

**DRAFT MEDIUM TERM FINANCIAL STRATEGY**

**Appendix A1 - Scenario A**

**Using DCLG Illustrative Figures - adjusted for change to NHB impact from 2017/18**

|   | 2016/17<br>£000s | 2017/18<br>£000s | 2018/19<br>£000s | 2019/20<br>£000s |
|---|------------------|------------------|------------------|------------------|
| <b>Expenditure base budget</b>                            | 22,876           | 21,734           | 21,444           | 21,529           |
| Inflation - Salaries (1%)                                 | 100              | 95               | 90               | 90               |
| - Contracts   | 110              | 110              | 110              | 110              |
| <b>Total Inflationary Increases</b>                       | <b>210</b>       | <b>205</b>       | <b>200</b>       | <b>200</b>       |
| Unavoidable budget pressures                              | 367              | 220              | 200              | 200              |
| <b>Savings</b>  |                  |                  |                  |                  |
| Savings Target  | (1,204)          | (715)            | (315)            | (119)            |
| Contribution to/from Reserves - Council Feb 2015          | (515)            |                  |                  |                  |
| <b>Total Expenditure</b>                                  | <b>21,734</b>    | <b>21,444</b>    | <b>21,529</b>    | <b>21,810</b>    |
| <b>Income base budget</b>                                 | (11,611)         | (11,548)         | (11,481)         | (11,413)         |
| Inflation   | 0                | 0                | 0                | 0                |
| Other Growth - see Unavoidable budget pressures           | 63               | 68               | 68               | 5                |
| <b>Total Income</b>                                       | <b>(11,548)</b>  | <b>(11,481)</b>  | <b>(11,413)</b>  | <b>(11,408)</b>  |
| <b>Net cost of service</b>                                | <b>10,186</b>    | <b>9,963</b>     | <b>10,116</b>    | <b>10,402</b>    |
| <b>Funding Analysis - 25% Cut to Gov Funding</b>          |                  |                  |                  |                  |
| Revenue Support Grant                                     | (856)            | (386)            | (101)            | 0                |
| Collection Fund Deficit (Business Rates)                  | 1,155            |                  |                  |                  |
| Business Rates Smoothing Reserve                          | (650)            | 250              | 250              | 250              |
| Business Rates Retention Baseline                         | (1,719)          | (1,753)          | (1,805)          | (1,644)          |
| Business Rates forecast over baseline (inc. s.31 grant)   | (935)            | (954)            | (982)            | (1,198)          |
| Renewable Energy Business Rates Retention                 | (90)             | (90)             | (90)             | (90)             |
| Tariff Adjustment in lieu of negative RSG                 |                  |                  |                  |                  |
| Levy  | 448              | 456              | 470              | 484              |
| Rural Services Delivery Grant                             | (599)            | (483)            | (372)            | (483)            |
| Transitional Grant  | (42)             | (43)             |                  |                  |
| New Homes Bonus   | (2,500)          | (2,056)          | (2,056)          | (1,973)          |
| Surplus New Homes Bonus                                   | (751)            |                  |                  |                  |
| Appropriate Surplus New Homes Bonus to Earmarked Reserves | 751              |                  |                  |                  |
| <b>Overall Central Government Funding</b>                 | <b>(5,789)</b>   | <b>(5,059)</b>   | <b>(4,685)</b>   | <b>(4,655)</b>   |
| <b>Council Tax</b>  |                  |                  |                  |                  |
| Estimated Council Tax Base                                | 38,418           | 38,802           | 39,190           | 39,582           |
| Band D Council Tax  | 128.91           | 131.48           | 134.09           | 136.76           |
| <b>Council Tax Yield</b>                                  | <b>(4,953)</b>   | <b>(5,102)</b>   | <b>(5,255)</b>   | <b>(5,413)</b>   |
|   | 1.99%            | 1.99%            | 1.99%            | 1.99%            |
| <b>Council Tax Freeze Grant</b>                           |                  |                  |                  |                  |
| Collection Fund Surplus - Council Tax                     | (151)            |                  |                  |                  |
| <b>Overall Funding Position</b>                           | <b>(10,893)</b>  | <b>(10,161)</b>  | <b>(9,940)</b>   | <b>(10,068)</b>  |
| <b>Budget (Surplus)/Deficit</b>                           | <b>(707)</b>     | <b>(198)</b>     | <b>176</b>       | <b>334</b>       |

