

FINANCIAL RISKS ANALYSIS 2024-25

1 EXECUTIVE SUMMARY

- 1.1 The main purpose of this report is to provide a summary of the key financial risks facing the Council.
- 1.2 A number of Council wide risks, both revenue and capital have been identified along with risks for each department and service of the Council. For each departmental risk the financial impact has been quantified and the likelihood assessed based on the standard risk matrix.
- 1.3 There are 6 Council wide revenue risks identified for 2024-25 currently amounting to £6.833m.
- 1.4 There are currently 38 departmental risks totalling £5.080m. Five of the 38 departmental risks are categorised as likely.
- 1.5 The financial risks are monitored routinely and actions put in place to continue to mitigate the risks.

FINANCIAL RISKS ANALYSIS 2024-25

2. INTRODUCTION

2.1 This report outlines the process and approach developed in carrying out a financial risks analysis and provides a note of the current assessment of financial risks for 2024-25.

3 DETAIL

3.1 Introduction

3.1.1 The Council continues to be in a period of significant financial challenge. In developing its budget to address both restricted resources and cost and demand pressures there are a number of financial risks the Council needs to consider and manage.

3.1.2 There are a number of risks that affect the income or expenditure across the whole council and these have been identified. Financial risks have been considered by each department and service of the Council.

3.1.3 For each risk, the financial impact has been quantified and the likelihood assessed based on the standard risk matrix as follows:

- 1 – Remote
- 2 – Unlikely
- 3 – Possible
- 4 – Likely
- 5 – Almost Certain

3.2 Council Wide Risks

Revenue

3.2.1 The 2024-25 budget has a 3% pay award assumption included across all categories of worker and all grades. Negotiations on the 2024-25 pay awards have still to commence and the affordability for Local Government will have to be a key consideration in the negotiation of the final settlements. Any settlement of more than a 3% pay award is deemed to be unaffordable hence why the budget outlook has been based on 3%. This is a situation that will be kept under close review as the pay negotiations advance during the year and the assumption will be adjusted if required. A 2% increase, resulting in a 5% pay award, would cost £3.233m and the financial risk has been based on this. Although the risk has been classified as likely, the expectation is that additional funding would be forthcoming from Scottish Government for an enhanced pay award, which has been the case for the last 2 years.

- 3.2.2 Utility costs remain a volatile area and it is difficult to accurately predict how the prices for utilities could vary. Due to the volatility of utilities pricing it is very difficult to predict any impact with a degree of accuracy. The financial risk is based on a 20% variation in utility costs and amounts to £1.197m.
- 3.2.3 In respect of the Health and Social Care Partnership, it is the responsibility of the Chief Officer and Chief Financial Officer to manage the HSCP financial position. If an overspend is forecast, a budget recovery plan will be prepared and submitted to the IJB, the Council and NHS Highland. Where recovery plans are unsuccessful and an overspend occurs at the financial year end, and there are insufficient reserves to meet the overspend, then the partners will be required to make additional payments to the HSCP. Whilst any additional payments by the Council and NHS Highland will be deducted from future years funding, there is still a financial risk that the Council may have to pay out additional monies in year. A possible risk of £1.000m is recognised as a fair reflection of the situation and has been agreed with the Chief Financial Officer of the HSCP.
- 3.2.4 The estimated level of Council Tax income is based on current and forecast Band D equivalents and non-payment rates. This year, the number of Band D equivalent domestic dwellings on the Council Tax register has reduced with a negative growth rate of -0.18% which is 1.45% lower than the previous year. Despite this, the net Council Tax billed has increased as the Council increased the tax by 5% in 2023-2024 from the previous year's level of charge. The Council should still see an increase in the projected level of income recovered at the end of the financial year 2023-2024. It should be noted that Council Tax collection remains challenging due to the cost of living crisis and there was no government support issued this year in Scotland. In 2022-2023 £4.3 million was given to households to help with their Council Tax through the Cost Of Living Award Scheme. Future Council Tax income levels remain very challenging to predict but we do expect there to be positive growth in Band D equivalents in the coming year as the Council continues to deal with the challenges of the Housing Emergency and more affordable housing units are completed and added to the Valuation List. The anticipated growth in the Council tax base in 2024-25 will be built into the budget. A 1% variation in council tax income amounts to approximately £0.594m.
- 3.2.5 At the budget meetings in February 2022 and February 2023, the Council agreed policy savings options that would deliver savings over the period 2022-23 to 2025-26. The savings to be delivered in 2024-25 equate to £0.093m. Whilst the Council have a good track record in delivering savings, a 10% shortfall on these savings targets would amount to £0.009m.
- 3.2.6 The Council wide risks are noted within the table below

