

Budget Risk Matrix

BUDGETARY RESPONSE TO EACH RISK MANAGEMENT ISSUE IN ORDER OF QUADRANT	
ISSUE	BUDGETARY RESPONSE
<p>Quadrant 1 - Low Risk, Low Impact</p> <ol style="list-style-type: none"> External Funding, Partnerships Prudential Code for Capital Accounting (Borrowing) 	<p>Keep under periodic review</p> <p>Continue to evaluate sustainability of each scheme as part of project appraisal.</p> <p>Keep under review, but little risk should be posed for this authority while it is debt free, has a balanced budget, carries out full option appraisals and has fully adopted the Prudential Code.</p>
<p>Quadrant 2 - High Risk, Low Impact</p> <ol style="list-style-type: none"> History of Underspending on Final Accounts Recruitment/key staff retention 	<p>Consider Action</p> <p>Appropriate action has been taken to reduce the level of underspend in accordance with Use of Resources.</p> <p>Use of agency/temporary staff from existing budgets to facilitate management of vacancies.</p>
<p>Quadrant 3 - Low Risk, High Impact</p> <ol style="list-style-type: none"> Finance Strategy/Accountability Car Parking Council Tax - Excessive rises, capping Council Tax Collection Levels External Interest, Pay, Price Increases Externalisation of Leisure Centres Benefits Service Delivery/Payments and Funding Industrial Estates and Other Property KTC3/Cinema Provision Recycling/Waste Collection Administration Buildings/DDA Work Restructuring/Organisational Review 	<p>Review Risk - Contingency Plans</p> <p>Council have adopted a three year Balanced Budget Strategy.</p> <p>Usages/Income Level closely monitored.</p> <p>Low risk due to political prudence/Key Commitments.</p> <p>Low risk - closely monitored through P.I.</p> <p>Closely monitored, any shortfalls to be met from Council Contingency Reserve.</p> <p>Contract closely monitored, contingency contained within budget.</p> <p>Closely monitored through P.I.s.</p> <p>Managed through Asset Management Plan.</p> <p>Approved Scheme in progress to be closely monitored.</p> <p>Currently achieving targets.</p> <p>Capital Programme Provision.</p> <p>The Council has an earmarked reserve to meet any potential costs.</p>
<p>Quadrant 4 - High Risk, High Impact</p> <ol style="list-style-type: none"> E government/E Procurement Government Grant/FSS/Council Tax Revaluation Pension Costs Centralised Office Accommodation New Depot Stourport Civic Hall Worcestershire Hub Concessionary Travel Capital Receipts - realisation of to fund expenditure Environment and Economic Regeneration Shared Services New Cemetery 	<p>Immediate Action</p> <p>Additional costs as a result of cessation of IEG grant have been built into the Base Budget, ie ICT/Salary costs previously met from IEG grant.</p> <p>Whilst the budget projects low increase, continuing low settlements equate to reduced service provision.</p> <p>Additional pension costs ongoing from actuarial revaluation have been built into the Base Budget.</p> <p>Member Task Groups to monitor progress and costs.</p> <p>Member Task Groups to monitor progress and costs.</p> <p>Member Task Groups to monitor progress and costs.</p> <p>Final and ongoing costs closely monitored, subject to outcome of negotiations with Worcestershire County Council.</p> <p>Costs of new scheme will be closely monitored through budget monitoring reports.</p> <p>Capital Programme funding does not anticipate any future receipts.</p> <p>Closely monitored.</p> <p>Subject to detailed Business Case before approval.</p> <p>Costs to be considered as part of the Council's Financial Strategy process.</p>