

Implementation of High Risk Mitigation Measures (Enterprise, Community and Resources) – Quarter 2 to 30th September 2019

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 within the Directorate Risk Register.

Business Area – Financial Management

Assessment of current risk		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R1	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	4	16		
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R1 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	3	12
R1 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>					
R1 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>					
R1 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>					
R1 e	<i>Detailed guidance is provided to all budget managers regarding the process and the timetable to be followed.</i>					
R1 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>					
R1 g	<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>					

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Progress update

- R1a – The Medium Term Financial Strategy is being updated following the Chancellor’s 2019 Spending Review announcement and will be reported to Executive Board on 14th November 2019. This will inform the budget preparation process being driven by Management Team and the Members’ Budget Working Group.
- R1b – The process for identifying budget savings to meet the forecast budget gap for 2020/21 has been underway since March 2019, via Management Team and with meetings of the Budget Working Group.
- R1c & d – Initial budget proposals have been developed by Management Team and the Budget Working Group, which will be considered by Executive Board on 14th November 2019 and recommended for approval by Council on 11th December 2019. Further budget proposals to deliver a balanced budget will be considered by Council on 4th March 2020, along with setting the level of council tax.
- R1e – Detailed budget preparation guidance and a timetable has been issued to all Budget Managers, who are also being supported by their Finance Officers
- R1f – The estimated Council Tax Base for 2020/21 will be considered by Executive Board on 14th November 2019 and recommended for approval by Council on 11th December 2019. All budget saving proposals are scrutinised by the Finance Department to ensure their robustness, prior to them being presented for consideration by the Budget Working Group. The Local Government Grant settlement in early December 2019 will provide details of the level of funding available to support the Council’s budget. This will enable the S151 Officer to determine that a robust and sustainable budget is presented for approval by Council on 4th March 2020.
- R1g – Business rates and council tax collection rates are being monitored regularly and are reported quarterly to Executive Board and Corporate Policy and Performance Board. 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 2020/21 budget. Police and Fire will be notified as to their respective shares of the Collection Fund surplus. The latest position on collection rates has been taken into account when preparing the Medium Term Financial Strategy.

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Assessment of current risk - (Financial Management cont'd)			Impact (Severity)	Likelihood (Probability)	Score (I x L)	
ECR R4	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	4	16	
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R4 a	Budget monitoring reports are prepared on a quarterly basis and reported to Management Team, Executive Board and Policy & Performance Boards.	Operational Director (Finance)	Annually	4	3	12
R4 b	A budget risk register is maintained with quarterly updates to Management Team.					
R4 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.					
R4 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.					
R4 e	Reasonable levels of general and earmarked reserves are maintained in order to minimise the impact of budget overspends.					

Progress update

R4a/b – Quarter 1 budget monitoring reports have been reported as appropriate. The Council wide quarter 2 budget monitoring report will be presented to Management Team and then to Executive Board on 14th November 2019. Thereafter each Department's financial position will be reported to the relevant Policy & Performance Board. The budget risk register will be updated at the end of Quarter 2 and presented to Management Team during November 2019.

R4c – Budget monitoring is being undertaken on a daily basis by Finance Officers in liaison with Budget Managers. The latter have been issued with budget monitoring reports for their areas on a monthly basis.

R4d – Management Team have received progress reports from those Departments who are currently spending over budget, which outline the steps being taken to bring spending back in line with budget as far as possible by year-end.

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R4e – The level of reserves is reviewed each quarter to ensure they remain reasonable given the spending pressures facing the Council and the outcome is reported to Executive Board. The Reserves and Balances Strategy is being updated and will be presented to Executive Board as part of the Medium Term Financial Strategy on 14th November 2019.

Business Area – ICT Services

Assessment of current risk		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R5	Network problems or failure prevents the delivery of Council Services. <i>(Strategic Priority: Corporate effectiveness and business efficiency)</i>	4	3	12		
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>	Operational Director (ICT & Admin)	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

Resilience, Business Continuity and Disaster Recovery solutions within the technical environment now merge into similar solutions whereas only 7 – 10 years ago Disaster Recovery was considered to be at the forefront. Technologies are allowing Business Continuity solutions to come to the fore. Solutions such as the authorities Twin Active/Active data centre locations in turn supported by multi-vendor wide area network strategies provide an improved continuity solution in that if one Data Centre incurred issues the 2nd as a can continue to provide services and systems.

This is not to say such services such as system and data Back-Up can be ignored as the authority has invested recently in a new and highly improved back-up solution covering not only its data assets but its infrastructure. The department will continue to develop upon such technologies in a cost effective manner as well as assess the emerging cloud technology opportunities.

