



**Business Efficiency Board**

**Wednesday, 14 November 2012 at  
6.30 p.m.  
Civic Suite, Town Hall, Runcorn**

A handwritten signature in black ink, appearing to read 'David W R', positioned above a faint rectangular stamp.

**Chief Executive**

**BOARD MEMBERSHIP**

<b>Councillor Alan Lowe (Chairman)</b>	<b>Labour</b>
<b>Councillor Martha Lloyd Jones (Vice-Chairman)</b>	<b>Labour</b>
<b>Councillor Arthur Cole</b>	<b>Labour</b>
<b>Councillor Mike Fry</b>	<b>Labour</b>
<b>Councillor Darren Lea</b>	<b>Labour</b>
<b>Councillor Tony McDermott</b>	<b>Labour</b>
<b>Councillor Andrew MacManus</b>	<b>Labour</b>
<b>Councillor Norman Plumpton Walsh</b>	<b>Labour</b>
<b>Councillor Joe Roberts</b>	<b>Labour</b>
<b>Councillor Margaret Ratcliffe</b>	<b>Liberal Democrat</b>
<b>Councillor Kevan Wainwright</b>	<b>Labour</b>

*Please contact Michelle Simpson on 0151 511 8708 or e-mail [michelle.simpson@halton.gov.uk](mailto:michelle.simpson@halton.gov.uk) for further information.*

*The next meeting of the Board is on Wednesday, 16 January 2013*

**ITEMS TO BE DEALT WITH  
IN THE PRESENCE OF THE PRESS AND PUBLIC**

**Part I**

<b>Item No.</b>	<b>Page No.</b>
<b>1. MINUTES</b>	
<b>2. DECLARATION OF INTEREST</b>	
Members are reminded of their responsibility to declare any Disclosable Pecuniary Interest or Other Disclosable Interest which they have in any item of business on the agenda, no later than when that item is reached or as soon as the interest becomes apparent and, with Disclosable Pecuniary interests, to leave the meeting during any discussion or voting on the item.	
<b>3. CORPORATE RISK REGISTER - PROGRESS COMMENTARY</b>	<b>1 - 15</b>
<b>4. 2011/12 ANNUAL CLAIMS AND RETURNS REPORT</b>	<b>16 - 22</b>
<b>5. DECLARATIONS OF GIFTS AND HOSPITALITY</b>	<b>23 - 25</b>
<b>6. EFFICIENCY PROGRAMME UPDATE</b>	<b>26 - 30</b>

*In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.*

**REPORT TO:** Business Efficiency Board

**DATE:** 14 November 2012

**REPORTING OFFICER:** Strategic Director – Policy and Resources

**SUBJECT:** Corporate Risk Register – Progress  
Commentary

**PORTFOLIO:** Resources

**WARDS:** All

### **1.0 PURPOSE OF THE REPORT**

1.1 The Corporate Risk Register (attached as Appendix 1) is submitted to the Business Efficiency Board to note and approve the progress on the management of the corporate governance of risks.

### **2.0 RECOMMENDATION:**

2.1

- a. The report be received;
- b. That the Board Team considers the Progress Commentary on the Corporate Risk Register to determine the adequacy of arrangements.

### **3.0 SUPPORTING INFORMATION**

3.1 Risk is defined as being the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk Management is defined as the process by which risks are identified, evaluated and controlled;

3.2 The Council recognises that it has a responsibility to manage both internal and external risks as a key component of good corporate governance and has prepared a Corporate Risk Register to minimise the risks of damage or loss;

3.3 The report has been before the Council's Management Team and it is recommended that when it is updated in April 2013, an additional risk of 'Maintenance and Management of Community Expectations', in the light of the continuing reduction of Government grants, is identified together with the associated risk control measures;

3.4 The Authority maintains risk registers at Corporate and Directorate levels and that risks at Departmental level are assessed within the Departmental Quarterly Monitoring Reporting process.

3.5 The purpose of Corporate Risk Register is to ensure that the council maximises its opportunities whilst minimising and controlling the associated risks in delivering the council's vision and services for Halton.

#### **4.0 POLICY IMPLICATIONS**

There are a number of policy implications arising from the policy document, the register and the control measures. These are identified in the register within the control measures. It is also important to ensure that the Corporate Risk Register and the Directorate Risk Registers are reviewed regularly by Directorates as part of the council's performance management strategy.

