

MIDDLESBROUGH COUNCIL
OVERVIEW AND SCRUTINY BOARD

AGENDA ITEM 4

10 OCTOBER 2017

BUDGET AND BALANCED SCORECARDS: QUARTER ONE 2017/18

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FINANCE, GOVERNANCE AND SUPPORT**

PURPOSE OF THE REPORT

1. To advise Overview and Scrutiny Board of expenditure against the Council's revenue and capital budgets, and its performance overall at Quarter One 2017/18, and provide a position statement in respect of Treasury Management and General Reserves.

SUMMARY OF RECOMMENDATIONS

That Overview and Scrutiny Board:

2. Notes Executive's approval to transfer projected savings of £712,000 within Adult Social Care, resulting from an unexpected one-off increase in funding for this year only, into a Social Care Demand Risk reserve, and the resulting overall revenue position at Quarter One 2017/18, namely a projected budget underspend of £374,000 (or 0.33%).
3. Notes Executive's approval of a revised Investment Strategy for the period to 2020/21 (at Appendix 1), and projected capital expenditure of £34.881m against the revised budget of £34.731m in 2017/18 (or 100.4% of the budget).
4. Notes the Council's borrowing at 30 June 2017 of £120.4m, and its forecast Reserves at 31 March 2018 of £41.8m, of which £14.6m are General Reserves.
5. Notes the performance of Directorates at Quarter One 2017/18 (Appendix 2), the consolidated action plan responding to all issues identified in the report (Appendix 3), and the Council's updated strategic risk register (Appendix 4).
6. Considers issues raised by the report in the ongoing development of the scrutiny work programme, as appropriate.

EXECUTIVE SUMMARY

- Quarter One monitoring projects a very strong set of performance results for the Council in 2017/18.
- Following Executive's approval of the transfer of projected Adult Social Care savings of £712,000, arising from a one-off increase in funding for this year only, to a Social Care Demand Risk reserve, the overall revenue position at Quarter One 2017/18, namely a projected budget underspend of £374,000 (or 0.33%) continues the trend of minimal variance and again demonstrates that the revised financial management processes introduced during 2016/17 are working effectively.
- In line with good practice, the Council has reviewed and updated its Investment Strategy for the period to 2020/21, approved by Executive, and projected capital expenditure of £34.881m against the revised budget of £34.731m in 2017/18 (or 100.4% of the budget), reflects early delivery and some minor reprofiling across the strategy period, with no increase in costs.
- The Council's borrowing stood at £120.4m at 30 June 2017, reduced from £132.4m at Year End 2016/17, due to reduced short-term borrowing.
- The Council's projected Reserves at 31 March 2018 are £41.8m comprising of £14.6m of General reserves, £20.6m of reserves earmarked for specific purposes, and £6.6m of school reserves. This is in line with the agreed approach of the Council to reduce reserves in a planned manner in order to smooth out savings requirements across the Medium-Term Financial Plan period, and to fund investment.
- Service performance remains strong, with six of nine Directorates, and the Council overall, exceeding the corporate standard of meeting 75% or more of targets. There have been notable improvements in Education and positive trends in Children's Care, which are major areas of focus for the Council and key to its social regeneration ambitions. In addition, plans are in now place to address long-term performance issues in respect of revenue collection, demonstrating that the Council is taking strong action to tackle performance issues.
- A key risk to the Council at present remains the potential impact on of Brexit on the national economy and economic growth locally. It is anticipated that the implementation of Council's Investment Prospectus and associated initiatives will positively impact on the probability of Middlesbrough being disproportionately affected by an economic downturn.
- A new risk emerged in Quarter One relating to increased uncertainty around the funding regime for local government post 2020 following the 2017 General Election. The Council's Medium-Term Financial Planning process mitigates this risk as far as practicable.

BACKGROUND AND EXTERNAL CONSULTATION

Background

7. This report summarises the performance of the Council at Quarter One 2017/18, including:

- a revenue budget forecast and progress update on savings delivery;
- issues for the Medium-Term Financial Plan arising from the above;
- a capital budget forecast and progress on capital schemes;
- position statements in relation to the Council's borrowing and its reserves;
- overall performance, as reflected in Balanced Scorecards;
- a consolidated action plan addressing performance issues raised; and
- the Council's current Strategic Risk Register.

2017/18 revenue budget projection

8. At the end of Quarter One, 2017/18 revenue budget expenditure is projected to be £113.294m, an underspend of £374,000 (0.33%), following Executive's approval of the transfer of £712,000 projected savings within Adult Social Care to the Social Care Demand Risk Reserve at its meeting of 5 September 2017. The following table summarises the position by Department / Directorate.

Department / Directorate	Full Year Budget £'000s	Full Year Forecast £'000s	Over/(under) spend £'000s
Growth and Place	27,532	28,099	567
Public Health and Public Protection	(1,752)	(1,752)	0
Children's Services	33,479	33,358	(121)
Adult Social Care and Health Integration	36,331	36,181	(150)
Finance, Governance and Support	8,497	8,541	45
Total service outturn	104,087	104,427	341
Central costs and contribution to Reserves	9,582	8,867	(715)
Revenue outturn	113,669	113,294	(374)

9. The following table summarises projected delivery of approved savings required to deliver a balanced budget in 2017/18, with 95% of savings forecast to be achieved at Quarter One. The sections below set out how Directorates will mitigate this position or identify replacement savings.

Department / Directorate	2017/18 target £'000s	Projected delivery £'000s	Over/(under) delivery £'000s
Growth and Place	1,712	1,228	(484)
Public Health and Public Protection	1,342	1,342	0
Children's Services	397	397	0
Adult Social Care and Health Integration	4,317	4,317	0
Finance, Governance and Support	1,439	1,439	0
Total projected savings delivery	9,207	8,723	(484)

10. The explanations for major variances have been agreed with Departments / Directorates, and are summarised below.

Growth and Place: projected overspend £567,000

Growth and Place	Full Year Budget £'000s	Full Year Forecast £'000s	Over/(under) spend £'000s
Economic Development and Infrastructure	3,739	3,838	99
Culture and Communities	5,955	5,940	(15)
Environment and Commercial Services	17,838	18,321	483
Revenue Outturn	27,532	28,099	567

Economic Development and Infrastructure

11. There is a projected overspend of £140,000 within Transport and Infrastructure, partly due to an unachieved savings target of £56,000 relating to a reduction of supplies and services expenditure. The service is currently exploring other budgets to enable the reduction to be met. There is also a projected decrease in income from Decriminalised Parking Enforcement of £37,000, and a potential issue regarding inflation on electricity – this is being investigated and the findings will be reported at Quarter Two. The above pressures are partly mitigated by savings across budgets within Economic Development and Infrastructure, and the Directorate will identify further mitigating savings during 2017/18 to prevent an overspend at year-end.

Culture and Communities

12. There is a projected overspend of £88,000 on the Marketing and Communications budget, resulting mainly from a shortfall in income. The current structure of the team places significant reliance on achieving income to make events sustainable. This cannot realistically be delivered, given the current staffing structure and mix of events. A revised structure will be agreed in Quarter Three 2017/18 and a three year approach to events presented to Executive in November 2017. These actions will balance the need to deliver greater impact and address underlying budget issues. Until these actions are implemented in 2018/19, the gap will be mitigated by vacancy savings and by delaying / rescaling activities across other parts of the wider service.

Environment and Commercial Services

13. A total overspend of £149,000 is projected on the Passenger Transport Service budget, due to a £212,000 shortfall in the achievement of savings targets for 2017/18, and continued increased demand. Work is now underway to review service provision with a view to maximising savings and this will be reported at Quarter Two.
14. A significant overspend of £655,000 is currently forecast on the property running costs budgets, with £530,000 of the overspend being due to buildings, which were expected to close but which currently remain open (Vancouver House and Southlands Centre). Additionally, £100,000 of the overspend relates to an ongoing pressure of the increasing costs of business rates for Council buildings. This pressure has been partially mitigated by savings of (£94,000) in Asset Management and Carbon Reduction budgets. A report is to be submitted to Executive Property Sub-Committee in November 2017 on the future of Southlands Centre. Plans are underway to relocate all Council staff from Vancouver and into Middlesbrough House and Civic Centre by no later than March 2018. Kier staff will remain in occupation of floors four and five as part of the disposal agreement with the prospective purchaser.

15. An overspend of £96,000 is currently forecast on Ayresome Industries, which is an ongoing pressure from a shortfall in income generation. A full review of the service is currently being undertaken, and a report is due to be presented to Executive in October 2017.
16. The above pressures have been partly mitigated by forecast savings within other areas of Property and Commercial Services, particularly Pest Control (£51,000), Bereavement Services (£50,000), Building Cleaning (£70,000), Building Maintenance (£107,000) and School Catering (£30,000). The Directorate will endeavour to identify further mitigating savings in order to balance these pressures, and prevent an overspend at year-end.

Public Health and Public Protection: projected to break even

Public Health and Public Protection	Full Year Budget £'000s	Full Year Forecast £'000s	Over/(under) spend £'000s
Revenue Outturn	(1,752)	(1,752)	0

17. A break even position is currently projected for Public Health. Quarter One monitoring has identified the need for more robust spending plans for Public Health funding within some budgets, and these budgets will be further analysed during Quarter Two with a view to declaring savings where appropriate. Any savings arising from the Public Health grant will be transferred to the Public Health Ring Fenced Reserve at the end of the financial year. There were no projected material variances in the Public Protection budget at Quarter One.

Children's Services: projected underspend (£121,000)

Children's Services	Full Year Budget £'000s	Full Year Forecast £'000s	Over/(under) spend £'000s
Education	371	266	(105)
Children's Care	30,199	30,183	(16)
Prevention and Partnerships	2,909	2,909	0
Revenue Outturn	33,479	33,358	(121)

Education

18. A saving of (£105,000) is projected due to the Council receiving more Education Services Grant for 2017/18 than assumed at budget setting. This will be a one-off saving, in advance of an anticipated reduction in the grant from 2018/19 onwards.

Children's Care

19. It is currently projected that the £1.5m funding provided to Children's Care for demand led pressures in 2017/18 will be fully utilised, mainly to place Looked After Children placed in the independent sector. It is currently projected that £625,000 will be used for Residential Care placements and £585,000 for Independent Fostering Agency placements. Residential placements are increasing in cost, and currently extensive work is being undertaken by the Directorate to address this by seeking less expensive alternative provision which better meets the needs of the children. Active budget monitoring of these areas will continue throughout 2017/18.

20. The other major use of the demand funding is for the Adoption service where it is currently projected that £260,000 will be required in 2017/18. £200,000 of this is the result of one-off adoption payments to agencies and other local authorities for children which are planned to be adopted by the end of 2017/18. These children are currently within external and in-house placements, and this should produce savings in future years. The remaining £60,000 is required for an increase in adoption allowances, due to the increased number of placements.
21. There is a projected pressure of £453,000 on the Resources service, including a pressure on in-house Children's Homes. There has been an increase in staffing costs to support an increase in the number of Children with Disabilities and Looked After Children in order to maintain placements, alongside preventative work with families.
22. The above pressure is fully mitigated by projected savings of (£226,000) on social worker salary costs due to staff not being at the top of the career grade, and savings of (£251,000) due to staff vacancies, supplies and services and contract savings, and the receipt of unbudgeted grant income.
23. By 2018/19, it is anticipated that significant savings will be made in order to balance the Council's budget. Children's Services is currently implementing a new model of practice, based on enhanced collaboration and a restorative practice approach. Significant resources have been allocated from the Change Fund to support this important cultural change within the department, which it is anticipated will yield improved outcomes and budgetary savings over time. However, if the savings anticipated were not to be delivered and / or if the requirement for demand growth funding were to rise, then fundamental changes to the Council's budget strategy and MTFP would be required. Monitoring of progress against expenditure trends and transformation plans within Children's Care will therefore be accorded the highest priority going forward.

