

	<p style="text-align: center;">Executive 13th September 2006</p> <p style="text-align: center;">Report from the Director of Finance and Corporate Resources</p>
For Action	Wards Affected: ALL
Revenue Budget 2006/07 Monitoring Report	

Forward Plan Ref: F&CR-06/07-10

1. SUMMARY

- 1.1 This report up-dates the Executive on the 2006/07 budget position, including actions being taken to address forecast budget overspends in the current year. Overall the forecasts in this report, together with actions set out, would reduce general balances held by the council to £6.3m at 31st March 2007. This represents a considerable reduction in balances compared to the level held at 31st March 2006 - £9.7m – and is below the council's target for balances of £7.5m to £8m. So, whilst actions have been identified and are being taken to address overspends, there will be a need to report back to Members on what further actions can be taken to bring spending into line with resources in 2006/07.
- 1.2 One of the actions that are being taken within directorates is to ensure early implementation of budget savings for 2007/08 so that they can help achieve spending reductions in the current year and have a full impact in 2007/08. This report therefore also asks Members to agree a package of savings that will achieve planned 2% reductions in budgets across service areas in 2007/08.
- 1.3 As Members are aware, limited growth in government funding and restrictions on council tax increases mean there will be pressure on resources in future years. In addition, the factors that have given rise to additional spending in the current year will continue to put pressure on budgets in future years and forecasts in previous budget reports have already shown considerable potential growth in funding requirements. Members will therefore have to be ready to take difficult policy decisions to ensure measures to restrict spending in the current year have an on-going impact on spending in future years. In addition, it is expected that as part of the on-going budget process, further savings for 2007/08, over and above the 2% identified in this report, will be required in order to ensure a balanced budget for 2007/08.

2. RECOMMENDATIONS

The Executive is asked to:

- 2.1 Note the current budget forecasts in Appendix A.
- 2.2 Note the actions that are being taken to reduce spending to bring it into line with budget set out in this report.
- 2.3 Note that further actions will be required to achieve a balanced budget in 2006/07 and agree that an up-date on actions will be included in the next budget monitoring report to the Executive.
- 2.4 Agree the budget transfers and virements in paragraphs 3.28 to 3.33.
- 2.5 Agree the 2007/08 savings in Appendix C and agree that, where possible, these will be brought forward to 2006/07 in order to help bring spending in line with budget.

3. 2006/07 BUDGET POSITION

- 3.1 The report to the Executive on 17th July 2006 on the revenue budget position identified potential overspends across the council of £5.902m in 2006/07. It was recognised at the time that it was early in the financial year and that further work needed to be done to establish the extent of the potential overspends. Directors were also required to put in place measures to bring spending in line with budget.
- 3.2 This section of the report provides further details on budget forecasts for services and sets out measures that are being taken at the moment to address overspends. More action will be required to bring spending back in line with resources and this will be reported in future budget monitoring reports.

Overall position

- 3.3 Appendix A sets out the 2006/07 budget position for the council. This shows that, even after taking the actions set out in this report, there is a budget shortfall of £3.4m in the current year. The relatively high level of balances coming into the current financial year (£9.7m at 31st March 2006 following audit of the accounts) means that a shortfall of this level is manageable. But it represents an underlying budget imbalance that will need to be addressed going into the next financial year. Moreover, a number of the actions to bring spending down in this report are one-off and cannot be sustained in the longer term (eg freezes on recruitment, deferral of repairs to buildings), so if anything the underlying gap is greater.
- 3.4 The position reported in Appendix A also reflects a number of changes since the July report. There has been a significant increase in the forecast overspend for Children and Families which was reporting a potential overspend in the current year of £800k in the last report (based on June

monitoring figures) but for whom the forecast overspend now, even after actions, is £3.3m. On the other hand a review of central items has identified a reduced requirement for debt charges/net interest receipts of £765k and a reduced requirement for funding for the West London Waste Authority levy (and charges associated with it) of £851k.

- 3.5 The reasons for variances on individual items, and the actions being taken to address them, are set out in following paragraphs.

Service budgets

- 3.6 The overall forecast budget shortfall on service budgets currently stands at £4.782m. This is made up of forecast shortfalls on Children and Families of £3.300m and Housing and Community Care of £2.341m, offset by a forecast surplus of £859k in corporate service areas as a result of spending measures being taken. At the moment, actions to bring spending into line mean that the forecast for Environment and Culture is break-even.

