

## 2018/19 Revenue Financial Performance: Quarter One – Service Specific Risk Reserves

### 1. Introduction

- 1.1 In order to manage the volatility of some of the Council's demand led budgets, a number of service specific risk reserves have been established. Detailed risk registers are maintained to support these reserves. The provisional level of service specific risk reserves are shown in the following table:

Risk Reserve Summary	Reserve Balance 1.4.2018	Change to level of Reserve	Current Reserve Balance	Risks arising 2018/19	Potential Risk Reserve balance 31.03.2019
Service	£000	£000	£000	£000	£000
Adult Social Care	881	719	1,600	-716	884
Children & Family Services	38	377	415	-130	285
Education	0	279	279	-150	129
Leisure	0	50	50	0	50
Libraries	0	90	90	0	90
Transport & Countryside	0	75	75	0	75
Legal Services	50	0	50	0	50
<b>Total</b>	<b>969</b>	<b>1,590</b>	<b>2,559</b>	<b>-996</b>	<b>1,563</b>

- 1.2 All risk reserve levels were reviewed early in 2018/19 at Budget Board and changes made in line with current service risk registers.

### 2. Communities

#### 2.1 Adult Social Care:

Adult Social Care has a dedicated risk reserve of £1.6million designed to be utilised in year, should the named risks materialise. A detailed risk register is maintained to support this reserve.

As at Quarter One, £716k of risks have materialised that are provided for in the risk reserve. This could be released to support the forecast position, subject to member approval. The reserve and risks that have arisen are summarised in the following table.

<b>Adult Social Care</b>	<b>Value</b>	<b>Reserve Balance</b>
	<b>£000</b>	<b>£000</b>
Risk Reserve closing balance 31.3.2018	881	
Adult Social Care Support Grant	313	
Increase in reserve agreed via bid	406	
<b>Risk Reserve balance 01.04.2018</b>	<b>1,600</b>	
<b>Risk Reserve balance 30.06.2018</b>		<b>1,600</b>
<b>Risks arising as at Quarter One 2018-19:</b>		
Individual transition package higher than expected	-87	
Delayed transfers of care	-41	
Loss of a Continuing Health Care Award (CHC)	-83	
Additional one off resource due to Birchwood Embargo	-229	
Additional care management resource	-22	
Contracts retendered higher than inflation	-254	
<b>Total risks arising in 2018/19</b>		<b>-716</b>
<b>Risk Reserve potential closing balance 31.03.2019</b>		<b>884</b>

## 2.2 Children and Family Services:

Children and Family Services have a dedicated risk reserve of £415k designed to be utilised in year, should named risks materialise. A detailed risk register is maintained to support this reserve.

As at Quarter One, £130k of risks have materialised that are provided for in the risk reserve. This could be released to support the forecast position, subject to member approval. The reserve and risks that have arisen are summarised in the following table.

<b>Children &amp; Family Services</b>	<b>Value</b>	<b>Reserve Balance</b>
	<b>£000</b>	<b>£000</b>
<b>Risk Reserve closing balance 31.3.2018</b>		<b>38</b>
Increase in reserve agreed by Budget Board	377	
<b>Risk Reserve balance 1.4.2018</b>		<b>415</b>
<b>Risks arising 2018/19:</b>		
Requirement to cover key posts (social workers) above base budget provision	-130	
<b>Potential Risk Reserve balance 31.03.2019</b>		<b>285</b>

## 2.3 Education:

Education Services have a dedicated risk reserve of £279k designed to be utilised in year, should named risk materialise. A detailed risk register is maintained to support this reserve.

As at Quarter One, £150k of risks have materialised that are provided for in the risk reserve. This could be released to support the forecast position, subject to member approval. The reserve and risks that have arisen are summarised in the following table.

<b>Education</b>	<b>Value</b>	<b>Reserve Balance</b>
	<b>£000</b>	<b>£000</b>
<b>Risk Reserve closing balance 31.3.2018</b>		<b>0</b>
Increase in reserve agreed by Budget Board	279	
<b>Risk Reserve balance 1.4.2018</b>		<b>279</b>
<b>Risks arising 2018/19:</b>		
Residential placements - Requirement to fund additional residential placements to ensure the safety and wellbeing of young people on our caseload.	-150	
<b>Potential Risk Reserve balance 31.03.2019</b>		<b>129</b>

### 3. Environment and Economy

#### 3.1 Transport & Countryside:

A risk reserve of £224k was created last year for winter gritting costs. This was fully utilised. The reserve has been established at £75k this year to cover unbudgeted costs that may arise this coming winter.

#### 3.2 Libraries and Leisure:

A risk reserve of £90k (Libraries) and £50k (Leisure) is available this year to mitigate financial risks. There are no new reported pressures.

### 4. Resources

#### 4.1 Legal Services

The Legal Services budget for disbursements has already been spent or allocated for 2018/19. A risk reserve of £50k which was not utilised in 2017/18 is available to support this budget if required.