Prevention and Partnerships

24. There were no projected material variances in the Prevention and Partnerships budget at Quarter One.

Adult Social Care and Health Integration: projected underspend (£150,000)

Adult Social Care and Health Integration	Full Year Budget £'000s	Full Year Forecast £'000s	Over/(under) spend £'000s
Revenue Outturn	36,331	36,181	(150)

25. Changes to Adult Social Care funding in the Spring 2017 Budget (for one year only) increased the Council's Improved Better Care Fund allocation by £3,579,000 to £4,328,000 to provide stability and extra capacity in local care systems. This additional funding is non-recurring. The Directorate will utilise the additional grant to invest in preventative services such as an enhancement of the reablement provision and intermediate care in Middlesbrough, stabilise and support the provider market, and fund any additional pressures on demand.
26. The net effect of a reduction in existing care packages offset by new care packages since 1 April 2017 has resulted in a projected saving of (£712,000) for 2017/18. However, due to the uncertainty around future needs, Executive has agreed to transfer the projected saving into a Social Care Demand Risk reserve.

27. One-off supplies and services savings of (£93,000) and staff vacancy savings of (£182,000) have been identified, offset by a pressure of £125,000 due to a loss of rental income for Sandringham House, following the decision taken by Tees, Esk and Wear Valley NHS Trust to serve notice to vacate the building.

Finance, Governance and Support: projected overspend £45,000

Finance, Governance and Support	Full Year Budget £'000s	Full Year Forecast £'000s	Over/(under) spend £'000s
Revenue Outturn	8,497	8,541	45

28. *Financial Services:* There is a projected saving of (£107,000) on supplies and services budgets within Strategic Finance, with a further saving of (£65,000) projected in Accountancy, mainly from staffing savings pending the implementation of a service review.
29. *Legal Services:* An overspend of £290,000 is currently projected. A 50% savings target was applied to the service budget in Phase 1 of the Change Programme, and while the Service had plans to achieve the required saving, and has reduced staffing as far as practicable, these plans have been undermined due to the ongoing legal costs of childcare cases and a continuing high demand for legal support and advice across the Council. A report is currently being prepared for LMT by the Head of Legal and Democratic Services that will detail the issues currently affecting the Legal Service, including the financial pressure, and this will initiate discussions on the way forward for addressing the continuing budgetary pressures.
30. *Human Resources:* One-off staffing savings of (£69,000) are projected, mainly due to staff being seconded onto the HR Pay project, and their posts not being backfilled.

Central costs: projected underspend (£715,000)

Central costs	Full Year Budget £'000s	Full Year Forecast £'000s	Over/(under) spend £'000s
Revenue Outturn	9,582	8,867	(715)

31. A saving of (£448,000) is forecast on the General Fund due to funding allocated to Adult Social Care for increased costs of domiciliary care no longer being required, with costs now being met from the Improved Better Care Fund. Additionally, (£101,000) of income has been received relating to New Homes Bonus Returned Fund, and a further (£76,000) related to the ring-fenced surplus on the Emergency Planning Service from Hartlepool Council, neither of which were budgeted.
32. There is also a forecast saving of (£90,000) on the Added Years Pensions Increases budget due to a reduction in the number of ex-employees entitled to this payment.

Medium-Term Financial Plan

33. The following issues have been identified by Departments / Directorates for consideration in the next iteration of the MTFP, which will be presented to Executive in November 2017 as part of the provisional 2018/19 budget setting report.

Department / Directorate	Issue	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s
Culture and Communities / Prevention and Partnerships	Historic unachieved saving related to the Community Safety Partnership.	123	123	123
Environment and Commercial Services	Increase in business rates costs for Council buildings.	100	100	100
Adult Social Care and Health Integration	Loss of rental income from Sandringham House following TEWV withdrawal.	125	125	125

2017/18 capital budget review and projection

34. The Council continues to invest in the development of Middlesbrough to create a *Fairer, Safer, Stronger* Middlesbrough by 2025. The Strategic Plan 2017-21 approved by Council on 29 March 2017 set out a revised four-year Investment Strategy, including a planned investment in 2017/18 of £32.5m of the Council's own resources and external funds to support the development of the town as the vibrant centre of the Tees Valley.
35. Delivering the Investment Strategy on time is a crucial part of the Council's MTFP, delivering both physical benefits to the town, and an improved financial position for the Council through efficiency savings and increasing the town's economic base.
36. The budgets approved for 2017/18 by Council as part of the 2017-21 Strategic Plan have now been adjusted to reflect 2016/17 year-end changes (such as movements between years) as set out in the 2016/17 year-end budget outturns approved by Executive on 13 June 2017, giving initial 2017/18 budgets for the new Directorate structure.
37. A review of the Investment Strategy was also undertaken as part of Quarter One monitoring, resulting in proposals for a number of schemes to be removed and a number to be added into the strategy, creating revised full-year budgets for 2017/18. The revised Investment Strategy for the period to 2020/21 at Appendix 1 was approved by Executive at its meeting on 5 September 2017, and will be used as the base for future control and monitoring of the capital programme and its impact on the Council's revenue budget.
38. The schemes removed and those added are summarised in the table below and details are provided in paragraphs 41 to 52.

Capital Schemes Removed	2017/18 £'000s	Total £'000s	Reason
Teesside Media & Innovation Village	0	(500)	Funding not required
Hemlington Grange Substation	(363)	(363)	Council able to reclaim VAT
Hemlington Grange Extra Care	(250)	(250)	Commercial decision
Tees Valley Broadband	(100)	(198)	Alternative funding available
Purchase of Thirteen Depot	(480)	(480)	No longer intend to purchase
Minor schemes	(20)	(20)	-
Total	(1,213)	(1,811)	-

Capital Schemes Added	2017/18 £'000s	Total £'000s	Reason
Middlehaven Relief Road	503	732	Contractual contingency
Middlehaven Land Purchase	0	295	Land to be sold to developer of Snow Centre
Tuxedo Royale	305	406	Dismantling
Middlesbrough Theatre	275	275	Refurbishment
Hemlington CAT	275	300	Improvements
ICT	475	535	Disaster recovery & Enterprise Agreements
Social Regeneration	125	500	Community improvement initiatives
Disabled Facilities Grant	144	432	Additional grant
Education Schemes	85	85	-
Total	2,187	3,560	-

39. The following table summarises the changes and shows the projected capital expenditure at Quarter 1 of £34.881m against the revised 2017/18 budget of £34.731m, or 100.4% of the budget, reflecting early delivery and some minor reprofiling across the Council's four-year Investment Strategy period, with no increase in costs.

Department / Directorate	Initial 2017/18 budget £'000	Schemes removed £'000	Schemes added £'000	Revised 2017/18 Budget £'000	2017/18 Full Year Forecast £'000	2017/18 Over/ (under) spend £'000
Economic Dev. and Infrastructure	13,260	(713)	808	13,355	13,056	(299)
Culture and Communities	5,548	0	125	5,673	5,673	0
Env. and Commercial Services	5,258	(493)	550	5,315	5,363	48
Public Health and Public Protection	485	0	0	485	485	0
Education	3,360	(7)	85	3,438	2,917	(521)
Children's Care	425	0	0	425	425	0
Prevention and Partnerships	117	0	0	117	117	0
ASC and Health Integration	2,579	0	144	2,723	3,036	313
Finance, Governance and Support	2,725	0	475	3,200	3,809	609
Total	33,757	(1,213)	2,187	34,731	34,881	150

40. Details of major schemes removed and added, together with explanations for major variances agreed with Departments / Directorates are set out below.

Economic Development and Infrastructure

41. The following schemes have been removed from the Investment Strategy:

- *Teesside Media and Innovation Village*: The Tees Valley Combined Authority has in principle approved a development fund bid of £840,000 for the TMIV project, with the Council providing £500,000 match funding. This leaves £500,000 of capital funding not now required until the project commences, and so can therefore be re-directed to fund other schemes.

- *Hemlington Grange substation*: Following review it has been determined that the Council can reclaim £363,000 of VAT incurred on this scheme, reducing the required budget to £1,815,000.
- *Hemlington Grange Extra Care*: Following review of the business case, the budget of £250,000 relating to a contribution towards abnormal costs for this scheme is no longer required. The site is now being marketed for extra care affordable housing.
- *Tees Valley Broadband*: Phase 1 of this partnership project has now concluded and an underspend means that the Council is entitled to a refund of £198,000, which can be re-directed to fund other schemes. Feasibility works relating to the provision of town wide broadband connectivity in the future are planned.

42. The following Middlehaven schemes were reprofiled / added to the Investment Strategy:

- *Middlehaven Relief Road*: This project has now been fully developed, costed and tendered, with final costs set at £10,267,000, an increase of £731,984 from the indicative figure reported to Executive in May 2016 (within the 10% variation delegated within that report). The additional funding is to provide a contractual contingency against the main contractor design, which is the piles for the dock. Should the site conditions require a larger diameter or greater number of piles, then the contingency would be applied.
- *Tuxedo Royale*: A confidential Executive Property Sub-Committee report (March 2017) approved a maximum contribution of £406,000 for the dismantling and removal of the Tuxedo Royale from the River Tees. Removal of the ship, particularly given its current degraded state, is essential to ensuring that the regeneration of the Middlehaven area continues, the value of the Council's land assets in the area are protected and to protect the local environment. The original approved Executive report in May 2016 on the Middlehaven Relief Road did not include provision for the removal of the ship and therefore this investment is over and above that agreed in May 2016 described in the above paragraph.
- *Middlehaven land purchase*: During 2016/17 the Council acquired 3.2 acres of land from Able UK for further development of Middlehaven. As agreed by Executive in May 2016, 1.2 acres with a value of £295,000 will be sold to the developers of the Snow Centre. The sale of the land and other Council land, was confirmed in a confidential Executive Property Sub-Committee report (March 2017). The £295,000 will therefore be removed from the Middlehaven Relief Road project and re-stated as new investment.

43. Against the revised budget (accounting for the above changes) the Directorate projected a minor underspend at Quarter One, with £500,000 of Highways Maintenance section 106 receipts to be reprofiled to 2018/19 due to delays in receipt of design works from the external provider due to unforeseen issues around drainage design.

Culture and Communities

44. The following scheme was added to the Investment Strategy:

- *Social Regeneration*: A budget of £500,000 is proposed to support community improvement projects contributing to the Council's Social Regeneration ambitions, to be determined by local communities led by their ward councillors. A process is to be developed for the allocation of this money.

Environment and Commercial Services

45. The following scheme was removed from the Investment Strategy:

- *Purchase of Thirteen Depot, Cargo Fleet Lane:* Following review of the business case, the budget of £480,000 for this scheme is no longer required, as the acquisition will not proceed.

46. The following schemes were reprofiled / added to the Investment Strategy:

- *Middlesbrough Theatre:* It is proposed that investment of £275,000 is provided to fund front-of-house refurbishment works at the theatre during 2017/18.
- *Hemlington Community Asset Transfer:* Hemlington Recreation Centre and Hemlington Hall Farm House buildings have been transferred under a Community Asset Transfer arrangement to Tees Valley Community Asset Preservation Trust, a charitable organisation set up to provide facilities for social, educational and recreational activities. In line with the asset transfer business case, it is proposed that a budget of £300,000 to the Trust to develop a sustainable and attractive package of community activities over the next 25 years.

47. Against the revised budget (accounting for the above changes) at Quarter One monitoring the Directorate brought forward £218,000 from 2018/19 to enable the early start of a programme of works to Council property.

Education

48. Quarter One monitoring identified concerns raised by the school's governing body regarding their ability to run the Holmwood Assessment Centre, which have resulted in project slippage and the need to reprofile £300,000 into 2018/19. The concerns have now been resolved, and the project is now expected to complete at Easter 2018.

Adult Social Care and Health Integration

49. The Disabled Facilities Grant budget has increased by £432,000 to reflect additional grant awarded to the Council by the Department for Communities and Local Government for the period 2017-2018 to 2019-2020.

50. A review of the accommodation at the Intermediate Care centre is currently being undertaken and it is anticipated that £489,000 will be re-profiled from 2018/19 to fund any resultant costs.