#### **5.0 OTHER IMPLICATIONS**

Nil

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

There are implications for each of the council's priorities as they could be affected by failure to manage the existing risks and also the failure to consider emerging risks.

6.1 **Children, Young People and Families in Halton**

6.2 **Employment, Learning, Skills and Communities in Halton**

6.3 **A Healthy Halton**

6.4 **A Safer Halton**

6.5 **Halton's Urban Renewal**

#### **7.0 RISK ANALYSIS**

Failure to review and monitor the performance of the Corporate Risk Register could result in service development opportunities being lost and existing service delivery being compromised.

#### **8.0 EQUALITY AND DIVERSITY ISSUES**

Within the risk register there are a number of implications for Equality and Diversity issues, e.g. Community Cohesion, Human Resources, and Resilience Planning.

#### **9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.

# Corporate Risk Register

Lead Strategic Director: **Ian Leivesley**

Risk Management Coordinator: **Tony Dean**

Register Completion Date: **November 2011**

Register Review Date: **November 2012**

Progress update: **As at 28<sup>th</sup> August 2012**

<b>Assessment of current risk(s)</b>					
<b>Item</b>	<b>Identified risk</b>	<b>Impact (Severity)</b>	<b>Likelihood (Probability)</b>	<b>Score (I x L)<sup>1</sup></b>	<b>Council Priority Area(s)</b>
<b>1</b>	<b>Budget Reductions</b> Failure to effectively align resources to corporate objectives and strategic requirements leads to a lack of focus on priorities resulting in failure to deliver objectives and the possibility of varying degrees of challenge	4	4	<b>16</b>	Corporate effectiveness and business efficiency
<b>2</b>	<b>Partnerships</b> Ineffective and poorly controlled partnerships with statutory and non statutory organisations will lead to a lack of accountability and ineffective use of resources resulting in a failure to meet the needs of and improve outcomes for local communities	3	4	<b>12</b>	A Healthy Halton / Employment, learning and skills / Children and Young People / A Safer Halton
<b>3</b>	<b>Funding and Income Generation</b> Failure to maximise and identify funding opportunities in light of government cuts resulting in a potential challenge of the Councils capacity to delivery its priorities	3	4	<b>12</b>	A Healthy Halton / Employment, learning and skills / Children and Young People / A Safer Halton
<b>4</b>	<b>Mersey Gateway</b> Lack of effective project management leads to uncontrolled costs, delays and lack of credibility resulting in cancellation/delay of the project. Potential abortive development cost	4	3	<b>12</b>	Halton's Urban Renewal
<b>5</b>	<b>Safeguarding Children and Adults</b> Inability to support and protect children and adults to ensure that they are healthy, safe and have the opportunity to reach their potential.	4	3	<b>12</b>	A Healthy Halton / Employment, learning and skills / Children and Young People / A Safer Halton

<sup>1</sup> See appendix 'A' for scoring mechanism

<b>Assessment of current risk(s)</b>					
<b>Item</b>	<b>Identified risk</b>	<b>Impact (Severity)</b>	<b>Likelihood (Probability)</b>	<b>Score (I x L)</b>	<b>Council Priority Area(s)</b>
<b>6</b>	<b>Capacity and Resilience</b> Inability of the Council to sustain the delivery of services in line with Council Priorities as a result of the impact of budget cuts	3	4	<b>12</b>	Corporate effectiveness and business efficiency
<b>7</b>	<b>Architectural Landscapes</b> Changes to the Architectural Landscape of other public sector organisations that could potentially lead to the deterioration of services, in particular for the most vulnerable groups	3	4	<b>12</b>	A Healthy Halton / Employment learning and skills / Children and young people / A Safer Halton / Corporate effectiveness and business efficiency
<b>8</b>	<b>Fraud</b> Inadequate control systems lead to an increase in fraud and financial loss	3	3	<b>9</b>	Corporate effectiveness and business efficiency

