

REPORT TO: POLICY & RESOURCES COMMITTEE – 22 APRIL 2013

REPORT ON: REVENUE MONITORING 2012/2013

REPORT BY: DIRECTOR OF CORPORATE SERVICES

REPORT NO: 189-2013

1 PURPOSE OF REPORT

- 1.1 To provide Elected Members with an analysis of the 2012/2013 Projected Revenue Outturn as at 28 February 2013 monitored against the adjusted 2012/2013 Revenue Budget.

2 RECOMMENDATIONS

- 2.1 It is recommended that Elected Members:
- a note that the overall General Fund 2012/2013 Projected Revenue Outturn as at 28 February 2013 shows an overspend of £90,000 against the adjusted 2012/2013 Revenue Budget.
 - b note that the Housing Revenue Account as at 28 February 2013 is projecting a breakeven position against the adjusted HRA 2012/2013 Revenue Budget

3 FINANCIAL IMPLICATIONS (see Appendix A)

- 3.1 The overall projected 2012/2013 General Fund Revenue outturn position for the City Council shows an overspend of £90,000 based on the financial information available at 28 February 2013.
- 3.2 The Housing Revenue Account outturn position for 2012/2013 is currently projecting a breakeven position based on the financial information available for the period to 31 January 2013.
- 3.3 The final positions at 31 March 2013 for the General Fund and Housing Revenue Account will not be known until the draft accounts are prepared for audit by 30 June 2013.

4 BACKGROUND

- 4.1 Following approval of the Council's 2012/2013 Revenue Budget by the Special Policy and Resources Committee on 9 February 2012 this report is now submitted in order to monitor the 2012/2013 Projected Revenue Outturn position as at 28 February 2013, against the adjusted 2012/2013 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 2012/2013 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 68-2012, approved by Special Policy & Resources Committee on 9 February 2012, 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 2012/2013 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 28 FEBRUARY 2013

6.1 The forecast position as at 28 February 2013 for General Fund services is summarised below:

	<u>Adjusted Budget 2012/13 £000</u>	<u>Forecast 2012/13 £000</u>	<u>Variance £000</u>
Total Expenditure	362,485	362,575	90
Total Income	<u>(362,485)</u>	<u>(362,485)</u>	-
Forecast Overspend	-	<u>90</u>	<u>90</u>

The forecast position as at 28 February 2013 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. The main budget adjustments that have been made so far, relate to the centralisation of property costs budgets within City Development (£13.008m), carry forward of various unspent budgets from last year (£1.893m), various new monies allocated by Scottish Government during the year (£1.403m) and transfer from Other Balances to fund Voluntary Early Retirement / Voluntary Redundancy Scheme 2 (£1.264m). For further details please refer to Appendix C.

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 eleven months of the financial year to 28 February 2013. The figures are therefore indicative at this stage. The final position at 31 March 2013 will not be known until the draft accounts are prepared for audit by 30 June 2013.

Departmental Commentary

6.3 Social Work (£2,039,000 overspend)

The majority of this overspend reflects cost pressures surrounding Adult Services, where payments for care placements continue to be significantly greater than budgeted. In addition, within Children's Services, payments for family placements have risen due to the increased number of children requiring to be looked after and accommodated by the service together with an increase in the number of residential and secure placements being made. 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 City Development (£945,000 overspend)

The department are projecting that expenditure on winter maintenance will be significantly greater than budgeted due to recent adverse weather conditions. In addition, health and safety contracts are also expected to be greater than budgeted reflecting the current level of works being carried out on Council properties. These variances are partly offset by projected savings in third party payments due to changes to contracts for registered bus services.

6.5 Chief Executive (£142,000 overspend)

The department are projecting a shortfall in sales income for Design & Print Services due to a fall in the level of demand for these services. This shortfall is partly offset by a corresponding reduction in the amount of rechargeable expenditure for supplies & services and projected savings in staff costs due to the current level of slippage across the various divisions within the department.

6.6 Corporate Services (£297,000 underspend)

The above variance mainly reflects savings in staff costs that are anticipated due to a number of unfilled vacancies within the department partly offset by a projected overspend on various supplies and services expenditure.

6.7 Environment (£400,000 underspend)

This reflects the anticipated underspends on landfill and ash contracts following the temporary closure of the DERL facility. These underspends are partly offset by increased expenditure on gate fees due to a higher than budgeted inflation uplift in this contract. In addition, the latest projections for trading activities indicate additional surpluses will be returned to General Fund.

6.8 Education (£433,000 underspend)

This mainly reflects an anticipated underspend in property costs due to lower than expected energy costs and a reduction in non-domestic rates following the outcome of valuation appeals process.

