



AUDIT COMMITTEE REPORT

Report Title	REVENUE BUDGET 2010 – 2013 – RISK ASSESSMENT OF OPTIONS
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AGENDA STATUS: PUBLIC

Meeting Date:	11 th January 2010
Directorate:	Finance and Support Services
Accountable Cabinet Member:	Cllr David Perkins
Ward(s)	Not Applicable

1. Purpose

- 1.1 To present the risk assessment of the budget proposals to Audit Committee for consideration.

2. Recommendations

- 2.1 That the Audit Committee considers the risk assessment of budget proposals for 2010-13.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Chief Finance Officer is required to make a statement on the Robustness of Estimates when the proposed budget is brought to Council for approval.
- 3.1.2 In support of this statement the relevant Heads of Service have completed a risk assessment as part of the MTP Options budget proforma. The risk assessment section scores the different types of risks in relation to the various proposals that they have put forward. It also gives a brief description of mitigation and control options available for these risks. This allowed each proposal to be given a Red, Amber, or Green status.
- 3.1.3 Part of this exercise also produced high-level implementation plans to allow monitoring against actions to be undertaken to ensure that the proposals are implemented to targets.

3.2 Issues and Choices

- 3.2.1 Each Head of Service has carried out a risk assessment of their budget proposals as part of their MTP Option submissions.
- 3.2.2 Management Board have also scrutinised the implementation plans and risk assessments in detail to ensure that the options are deliverable.
- 3.2.3 A full summary of the risk assessment of the budget proposals is attached at Annex A. This assessment looked at planning, and deliverability of the proposal as well as progress to date.
- 3.2.4 The Heads of Service undertaking this risk assessment used the form attached at Annex B in its consideration of the options. Aspects brought into consideration included the proposal not being delivered on time, the proposal not delivering the planned savings, risks in implementation, risk to customers etc. These aspects were assessed on the probability of the risk materialising and the potential impact of the risk.
- 3.2.5 Where a response has not yet been received on the RAG status of a proposal, these have been flagged as red.
- 3.2.6 Outside this other risk work has been/is being undertaken in relation to the budget proposals. For each proposal an Equalities Impact Assessment is being carried out to identify risks and issues that need to be addressed/considered in deciding whether or how to take a proposal forward.

3.3 Choices (Options)

- 3.3.1 The Audit Committee may consider the risk assessment processes and make comments or recommendations to the Chief Finance Officer.
- 3.3.2 The Audit Committee may consider the risk assessment processes and make comments or recommendations to Cabinet for consideration alongside the final budget proposal.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 There are no specific policy issues arising from this report

4.2 Resources and Risk

- 4.2.1 This report outlines measures taken to identify and mitigate financial risks in relation to the General Fund and Housing Revenue Account budget proposals.

4.3 Legal

- 4.3.1 There are no specific legal issues arising from this report.

4.4 Equality

4.4.1 Equality and Diversity are being considered as a part of the budget build process, and an equalities assessment will be completed for the budget proposals before they are brought to Council for final decision later in February 2010.

4.5 Consultees (Internal and External)

4.5.1 Internally Heads of Service and Management Board have been consulted, and involved in the budget risk assessment process.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 All of the discretionary proposals in the draft budget have been assessed against the corporate priorities as set out in the Corporate Plan.

4.7 Other Implications

4.7.1 There are no other specific issues arising from this report.

4.7.2 The Annexes are set out as follows:

A Summary of Risk Assessment of Budget Proposals

B Medium Term Planning Risk Assessment Proforma

5. Background Papers

5.1 Cabinet Reports:

16 December 2009 Council Wide General Fund Revenue and Housing Revenue Account Budgets 2010/11-2012/13

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