

Reserve Fund	Risk	Risk Management	Reserve	Gross	Probability (1 to 5)	Significance (1-5)	Prob x Sig.	Adjusted Reserve	Total
Working Capital	Loss of Council's Income	Monitoring of Dispensing Optician retentions to provide alert if a significant number allow their registration to lapse due to increase in fee	Max. of 2500x £219 = £547,500	£1,319,550	2	3	6	£131,400	£348,536
		Economy downturn: Loss of jobs in the optical sector (5%)	Max 950 *£219=£208050		2	4	8	£66,576	
		Early alert from Registration Dept. if retention/registration process is interrupted	Jan-March= serious £50000					£50,000	
		Collapse of major high street bank/building society - diversification	£500,000		1	5	5	£100,000	
		Conduct internal audit by someone externally						£0	
		Loss of income from tenant occupying 3rd/4th floors	£14,000 pa		1	1	1	£560	
Buildings	Premises becoming permanently inaccessible or inaccessible for an extended period of time	1. Utilise offsite facility 2. Submit claim on buildings and contents insurance (no excess)	£50,000 consequential costs to be met in the short term	£101,000	2	4	8	£16,000	£29,000
	Costs of meeting major leasehold improvements e.g. roof, drainage, damp etc	Minor problems included in I&E budget.	Buildings condition survey indicates low likelihood. Suggest £50,000		2	3	6	£12,000	
	Costs of major repairs to building structure not covered by landlord or buildings insurance	All risks and perils covered by insurance policy	policy excess of £1,000					£1,000	
Contingency	CET contract failure	Escrow source code back-ups	£400,000 to rebuild entire database and disruption costs	£722,500	4	3	12	£192,000	£361,245
	Legislative Compliance	H&S Training, amendment in policies and procedures	£50,000		3	3	9	£18,000	
	Website goes down. Technical failure renders online registers inaccessible. Pixel8 go out of business or can no longer support GOC website, with possible loss of data	IT Audit to include review of support contracts/gaps/and IT Risks	£100,000		2	3	6	£24,000	
	Training establishment/awarding body does not co-operate in accreditation process. Unanticipated demand for visits or need for revisits	Annual Monitoring provides opportunity to monitor progress without a visit always being necessary	£20,000		2	3	6	£4,800	
	Wrongful act committed in their capacity of director, council member, officer or trustee	Professional Indemnity Insurance in place.	Excess £2500		1	2	2	£200	
	Loss in the forced sale of fixed assets	Council's fixed assets consist of long lease premises, office furniture, computer equipment. NBV approx £50,636 at 31/03/09	Nil		1	2	2	£4,051	
	An Accreditation decision is challenged - Judicial Review	Visit report, informal resolution process involving Registrar and Chair of Education Committee	£100,000		2	3	6	£24,000	
	Optical, Education, Research and Public Purposes fund	Fund already established	£94,194					£94,194	
	Unexpected increase in the number of FTP allegations/interim orders/restoration applications impacting on resource, external legal costs and FTP Hearings costs	Annualised fees with external solicitors	£100,000		2	5	10	£40,000	
	Council decision made to initiate criminal prosecutions	Legal Costs Contingency Reserve reduced from £1.5m to £.750m	£750,000					£750,000	

Regulatory	Council subject to a Judicial Review	Insurance policy in place for Disciplinary or FTP	Excess £500,000	£1,550,000	1	5	5	£100,000	£970,000
	Competencies/codes/guidance/legislation unfit for purpose. Reputation defence, costs, possible legal challenge	Standards Committee regularly reviews. Appropriate consultation etc	£100,000		2	5	10	£40,000	
	Member/Executive misconduct risk - breaches of confidentiality, conflicts of interest etc. Reputation defence costs, legal costs.	Member code of conduct, Induction etc	£100,000		2	5	10	£40,000	
<b>TOTAL RESERVE FUNDS</b>			<b>£3,693,050</b>					<b>£1,708,781</b>	

Key:

1. Significance scale = 1 to 5 where 1 is low and 5 is high

2. Probability scale = 1 to 5 where 1 is low and 5 is high