

Issue or Budget Head	Budget 2013/14 £m	Risk Factor	Risk % (Likelihood)/ Sensitivity	Risk Value 2012/13 £k
Salaries	21.92	Risk to working balance if national pay award exceeds budgeted increase	1%	219
Salary Vacancy Factor	0.58	Vacancy factor of 5% not achieved due to full establishment and lower staff turnover	25%	145
Car Parking Income	1.76	National and local economic factors may adversely affect income compared to projections	10%	176
Planning Fee Income	0.63	National and local economic factors may adversely affect income compared to projections	15%	94
Building Control Income	0.53	National and local economic factors may adversely affect fee income. Also the impact of competition may affect income.	15%	79
Land Charges Income	0.23	National and local economic factors may adversely affect fee income. Also the impact of competition may affect income. Potential liability for repayment of previous charges. Likelihood high - Financial value not clear.	15%	35
Recycling Income	0.77	Downturn in economy and contraction of recyclable materials may result in income not being achievable. Additional risk with regards to changes in the Herts Waste Partnership agreement.	35%	270
Energy costs	0.35	Usage and energy tariffs	20%	71
Fuel	0.70	Increasing cost of fuel, risk exceeding budgeted level	20%	140
Benefit Subsidy	46.76	Factors affecting subsidy receivable.	0.50%	234
Administration of Homelessness applications	0.16	Resource required to process homelessness may be affected by increased takeup/applications as result of recession.	20%	32
Administration of Benefits	0.80	Resource required to process benefits may be affected by increased takeup/applications as result of recession.	12%	96
Investment returns	0.37	Further variations in bank rates and available capital for investment may affect investment income.	20%	75
Contribution to bad debt provision	0.45	Recession may increase the level of bad debts.	50%	226
Proposed savings incorporated within budgets	1.73	Delays in implementation of budget savings will result in in full year impact not being achievable, (part year impact as full year yet to be evaluated - Strategic HR Review).	15%	260
High Barns - Chalk Mines		Outcome of application for Land Stabilisation programme may require further revenue contribution to project management and capital funding of project costs.		250
Business Rates Retention	0.20	Risk of decline in Business Rates Tax Base rather than growth forecast (capped at 7.5% of Business Rates Baseline Funding)	20%	40
CT Support Scheme	0.10	10% increase in Council Tax Benefits Claimants, creating collection fund deficit	80%	82
Cash Flow	0.10	Short term borrowing costs from decline in tax base. (Payments made to Government and Preceptors are based on estimates of Growth, if income is lower short term borrowing may be required for cash flow purposes)	10%	10
Environmental Regulation Act 2004		Potential liabilities arising. To be kept under review in light of on-going legal cases.		To be kept under review during 2012/13
TOTAL RISK VALUE				2,532
Potential worse case scenario - 75% of above occurring in the same year				1,899
Worst case probability as a % of General Fund working balance of £2.5m (based on Target Working Balances)				
COVER RATIO (of worst case scenario - ie 75% probability)				1.37