

Item	Probability of occurrence	Risk vs. 2017/18 budget as reported at Jan 2018 Joint Committee	Current risk vs. 2017/18 budget	Notes
		£k	£k	
Inflation in excess of budget - HRC Management Fees	Certain	-39	-41	Effect of inflation over and above the budgeted 1%.
Waste disposal variances - tonnages arising and associated haulage costs, effect of inflation, and proactive diversion away from landfill	Likely	652	938	Favourable waste disposal variances - tonnages arising and associated haulage costs - includes beneficial variation with treatment contractor. Latest figures reflect favourable position seen in December 2017.
Net Income from favourable Glass Recycling contract	Likely	78	76	Unbudgeted income on recycled glass, temporary contractual arrangement to the end of 2017/18.
Net income from recycled card / cans / plastics etc (Non DMR)	Likely	30	31	This material is separate from the DMR recyclate.
Additional temporary waste enforcement resource.	Likely	-20	-18	Unfunded temporary enforcement resource agreed as priority area by JC.
Container Charging income	Likely	-50	-40	First year of the new scheme, which started in June 2017. Indications are of a potential income shortfall.
Commercial Waste Trading Account	Likely	85	88	Forecast of performance is over and above budgeted position. Figures now include costs of new ICT system.
Favourable variance on the Garden Waste trading account	Likely	152	152	Forecast of performance is over and above budgeted position. Figures now include costs of new ICT system.
Central / Management & Admin	Likely	-43	-23	Minor overspends in relation to staffing and additional support service costs being incurred.
Property budgets	Certain	90	90	Unexpected one-off rebate in respect of property.
Total of likely and certain budget variances		935	1253	
Favourable difference on Recyclate price between budgeted cost per tonne of £17.32 and actual cost / income per tonne received.	Possible	377	409	The recyclate price is extremely volatile, and can swing significantly up and down each month. The medium term forecast is gloomy due to the international market, and in particular the restrictions in China.
Operations and Street Cleansing budgets	Possible	60	60	Minor underspends predicted in relation to frontline staffing, plus unbudgeted commercial income.
Total of possible budget variances		437	469	
Total of all budget variances		1372	1722	