## Assessment of Residual Risks

Item	Risk control measure(s)	RRS <sup>2</sup> (I x L)	Timescale / Review frequency	Lead Officer(s)
1	<p><b>Budget Reductions</b></p> <ul style="list-style-type: none"> <li>• Link the budget process to Service Planning</li> <li>• Service Planning and maintain a robust overview of statutory obligations and prioritise accordingly</li> <li>• Review of Corporate Priorities / Community Plan</li> <li>• Communication of Priorities to Staff/Members/ Managers to achieve buy-in</li> <li>• Medium Term Financial Strategy</li> <li>• Budget Risk Register</li> <li>• Smarter procurement to generate savings</li> <li>• Efficiency Programme service delivery</li> <li>• Explore the potential for collaboration with neighbouring Local Authorities</li> <li>• Internal - Equality Impact Assessment process established</li> </ul>	2 x 3 = 6	6 monthly	Strategic Director Policy & Resources (Ian Leivesley)

### Progress Commentary as at 28<sup>th</sup> August 2012

- Established budget process undergoing
- Efficiency programme continues to be monitored by Programme Board
- Procurement strategy being implemented
- Rigorous budget monitoring continuing

<sup>2</sup> RRS – Residual Risk Score after control measures implemented

## Assessment of Residual Risks

Item	Risk control measure(s)	RRS <sup>3</sup> (I x L)	Timescale / Review frequency	Lead Officer(s)
2	<p><b>Partnerships</b></p> <ul style="list-style-type: none"> <li>• Strategic Policy Board (HSPB) facilitates interagency collaboration and cooperation to maximise available resources in the pursuit of agreed strategic goals</li> <li>• Halton Safeguarding Boards fully operational (see 5 below)</li> <li>• Establish a performance framework through which progress in addressing key strategic outcomes can regularly and routinely monitored and provides flexibility for other issues to be considered</li> <li>• Service efficiency by sharing resources</li> </ul>	2 x 2 = 4	6 months	Chief Executive (David Parr)

### Progress Commentary as at 28<sup>th</sup> August 2012

- Joint Sustainable Community Strategy approved between Halton public, private and voluntary Sector organisations and agencies. It lasts until 2026
- Strategy identifies partnership arrangements to deliver an emerging vision and incorporates a performance framework

<sup>3</sup> RRS – Residual Risk Score after control measures implemented

## Assessment of Residual Risks

Item	Risk control measure(s)	RRS <sup>4</sup> (I x L)	Timescale / Review frequency	Lead Officer(s)
3	<p><b>Funding and Income Generation</b></p> <ul style="list-style-type: none"> <li>• Develop and seek alternative untapped funding opportunities</li> <li>• Horizon scanning for external funding sources and signpost as appropriate</li> <li>• Work in partnership with 3<sup>rd</sup> sector to share funding streams</li> <li>• Current funding programmes - managers to ensure that they are aware of when funding comes to an end and, where necessary, explore other opportunities for new funding streams</li> <li>• Become commercially focussed to protect current funds and effectively use them</li> <li>• Establish trading and income generation possibilities</li> </ul>	2 x 2 = 4	6 months	All Strategic Directors

### Progress Commentary as at 28<sup>th</sup> August 2012

- Funding streams relevant to Halton based projects continue to be identified
- Template produced for Directorates to aid prioritisation of projects that require funding
- External Funding have presented a range of external and income generating options through the budget setting process

<sup>4</sup> RRS – Residual Risk Score after control measures implemented

## Assessment of Residual Risks

Item	Risk control measure(s)	RRS <sup>5</sup> (I x L)	Timescale / Review frequency	Lead Officer(s)
4	<p><b>Mersey Gateway</b></p> <ul style="list-style-type: none"> <li>• Project Structure based on PRINCE2 control procedure under the governance of the Procurement Group involving key members, officers, and professional advisors</li> <li>• Project management arrangements have satisfied HM Treasury scrutiny</li> <li>• Gateway 2 project review undertaken and action plan dealing with recommendations agreed with Mersey Gateway Officer Project Board</li> <li>• Project Plan and regular monitoring of plan and periodic independent gateway reviews</li> <li>• Delivery within the Funding framework agreed with Government reviewed at regular intervals Mersey Gateway Risk Register</li> </ul>	4 x 2 = 8	6 monthly	Chief Executive (David Parr)

