

**Extract from Audit Committee Minutes 15 January 2018**

**9. RISK REVIEW OF 2018/19 BUDGET REPORT**

The Chief Finance Officer submitted a report and elaborated thereon. He explained that the Audit Committee were being asked to consider issues in relation to risk within the budget proposals for 2018/19. Members were informed of a number of strategic risks identified within the budgets and the mitigation against them. It was explained that Government funding could potentially change and to mitigate the possible effect of this the Council was determining a prudent minimum level of General Fund balances. It was reported that the Government had carried out a spending review but figures were only available up to 2020, after which figures were unknown. It was noted however, that the Council's earmarked reserves were considered to be positive and relatively compared to other local authorities.

In response to questions asked, the Chief Finance Officer explained that cost of the Environmental Services contract would be higher in the first year as it was considered that additional work may need to be carried out in order to bring work up to a level of specification. It was noted that it was anticipated that the inflation figures would be built into the contract and would be factored into the final budget.

The Chair informed the Committee that a tracker document would be brought back to the Audit Committee updating members of the proposed risks to ensure the Council are targeting and assessing any potential risks.

**RESOLVED:**

That the Audit Committee considered issues in relations to risk within the budget proposal for 2018/19.