Description	Likelihood	Assessed Financial Impact £000
Pay Award exceeding 3%	4	3,233
Energy costs increase by 20% greater than anticipated	3	1,197
IJB refer to Council for additional funding to deliver social work services	3	1,000
1% variation in Council Tax Income	3	594
10% shortfall on Savings Options	2	9
1% variation of General Inflation Risk	3	800
Total		6,833

Capital

- 3.2.7 The finance circular received on 19 December 2023 provided details of the Local Government funding for 2024-25 and there is therefore certainty as to what our funding is in respect of the General Capital Grant and the specific capital grants already distributed.
- 3.2.8 The capital plan for 2024-25 includes an estimate of £0.750m in respect of capital receipts. This is based on an assessment provided by the Estates Team in January 2024. A 10% variation equates to £0.075m and this would require to be managed across the capital programme.
- 3.2.9 There continues to be a pressure on the Capital Programme as a result of an increase in costs due to rising inflation which sees tender prices coming in above budget. While an element of COVID funding has been allocated to the Programme relating to these pressures, these increases could continue for some time and result in further overspends across the life of the Programme.
- 3.2.10 The capital monitoring as at the end of December is reporting an anticipated overspend on the total capital plan of £0.820m. Members will be asked to give consideration to elements of this overspend as part of the budget process which will also extend the capital programme out to 2026-27.
- 3.2.11 Although the direct impact of COVID on most local services has reduced or even ceased altogether over the last 12 months, COVID in conjunction with the UK exit from the European Union and the Russian invasion of Ukraine, continues to affect worldwide supply chains. This has the impact of reducing the availability of supplies and materials resulting in cost increases through a combination of higher prices and longer materials delivery lead times. Additional funding was set aside for capital projects for this purpose at the budget meetings in February 2021, 2022 and 2023 which should mitigate the impact of this within 2024-25 however officers will continue to closely engage with project managers to monitor and

report on the impact on the Council's capital programme and services within the revenue budget.

- 3.2.12 A scheme of bridge capital works was developed and 80% funded through the Local Bridge Maintenance Fund with £5.450m of funding approved. Increased capital contract costs from when the scheme was developed to now, has the schemes costing approximately £12m. Discussions are in place to request the original funding be approved to cover a smaller scheme with less bridges.

3.3 Departmental/Service Risks

- 3.3.1 Financial risks have been identified for each department and service. It should be noted that the Council have a good track record of delivering services within budget, however, there still are risks and the detail is included within Appendix 1. The following table provides a summary of the number of risks within each department and likelihood category with the financial impact.

Department	1 - Remote		2 - Unlikely		3 - Possible		4 - Likely		5 - Almost Certain		Total	
	No	£000	No	£000	No	£000	No	£000	No	£000	No	£000
Chief Executive's Unit	0	0	0	0	0	0	0	0	0	0	0	0
Executive Director Douglas Hendry	2	20	6	560	8	630	4	535	0	0	20	1,745
Executive Director Kirsty Flanagan	4	285	2	140	11	2,760	1	150	0	0	18	3,335
Total	6	305	8	700	19	3,390	5	685	0	0	38	5,080

- 3.3.2 The current top three risks in terms of the financial impact are noted in the table below.

SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	LIKELIHOOD	FINANCIAL IMPACT £000
Roads and Infrastructure Services	Roads Maintenance - Bridges, Culverts & Sea Defences	Extreme localised weather may result in loss of bridge, culvert, road or sea defence.	3	750
Roads and Infrastructure Services	Waste PPP - Indexation	Historical payments made towards Waste PPP based on indexation rates have been challenged by Renewi resulting in a potential cost to the council.	3	586
Financial Services	Council Tax Debt Collection Recovery	Recovery of debt becomes more difficult to pursue in the current economic climate. This is in relation to historical debt that has accumulated over many years therefore any adverse	3	345

		collection rates will impact on the year end debt provision as opposed to the in-year financial position, hence no forecast variance has been reported within the current year.		
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3.4 Monitoring of Financial Risks

- 3.4.1 Financial risks will be reviewed and monitored on a two monthly basis and will be included in the pack of financial reports submitted to Policy and Resources Committee.

3.5 Potential Future Risks

- 3.5.1 Scottish Government are, over the next 2 years, proposing to extend funded childcare to all 1 and 2 year olds across Scotland. This brings significant financial and qualitative risks to the service. The needs and legislative requirements for this age range would mean significant capital work across our estate and in many settings there is not the space so extensions would be required. Having this age range in the same play space as 3/4 year olds seriously impacts on the ability of practitioners to effectively support age appropriate quality learning and play. It is uncertain when this risk will arise.
- 3.5.2 Scottish Government are over the next 2 years planning to introduce statutory school age childcare for families living in poverty. It is expected to take the form of breakfast clubs, after school care and care and food provision over the holidays. The Council does not currently offer such a service. It is unlikely to need much Capital spend. However revenue costs including staffing, transport, food, utilities and administration as yet can not be quantified. One model could be to commission partners in a similar manner as 1140 hours but costs can not be quantified at this time.
- 3.5.3 The Council's bid to the Scottish Governments Learning Estate Investment Programme (LEIP) for funding for a new school campus on Mull was successful. While this is good news and will provide welcome investment in the school estate it does come with a financial pressure that is required to be funded if the project is to proceed. The Scottish Government will fund up to 50% of eligible costs leaving the Council to fund circa £20m therefore Council need to consider full affordability options before agreeing to progress with this project. There are £9m in earmarked reserves set aside for this purpose with funding required for the remaining balance. A paper outlining possible funding options will be presented to Council in due course.
- 3.5.4 As a result of significant rainfall Argyll and Bute Council activated the Bellwin scheme in relation to the recovery of costs associated with the incident. The funding from this scheme is welcomed however eligibility criteria of costs are restrictive. Primarily the first £0.529m has to be covered by the Local Authority of which £0.398m has been identified from Crown Estates funding with the possibility this could be topped up further once the Crown Estate full year

allocation of funding is confirmed. Secondly, capital expenditure does not qualify therefore any long term replacements to infrastructure such as bridges cannot be claimed through the scheme therefore if not already part of the capital programme will require funding. Estimated costs were submitted to the Scottish Government on 5 December 2023 along with a request to extend the scheme by ten months to allow for all works to be completed. The Scottish Government have subsequently rejected this request and will only extend the claim by two months. The revenue costs are being finalised but there is a risk that costs of circa £0.900m in revenue could extend beyond the claim period and therefore may not be eligible for the scheme.

