

## Implementation of High Risk Mitigation Measures – Quarter 2 to 30<sup>th</sup> September 2015

The purpose of this report is to provide an update concerning the implementation of mitigation measures for those areas of risk which have been assessed as high and that are relevant to the Corporate Policy and Performance Board.

### Business Area – Financial Management

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)		
<b>PR R2</b>	Failure to set a balanced budget, capital programme and council tax in accordance with statutory requirements <i>(Strategic Priority: Corporate effectiveness and business efficiency)</i>		4	3	<b>12</b>		
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score	
R2 a	<i>Medium Term Financial Strategy is updated regularly and informs the budget preparation process which is driven by Management Team and the Members' Budget Working Group.</i>		Ed Dawson Operational Director (Finance)	Annually	4	1	<b>4</b>
R2 b	<i>Given the current scale of Government grant reductions, a strategy for development of budget proposals has been adopted by Management Team and the process for identifying proposals commenced as early as possible.</i>						
R2 c	<i>The budget timetable is structured to ensure the budget preparation process results in approval by Council and in advance of statutory deadline. Regular monitoring ensures the process is kept on track.</i>						
R2 d	<i>Initial budget proposals are presented to Council in December, with further proposals presented to Council in March, to ensure delivery of a balanced budget, capital programme and council tax.</i>						
R2 e	<i>Detailed guidance is provided to all budget managers regarding the process and the timetable to be followed.</i>						
R2 f	<i>The budget is prepared in accordance with statutory requirements and the S151 Officer ensures a balanced budget and council tax is presented for approval by Council.</i>						

## Implementation of High Risk Mitigation Measures – Quarter 2 to 30<sup>th</sup> September 2015

Assessment of current risk		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
<b>PR R2</b>	Failure to set a balanced budget, capital programme and council tax in accordance with statutory requirements <i>(Strategic Priority: Corporate effectiveness and business efficiency)</i>	4	3	<b>12</b>		
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R2g	<i>Collection Fund (Business Rates and Council Tax) balances are monitored on a monthly basis, so that early consideration can be given to the impact of actual collection rates on future budget setting.</i>					

### Progress update

R2a The Medium Term Financial Strategy (MTFS) was updated in light of the Chancellor's Summer Budget announcement and discussed with Management Team and the Budget Working Group. The MTFS has been further updated following the Comprehensive Spending Review announcement on 25<sup>th</sup> November 2015 and will be reported to the Executive Board on 10<sup>th</sup> December 2015.

R2b The Budget Working Group has been meeting regularly since May 2015 to consider budget proposals to bridge the forecast budget gap for 2016/17.

R2c A detailed budget preparation timetable has been prepared and is monitored weekly by the Financial Management Division. In addition, a timetable for consideration of budget proposals by Members is being maintained.

R2d A first set of budget saving proposals was approved by Council on 14<sup>th</sup> October 2015. Given the scale of the challenge facing the Council, a second set of saving proposals will be considered by Council on 9<sup>th</sup> December 2015. A third set of proposals to deliver a balanced budget will then be considered by Council on 2<sup>nd</sup> March 2016, along with the capital programme and council tax.

R2e In accordance with the budget timetable, detailed budget preparation guidance was issued and the Council's base budget has been updated and inflated to 2016/17 prices, following discussions with every Budget Manager.

R2f The estimated Council Tax Base for 2016/17 has been calculated and was recommended by Executive Board on 19<sup>th</sup> November 2015 for approval by Council on 9<sup>th</sup> December 2015. All budget saving proposals have been scrutinised by the Finance Department to ensure their robustness, prior to them being presented for consideration by the Budget Working Group.

R2g The Collection Fund has been monitored closely and as a result the current surplus will be used as a one-off saving to assist with balancing the 2016/17 budget. Police and Fire have also been notified as to their respective shares of the Collection Fund surplus

## Implementation of High Risk Mitigation Measures – Quarter 2 to 30<sup>th</sup> September 2015

Assessment of current risk - (Financial Management cont'd)		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
<b>PR R5</b>	Failure to contain overall spending for the financial year within the Council's annual net budget. <i>(Strategic Priority: Corporate effectiveness and business efficiency)</i>	4	3	<b>12</b>		
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R5 a	Budget monitoring reports are prepared on a quarterly basis and reported to Management Team, Executive Board and Policy & Performance Boards.	Ed Dawson Operational Director (Finance)	Annually	4	1	<b>4</b>
R5 b	A budget risk register is maintained with quarterly updates to Management Team.					
R5 c	Budget monitoring is undertaken on a day to day basis between Finance Officers and Budget Holders. Budget monitoring reports are sent monthly to all Budget Holders to assist them to check spend, highlight budget variances and review outstanding commitments.					
R5 d	Action plans put in place and monitored for services identified as potentially overspending significantly against budget, which includes regular monitoring of trends and forecasts for demand led services.					
R5 e	Reasonable levels of general and earmarked reserves are maintained in order to minimise the impact of budget overspends.					

### Progress update

R5a Budget monitoring reports were reported on schedule to Executive Board and Policy & Performance Boards at the end of quarter 1 and quarter 2.

R5b The budget risk register was reported to Management Team at the end of quarter 1 and quarter 2.

R5c Budget monitoring has been undertaken day to day by Finance Officers and budget monitoring reports for each Department have been sent to the relevant Operational Director and Divisional Managers each month-end, during the year to date.