Finance, Governance and Support

51. The following scheme was added to the Investment Strategy:

- *Disaster Avoidance:* £463,000 is required to cover a shortfall within the Server, Storage and Network refresh budget. The current budget allowed for the refresh of the existing solution. However the implementation of the Council new Disaster Avoidance solution across both Data Centres (Melrose & Resolution House) allows for a far more resilient and flexible solution, mitigating a key corporate risk and avoiding significant costs (in excess of £1M) that would be incurred should the current ICT infrastructure be destroyed.

52. At Quarter One, the Directorate brought forward £539,000 from the Lights On budget to enable works to commence on the Core Refresh and Network Refresh linked to disaster recovery.

Treasury Management

Borrowing position

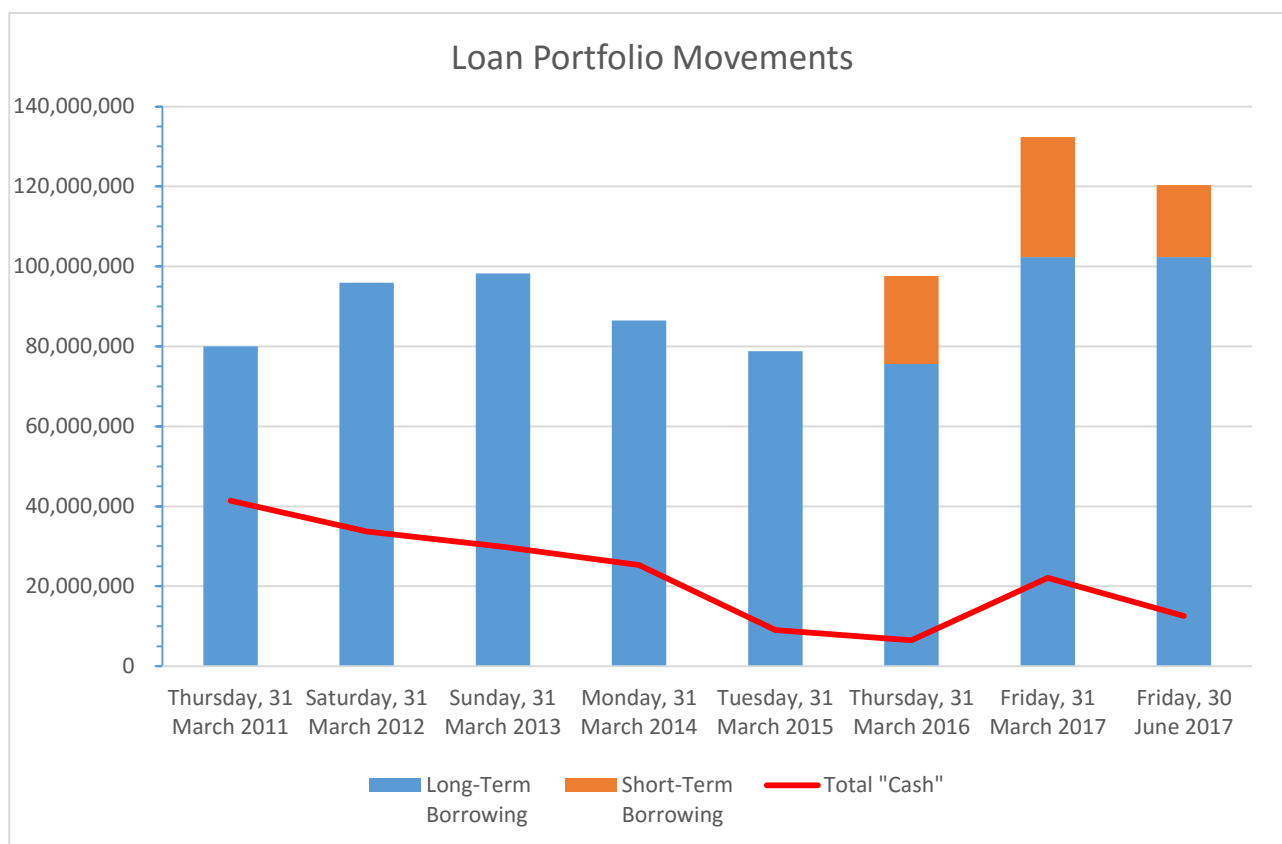
53. The balance of borrowing at 30 June 2017 was £120.4m (comprising £102.4m long-term, and £18.0m short-term borrowings), a reduction of £12.0m since 31 March 2017 due to reduced short-term borrowing.

Borrowing limits

54. On 1 March 2017 Council approved borrowing of up to a maximum of £211.1m during this financial year (the Authorised Limit). At no time during Quarter One was either the Operational Borrowing Limit (£189.4m), or the Authorised Limit, reached.

Loan Portfolio Trend

55. The graph below illustrates the change in the Council's cash and loan position in recent years. Since 2011, cash balances had been run down to fund the capital programme, without additional borrowings, resulting in the drawdown of short-term loans.



Reserves and Provisions

56. As part of proper financial planning, the Council holds a level of reserves and provisions as a safety net against unexpected expenditure, and to provide for anticipated events

with financial implications. As part of the Strategic Plan 2016-20, it was determined that the Council's overall level of reserves and provisions could be safely reduced in order to smooth out savings requirements and fund investment.

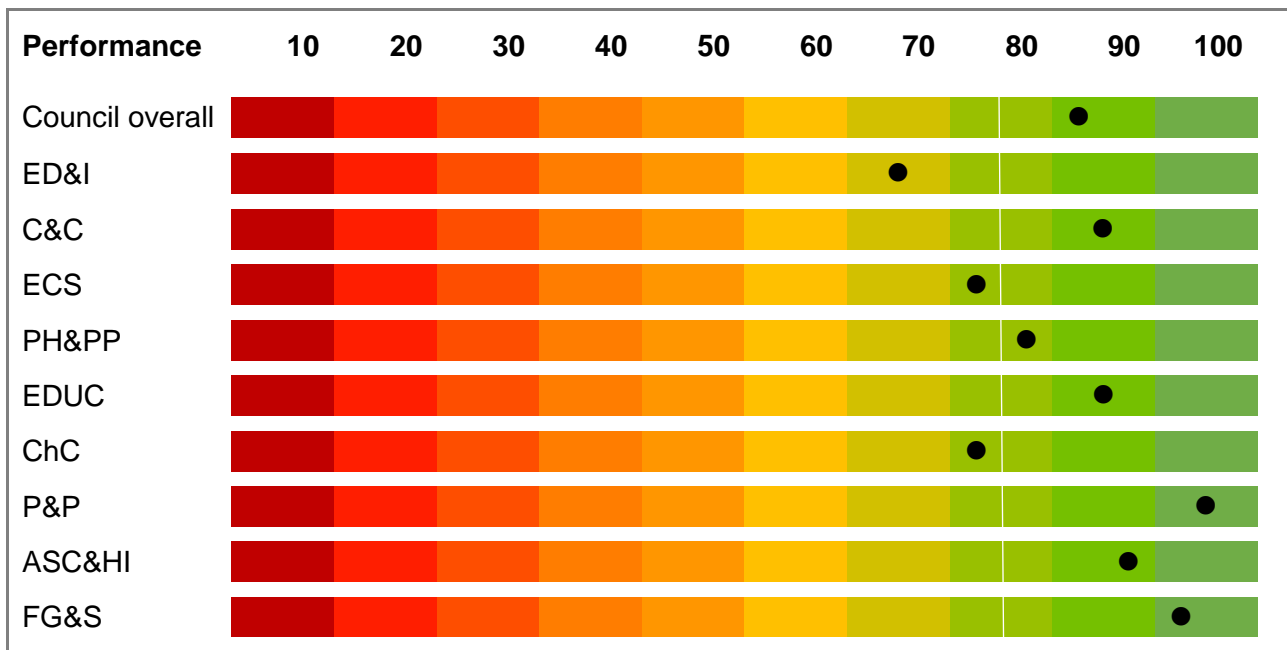
57. The following table sets out a summary of the Council's opening balance of reserves and provisions at the start of 2017/18, and the forecast position at the end of 2017/18.

Reserves and Provisions	Opening Balance £'000s	Forecast Use in Year £'000s	Additional Contributions £'000s	Transfers to General Fund £'000s	Forecast Balance at Year End £'000s
General Fund	14,466	(200)	374	0	14,640
Earmarked for specific purposes					
Business Rates Appeal Reserve	3,478	0	386	0	3,864
Change Fund	1,398	(1,049)	911	0	1,260
Public Health Ring Fenced Reserve	1,662	(1,509)	0	0	153
Investment Fund	3,217	0	0	0	3,217
Insurance Fund	277	0	0	0	277
Social Care Demand Risk Reserve	0	0	712	0	712
School Achievement Reserve	2,000	(400)	0	0	1,600
Other Reserves & Provisions	9,552	0	0	0	9,552
	21,584	(2,958)	2,009	0	20,635
School reserves	6,552	0	0	0	6,552
Total	42,602	(3,158)	2,383	0	41,827

58. The Council's reserves policy will be reviewed in line with the updated MTFP during the year, and be subject to Council approval.

Performance at Quarter One 2017/18

59. Balanced Scorecards have been developed for the new Directorate structure implemented in January 2017, with measures and weightings revised in line with Directorate priorities for 2017/18. The will be updated throughout 2017/18 as the new structure becomes embedded and key areas of focus confirmed (some 'Customer' quadrants will be updated as surveys are completed within the year). Balanced Scorecard methodology and the current set of Directorate Scorecards are at Appendix 2.
60. The Council's overall performance at Quarter One 2017/18 is summarised in the table below, with six of nine Directorates, and the Council overall, currently projected to exceed the corporate standard of meeting 75% or more of performance targets. Explanations of major variances from non-financial targets and mitigating activity are set out in the following paragraphs.



61. **Economic Development and Infrastructure:** The number of economically active people in the town in employment fell marginally during the rolling annual measurement to March 2017, in line with the North East position. Key housing build measures remain on target, and it is expected that the Housing Growth Strategy will be finalised in Quarter Two, providing improved profiling of these measures going forward.

62. Four 2017/18 actions in the Directorate Delivery Plan will slip to future years:

- commencement of disposal of Newham Hall site, due to a review of disposal options;
- planning approvals for Stainton Way and Ladgate Lane to Longlands works; and
- submission of new Local Plan (now expected in July 2018).

63. **Culture and Communities:** The outstanding performance issue at Quarter One relates to the increase in anti-social behaviour in the town, with incidents currently projected to exceed the 2016/17 figure. The pattern across the town is mixed, with Q1 showing significant increases in areas such as Newport, Park, Trimdon, Central and Marton East, alongside reductions in nine other wards. This overall increase in ASB is however a national issue, mirroring the recent increase in reported crime in the UK, and the target for this measure will be reviewed in Quarter Two to ensure it is SMART, while remaining challenging.

64. **Environment and Commercial Services:** It is anticipated that the recycling rate will again narrowly fail to achieve the 35% target in 2017/18, partly linked to residential growth in the town. The Directorate is evaluating options to improve the recycling rate and will report options to Executive later in 2017/18.

65. **Public Health and Public Protection:** The outstanding performance issues remains health inequalities at a population level, demonstrated by lower than average life expectancy. As previously reported, a Prevention Strategy was launched in Quarter Four 2016/17, aimed at tackling the root causes of public health problems and driving lasting improvements to key population health metrics. The full impact of this will not be seen for some time, due the lag in the release of population health data, however uptake of public health commissioned services has increased following the opening of the Live Well centre in early 2017.