- 3.5.5 In its present configuration, Argyll and Bute Council’s digital network does not have the capacity to accommodate the requirements of the Scottish Government’s vision for digital access over the next four years, including a device for every learner, which would entail a large increase in the number of devices accessing the network. The network requires to be redesigned to allow digital access on the scale proposed by the Scottish Government. In addition to investment in bandwidth, device management and protection, there is a requirement to replace existing network hardware in all schools. Following an independent consultation on the network by Insight, IT and Education have co-authored a paper “Resourcing Educations Digital Aspirations” that identifies the work required to meet the Scottish Governments expectations. COSLA have raised this issue with the Scottish Government and there is an expectation that this will be fully funded as it is a Scottish Government commitment but there remains a risk associated with this. The IT team have advised that the Education requirements heighten the risk to the network.

4 CONCLUSION

- 4.1 This report summarises the key financial risks facing the Council. There are 6 Council wide risks and there are 38 departmental risks. Five of the 38 departmental risks are categorised as likely. The financial risks are monitored routinely and actions put in place to continue to mitigate the risks.

5 IMPLICATIONS

5.1	Policy	Outlines the Financial Risks for 2024-25
5.2	Financial	The financial value of each risk is included within the appendix.
5.3	Legal	None
5.4	HR	None
5.5	Fairer Scotland Duty	See Below
5.5.1	Equalities	None
5.5.2	Socio-Economic Duty	None
5.5.3	Islands Duty	None
5.6	Climate Change	None
5.7	Risk	Financial risks are detailed within the appendix.
5.8	Customer Service	None
5.9	The Rights of the Child (UNCRC)	None

Kirsty Flanagan
Executive Director/Section 95 Officer
6 February 2024

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APPENDICES

Appendix 1 – Detail of Department/Service financial risks.

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APPENDIX 1

DEPARTMENT/SERVICE FINANCIAL RISKS 2024-25

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATING ACTIONS IN PLACE	2024-25	
					LIKELIHOOD	FINANCIAL IMPACT £000
Executive Director Douglas Hendry	Commercial Services	Catering Costs - Provision of Meals to Early Years Children	The Children and Young People (Scotland) Act placed duties on Councils to provide meals in an Early Years setting to entitled children where sessions span over lunch time. The total quantum of grant funding is reducing and may not be sufficient to fund the additional costs depending on uptake and the additional costs to support the meal provision in partner provider settings.	Joint strategy with procurement colleagues to reduce potential impact of supplier charges. Control food wastage/portion controls.	2	100
Executive Director Douglas Hendry	Commercial Services	Catering Purchases	Increased supplier charges and higher than average inflation on food costs. In addition to this the Scottish Government reviewed the regulations that govern the food and drinks provided in schools and implemented revised regulations. The revised standards focus on reducing sugar, reducing red processed meat and increasing fibre. Thus far, there has been an increase in costs in produce and a reduction in demand for school meals.	Joint strategy with procurement colleagues to reduce potential impact of supplier charges. Control food wastage/portion controls; introduction of online ordering to help manage food waste. Analysis and regular review of menu choices.	2	100
Executive Director Douglas Hendry	Commercial Services	Catering - Implementation of Universal Free School Meals in Primary Schools for P6 and P7 pupils	The Scottish Government may not give the local authority adequate funds to support the policy to expand free school meals in primary schools to include P6 and P7 pupils (the scheme has already been implemented for P1 to P5 pupils). Additionally, In 2023-24 Special Schools and Learning Centres received FSM to S6 Level. Although expansion paused for full implementation for P6&7, FSM will be expanded through entitlement to Scottish Child Payment and will be implemented in February 2025.	Senior Manager connected into the ASSIST FM Committee and will continue to ensure the Council's viewpoint will be considered.	2	100
Executive Director Douglas Hendry	Commercial Services	Rental Income from Properties	Due to current economic climate, there may be reduced ability to recover rental income from leased properties or place suitable tenants in properties as leases come to an end.	Management of leasehold properties by Estates team, any issues with debt recovery being dealt with in line with Council debt recovery policy.	2	60
Executive Director Douglas Hendry	Commercial Services	Surplus Properties	Ongoing market difficulties lead to increased numbers of surplus properties, in addition, as Our Modern Workspace Project gains traction more properties will become surplus to operational requirements. There are residual running costs associated with all surplus properties.	One Council property team in place who will monitor market conditions and work with prospective tenants/purchasers to let/sell surplus properties.	3	50
Executive Director Douglas Hendry	Commercial Services	Leisure Service Level Agreements	Increase in RPI and/or other running costs (eg utilities, payroll etc) resulting in requests for additional funding.	Monitoring annual alteration to contract RPI rate, communication with service providers and mitigation through financial forecasting and review of existing budget.	3	50