**DRAFT MEDIUM TERM FINANCIAL STRATEGY**
**Appendix A1 - Scenario B**
**Impact of 4 year New Homes Bonus - Local Modelling**

|   | 2016/17<br>£000s | 2017/18<br>£000s | 2018/19<br>£000s | 2019/20<br>£000s |
|---|------------------|------------------|------------------|------------------|
| <b>Expenditure base budget</b>                            | 22,876           | 21,734           | 21,444           | 21,529           |
| Inflation - Salaries (1%)                                 | 100              | 95               | 90               | 90               |
| - Contracts   | 110              | 110              | 110              | 110              |
| <b>Total Inflationary Increases</b>                       | <b>210</b>       | <b>205</b>       | <b>200</b>       | <b>200</b>       |
| Unavoidable budget pressures                              | 367              | 220              | 200              | 200              |
| <b>Savings</b>  |                  |                  |                  |                  |
| Savings Target  | (1,204)          | (715)            | (315)            | (119)            |
| Contribution to/from Reserves - Council Feb 2015          | (515)            |                  |                  |                  |
| <b>Total Expenditure</b>                                  | <b>21,734</b>    | <b>21,444</b>    | <b>21,529</b>    | <b>21,810</b>    |
| <b>Income base budget</b>                                 | (11,611)         | (11,548)         | (11,481)         | (11,413)         |
| Inflation   | 0                | 0                | 0                | 0                |
| Other Growth - see Unavoidable budget pressures           | 63               | 68               | 68               | 5                |
| <b>Total Income</b>                                       | <b>(11,548)</b>  | <b>(11,481)</b>  | <b>(11,413)</b>  | <b>(11,408)</b>  |
| <b>Net cost of service</b>                                | <b>10,186</b>    | <b>9,963</b>     | <b>10,116</b>    | <b>10,402</b>    |
| <b>Funding Analysis - 25% Cut to Gov Funding</b>          |                  |                  |                  |                  |
| Revenue Support Grant                                     | (856)            | (386)            | (101)            | 0                |
| Collection Fund Deficit (Business Rates)                  | 1,155            |                  |                  |                  |
| Business Rates Smoothing Reserve                          | (650)            | 250              | 250              | 250              |
| Business Rates Retention Baseline                         | (1,719)          | (1,753)          | (1,805)          | (1,644)          |
| Business Rates forecast over baseline (inc s.31 grant)    | (935)            | (954)            | (982)            | (1,198)          |
| Renewable energy Business Rates Retained                  | (90)             | (90)             | (90)             | (90)             |
| Tariff Adjustment in lieu of negative RSG Levy            | <b>448</b>       | <b>456</b>       | <b>470</b>       | <b>484</b>       |
| Rural Services Delivery Grant                             | (599)            | (483)            | (372)            | (483)            |
| Transitional Grant  | (43)             | (43)             |                  |                  |
| New Homes Bonus   | (2,500)          | (2,513)          | (2,575)          | (2,597)          |
| Surplus New Homes Bonus                                   | (751)            |                  |                  |                  |
| Appropriate Surplus New Homes Bonus to Earmarked Reserves | 751              |                  |                  |                  |
| <b>Overall Central Government Funding</b>                 | <b>(5,789)</b>   | <b>(5,517)</b>   | <b>(5,204)</b>   | <b>(5,278)</b>   |
| <b>Council Tax</b>  |                  |                  |                  |                  |
| Estimated Council Tax Base                                | 38,418           | 38,802           | 39,190           | 39,582           |
| Band D Council Tax  | 128.91           | 131.48           | 134.09           | 136.76           |
| <b>Council Tax Yield</b>                                  | <b>(4,953)</b>   | <b>(5,102)</b>   | <b>(5,255)</b>   | <b>(5,413)</b>   |
|   | 1.99%            | 1.99%            | 1.99%            | 1.99%            |
| <b>Council Tax Freeze Grant</b>                           |                  |                  |                  |                  |
| Collection Fund Surplus - Council Tax                     | (151)            |                  |                  |                  |
| <b>Overall Funding Position</b>                           | <b>(10,893)</b>  | <b>(10,618)</b>  | <b>(10,459)</b>  | <b>(10,692)</b>  |
| <b>Budget (Surplus)/Deficit</b>                           | <b>(707)</b>     | <b>(655)</b>     | <b>(343)</b>     | <b>(290)</b>     |