6.9 Capital Financing Costs / IORB (£650,000 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 2012/13 capital programme.

6.10 Contingency: Energy Costs (£246,000 underspend)

This reflects projected underspend due to actual level of increase in energy contracts being less than was anticipated.

6.11 Tayside Joint Police Board (£725,000 additional income)

Reflects projected refund for share of Board's accumulated reserves and balances as at 31 March 2013.

6.12 Tayside Fire & Rescue Board (£285,000 additional income)

Reflects projected refund for share of Board's accumulated reserves and balances as at 31 March 2013.

6.13 Voluntary Early Retirement / Redundancy Scheme 2

This revenue monitoring statement includes the impact of the above scheme. Any salary savings for the part-year are included in departmental outturns. The gross costs of the associated severance packages for staff leaving under the above scheme during this financial year totals £1,264,000 and will be met from General Fund balances. It should be noted that these costs are entirely of a "one-off" nature.

The full-year effect of the net salary savings associated with the above scheme are estimated as £1,042,000 and these will therefore accrue to the Council each year in 2013/14 and beyond.

7 HOUSING REVENUE ACCOUNT - MONITORING POSITION AT 28 FEBRUARY 2013

7.1 The forecast position as at 28 February 2013 for the HRA is summarised below:

	<u>Adjusted Budget 2012/13 £000</u>	<u>Forecast 2012/13 £000</u>	<u>Variance £000</u>
Total Expenditure	53,043	52,992	(51)
Total Income	<u>(53,043)</u>	<u>(52,992)</u>	<u>51</u>
Forecast Position	_____	_____	_____

7.2 Whilst 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 lower than anticipated capital financing costs (please refer to Appendix B for further details). The overall impact is a breakeven position against the adjusted HRA 2012/2013 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

12 APRIL 2013

DUNDEE CITY COUNCIL

2012/2013 REVENUE OUTTURN MONITORING

PERIOD 1 APRIL 2012 - 28 FEBRUARY 2013

Appendix A

Statement analysing 2012/2013 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	91,162	(2,459)	88,703	90,742	2,039		2,039	1	2,088
City Development	12,142	13,623	25,765	26,710	945		945	2	593
Chief Executive	25,536	(3,429)	22,107	22,249	142		142	3	
Other Housing	3,189	373	3,562	3,562					
Supporting People	12,161		12,161	12,161					
Corporate Services	17,016	(1,867)	15,149	14,852		(297)	(297)	4	(150)
Environment	22,209	(1,647)	20,562	20,162		(400)	(400)	5	(400)
Education	120,724	(1,642)	119,082	118,649		(433)	(433)	6	(305)
	304,139	2,952	307,091	309,087	3,126	(1,130)	1,996		1,826
Miscellaneous Income	(2,648)		(2,648)	(2,648)					
Capital Financing Costs /									
Interest on Revenue Balances	24,172	291	24,463	23,813		(650)	(650)	7	(450)
Contingencies									
- General	520	(229)	291	291					
- Energy Costs	603	(357)	246	0		(246)	(246)	8	(300)
- Corporate Savings: VER / VR Scheme 1	(458)	545	87	87					
VER / VR Scheme 2		1,264	1,264	1,264					
Discretionary NDR Relief	147		147	147					
Supplementary Superannuation Costs	1,947	159	2,106	2,106					
Tayside Joint Police Board	16,223		16,223	15,498		(725)	(725)	9	
Tayside Fire & Rescue Board	12,264		12,264	11,979		(285)	(285)	10	
Tayside Valuation Joint Board	951		951	951					
Total Expenditure	357,860	4,625	362,485	362,575	3,126	(3,036)	90		1,076
Sources of Income									
General Revenue Funding /									
Contribution from NNDR Pool	(299,395)	(1,403)	(300,798)	(300,798)					
Council Tax	(57,522)		(57,522)	(57,522)					
Use of Balances -									
Committed Balances c/f	(943)	(1,893)	(2,836)	(2,836)					
Renewal & Repair Fund		(65)	(65)	(65)					
VER/VR Scheme 2		(1,264)	(1,264)	(1,264)					
(Surplus)/Deficit for the year	0	0	0	90	3,126	(3,036)	90		1,076
Housing Revenue Account	0		0	0			0	11	0

REASONS FOR 2012/2013 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES
(Excludes Capital Charges, Central Support Services & Office Recharges)
AT 28 FEBRUARY 2013