### Progress Commentary as at 28<sup>th</sup> August 2012

- The Office Project Board and Project Team have been reinforced with additional specialist procurement advisers to reduce delivery risk.
- Three bidding groups have been selected and the competitive market for construction will drive value for money.
- Draft Final Bids are due to be submitted in November leading to a Preferred Bidder being selected in spring 2013
- The Project Board reviews the Risk Register every 6 weeks

<sup>5</sup> RRS – Residual Risk Score after control measures implemented

## Assessment of Residual Risks

Item	Risk control measure(s)	RRS <sup>6</sup> (I x L)	Timescale / Review frequency	Lead Officer(s)
5	<p><b>Safeguarding Children and Adults</b></p> <ul style="list-style-type: none"> <li>Halton's Children's and Adult's Safeguarding Boards are fully operational, they operate with statutory guidance and its resources provided as agreed</li> </ul>	4 x 2 = 8	6 monthly	Strategic Directors – Communities (Dwayne Johnson) & Children and Enterprise (Gerald Meehan)

### Progress Commentary as at 28<sup>th</sup> August 2012

- Representatives from the Children's and Adult's Safeguarding Boards work in partnership and attend at corresponding boards
- The Adults Board has just revised its terms of reference and membership and has set its priorities for the forthcoming year
- New Adults Safeguarding teams are now in place
- Children's Board continue to work with strategic groups within the borough to ensure accountability and effectiveness of safeguarding
- Children's Board produces an annual report containing priorities and including measurement on the effectiveness of arrangements. Progress tracked via the HSCB Business Plan

<sup>6</sup> RRS – Residual Risk Score after control measures implemented

## Assessment of Residual Risks

Item	Risk control measure(s)	RRS <sup>7</sup> (I x L)	Timescale / Review frequency	Lead Officer(s)
6	<p><b>Capacity and Resilience</b></p> <ul style="list-style-type: none"> <li>• Service reviews around more efficient ways of working including the greater use of technology</li> <li>• Focus the delivery of services on priorities and legal responsibilities through effective Service Planning</li> <li>• Delivery of training courses in Stress Management and Managing Resilience to Change</li> <li>• Risk assessing, monitoring and support mechanisms for work related stress</li> <li>• Agile Working policy</li> <li>• Business Continuity Planning</li> </ul>	2 x 2 = 4	6 months	All Strategic Directors

### Progress Commentary as at 28<sup>th</sup> August 2012

- People Plan approved with the main aim 'to provide a skilled, knowledgeable and competent workforce who can deliver efficient services now and in the future'
- The plan contains 4 key objectives and progress is monitored at a number of forums
- A range of service reviews have been undertaken including telecare within the Communities Directorate

<sup>7</sup> RRS – Residual Risk Score after control measures implemented

## Assessment of Residual Risks

Item	Risk control measure(s)	RRS <sup>8</sup> (I x L)	Timescale / Review frequency	Lead Officer(s)
7	<p><b>Architectural Landscapes</b></p> <ul style="list-style-type: none"> <li>• Maintain an overview of external influences involving political, economic, social, technological, legislative and environmental factors</li> <li>• Review services in line with Council Priorities, whilst protecting the most vulnerable</li> <li>• Protect interests by being part of the processes leading to the delivery of new arrangements</li> </ul>	3 x 2 = 6	6 months	All Strategic Directors

### Progress Commentary as at 28<sup>th</sup> August 2012

- The transfer of Public Health has led to the development of a partnership proposal to improve the efficiency and effectiveness of health and adult social care
- Seminars have taken place around the new arrangements, i.e. influential Localism, Education, Health & Social Care and Police and Social Responsibility Acts
- The potential impact on resources of schools moving to Academy status has been monitored by working early with schools to understand the level of risk

<sup>8</sup> RRS – Residual Risk Score after control measures implemented

## Assessment of Residual Risks

Item	Risk control measure(s)	RRS <sup>9</sup> (I x L)	Timescale / Review frequency	Lead Officer(s)
8	<p><b>Fraud</b></p> <ul style="list-style-type: none"> <li>• Rigorous pre-employment checks of new employees</li> <li>• Dedicated Housing Benefit / Council Tax Benefit anti-fraud section</li> <li>• A continuous internal audit of the Council's systems and services</li> <li>• Participation in the National Fraud Initiative</li> <li>• Whistleblowing arrangements</li> <li>• Development of HBMS and HBMS scans allow better matching and checking with other national databases</li> <li>• Annual reporting of counter fraud measures and activity to the Business Efficiency Board</li> </ul>	3 x 2 = 6	6 monthly	Strategic Director Policy & Resources (Ian Leivesley)