Appendix A2

|  | 2016/17        | 2017/18        | 2018/19        | 2019/20        |
|--|----------------|----------------|----------------|----------------|
| <b>Unavoidable Budget Pressures</b>  |                |                |                |                |
| <b>Expenditure</b>   |                |                |                |                |
| Increased contributions to GCC Pension Fund - Actuarial Valuation March 2013 & Proj for March 2016 | 202,000        | 200,000        | 200,000        | 200,000        |
| Increased NI as a result of changes to state pension scheme  | 165,000        |                |                |                |
| Apprenticeship Levy 0.5% of pay bill April 2017 £15,000 offset against the levy                    | 0              | 20,000         |                |                |
| <b>Total Expenditure Budget Pressures</b>  | <b>367,000</b> | <b>220,000</b> | <b>200,000</b> | <b>200,000</b> |
| <b>Income</b>  |                |                |                |                |
| Rebalancing the investment income to reflect cash balances   | (20,000)       | 0              | 0              | 0              |
| Loss of Rental Income from Brewery Court development and access rights                             | 15,000         |                |                |                |
| Cuts to Local Council Tax Support Admin Grant  | 5,000          | 5,000          | 5,000          | 5,000          |
| Universal Credit Admin Subs Cuts up to 75% (£250K) by 2019/20                                      | 62,500         | 62,500         | 62,500         |                |
| <b>Total Income Growth/Budget Pressures</b>  | <b>62,500</b>  | <b>67,500</b>  | <b>67,500</b>  | <b>5,000</b>   |
| <b>TOTAL</b>   | <b>429,500</b> | <b>287,500</b> | <b>267,500</b> | <b>205,000</b> |

**Appendix A3**

|   | 16/17           | 17/18          | 18/19          | 19/20          |
|---|-----------------|----------------|----------------|----------------|
|   | £000s           | £000s          | £000s          | £000s          |
| <b>Capital Reserves</b>   |                 |                |                |                |
| Opening Balance of capital receipts and capital grants                    | (9,216)         | (10,264)       | (9,404)        | (9,147)        |
| <b>Expenditure:</b>   |                 |                |                |                |
| Environmental Services Depot  | 500             |                |                |                |
| PSHR Capital Grant  | 921             | 921            | 921            | 921            |
| ICT Capital funding   | 300             | 150            | 150            | 150            |
| Potential new schemes [currently unapproved - car parks]                  | 352             | 300            | 100            | 150            |
| Provision for financing of Ubico Ltd waste vehicles                       | 630             | 265            | 138            | 15             |
| Funding for flooding and Land Drainage works                              | 422             | 300            |                |                |
| 2020 Vision capital contribution to programme                             | 245             | 125            |                | 0              |
| Planning scanning   | 150             |                |                |                |
| Community Projects Fund   | 100             |                |                |                |
| <b>Income:</b>  |                 |                |                |                |
| Capital Financed from Revenue   | (250)           | (250)          | (250)          | (250)          |
| Earmarked reserves funding Capital  | (150)           |                |                |                |
| DFG Central Government Grant  | (400)           | (400)          | (400)          | (400)          |
| Other external grants and contributions (e.g. Flooding EA/GCC contributio | (131)           |                |                |                |
| Expected capital receipts from asset sales                                | (3,200)         |                |                |                |
| Right to Buy and other misc. capital receipts                             | (150)           | (150)          | (150)          | (150)          |
| Loan repayment from Ubico Ltd for waste vehicles                          | (387)           | (401)          | (377)          | (340)          |
| <b>Estimated Closing Balance of Capital Receipts</b>                      | <b>(10,264)</b> | <b>(9,404)</b> | <b>(9,147)</b> | <b>(9,051)</b> |

