

Proposed new Risks - March 2011

No	Rating		Short name	Vulnerability	Trigger	Consequence
33	D2	*	Reform of Housing Revenue Account	The Council is likely to have to take on approximately £200m of debt when the current system ends. Financial modelling shows this level of debt can be managed. However variables in the model may change and the government may increase the level of debt. Accounting arrangements may impact on General Fund.	More Council houses sold than anticipated so revenue reduced. Government increases debt settlement. CLG ignores representations	<ul style="list-style-type: none"> • HRA becomes unsustainable. • Repairs and maintenance spending reduced. • Large rent increases • Additional charges to general fund.
34	B3	*	Changes to Benefit system	The government is undertaking a major reform of the welfare system this is likely to have serious impacts on the Council, benefit claimants and staff.	Welfare reform requiring substantial change to the calculation and administration of benefits	<ul style="list-style-type: none"> • Residents no longer able to afford current tenancies. • Possible transfer of staff to DWP. • Possible redundancies of staff. • Problems in recruiting lead to reduction in performance
35	C2	*	Budget reductions	The medium term financial strategy requires CSB reductions of £2.5m. The largest single saving is the £1.3m required in 2012/13.	Required net savings not achieved.	<ul style="list-style-type: none"> • Greater use of reserves. • Higher level of saving in subsequent years.

Proposed new risks – March 2011 Action plans

Risk No.	Existing controls/actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
33	Detailed financial modelling undertaken. Representations made to CIPFA and CLG.	Will not be known until debt settlement and accounting arrangements confirmed.	Continue to make representations and respond to consultations.	Housing portfolio holder. Finance and Economic Development Portfolio Holder. Director of Finance and ICT Director of Housing	Sustainable level of debt agreed. No serious impact on general fund.	Quarterly	31/03/12
34	Management will continue to run the service as efficiently as possible.	Effective to date as evidenced by reduction in processing times.	Respond to any consultations and seek to mitigate effects on residents and staff wherever possible.	Finance and Economic Development Portfolio Holder. Director of Finance and ICT	A smooth transition to universal credit. Minimise number and cost of redundancies.	Quarterly	31/03/12
35	Some service reviews already underway Public consultation exercise currently being planned.	Savings required for 2011/12 budget were achieved.	Complete public consultation exercise and use responses to inform service reviews.	Leader of Council Acting Chief Executive.	Required net savings achieved.	Quarterly	29/02/12