<u>Department</u>	<u>Note</u>	<u>Total</u> <u>Variance</u> <u>£000</u>	<u>Previous</u> <u>Months</u> <u>Total</u> <u>Variance</u> <u>£000</u>	<u>Cost Centre</u>	<u>Subjective</u> <u>Analysis</u>	<u>Breakdown</u> <u>of Projected</u> <u>Variance</u> <u>£000</u>	<u>Breakdown</u> <u>of Previous</u> <u>Months</u> <u>Projected</u> <u>Variance</u> <u>£000</u>	<u>Reason / Basis of Over/(Under)spend</u>	
<u>Social Work</u>	1	2,039	2,088	Departmental	Staff Costs	(785)	(613)	Reflects projected savings due to delays in filling staff vacancies.	
					Income	(771)	(771)	Reflects repayment of underspends on externally purchased services from social care providers.	
					Older People	Third Party Payments	407	464	Mainly due to increased costs and demand of Free Personal Care placements.
						Third Party Payments	151	100	Reflects increased demand for respite care for older people.
					Adults	Third Party Payments	2,317	2,340	Reflects continuous cost pressures surrounding Adult Care, including net additional costs due to the provisioning of care and support arrangements for the residents of Rosebank Care Home.
						Third Party Payments	114	50	Reflects increased demand for respite care for adults.
					Children	Third Party Payments	155	120	Reflects an increased number of residential and secure care placements being made.
						Third Party Payments	451	398	Increase in number of children requiring to be looked after and accommodated by family placement service.
<u>City Development</u>	2	945	593	Winter Maintenance	Third Party Payments	964	550	Reflects increased activities due to recent adverse weather conditions.	
				Operational Properties	Property Costs	458	450	Reflects projected overspend on health and safety contracts.	
				Sustainable Transport	Property Costs	(38)	(32)	Reflects lower than anticipated expenditure on various budget heads.	
					Supplies & Services	(81)	(75)	Reflects lower than anticipated expenditure on various budget heads.	
					Third Party Payments	(405)	(300)	Reflects lower than anticipated expenditure following changes to contracts for registered bus services.	
<u>Chief Executive</u>	3	142	Nil	Corporate Division	Staff	(49)	0	Reflects current level of unfilled vacancies.	
					Income	215	0	Reflects reduction in grant funding received this year.	
				Public Relations Division	Staff	(64)	0	Mainly due to unfilled vacancy and reduced hours.	
					Supplies & Services	(380)	0	Level of rechargeable expenditure for Design & Print Units has reduced reflecting a reduction in demand for these services.	
					Income	639	0	Sales income also lower than budgeted due to current level of demand for these services.	

REASONS FOR 2012/2013 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES
(Excludes Capital Charges, Central Support Services & Office Recharges)
AT 28 FEBRUARY 2013

<u>Department</u>	<u>Note</u>	<u>Total</u> <u>Variance</u> <u>£000</u>	<u>Previous</u> <u>Months</u> <u>Total</u> <u>Variance</u> <u>£000</u>	<u>Cost Centre</u>	<u>Subjective</u> <u>Analysis</u>	<u>Breakdown</u> <u>of Projected</u> <u>Variance</u> <u>£000</u>	<u>Breakdown</u> <u>of Previous</u> <u>Months</u> <u>Projected</u> <u>Variance</u> <u>£000</u>	<u>Reason / Basis of Over/(Under)spend</u>
<u>Chief Executive</u> (cont'd)	3			Communities & Policy Division	Staff	(222)	0	Reflects projected savings mainly due to staff slippage.
					Supplies & Services	(18)	0	Reflects lower than anticipated expenditure on various budget heads.
					Income	24	0	Mainly reduction in income from car parking charges following the closure of Olympia car park partly offset by other additional income from various sources.
<u>Corporate Services</u>	4	(297)	(150)	Information Technology	Staff Costs	(101)	(56)	Reflects projected savings mainly due to staff slippage.
					Corporate Finance	Staff Costs	(195)	(133)
				Revenues & Customer Services	Supplies & Services	51	0	Reflects greater than anticipated expenditure on various budget heads.
					Income	55	34	Reflects lower than anticipated income from various sources.
					Staff Costs	(243)	0	Reflects the current level of unfilled vacancies within the department.
		242	0	Reflects projected overspends on various budget heads including postages, computer software and legal fees.				
		(96)	0	Reflects greater than anticipated income from various sources.				
<u>Environment</u>	5	(400)	(400)	Environment Protection	Third Party Payments	(250)	(250)	Reflects net anticipated underspends on landfill and ash contracts following temporary closure of DERL facility. These variances are partly offset by increased expenditure on gate fees due to a higher than budgeted inflation uplift in the contract.
				Construction	Income	(150)	(150)	Latest projection for Construction Activities indicates they will exceed their budgeted contribution to the General Fund.
<u>Education</u>	6	(433)	(305)	Departmental	Property	(110)	(73)	Reflects underspend on non-domestic rates following outcome of valuation appeals.
					Property	(106)	(172)	Reflects projected underspend in energy costs across the department.
					Supplies & Services	(183)	(83)	Reflects lower than anticipated expenditure on various budget heads within other schools and support services.

