

Implementation of High Risk Mitigation Measures (Enterprise, Community and Resources) – Quarter 2 to 30th September 2016

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)		
PR R2	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	12		
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	4
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>						

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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 25th November 2015 and will be reported to the Executive Board on 10th 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 14th October 2015. Given the scale of the challenge facing the Council, a second set of saving proposals will be considered by Council on 9th December 2015. A third set of proposals to deliver a balanced budget will then be considered by Council on 2nd 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 19th November 2015 for approval by Council on 9th 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

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Assessment of current risk - (Financial Management cont'd)		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
PR R5	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	12		
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	4
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.

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Business Area – ICT Services

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)	
PR 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>		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.

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Business Area – Legal & Democratic Services

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)	
PR 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
R8 a	Standard Report formats	Mark Reaney Operational Director (Legal & Democratic Services)	Annually	4	1	4
R8 b	Adoption of a written Constitution reviewed annually					
R8 c	Implementation of statutory access to information requirements					
R8 d	Implementation of Overview and Scrutiny arrangements					

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.

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Business Area – Policy Planning and Transportation

Assessment of current risk – (Emergency Planning)		Impact (Severity)	Likelihood (Probability)	Score (I x L)		
PR R14	Lack of resilience in the event of a major disaster results in loss of services in the Borough. <i>(Strategic Priority: Safer Halton)</i>	4	3	12		
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
<i>R14 a</i>	<i>Business Continuity Plans in place across the Council</i>	Mick Noone Operational Director (Policy, Planning & Transportation)	Annually	3	1	3
<i>R14 b</i>	<i>Major Emergency Plan in place and tested</i>					
<i>R14 c</i>	<i>Specialist Emergency Planning team in place</i>					
<i>R14 d</i>	<i>Regular training for key personnel</i>					
<i>R14 e</i>	<i>Joint exercises with other key partners</i>					
<i>R14 f</i>	<i>Severe Weather and Flood Response Plans in place.</i>					

Progress update

Business Continuity Plans are in place and reviewed annually. The plans, together with the Major Emergency Plan, are tested regularly.

The Emergency Planning team is fully staffed and carries out training of key personnel and COMAH exercises are carried out with key partners. However it should be noted that whilst staffing levels within the team have remained static the number of sites has increased from 3 to 8 during the last 2 years. As such should this increase in the number of sites continue, as seems likely, arrangements may need to be reviewed in order that the Council can continue to meet its Emergency Planning responsibilities.

The ongoing streamlining of staffing structures may place increasing pressure upon the smaller number of Senior Officers available to act as Key Responders and this situation will be closely monitored as we move forward in order that an appropriate and sustainable portfolio of Officers can be maintained.

Severe Weather and Flood Response Plans are in place and reviewed annually.

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Assessment of current risk – (Transport) ¹			Impact (Severity)	Likelihood (Probability)	Score (I x L)	
PR R16	Failure to maintain and make available the Councils highway network could lead to adverse consequences for road users and others. (Strategic Priority: Safer Halton / Halton's Urban Renewal)		3	4	12	
Risk control measure(s)		Lead Officer	Timescale Review	Residual Impact	Residual Likelihood	Residual Score
R16 a	Delivery of prioritised maintenance programme	Mick Noone Operational Director (Policy, Planning & Transportation)	Annually	2	6	6
R16 b	Availability of capital and revenue funding					
R16 c	Timely and effective use of Variable Message Signs					
R16 d	Coordination of works to minimise impact.					

Progress update

This year's prioritised maintenance programme remains on track to be delivered as planned. To date carriageway schemes have been completed as scheduled with additional footway and footpath works due for completion in February 2016. Next year's work is presently at an advanced stage of programming and whilst Silver Jubilee Bridge programmed maintenance works are currently on track this can be affected by poor weather conditions.

Integrated Transport Budget (capital) funding is available for a range of highway infrastructure improvements and is being targeted at schemes to improve network capacity, safety and sustainable transport initiatives. Works continue to be planned to minimise disruption and to co-ordinate with Mersey Gateway traffic restrictions across the Borough.

We are currently in the process of re-writing our Highway Asset Management Plan (HAMP) with the aim to bring it in line with Highway Maintenance Efficiency Programme (HMEP) recommendations. The DfT and Ministers are currently indicating that LA's who's HAMP does not adhere to this guidance are likely to see their funding cut in the future starting in 2015/16, however as yet this has not been confirmed. The guidance includes the recommendation that the Council buy into and sign up to HMEP principles.

The HAMP is a living document so it is not necessary or expected that all local authorities have them 100% complete by March. However, the Council will need to demonstrate positive intent and progress and a future aim to achieve the recommendations.

¹ NB – Risks associated with the Mersey Gateway Project are monitored through the Corporate Risk Register

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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 Signage continues to be used across the borough to provide highway and other information in order to assist in the free flow of traffic and provide general road safety information.. Work is now being undertaken to assess the provision of an integrated VMS approach across the Liverpool City Region.

The coordination of works continues to be managed effectively through quarterly meetings with utility providers and weekly progress meetings with Merseylink.. These regular exchanges of information are a valuable means by which the potential negative impact of works can be considered and, as far as possible, minimised.

Business Area – Community and Environment

Assessment of current risk			Impact (Severity)	Likelihood (Probability)	Score (I x L)	
1	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
1a	Produce a Waste Prevention Plan to set out initiatives to help reduce the amount of waste produced in Halton.	Jimmy Unsworth /	Quarterly	4	2	8
1b	Ensure sufficient resources are in place to deliver comprehensive community engagement, education and promotional campaigns					
1c	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.					
1d	Consideration of policies and initiatives to incentivise and encourage residents to participate in Council recycling services and initiatives.					

Progress update

The current Waste Prevention Plan is being reviewed and updated to ensure that it remains fit for purpose. The Plan indicates the actions that the Council will take with regard to reducing the amount of waste produced by households and sets out specific waste prevention, reduction and re-use initiatives.

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It also highlights the need for effective communications and awareness raising to encourage behaviour change.

Following a staffing restructure, an additional Community Engagement Officer was appointed in April 2016 to help support the Council Council's educational, promotional and awareness raising initiatives, and to increase the Council's capacity for directly engaging with householders, schools, local community groups and partner organisations.

The Council's Household Waste and Recycling Collection Policy was updated in February 2015. The Policy sets out the Council's approach to reducing waste levels in Halton and the services it will provide to encourage waste minimisation and increased recycling. Key to achieving this is a restriction on the amount of residual waste that the Council will collect from each household.