

Appendix E

Risk Analysis of 2023/24 Budget

Issue	Budget 2023/24 £	Risk Factor	Risk% (Likelihood)	Risk Value 2023/24 £
Salary Budget	131,610	If national pay award exceeds budgeted increase (3%) by an additional 1%	50%	65,805
Salary vacancy rate	452,300	Vacancy rate not achieved due to low turnover of employees across services	40%	180,920
Reduction in Council Tax Band D Increase	42,900	0.5% reduction in Council Tax Increase (assumed increase 2.88%)	10%	4,290
Increase in Leisure Management Fee	500,000	Management fee exceeds budgeted amount due to adverse trading conditions and increase utility costs	25%	125,000
Car Parking Income	1,259,600	Economic downturn could have a negative impact on car park usage	10%	125,960
Green Waste	1,656,000	Increase in Green Waste charge and economic downturn could have a detrimental impact on customer demand	5%	82,800
Utility Costs	1,886,150	Fluctuations in energy market leading to an increase in costs of utilities in excess of the budgeted increase	15%	282,923
Fuel Costs	811,600	Fluctuations in oil market leading to an increase in cost of fuel	15%	121,740
Interest Rate on Investment	760,000	Risk of investment returns being below budget	10%	76,000
	7,500,160	Total		1,065,438
		Budget Stabilisation Reserve and General Fund Working Balance		3,334,000
		Worst Case - 50% of above occurring in the same year		532,719
		Cover ratio		6.26