

## KEY BUDGET RISKS &amp; SENSITIVITY ANALYSIS 2022/23

Description	Budget Risk	Risk Assessment			Containment Actions			Progress
		Probability	Impact	Value £000'S	What	Who	When	
Achieving income targets - leisure, car parks, etc	Net expenditure falls if economy severely dips, impact of Covid19 pandemic or switch to competitors. 5% of budgets.	Med	High	315	Base budgets adjusted. Monthly budget monitoring + marketing & promotional activities.	Service Managers	Monthly	
Benefits - high spend £23.3m 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 £500k	Med	High	900	Monitor voids/ business cases. 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.	Finance	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 2022/23	CFO / CLT / CLT	On-going	
Balanced Budget Savings Plan	Failure to achieve savings	Med	Low	500	Monitor progress against targets early in 2022/23	CFO / SLT / CLT	On-going	
Property Maintenance - 10 year maintenance programme	Condition Survey. AMT in progress. undertaken. Potential additional requirements	High	Medium	1,500	Asset Management Strategy and Plan will inform outcome and actions need to address	Executive Director	On-going	
Achieving vacant post saving targets	15% of £250k target	Low	Med	38	Target monitoring 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	
Potential Business Rates Reset	Impact on Growth above baseline	High	High	1,500	Business Rates Risk reserve set up to mitigate risk / Transitional arrangements likely	CFO	Awaiting consultation from Government	
Business Rates Pool	Potential changes in pooling arrangement / Declining business rates growth £300k exposure 50%	High	High	300	Business Rates Risk reserve set up to mitigate risk / Transitional arrangements likely	CFO	Quarterly	

Gen Fund Rev Budget	Total exposure			6,278	
	<b>Allowance %</b>	<b>Prob</b>	<b>Total £000</b>	<b>Allow £000</b>	<b>Impact assessment:</b>
<b>Risk allowance</b>	90%	High	2,300	2,070	<b>High = £50k or more</b>
	60%	Med	1,740	1,044	<b>Med = £10k-£49k</b>
	30%	Low	2,238	671	<b>Low = less than £10k</b>
<b>Risk allowance</b>			<b>6,278</b>	<b>3,785</b>	