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Business Area – Legal & Democratic Services

Assessment of current risk		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R8	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	12		
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
<i>R8 a</i>	<i>Standard Report formats</i>	Operational Director (Legal & Democratic Services)	Annually	4	1	4
<i>R8 b</i>	<i>Adoption of a written Constitution reviewed annually</i>					
<i>R8 c</i>	<i>Implementation of statutory access to information requirements</i>					
<i>R8 d</i>	<i>Implementation of Overview and Scrutiny arrangements</i>					

Progress update

Standard report formats remain in place and are kept under review to ensure that they continue to be fit for purpose.

The revised Constitution was approved at Annual Council in May 2019 following a recommendation by Executive Board.

Access to information requirements are kept under constant review. Extensive work and training was carried out concerning the implementation of the General Data Protection Regulation in May 2018 and all staff were required to complete an e-training module.

Overview and Scrutiny arrangements continue to operate effectively and necessary amendments are made as & when required.

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Business Area – Policy, Planning and Transportation

Assessment of current risk		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R16	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	12		
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R16 a	<i>Business Continuity Plans in place across the Council</i>	Operational Director (Highways and Transportation)	Annually	3	1	3
R16 b	<i>Major Emergency Plan in place and tested</i>					
R16 c	<i>Specialist Emergency Planning team in place</i>					
R16 d	<i>Regular training for key personnel</i>					
R16 e	<i>Joint exercises with other key partners</i>					
R16 f	<i>Severe Weather and Flood Response Plans in place.</i>					

Progress update

Business Continuity

The authority schedules an annual Corporate Business Continuity Management review every November (Quarter:2). The authority's Business Continuity Plans are available via a central Emergency Planning portal where documents can be updated by services as appropriate. There are 3 levels of resilience planning in relation to Business Continuity Management. All service areas have their own individual Business Continuity Plans, which highlights their Priority 1, 2 and 3 services. The Priority 1 and 2 services are captured with the second layer of resilience planning and detailed within the Overarching Directorate Plan for both Enterprise, Community & Resources Directorate and People Directorate. Next step for all Priority 1 and 2 services from the Directorate Plans are captured within the HBC Corporate Business Continuity Plan. The aim is for the whole Business Continuity process to be completed and agreed at Management Team by Quarter:4. This plan is aimed to be validated every 18 months as part of the Emergency Planning Work Programme, usually Quarter: 1.

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Major Emergency Plan in place and tested

The HBC Major Emergency Plan is the overarching plan for the response to Major Incidents / Major Incidents within the borough. This plan is the underpinning document which supports specific emergency response plans for the authority, for instance, severe weather, COMAH. This document is activated and used when responding to Major Incidents / Major Incident Standbys within the Borough. The principles of the plan have been used when responding to recent incidents, such as Golden Triangle Fire (Major Incident) during Quarter 1, and a large commercial fire at Tanhouse Lane, Widnes (Major Incident Standby) during Quarter 2. This plan is also activated and tested at Emergency planning events and exercises. This document is updated on an annual basis, usually at mid-year. This document can be accessed via the HBC internal and external websites.

Specialist Emergency Planning team in place

There is an Emergency Planning Team on duty to provide for the response to Major Incidents / Major Incident Standby's which may occur within the Borough. This team is in place for response to incidents, both in and out of office hours. The overarching Emergency Response rota for the authority, has 1 Chief Officer/ Strategic Officer on call, a First Responder and an Emergency Planning Officer. To support this response rota, there is a Communications & Marketing officer for Public Relations response and reassurance to the community available. In the event there is displaced people affected by an emergency within the borough and a place of safety is required, a Rest Centre Manager rota is also agreed on a monthly basis. The authority also has a list of admin support officers who have agreed to be called to support the administration within the Local Authority Emergency Centre, in an emergency situation.

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Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R17	Failure to maintain and make available the Councils highway network could lead to adverse consequences for road users and others. <i>(Strategic Priority: Safer Halton / Halton's Urban Renewal)</i>		3	4	12		
Risk control measure(s)			Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
<i>R17 a</i>	<i>Delivery of prioritised maintenance programme</i>		Operational Director (Highways and Transportatio n)	Annually	2	3	6
<i>R17 b</i>	<i>Timely and effective use of Variable Message Signs</i>						
<i>R17 c</i>	<i>Coordination of works to minimise impact.</i>						

Progress update

Halton's Highway Safety Inspection Policy Framework is in place, this is in conjunction with the Highways Asset Management Plan.

The availability of revenue budget remains problematic due to the ongoing fiscal pressures being experienced across all service areas of the Council which will inevitably have an impact upon what can be delivered. As a consequence revenue funding continues to be used in a targeted way paying particular attention to the ongoing safety of the highways infrastructure.

Variable Message Signs continue to be used regularly to help manage the flow of traffic and minimise disruption on the road network as a result of maintenance and urgent works, events and other incidents.

