





Corporate Risk and Opportunity Register, Quarter 4 2021/22









D.O.T (direction of travel)



- ↑ = Increase in risk/ opportunity score compared to previous report
- = No change in risk/ opportunity score compared to previous report
- ↓ = Reduction in risk/ opportunity score compared to previous report

Corporate Opportunities





Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Opp' Colour	D.O.T.
COR OP 02 Disposal of Assets for Capital Receipts or Acquisitions to meet expected or current demand.	2 Moderate	3 Likely	6	3 Significant	3 Likely	9		
Mitigations (Risks) / Actions (Opportunities)								
Both Naseby Close, Market Harborough and De Verdon Road, Lutterworth are in the process of being sold. Naseby Close is being sold to Platform Housing (RSL) and De Verdon Road by open-market sale. Required due diligence and legal review is currently being undertaken. The Council has acquired 4, Roman Way, Market Harborough to help mitigate the high cost of temporary housing need and is also redeveloping flats held at Ploughman's Yard, Market Harborough. Further, the Council now has in place an Asset Management Plan that records the condition of the Council's current strategic property holdings and highlights future property needs.								

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Opp' Colour	D.O.T.
COR OP 04 Income maximisation/ Cost Reduction.	3 Significant	2 Unlikely	6	4 Major	3 Likely	12		
Mitigations (Risks) / Actions (Opportunities)								
Regular monitoring takes place alongside a monthly review by the relevant Portfolio Holder. Regular re-profiling of income targets takes place and is informed by current and future activity levels. Regular monitoring by the Corporate Management Team and quarterly reporting to the Cabinet monitors income trends and action plans. During the 2021/22 year, the BC25 programme came to a close. The savings and investment opportunities arising will be reported as part of the routine quarterly financial monitoring.								

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Opp' Colour	D.O.T.
COR OP 05 To work with the other Leicestershire Authorities to explore different structures for delivering Council services for the benefit of residents.	4 Major	2 Unlikely	8	4 Major	2 Unlikely	8		
Mitigations (Risks) / Actions (Opportunities)								
The Leader of the Council has committed to working collaboratively for the potential benefit to the residents of Harborough District. Some preparatory work has been completed to identify the scope of the project. A scope has been agreed between a number of Leicestershire Authorities on further collaboration and work is continuing in this area.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Opp' Colour	D.O.T.
COR OP 06 To support communities during recovery from the Covid-19 pandemic via the County-coordinated Contain and COMF Funding.	4 Major	1 Very Unlikely	4	4 Major	4 Very Likely	16		
Mitigations (Risks) / Actions (Opportunities)								
Agreed funding for specific projects focused on Covid-19 recovery. £130K of funding was received during Quarter 4 of the 2020/21 year. Approval has been received to continue using this funding into the 2022/23 year, which eases the urgency on spending and allows us to prioritise spending to where it will have the greatest impact.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Opp' Colour	D.O.T.
COR OP 07 To ensure that Harborough District Council benefits from the ERDF Welcome Back funding to support the reopening of local town centres and tourism following the Covid-19 pandemic.	2 Moderate	3 Likely	6	2 Moderate	4 Very Likely	8		
Mitigations (Risks) / Actions (Opportunities)								
To develop and deliver a programme of activities to support the reopening of local town centres and tourism and respond to the medium-term impact of Covid-19. The initial deadline to submit proposals to Government by 30 May 2021 was achieved. Once approved, the delivery of these plans can run through until the end of March 2022. Plans have had to be modified slightly to take account of continuing restrictions and lack of capacity amongst the events industry. Final submission was made in early May 2022 and Officers are awaiting confirmation of the funding, or any further clarification from government officials, with a view to receiving the £166K funding retrospectively within the next few months.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Opp' Colour	D.O.T.
COR OP 08 To maximise the likelihood that Harborough District Council can benefit from Government Levelling Up Funding to support town centre regeneration, investment	3 Significant	1 Very Unlikely	3	3 Significant	2 Unlikely	6		