R5d An action plan has been established and is being implemented, with regard to Children in Care costs which are significantly above budget. This is being monitored regularly by the People & Economy Directorate Senior Management Team and also Management Team.

R5e The Council's reserves and balances have been reviewed at the end of quarter 1 and quarter 2, in accordance with the Reserves and Balances Strategy.

## Implementation of High Risk Mitigation Measures – Quarter 2 to 30<sup>th</sup> September 2015

### Business Area – ICT Services

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)	
<b>PR R5</b>	Network problems or failure prevents the delivery of Council Services. <i>(Strategic Priority: Corporate effectiveness and business efficiency)</i>		4	3	<b>12</b>	
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
<i>R5 a</i>	<i>Business Continuity Plans / Disaster Recovery Plans in Place</i>		Annually	3	2	6
<i>R5 b</i>	<i>Key Services identified so that when network problems occur those areas are given priority</i>					

### Progress update

Work is underway following the purchase of software and hardware solutions that will enable both of the authorities data centres to work as one, enabling either data centre location and the associated services and applications to remain active at all times supporting the wider authorities Disaster Recovery and Business Continuity Plans.

Considerable changes have also been undertaken to upgrade and create resilience within the network's that support key services and the applications that support these services in order that they can be prioritised.

## Implementation of High Risk Mitigation Measures – Quarter 2 to 30<sup>th</sup> September 2015

### Business Area – Legal & Democratic Services

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)	
<b>PR R8</b>	Failure to implement effective Corporate Governance Arrangements results in decision making which lacks transparency, accountability, and efficiency. <i>(Strategic Priority: Corporate effectiveness and business efficiency)</i>		4	3	<b>12</b>	
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R8 a	<i>Standard Report formats</i>		Mark Reaney Operational Director (Legal & Democratic Services)	4	1	<b>4</b>
R8 b	<i>Adoption of a written Constitution reviewed annually</i>					
R8 c	<i>Implementation of statutory access to information requirements</i>					
R8 d	<i>Implementation of Overview and Scrutiny arrangements</i>					

#### Progress update

The Constitution was reviewed on an annual basis as usual and the revised version was approved by Council in April 2015. Preparations will soon commence for the 2016 review. All staff are urged to follow standard report templates, which have recently been reissued for information.

The Information Governance Group continues to meet, to ensure compliance with access to information and data protection requirements and the FOI allocation and tracking system is well established.

Scrutiny committees meet frequently and operate effectively, and the Scrutiny Chairs Group meets regularly to ensure consistency of approach.

## Implementation of High Risk Mitigation Measures – Quarter 2 to 30<sup>th</sup> September 2015

### Business Area – Community and Environment Services

#### Business Objective / Project

Ref	Description
CE 2	Increase the community usage of the Select Security Stadium and to maintain and improve the health of Halton residents.

#### Assessment of current risk(s)

Item	Identified Risk	Impact (Severity)	Likelihood (Probability)	Score (I x L)
1	<i>Cost of using the stadium to disadvantaged/community groups.</i>	4	3	<b>12</b>
2	<i>Lack of knowledge of the benefits of the Halton Leisure card.</i>	4	3	<b>12</b>
3	<i>Lack of understanding of what is on offer for all age/gender groups within the stadium.</i>	4	3	<b>12</b>

Risk control measure(s)	Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
1	Chris Patino	Annually	2	2	<b>4</b>
2			2	2	<b>4</b>
3			2	2	<b>4</b>

#### Progress update

A vigorous marketing campaign has taken place including web advertising; the offer to community users is that popular that “word of mouth” is proving the best advertising medium.

The Sports Development team actively promote the HLC, once the Leisure Centre come “back in house” it will be easier to offer a Council wide promotion, Widnes Vikings have offered us the use of their data base to promote the healthy lifestyle message to over 3,000 season ticket holders.

## Implementation of High Risk Mitigation Measures – Quarter 2 to 30<sup>th</sup> September 2015

A number of initiatives linked to both the School Meals team and Sports Development Team have been introduced in an attempt to get the residents of Halton more active

### Business Area – Community and Environment Services

#### Business Objective / Project

Ref	Description
CE 3	Increase the number of pupils having a school lunch, to raise awareness and increase levels of healthy eating.

#### Assessment of current risk(s)

Item	Identified Risk	Impact (Severity)	Likelihood (Probability)	Score (I x L)
1	<i>Financial pressures on the service to increase rate of return.</i>	4	3	<b>12</b>
3	<i>The cost of a school lunch to low income families.</i>	4	3	<b>12</b>

Risk control measure(s)	Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
1 <i>Look to source additional funding. Produce a healthy eating policy and have it formally adopted by the Council.</i>	Chris Patino / Ella Coackley	Monthly / ongoing	2	2	<b>4</b>
2 <i>Regular monitoring of completed menus. Regular site visits and inspections.</i>	Ella Coackley	Daily	2	2	<b>4</b>
3 <i>Look to seek external/internal funding to help reduce the burden of cost.</i>	Chris Patino / Ella Coackley	Quarterly	2	2	<b>4</b>

#### Progress update

Parent leaflets have again been distributed at the start of the Winter Term, users numbers are very good for this time of year with the uptake figure for the Universal Infant Free Meals being over 85% which is higher than the National average. Further leaflets and promotion at parent evenings are planned for the beginning of 2016.