

## KEY BUDGET RISKS &amp; SENSITIVITY ANALYSIS 2021/22

Description	Budget Risk	Risk Assessment				Containment Actions			Progress
		Probability	Impact	Value £000'S	Comment	What	Who	When	
Achieving income targets - leisure, car parks, etc	Net expenditure falls if economy severely dips or switch to competitors. 5% of budgets.	Med	High	303	Key Leisure, Business Unit, Car Park income	Base budgets adjusted. Monthly budget monitoring + marketing & promotional activities.	Service Managers	Monthly	
Benefits - high spend £25m with complicated grant scheme.	Increase in expd with less than 100% subsidy. Failure to Comply with Regulations	Low	High	200		Regular monitoring of claims processed. Staff Training	Benefits Manager	Quarterly	
Ind & Comm. Property portfolio - reduced rent income during economic downturn and due to disposals to generate capital receipts.	Industrial & commercial £50k. Vicar Lane £100k Pavements £100k	Med	High	250		Monitor voids. Flexible Payments for existing. Planned Disposal Programme	Estates Officer	Monthly	
Any other unforeseen significant expenditure		High	High	250		Maintain adequate working balance/ insurance fund + effective risk mgt and monitoring additional cost pressures as a result of the Covid19 Pandemic	SLT, CLT, budget holders, Accty	On-going	
Provision for Bad Debts		High	High	250		Regular monitoring level of debtors and collection rates.	Accty	On-going	
VAT - 5% exempt limit exceeded	Limit exceeded £250k un-recoverable plus excess amount.	Low	High	400		Monitoring	Deputy Chief Accountant	Monthly	
MMI – risk of insolvent run-off following recent ruling on EL claims.	'Clawback' beyond the £345k provision (£1.4m claims settled).	Low	High	100		Clawback rate currently 25%. Provision of £348k established and in line with Insurance Fund review completed in 2019/20.	CFO	On-going	
ICT Digital Innovation Savings	Failure to achieve savings	Med	Low	-		Monitor progress against targets early in 2021/22	CFO / CLT / CLT	On-going	
Balanced Budget Savings Plan	Failure to achieve savings	Med	Low	-		Monitor progress against targets early in 2021/22	CFO / SLT / CLT	On-going	
Achieving vacant post saving targets	15% of £250k target	Low	Med	38		Target rmonitoring required monthly on staff turnover	CFO/HR	Quarterly	
Localisation of council tax support	Increased take-up by pensioners or working age and full implementation of universal credit.	Med	Med	25		Monitoring claims and income so remedial action taken ASAP.	CFO	Monthly	
Busines Rates Pool	Delcining business rates growth £300k exposure 50%	Low	High	150		Monitor income	CFO	Quarterly	
<b>Gen Fund Rev Budget</b>	<b>Total exposure</b>			<b>1,966</b>					
	<b>Allowance %</b>	<b>Prob</b>	<b>Total £000</b>	<b>Allow £000</b>		<b>Impact assessment:</b>			
<b>Risk allowance</b>	90%	High	500	450		<b>High = £50k or more</b>			
	50%	Med	578	289		<b>Med = £10k-£49k</b>			
	10%	Low	888	89		<b>Low = less than £10k</b>			
<b>Risk allowance</b>			<b>1,966</b>	<b>828</b>					