Children and Families

- 3.7 The forecast budget shortfall is now £3.3m compared to £800k in the previous monitoring report. The shortfall consists of a £4.3m forecast overspend, offset by a £1m reduction from actions proposed to reduce the overspend.
- 3.8 There are a number of reasons for the forecast overspend increasing from £800k to £4.3m which are as follows:
- a. The previous projection of £0.8m took account of budget pressures which had arisen in 2005/06 and were likely to continue into 2006/07. However, the impact of these was masked by receipt in 2005/06 of one-off asylum seekers grant. In fact the underlying pressures brought forward from 2005/06 were nearer £1.6m than £0.8m.
 - b. There has been a continuing increase in the number of children coming into care. Numbers in care had stabilised in the second half of the 2005/06 financial year (down from 409 in September 2005 to 406 in March 2006) and therefore budget growth for further children in care was not built into the 2006/07 budget. However, between March and June the number increased from 406 to 427. Moreover, the new placements in 2006/07 are for very high need children. An analysis of costs of placements shows that there are now 29 children in placements that cost £100k or more per annum compared to 15 in such high cost placements in 2005/06. Overall, costs of placements (including the full-year effect of 2005/06 growth) is £2.8m above budget
 - c. The 2006/07 budget included projected savings from reducing the number of children who had reached 18 in care homes. The plan was to move the children into permanent housing. However, whilst there has been an increase in the permanent housing made available for children leaving care, it has not been enough to reduce the number of 18 year olds and above who continue to be looked after. This has added a further £300k to the budget shortfall.

- d. The changes outlined above are offset by a £400k reduction in the budget required for children with special needs following a review of costs that are properly incurred by the social care budget and costs that should properly be charged to Special Education Needs in the Dedicated Schools Budget. This can be contained within the SEN budget as a result of under-spends in other parts of the budget. This effectively brings forward a saving already identified for 2007/08.

3.9 A number of actions are now being taken to contain the forecast overspend, as follows:

- a. The potential for moving more children who are over 18 into housing of their own is being reviewed. So far the focus has been on providing permanent accommodation for children leaving care and this has been difficult given the competing calls on permanent accommodation and limited resources available for social housing. 15 temporary units for which market rents are charged have now been identified and children leaving care will be moved into these. In addition the Housing Advice Team in H&CC is seeking to identify other suitable properties that may be available on the market.
- b. Housing benefit entitlement of children in care who have reached 18 is being reviewed to ensure the council is maximising housing benefit income. It is unclear at this stage how much saving this might yield but detailed work is being carried out and the position should be clearer by the end of September.
- c. A review of high cost placements is being carried out to see what action can be taken to reduce the number of them. Children are only put in high cost placements where the need for supervision is exceptional and there may be limited scope to reduce the numbers in this type of placement. But even reducing the number of children in high cost placements by 2 or 3 could yield significant savings. In the longer term, officers are looking at the possibility of providing highly trained specialist foster carers to look after very high need children. But this will take investment in recruiting and training the foster carers and is not a short term solution.
- d. Other parts of the Children and Families Department are being reviewed to identify further savings. Growth allocated to the youth service in the 2006/07 budget which is not yet fully committed will be clawed back. Measures are being put in place which will limit spending across the department. This will impact on recruitment to vacant posts, staff training, replacement of equipment and other items. This approach is not sustainable in the longer term without serious impact on service but will yield savings in the shorter term.

3.10 A target of £1m has been set for the actions outlined in paragraph 3.9. Achievement of this target will be closely monitored. Overall this therefore reduces the budget shortfall on Children and Families by £1m to £3.3m.

- 3.11 Some of the additional costs faced by Children and Families are because the costs of Unaccompanied Asylum Seeking Children (UASCs) and UASCs leaving care are not fully covered by grant. The council has an outstanding special circumstances grant claim for the cost UASCs in 2005/06 of £276k. The chairs of the Association of London Government (ALG) and the Local Government Association (LGA) are due to meet Ministers at the Home Office shortly about this and there is a reasonable chance that the council will get part or all of this refunded. In addition, the chairs of ALG and LGA are due to meet DFES Ministers in October about funding for UASCs leaving care and again there is a possibility of additional funding although the amount is likely to be quite limited. Neither of these possible funding sources has yet been taken into account and receipt of additional grant could potentially reduce the gap further.
- 3.12 Members and officers will be reviewing opportunities for further savings at the budget star chambers planned for September. The measures in place at the moment fall well short of eliminating the potential overspend. Moreover, a number are one-off and will not produce savings in future years. This means that budget growth would have to be put into next year's budget merely to fund existing service needs. This service is key to the protection and development of vulnerable children and there are no easy budget savings that can be made. There are areas that can be looked at such as the proposal above for specialist foster carers and the way we procure residential placements that may yield savings. There will also be the need to take some difficult policy decisions if the need for budget growth is to be limited in future years.

