

Appendix 6

Key Risk Assessment				
Key Financial Risks	Likelihood	Impact	Mitigating Actions	
1 Unexpected events or emergencies By its nature, the financial risk is uncertain	Low	High	<input type="checkbox"/> Council maintains a Strategic Reserve at a level of between 3% and 5% of its revenue budget for emergency purposes <input type="checkbox"/> Level of reserve is currently £8.7m (3% of budget)	
2 Increasing demand for Adult Social Care Demand for services continue to increase as the population of the City changes	High	Medium	<input type="checkbox"/> Demand led pressures provided for within our spending plans <input type="checkbox"/> Activity indicators have been developed and will be reported quarterly alongside budget monitoring	
3 Potential Overspend and Council does not deliver required level of savings to balance spending plans Challenging savings have been identified within our spending plans	Medium	Medium	<input type="checkbox"/> High risk budget areas have been identified and financial support is targeted towards these areas <input type="checkbox"/> Regular progress reports on delivery of savings to COG and Cabinet <input type="checkbox"/> Budget monitoring arrangements for forecasting year end position in place and forecast balanced <input type="checkbox"/> Plan to review level of cover available from General reserves in place	
4 Potential delay in delivery of Capital Receipts	Medium	Low	<input type="checkbox"/> Potential new capital receipts may be available from further surplus property sales. <input type="checkbox"/> Capital receipts received will be monitored quarterly	
5 Increase in Pension Liabilities Our contributions are influenced by market investment returns and increasing life expectancy	Medium	Low	<input type="checkbox"/> Spending plans reflect the level of pension contribution required as identified by the Pension Fund's Actuary in 2018. An actuarial review is planned for 2018 to cover the next three years	
6 Failure to provide safeguarding and placements for children There is an increasing requirement to provide sufficient school places. There is a rising number of children requiring specific support	Medium	High	<input type="checkbox"/> Provision has been made in the capital programme to increase school places <input type="checkbox"/> Directorate plans in place to manage and mitigate demand <input type="checkbox"/> Ongoing reviews of children already under care of council	
7 Volatility in future funding streams in Government funding streams and Business Rates Retention	High	Medium	<input type="checkbox"/> Prudent assumptions made in budget <input type="checkbox"/> Ongoing review of developing business rate changes <input type="checkbox"/> Business case to support future investment decisions	
8 Brexit Impact of EU exit may lead to increased volatility in economic stability and reduced access to funds	Medium	Medium	<input type="checkbox"/> Reduced reliance on grant funding in all directorates <input type="checkbox"/> Increased local economic and social investment to increase core income	

