

Financial Risk Identification and Management

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Item	Mitigation
Higher than budgeted pay awards	Reserves, vacancy and recruitment management
Increase in employer pension contributions	Reserves and changes in Government funding
Higher than budgeted ill health payments	Ill health pension reserve
Legislation e.g. NI, Apprenticeship Levy	Early identification and prioritisation of budgets
Reduction in Government formula funding	Use of reserves, CRMP and MTFP
Localisation of Council Tax Support - Impact on Council Tax base not off-set by Government Grant	Unitary Authority Council Tax discount schemes and use of reserves
Business Rate Retention scheme	Government safety net, Reserves, MTFP, timely modelling
Council Tax Collection rates	Reserves, MTFP
Costs associated with maintaining control resilience, changes to control infrastructure.	Reserves, use of regional funding, control staffing
Lack of Government Capital Funding	Additional Prudential borrowing built into the budget
Identified efficiency savings not achieved	Reserves. Establishment of the Improvement Board and SLB and SLT monitoring
Major / sustained incident	Bellwin Scheme, reserves
ICT demands	Investment in resilience, reserves
Higher than budgeted inflation rates	Reserves, Procurement processes to ensure value for money and fixed price contracts
Higher than budgeted cost of capital	Reserves, Prudential Indicators and Treasury Management Processes to be adhered to
Higher than anticipated costs associated with delivery against HMICFRS action plan	Reserves
Cost increases associated with significant premises capital projects	Allowances made for inflation and a contingency within overall project costs