Highway works are managed through permits to help coordinate maintenance to highways including works by utility providers. This alleviates the congestion and disruption that can occur when such works are necessary and allows a greater degree of planned co-ordination of the wider highway network and use of alternative routes etc.

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Business Area – Economy, Enterprise and Property

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R21	Economic Climate resulting in demand for employment support activities outstripping supply of projects		4	4	16		
ECR R22	Reductions in real term of Education and Skills Funding Agency adult learning budgets resulting in less people learning at pre level 2		4	4	16		
ECR R25	Backlog of maintenance on buildings may increase as funding reduces due to financial pressures		4	4	16		
Risk control measure(s)			Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R21 a	<i>Via the Employment Learning & Skills Partnership through the enhanced partnership model, undertake a mapping of partners' roles and responsibilities and agree key priorities</i>		Operational Director	Annually	3	3	9
R22 a	<i>Work closely with partners to promote a cross-sector approach to addressing issues e.g. Halton Employment Partnership.</i>				2	2	4

Progress update

ECR21 – The Council's has worked with the Combined Authority to identify and access a number of funding streams to respond to demands on the service. These include an allocation from the Adult Education Budget, the Strategic Investment Fund and also the European Social Fund.

ECR22 Resources in marketing, promoting and attracting enrolments have been used to improve the unit cost of delivering the service. The department has also worked to access other funding sources to complement funding received from the EFSA. In line with the risk control measures, the Halton Employment Partnership takes a proactive approach to encouraging partners/providers to update it on activities and services being delivered so that duplication and overlap of effort can be minimised.

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Business Area –Community and Environment

Assessment of current risk		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R29	Cost of using the stadium to disadvantaged/community groups.	4	3	12		
ECR R30	Lack of knowledge of the benefits of the Halton Leisure card.	4	3	12		
<i>Risk control measure(s)</i>		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
<i>R29 a</i>	<i>Ensure all community user groups are made aware of discounts available.</i>	Operational Director	Quarterly	2	2	4
<i>R30 a</i>	<i>Work closely with Sports Development team to actively promote the HLC to all low income/community user groups.</i>			2	2	4

Progress update

R29a The Stadium is presently producing a leaflet that will highlight the benefits of being a charity or charitable organisation and the discounts available to them, a number of groups presently benefit from these rates.

R30a Work is ongoing with the appropriate people to make them aware of our Leisure Card, and it is publicised in all our Leisure Buildings.

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Business Area –Community and Environment

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R31	Financial pressures on the service to increase rate of return.		4	3	12		
ECR R33	The cost of a school lunch to low income families.		4	3	12		
<i>Risk control measure(s)</i>			Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
<i>R31 a</i>	<i>Look to source additional funding. Produce a healthy eating policy and have it formally adopted by the Council.</i>		Operational Director	Quarterly	3	2	6
<i>R33 a</i>					<i>Look to seek external/internal funding to help reduce the burden of cost.</i>		3

Progress update

The Government is presently funding KS1 Free School Meals. When a child moves up to KS2 the Universal Credit application has been short circuited, which allows them to have a free meal without waiting the normal 6 weeks.

The Service is guided by the National Nutritional Guidelines and all our menus, including Secondary Schools are governed by them.

A fundamental review has taken place that has seen the introduction of every child in Secondary School receiving a free re-usable water bottle that has gone well..

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Business Area –Community and Environment

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)		
ECR R35	Unwillingness of public to participate in Council recycling services or comply with Council policies will result in increased costs being incurred.		4	3	12		
Risk control measure(s)			Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R35 a	<i>Produce a Waste Prevention Plan to set out initiatives to help reduce the amount of waste produced in Halton.</i>		Operational Director	Quarterly	4	2	8
R36 b	<i>Ensure sufficient resources are in place to deliver comprehensive community engagement, education and promotional campaigns</i>						
R37 c	<i>Work closely with officers from other Council Departments, external organisations and community groups to deliver projects to encourage residents to participate in Council waste recycling and waste reduction schemes and initiatives.</i>						
R37 d	<i>Consideration of policies and initiatives to incentivise and encourage residents to participate in Council recycling services and initiatives.</i>						

Progress update

The increasing cost of dealing with residual waste means that reducing the amount of waste generated in Halton and recycling as much of what is produced as possible remains a key focus. The Council employs two Community Engagement Officers who are actively involved in activities and delivering initiatives to promote waste prevention and encouraging residents to make full use of the recycling services and facilities provided by the Council. The Council is now signed up to the Liverpool City Region-wide 'Recycle Right' Campaign, which is aimed at removing any confusion over what residents can recycle and is intended to help improve the quality and level of recycling materials collected. As well as working in partnership with other regional local authorities on encouraging improved participation in recycling services, Officers work very closely with Housing Associations and community groups on numerous waste and recycling initiatives.

The review of existing waste and recycling policies, together with consideration of introducing new ones, remains on-going.