### Progress Commentary as at 28<sup>th</sup> August 2012

- In 2011/12 the Benefits Investigation Unit issued 47 cautions, 34 administrative penalties and achieved 47 successful prosecutions.
- In addition joint working with the Department for Work and Pensions helps with detecting Housing Benefit and Council Tax Benefit fraud
- Procurement policy has enforced procurement processes to meet Standing Orders
- National Fraud initiative

<sup>9</sup> RRS – Residual Risk Score after control measures implemented

### Version control Record

Version	Date Created	Date of Amendment:	Nature of Amendment	Date of Next Review:
1.0	13.10.11			
2.0		28.8.12	Progress Commentary updated	28.3.13

## Appendix 'A' – Scoring Mechanism

Analyse the current position and score the risks by multiplying the impact and likelihood scores together you will arrive at a final score (or significance rating) for that risk.

Risk Score	Overall Rating
11-16	High
5-10	Medium
1-4	Low

Evaluate all of the risks in particular those that have been placed in the red boxes that are the primary or **Top Risks**. Identify measures including;

1. Reducing the likelihood; or
2. Reducing the impact; or
3. Changing the consequences of the risks by,
  - Avoidance
  - Reduction
  - Retention
  - Transference; or
4. Devising Contingencies, i.e. Business Continuity Planning

**REPORT TO:** Business Efficiency Board

**DATE:** 14 November 2012

**REPORTING OFFICER:** Operational Director – Finance

**PORTFOLIO:** Resources

**TITLE:** 2011/12 Annual Claims and Returns Report

**WARDS:** Borough Wide

### **1.0 PURPOSE OF REPORT**

1.1 To consider the Audit Commission's report following the audit of 2011/12 grant claims and returns.

**2.0 RECOMMENDED: That the Audit Commission's report presented in Appendix 1 be approved.**

### **3.0 SUPPORTING INFORMATION**

3.1 The 2011/12 Grant Claims and Returns report summarises the findings from the reviews of the Council's 2011/12 grants claims and returns completed by the Audit Commission, the Council's external auditors.

3.2 A copy of the 2011/12 Grant Claims and Returns report is attached at Appendix 1. Mr Mike Thomas, the District Auditor, will attend the Board to present the report and take questions.

### **4.0 POLICY AND OTHER IMPLICATIONS**

4.1 None.

### **5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

5.1 There are no direct implications.

### **6.0 RISK ANALYSIS**

6.1 There are no direct risks involved with this report, however, the Audit Commission's work assists the Council in ensuring that a sound control environment is operated which minimises financial risks.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 None identified.

**8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

8.1 None under the meaning of the Act.



**Our reference** HA003

19 October 2012

The Members  
Halton Borough Council  
Kingsway  
Widnes  
WA8 7QF

**Direct line** 0844-798-7043  
**Email** m-thomas@audit-  
commission.gov.uk

Dear Ladies and Gentlemen

## **2011-12 Annual Claims and Returns report**

Halton Borough Council receives funding from various grant-paying government departments. The grant-paying departments attach conditions to these grants and the Council must show that it has met those conditions. If the Council cannot evidence this, the funding can be at risk. It is therefore important that the Council manages certification work properly. In particular this means that the Council needs to demonstrate to us, as auditors, that:

- an adequate control environment exists for each claim and return; and
- the relevant grant conditions have been met.

For 2011/12 my audit team certified four grant claim returns with a total value of £123.6m. Appendix 1 sets out a full summary of the claims reviewed. Excluding housing benefits, we carried out a full review on one claim and a limited review on two claims. The difference between full and limited reviews is set out at Appendix 2 together with a brief explanation of the certification regime.

I am pleased to report that:

- we were able to fully certify all four of the Council's claims and returns;
- we identified no issues relating to the control environment for claims and returns which required reporting to grant paying departments;
- there were no recommendations arising from my certification work;
- there is no outstanding audit work on 2011/12 claims and returns to transfer to your new audit supplier, Grant Thornton.

