General Fund</b>	<b>Opening Balance 1 April 2023 £000</b>	<b>(Surplus) / Deficit for the Year £000</b>	<b>Transfers (In) / Out £000</b>	<b>Projected Balance 31 March 2024 £000</b>
Earmarked Carry-forwards*	5,962	1,866		4,096
Children Services pressures	4,300	4,300		0
Organisational Change Fund	2,532	109		2,423
Covid cost related pressures*	14,647	2,481		12,166
Covid recovery measures	1,280	875		405

Service change initiatives	5,000			5,000
Roof Remedial Works	3,707	1,220		2,487
Inflationary Pressures	3,800	3,137	500	163
Cost of Living pressures			(500)	500
Contribution to 2023/24 budget	1,750	1,750		0
Other earmarked Funds	4,443	788		3,655
<b>Total earmarked funds</b>	<b>47,421</b>	<b>16,526</b>	<b>0</b>	<b>30,895</b>
Unallocated Balance	9,226	2,689		6,537
<b>Total General Fund</b>	<b>56,647</b>	<b>19,215</b>	<b>0</b>	<b>37,432</b>

\* These balances will be drawn down as required.

- 3.2 At the meeting of CoSLA leaders on 3 November 2023, it was agreed to implement the LGE pay offer made on 21 September 2023 in two phases. Phase 1 was applied to salaries in November 2023, backdated to 1 April 2023. Phase 2 will follow in January 2024. The estimated cost of Phase 1 of £8.648m as detailed below is met from the contingency budget and reflected in the report.

<b>Service</b>	<b>£000</b>
Children & Families Service	3,530
City Development	862
Neighbourhood Services	1,702
Chief Executive	100
Corporate Services	1,614
<b>Subtotal</b>	<b>7,808</b>
Dundee Health & Social Care Partnership	840
<b>Total</b>	<b>8,648</b>

- 3.3 The Scottish Government operate the Bellwin Scheme as emergency funding arrangements for local authorities to fund any response to emergencies or disasters. Under the terms of the scheme, a claim can be made if eligible losses exceed the annual threshold level set by the Scottish Government, which for Dundee City Council is £753,196. This means that the first £753,196 of eligible losses incurred during 2023-2024 will be met from existing resources. Any costs in relation to responding to recent storms are included with service outturns, for the current financial year these are below the above threshold although officers will continue to monitor this throughout the remainder of the year.

The Scottish Government has established a Ministerial Workforce in response to the Storm Babet and funding has now been provided to individuals and business directly affected by the flooding.

- 3.4 Above projections will continue to be monitored by officers throughout the remainder of the year and reported to Members. It should be noted that a report to City Governance Committee highlighted a potential budget deficit of £26.1m for 2024/25 (Report No:9-2024 to City Governance Committee on 8 January 2024, refers).
- 3.5 Based on the financial information available as at 31 December 2023 the HRA outturn position for 2023/24 is projecting an overspend of £3.001m. Further details are provided in section 8 of this report.

## 4 BACKGROUND

4.1 Following approval of the Council's 2023/24 Revenue Budget by the Policy and Resources Committee on 23 February 2023, this report provides the projected revenue outturn position as at 31 December 2023, against the adjusted 2023/24 Revenue Budget.

4.2 The total 2023/24 Revenue Budget is £423.963m. For revenue monitoring purposes, the Council Tax Reduction Scheme budget of £14.072m is moved from expenditure to income and netted off against Council Tax income. This results in total budgeted expenditure of £409.891m for revenue monitoring purposes, as set out in Appendix A.

4.3 This report provides a detailed breakdown of service revenue monitoring information along with explanations of material variances against adjusted budgets. Where services are projecting a significant (underspend) or overspend against adjusted budget, additional details have been provided. Where service expenditure is on target and no material variances are anticipated, additional information has not been provided.