**Scenario A - Appendix A4**

| <b>Revenue Reserves</b>  | <b>16/17</b>   | <b>17/18</b>   | <b>18/19</b>   | <b>19/20</b>   |
|--|----------------|----------------|----------------|----------------|
|  | <b>£000s</b>   | <b>£000s</b>   | <b>£000s</b>   | <b>£000s</b>   |
| <b>Council Priorities Fund (and CPF allocations)</b>                 |                |                |                |                |
| Opening balance 01/4/2015  | (2,398)        | (1,813)        | (1,180)        | (810)          |
| <b>Income</b>  |                |                |                |                |
| Contribution from revenue toward the impact of austerity measures    | (751)          |                |                |                |
| <b>Expenditure</b>   |                |                |                |                |
| Change programme costs [agreed in Feb12 Budget strategy]             | 25             |                |                |                |
| Environmental Services - individual member budgets                   | 68             | 68             | 68             | 68             |
| Building Control (10% reduction in fees)                             | 32             | 32             | 32             | 32             |
| Schools one-off payments - re. Tetbury and Fairford LCs              | 267            |                |                |                |
| Leisure and Cultural Services price freeze                           | 85             | 42             |                |                |
| Local Plan Development and Examination                               | 80             | 40             |                |                |
| HLF - Bid for the corinimum Museum                                   | 16             | 16             | 18             |                |
| HLF - Bid for the Old Prison   |                |                | 50             |                |
| Alterations to Commercial space/Trinity Road                         | 70             | 55             |                |                |
| Funding for flood works - allocations 14/15, 15/16, 16/17            | 100            |                |                |                |
| Revenue contribution to 2020 Vision Programme                        | 593            | 380            | 202            | 10             |
| <b>Closing balance</b>   | <b>(1,813)</b> | <b>(1,180)</b> | <b>(810)</b>   | <b>(700)</b>   |
| <b>Other Earmarked Reserves (excluding CPF)</b>                      |                |                |                |                |
| Opening balance  | (1,379)        | (495)          | (675)          | (920)          |
| <b>Income</b>  |                |                |                |                |
| Contribution from General Fund to Business Rates Smoothing           |                | (250)          | (250)          | (250)          |
| <b>Expenditure</b>   |                |                |                |                |
| Building Maintenance   | 30             |                |                |                |
| Waste Depot future service growth                                    | 20             |                |                |                |
| Cotswold DMO (Tourism)   | 47             |                |                |                |
| Homelessness (Gloucestershire and CDC pots)                          | 65             | 70             | 5              | 5              |
| Business Rates Smoothing Reserve                                     | 650            |                |                |                |
| Other expenditure funded from reserves                               | 72             |                |                |                |
| <b>Closing balance</b>   | <b>(495)</b>   | <b>(675)</b>   | <b>(920)</b>   | <b>(1,165)</b> |
| <b>Total of Earmarked reserves</b>                                   | <b>(2,308)</b> | <b>(1,855)</b> | <b>(1,730)</b> | <b>(1,865)</b> |
| <b>General fund working balance</b>                                  |                |                |                |                |
| Opening balance  | (2,562)        | (3,269)        | (3,467)        | (3,291)        |
| Revenue budget (surplus)/deficit for the year                        | (707)          | (198)          | 176            | 334            |
| <b>Closing balance on the General Fund</b>                           | <b>(3,269)</b> | <b>(3,467)</b> | <b>(3,291)</b> | <b>(2,957)</b> |
| <b>Total of Council revenue reserves (GF and Earmarked Reserves)</b> | <b>(5,577)</b> | <b>(5,321)</b> | <b>(5,021)</b> | <b>(4,822)</b> |