66. **Education:** Provisional results for phonics and Key Stages 1 and 2 have demonstrated increased attainment across all measures, and a narrowing of the gap to national average. Executive agreed a programme plan for the £2m of Council investment in school improvement within Quarter One, which it is expected will eradicate the remaining gap in future years. The proportion of Education, Health and Care Plans completed within 20 weeks was approaching 100% at Quarter One, demonstrating an early response to the recent Ofsted inspection of SEND.
67. **Children's Care:** While the LAC rate continued to rise in Quarter One (2.5% growth from the Year End 2016/17 position), the Scorecard demonstrates a reduced number of safeguarding referrals and a significant reduction in Children Protection Plans from Year End 2016/17, narrowing the gap to family group average. Social worker caseload has reduced, though the timeliness of processing of LAC cases remains under target. The Directorate will review this and ensure that plans are put in place to improve performance in Quarter Two.
68. The action for 2017/18 within the Directorate Delivery Plan to introduce Controcc within Children's Care has slipped, and the implementation of the system will be reviewed in light of the Believe in Families programme, which is now underway.
69. **Prevention and Partnerships:** The rate of proven reoffending among young offenders continued to increase from Quarter Three to Quarter Four 2016/17 (the latest information). The Directorate will review this and ensure that plans are put in place to improve performance.
70. **Adult Social Care:** The Directorate has continued to deliver a high level of performance. The Adult Social Care Survey 2016/17 has shown that the Council continues to achieve above-national average customer performance. The interrelated reablement and residential care measures were showing as Amber at Quarter One, but historical trends suggest that annual targets will be achieved. Delayed transfers of care have improved significantly from Year End 2016/17.
71. **Finance, Governance and Support:** Performance was strong at Quarter One. In line with the Council's Customer Strategy, transactions undertaken via the Council's website have continued to rise, increasing by 13% on the 2016/17 quarterly average. The average number of days for processing a change of circumstances for Housing Benefit improved significantly, and is projected to meet the year-end target. The in-year collection of Council Tax and Business Rates measures are not currently projected to meet target. However, the Council has now agreed an improvement plan with its service provider Kier, and it is anticipated that this will minimise uncollected revenues in-year going forward.
72. **Overall:** Performance in respect of appraisals saw a significant improvement in 2017/18, with 99% of appraisals achieved across the organisation. Work will continue during 2017/18 and beyond to continue improvements in employee engagement and organisational development in line with the Council's new People Strategy, recently approved by Executive.
73. Lost productivity from sickness absence stood at 4.17% at Quarter One, significantly below the target for 2017/18 of 4.69% and lower than performance at Year End 2016/17 (4.26%). LMT has recently considered a report outlining a number of initiatives to support

employee wellbeing and it is anticipated that the action plan resulting from this report will drive continued improvement in the coming months.

74. The Local Government Association coordinated a return visit for the Council's Peer Review team in May 2017 to explore progress made since the review undertaken in January 2016. Feedback was very positive and will be reported to members in Quarter Three.

Next steps

75. A consolidated action plan from budget and performance monitoring is at Appendix 3. Progress on these actions will be reported to Executive at Quarter Two.

Strategic Risk Register

76. In line with the Council's Risk Management Framework, the Council's Strategic Risk Register was reviewed in the quarter, and is attached at Appendix 4 for information. The key risk at present remains the potential impact on of Brexit on the national economy and economic growth locally. It is anticipated that the implementation of Council's Investment Prospectus and associated initiatives will positively impact on the probability of Middlesbrough being disproportionately affected by an economic downturn.
77. One risk has been added to the Strategic Risk Register since Year End 2016/17 relating to increased uncertainty around the funding regime for local government post 2020 following the 2017 General Election. The Council's Medium-Term Financial Planning process mitigates this risk as far as practicable.

IMPACT ASSESSMENT

78. Not applicable.

OPTION APPRAISAL / RISK ASSESSMENT

79. Not applicable.

FINANCIAL, LEGAL AND WARD IMPLICATIONS

80. **Financial** – the financial implications of Quarter One monitoring are set out within the main body of the report.
81. **Ward Implications** – while the performance activity described in this report will impact differently across wards, there are no specific ward implications from the proposed recommendations.
82. **Legal Implications** – the proposed recommendations are consistent with and will promote the achievement of the Council's legal duty to achieve Best Value.

RECOMMENDATIONS

That Overview and Scrutiny Board:

83. Notes Executive's approval to transfer projected savings of £712,000 within Adult Social Care, resulting from an unexpected one-off increase in funding for this year only, into a Social Care Demand Risk reserve, and the resulting overall revenue position at Quarter One 2017/18, namely a projected budget underspend of £374,000 (or 0.33%).
84. Notes Executive's approval of a revised Investment Strategy for the period to 2020/21 (at Appendix 1), and projected capital expenditure of £34.881m against the revised budget of £34.731m in 2017/18 (or 100.4% of the budget).
85. Notes the Council's borrowing at 30 June 2017 of £120.4m, and its forecast Reserves at 31 March 2018 of £41.8m, of which £14.6m are General Reserves.
86. Notes the performance of Directorates at Quarter One 2017/18 (Appendix 2), the consolidated action plan responding to all issues identified in the report (Appendix 3), and the Council's updated strategic risk register (Appendix 4).
87. Considers issues raised by the report in the ongoing development of the scrutiny work programme, as appropriate.

REASONS

To provide an integrated and comprehensive overview of performance within the Council and provide assurance that mitigating actions are in place to address underperformance.

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Appendix 1: Revised Investment Strategy to 2020/21

	Total Funding Required						Council Funding	External Funding
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL		
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Economic Development & Infrastructure								
Town Centre Related Projects	731	945	750	750	-	3,176	3,166	10
Teesside Media & Innovation Village	-	-	500	-	-	500	500	-
Middlehaven Schemes	1,976	6,314	3,848	-	-	12,138	4,119	8,019
Hemlington Grange Projects	718	426	446	3,000	-	4,590	2,590	2,000
Housing Growth	64	236	1,200	500	-	2,000	2,000	-
Beacon Becks Phase 2	3	41	-	-	-	44	-	44
Capitalisation Of Major Schemes Salaries	140	140	140	140	-	560	560	-
Affordable Housing Via Section 106	-	-	2,897	2,627	-	5,524	830	4,694
Tees Valley Metro	-	10	-	-	-	10	-	10
Highways Infrastructure Development Section 106	90	-	905	-	-	995	-	995
Highways Infrastructure \ Maintenance	1,234	961	-	-	-	2,195	2,175	20
Town Centre Improvements Public Realm	86	-	-	-	-	86	86	-
Swedish Mission Site S106 Works	-	-	24	-	-	24	-	24
Street Lighting (Invest To Save)	2,396	104	-	-	-	2,500	2,500	-
Lower Bus Platforms	25	15	-	-	-	40	-	40
Ladgate Lane Cycle Paths	10	-	-	-	-	10	-	10
Stainton Way Dixon Bank Junction - Section 106	72	250	500	-	-	822	-	822
Acklam \ Hall Drive Improvements - Section 106	-	50	-	-	-	50	-	50
The Big Screen	-	-	500	-	-	500	500	-
Grove Hill J V Projects	136	169	-	-	-	305	-	305
Gresham Projects	2,292	374	3,094	1,000	-	6,760	6,760	-
House To Home	212	54	-	-	-	266	231	35
Housing Delivery Vehicle (S106)	295	465	200	-	-	960	-	960
Empty Homes 2015 To 2018	5	52	336	176	-	569	-	569
Local Transport Plan	2,191	2,450	-	-	-	4,641	-	4,641
				-	-	-		
Total Economic Development & Infrastructure	12,676	13,056	15,340	8,193	-	49,265	26,017	23,248

	Total Funding Required						Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL	Funding	Funding
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Culture & Communitites								
Libraries IT Software Upgrade	-	7	-	-	-	7	7	-
Acklam Library (Section 106)	-	10	-	-	-	10	-	10
Town Hall Venue Development	1,139	5,301	-	-	-	6,440	3,077	3,363
Town Hall HLF \ Arts Council Project	821	190	300	-	-	1,311	811	500
Town Hall Lighting Scheme	-	-	410	-	-	410	410	-
Cultural Transformation	-	-	-	2,000	-	2,000	1,000	1,000
Captain Cook Museum	460	40	-	-	-	500	-	500
Social Regeneration	-	125	125	125	125	500	500	-
Total Culture & Communities	2,420	5,673	835	2,125	125	11,178	5,805	5,373

	Total Funding Required						Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL	Funding	Funding
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Environment & Commercial Services								
Stewart Park Heritage Lottery Fund Delivery Stage (Ph2)	23	-	-	-	-	23	(169)	192
Section 106 Schemes	116	30	-	-	-	146	98	48
Play Facilities	309	-	-	-	-	309	309	-
Purchase of New Vehicles	1,452	1,485	1,489	1,489	-	5,915	5,915	-
Capitalisation of Wheeled Bin Replacement	100	100	100	100	-	400	400	-
Capitalisation of Street Furniture/Dog Fouling & Litter Bins	55	55	55	55	-	220	220	-
Capitalisation of Highways Maintenance	275	262	275	275	-	1,087	1,087	-
Cargo Fleet Investment	180	-	-	-	-	180	180	-
Purchase of Former County Depot	-	371	-	-	-	371	371	-
Property Services Building Investment	290	290	290	290	-	1,160	1,160	-
Playground Equipment	25	25	-	-	-	50	50	-
Parks Improvement	40	40	-	-	-	80	80	-
Bereavement Services	129	53	-	-	-	182	182	-
Middlesbrough Sports Village	45	85	-	-	-	130	(274)	404
Nunthorpe Playing Fields S106	-	-	100	-	-	100	-	100
Prissick Sports (S106)	54	-	-	-	-	54	4	50
Bonnygrove Park & Fairy Dell S106	12	-	-	-	-	12	-	12
Waste Disposal Plant Investment	-	-	2,655	-	-	2,655	2,655	-
Invest to Save Carbon Reduction	37	-	-	-	-	37	-	37
Members Small Schemes	44	106	60	60	-	270	270	-
Leisure Investment	-	200	-	-	-	200	200	-
Linthorpe Kitchen	80	-	-	-	-	80	-	80
Property Asset Investment Strategy	2,557	1,906	1,132	1,350	-	6,945	6,923	22
Town Centre Accommodation Strategy	-	80	920	-	-	1,000	1,000	-
Hemlington CAT	-	275	25	-	-	300	300	-
Total Environment & Commercial Services	5,823	5,363	7,101	3,619	-	21,906	20,961	945

	Total Funding Required						Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL	Funding	Funding
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Public Health & Public Protection								
Health & Wellbeing Hub	809	121	-	-	-	930	630	300
Leisure Trust Investment	1,979	364	-	-	-	2,343	2,343	-
Total Public Health & Public Protection	2,788	485	-	-	-	3,273	2,973	300

	Total Funding Required						Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL	Funding	Funding
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Education								
Block Budget (Grant) Devolved Formula Capital	-	1	7	225	-	233	-	233
CERA - Capital Improvements (capital expenditure revenue allocation - DSG funded)	-	-	-	1	-	1	1	-
Block Budget (MBC COPR) Supported Capital Expenditure Formula Funding	-	-	-	150	-	150	150	-
Block Budget (Grant) School Condition Allocation	-	-	-	847	-	847	-	847
Block Budget (Grant) Basic Needs	-	-	-	-	-	-	-	-
Schemes in Private Nurseries	13	-	-	-	-	13	-	13
Schemes in Maintained Primary Schools	1,343	2,277	1,655	186	-	5,461	1,262	4,199
Schemes in Primary Academies	169	18	-	-	-	187	58	129
Schemes in Maintained Secondary Schools	24	66	-	-	-	90	24	66
Schemes in Secondary Academies	115	20	-	-	-	135	-	135
Schemes in Special Schools	347	436	375	-	-	1,158	1,095	63
Early Years - Park House	7	5	-	-	-	12	12	-
Capitalisation of Salary Costs	94	94	94	94	-	376	235	141
Lingfield Farm - Main Building	30	-	-	-	-	30	30	-
Cleveland Unit Child Development Centre (CUCDC) at JCUH-Sensory Garden	1	-	-	-	-	1	1	-
BSF - Trinity RC College - Road Access	28	-	-	-	-	28	-	28
Total Education	2,171	2,917	2,131	1,503	-	8,722	2,868	5,854

	Total Funding Required						Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL	Funding	Funding
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Children's Care								
Securing Services for Children with Complex Needs	-	425	-	-	-	425	-	425
Total Children's Care	-	425	-	-	-	425	-	425
	Total Funding Required						Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL	Funding	Funding
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Prevention & Partnerships								
Block Budget (Grant) EFA Early Years 2 Year olds Entitlement (Trajectory Project)	-	-	5	-	-	5	-	5
Early Years - The Avenue Primary - Update Outdoor Play Area	-	2	-	-	-	2	-	2
Early Years - Hemlington Initiative Centre / Rosendale - Cont. to Bldg. Renovation	-	32	-	-	-	32	-	32
Green Lane - EY/KS1 extension and internal alterations project	-	83	-	-	-	83	-	83
Total Prevention & Partnerships	-	117	5	-	-	122	-	122