4.4 The forecast position 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 service of the Council.

**Appendix B** shows the financial performance against ring-fenced funding to date.

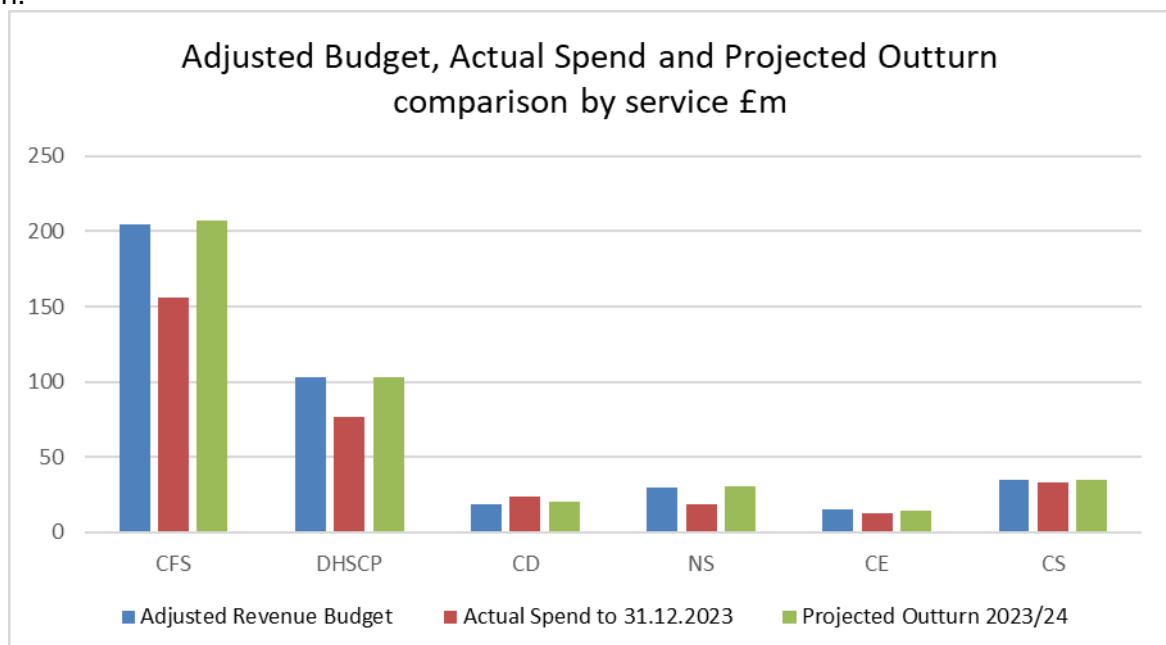
**Appendix C** lists the key strategic, operational and financial risks being faced by the Council.

## 5 GENERAL FUND SERVICES - MONITORING POSITION AS AT 31 DECEMBER 2023

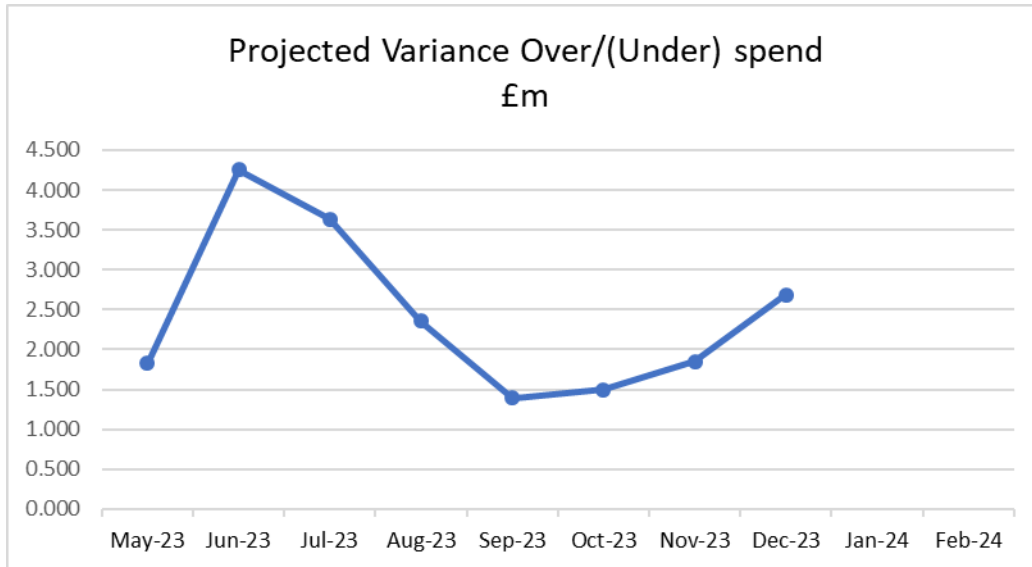
5.1 The forecast position as at 31 December 2023 for General Fund services is summarised below.