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATING ACTIONS IN PLACE	LIKELIHOOD	FINANCIAL IMPACT £000
Executive Director Douglas Hendry	Council Wide - Commercial Services	Council Wide Central Repairs	Increased demands on central repair budgets (CRA) due to a decrease in Capital funding, increase in statutory and emergency repairs and increases in supplier/contractor charges. This impacts on all departments of the Council with a Central Repairs Budget.	Joint strategy with procurement colleagues to reduce potential impact of supplier/contractor charges. Close monitoring of central repairs budgets and commitments and instructing only statutory tests/inspections and essential repairs.	4	300
Executive Director Douglas Hendry	Education	ASN Support	Demand for ASN support continues to increase. Scottish Government statistics suggest a 3% year on year increase, resulting in an additional resource requirement. Particularly where gaps in our enhanced provision exist. The medium-term detriments on the development of young children which occurred as a consequence of service closures during the COVID pandemic have increased demands on the service as children require additional support to catch up. The Additional Support for Learning National Implementation plan continues to inform our strategic direction in line with the Angela Morgan Review.	Service is currently looking at alternative options for service delivery to mitigate the inescapable pressures. Continuing to ensure robust assessment of needs, monthly monitoring of budget, any delays in recruitment factored into projections to enable informed decision making on allocation of funding for new/amended /additional support packages. Following a full ASN review, the service are currently investing in the development of four new learning centres in order to provide greater equity in meeting the more complex needs of some learners as well as considering plans to develop enhanced wellbeing resources across our learning estate in future. This aims to reduce the frequency of children having to be educated in high cost out of area placements.	3	200
Executive Director Douglas Hendry	Education	Pre-Five Units - retention of partner providers	Failure in the commissioning or retention of pre-five partner provider units to deliver 1140 hours would result in an increased pressure on the Council to deliver the service.	Annual financial appraisal; Support network; Short-term cash injections.	3	100
Executive Director Douglas Hendry	Education	Legislative Requirements - Children and Young People (Scotland) Act - ELC 1140 hours	The Council has been required to deliver 1140 hours of Early Learning and Childcare since August 2021. The Scottish Government has committed to funding this and the Council has revised its service model to align it to the Scottish Government's reduced funding profile. A risk remains that actual costs of delivery exceed the Government Grant in any given year. For example, if child numbers are higher than estimated, this may require additional staffing which has not been built included in the staffing model funded by Scottish Government. Scottish Government has included within scope for this parliamentary session plans to further expand on eligibility for 1140 hours to all 2 year olds and some one year olds. As yet there has been no funding commitment. However this will place unknown cost pressures on both our capital and revenue budgets	Continuous monitoring and review of the service model, usage and resources.	3	100