	Total Funding Required						Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL	Funding	Funding
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Adult Social Care & Health Integration								
Chronically Sick & Disabled Persons Act - All schemes	488	638	658	610	-	2,394	2,374	20
Disabled Facilities Grant - All schemes	1,437	2,185	2,073	2,033	-	7,728	940	6,788
Capitalisation of Staying Put Salaries	50	50	50	50	-	200	200	-
Home Assistance Loan	34	100	88	-	-	222	180	42
Home Loans Partnership (formerly 5 Lamps)	1	-	47	-	-	48	-	48
Small Schemes	264	63	-	-	-	327	-	327
Total Adult Social Care & Health Integration	2,274	3,036	2,916	2,693	-	10,919	3,694	7,225

	Total Funding Required						Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL	Funding	Funding
Finance, Governance & Support	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
WAN	24	-	-	-	-	24	24	-
Information Portal	8	-	-	-	-	8	8	-
E-mail Exchange	24	-	-	-	-	24	24	-
Integrated Children's Systems	4	-	-	-	-	4	4	-
Enterprise Agreements	57	57	30	30	-	174	174	-
WIFI - Town Hall / Civic Centre	53	11	-	-	-	64	59	5
CRM	367	267	205	-	-	839	839	-
Town Hall Data Centre Build	628	227	-	-	-	855	855	-
Network Refresh	2	90	-	-	-	92	92	-
Unified Comms/VOIP Upgrade	62	-	-	-	-	62	62	-
Internet Upgrade	28	-	-	-	-	28	28	-
Switch Upgrade	63	-	-	-	-	63	63	-
Scanning	35	100	-	-	-	135	135	-
Customer First	275	12	-	-	-	287	287	-
Core Refresh	-	926	-	-	-	926	926	-
Lights On	554	553	324	360	-	1,791	1,791	-
Agile Working	326	74	-	-	-	400	400	-
IKEN	49	-	-	-	-	49	49	-
LCS Development Capture	39	21	-	-	-	60	60	-
Business Intelligence	146	74	-	-	-	220	220	-
Replacement Server/SAN/Networking	-	463	-	-	-	463	463	-
Agresso	63	-	-	-	-	63	-	63
HR Pay	438	82	-	-	-	520	70	450
ICT Infrastructure	100	215	157	158	-	630	630	-
Tees Valley Broadband	67	-	-	-	-	67	67	-
Derisking Sites	163	637	400	100	-	1,300	1,300	-
Total Finance, Governance & Support	3,575	3,809	1,116	648	-	9,148	8,630	518

	Total Funding Required							Council	External
	2016/17 final	2017/18 Q1	2018/19	2019/20	2020/21	TOTAL		Funding	Funding
All Directorates	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
	31,727	34,881	29,444	18,781	125	114,958	70,948	44,010	
Total All Directorates	31,727	34,881	29,444	18,781	125	114,958	70,948	44,010	

Appendix 2: Balanced Scorecards – Quarter One 2017/18

Guide to the Balanced Scorecards model

How KPIs are identified

1. The Customer and Business quadrants of Balanced Scorecards comprise primarily performance indicators prioritised for improvement by Directorates, in line with their Directorate Delivery Plans, which set out how they will develop in the medium-term to support the achievement of the 2025 Vision for Middlesbrough. Several standard measures are also included within **all relevant** Scorecards to ensure that key corporate priorities are delivered. These are as follows:

Standard measure	Associated corporate priority	Target
Projected achievement of Strategic Plan actions	Delivering the Strategic Plan / major projects	80%
Projected achievement of risk mitigation activity	Improving risk management	90%
Projected expenditure of revenue budget and attainment of savings targets	Balancing the budget by delivering agreed savings	100%
Projected expenditure of capital budget	Improving programme and project management	95%
Employees with appraisals completed by 30 April deadline	Embedding the Middlesbrough Manager and Employee Frameworks	95%
% working time lost to sickness absence and employees satisfied with working in their service area	Improving employee health and wellbeing	4.69% & 80%

How targets are set

2. Targets for non-standard measures are set by Directorates, in view of (i) position against regional and national averages, where relevant, and (ii) ambitions for the development of services as set out in Directorate Delivery Plans. All targets must be SMART (Specific, Measurable, Achievable, Realistic and Time-bound).

How performance is RAG-rated

3. Performance against target is traffic-lighted as follows:

At or better than targeted performance	Green
Within 5% of target	Amber
More than 5% from target	Red

4. Trend is also traffic lighted to demonstrate whether direction of travel is positive or negative. The following table shows this applied using targets within the Customer quadrant of the (then) Outcome 2 Scorecard for Quarter One 2016/17:

Measure	Last	Target	Current	Period	Trend	Benchmark
C Number of households accepted as homeless	15 (Q4 15/16)	21.25	25	Q1 16/17	▲	N/A
C Troubled Families w/ sustained and measured positive outcomes	New PI	30	50	Sept 15	N/A	N/A
C Children in Need referrals resulting in CAF step-downs	61 (Q4 15/16)	25	37	Q1 16/17	▼	N/A
C Children meeting Early Years 'good' measure – gap to national average	New PI	New PI	-9%	2016 (Prov.)	New PI	N/A
C 16-18 year olds not in education, employment or training (NEET)	7.7% (2014/15)	8.7%	6.9%	2015/16	▼	ENG: 4.2%
C Anti-Social Behaviour incidents – gap to national average	New PI	New PI	Due Q2	Quarterly	New PI	Due Q2
C Domestic Violence incidents – gap to national average	New PI	New PI	Due Q2	Quarterly	New PI	Due Q2

How the Scorecards are developed

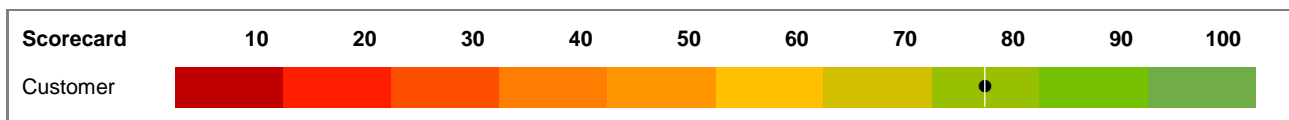
5. RAG rated performance is then converted into scores, as follows:

At or better than targeted performance	Green	= 2 points
Within 5% of target	Amber	= 1 point
More than 5% from target	Red	= 0 points

6. The following table shows this applied using the same targets within the Outcome 2 Scorecard, giving a total score and percentage for the quadrant.

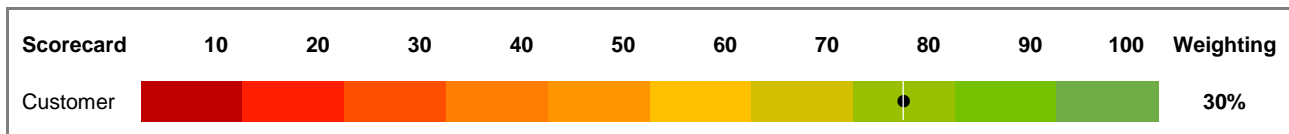
Measure	Last	Target	Current	Period	Trend	Benchmark	
C	Number of households accepted as homeless	15 (Q4 15/16)	21.25	0 pts	Q1 16/17	▲	N/A
C	Troubled Families w/ sustained and measured positive outcomes	New PI	30	2 pts	Sept 15	N/A	N/A
C	Children in Need referrals resulting in CAF step-downs	61 (Q4 15/16)	25	2 pts	Q1 16/17	▼	N/A
C	Children meeting Early Years 'good' measure – gap to national average	New PI	New PI	-	2016 (Prov.)	New PI	N/A
C	16-18 year olds not in education, employment or training (NEET)	7.7% (2014/15)	8.7%	2 pts	2015/16	▼	ENG: 4.2%
C	Anti-Social Behaviour incidents – gap to national average	New PI	New PI	-	Quarterly	New PI	Due Q2
C	Domestic Violence incidents – gap to national average	New PI	New PI	-	Quarterly	New PI	Due Q2
			Total	6/8			
				75%			

7. This overall performance figure for the quadrant is summarised within the Scorecard in 'thermometer' format, to provide a graphical indication of the current position, as follows:



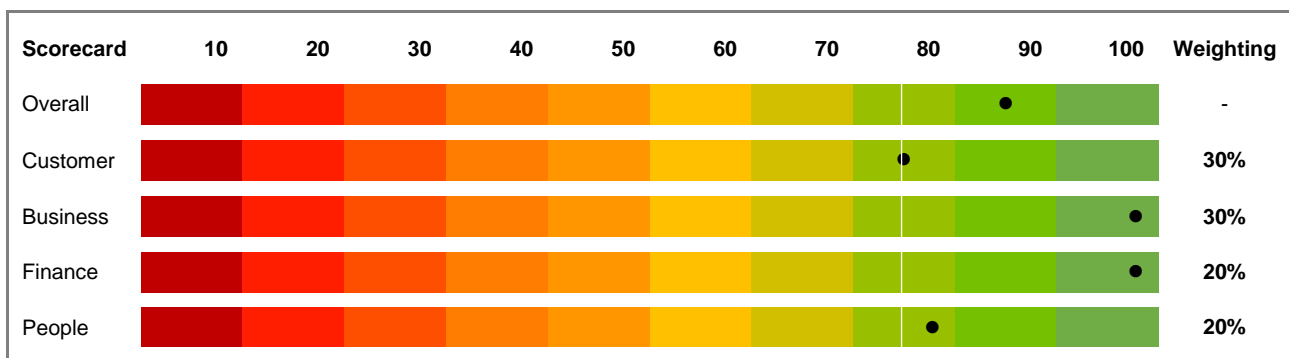
8. Each quadrant is then weighted to reflect the respective priority of each to overall performance for the area, as identified in the Strategic Plan and Directorate Delivery Plans. Weighting will be agreed with appropriate Executive Members. For example, the Finance quadrant would be more heavily weighted in Directorates contributing most to budget savings targets. Directorates largely focused on Customer / Business quadrants would place a greater weighting on these. Weightings may change each year, according to priorities.

9. In this example, Outcome 2 has allocated the Customer quadrant a weighting of 30% to the overall total.

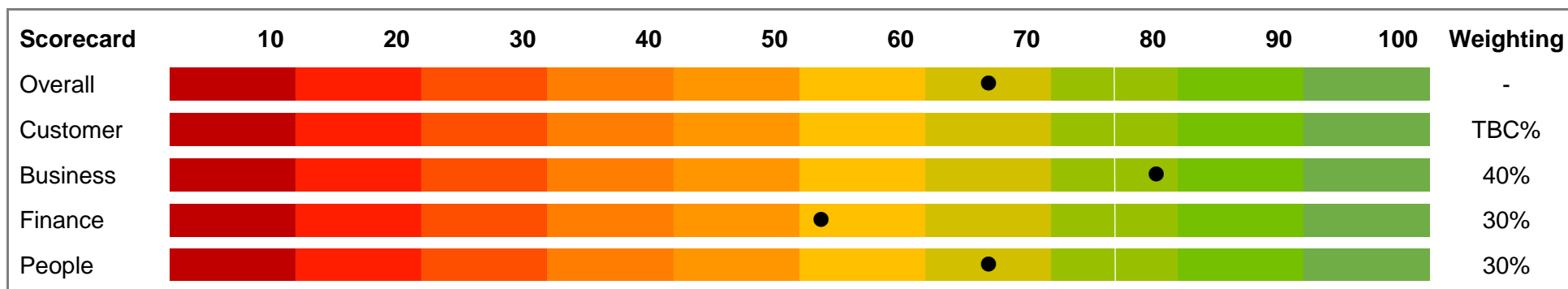


10. This means that a maximum score of 100% in this specific quadrant would contribute a maximum of 30% to the overall Scorecard. As it is, the quadrant scored 75% at Quarter One, contributing 22.5% to the overall score.