	(Under)/ Over Spend as at 31 December £m	(Under)/ Over Spend as at 30 November £m	Movement (from previous month) £m
<b>Net Expenditure</b>	4.354	3.522	0.832
<b>Sources of Income</b>	(1.665)	(1.673)	0.008
<b>Net over/ (underspend) on unallocated portion of General Fund</b>	2.689	1.849	0.840

The graph below details the comparison between each service's actual spend and projected outturn.



The graph below shows the projected variance over the reported periods.



5.2 The table below details the key factors which contributed to the movement from previous month.

	£m
Projected increase in bad debts in the year	0.412
Increase in Teachers Staff Costs relating to cover arrangements for maternity and sickness absence	0.138
Projected overspend in pupil transport costs within Children and Families	0.329
Increase in projected overspend in supplies & services within Neighbourhood Services, due to anticipated expenditure on Bed & Breakfast accommodation	0.295
Projected reduction in line extension income generated from waste management	0.104
Increased property costs within City Development due to emergency Health and Safety repair costs identified at DCC operational properties	0.156
Projected increase in fleet costs	0.125
Projected overspend on Winter Maintenance	0.499
Reduction in projected under recovery of fixed and indirect overheads within Construction services, due to a revised allocation to overhead costs and revised changes in assumptions made as part of the budget setting process	(0.691)
Additional income from planning applications	(0.144)
Projected underspend in general contingencies uncommitted balances	(0.182)

## 6 DETAILED ANALYSIS

The following paragraphs summarise the main areas of variance by service along with appropriate explanations. These figures reflect movements for the full year to date.

### 6.1 Children & Families Services: £2.747m overspend

	£m
Children's Services third party payments due to a higher than anticipated number of children who have been placed into secure care of £1.556m offset against additional grant funding for unaccompanied asylum-seeking children of £0.606m	0.950
Projected overspend in staff costs (teacher's element £0.522m and LGE £0.285m element) partially offset by savings arising from planned industrial action	0.807
PPP unitary charges (reflecting greater RPI than budgeted)	0.450
Projected overspend in Early Years payments to private providers	0.210
Projected overspend on energy costs	0.629

Less: Planned transfers from earmarked reserves to meet energy pressures	(0.629)
Projected overspend in property costs due to rates anticipated to be higher than budget	0.161
Projected overspend in other property costs due to increased cost for repair and maintenance in schools	0.311
Projected overspend in transport costs mainly relating to Pupil Transport	0.329
Income received in respect of Ukrainian Refugees expenditure already incurred	(0.135)
Additional income from SEN, departmental recharges, early years childcare fees	(0.364)

Third party payments for placements within Children Services remain a significant cost pressure although the service is implementing a plan to reduce these costs. Since April, the number of children and young people placed in external residential and secure accommodation has reduced from 43 to 32. In addition, there continues to be a reduction in the number of internal foster placements available, which means that children and young people returning to the city are either placed in Young Person's Houses, with kinship carers or their own parents. Finally, shift changes have also been implemented within Young Person's Houses to increase the room capacity available and reduce reliance on expensive external placements outwith the city.

This area is under ongoing review to ensure that appropriate steps are taken to bring overall spend in line with the approved budget level before the end of the financial year.

A review of costs in relation to school catering services provided by Tayside Contracts is ongoing and the outcome will be reflected in the next monitoring report.