Environment and Culture

- 3.13 Environment and Culture are currently forecasting an overspend of £835k which is below the £1.134m forecast in the July monitoring report. Actions taken within Environment and Culture since the July monitoring report have identified savings of £299k to reduce the forecast overspend to the present level, and have contained a further £230k of budget risks that had been identified. Appendix A shows an additional reduction of £835k from further action which will ensure spending is kept within budget.
- 3.14 The forecast overspend is the result of additional spending on street lighting (£535k) and libraries (£300k). The additional spending on street lighting is due to the impact of increased electricity costs on the cost of the street lighting PFI. The additional spending could only be contained within the street lighting budget by reducing the level of lighting within the borough. In the case of libraries, additional spending is the combined result of higher than forecast additional cost from extension of opening hours in 2005, reduced income because of less demand for CDs and DVDs, and on-going severance costs from management restructuring in 2005. The main options for making the savings in the library service are reducing library opening hours, closing low usage libraries, or reducing the book fund. All of these would impact on the level of library service provided.

- 3.15 Budget reductions of the kind outlined for street lighting and libraries in paragraph 3.14 would have significant policy implications and it would not be possible to implement them without considering the wider context of what the council is trying to achieve through provision of the services including improved road safety, reduced crime, increased child and adult literacy and numeracy, employability, and awareness and celebration of Brent's communities. In the short term, therefore, Environment and Culture is reviewing other measures that can be taken to bring the budget into line. These are being considered by the Director of Environment and Culture in discussion with the Lead Members for Environment, Planning and Culture and Transport. It is unlikely, however, that the savings required to bring the budget into line can be achieved without having an impact on the visible services provided by Environment and Culture. The Director of Environment and Culture will be looking to keep these impacts to the minimum.
- 3.16 In the longer term, as with other services, the council will need to look at how it can re-configure services in Environment and Culture to ensure continuing improvement whilst limiting costs. A start to this process is already reflected in proposals within the proposed 2% savings package to change management arrangements for regulatory services within Environment and Culture. The on-going review of libraries is also looking at ways in which the objectives of the library service can be achieved more efficiently and effectively and this will be subject to further consideration as part of next year's budget process. Similar issues will be addressed in relation to the remainder of Environment and Culture's services. These are however longer term issues and will not deliver the short term savings required.

Housing and Community Care

- 3.17 The Housing and Community Care forecast overspend is £3.4m which is similar to that reported in the July budget monitoring report. It consists of a forecast overspend on adult services of £3.6m offset by a forecast underspend on the temporary accommodation budget of £0.2m. In addition, Housing and Community Care are taking actions which are expected to yield savings of at least £1.1m, reducing the forecast budget shortfall to £2.3m.
- 3.18 Current forecast overspends for adult social care are as follows:
- a. Services for older people - £2.1m mainly on nursing and residential care;
 - b. Services for people with physical disabilities - £800k mainly on home care packages;
 - c. Services for people with learning disabilities - £700k across a range of services;
 - d. Services for people with mental illness - £700k mainly on residential placements.

These are partially offset by a contingency in the budget of £500k and savings in core adult care services of £200k.

- 3.19 The 2006/07 budget included £3m growth for adult services to meet budget pressures that had been identified at that time. But a combination of factors, including the on-going impact in 2006/07 of the £1.4m overspend on Housing and Community Care in 2005/06, continuing demographic pressures, and the impact of PCT budget restrictions on the need for adult social care to provide continuing care and on cost sharing of residential placements, means growth in costs has outstripped the significant growth put into the budget.
- 3.20 The potential overspend was identified early in the financial year and blanket spending restrictions, similar to those being imposed in Children and Families, have been in place in Housing and Community Care since 4th July. In addition, all high cost care packages are being reviewed to identify potential savings. The measures in place are expected to deliver additional savings of £1.1m within the year, reducing the overspend to £2.3m. As in other areas, delivery of this saving will be monitored and savings could be greater than £1.1m.
- 3.21 Whilst some of the reviews of care packages will yield on-going savings, other savings resulting from the spending restrictions in place will be one-off. The Housing and Community Care Department is currently implementing a review of social care commissioning carried out at the end of 2005 and this should result in longer term savings in adult care budgets. In addition, the results of the on-going day care review will provide opportunities to rationalise existing services so that they are more targeted at those in need. Other options available to reduce costs – such as reviewing eligibility criteria – will need to be considered but will have more severe implications on service received by users.