11. The same approach is applied to all quadrants, giving a total overall score for the Scorecard.

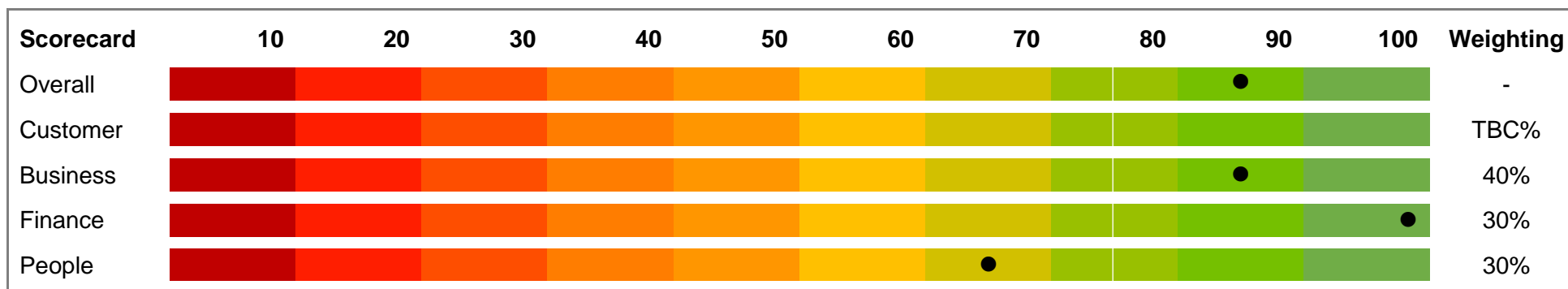


Economic Development and Infrastructure



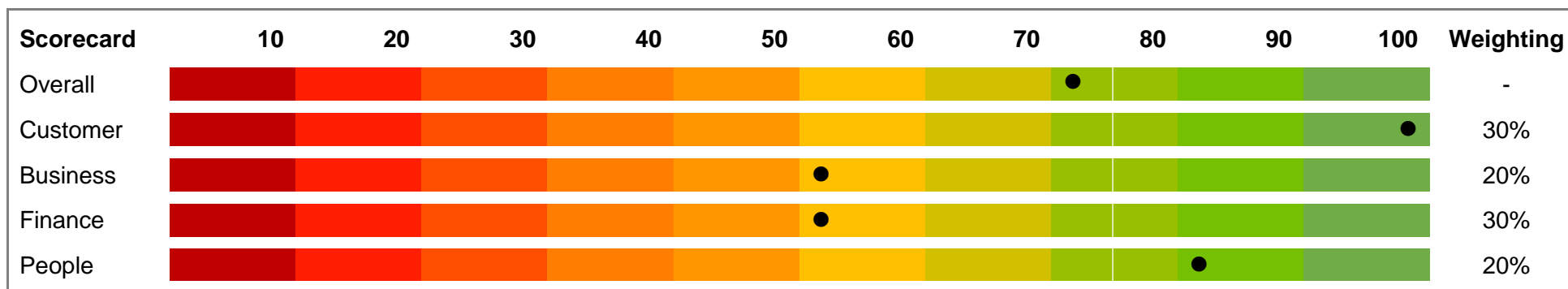
Measure	Last	Target	Current	Period	Trend	Benchmark	
C	Customer quadrant to be added in Q2 2017/18 – Scorecard weightings will then be redistributed.						
B	Local gross weekly pay as %age of the NE average	97.15 (2016)	98.1%	Due Q3	2017	▲	NE: £492.20
B	Economically active people in Middlesbrough in employment	65.6% (2016)	66.75%	64.9%	Yr to Mar 17	▼	NE: 69.8%
B	New homes delivered (gross)	522 (2016/17)	80	98	Q1 17/18	▲	N/A
B	New homes built Council Tax Band D and above	252 (2016/17)	25	40	Q1 17/18	▲	N/A
B	Homes empty for over six months	1,019 (2016/17)	950	939	Q1 17/18	▼	N/A
B	Growth in Middlesbrough's Business Rates base	New PI	New PI	Due Q2	Quarterly	New PI	Due Q2 17/18
B	Occupancy rate within town centre retail units	86% (2016/17)	85%	87%	Q1 17/18	▲	N/A
B	Projected achievement of Directorate Delivery Plan actions	New PI	80%	71%	Q1 17/18	New PI	Council: 89%
B	Projected achievement of risk mitigation activity	100% (2016/17)	90%	100%	Q1 17/18		Council: 96%
F	Projected expenditure of revenue budget	103% (2016/17)	100%	103%	Q1 17/18		Council: 99.7%
F	Projected attainment of savings targets	97% (2016/17)	100%	0%	Q1 17/18	▼	Council: 95%
F	Projected expenditure of capital budget	95% (2016/17)	95%	98%	Q1 17/18	▼	Council: 100.4%
P	Employees with appraisal for current financial year	69% (2016/17)	95%	100%	2017/18	▲	Council: 99%
P	Working time lost to sickness absence	3.94% (16/17)	4.33%	5.1%	Q1 17/18	▲	Council: 4.17%
P	Employees satisfied with working in their service area	76% (2015)	70%	80%	2016	▲	Council: 85%

Culture and Communities



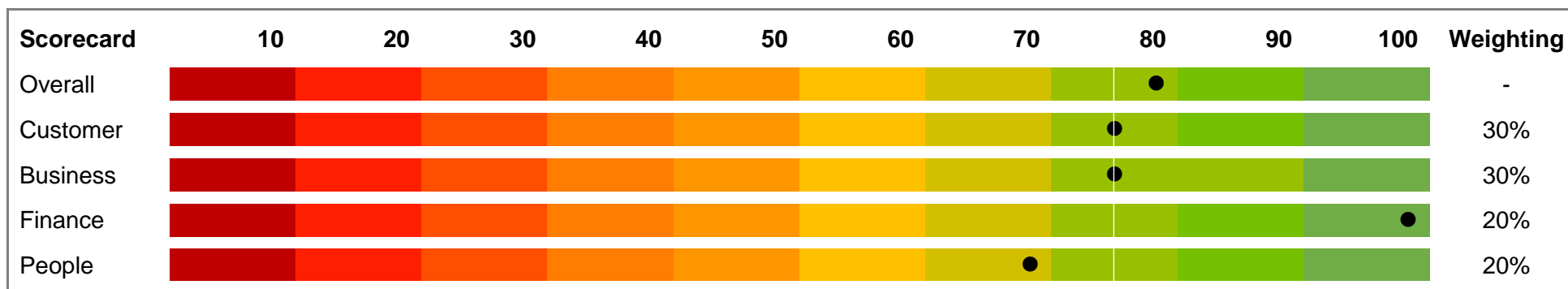
Measure	Last	Target	Current	Period	Trend	Benchmark	
C	Customer quadrant to be added in Q2 2017/18 – Scorecard weightings will then be redistributed.						
B	Number of households accepted as homeless	57 (2016/17)	18.75	5	Q1 17/18	▼	N/A
B	Participation in cultural events	New PI	New PI	Due Q2	New PI	New PI	N/A
B	Effectiveness of Marketing and Communications (measure TBD)	New PI	New PI	Due Q2	New PI	New PI	N/A
B	Anti-Social Behaviour incidents (target 5% reduction)	13,180 (2016/17)	3,095	3,518	Q1 17/18	▲	N/A
B	North East asylum seekers housed in Middlesbrough	19% (2016/17)	27.5%	18.5%	Q1 17/18	▼	UK rank # 3
B	Success rates on Community Learning skills programmes	86.2% (2016/17)	85.5%	86.2%	Q1 17/18	▲	N/A
B	Projected achievement of Directorate Delivery Plan actions	New PI	80%	83%	Q1 17/18	New PI	Council: 89%
B	Projected achievement of risk mitigation activity	96% (2016/17)	90%	100%	Q1 17/18	▲	Council: 96%
F	Projected expenditure of revenue budget	93% (2016/17)	100%	100%	Q1 17/18	▼	Council: 99.7%
F	Projected attainment of savings targets	100% (2016/17)	100%	100%	Q1 17/18		Council: 95%
F	Projected expenditure of capital budget	0% (2016/17)	95%	100%	Q1 17/18	▲	Council: 100.4%
P	Employees with appraisal for current financial year	79% (2016/17)	95%	100%	2017/18	▲	Council: 99%
P	Working time lost to sickness absence	3.20% (16/17)	3.52%	4.92%	Q1 17/18	▲	Council: 4.17%
P	Employees satisfied with working in their service area	83.2% (2015)	70%	92%	2016	▲	Council: 85%

Environment and Commercial Services



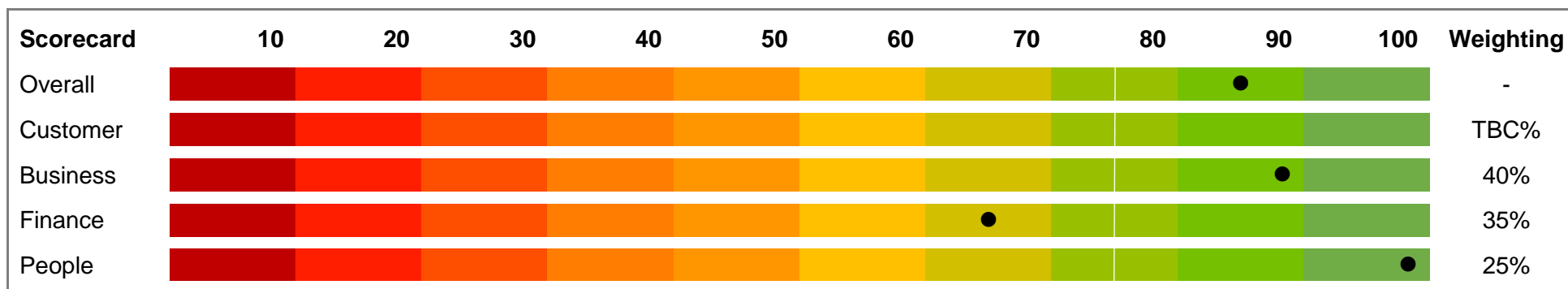
Measure	Last	Target	Current	Period	Trend	Benchmark
C Satisfaction with cleanliness of streets	New PI	70%	Due Q3	New PI	New PI	N/A
C Satisfaction with waste and recycling collections	New PI	70%	Due Q3	New PI	New PI	N/A
C Average customer satisfaction with managed buildings and space	New PI	70%	Due Q3	New PI	New PI	N/A
C Average customer satisfaction with commercial services	New PI	70%	Due Q3	New PI	New PI	N/A
C Average customer rating of support services (/10)	New PI	7	7.49	2015/16	N/A	N/A
B Environment Customer Service Promises achieved	New PI	90%	TBC	Q1 17/18	N/A	N/A
B Household waste sent for reuse, recycling and composting (annual projection)	34% (2016/17)	35%	34%	2017/18		UK 2015: 43.9%
B Streets meeting Keep Britain Tidy standards	90.5% (2016/17)	90%	Due Q3	Q3 16/17	N/A	N/A
B Occupancy rate in commercial portfolio	96% (Q4 16/17)	88%	95%	Q1 17/18	▼	N/A
B Projected achievement of Directorate Delivery Plan actions	New PI	80%	100%	Q1 17/18	New PI	Council: 89%
B Projected achievement of risk mitigation activity	75% (2016/17)	90%	85%	Q1 17/18	▲	Council: 96%
F Projected expenditure of revenue budget	101.5% (2016/17)	100%	103%	Q1 17/18	▼	Council: 99.7%
F Trading performance of commercial services (projected)	New PI	+8% p.a.	Due Q2	Q2 17/18	New PI	N/A
F Projected attainment of savings targets	89% (2016/17)	100%	51%	Q1 17/18	▼	Council: 95%
F Projected expenditure of capital budget	101.7% (2016/17)	95%	101%	Q1 17/18		Council: 100.4%
P Employees with appraisal for current financial year	88% (2016/17)	95%	93%	2017/18	▲	Council: 99%
P Working time lost to sickness absence	4.16% (16/17)	4.58%	3.88%	Q1 17/18	▼	Council: 4.17%
P Employees satisfied with working in their service area	81% (2015)	70%	88%	2016	▲	Council: 85%