**Scenario A - Appendix A4**

| <b>Revenue Reserves</b>  | <b>16/17</b>   | <b>17/18</b>   | <b>18/19</b>   | <b>19/20</b>   |
|--|----------------|----------------|----------------|----------------|
|  | <b>£000s</b>   | <b>£000s</b>   | <b>£000s</b>   | <b>£000s</b>   |
| <b>Council Priorities Fund (and CPF allocations)</b>                 |                |                |                |                |
| Opening balance 01/4/2015  | (2,398)        | (1,813)        | (1,180)        | (810)          |
| <b>Income</b>  |                |                |                |                |
| Contribution from revenue toward the impact of austerity measures    | (751)          |                |                |                |
| <b>Expenditure</b>   |                |                |                |                |
| Change programme costs [agreed in Feb12 Budget strategy]             | 25             |                |                |                |
| Environmental Services - individual member budgets                   | 68             | 68             | 68             | 68             |
| Building Control (10% reduction in fees)                             | 32             | 32             | 32             | 32             |
| Schools one-off payments - re. Tetbury and Fairford LCs              | 267            |                |                |                |
| Leisure and Cultural Services price freeze                           | 85             | 42             |                |                |
| Local Plan Development and Examination                               | 80             | 40             |                |                |
| HLF - Bid for the corinimum Museum                                   | 16             | 16             | 18             |                |
| HLF - Bid for the Old Prison   |                |                | 50             |                |
| Alterations to Commercial space/Trinity Road                         | 70             | 55             |                |                |
| Funding for flood works - allocations 14/15, 15/16, 16/17            | 100            |                |                |                |
| Revenue contribution to 2020 Vision Programme                        | 593            | 380            | 202            | 10             |
| <b>Closing balance</b>   | <b>(1,813)</b> | <b>(1,180)</b> | <b>(810)</b>   | <b>(700)</b>   |
| <b>Other Earmarked Reserves (excluding CPF)</b>                      |                |                |                |                |
| Opening balance  | (1,379)        | (495)          | (675)          | (920)          |
| <b>Income</b>  |                |                |                |                |
| Contribution from General Fund to Business Rates Smoothing           |                | (250)          | (250)          | (250)          |
| <b>Expenditure</b>   |                |                |                |                |
| Building Maintenance   | 30             |                |                |                |
| Waste Depot future service growth                                    | 20             |                |                |                |
| Cotswold DMO (Tourism)   | 47             |                |                |                |
| Homelessness (Gloucestershire and CDC pots)                          | 65             | 70             | 5              | 5              |
| Business Rates Smoothing Reserve                                     | 650            |                |                |                |
| Other expenditure funded from reserves                               | 72             |                |                |                |
| <b>Closing balance</b>   | <b>(495)</b>   | <b>(675)</b>   | <b>(920)</b>   | <b>(1,165)</b> |
| <b>Total of Earmarked reserves</b>                                   | <b>(2,308)</b> | <b>(1,855)</b> | <b>(1,730)</b> | <b>(1,865)</b> |
| <b>General fund working balance</b>                                  |                |                |                |                |
| Opening balance  | (2,562)        | (3,269)        | (3,467)        | (3,291)        |
| Revenue budget (surplus)/deficit for the year                        | (707)          | (198)          | 176            | 334            |
| <b>Closing balance on the General Fund</b>                           | <b>(3,269)</b> | <b>(3,467)</b> | <b>(3,291)</b> | <b>(2,957)</b> |
| <b>Total of Council revenue reserves (GF and Earmarked Reserves)</b> | <b>(5,577)</b> | <b>(5,321)</b> | <b>(5,021)</b> | <b>(4,822)</b> |

**MTFS and Budget Strategy 2016/17 - Risk Analysis**

**Appendix A 5**

**Budget Risks**

| Budget Risks   | Likelihood | Impact | Score | Mitigation   |
|--|------------|--------|-------|--|
| Impact of changes to New Homes Bonus Scheme increases Council savings targets over the medium term   | 4          | 4      | 16    | MTFS reflects illustrative figures provided by DCLG.<br>Respond to the government consultation document.<br>Review final central government decisions and model financial impact.  |
| Movement to 100% Business Rates Retention has a negative financial impact - additional responsibilities cost more than the increase in retained business rates | 5          | 3      | 15    | Once final scheme is announced, consider any mitigating action e.g. Local Plan progress, minimise risk of planning applications being successful upon appeal.<br>MTFS assumes a cash neutral position as the government plans to have completed its austerity measures by the time this comes into effect.<br>Continue to monitor government details as they are announced and respond to consultation.  |
| Successful business rates appeals impact upon locally retained business rates.   | 3          | 5      | 15    | A provision for successful business rates appeals has been created.<br>Regular updates on business rates appeals available from VAO.<br>Regular liaison with VAO regarding national trends, local matters.   |
| Impact of business rates reset in 2020   | 5          | 3      | 15    | Monitor DCLG communications.<br>Update to MTFS in autumn 2016 will include modelling of potential implication  |
| Local Land Charge Register transfer to Land Registry impacts upon income from land charges.  | 4          | 3      | 12    | Project established to implement the changes. Project includes collection of costs associated with the project with the aim of recovering costs via the New Burdens doctrine.<br>Monitor government communications on the change and reflect within updates to MTFS as appropriate.<br>Respond to any consultation and lobby to protect Council's position.<br>Local Government Association and Local Land Charges Institute working with local authorities during the transition. |