## 6.2 Dundee Health & Social Care Partnership: Breakeven

The latest Financial monitoring report presented to Dundee IJB projects an overspend of £4.780m for 2023/24 (utilising actual info to end December), with this information presented to Dundee IJB at its meeting on 21st February 2024. This projected overspend now exceeds 2023/24 IJB Financial Plan where up to £3m has been identified and set aside in IJB Reserves to cover the anticipated shortfall. The projection also recognises an element of winter demand pressures which will be funded from further £1m identified IJB Reserves. The balance of projected overspend is anticipated to be funded from IJB's General Reserves. The improved position from previous reported figure is partly due to confirmation of a share of uplift funding from Dundee City Council towards the 23/24 pay award settlement.

DHSCP is continuing to respond to significant operational challenges in demand and demographics (notably in Care at Home provision to help mitigate against hospital delayed discharges and reduce social care unmet need), and in particular staffing challenges (both recruitment and retention, sickness absence and premium cost of back-fill cover), complexity of needs in community settings, and the wider impact of deferred treatments on health and wellbeing following the pandemic period, all of which are impacting on the projected financial position. Operational managers and finance team continue work to explore ways of mitigating the overspend through efficiencies, cost reduction, transformation and savings opportunities and any impact of these actions will be reported in due course.

Under the risk sharing arrangement reflected in the Integration Scheme, the Integration Joint Board (IJB) retains any underspend within its reserve balances for investment in integrated health and social care services in future years. Sufficient Reserves are held by Dundee IJB to cover the projected 2023/24 shortfall therefore there is no additional contribution requirement or financial risk forecast in 2023/24 for Dundee City Council.

### 6.3 City Development: £1.493m overspend

	<b>£m</b>
Anticipated health and safety repair costs within Dundee House, City Square and DCC operational properties and additional security staff at Dundee House	0.617
Projected overspend on energy costs, including Street Lighting	1.235
Less: Planned transfers from earmarked reserves to meet energy costs pressures	(1.235)
Projected increase in fleet costs	0.865
Shortfall in income generated from Building Warrants	0.342
Projected overspend on winter maintenance	0.499
Projected underspend against No None Left Behind Employability Funding	(0.236)
Forecasted shortfall in income from off-street car parking	0.745
Less: Planned transfers from Covid earmarked reserves to meet associated loss of income	(0.745)
Increase in projected rental income from commercial property portfolio	(0.497)
Projected increase in income from planning applications	(0.144)

The service continues to review this area to ensure any non-essential repairs can be deferred to enable them to contain this budget pressure. In addition, the service is reviewing all other discretionary spend in particular vacant posts and identifying areas that could bring additional income, for example from projects or commercial activities to assist in offsetting the projected overspend.

The cost of the Council's fleet remains a budget pressure due to rising expenditure in relation to the external hire of vehicles used by services. A review is underway to ensure the overall fleet utilised by services is in line with the budget provision available and that the true cost of fleet managed on behalf of external bodies is recovered accordingly.

### 6.4 Neighbourhood Services: £1.229m overspend

	<b>£m</b>
Mainly reflects that additional income expected to be gained from excess revenue share for the waste to energy contract has not materialised partly due to falling energy prices	1.435
Less: Planned transfers from earmarked reserves to meet energy and inflationary pressures associated with waste to energy plant.	(1.273)
Increased property costs within Neighbourhood Services relating to additional expenditure on Network flats, lost rents and repairs and maintenance	0.874
Projected overspend within supplies and services, mainly due to anticipated expenditure on Bed & Breakfast and additional removal costs	0.696
Increase in fleet hire charges forecasted to be higher than budget. The fleet overspend is mainly attributable to increased, unbudgeted fleet charges.	0.639
Streetscene & Land Management: income mainly from projects, interment fees and ground maintenance activities are forecasted to be lower than budgeted	0.617
Shortfall in income generated from waste management	0.138
Income from recharges, additional service charges and Housing Benefit income from temporary accommodation	(1.478)
Additional income from the NHS and staff recharges	(0.124)
Anticipated staff cost underspend due to vacancies	(0.295)

As noted at 6.3, a technical review is underway on fleet budgets to identify rationalisation opportunities to ensure there is adequate provision to managing this resource in future fleet management budgets related to waste and environmental operations.