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATING ACTIONS IN PLACE	LIKELIHOOD	FINANCIAL IMPACT £000
Executive Director Douglas Hendry	Education	Legislative Requirements - Education (Scotland) Act	The Education (Scotland) Act 2000 requires Councils to undertake assessments of the need for the provision of Gaelic Medium Primary Education (GMPE) and the duty to support and promote Gaelic Education. This may lead to additional staffing requirements depending upon the demand for Gaelic from parents.	Continuous monitoring and review of the service model and resources available within budget.	3	50
Executive Director Douglas Hendry	Legal and Regulatory Support	Hub DBDA/DBFM Schools - Litigation	Increased risk of the requirement to litigate to conclude final capital contract payments due.	Monitoring claims and mitigation through robust challenge of any additional claims.	2	150
Executive Director Douglas Hendry	Legal and Regulatory Support	Contract RPI for NPDO and Hub Schools	Increase in RPI would result in higher costs.	Monitoring annual alteration to contract RPI rate and mitigation through financial forecasting and review of existing budget.	4	100
Executive Director Douglas Hendry	Legal and Regulatory Support	NPDO - Reduction in insurance savings within NPDO Schools	Increase in insurance costs as a result of the long-term effects of Covid-19 on the insurance market and flood claims.	Monitoring annual alteration to contract insurance rate and mitigation through financial forecasting and review of existing budget.	4	75
Executive Director Douglas Hendry	Legal and Regulatory Support	Legal Services - Litigation	Increased number of litigation cases.	Ensure Legal Services are gateway to access all legal advice and that advice is sought at earliest opportunity.	3	50
Executive Director Douglas Hendry	Legal and Regulatory Support	NPDO/Hub DBFM contract management efficiencies	Reduction in ability to generate contract management efficiencies.	Monitoring annual efficiencies generated and mitigation through robust contract management and application of contract specifications / requirements.	2	50
Executive Director Douglas Hendry	Legal and Regulatory Support	Elections	More than 1 by-election required outwith standard election cycle.	Outwith direct management control.	4	60
Executive Director Douglas Hendry	Legal and Regulatory Support	Licensing	Reduced numbers of licensing applications leading to reduced income.	Monitoring of trends and reporting the financial impact in the budget monitoring.	3	30
Executive Director Douglas Hendry	Legal and Regulatory Support	Children's Panel	Increased number of referrals increasing costs through increases in the running costs.	Maximise the use of council facilities/resources for panel session in the first instance.	1	10
Executive Director Douglas Hendry	Legal and Regulatory Support	Legal Services	Failure to minimise Council wide use of external legal advice.	Ensure legal services are gateway to access all legal advice.	1	10
Executive Director Kirsty Flanagan	Customer Support Services	Software Licences	Potential risk of being under licensed for software which will be identified via software audits which would incur additional costs.	ICT security and compliance officer in post and duties include review of systems to ensure fully licenced.	2	100
Executive Director Kirsty Flanagan	Customer Support Services	Additional Bandwidth for Education	Additional costs required to be incurred in relation to additional bandwidth required to deliver the Education Digital Strategy due to a more digitalised learning curriculum.	Work closely with Education on Digital Devices for All strategy to ensure necessary IT is in place.	3	50

