Appendix F

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
	26-27	Future years Local Government Funding is worse than anticpicated in MTFP	Low - 3%	100,000	3,000		
1	27-28		Low – 5%	100,000		5,000	
	28-29		Low – 5%	100,000			5,000
	26-27	Non-delivery of Planned Savings and Future Savings required	Medium – 50%	5,000	2,500		
2	27-28		Medium– 30%	8,000		2,400	
	28-29		Medium – 30%	10,000			3,000
	26-27	Cost of VET/Staffing Changes	Low – 3%	5,000	150		
3	27-28		Low – 3%	5,000		150	
	28-29		Low – 3%	5,000			150
	26-27	Increased Social Care Costs above planning assumptions	Medium – 50%	15,000	7,500		
4	27-28		Medium - 50%	18,000		9,000	
	28-29		Medium – 50%	21,000			10,500
	26-27	Above inflationary increases in non-pay and utilities greater than planning assumptions	Medium – 50%	3,000	1,500		
5	27-28		Medium – 50%	4,000		2,000	
	28-29		Medium – 50%	5,000			2,500
	26-27	Increase in pay costs above pay contingency	Low - 15%	4,000	600		
6	27-28		Low - 25%	4,000		1,000	
	28-29		Medium – 40%	5,000			2,000
	26-27	The level of funds within the self insurance fund is unable to cover a	Low - 10%	2,500	250		
7	27-28	catastrophic incident affecting council houses or other operational buildings.	Low – 10%	2,500		250	
	28-29		Low – 10%	2,500			250
	26-27	Employment tribunal action	Low – 20%	2,000	400		
8	27-28		Low– 20%	1,000		200	
	28-29		Low – 20%	1,000			200
	26-27	Major fraud	Low – 5%	250	13		
9	27-28		Low – 5%	250		13	
	28-29		Low - 5%	250			13
	26-27	Failure to collect debt beyond provision	Low – 20%	2,000	400		
10	27-28		Low – 10%	1,000		100	
	28-29		Low – 5%	1,000			50
	26-27	Adverse winter increases call on operational costs	Low – 10%	550	55		
11	27-28		Low – 10%	550		55	
	28-29		Low – 10%	550			275
	26-27	Capital programme deficit/prudential borrowing to be funded from revenue	Low – 10%	2,000	200		
12	27-28		Low – 10%	2,000		200	
	28-29		Low – 10%	2,000			200
	26-27	Fluctuation in borrowing costs/interest receipts.	Low –20%	2,000	400		
13	27-28		Low – 20%	1,000		200	
	28-29		Low – 20%	1,000			200
	26-27	Business rate income lower than expected	Low - 8%	50,000	4,000		
14	27-28		Low- 5%	50,000		2,500	
	28-29		Low– 5%	50,000			2,500
		TOTALS			**20,968**	**23,068**	**26,838**