6.5 Corporate Services: (£0.329m) underspend

	<b>£m</b>
Projected underspend in staff costs due to vacancies and action taken to postpone recruitment process	(0.404)
Projected overspends in supplies & services expenditure mainly due to increased costs of Computer Hardware, Software and Licences	0.331
Projected additional income mainly relating to estimated Superannuation Fund recharge, additional government funding and other internal recharges, offset by income shortfall in relation to the ongoing closure of the Underground Garage	(0.341)

6.6 Construction Services: £0.601m overspend

	<b>£m</b>
Projected net shortfall in the recovery of fixed and indirect overheads largely due to a reduction in productive hours that has been partly impacted by industrial action earlier this year and staff absence levels being greater than anticipated	0.351
One-off set up costs associated with the implementation on total mobile repairs management system	0.250

6.7 Contingencies: (£0.882m) underspend

	<b>£m</b>
Corporate provision set aside for pay pressures that is no longer required	(0.700)
Projected underspend on general contingencies	(0.182)

6.8 Capital Financing Costs: (£1.294m) underspend

	<b>£m</b>
Savings due to slippage in 2022/23 capital programme resulting in lower loan repayments in 2023/24 and deferral of any new long-term borrowing until later in the financial year	(1.294)

The concurrent capital monitoring report for the period to date identifies further slippage and a forecasted reduction in planned expenditure. The position will continue to be monitored closely in the coming months and officers will report any movement to the above projection as a consequence of this.

6.9 Council Tax: (£1.665m) underspend

	<b>£m</b>
Projected over-recovery of Council Tax income	(1.355)
Projected underspend on Council Tax Reduction	(0.310)

6.10 Bad Debt Provision: £0.647m overspend

	<b>£m</b>
Projected increase in bad debts in the year mainly due to an increase in old debt, including unpaid commercial rent	0.647

This position will continue to be monitored closely in the coming months.

6.11 Miscellaneous Items: (reduced income £0.193m)

	<b>£m</b>
Reduction in Tayside Contacts' distributable surplus	0.193

## 7 ONGOING ACTIONS

- 7.1 This report identifies projections based on the first 9 months of the financial year. The figures are therefore indicative at this stage and are used by the Council Leadership Team to identify variances against budget and enable corrective action to be taken as appropriate. Each service is working closely with Corporate Finance staff, firstly to ensure that these projections are met and then to identify scope to improve the outcome.
- 7.2 In addition, further Council-wide initiatives are underway to help manage existing and emerging cost pressures. These include reviewing the requirements for overtime working, a focus on absence rates and increased vacancy control over the remainder of the financial year. There is an ongoing review of discretionary spend and other opportunities for efficiencies and budget savings.
- 7.3 In October 2022 the Council agreed to authorise the Chief Executive to issue a letter of comfort to Leisure and Culture Dundee confirming the Council's continuing financial support in financial year 2022/23 and for a period of at least 12 months beyond the date of the signing of Leisure and Culture Dundee's 2021/22 accounts whilst setting out an expectation that from 2023/24 Leisure and Culture Dundee will operate with a balanced budget (Article III of the minute of Policy and Resources Committee on 31 October 2022 refers). Leisure and Culture Dundee have been provided with additional financial support of £2.914m over the past two years to mitigate the impact of Covid 19 with the expectation that this support will cease this year. The expected cost of financial support to LACD for 2023/24 of £1.586m will be met from Covid earmarked reserves. To provide certainty, stability and time for Leisure and Culture Dundee to develop a balanced budget from 2024/25 onwards the Council further agreed (Article VI of the minute of the meeting of City Governance on 21 August 2023 refers) to extend this support to 31 March 2024. It was further agreed at the City Governance meeting on 4 December 2023 that the Chief Executive be authorised to extend the support to LACD to 30 June 2024 should this be necessary.
- 7.4 The cost pressures experienced by the Council is of course also experienced by partner organisations, notably Tayside Contracts where the effects of food inflation is an additional pressure that is keenly felt. Please note that additional food cost pressures will be covered though existing budget provisions.