We amended two claims for very minor arithmetic errors, none of which affected the Council's grant entitlement overall. We also made a slight amendment to the Housing and Council Tax Benefit claim which resulted in an increase of £662 to the total subsidy claimed by the Council.

These results reflect well on the Council. My audit team did not identify any areas of concern with the Council's grant claim preparation processes. In particular, the Housing and Council Tax Benefit claim has continued to reflect high standards of preparation and accuracy with only one very minor amendment required as a result of my audit team's testing. Across all claims, we received excellent support and co-operation from officers. In addition, all claims were supported by good quality working papers.

As at the end of October 2012 my audit fee for the certification of the Council's grant claims will total £25,489 (estimate).

Yours sincerely

Michael Thomas  
*District Auditor*

## Appendix 1: Summary of 2011/12 certified claims up to 31<sup>st</sup> October 2012

Claim Reference	Value of claim or return £000	Reliance placed on control environment?	Type of review	Value of amendments made by audit	Qualification letter issued?
<b>Housing &amp; Council Tax Benefit (BEN01)</b>	64,153	Yes	N/A	£662 increase in subsidy claimed.	No
<b>Dept for Transport Section 31 Grant (TRA11)</b>	2,500	Yes	Full	None	No
<b>National non-domestic rates return (NNDR3)</b>	49,559	Yes	Limited	De-minimis - no effect on entitlement	No
<b>Teachers Pension Fund (PEN05)</b>	7,396	Yes	Limited	De-minimis - no effect on entitlement	No
<b>Total</b>	<b>123,608</b>				

## Appendix 2: Background

Local authorities claim large sums of public money in grants and subsidies from central government and other grant paying bodies and are required to complete returns providing financial information to government departments. My certification work provides assurance to the grant-paying bodies that claims for grants and subsidies are made properly or that information in financial returns is reliable.

I am required by section 28 of the Audit Commission Act 1998 to certify some claims and returns for grants and subsidies paid by the government departments and public bodies to Halton Borough Council. I charge a fee to cover the full cost of certifying claims. The fee depends on the amount of work required to certify each claim or return.

The Council is responsible for compiling grant claims and returns in accordance with the requirements and timescale set by the grant-paying departments.

The key features of the 2011/12 arrangements are as follows:

- In all cases the financial limits are by reference to the total amount claimed, rather than the grant allocation, total eligible expenditure, or total amount reported. For projects spanning over more than one year, the financial limit is by reference to the total amount claimable over the lifetime of the project. Each certification instruction provides guidance on the form entries that determine the value of a claim or return. This approach impacts on the amount of grants work we carry out, placing more emphasis on high value claims.
- For claims and returns below £125,000 the Commission does not make certification arrangements (regardless of any statutory certification requirement or any certification requirement set out in grant terms and conditions).
- For claims and returns between £125,000 and £500,000, auditors undertake limited tests to agree form entries to underlying records, but do not undertake any testing of eligibility of expenditure or data. This is a limited review.
- For claims and returns over £500,000 auditors plan and perform work in accordance with the certification instruction to assess the control environment for the preparation of the claim or return to decide whether or not to place reliance on it. Depending on the outcome of that assessment appropriate testing is undertaken to agree form entries to underlying records and test the eligibility of expenditure data. This can take the form of limited testing (a limited review) or more detailed testing (a full review).

The work that we undertake to certify the Housing Benefits claim for the Department for Work and Pensions is slightly different. Because of the high value and high risk nature of the claim, the auditor has to test the entries on a Council's claim form, rather than relying on the control environment. In doing this we:

- confirm that the subsidy claim has been completed using the recognised software for claim completion;
- undertake an analytical review for a year by year comparison and comparisons to other Councils; and

- carry out detailed testing of individual claims for benefit to ensure the Council is calculating benefit entitlement correctly and reporting accurate performance information to the Department for Work and Pensions.