Corporate services

- 3.22 These include Finance and Corporate Resources, the Policy and Regeneration Unit, the Communications Unit, the Human Resources Unit, Legal and Democratic services, and the Chief Executive's office.
- 3.23 All of these services are currently forecasting spending on budget. However, in order to help address the overspends in the direct spending departments, the Corporate Management Team is proposing that each of these services put in place measures – including spending restrictions, bringing forward savings from 2007/08, and other items agreed in discussion with Lead Members – to deliver 2% savings in the current year. This will produce a saving of £859k in the current year and is reflected in projections in Appendix A. As in other areas spending restrictions of this kind can work in the short term but they may affect the capacity of the organisation to deliver the ambitious agenda of the new Administration and to support delivery of direct services.

Central items

- 3.24 The forecast budget shortfall on service budgets of £5.641m is offset to some extent by a forecast net surplus on central items of £1.403m. This is made up

of a forecast under-spend on debt charges/interest receipts of £765k and levies of £851k, offset by a £250k forecast shortfall in income from the Local Authorities Business Growth Incentive scheme (LABGI) – down from £500k in the July report. There is also a previously reported £37k reduction in the central provision required for asylum seekers. The position on each of these is set out below.

Debt charges/interest receipts

3.25 The reduction in funding required for debt charges/interest receipts of £765k arises from the following :

- a. The capital outturn report to the Executive in July reported a £65k reduction in financing charges required in 2006/07 as a result of re-phasing of some schemes.
- b. Interest on council investments of £100m is estimated at an average of 4.8% which is 0.3% higher than built into the 2006/07 budget. The increase in the estimate reflects the returns received in the first half of the year and the increase in Bank of England bank rate from 4.5% to 4.75% in early August. This is expected to yield additional income of some £300k in the current year.
- c. Continuing reductions in the average interest rate the council pays on its long term borrowing – as a result of borrowing when long term interest rates are at their lowest levels and restructuring historic debt which was taken out at relatively high interest rates – has reduced estimated interest charges by £400k below what was already assumed in the budget.

Levies/West London Waste Authority

3.26 The 2006/07 budget report to Full Council on 6th March detailed changes to the way in which the West London Waste Authority planned to raise its income, largely brought about by national changes to the arrangements for raising levies for waste authorities. Changes to the allowance for non-household waste and treatment of credits for recycling were expected to have a significant but, at that time, unquantifiable impact on the amount Brent would have to pay to West London Waste. The actual levy charged by West London Waste Authority was £5.049m, but a further £2.007m was allowed for the potential impact of the changes. It is too early to assess the full impact of the changes which depends on the tonnage of waste produced by the borough, but £2m is in excess of what is likely to be required. £656k of the £2.007m was allocated to the Environment and Culture budget in the July monitoring to pay for loss of recycling credits and additional charges for non-household waste. The amount required in the year will depend on actual tonnages of waste produced but a provision of a further £500k is expected to be sufficient to meet any potential increases in waste tonnage over the remainder of the financial year. The result is that there is a reduction of £851k in the amount that needs to be provided for the West London Waste Authority levy in central items.

Local Authorities Business Growth Incentive Scheme (LABGI)

- 3.27 The LABGI scheme was introduced in 2005/06. Payments are made to local authorities on the basis of increases in rateable value of business in the area adjusted for changes in the number of empty properties. The council's 2006/07 budget included £1m for LABGI income on the basis that the rateable value of Wembley stadium would be included in the calculation for 2006/07. In practice this will not happen. There are also doubts about the future of the former Guinness Brewery site. The July monitoring report therefore forecast therefore that the council would receive a maximum of £500k from LABGI in 2006/07, compared to the budgeted £1m. Monitoring since then shows an increase in new businesses paying business rates and as a result forecast income has been increased to £750k. This is still £250k less than in the budget but it is a £250k improvement on the last monitoring report.