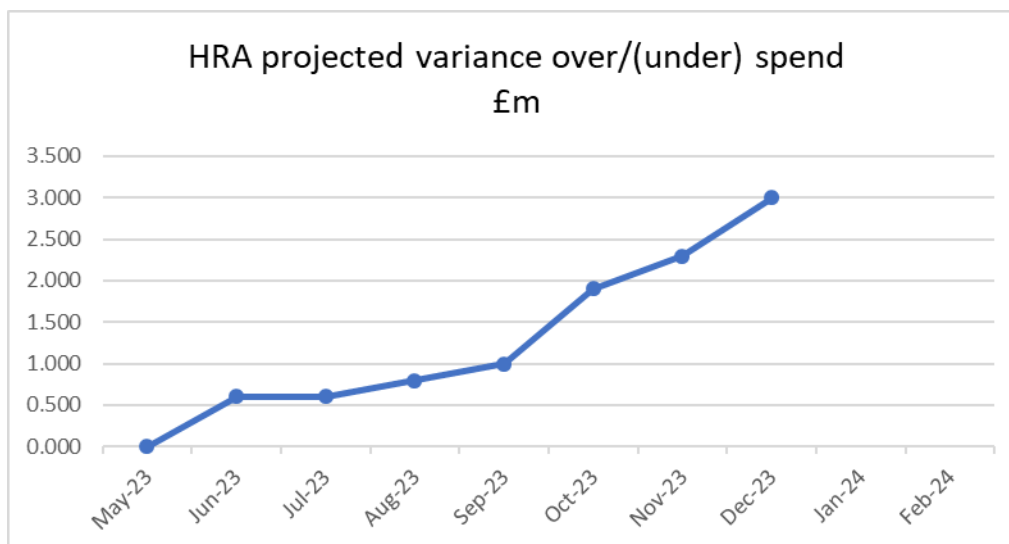
## 8 HOUSING REVENUE ACCOUNT - MONITORING POSITION AT 31 DECEMBER 2023

- 8.1 The forecast position as at 31 December 2023 for the HRA is summarised below:

	(Under)/ Over Spend as at 31 December £m	(Under)/ Over Spend as at 30 November £m	Movement (from previous month) £000
Net Expenditure	3.198	2.605	0.593
Sources of Income	(0.197)	(0.307)	0.110
<b>Net over/ (underspend)</b>	<b>3.001</b>	<b>2.298</b>	<b>0.703</b>

The graph below shows the projected variance over the reported periods.





8.2 The key variances that make up the December position are shown in the table below. These figures reflect movements for the full year to date.

	£m
Additional expenditure on relets to work through the backlog of properties and void losses is greater than budgeted. In addition, higher than budgeted electricity costs for stair lighting and additional expenditure on timber treatment and asbestos works.	3.225
Savings due to slippage in the 2022/23 capital plan resulting in lower loan repayments in 2023/24 and deferral of new long-term borrowing until later in the year	(0.197)
Anticipated underspend in staff costs due to delays in filling vacant posts	(0.150)
Projected overspend in Supplies and Services due to additional professional fees and special collections	0.140

8.3 Any final variance will be adjusted against Renewal & Repair Fund, the housing element of which amounted to £11.392m as at 31 March 2023. This adjustment would be in addition to the £0.500m that was agreed as part of the 2023/24 HRA Revenue Budget that would be taken from the Renewal & Repair Fund to fund a one-off increase in the Hardship Fund (Report No: 33-2023 to Policy & Resources Committee on 23 January 2023, refers). A system of perpetual detailed monitoring will continue to take place up to 31 March 2024 with the objective of the HRA achieving a final outturn which is below or in line with the adjusted 2023/24 HRA Revenue Budget.

## 9 RISK ASSESSMENT

9.1 In preparing the Council's 2023/24 Revenue Budget, the key strategic, operational and financial risks faced by the Council over this period were considered. To alleviate the impact these risks may have if they occur, a number of general risk mitigation factors are utilised by the Council.

9.2 The key risks in 2023/24 have 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 are included in Appendix C to this report.

9.3 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.

