

Budget Strategy - Risk Matrix 2008/09-2010/11

Description	Base Budget 2008/09 £'000	Base Budget 2009/10 £'000	Base Budget 2010/11 £'000	To which year does the risk relate?	Potential Risk	Possible Solution
Salaries - vacancy management provision	-378	-394	-410	All years	4% per annum allowed for vacancy management is not achieved	The Council budget for salaries on a full establishment basis - i.e., all posts filled by the same person for the period of the budget strategy (assuming incremental increases year on year). This is unlikely and a vacancy management provision should be easily achieved, however, in order to ensure this is achieved a strict vacancy management regime needs to be followed. In addition monthly budget monitoring will need to be undertaken ensure (with a specific element dedicated to monitoring employee related costs).
Central Government Support i.e. Formula Grant	-4,858	-4,945	-5,047	2007/08 onwards	Despite a 3 year settlement being granted the Government may change the criteria year on year. Potential for efficiency cuts in the future	There will be sufficient funds in balances to fund any short term reduction in grant. Efficiency savings will be monitored on a monthly basis.
Land Charges - Income	-400	-410	-420	All years	Not achieving income target	Tight budgetary control, and if necessary, report to Members requesting additional funds, budget reduction and/or policy changes
Insurances	117	120	125	All years	Assets not insured. Repair of damaged assets less than cost of insurance.	Tight budgetary control, and if necessary, report to Members requesting additional funds, budget reduction and/or policy changes.
Investment Interest	-426	-145	0	All years	Non achievement of target due to lower than anticipated investment rates and higher than anticipated spend	Tight control over investments and budgetary control in general. Quarterly monitoring to members on the return from investments
Car Parking Income (excluding fines, including annual tickets/residents permits)	-1,001	-1,036	-1,120	All years	Demand led; may be subject to fluctuation if option to increase prices proceeds	Feasibility study/Market Testing prior to any price increases
Building Control - Fees and charges and Income	-368	-376	-400	All years	Income unpredictable	Tight budgetary control, and if necessary, report to Members requesting additional funds, budget reduction and/or policy changes
Planning Applications - Fees and charges and Income	-415	-425	-440	All years	Income unpredictable	Tight budgetary control, and if necessary, report to Members requesting additional funds, budget reduction and/or policy changes
Alternative methods of service delivery	-296	-373	0	All years	Potential of not achieving efficiency savings and quality of service provision through alternative methods eg -shared / partnership or outsourcing.	Discussions with other districts/partners underway to plan for alternative ways of providing services. Strict budgetary control and quarterly reports to members to demonstrate savings are being achieved