in local cultural facilities or upgrading local transport Infrastructure.								
Mitigations (Risks) / Actions (Opportunities)								
Whilst it is recognised that this is likely to be a very difficult case to make, given that Harborough District is classed as a Category 3 (the lowest) area, Council Officers are working with consultants to submit a credible application for Round 2 of Levelling Up Funding in early July 2022, focussed on Market Harborough town centre. Whilst it is recognised that this is a very competitive process, every effort is being made to ensure that this is as strong an application as possible and experienced consultants have been commissioned to assist with this work, learning from the experiences of Round 1.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Opp' Colour	D.O.T.
COR OP 09 The service transformation propositions agreed by Council as a consequence of the Budget Challenge 2025 programme deliver the required savings.	2 Moderate	3 Likely	6	4 Major	3 Likely	12		
Mitigations (Risks) / Actions (Opportunities)								
The BC25 propositions agreed by Cabinet will have followed a robust 'check and challenge' process, but fundamentally will have been developed by the respective service manager themselves. Further, the respective service manager will then lead the associated transformation to ensure that their savings/investment proposition will deliver the BC25 savings proposals within the Council's Change Programme.								

Corporate Risks

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 07 Risk of the Council not helping to encourage conditions for new business growth results in the District not benefitting from the LLEP funding	2 Moderate	3 Likely	6	2 Moderate	2 Unlikely	4		
Mitigations (Risks) / Actions (Opportunities)								
The Council is represented on the LLEP Board through a nominated District Leader representation. The Council was successful in gaining funding for two projects from the Leicestershire Business Rates pooling fund for 2019/20, and whilst progress has been delayed on these due to the coronavirus pandemic, work is back on track and the LLEP is comfortable and assured by the progress being made. The Lutterworth Town Centre Masterplan was approved as Council policy on 27 September 2021, and work on the implementation is likely to commence during 2022. Funding towards the St. Mary's Quarter in Market Harborough is being progressed via a consultant-led feasibility study in mid- to late-2022.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 12 Lack of a co-ordinated approach to Emergency Planning could result in a failure to effectively respond to situations.	4 Major	2 Unlikely	8	4 Major	1 Very Unlikely	4		

Mitigations (Risks) / Actions (Opportunities)



As a member of the Local Resilience Forum (LRF) the Council receives support on responding to emergency situations from a number of partner organisations. Training undertaken by staff is under continual review to ensure compliance with the Local Resilience Forum's guidance and competencies. Severe Weather and Flood Contingency Plans are in place to ensure there is an effective response to any incident. There is a county-wide programme for testing plans which ensures that there is a consistent approach and that plans are tested at appropriate times. The Council is a member of the county-wide emergency planning partnership and this provides 24/7 support from an emergency planning professional. A protocol has been developed, and is in operation, to update Members, at the time of an incident. Emergency Plans have been developed and tested for the high-risk scenarios throughout the District. Joint working arrangements with LCC Highways enable a co-ordinated approach to situations that involve both organisations. Member and Officer training has been provided to ensure their roles are fully understood during an incident. We work with the LRF to ensure Harborough Emergency Planning procedures are robust, clear to Members, and are tested. A Corporate Management Team Emergency Planning rota is in place. An online training module on Emergency Planning for all staff was launched in Quarter 4 of the 2016/17 year. Corporate Management Team received training in May 2018 regarding management of emergency incidents. An Audit review, conducted in February 2018, made no recommendations. During Quarter 3 of the 2019/20 year, elected members received an emergency plan briefing. During Quarter 2 of the 2020/21 year, a multi-agency exercise was carried out remotely across Leicestershire. Throughout the pandemic the Council has stood up its own response structure and an internal audit on the Council's initial response to the pandemic, with a primary focus on management of the recovery stage, including re-establishing effective governance and internal control arrangements, was carried out. The audit concluded there was substantial assurance in the controls in place in the organisation. The Corporate Management Team and Service Managers are in continual liaison to ensure that there is an appropriate level of management cover in The Symington Building.

