

Major Risks

Annex 3a

1. Poor Government Settlement for 2008-09 – an overall increase in Government funding of 2.5% or £200k has been included for 2008-09. Although this is the lowest increase for four years, it is still threatened by a lower settlement when SR2007 is announced. This threat is the reason why the costs of the Restructure should be funded, as much as possible, in 2007-08 and not put off to later years.
2. Fit for Purpose Organisation (Restructure) - savings in 2007-08 of £250k were built into the budget. The savings have reached £150k so far, in the main due to funds being captured from last year.
3. Pay and Rewards – budget has allowed for £470k (4%); the costs could be above the estimate, especially if appeals, which can't be controlled, are numerous.
4. Unitary proposals – cost of change. Currently there is no budget.
5. Non-achievement of efficiencies – a total of £266k has to be delivered.
6. Future Leisure Provision – rebuilding the income. The picture will become clear from July onwards.
7. Revenues and Benefits - the performance of both is in the bottom quartile. There is an outstanding issue with regard the clawback of Government Housing Benefit Grant.
8. New Finance System - the current finance system is not fit for purpose. A decision on its replacement has been delayed until the Unitary decision is announced, for each option requires a different solution.

(Spreadsheet contains Risk marking at Annex 3b)