

General Reserves Risk Assessment

Appendix F

No.	Year	Risk Event	Likelihood of Happening Low = 0% - 25% Medium = 26% - 50% High = 51% - 100%	Potential Net £000	Reserve Requirement		
					2026-27 £000	2027-28 £000	2028-29 £000
1	26-27	Future years Local Government Funding is worse than anticipated in MTFP	Low - 3%	100,000	3,000		
	27-28		Low - 5%	100,000		5,000	
	28-29		Low - 5%	100,000			5,000
2	26-27	Non-delivery of Planned Savings and Future Savings required	Medium - 50%	5,000	2,500		
	27-28		Medium - 30%	8,000		2,400	
	28-29		Medium - 30%	10,000			3,000
3	26-27	Cost of VET/Staffing Changes	Low - 3%	5,000	150		
	27-28		Low - 3%	5,000		150	
	28-29		Low - 3%	5,000			150
4	26-27	Increased Social Care Costs above planning assumptions	Medium - 50%	15,000	7,500		
	27-28		Medium - 50%	18,000		9,000	
	28-29		Medium - 50%	21,000			10,500
5	26-27	Above inflationary increases in non-pay and utilities greater than planning assumptions	Medium - 50%	3,000	1,500		
	27-28		Medium - 50%	4,000		2,000	
	28-29		Medium - 50%	5,000			2,500
6	26-27	Increase in pay costs above pay contingency	Low - 15%	4,000	600		
	27-28		Low - 25%	4,000		1,000	
	28-29		Medium - 40%	5,000			2,000
7	26-27	The level of funds within the self insurance fund is unable to cover a catastrophic incident affecting council houses or other operational buildings.	Low - 10%	2,500	250		
	27-28		Low - 10%	2,500		250	
	28-29		Low - 10%	2,500			250
8	26-27	Employment tribunal action	Low - 20%	2,000	400		
	27-28		Low - 20%	1,000		200	
	28-29		Low - 20%	1,000			200
9	26-27	Major fraud	Low - 5%	250	13		
	27-28		Low - 5%	250		13	
	28-29		Low - 5%	250			13
10	26-27	Failure to collect debt beyond provision	Low - 20%	2,000	400		
	27-28		Low - 10%	1,000		100	
	28-29		Low - 5%	1,000			50
11	26-27	Adverse winter increases call on operational costs	Low - 10%	550	55		
	27-28		Low - 10%	550		55	
	28-29		Low - 10%	550			275
12	26-27	Capital programme deficit/prudential borrowing to be funded from revenue	Low - 10%	2,000	200		
	27-28		Low - 10%	2,000		200	
	28-29		Low - 10%	2,000			200
13	26-27	Fluctuation in borrowing costs/interest receipts.	Low - 20%	2,000	400		
	27-28		Low - 20%	1,000		200	
	28-29		Low - 20%	1,000			200
14	26-27	Business rate income lower than expected	Low - 8%	50,000	4,000		
	27-28		Low - 5%	50,000		2,500	
	28-29		Low - 5%	50,000			2,500
		TOTALS			20,968	23,068	26,838