

APPENDIX B**MTFP Risk Register**

	Likelihood	Impact	Mitigation
Future available resources less than assumed	Likely	High	Annual review of reserves. Increased minimum General Fund Working Balance to £2m Volatility/Contingency earmarked reserves in place. Planning for future reductions above those assumed in the MTFP would be implemented. However the GFB can support any medium term shortfall.
Commercial Projects do not deliver anticipated benefits	Possible	Medium	Project management and monitoring. Risk Register for each project Appropriate and robust due diligence. Projects currently delivered or on target. Contingency budget of £0.200m and risk reserve.
Council is unable to provide a balanced budget in future years.	Unlikely	Low	The Council has an adequate level of General Fund Reserves to support balancing the budget over the next 5 years, should the need be required.
Volatility of Business Rates	Likely	Medium	Volatility of funding stream outside of Council control but impact mitigated by establishment of contributions to an earmarked reserves.
Pay and price increases above budgeted assumptions	Possible	Medium	Assumption of 2% pay increase annually built into MTFP. Contractual inflation is included in budget. Average utilities % applied. Improved commissioning and procurement expected
Future spending plans	Possible	Low	All Services carry out effective horizon scanning with profile of service demands (past and future). This informs the MTFP budget modelling throughout the year. Pressures are dealt with as they arise. Contingencies and risk reserves in place.
Anticipated savings/ efficiencies not achieved.	Possible	High	Impact on longer term financial planning. Regular monitoring and reporting take place. Future funding unknown post 2019/20 but the size of the funding cuts increase the likelihood of this risk. Non achievement of savings would require compensating reductions in planned

			spending within services. A principle is in place to maintain General Reserve at a minimum of 10% of Net Operating Expenditure, however value set in 2019/20 £2m represents circa 15%
Income targets not achieved.	Possible	Medium	Current economic climate likely to impact. Regular monitoring and reporting is undertaken with a full review of fees and charges annually which incorporates trend analysis and future demand estimations. Commercial trading monitor volumes and pricing. Appropriate due diligence for commercial investments undertaken.
Revenue implications of capital programmes not fully anticipated	Possible	Low	Capital bid approval identifies revenue implications and links to Council priorities. Full analysis of revenue implications assessed and considered in scenario planning and in business case development.
Loss of principal investments	Possible	Medium	Limited by the controls in the Treasury Management Strategy which prioritise security of deposit over returns on a risk based approach. Impact limited due to the strategy of a diverse portfolio with top rated institutions backed by Government guarantees and risk reserves.
New duties imposed by Government	Likely	Low	It has already been stated that new duties will be transferred to districts, however this will be considered in line with the retention of NNDR. Proactive preparation will be undertaken to engage early and influence the outcome. The availability of general reserves will also help smooth any initial financial impact, pending any reallocation of resources. In the event of new requirements being imposed 'new burdens' funding would also be sought.
Review of NNDR Retention Scheme	Likely	Medium	Government proposals for 75% of NNDR retention locally will have an impact on the resourcing of WLDC it is not yet known what future income levels will be, although it is assumed

			that we will revert to a 2013/14 baseline, therefore no growth since this period will be awarded. There will still be a need for government to distribute resources through a Top Up and Tariff system. MTFP assumes reversion to baseline.
The cultural change and capability required to deliver against the Council's aspiration may not be realised as quickly as the financial cuts, as changes in business models can take large organisations a number of years to realise regardless of the sector.	Possible	Low	Programme Board will ensure that the project management framework is effective and that robust business cases are developed prior to approval of projects and that projects are monitored, with issues being raised and escalated at an early stage for consideration.
The assumptions contained within the MTFP are not realised.	Likely	Low	Prudent assumptions are included in MTFP. A contingency budget in addition to a significant amount of reserves are held to mitigate any in year financial risks or volatility relating to income, or increases in expenditure, and which can be utilised in the event of variations to the assumptions made
Recruitment and Retention of skilled staff	Likely	High	The increased use of agency/consultants brought in to cover resourcing need and to provide skills and expertise.