REASONS FOR 2012/2013 CONTROLLABLE PROJECTED REVENUE OUTTURN VARIANCES
(Excludes Capital Charges, Central Support Services & Office Recharges)
AT 28 FEBRUARY 2013

<u>Department</u>	<u>Note</u>	<u>Total</u> <u>Variance</u> <u>£000</u>	<u>Previous</u> <u>Months</u> <u>Total</u> <u>Variance</u> <u>£000</u>	<u>Cost Centre</u>	<u>Subjective</u> <u>Analysis</u>	<u>Breakdown</u> <u>of Projected</u> <u>Variance</u> <u>£000</u>	<u>Breakdown</u> <u>of Previous</u> <u>Months</u> <u>Projected</u> <u>Variance</u> <u>£000</u>	<u>Reason / Basis of Over/(Under)spend</u>
<u>Capital Financing</u> <u>Costs/IOB</u>	7	(650)	(450)	Corporate	Capital Financing Costs/IOB	(650)	(450)	Reflects projected saving on capital financing costs due to lower than anticipated interest rates together with slippage on expenditure in 2012/13 capital programme.
<u>Contingency: Energy</u> <u>Costs</u>	8	(246)	(300)	Corporate	Contingency	(246)	(300)	Reflects projected underspend due to level of actual increase in energy costs being less than was anticipated.
<u>Voluntary Early</u> <u>Retirement / Redundancy</u> <u>Scheme</u>	9	1,264	Nil	Corporate	Staff	1,264	0	Reflects the 'one-off' upfront costs of the associated severance packages for staff leaving during this financial year.
<u>Tayside Joint Police</u> <u>Board</u>	10	(725)	Nil	Corporate	Requisitions	(725)	0	Reflects projected refund for share of accumulated reserves and balances as at 31 March 2013.
<u>Tayside Fire & Rescue</u> <u>Board</u>	11	(285)	Nil	Corporate	Requisitions	(285)	0	Reflects projected refund for share of accumulated reserves and balances as at 31 March 2013.
<u>Housing</u>	12	Nil	Nil	Repairs & Relets		707	590	Mainly reflects the level of responsive repairs that are currently being required.
				Income		64	64	Reflects reduction in hostel grant received from Scottish Government.
				Rent of Houses		(13)	(13)	Increased rental income mainly due to a higher level of housing stock than budgeted.
				Capital Financing Costs		(758)	(641)	Reflects projected savings on capital financing costs due to a combination of lower than anticipated interest rates and actual level of borrowing being less than expected.

