

Risk	Risk Description	Risk Quantification Narrative	Insurable	Potential Impact (£)	Existing Provision (£)	Balance Required for 2022/23 (£)
Underachievement of income - non collection of dwelling rents	Income levels lower than anticipated.	Income from dwelling rents for 2022/23 is anticipated to be £27.955m. A 1.5% fall in the income projected will result in the council losing approx. £419k.	N	419,000	-	419,000
Underachievement of income for dwelling rents - void periods	Income levels lower than anticipated.	Income from rents for 2022/23 is anticipated to be £27.955m, including an assumed voids rate. A 0.5% fall in the income projected will result in the council losing approx. £140k.	N	140,000	-	140,000
Underachievement of income - non collection of service charges	Income levels lower than anticipated.	Income from service charges for 2022/23 is anticipated to be £1.9m. A 1.5% fall in the income projected will result in the council losing approx. £28,700	N	28,700	-	28,700
Higher than estimated Right to Buy (RTB) Sales	RTB sales higher than estimated, resulting in loss of income and service charges.	A loss of five additional dwellings would, on average, result in a reduction in income of £25,000.	N	25,000	-	25,000
Changes to RTB rules	Further relaxation of Right to Buy Rules	Increasing the discount given through the RTB scheme could potentially result in loss of five additional dwellings which would, on average, result in a reduction in income of £25,000.	N	25,000	-	25,000
Pay awards/NICs/Pensions Contributions	Increases higher than anticipated.	Staff related expenditure for 2022/23 is anticipated to be £6.2m. A 1% increase in employers costs would result in these costs increasing by approx. £62,400.	N	62,400	-	62,400
Non-achievement of vacancy savings target	Vacancy target of £100,000 not achieved,	Vacancy target of £100,000 not achieved,	N	100,000	-	100,000
Inflationary and service spending effects	Actual cost of living increase is higher than anticipated and spending plans underestimated or ongoing revenue implications of capital projects not adequately captured.	A 1% increase in inflation or service spending on S&M and R&M (exc salaries) would result in increased cost of approx. £89,700.	N	89,700	-	89,700
Increased demand for responsive repairs.	As a demand driven service requests could be higher than estimated, particularly if there are natural events such as high winds, storms etc.	A 5% increase in responsive repairs cost would result in these costs increasing by approx. £391,600.	N	391,600	-	391,600
Stock Condition works	Stock condition surveys may reveal higher levels of disrepair than planned for.	A 5% increase in the capital programme items for the year relating to housing stock would result in these costs increasing by approx. £304,600.	N	304,600	-	304,600
Debt Financing	The council is maintaining its debt repayment schedule through internal borrowing.	A 1% increase in the cost of new borrowing would increase the HRA's interest costs by approx £54,500	N	54,500	-	54,500
Investment Income	The council receives interest on cash balances which it invests.	A reduction in the interest rate the council earns on its investment balances would reduce the income payable to the HRA of approx £40k.	N	40,000	-	40,000
Breach of Statutory obligations/legal challenge	Unanticipated legal proceedings brought against the council.	Legal proceedings may be derived from housing need decisions, contractual disputes or service delivery issues.	Y/N	50,000	-	50,000

Risk Assessment of Housing Revenue Account Working Balances

New Build	Insufficient activity, meaning that retained receipts have to be repaid to Government, with interest at 4%.	Due to changes to the RTB retained receipt scheme, the council has already spent sufficient funds and therefore no funds will need to be repaid in 22/23 and therefore no additional interest costs due	N	-	-	-
New Build	Additional activity for the year meaning that a higher contribution from revenue is required or additional borrowing (internal/external) required to be taken on	Total spend £13.9m required in 21/22. If exceed by 10%, GBC to find additional £832k, interest at 3% approx £25k interest taken on	N	857,000	-	857,000
Housing Stock Damage	Serious of significant events which damage housing properties	Stop loss of £20,000, losses above this will be covered by insurance premium but GBC required to meet the cost of first £20k. Assume 2 major events	Y/N	40,000	-	40,000
Housing Repairs	There is an increase in demand for responsive repairs and maintenance	The level and value of responsive repairs and maintenance exceeds that budgeted due to circumstances such as adverse weather conditions.	N	200,000	-	200,000
Housing Disrepair Claims	Housing property disrepair which results in suffering by the tenant	Housing not repaired in a timely fashion or to a suitable standard results in tenant suffering ill effects. The cost of settling such a claim could be assumed to be £5k with approx 5 claims a year. Budget provision in 22/23 of £20k	N	25,000	20,000	5,000
Intensive Housing Management	Failure to recover the full cost of eligible charges.	The change in funding of this scheme has resulted in an increase in the charge to be met by those receiving the service. In most cases (80%) this will be met by HB, leaving £31,000 of cost to be met by other receivers of the service.	N	31,000	-	31,000
Organisational Capacity	Resources available to the council are not sufficient to deliver council service obligations.	Estimate of £100,000 to respond to issue & COVID pressures.	N	100,000	-	100,000
Changing government policy/legislative change	Changes to council responsibilities/new responsibilities or funding of existing services, such as supported housing.	Estimate of £110,000 to respond to issue.	N	110,000	-	110,000
HRA Debt Settlement	HRA Debt Settlement Re-opened by Government	Government re-open the HRA debt resettlement and seek to renegotiate the value of the council's housing stock.	N	5,000,000	-	5,000,000
						8,073,500
Risk Probability Factor						40%
Provision Required						3,229,400