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATING ACTIONS IN PLACE	LIKELIHOOD	FINANCIAL IMPACT £000
Executive Director Kirsty Flanagan	Development and Economic Growth	Environmental Health- export certificates	Downturn in requests for export certificates as a result of UK withdrawal from EU, changes to international trading agreements or business economy. Reduction in demand creates a budget pressure on environmental health budget.	Monitor income and resources required for export health certificates / attestations required to support the export market. Continue with food safety regulation activities associated and support at 3rd country audits. Pursue debt rigorously with key customers through seeking regular payments.	2	40
Executive Director Kirsty Flanagan	Development and Economic Growth	Dangerous Buildings interventions	Building Standards having to deal with an increasing level of dangerous building work which has significant financial implications for Council.	Monitor activity and seek to recover costs from the owner.	3	100
Executive Director Kirsty Flanagan	Development and Economic Growth	Planning fees reduced by Scottish Government	Potential that the Scottish Government may reduce planning fees due to poor performance by the Planning Authority. The Scottish Government has recently appointed a national Planning Performance Champion however the detail of how this role intends to incentivise improvement/penalise poor performance at a local authority level remains unclear at this time	Maintain high levels of performance as articulated by performance markers detailed in Planning Performance Framework annual report.	1	100
Executive Director Kirsty Flanagan	Development and Economic Growth	Planning fee shortfalls	Due to downturn in economic / building activity, in particular renewable energy development and other major developments could lead to planning fee income shortfalls leading to revenue budget pressures.	Current income levels are looking more positive, however, we are dependent on some high value applications coming in which, if they don't materialise, will impact the overall position. Will continue to monitor Development Management income and expenditure tightly and investigate further income generation streams.	3	100
Executive Director Kirsty Flanagan	Development and Economic Growth	Building Warrant fee shortfalls	Due to loss of commercial income and downturn in economic / building activity, building warrant fee income shortfalls leading to revenue budget pressures.	Continue to monitor Building Standards income and expenditure tightly and investigate further income generation streams.	1	50
Executive Director Kirsty Flanagan	Development and Economic Growth	Homelessness Temporary Accommodation Income	Unpredictable number of Homeless applications. Inability to recover rent. Increase costs of property maintenance and tenancy change over.	Provision of Housing Options information and advice service to minimise number of applicants proceeding to full homeless application. Implementation of Rapid Rehousing Plan.	4	150
Executive Director Kirsty Flanagan	Development and Economic Growth	Animal Health	Carrying out livestock seizure to protect welfare of the animals	Monitor activity and seek to recover costs from the disposal of the animals.	1	10
Executive Director Kirsty Flanagan	Financial Services	Council Tax Debt Collection Recovery	Recovery of debt becomes more difficult to pursue in the current economic climate. This is in relation to historical debt that has accumulated over many years therefore any adverse collection rates will impact on the year end debt provision as opposed to the in-year financial position, hence no forecast variance has been reported within the current year.	Robust monitoring of arrangements with debt collection agency and performance against target collection rates.	3	345

DEPARTMENT	SERVICE	TITLE OF RISK	DESCRIPTION OF RISK	MITIGATING ACTIONS IN PLACE	LIKELIHOOD	FINANCIAL IMPACT £000
Executive Director Kirsty Flanagan	Financial Services	Housing Benefit Subsidy	Loss of Housing Benefit Subsidy due to exceeding LA error threshold.	Processes in place for handling of claims accurately and efficiently.	1	125
Executive Director Kirsty Flanagan	Financial Services	Sundry Debt Recovery	Recovery of debt becomes more difficult to pursue in the current economic climate.	Additional staff are being put in place in the Sundry Debt Team who will work jointly with Legal Services to enhance the robustness of the Council's debt recovery processes.	3	85
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Waste PPP - Indexation	Historical payments made towards Waste PPP based on indexation rates have been challenged by Renewi resulting in a potential cost to the council.	Conversations are in place between Council and Renewi with the aim of minimising the potential impact.	3	586
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Waste - Compost Like Output (CLO)	Compost Like Output is an element of waste that has been heat treated and can only be used for landfill site restoration. Renewi are currently producing more CLO than we need and it is building up in our landfill sites - this has been flagged up as a concern by SEPA and will need to be removed.	Discussions ongoing with Renewi and the Council on steps forward and what element the council is responsible for.	3	164
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Roads Maintenance - Bridges, Culverts & Sea Defences	Extreme localised weather may result in loss of bridge, culvert, road or sea defence.	Routine inspections to deal with potential weak areas - based on a stitch in time repair regime.	3	750
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Winter Maintenance	Adverse weather conditions which require greater than budgeted number of gritting runs.	Monitor weather conditions and apply gritting policy to minimise costs.	3	150
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Roads Maintenance - Roads Network	Adverse weather conditions result in deterioration of the road network necessitating greater spend on repair of defects.	Manage maintenance budgets to ensure that spend is prioritised to deal with safety defects.	3	230
Executive Director Kirsty Flanagan	Roads and Infrastructure Services	Car Parking Income	Reduced number of visitors to the area and use of council owned car parks resulting in a reduction in income.	Closely monitor income levels throughout the year, especially in high visitor seasons.	3	200
					38	5,080