Appendix C

General Fund Departments	<u>Alloc</u> <u>From</u> <u>Conts</u> <u>£000</u>	<u>2011/12</u> <u>Under</u> <u>spends</u> <u>b/fwd</u> <u>£000</u>	<u>Funding</u> <u>T/Fs</u> <u>£000</u>	<u>Alloc</u> <u>from</u> <u>R&R</u> <u>Fund</u> <u>£000</u>	<u>T/Fs</u> <u>Between</u> <u>Depts</u> <u>£000</u>	<u>Property</u> <u>Costs</u> <u>T/Fs</u> <u>£000</u>	<u>Vol Early</u> <u>Retiral/</u> <u>Redund</u> <u>Schemes</u> <u>£000</u>	<u>Dept</u> <u>Totals</u> <u>£000</u>
<u>Education</u>								
1. DSM Balances		521						
2. Prudential Borrowing costs (Ballumbie PS)					(260)			
3. T/f net Staff costs to/from Corporate Services					(3)			
4. T/f of Property costs to City Development						(2,814)		
5. Prudential Borrowing costs (West End PS)					(31)			
6. T/f Supplementary Supn Costs to General Fund					(149)			
7. Teachers Induction Monies			955					
8. Curriculum for Excellence			104					
9. Scottish Strategy for Autism			35					
								(1,642)
<u>Social Work</u>								
1. Community Equipment Service		86						
2. Violence Against Women Team		91						
3. Choose Life Project		12						
4. Integrated Children Services		86						
5. Self Directed Support Scheme		35						
6. T/f Staff costs to General Fund							(77)	
7. Contribution towards MARS Hub Funding	4							
8. Contribution towards Welfare Rights Team	53							
9. T/f of Property costs to City Development						(2,900)		
10. T/f of various costs to Chief Executive (Douglas Community Centre)					(2)			
11. T/f Staff costs to Corporate Services					(21)			
12. Blue Badge Scheme			21					
13. Looked After Children			53					
14. Free Personal and Nursing Care			26					
15. Family Support			74					
								(2,459)
<u>City Development</u>								
1. Flood Risk Management		143						
2. T/f Staff costs to General Fund							(31)	
3. Contribution towards City Jet Flight	56							
4. T/f of Property costs from various departments						13,008		
5. T/f Staff costs from Chief Executive					25			
6. Dundee Ice Arena Maintenance Contract				25				
7. Dundee Ice Arena Health & Safety Contracts				40				
8. Streetlighting Electricity Costs	227							
9. Additional Energy Costs City Square Complex	130							
								13,623
<u>Environment</u>								
1. DERL / Waste Strategy		472						
2. Various other commitments c/fwd		64						
3. T/f Staff costs to General Fund							(253)	
4. T/f of Property costs to City Development						(1,960)		
5. Olympic Torch Relay Celebration	30							
								(1,647)
<u>Chief Executive</u>								
1. T/f Staff costs to General Fund							(17)	
2. T/f Staff costs to Corporate Services					(111)			
3. T/f of Property costs to City Development						(3,308)		
4. T/f Staff costs to City Development					(25)			
5. Dudhope Arts Centre (Development Officer)	15							
6. National Performance Centre (Consultancy Fees)	30							
7. T/f of various costs from Social Work (Douglas Community Centre)						2		
8. Leadership Programme					(20)			
9. UK City of Culture Bid	5							
								(3,429)

Appendix C

General Fund Departments	<u>Alloc</u> <u>From</u> <u>Conts</u> <u>£000</u>	<u>2011/12</u> <u>Under</u> <u>spends</u> <u>b/fwd</u> <u>£000</u>	<u>Funding</u> <u>T/Fs</u> <u>£000</u>	<u>Alloc</u> <u>from</u> <u>R&R</u> <u>Fund</u> <u>£000</u>	<u>T/Fs</u> <u>Between</u> <u>Depts</u> <u>£000</u>	<u>Property</u> <u>Costs</u> <u>T/Fs</u> <u>£000</u>	<u>Vol Early</u> <u>Retiral/</u> <u>Redund</u> <u>Schemes</u> <u>£000</u>	<u>Dept</u> <u>Totals</u> <u>£000</u>
Corporate Services								
1. Computer Audit Software (Finance General)		10						
2. T/f Staff costs to General Fund							(177)	
3. T/f net Staff costs to/from Education					3			
4. T/f Staff costs from Chief Executive					111			
5. T/f of Property costs to City Development						(2,026)		
6. Leadership Programme					20			
7. T/f Staff costs from Social Work					21			
8. Scientific Services - temporary posts	36							
9. Local Government Elections			135					(1,867)
Other Housing								
1. Private Sector Housing Grant		373						373
Capital Financing Costs / IORB								
1. T/f Prudential Borrowing costs from Education (Ballumbie PS)					260			
2. T/f Prudential Borrowing costs from Education (West End PS)					31			291
General Contingency								
1. T/f to City Development (City Jet Flight)	(56)							
2. T/f to Social Work (MARS Hub Funding)	(4)							
3. T/f to Social Work (Welfare Rights Team)	(53)							
4. T/f to Chief Exec (Dudhope Arts Centre)	(15)							
5. T/f to Chief Exec (National Performance Centre)	(30)							
6. T/f to Environment (Olympic Torch Relay)	(30)							
7. T/f to Corporate Services (Scientific Services)	(36)							
8. T/f to Chief Exec (UK City of Culture Bid)	(5)							(229)
Energy Costs Contingency								
1. T/f to City Development for Street Lighting	(227)							
1. T/f to City Development for City Square Complex	(130)							(357)
Supplementary Superannuation								
1. T/f Supplementary Supn Costs from various departments							10	
2. T/f Supplementary Supn Costs from Education					149			159
Corporate Savings Contingency: VER / VR Scheme 1								
1. T/f from various departments							545	545
VER / VR Scheme 2								
1. T/f from Other Balances							1,264	1,264
Total Adjustments (General Fund)	0	1,893	1,403	65	0	0	1,264	4,625

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.