

Appendix 12 – S25 Statement – General Balances Risk Assessment

Risk	Mitigation	Likelihood	Probability Weighted potential impact
Economic Downturn in excess of current assumptions	An economic adjustment has been factored into growth assumptions	25%	0.500
Council Tax growth forecasts optimistic given potential economic downturn	Council tax forecasts are based on planning approvals the Council has given	25%	0.055
Council Tax Support Claimants greater than budgeted	The taxbase projections have assumed an increase in CTS claimants	25%	0.038
Outcome of the Government Fair Funding Review and Spending Review	The outcome may not be in line with current financial planning assumptions of neutral in real terms. There is potential for both improvements and deterioration.	30%	0.480
Inflation runs at higher than rate assumed in MTFS	Inflation runs at 1% higher than plan	10%	0.025
1% unbudgeted rise in short-term and long-term interest rates	The Council has taken a more prudent view than commentators over the medium term	15%	0.176
Delivering the savings programme and identifying future savings.	The Council has scrutinised the savings proposals included within the budget, but anticipate having to identify significant savings in the medium term.	25%	3.000
Additional costs related to Covid 19 in Leisure and loss of planning app income	The Council has built in sufficient funding for a 6 month continuation of Covid-19 restrictions	25%	0.244
Reductions in car park income linked to Covid 19	The Council is reviewing its car parking charges as part of the 2021/22 budget with a view to maximising the amount of income it can generate.	25%	0.225
Exceeding the 5% Partial Exemption VAT limit	VAT Returns are carried out monthly to HMRC and the VAT position monitored appropriately	10%	0.040
Total			4.783