Budget transfers/virements

- 3.28 The budgets in Appendix A also allow for three separate budget transfers/virements. These transfers/virements have no overall net effect on the council's 2006/07 budget. They are as follows:

Ward newsletters/graffiti removal

- 3.29 Ward newsletters were introduced in 2005/06 as a key element of ward working. The new Administration have made it clear that they wish to review neighbourhood working and as a first step have asked that production of ward newsletters be suspended pending this review. The budget allocation to fund ward newsletters was £211k in 2005/06. There will be a part year saving of £79k in 2006/07 from suspension of the ward newsletters. The budget position in future years will depend on decisions on neighbourhood working.
- 3.30 The current year saving from suspension of ward newsletters allows redirection into spending on services at a ward level. Environment and Culture put forward a bid as part of their 2007/08 budget submission for a fourth graffiti removal team to deal with excessive demands on the existing three teams, with a current backlog equivalent to 6 weeks work. The fourth team would enable the backlog to be addressed. The £79k saving in 2006/07 from suspension of ward newsletters would be sufficient to fund current year costs from setting up the graffiti team now. Funding of full year costs of the additional graffiti team, which amount to £110k, will have to be considered as part of the 2007/08 budget process. If Members are minded to do this, Environment and Culture will be expected to provide details of planned improvements in performance arising from the additional investment and to report back to Members on their achievement of these improvements.

An alternative option being considered is to fund measures for preventative work to stop graffiti rather than additional resources being targeted at removal.

Savings on agency staff

- 3.31 As part of its efficiency programme, the council entered an agreement earlier this year with a private company, Eden Brown, to provide a vendor managed service (VMS) for all agency staff applied by the council. The vendor managed service provides savings to the council by ensuring that the on-costs charged by agencies who supply temporary staff to the council are effectively controlled. The vendor managed service also ensures consistency in quality of service provision by the agencies.
- 3.32 The 2006/07 budget included a central efficiency saving from the introduction of the VMS of £200k. In addition, the Children and Families department included a saving of £100k within their own budget. The current operation of the service ensures that departments pay the same for staff as they did in the past and the saving from the contract is taken centrally. As a result it is recommended to vire £100k to Children and Families and to increase the corporate efficiency saving target from the VMS in 2006/07 to £300k.

Customer service

- 3.33 Appendix A also includes a transfer of £88k from Environment and Culture to Housing and Community Care to reflect transfer of staff from Environmental Health to the One Stop Shop. This is a re-alignment of responsibilities and has no impact on the overall budget.

Risks to the 2006/07 budget

- 3.34 Those areas that are currently forecasting overspends were identified in the risk assessment carried out as part of the 2006/07 budget preparation process and set out in the 2006/07 budget report. Risks associated with factors largely outside the control of the council - demand pressures on adult care and children's care, the financial position of Brent tPCT, and potential electricity price rises - were the main reason for the recommendation of the Director of Finance and Corporate Resources for balances to be set between £7.5m and £8m.
- 3.35 Details of the risks included in the 2006/07 budget report are attached as Appendix B. There are a number of other risks, not covered in this report, which may impact on the 2006/07 budget. These risks are closely monitored at monthly meetings of the Strategic Finance Group, which is chaired by the Director of Finance and Corporate Resources and includes heads of finance from each department. Should any of these risks lead to additional pressures on the budget – over and above those set out in this report – actions will be put in place to limit their impact and both the potential impact and the actions will be reported to Members.

4. 2007/08 BUDGET

- 4.1 The 2006/07 budget report to Full Council on 6th March 2006 set out the medium term financial forecasts for the council and these were up-dated in the budget monitoring report to the Executive on 17th July.

- 4.2 In view of the budget pressures the council will face in future years and the need to deliver savings early to have a full year impact in 2007/08 and a part year impact in 2006/07, Members are asked to agree the savings for 2007/08 attached at Appendix C. It should be noted that further work is being carried out on the 2007/08 to 2010/11 budget in the context of development of the 2006-10 corporate strategy and it is likely that further savings will have to be considered as part of the on-going process.

5. FINANCIAL IMPLICATIONS

- 5.1 These are contained within the detail of the report.