**REPORT TO:** Business Efficiency Board

**DATE:** 14 November 2012

**REPORTING OFFICER:** Strategic Director – Policy and Resources

**PORTFOLIO:** Resources

**SUBJECT:** Declarations of Gifts and Hospitality

**WARDS:** All

### **1.0 PURPOSE OF THE REPORT**

1.1 To report on the system for declaration of gifts and hospitality by Members and Officers of the Borough Council.

### **2.0 RECOMMENDATION: That the report be noted.**

### **3.0 SUPPORTING INFORMATION**

- 3.1 Democratic Services maintain the Register of Gifts and Hospitality. Members are required to declare and register any offers of gifts or hospitality worth £25 or more which is received in connection with official duties as a Member, together with the details of the person who makes the offer or gives the gift or hospitality. This must be completed within 28 days of receipt.
- 3.2 The Monitoring Officer looks at the Register periodically, and it is clear that Members are aware of its existence and are using it. In addition, Standards Committee receive an annual report on its contents. At the last meeting in July 2012, the Monitoring Officer reported that since 1 May 2011 there had been 12 entries by Members and 21 by Officers.
- 3.3 Officers are also required to declare and register any offers of gifts or hospitality, and each Directorate maintains its own Register for use by staff. The Officer Code of Conduct requires the Officer to discuss any offer with their line manager, prior to either accepting or declining the offer. However, all offers must be recorded whether or not they are accepted.
- 3.4 Generally, there is a presumption that any offers should be declined unless they are small gifts of nominal value given by way of trade advertisements to a wide range of people (for example, inexpensive calendars or diaries), or on the conclusion of a courtesy visit (for example, to a factory or other premises). Officer registers are regularly inspected by the respective Strategic Director.

- 3.5 From 1 May 2012 to 30 September 2012 there had been 12 entries by Officers and Members. The registers are public documents and open to inspection.

#### **4.0 POLICY IMPLICATIONS**

None

#### **5.0 OTHER IMPLICATIONS**

None

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **6.1 Children and Young People in Halton**

None

##### **6.2 Employment, Learning and Skills in Halton**

None

##### **6.3 A Healthy Halton**

None

##### **6.4 A Safer Halton**

None

##### **6.5 Halton's Urban Renewal**

None

#### **7.0 RISK ANALYSIS**

Failure to comply with the requirement for Members and Officers to declare the receipt of and/or acceptance of gifts or hospitality would amount to a breach of the respective Code of Conduct and potentially have serious consequences for the Member, Officer and the Authority as a whole.

#### **8.0 EQUALITY AND DIVERSITY ISSUES**

None.

**9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Register of Gifts and Hospitality	Democratic Services, Municipal Building, Kingsway, Widnes	Angela Scott
Standards Committee Report 17 July 2012	Democratic Services, Municipal Building, Kingsway, Widnes	Angela Scott

**REPORT TO:** Business Efficiency Board

**DATE:** 14 November 2012

**REPORTING OFFICER:** Strategic Director, Policy & Resources

**PORTFOLIO:** Resources

**SUBJECT:** Efficiency Programme Update

**WARDS:** All

### **1.0 PURPOSE OF THE REPORT:**

To inform the Board of progress made to date with the Efficiency Programme (refer to Appendix 1).

### **2.0 RECOMMENDATION: That the board is asked to note the contents of the report.**

### **3.0 SUPPORTING INFORMATION**

Up to date workstream information is available via the Efficiency Programme Office's team site at: <http://intranet/sites/Teams/Efficiency/Pages/Home.aspx> .

### **4.0 POLICY IMPLICATIONS**

None identified at this stage. Activity within the Efficiency Programme may result in recommendations to change policies as individual workstreams progress.

### **5.0 OTHER IMPLICATIONS**

It should be noted that since commencing in 2009, the Efficiency Programme, and activity associated with it, has identified savings in the region of over £11m. This has assisted the Council in the difficult task of dealing with the budget gap.

### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

The Efficiency Programme is designed to improve the effectiveness of services across the authority and reduce costs associated with service delivery. This affects all of the Council's priorities.

### **7.0 RISK ANALYSIS**

Given the financial constraints facing the Council in the immediate and medium terms, failure to continue to progress Efficiency Programme workstreams into future stages may result in the Efficiency Programme not achieving its

objectives – primarily service improvement and cost reduction. This could result in services being underfunded, with departments unable to meet the costs of staff and other resources required to deliver to the community of Halton.

As resources become ever more restricted, the organisation should remain aware of the possibility of ‘double counting’ of savings. The Efficiency Programme Office and Financial Management Division will work together to manage this risk.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

N/A

## **9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the Meaning of the Act.

## **Halton Council Efficiency Programme**

### **Progress update - November 2012**

Progress to date against each of the current workstreams is given below.