## **10 POLICY IMPLICATIONS**

10.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## **11 CONSULTATIONS**

11.1 The Council Leadership Team were consulted in the preparation of this report.

## **12 BACKGROUND PAPERS**

12.1 None

**ROBERT EMMOTT**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**22 FEBRUARY 2024**

DUNDEE CITY COUNCIL										
2023/2024 REVENUE OUTTURN MONITORING										
PERIOD 1 APRIL 2023 - 31 DECEMBER 2023										
	Approved		Adjusted			Projected	Previous	Movement	Actual	Actual
	Revenue	Total	Revenue	Actual	Projected	Variance	Month	since	31.12.2023	31.12.2022 as
	Budget	Budget	Budget	Spend to	Outturn	Over/(under)	Projected	Previous	as a % of	a % of 2022/23
	2023/24	Adjustments	2023/24	31.12.2023	2023/24	spend	Variance	Month	Adjusted	Adjusted
	£m	£m	£m	£m	£m	£m	£m	£m	Budget	Budget
<b>General Fund Services</b>										
Children & Families	185.991	18.330	204.321	156.164	207.068	2.747	2.228	0.518	76%	73%
Dundee Health & Social Care Partnership	102.437	0.922	103.359	77.019	103.359	0.000	0.000		75%	70%
City Development	15.449	3.136	18.585	23.766	20.078	1.493	0.945	0.548	128%	80%
Neighbourhood Services	26.251	3.133	29.384	18.965	30.613	1.229	0.847	0.382	65%	72%
Chief Executive	14.015	0.758	14.773	12.615	14.706	(0.067)	0.000	(0.067)	85%	60%
Corporate Services	31.964	3.123	35.087	32.744	34.758	(0.329)	(0.311)	(0.018)	93%	111%
Construction Services	0.000		0.000	2.597	0.601	0.601	1.292	(0.691)		
	376.107	29.402	405.509	323.869	411.182	5.673	5.001	0.672	80%	76%
Capital Financing Costs / Interest on Revenue Balances	19.796		19.796	17.889	18.502	(1.294)	(1.294)			
Contingencies:										
- General	0.500	(0.288)	0.212		0.030	(0.182)	0.000	(0.182)		
- Budget growth/Cost Pressures	12.051	(9.146)	2.905		2.205	(0.700)	(0.700)			
- New monies	0.428		0.428		0.428					
- Pay award funding through capital	(3.444)		(3.444)		(3.444)					
Miscellaneous Items	(2.322)		(2.322)	(1.742)	(2.129)	0.193	0.193		75%	75%
Bad Debt Provision	0.000		0.000		0.647	0.647	0.236	0.412		
Discretionary Non Domestic Rates (NDR) Relief	0.392		0.392	0.478	0.478	0.086	0.086		122%	107%
Supplementary Superannuation Costs	2.708		2.708	1.321	2.637	(0.071)	0.000	(0.071)	49%	74%
Tayside Valuation Joint Board	0.878		0.878	0.591	0.878				67%	55%
Empty Property Relief Devolution	2.798		2.798	2.099	2.798				75%	0%
<b>Total Expenditure</b>	<b>409.891</b>	<b>19.968</b>	<b>429.859</b>	<b>344.505</b>	<b>434.214</b>	<b>4.354</b>	<b>3.522</b>	<b>0.832</b>	80%	71%
<b>Sources of Income</b>										
General Revenue Funding	(269.139)	(11.730)	(280.869)	(195.574)	(280.869)				70%	66%
Contribution from National Non Domestic Rates (NNDR) Pool	(73.704)		(73.704)	(55.278)	(73.704)				75%	75%
Council Tax	(61.698)		(61.698)	(13.762)	(63.363)	(1.665)	(1.673)	0.008	22%	23%
Use of Balances -										
Balance on Covid Recovery Fund	(1.750)		(1.750)		(1.750)				0%	
Committed Balances c/f	0.000	(1.866)	(1.866)		(1.866)					
Earmarked funds	0.000	(6.263)	(6.263)		(6.263)					
Service concessions	(3.600)		(3.600)		(3.600)				0%	
Change Fund	0.000	(0.109)	(0.109)		(0.109)					
<b>(Surplus)/Deficit for the year</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>79.892</b>	<b>2.689</b>	<b>2.689</b>	<b>1.849</b>	<b>0.840</b>		
<b>(Surplus)/Deficit for Housing Revenue Acct</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(17.207)</b>	<b>3.001</b>	<b>3.001</b>	<b>2.298</b>	<b>0.703</b>		