6. LEGAL IMPLICATIONS

- 6.1 The revenue budget is agreed by Full Council as part of the annual budget process. Changes to, or departures from, the budget during the year other than by Full Council itself can only be agreed in accordance with the scheme of Transfers and Virements contained in the Constitution. Any decisions the Executive wishes to take and any changes in policy which are not in accordance with the budget set in March 2006 and are not covered by the Scheme of Transfers and Virements will therefore need to be referred to Full Council.
- 6.2 The Director of Finance and Corporate Resources is satisfied that the criteria in the scheme are satisfied in respect of the virements and spending proposals in the report.

7. DIVERSITY IMPLICATIONS

- 7.1 The short term measures taken in services to achieve short term savings will have impact on services and services will have to ensure that they are achieved within the context of the council's overall equal opportunity policy and approach. The savings put forward in Appendix C do not in general have significant service implications. However, where they do, they will need to be subject to an Impact Needs and Requirements Analysis (INRA) prior to implementation.

8. STAFFING IMPLICATIONS

- 8.1 Short term measures to achieve savings in 2006/07 within departments – including restrictions on recruitment, employment of temporary staff, and staff training – will have an impact on workloads of staff and their ability to deliver high quality services. Details of any staffing implications from 2007/08 savings proposals are contained in Appendix C.

9. CONCLUSIONS

- 9.1 It is still very early in the financial year and close monitoring will be maintained with regular reports to Members. There still remains a high level of risk within the budget.

10. BACKGROUND INFORMATION

Report 2006/07 Budget and Council Tax and Minutes of the Council Meeting on 6th March 2006.

Report 2005/06 Provisional Revenue Outturn and Revenue Budget 2006/07 – 17th July 2006

11. CONTACT OFFICER

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2006/07 BUDGET RISKS – TAKEN FROM 2006/07 BUDGET REPORT

	Worst case £'000	Likelihood %	Estimated risk £'000
<u>Demand risks</u>			
Adult care packages	1,000	30%	300
Children's care packages	1,000	30%	300
Cost of accommodating looked after children (including asylum seekers beyond the age of 18)	1,000	25%	250
Temporary accommodation – increase in homelessness	600	30%	180
<u>New legislation</u>			
Licensing Act 2003, Civil Contingencies Act 2004, the Housing Act 2004, the Transport Management Act 2004, the Children Act 2004, the Childcare Bill, the Electoral Registration Bill, and the Road Safety Bill	1,000	20%	200
<u>Legal challenge</u>			
Legal challenges – eg to contracts and in employment tribunals	2,000	30%	600
<u>Partnerships</u>			
Transfer of costs from the tPCT to the council	2,000	30%	600
<u>Interest rate fluctuations</u>			
Risk of major turbulence on markets	500	10%	50
<u>Procurement risks</u>			
Risk of additional costs from major re-tendering exercises eg waste management contract	1,000	20%	200
Risk that legal and financial costs of affordable housing PFI cannot be recovered	350	20%	70
Risk that cost of social care placements may increase by more than the inflation increase allowed for in both the children's and adults' budgets	1,000	20%	200
Energy risk – risk of increases in energy prices which cannot be contained in budgets	200	25%	50
<u>Pay risks</u>			
Risk that additional costs will, be incurred above those budgeted for single status	1,000	20%	200

APPENDIX B

	Worst case £'000	Likeli- hood %	Estimated risk £'000
Grant risks			
Risk of exceeding the threshold on housing benefit overpayments in 2006/07	600	30%	180
Risk of changes to the subsidy regime for people in temporary accommodation	1,500	30%	450
Risk the council does not receive the full LPSA Performance Reward Grant	5,000	10%	500
<u>Savings/income risks</u>			
Risk of not achieving savings in the budget	4,000	10%	400
Risk of not achieving central savings from the Efficiency Programme	500	20%	100
Parking control account – risk of under-recovery of income	500	30%	150
Planning/land search fees	500	20%	100
Gordon Brown centre – income risk	40	25%	10
<u>Asset management risks</u>			
Closure of council buildings and need to find alternative accommodation	1,000	30%	300
<u>Risks from major developments</u>			
Wembley opening – unanticipated costs incurred by the council	500	20%	100
<u>Major disaster</u>			
The government has a scheme (the Bellwin scheme) that covers authorities for 85% of costs of a major disaster above 0.2% of net revenue budget. The risk to the council is 100% of costs below the threshold and the 15% above it.	500	10%	50
Total General Fund revenue risks	27,290		5,540
<u>Major capital schemes</u>			
Risk that major schemes in the agreed capital programme will overspend	4,000	20%	800
Total General Fund revenue and capital risks	31,290		6,340