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 15 Reduction in public sector funding by all partners leads to service gaps and reduced public sector offer to residents.	3 Significant	3 Likely	9	2 Moderate	3 Likely	6		

Mitigations (Risks) / Actions (Opportunities)

The Council actively engages with partners in shaping future public service provision and to maintain awareness of any further potential reductions (revenue and capital) in funding from all partners. However, the expected significant changes in future funding due to formulae adjustment and business rates, now expected to be implemented in 2023/24 continues to provide a lack of clarity over funding available to partners to support outcomes in the District. The Council partially mitigates this through representation on working groups, responses to public consultations and working with other local districts. In respect of the Council's own budget, the government issued a one-year financial settlement for 2021/22 and has again for 2022/23. In respect of the approved budget for:



- 2021/22 and MTFS: the risk associated with reduced government funding was accommodated within the budget and reflected in the s.25 report.
- 2022/23 budget and MTFS: this has enabled Cabinet to approve a Draft 2022/23 Budget and MTFS that is balanced for 2022/23 and the entire period of the MTFS.



Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 20 Business Continuity: loss of building(s) / service(s) through unforeseen events.	4 Major	4 Very Likely	16	4 Major	2 Unlikely	8		



Mitigations (Risks) / Actions (Opportunities)







Disaster recovery facilities are now in place for the hosting of key ICT systems in the event of a disaster recovery incident. Testing has been completed on bringing business applications, such as TLC (Land Charges) and elections, online. The Elections system has been tested by the service area. Next stage: service areas to test using the recovered systems. Other activities include testing individual business continuity plans with service areas and review priority services and accommodation, if necessary. All of the Business Continuity plans were updated during Quarter 1

of the 2020/21 year. A Business Continuity exercise on ICT Disaster Recovery is scheduled to take place during the 2022/23 year.



Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 25 The Council does not have sufficient funding to deliver its current services in the medium term.	4 Major	4 Very Likely	16	2 Moderate	2 Unlikely	4		
Mitigations (Risks) / Actions (Opportunities)								
<p>The budget (including income and expenditure) is monitored on a quarterly basis and corrective action taken as required. In respect of:</p> <ul style="list-style-type: none"> • 2021/22: Quarter 2 forecast outturn was indicating a small overspend of £107k (primarily due to reduced income from Car Parking and the cost of the pay-award). The Council has approved an MTFS that has a positive reserves position throughout the MTFS period although reserves will be significantly impacted. The 2021/22 budget included a Council Tax increase for the first time in many years and also increased car-parking charges and green bin fee charges. It is considered the Council holds sufficient reserves to manage any unplanned change effectively in the short-term. • 2022/23: Cabinet has just approved a Draft Budget and MTFS that is balanced for each year. This includes the conclusions of the Budget Challenge 2025 review that was conducted during 2020/21; this programme achieved annual savings of £3.1m by 2024/25. However, in 2025/26 the Draft Budget and MTFS starts to show an unplanned budget gap, due to the compounding impacts of pay, increases in Environmental Services costs and the impacts of the governments Fair Funding Review but this pressure is met from reserves. Consequently, the Council must continue with its service transformation programme and deliver agreed savings to ensure that it can deliver sustainable services over the medium term. Over the MTFS period, all reserves far exceed the minimum 20% threshold. 								



Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 27 Risk of reduction of failing to deliver housing in a timely way could lead to reduction in receipts of new homes bonus (NHB).	3 Significant	2 Unlikely	6	2 Moderate	2 Unlikely	4		
Mitigations (Risks) / Actions (Opportunities)								
<p>New Homes Bonus: the final year was expected to be 2021/22, but the government has just announced a further one-year extension of New Homes Bonus for 2022/23. The government has undertaken a consultation on New Homes Bonus, the results are not yet known. In respect of housing growth, the Council continues to have a good five-year housing supply so if the government does introduce a "new housing" based funding stream, it is anticipated that the Council should continue to be appropriately rewarded.</p>								



Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 29 Loss of ability to provide a comprehensive service due to cyber security attacks.	3 Significant	3 Likely	9	2 Moderate	3 Likely	6		
Mitigations (Risks) / Actions (Opportunities)								
<p>The Council's ICT infrastructure is secured to national standards. We have annual ITC health check testing. The Council now has ongoing security and benchmarking performed by Microsoft that provides additional recommendations and assurance. During Quarter 4 of the 2020/21 year, the potential for a global security issue occurred. The Council's swift implementation of its Emergency Patching Procedure meant that it was unaffected by the incident. A revised ICT Strategy was prepared during the 2021/22 year and approved by Council on 21 June 2021.</p>								









Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 30 Risk of Loss of Planning decision-making powers on major applications to the Planning Inspectorate due to Special Measures designation as a result of triggering the Appeal threshold for Government Intervention.	3 Significant	3 Likely	9	3 Significant	1 Very Unlikely	3		
Mitigations (Risks) / Actions (Opportunities)								
The adopted District-wide Local Plan has the effect of reducing the number of planning applications made outside the strategy of the Local Plan. This has the effect of also reducing planning appeals outside of the Local Plan strategy thereby significantly reducing the risk of loss of decision-making powers, special measures and government intervention. The proactive growth team is working closely with applicants for allocated sites in the Local Plan and ensuring applications are submitted in a timely fashion to enable delivery in accordance with the Local Plan housing trajectory. The Council ensures that it meets Statutory deadlines for determination of applications through the use of agreed extensions of time with applicants. The Council uses software to manage deadlines and monitor performance.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 32 The Council does not meet its budgeted-for Planning fee income targets, particularly in regard to major applications which could have a negative impact on the Council's financial position.	4 Major	3 Likely	12	4 Major	1 Very Unlikely	4		
Mitigations (Risks) / Actions (Opportunities)								
The proactive growth team works closely with applicants on allocated sites in the Local Plan to ensure that applications are submitted in a timely fashion to enable delivery to take place in accordance with the Local Plan housing trajectory and also to ensure that planning application fee income levels are maintained. The Corporate Management Team monitors planning fee income on a regular basis particularly in regard to fees for major applications and this information is fed into an overview of the Council's financial status. At the end of Quarter 4 of the 2020/21-year, planning income was off target. This was due to a series of complex technical matters that took longer to resolve that anticipated resulting in Reserved Matters planning application submissions being delayed. Also, in light of the Covid-19 crisis, predicting planning fee income was difficult. However, the situation and associated income continues to be monitored. Officers have reviewed the model used for monitoring planning fee income and this is now more robust. Strategic Planners and Officers in Development Management are proactively monitoring the delivery of the housing trajectory in the Local Plan to establish the extent to which there is a likelihood of major planning applications coming forward.								
A robust planning income system was developed during Quarter 4 of the 2020/21 and this system was used during the 2021/22 year and is functioning well. For this reason, the residual likelihood score was re-assessed at the end of Quarter 3, reducing the overall risk score to 4. This system provides the Council with real-time financial information about planning income and enables accurate financial forecasting.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 33 Cost of planning appeals and legal challenges weaken the Council's financial position	4 Major	4 Very Likely	16	4 Major	3 Likely	12		
Mitigations (Risks) / Actions (Opportunities)								

Ensure all Members, especially Planning Committee Members, receive the necessary training to ensure they make robust planning decisions. Members receive refresher training on planning decision-making on a proportionate frequency.

