

RISKS	RESPONSE
<p>1. Income projections are too optimistic. The budget is reliant upon several, substantial income streams, some of which have been variable recently.</p> <p>If income shows a downturn compared with the level included in the budget, this will have a significant impact on the Council's financial position.</p>	<p>Levels of income will be carefully monitored and reported, with summary reports being submitted to CMT on a monthly basis.</p> <p>If income is below budget in any area, action will then have to be taken to identify compensating savings or additional income elsewhere.</p>
<p>2. Assumed ongoing savings are not achievable, for example, the saving assumed from vacancy management included in the base budget.</p>	<p>Target savings from vacancy management will be allocated to each Directorate, and action will then have to be taken to ensure that this is achieved. This will mean that cover for vacant posts will require the approval of the Director.</p>
<p>3. Budgeted income from interest on investments is not achieved.</p> <p>This is dependent on the phasing of the capital programme expenditure and the timing of capital receipts.</p>	<p>Income from investment income will be monitored and reported in the medium term as interest rates are likely to fall. Phasing is planned capital expenditure and capital receipts will continue to be built into the cash flow forecasts in order to maximise opportunities for investment.</p>
<p>4. Unforeseen expenditure is identified for which there is no budgeting provision.</p>	<p>Regular budget monitoring arrangements will identify problem areas and potential savings or additional income can be vired to fund the unforeseen expenditure in accordance with financial regulations.</p>
<p>5. Procurement target savings are not achieved</p>	<p>These will be allocated to each service area and action taken to ensure that these are achieved. The work of the Procurement Strategy Network will help managers to achieve their procurement savings.</p>
<p>6. Access to the Housing Revenue Account Balance following LSVT.</p>	<p>It is essential that we ensure the Housing Revenue Account is closed down successfully and the final Housing Subsidy claim is signed off by External Audit in January 2009 in order to get access to the Housing Revenue Account balance. External support will be procured to facilitate this as it is business critical.</p>
<p>7. Local Government Re-organisation</p>	<p>We will need to make a provision for currently unforeseen expenditure that may arise as a consequence of Local Government Re-organisation.</p>