#### **Review of Operational Fleet & Client Transport (Wave 2)**

Longer term improvement opportunities are being investigated with Communities and Children & Enterprise Directorates.

A concept paper for an 'Integrated Transport Unit' has been developed and is being progressed.

£235,000 of the £400,000 savings target has been achieved to date. Further savings based on renegotiated contracts with suppliers will be calculated in early 2013, it is not possible to predict the level of these savings at this stage as contracts continue to be awarded.

#### **Transactional / Non-Transactional: Process Review (Wave 2)**

A number of projects within this workstream have now reached conclusion. These have resulted in process automation and improvement in several areas – predominantly HR and Purchase to Pay

Each has resulted in the adoption of more efficient working practices, enabling teams to operate with reduced resources.

It has been noted that the process are now more robust in terms of audit and are easier for staff to access and use.

#### **Review of Income & Charging (Wave 3)**

As reported previously, the first phase of this workstream indicated that full cost recovery is not evidenced across the Council. An action plan was developed to examine the 10 services with the largest income generation in more detail. Five of the services in the action plan that sit within Communities Directorate are currently being progressed. (Commercial Waste, Burials and Cremations, School Meals Breaks, Stadium Fitness and Meals on Wheels).

An initial report will be produced in the coming weeks to outline the findings of the analysis of four of these five services.

The Efficiency Programme Office, Financial Management Divisional and Service Managers will continue to progress this and will bring the next few services in for examination as the findings on the first five start to materialise.

### **Review of the Contact Centre (Wave 3)**

A new service delivery model was put in place on 15<sup>th</sup> March 2012. The full range of Council services is available 8am to 6pm, Monday to Friday. An out of hours emergency response service now operates from 6pm to 8am weekdays, and at weekends.

On-going monitoring of operations through normal management activity will continue.

An evaluation of the new service delivery model, which considers operational data from 1<sup>st</sup> April to 30<sup>th</sup> September 2012 is underway and will be presented to the Efficiency Programme Board in January 2013. The period of evaluation has been extended to cover six months of the new arrangements in order to give a more complete and accurate picture of operations.

Savings achieved: £418,000 net (against a target of £110,000)

### **Review of Waste Management (Wave 3)**

Findings from the As Is analysis presented a number of opportunities to improve the efficiency of the service. Work to identify improvement opportunities identified a series of high level options for short and longer term change have been presented to Management Team and the Programme Board. It has been agreed that all options are to be explored more fully. This work is ongoing in conjunction with the service manager.

A revised savings target for the workstream of £300,000 has been agreed. It was noted that a large proportion of the services' expenditure is contractual to cover waste disposal and due to the long term nature of these contracts the opportunity to bring about efficiencies was limited. Disposal contracts were therefore removed from the scope of the review.

### **Review of Policy & Strategy, Review of Performance & Improvement, Review of Communications & Marketing (Wave 4)**

As-Is reports for all three service areas have been completed and presented to the Efficiency Programme Board.

A series of informal consultation sessions have been held with staff from each of the three services to identify areas of good practice and opportunities for improvement. Directorate SMTs have also been attended by the Efficiency Programme Office to seek service user views and identify areas of critical support provided to the operational services.

The information gathered will be considered as part of the development of To Be options which is currently underway. Affected staff have been informed of the progress of the workstream.

There is a savings target of £125,000 across the three areas.

### **Review of Child Protection (Children in Need Service) (Wave 4)**

Significant work has been undertaken within the service to understand the roles, responsibilities and flow of work. This led to the completion of an As-Is report which highlighted a number of areas of work in which improvements could be made.

Workshops have been undertaken with staff to identify improvement opportunities and findings will be incorporated into the To Be design. A workshop session with Principal Managers from the Child in Need service has been arranged.

A number of interim measures have been undertaken to minimise the risk across the child protection system. These will be formalised as part of the To Be process and include the recruitment of additional administrative support, appointment to vacant social worker positions and the establishment of three new social work posts. These have been funded through existing budgets and the Social Work Improvement Fund. The impact of these additional resources will be evaluated in due course.

There is no savings target for this workstream.