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 34 The Council fails to meet its information governance and records management obligations under various enactments such as the Data Protection Act 2018 and UK GDPR.	4 Major	3 Likely	12	2 Moderate	2 Unlikely	4		
Mitigations (Risks) / Actions (Opportunities)								
A series of measures have been put in place to ensure that the Council is compliant with the requirements of the Data Protection Act 2018: The appointment of Data Protection Officer (DPO); Mandatory UK GDPR training for all staff; training and guidance for elected members; all existing policies, procedures and working practices reviewed for compliance; introduction of Information Governance Board (Chaired by SIRO); introduction of Data Protection Impact Assessments (DPIA) and on-going programme of Information management inspections; on-going training and review of systems, working practices and control mechanisms. UK GDPR has been added as a standard item to all report templates and Officers were trained on this. Compliance checking continues as a matter of course. Refresher training on UK GDPR and Freedom of Information (FOI) was rolled out in the 2020/21 year and will be a rolling programme year on year. New Records Management policy to be drafted and introduced, with reference to any impacts resulting from the ICT strategy and informed by future ICT infrastructural arrangements.								



Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 37 Increase in homeless presentations results in an increased demand in Council support for reactive temporary accommodation that exceeds the current budget and weakens the Council's financial position.	4 Major	4 Very Likely	16	3 Significant	4 Very Likely	12		
Mitigations (Risks) / Actions (Opportunities)								
During Quarter 4 of the 2019/20 year, the Council completed purchase of three flats and they began to be used to accommodate homeless households. In total, the Council now has four flats which can be used to accommodate the homeless. During the 2021/22 year the Council began work to develop a property on Roman Way, Market Harborough into flats which will be used to accommodate homeless persons. On the prevention of homelessness, the Council is proactively working with the Citizens Advice Bureau, and social landlords, to assist vulnerable households to effectively budget to prevent homelessness. The Council was successful in obtaining additional funding to specifically help to prevent homelessness.								

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 38 Risk of Environmental Services contractor defaulting leads to an inability to fulfil the statutory obligation to collect waste.	4 Major	2 Unlikely	8	4 Major	1 Very Unlikely	4		
Mitigations (Risks) / Actions (Opportunities)								
Regular engagement with contractor (this contact has increased as a result of the Covid-19 crisis in order to help anticipate potential issues). The Council has had a healthy working relationship with the contractor over a number of years.								

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 39 Risk of leisure contractor defaulting leads to an inability to deliver leisure services.	4 Major	3 Likely	12	4 Major	2 Unlikely	8		
Mitigations (Risks) / Actions (Opportunities)								
Regular engagement with contractor. The Council has agreed a financial Covid-19 Support Package with the contractor to ensure that all services continue to be provided. Oversight of the contract appears regularly on Council Committee agendas to ensure it continues to be discussed regularly. Sport England has provided specialist advice, and support, to the Council to help with the ongoing Coronavirus situation. During Quarter 4 of the 2020/21 year the Council received some additional funding from central government to help support leisure recovery.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 40 Service transformation propositions are not delivered resulting in underachievement of identified savings.	4 Major	2 Unlikely	8	3 Significant	2 Unlikely	6		
Mitigations (Risks) / Actions (Opportunities)								
The Council's savings and efficiency measures are being closely controlled and monitored and include a number of key attributes that aim to ensure that propositions are deliverable, realistic and achieve the expected savings/investment; including: independent project management, comparison data to similar councils; positive ownership of proposals as reviews developed by service managers; political sponsorship of service/delivery changes proposals; strategic 'critical' leadership review of service/delivery proposals. Subsequent service transformation is then embedded into the Council's Change Programme, which then has further strategic officer and political oversight. Implementation is led by service managers based on the Council project management methodology, including the development of detailed business cases and associated plans.								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CR 41 Disruption/ uncertainty arising from the war in Ukraine	4 Major	4 Very Likely	16	2 Moderate	3 Likely	6		
Mitigations (Risks) / Actions (Opportunities)								
Continue to monitor information provided by the Local Government Association. Maintain robust business continuity arrangements, including with partners and suppliers. Continue to work with the Leicestershire Resilience Forum (LRF) to coordinate plans and responses to operational or civil eventualities. The Council is represented on County-wide groups which are planning and preparing for potential implications								
Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CV 02 Unforeseen, unfunded financial burdens as a result of responding to the ongoing situation weaken the Council's financial stability.	4 Major	4 Very Likely	16	2 Moderate	3 Likely	6		

