

General Fund Budget Risks 2022-2023

The General Fund Budget Risks below have been assessed for 2022-2023. At quarter 3, it is projected that spend will be within budget, therefore as a result to overall risk been assessed as Green. However, the level of some risks are higher when reviewed over the medium term for the Medium Term Financial Strategy (MTFS), and as such when reported with the Budget and MTFS to Cabinet will be rated accordingly.

| Risk | Description | Level of Risk |
|-------------------------------------|--|---------------|
| Medium Term Forecasting | Risks that might materialise as a result of in-year changes to interest rates, energy costs, non-pay inflation and pay awards, uptake of pension auto enrolment, and National Living Wage. | Amber |
| Service Demands | Risks that might materialise as a result of in-year demands for statutory services outstretching the available resources. This particularly applies to adults and children's social care. | Amber |
| | Risks that might materialise as a result of in-year demands for non-statutory services outstretching the available resources. | Green |
| Identification of Budget Reductions | Risks that might materialise as a result of not identifying budget reductions due to limited opportunity to deliver efficiencies. | Amber |
| Budget Management | Risks that might materialise as a result of the robustness of financial planning and management, in addition to the consideration made with regards to the loss of key personnel or loss of ICTS facilities | Green |
| Transformation Programme | Risks that might materialise as a result of not delivering in-year reductions incorporated into the budget and not having sufficient sums available to fund the upfront and one-off costs associated with delivering budget reductions and downsizing the workforce. | Amber |
| Reduction in Income and Funding | Risks that might materialise as a result of in-year income being below budgeted levels, claw back of grant, or increased levels of bad debts. | Green |
| | The risk of successful appeals against business rates. | |

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| Third Parties | Risks that might materialise as a result of third parties and suppliers ceasing trading or withdrawing from the market. | Amber |
| Government Policy | Risks that might materialise due to structural uncertainties | Amber |
| | Risks that might materialise as a result of changes to Government policy including changes in VAT, taxation rules and economic measures | Red |