**MTFS and Budget Strategy 2016/17 - Risk Analysis**

**Appendix A 5**

| <b>Budget Risks</b>   | <b>Likelihood</b> | <b>Impact</b> | <b>Score</b> | <b>Mitigation</b>   |
|---|-------------------|---------------|--------------|---|
| The Council is part of the Gloucestershire Business Rates Pool. This increases both the risks and rewards available from the business rates scheme.   | 3                 | 4             | 12           | The pool has been re-constituted in 2016/17 to exclude Tewkesbury Borough Council because of the risk associated with the Virgin Meadia listing.  |
| Impact of unforeseen legislative changes on financial resources   | 4                 | 4             | 16           | Each Council has made provision for outstanding business rates appeals. Financial modelling indicates that the pool will provide a significant benefit across the County. However, there are risks of future unforeseen business rates appeals which would be borne by the Councils due to the increased level of safety net associated with the pool.<br>Horizon scanning.<br>Preparation of Local Plan is top task. |
| The impact of devolution on the Council's resources   | 3                 | 3             | 9            | Strategic Director representation on the devolution project team.<br>Cabinet member involvement in governance arrangements.<br>Gloucestershire Chief Finance Officer support to project.<br>Effective Programme governance via Joint Committee.   |
| Failure of 2020 Vision to deliver savings   | 3                 | 3             | 9            | Review of business case to enable Councils to take decision to move to company structure - Summer 2016.<br>Business case based upon efficiency gains achieved through previous sharing of management and services.  |
| Increases to LGPS contributions resulting from tri-ennial review of GCC pension fund exceed provision for growth in MTFS  | 3                 | 3             | 9            | Growth in MTFS based upon past experience of pension fund contribution increases.<br>Regular liaison with actuary through Gloucestershire County Council<br>Pension fund data on active members cleansed<br>2020 Vision business case will include modelling on impact upon LGPS contributions.   |
| Transfer of responsibility for housing benefit fraud to Department for Works and Pensions may impact upon identification of and recovery of fraudulent housing benefit claims leading to adjustment to budget | 4                 | 2             | 8            | Budget monitoring.<br>Counter fraud pilot project established to identify potential fraudulent activity across the Council.   |
| Unavoidable budget pressures exceed provision   | 3                 | 2             | 6            | This will be monitored as part of the annual update to the MTFP and as part of regular budget monitoring  |
| Housing and Planning Bill potential impact upon capital right to buy receipts   | 3                 | 2             | 6            | Monitor situation, update MTFS as appropriate.  |
| Unable to achieve budgeted salary underspend  | 2                 | 3             | 6            | Budgetary control processes<br>Budget reducing to reflect more sharing and therefore less capacity to be able to continue with business without filling vacant posts as quickly possible.   |



**MTFS and Budget Strategy 2016/17 - Risk Analysis**

| <b>Budget Risks</b>   | <b>Likelihood</b> | <b>Impact</b> | <b>Score</b> | <b>Mitigation</b>   |
|---|-------------------|---------------|--------------|---|
| Unable to meet savings targets  | 3                 | 2             | 6            | MTFS and budget process 2020 Vision governance  |
| Failure to meet income budgets  | 2                 | 2             | 4            | Budgetary control processes<br>Appropriate marketing of services and consideration of effective charging levels   |
| Legal challenge leading to financial implications   | 2                 | 3             | 6            | Effective engagement with key stakeholders over key decisions.<br>Controls over preparation and authorisation of Member/Officer decision making reports<br>Role of Monitoring Officer   |
| Level of pay inflation exceeds provision in the MTFS                                      | 2                 | 2             | 4            | Government has announced intention to cap public sector pay awards at 1% per annum for next four years.<br>Provision incorporated within MTFS, however, this has not been agreed with the Unions.<br>Improving economic conditions has led to a lower cost of the scheme in recent years.   |
| Demand for Local Council Tax Support increases reducing the value of the council tax base | 3                 | 2             | 6            | Housing growth in the District will help to offset the impact of any increases in LCTS.<br>Robust processes for collection of council tax debt in place, collection fund has produced surpluses for the past few years and future surplus may be available to offset future costs arising from the LCTS.<br>The MTFS contains provision for inflationary increases on contracts such as the environmental services contract with Ubico Ltd. |
| Expenditure Risk  | 2                 | 3             | 6            | There are areas of expenditure that the Council has no direct control over, either the take up or the cost of the service. The only areas of concern relate to Ubico Ltd employee costs (due to increasing market hourly rates) fuel costs (given the recent collapse of fuel prices this is unlikely to lead to near term pressures) and Local Council Tax Support (which is currently reducing).  |