Public Health and Public Protection



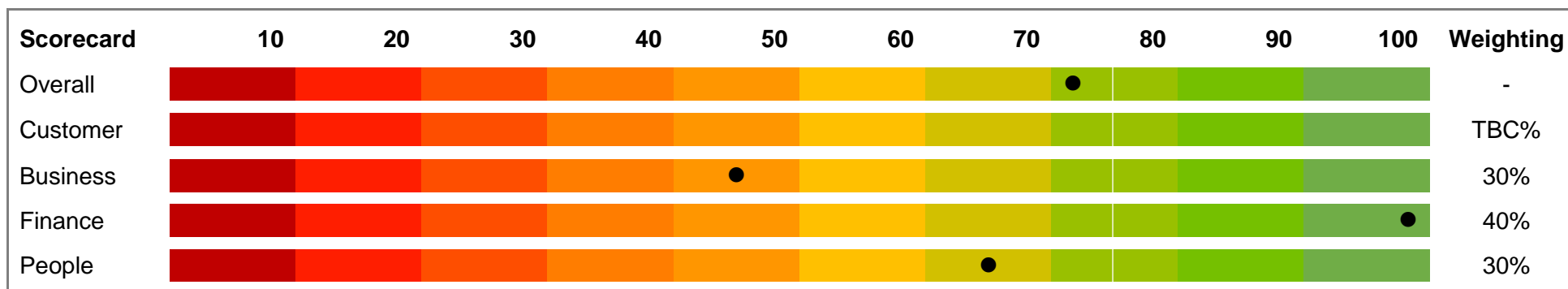
Measure	Last	Target	Current	Period	Trend	Benchmark
C Average satisfaction of clients with Public Health commissioned services	New PI	85%	89.1%	At Q1 16/17	New PI	N/A
C Satisfaction of business with local authority regulation services	91.1% (2016/17)	90%	89.2%	Q1 16/17	▼	N/A
B Healthy life expectancy (males) – gap to national average (years)	-5.7 (2012-14)	-5.6	-4.6	2013-15	▼	ENG: 63.4 (2013-15)
B Healthy life expectancy (females) – gap to national average (years)	-2.7 (2012-14)	-2.6	-4.3	2013-15	▲	ENG: 64.1 (2013-15)
B Healthy life expectancy (males) – gap most: least affluent wards (years)	14.2 (2011-13)	-11.6	12.9	2012-14	▼	N/A
B Healthy life expectancy (females) – gap most: least affluent wards (years)	10 (2011-13)	-11.9	12	2012-14	▲	N/A
B Early deaths from all causes (standardised mortality <75)	476.43 (2014)	484.33	484.33	2015	▲	ENG: 337.15 (2014)
B Smoking prevalence within Middlesbrough	New PI	New PI	Due Q2	New PI	New PI	N/A
B KPIs performance within PH commissioned service contracts	New PI	85%	87.5%	Q1 17/18	New PI	N/A
B Attendances at Leisure Centres	779,861 (2016/17)	204,714	221,851	Q1 17/18	TBC	N/A
B Projected achievement of Directorate Delivery Plan actions	New PI	80%	100%	Q1 17/18	New PI	Council: 89%
B Projected achievement of risk mitigation activity	100% (2016/17)	90%	100%	Q1 17/18		Council: 96%
F Projected expenditure of revenue budget	74% (2016/17)	100%	100%	Q1 17/18	▼	Council: 99.7%
F Projected attainment of savings targets	100% (2016/17)	100%	100%	Q1 17/18		Council: 95%
F Projected expenditure of capital budget	299% (2016/17)	95%	100%	Q1 17/18	▼	Council: 100.4%
P Employees with appraisal for current financial year	92% (2016/17)	95%	100%	2017/18	▲	Council: 99%
P Working time lost to sickness absence	1.37% (16/17)	1.51%	4.52%	Q1 17/18	▲	Council: 4.17%
P Employees satisfied with working in their service area	83% (2015)	70%	75%	2016	▼	Council: 85%

Education



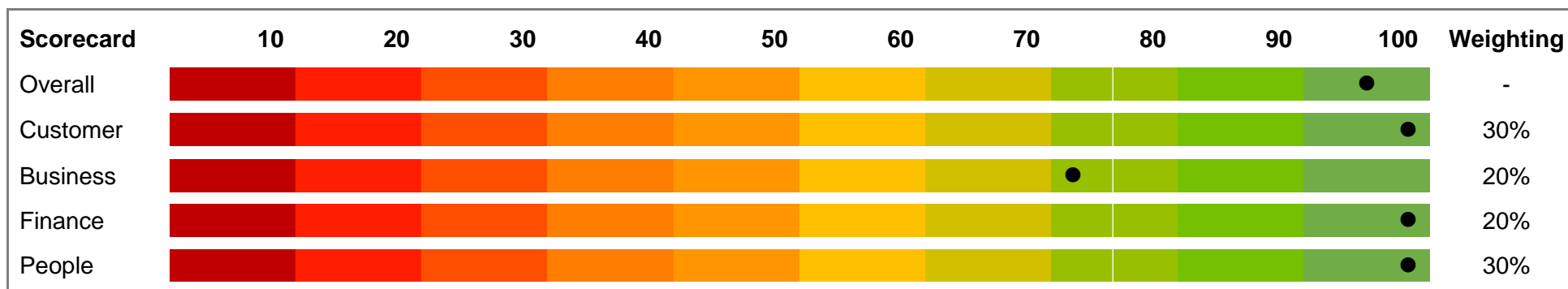
Measure	Last	Target	Current	Period	Trend	Benchmark	
C	Customer quadrant to be added in Q2 2017/18 – Scorecard weightings will then be redistributed.						
B	Children meeting Early Years 'Good Level of Development' measure	New PI	New PI	63.2%	2016/17 (Prov.)	New PI	ENG: 70.7%
B	Pupils attending a school judged 'Good' or better by Ofsted	83.3% (Feb 17)	82%	85%	At Jun 17	▲	ENG: 89%
B	Yr 1: Expected standard in phonics de-coding	74% (2015/16)	76.8%	76.1%	2016/17 (Prov.)	▲	ENG 81%
B	KS1: Expected standard in reading	67% (2015/16)	69.3%	67.7%	2016/17 (Prov.)	▲	ENG: 75.6%
B	KS1: Expected standard in writing	57% (2015/16)	60.2%	61.6%	2016/17 (Prov.)	▲	ENG: 68.3%
B	KS1: Expected standard in maths	65% (2015/16)	67.8%	69.5%	2016/17 (Prov.)	▲	ENG: 75.2%
B	KS2: Expected standard in reading, writing and maths	New PI	50.4%	60.4%	2016/17 (Prov.)	N/A	ENG: 61%
B	KS4: %age achieving threshold in English and maths	54.9% (2015/16)	55.2%	Due Q2	2016/17 (Prov.)	TBC	ENG: 59.3% (15/16)
B	Attendance rate in secondary schools	New PI	New PI	93.1%	2015/16	New PI	ENG: 94.8%
B	Education Health & Care Plans completed within 20 weeks	52% (2016)	70%	98.2%	Jan-Jun 2017	▲	TBC
B	Projected achievement of Directorate Delivery Plan actions	New PI	80%	92%	Q1 17/18	New PI	Council: 89%
B	Projected achievement of risk mitigation activity	100% (2016/17)	90%	91%	Q1 17/18	▼	Council: 96%
F	Projected expenditure of revenue budget	104% (2016/17)	100%	72%	Q1 17/18	▼	Council: 99.7%
F	Projected attainment of savings targets	N/A	100%	100%	Q1 17/18	N/A	Council: 95%
F	Projected expenditure of capital budget	97% (2016/17)	95%	85%	Q1 17/18	▼	Council: 100.4%
P	Employees with appraisal for current financial year	78% (2016/17)	95%	100%	2017/18	▲	Council: 99%
P	Working time lost to sickness absence	3.46% (16/17)	3.81%	3.64%	Q1 17/18	▲	Council: 4.17%
P	Employees satisfied with working in their service area	85% (2015)	70%	88%	2016	▲	Council: 85%

Children's Care



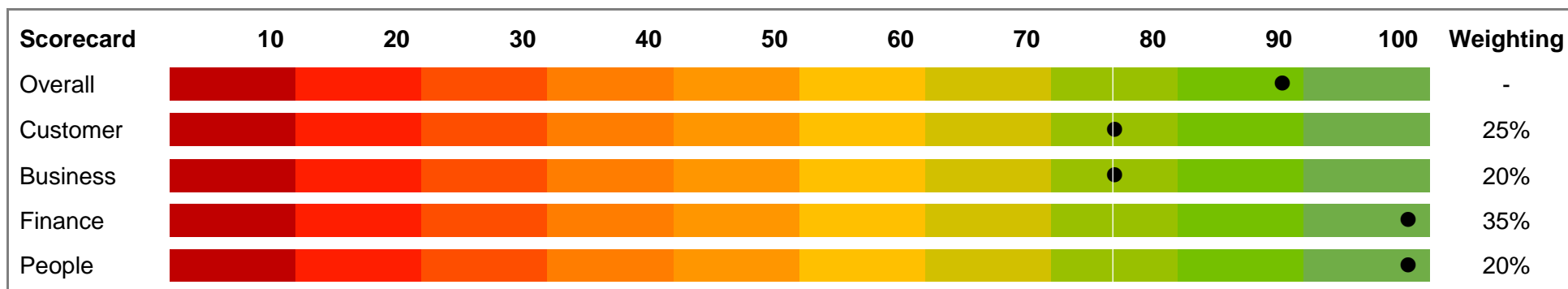
Measure	Last	Target	Current	Period	Trend	Benchmark	
C	Customer quadrant to be added in Q2 2017/18 – Scorecard weightings will then be redistributed.						
B	Actual demand as % of predicted demand	New PI	New PI	Due Q2	Q2 17/18	New PI	N/A
B	Number of referrals to Children's Care	New PI	625	561	Q1 17/18	New PI	N/A
B	LAC rate per 10,000	144.9 (2016/17)	98.2	148.5	Q1 17/18	▼	Family Group: 98.2 (2015/16)
B	LAC – Residential placements within Middlesbrough	81.5% (2016/17)	55%	85.1%	Q1 17/18	▲	N/A
B	CPP rate per 10,000	85.4 (2016/17)	61.4	77.7	Q1 17/18	▲	Family Group: 61.4 (2015/16)
B	LAC cases reviewed within required timescales	72% (2016/17)	75%	60%	Q1 17/18	▼	N/A
B	Continuous assessments completed within 45 working days	82% (2016/17)	90%	76%	Q1 17/18	▼	N/A
B	Caseload per social worker	20.1 (2016/17)	21	19.4	Q1 17/18	▼	N/A
B	Projected achievement of Directorate Delivery Plan actions	New PI	80%	67%	Q1 17/18	New PI	Council: 89%
B	Projected achievement of risk mitigation activity	100% (2016/17)	90%	95%	Q1 17/18	▼	Council: 96%
F	Projected expenditure of revenue budget	104% (2016/17)	100%	100%	Q1 17/18	▼	Council: 99.7%
F	Projected attainment of savings targets	76% (2016/17)	100%	100%	Q1 17/18	N/A	Council: 95%
F	Projected expenditure of capital budget	N/A	95%	100%	Q1 17/18	N/A	Council: 100.4%
P	Employees with appraisal for current financial year	76% (2016/17)	95%	100%	2017/18	▲	Council: 99%
P	Working time lost to sickness absence	5.21% (16/17)	5.73%	6.53%	Q1 17/18	▲	Council: 4.17%
P	Employees satisfied with working in their service area	88% (2015)	70%	90%	2016	▲	Council: 85%