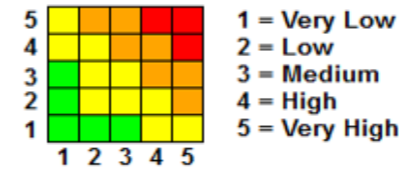
**DUNDEE CITY COUNCIL**  
**2023/2024 RING FENCED GRANTS**  
**PERIOD 1 APRIL 2023 - 31 DECEMBER 2023**

Ring-fenced grants	Income Carry Forward from 22/23	Budget		Actuals		Projected Outturn for year		Projected (Surplus)/ Deficit
		Expenditure	Income	Expenditure	Income	Expenditure	Income	
	£000	£000	£000	£000	£000	£000	£000	£000
Early Learning and Childcare Expansion (ELC)	(1,767)	14,351	(14,351)	10,055	(16,111)	16,118	(16,118)	0
Pupil Equity Fund (PEF)	(1,986)	5,107	(5,107)	4,959	(1,986)	6,093	(7,093)	(1,000)
Scottish Attainment Challenge (SAC)	(205)	3,764	(3,764)	3,256	(314)	3,969	(3,969)	0
Criminal Justice Social Work (Incl covid) (CJS)	0	5,412	(5,350)	3,945	(3,447)	5,350	(5,350)	0
<b>Overall Total</b>	<b>(3,958)</b>	<b>28,634</b>	<b>(28,572)</b>	<b>22,215</b>	<b>(21,858)</b>	<b>31,530</b>	<b>(32,530)</b>	<b>(1,000)</b>

Budget for CJS includes the mainstream budget provision of £62k.

Risks - Revenue Assessment

Corporate Risk Matrix



Risk Title	Causes	Impact	Inherent Risk	Controls	Residual Risk (Previous Month)	Residual Risk (Current Month)
1. General price inflation may be greater than anticipated.	<ul style="list-style-type: none"> <li>Government policies and regulations</li> <li>Poor economic conditions</li> <li>Impact of rising price rises e.g. energy</li> </ul>	<ul style="list-style-type: none"> <li>Increased financial cost / rising prices</li> <li>Potential budget overspends</li> <li>Potential for interest rate rises through intervention measures</li> </ul>		<ul style="list-style-type: none"> <li>Corporate Procurement strategy in place, including access to nationally tendered contracts for goods and services</li> <li>Fixed price contracts agreed for major commodities i.e. gas and electricity.</li> <li>Budgetary controls are in place, to identify potential overspends and take remedial action as required or possible, for example by utilising budget virements.</li> </ul>		
2. Capital Financing Costs - level of interest rates paid will be greater than anticipated.	<ul style="list-style-type: none"> <li>Substantial decline of global financial market</li> <li>Economic factors impacting on interest rates</li> </ul>	<ul style="list-style-type: none"> <li>Increased borrowing costs</li> <li>Greater return on investments / cash balances</li> </ul>		<ul style="list-style-type: none"> <li>Treasury Management Strategy. Limited exposure to variable rate funding.</li> <li>Budgetary controls are in place, to identify potential overspends and take remedial action as required or possible.</li> </ul>		
3. Unforeseen new cost pressures arising during the course of the financial year.	<ul style="list-style-type: none"> <li>Financial constraints</li> <li>Demand pressures</li> <li>Cost of Living</li> </ul>	<ul style="list-style-type: none"> <li>Potential overspends</li> </ul>		<ul style="list-style-type: none"> <li>Budgetary controls are in place, to identify potential overspends and take remedial action as required or possible, for example by utilising budget virements.</li> </ul>		
4. Chargeable income budget not achieved.	<ul style="list-style-type: none"> <li>Reduced demand for chargeable services, for example due to cost of living crisis</li> <li>Market competition</li> </ul>	<ul style="list-style-type: none"> <li>Loss of income</li> <li>Revision of budgeted income collection levels required</li> </ul>		<ul style="list-style-type: none"> <li>Budgetary controls are in place, to identify potential overspends and take remedial action as required or possible, for example by utilising budget virements.</li> </ul>		

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