Mitigations (Risks) / Actions (Opportunities)

The Council is now meeting pandemic-related costs within its normal service budgets and is reporting accordingly. The government has now ceased reimbursing councils for losses of income or additional expenditure, although this does not include support to the local community in respect of business and community grant schemes. In setting the 2021/22 Budget and MTFS the Council set aside a specific ear-marked reserve in respect of Covid and has been prudent in setting its Council Tax base and its estimates for Council Tax and Business Rates income. In respect of 2022/23, the Draft Budget and MTFS approved by Cabinet continues to manage the financial risks relating to the pandemic, including reductions in Car Parking Income, Investment Income and the impacts on Council Tax and Business Rates collection and still maintains a CV19 related reserve for the entire period of the MTFS.

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CV 03 Loss of income, as economic activity reduces, weakens the Council's cashflow and financial sustainability.	4 Major	3 Likely	12	4 Major	3 Likely	12		



Mitigations (Risks) / Actions (Opportunities)

When the Council set its 2021/22 Budget and MTFS, it recognised reductions in:

1. Corporate income (business rates and council tax) through both the use of the new Tax Income Guarantee Scheme (TIG) and revisions to Collection Fund provisions. To help mitigate future impacts, the budget included the establishment of a £1.1m "Covid-19 Internal Recovery Reserve".

2. Some "corporate centric" service income lines (e.g. Planning, Investment Interest) and negated these with the application of some of the CV19 grants etc. notified as part of the financial settlement (discussed in detail in the Budget related Cabinet/Council reports considered in January/February 2021). Some risk remains around other significant income lines e.g. Car Parking etc. but these will be closely monitored as part of the routine quarterly monitoring process. Where savings can be vired from other budgets, this will be actioned first but where significant shortfalls can only be met from the use of reserves, such reserves will be applied. The Council maintains a £2.6m (20% of Net Expenditure) General Fund (Unallocated) Reserve to meet such unplanned losses. The Council continues to monitor Coronavirus-related impacts and reports as required to government on impacts. The government has compensated the Council for some elements of income loss for the first quarter of 2021/22, but it will not be 100%. And, if it becomes necessary, the Council will continue to lobby government for further Covid-related support.

The 2022/23 Draft Budget and MTFS continues to recognise the pandemic-related risks on some services and it also includes a CV19 reserve that will enable it to meet future CV19 costs without impacting on the General Fund (Unallocated) Reserve.

Risk ('CR' or 'CV') / Opportunity ('COR OP')	Impact (I)	Likelihood (I)	Score (I)	Impact (R)	Likelihood (R)	Score (R)	Risk Colour	D.O.T.
CV 04 The focus on high-priority, short-term needs prevent the medium-term financial planning and decision-making needed to balance the Council's finances in the medium term.	4 Major	4 Very Likely	16	3 Significant	2 Unlikely	6		

Mitigations (Risks) / Actions (Opportunities)

In respect of:

- 2021/22, the Council currently has an MTFS that models financial standing through to 2024/25; this helps the Council to maintain a medium-term financial horizon. As part of the quarterly monitoring of financial performance process, the MTFS is adjusted throughout the year as the results of the BC25 budget review programme were embedded, with the results of the programme reported to Cabinet as part of the Quarter 2 financial performance report. The MTFS itself includes respective financial impacts from Covid-related losses (Council Tax, Business Rates, general service incomes) and respective 'compensating' government grants and the Council has agreed to use some of the one-off grants to meet some of the expected losses to be incurred by some

services and to use reserves to balance its budget but, the first port of call to meet budget shortfalls will be virements from within services or from other services and then the use of General Fund (unallocated) Reserves.

- 2022/23, Cabinet has just approved the Draft 2022/23 Budget and MTFS; this again reflects continued financial risks due to the pandemic. However, the draft budget shows that the Council is able to provide a balanced budget for the entire MTFS period, albeit with the use of reserves to meet a gap that appears in 2025/26 and thereafter.