

Appendix 8 Calculation of Risk Assessed General Fund Balance

2025/26		Risk Assessed General Fund £000	Budget Assumption		Area of Risk	2026/27		Risk Assessed General Fund £000		
Impact	Probability					Budget/Value £000	Impact	Probability	Risk Level	Risk Assessed General Fund £000
Treatment of inflation and interest rates										
2.00%	25.00%	856	Inflation	Salaries		171,130	2.00%	25.00%	0.50%	856
20.89%	10.00%	460		Premises		21,996	20.89%	10.00%	2.09%	460
2.21%	20.00%	105		Transport		23,747	2.21%	20.00%	0.44%	105
2.00%	10.00%	161		Supplies & Services		80,373	2.00%	10.00%	0.20%	161
2.00%	10.00%	553		Third Party Payments		276,325	2.00%	10.00%	0.20%	553
2.00%	10.00%	231		Transfer Payments		115,370	2.00%	10.00%	0.20%	231
0.00%	0.00%	0		Pension triennial valuation unaffordable		99,637	0.00%	0.00%	0.00%	0
2,364			Total Inflation							2,364
0.50%	50.00%	1,051	Interest rates	Existing Borrowing		376,605	0.50%	50.00%	0.25%	942
2.00%	50.00%	1,264		PWLB		170,000	2.00%	50.00%	1.00%	1,700
2.00%	50.00%	260		Investment		26,000	2.00%	50.00%	1.00%	260
2,575			Total Interest Rates							2,902
Level and timing of capital receipts										
5.50%	50.00%	21	Capital Receipts	Land Sales		-2,501	5.50%	50.00%	2.75%	-69
5.50%	50.00%	366		Required for new Powers to use for Revenue		5,000	5.50%	50.00%	2.75%	138
387			Total Capital Receipts							69
Treatment of demand led pressures										
14.65%	100.00%	17,851	Demand Led Pressures	Adult Social Care - demography		152,203	5.00%	75.00%	3.75%	5,708
26.49%	100.00%	16,499		Childrens Social Care - demography		79,467	5.00%	75.00%	3.75%	2,980
0.00%	100.00%	0		Adult Social Care - uplifts		152,203	2.00%	50.00%	1.00%	1,522
0.00%	100.00%	0		Childrens Social Care - uplifts		79,467	2.00%	50.00%	1.00%	795
2.00%	25.00%	920		CQC/Ofsted Inspections		231,670	2.00%	25.00%	0.50%	1,158
35,270			Total Demand Led Pressures							12,163
Treatment of planned efficiency savings/productivity gains										
65.07%	100.00%	38,959	Efficiency Savings	25/26 non achievement of savings		6,936	65.07%	70.00%	45.55%	3,159
38,959			Total Efficiency Savings							3,159
50.00%	20.00%	397	Insurance and Emergency Planning	Provision Reserve		3,968	50.00%	20.00%	10.00%	397
50.00%	20.00%	145		ICT Disaster		1,449	50.00%	20.00%	10.00%	145
		1,000		Other Incident		1,000			Quantum	1,000
		500		Bellwin		500			Quantum	500
		523		Severe Weather		577			Quantum	577
100.00%	20.00%	437				2,260	100.00%	20.00%	20.00%	452
3,002			Total Insurance and Emergency Planning							3,071
10.00%	0.00%	0		Other Government Settlement Changes		70,501	25.00%	50.00%	12.50%	8,813
20.00%	10.00%	1,000		Housing Benefits		50,010	10.00%	10.00%	1.00%	500
10.00%	50.00%	122		DSG pressures - Academisation		2,358	20.00%	50.00%	10.00%	236
0.00%	0.00%	0		DSG - SEND Deficit		42,089	0.00%	0.00%	0.00%	0
50.00%	50.00%	147		Academy School transfer leaving deficit		586	50.00%	50.00%	25.00%	147
1,268			Total Funding Changes							9,695
General Financial Climate										
5.00%	50.00%	471	General Financial Climate	Debt Collection		18,827	20.00%	50.00%	10.00%	1,883
0.00%	50.00%	0		Council Tax - General risk		231,132	5.00%	50.00%	2.50%	5,778
0.00%	50.00%	0		Business Rates - General risk		63,151	5.00%	50.00%	2.50%	1,579
2.00%	50.00%	472		Discretionary Income		47,185	5.00%	50.00%	2.50%	1,180
943			Total General Financial Climate							10,419
1.00%	50.00%	1,443	Additional Budget Pressures			359,635	1.00%	50.00%	0.50%	1,798
86,211			TOTAL RISK ASSESSED GENERAL FUND							45,640