Prevention and Partnerships



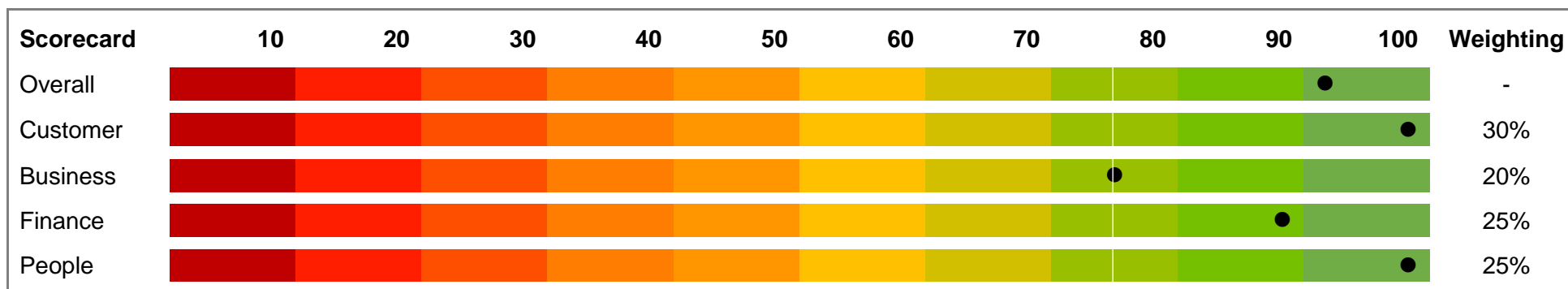
Measure	Last	Target	Current	Period	Trend	Benchmark
C Customer satisfaction with Stronger Families	New PI	80%	98.5%	Q1 17/18	New PI	N/A
C Victims of youth crime satisfied with the service	New PI	70%	Due Q2	Q2 17/18	New PI	N/A
B Children identified for nursery readiness interventions engaged	83.9% (2016/17)	65%	81.1%	Q1 17/18	▼	N/A
B Early Help assessments active	New PI	TBC	282	Q1 17/18	New PI	N/A
B Stronger Families casework resulting in positive outcomes	New PI	TBC	Due Q2	Q2 17/18	New PI	N/A
B Troubled Families w/ sustained and measured positive outcomes	158 (Q4 16/17)	152	TBC	Q1 17/18	▲	N/A
B Rate of proven re-offending by young offenders	1.38 (Q3 16/17)	1.16	1.58	Q4 16/17	▲	N/A
B U18 conceptions rate per 1,000	33.7 (2015/16)	29.9	34.2	Jan-Mar 2016	▲	ENG: TBC
B 16-17 year olds not in education, employment or training (NEET)	6.6% (2016/17)	<6.6%	5.9%	Dec 16-Feb 17	▼	ENG: 2.9%
B 16-17 year olds with suitable offer of learning	96.6% (Q4 16/17)	94%	96.8%	Q1 17/18	▲	ENG: 94.5%
B Projected achievement of Directorate Delivery Plan actions	New PI	80%	80%	Q1 17/18	New PI	Council: 89%
B Projected achievement of risk mitigation activity	N/A	90%	100%	Q1 17/18	N/A	Council: 96%
F Projected expenditure of revenue budget	N/A	100%	100%	Q1 17/18	N/A	Council: 99.7%
F Projected attainment of savings targets	N/A	100%	100%	Q1 17/18	N/A	Council: 95%
F Projected expenditure of capital budget	N/A	95%	100%	Q1 17/18	N/A	Council: 100.4%
P Employees with appraisal for current financial year	N/A	95%	100%	2017/18	N/A	Council: 99%
P Working time lost to sickness absence	4.43% (16/17)	4.87%	2.46%	Q1 17/18	▼	Council: 4.17%
P Employees satisfied with working in their service area	N/A	70%	Due Q4	2017	N/A	Council: 85%

Adult Social Care and Health Integration



Measure	Last	Target	Current	Period	Trend	Benchmark
C Service users stating that services have made them feel safe and secure	91% (2015/16)	90%	90%	2016/17	▼	ENG 15/16: 85.4%
C Social care-related quality of life (/24)	19.8 (2015/16)	20	19.8	2015/16		ENG 15/16: 19.1
B Actual demand as % of predicted demand	New PI	New PI	Due Q2	Q2 17/18	New PI	N/A
B Number of contacts with Adult Social Care	New PI	New PI	2,533	Q1 17/18	New PI	N/A
B Social Care clients receiving Self-Directed Support	100% (2016/17)	100%	100%	Q1 17/18		ENG 15/16: 86.9%
B 65+ year olds still at home 91 days after discharge into reablement / rehab	84% (2016/17)	80%	76.36%	Q1 17/18	▼	ENG 15/16: 75.7%
B People in a permanent nursing or residential setting per 100,000	854 (Q4 16/17)	<854	855	Q1 17/18		N/A
B Permanent admissions to residential / nursing care homes per 100,000	169.2 (2016/17)	65	67.88	Q1 17/18	▲	ENG 15/16: 260
B Delayed transfers of care from hospital per 100,000 attributable to ASC	4.1 (Q4 16/17)	4.1	1.86	Q1 17/18	▼	ENG 15/16: 4.7
B %age of reablement episodes achieving identified goals	86% (Q4 16/17)	75%	74.28%	Q1 17/18	▼	N/A
B Projected achievement of Directorate Delivery Plan actions	New PI	80%	100%	Q1 17/18	New PI	Council: 89%
B Projected achievement of risk mitigation activity	100% (2016/17)	90%	100%	Q1 17/18		Council: 96%
F Projected expenditure of revenue budget	98.9% (2016/17)	100%	100%	Q1 17/18	▲	Council: 99.7%
F Projected attainment of savings targets	166.7% (2016/17)	100%	100%	Q1 17/18	▼	Council: 95%
F Projected expenditure of capital budget	95.3% (2016/17)	95%	111%	Q1 17/18	▲	Council: 100.4%
P Employees with appraisal for current financial year	82% (2016/17)	95%	100%	2017/18	▲	Council: 99%
P Working time lost to sickness absence	6.07% (16/17)	6.68%	4.65%	Q1 17/18	▼	Council: 4.17%
P Employees satisfied with working in their service area	90% (2015)	70%	87%	2016	▼	Council: 85%

Finance, Governance and Support



Measure	Last	Target	Current	Period	Trend	Benchmark
C Average customer rating of support services (/10)	New PI	7	8.1	2015/16	N/A	N/A
C Elected member satisfaction with support services	New PI	70%	100%	Q4 16/17	New PI	N/A
B Service transactions undertaken via MBC website	96,870 (2016/17)	26,750	27,401	Q1 17/18	▲	N/A
B ICT transactions undertaken via digital service desk	New PI	New PI	Due Q2	Q2 17/18	New PI	N/A
B Housing Benefit – average days to process changes of circumstances	15.37 (2016/17)	13	10.04	Q1 17/18	▼	N/A
B Council Tax collected in-year	95.66% (2016/17)	28.56%	27.91%	Q1 17/18	▼	ENG: 97.1% (2015/16)
B Business Rates collected in-year	98.96% (2016/17)	34.23%	31.89%	Q1 17/18	▼	ENG: 98.2% (2015/16)
B Teesside Pension Fund – performance against benchmark	New PI	New PI	Due Q2	Q2 17/18	New PI	N/A
B Projected achievement of Directorate Delivery Plan actions	New PI	80%	100%	Q1 17/18	New PI	Council: 89%
B Projected achievement of risk mitigation activity	97.5% (2016/17)	90%	100%	Q1 17/18	▲	Council: 96%
F Projected expenditure of revenue budget	99.4% (2016/17)	100%	100.5%	Q1 17/18	▲	Council: 99.7%
F Projected attainment of savings targets	78% (2016/17)	100%	100%	Q1 17/18	▲	Council: 95%
F Projected expenditure of capital budget	101.5% (2016/17)	95%	119%	Q1 17/18	▲	Council: 100.4%
F % of Council expenditure on local goods and services	28% (Q4 16/17)	25%	30%	Q1 17/18	▲	N/A
P Employees with appraisal for current financial year	77% (2016/17)	95%	99%	2017/18	▲	Council: 99%
P Working time lost to sickness absence	2.90% (16/17)	3.19%	2.25%	Q1 17/18	▼	Council: 4.17%
P Employees satisfied with working in their service area	76.5% (2015)	70%	81%	2016	▲	Council: 85%

Appendix 3: 2017/18 Budget and performance monitoring – Consolidated action plan

Directorate	Action	Who	When
Economic Development and Infrastructure	Finalise Housing Growth Strategy programme plan.	Director of ED&I	End Q2 2017/18
	Review potential inflationary pressure on electricity and establish position.	Head of Transport and Infrastructure / Financial Planning and Support	End Q2 2017/18
	Identify further mitigating savings during 2017/18 to prevent an overspend at year-end	Director of Economic Development and Infrastructure	End Q4 2017/18
Culture and Communities	Review anti-social behaviour target to ensure that this remains SMART.	Head of Stronger Communities	End Q2 2017/18
	Three year approach to events programming to be presented to Executive in November	Director of Culture and Communities	End Q3 2017/18
Environment and Commercial Services	Review options to improve recycling rate at report to Executive.	Director of ECS	End Q3 2017/18
	Review Passenger Transport Service with view to mitigating budgetary pressure.		End Q2 2017/18
	Identify further savings to mitigate budget pressures within the Directorate.	Director of ECS / Finance Planning and Support	End Q2 2017/18
	Review passenger transport service provision	Director of ECS	End Q2 2017/18
Public Health and Public Protection	Analyse use of Public Health Grant across Directorates to identify future savings.	Director of PH&PP / Financial Planning and Support	End Q2 2017/18
Children's Care	Identify issues relating to timeliness of LAC processes and implement improvement plan.	Director of Children's Care	End Q2 2017/18
	Review value of implementation of Controcc as part of Believe in Families programme.		End Q2 2017/18
Prevention and Partnerships	Review youth reoffending performance and develop / implement improvement plan.	Director of Prevention and Partnerships	End Q2 2017/18
Finance, Governance and Support	Identify way forward in relation to continuing pressures on Legal Services budget.	Head of Legal and Democratic Services / Financial Planning and Support	End Q2 2017/18
	Vire income budget from Valuation and Estates to Environment and Commercial Services.	Financial Planning and Support	End Q2 2017/18
	Report to be brought forward on Legal Services costs	Head of Legal and Democratic Services	End Q2 2017/18

Appendix 4: Summary Strategic Risk Register

The Council's Corporate Strategic Risk Register identifies the following as current high and medium level risks to the achievement of the Council's targeted outcomes, given the current controls in place to reduce their probability and impact of their occurrence. Activity to further mitigate risk to the lowest practicable level is set out in this Strategic Plan and supporting risk plans. Risk levels and controls are reviewed on a quarterly basis in line with the Council's Risk Management Strategy.

Risk	Directorates affected	Current risk level			Trend
		Probability	Impact	Score ¹	
Targeted investment within Middlesbrough disproportionately affected by low economic growth (e.g. following Brexit).	ED&I	4	5	20	
Failure to adapt to the new funding model for local government results in a new funding gap.	All	3	5	15	*New*
Qualifications and skills profile of local labour does not match requirements of current employers and / or potential future investors.	ED&I / C&C	3	5	15	
Increased risk of harm to children and young people, in particular due to instability caused by Social Care transformation.	C&C	3	5	15	
Failure to stabilise transient populations within some local communities results in adverse outcomes for children.	C&C	3	5	15	
Reduced outcomes and incurred costs through failure to implement effective strategic and delivery partnerships.	All	3	5	15	
Failure to align Strategic Plan with TVCA plans adversely affects MTFP and Investment Prospectus progress.	All	3	5	15	
Failure to deliver required transformation of services, culture change or savings.	All	3	5	15	
Failure to respond effectively and efficiently to legislative changes places the Council in breach of statutory duties.	All	2	7	14	
Individuals and families in need not provided with effective help at appropriately early stage, resulting in social issues and greater downstream costs to public services.	P&P	2	5	10	

¹ Probability is scored from 1 (rare) to 5 (almost certain), impact from 1 (insignificant) to 7 (extreme). Impact can relate to a range of factors including the achievement of priorities, financial losses and reputational damage. The risk score is P x I, with a maximum score of 35.