

**MEDIUM TERM FINANCIAL STRATEGY – KEY RISKS**

**Risk Assessment**

<b>Risks</b>	<b>Impact</b>	<b>Likelihood</b>	<b>Action</b>
Government funding assumption not achieved following the 2007 comprehensive spending review.	High	Medium	Monitor medium term plans Lobby government through ANEC
Pension Fund Contributions may increase.	Medium	Medium	Monitor the position with Durham CC and the Durham Districts following 2007 Actuarial review.
Pay awards vary from assumption.	Medium	High	Inflation over 4% - Robust monitoring of financial plans.
Medium term Financial Plan in deficit. £729K in 2009/10	High	Medium	Regular monitoring of the medium term position.
Claims arising from compensation culture/tribunals	Medium	Medium	Awareness/Challenge the claim/continuous review of management procedures
Impact on borrowing/capital investment of slow down of capital receipts	Medium	High	Increase monitoring of asset disposal – Asset and Property Manager
Capital Programme overspend.	Medium	Medium	Robust monitoring to give early warning.
Future impact of national free concessionary fares scheme uncertain	High	Medium	Monitor the position through Durham district link to Dept of transport
Supporting People – continuing pressure on the grant for Care Services	Medium	High	Robust monitoring of the position.
Government increases responsibilities without financial support	Medium	Medium	Robust Monitoring. Maintain regional contacts Lobbying through ANEC/MP
Reduction in Service level Agreements with East Durham Homes impacts on general fund.	Medium	High	Continue to be part of negotiation Robust monitoring .
Income Targets not achieved	Medium	Medium	Monthly monitoring of budgets.
Local government review leads to District being abolished.	High	High	District takes a leading role in the Developments over the next 6 months.



