

Risk / Effect	Contained in Strategy and budget setting	Other Mitigation
Income Reductions due to demand changes	<ul style="list-style-type: none"> • Statutory recession hit income budgets adjusted each year as part of service and financial planning • No real growth assumed in overall income targets in 2013/17 • The economic regeneration fund set aside to aid regeneration and contribute new sources of income • Interest receivable budget set at current low interest rate • Unachievable income budgets reviewed during service and financial planning • Programme savings targets being set higher than the assumed delivery in the MTFS • Reserves above the minimum 	<ul style="list-style-type: none"> • Service and financial plans to test possible income generation activities and price sensitivity • New sources of income explored in service plans. • Planning at 2 levels in service and financial planning process to challenge assumptions • Review of governance of discretionary services underway
Government Support Being Reduced even further than forecast	<ul style="list-style-type: none"> • Assumption follows the Governments announcements to date • Prudent estimates of future income flows • Zero basing of reward grants • Reserves above minimum level 	<ul style="list-style-type: none"> • Possibility of service alterations to a modified level • Change assumptions during budget setting • Update MTFS early in the event of material change • Priority based budget system has flexibility to adapt

<p>Benefits Performance reducing due to scale of changes</p>	<ul style="list-style-type: none"> • No surplus built into base budget • Resources allocated in 2013/14 budget 	<ul style="list-style-type: none"> • Service review of delivery arrangements • Mobilise resources from other areas if performance hit by staffing shortages • Relieve service with further one off resources to avoid performance drop
<p>Savings not being delivered</p>	<ul style="list-style-type: none"> • Matching growth choice with performance of savings delivery • Strategic Change Fund to support invest to save • Capital Invest to save available case by case • Reserves well above minimum level can be used to smooth out fluctuations • Level of Revenue contribution to capital can be varied in the short term 	<ul style="list-style-type: none"> • Use compensating savings in short term • Reduce discretionary spend in year • Review minimum revenue provision to slow down capital repayment