

BABERGH DISTRICT COUNCIL

FROM: Director of Finance

REPORT NUMBER: **K216**

TO: OVERVIEW AND SCRUTINY
(STEWARDSHIP) COMMITTEE

DATE OF MEETING: 22 March 2011

SIGNIFICANT BUSINESS RISKS – QUARTERLY MONITORING REPORT

1. PURPOSE OF REPORT

- 1.1 To provide Members with a progress update on the management of the significant business risks facing the Council.

2. RECOMMENDATIONS

- 2.1 That the Committee approves the revised Management Action Plans set out in Appendix A.
- 2.2 That the Council's Significant Business Risk Register is updated accordingly.
- 2.3 That the Overview and Scrutiny (Stewardship) Committee continues to monitor the management of these risks as part of the Performance Management Framework.

he Committee is able to resolve these matters.

3. FINANCIAL IMPLICATIONS

- 3.1 None directly. Officers will take actions within existing budgets and resources.

4. RISK MANAGEMENT

- 4.1 This report is most closely linked with the Council's Significant Business Risk No. 6, Performance & Cost Management. Key risks are set out below:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
If robust risk management is not in place, this could affect the achievement of the Council's strategic aims and priorities, key projects, the delivery of services and its reputation.	Low	Critical	Risk Management Strategy in place. Further actions continue to be taken as part of the Management Action Plans. Risks are continually managed and re-assessed.
Consideration not given to changes to the latest risks and opportunities facing the Council.	Low	Critical	Risk refreshes are regularly undertaken and reported to Members.

5. **EQUALITY AND DIVERSITY IMPACT**

5.1 There are no equality and diversity implications arising from this report but these will be considered as part of the risk management arrangements and reported on as necessary.

6. **KEY INFORMATION**

6.1 As a Council we continually look to develop and improve our processes and procedures to make them more effective and efficient. Risk Management is no different.

6.2 The revised reporting arrangements for this quarter look to provide the following:

- Challenge the rationale behind the trigger/risk;
- Make the scrutiny arrangements more simple and robust; and
- Highlight residual risk (i.e. the risk(s) remaining after controls/actions have been put in place to mitigate that risk).

6.3 This is achieved by reference to the Council's key documents (e.g. the BMI Risk Register and the last quarterly Performance and Cost reported to this Committee in November 2010) and Lead Officers having the opportunity to review, discuss and challenge the contents of each trigger/risk, residual scores and future actions and identify any issues that need to be added, changed or taken off.

6.4 Members will immediately see that the Management Action Plans (MAPs), as reported in Appendix A, now have four headings compared to six previously. In essence, we are taking the identified trigger/risk and building the existing and further mitigating actions proposed/needed around these. This will also include a residual risk score of High, Medium or Low.

6.5 The risk ratings, as reported to this Committee on 16th November 2010, remain the same.

6.6 The Committee is asked to scrutinise the MAPs in terms of the actions taken and progress on managing each risk, as set out in Appendix A.

6.7 Key issues and actions worthy of specific mention include:

Risk	Key Messages/Issues
Risk 1 – Political and Managerial Leadership	<ul style="list-style-type: none">• Real tangible change is now affecting individual staff underlining the need to ensure all staff are as well briefed as possible.• There is a recognised need to strengthen joint political leadership arrangements so that all Members feel engaged and any differences of view are highlighted and resolved as early as possible.

Risk	Key Messages/Issues
Risk 2 – Efficiencies and Savings (Rolling 2 Year Time Frame)	<ul style="list-style-type: none"> • The Government Spending Review is even tougher than predicted. • Savings, efficiencies and additional income of £1.7m for 2011/12 have been identified and reported to committee. However, these will still have to be delivered. • The ability to achieve the Council’s strategic direction and priorities will be tested as further savings are required over the subsequent years. • Work on plans to integrate staff and services with Mid Suffolk continue. • A radical review of service delivery will be required to achieve future savings and efficiencies.
Risk 3a – Shared Services – Integration and Merger with Mid Suffolk	<ul style="list-style-type: none"> • Project risks with risk rating and mitigation measures have been captured within the BMI Implementation Plan and Risk Register. • Monitoring of these risks is the responsibility of the Joint BDC/MSDC Scrutiny Committee.
Risk 3b – Other Shared Services	<ul style="list-style-type: none"> • Political and managerial networks in place to identify opportunities. E.g. SCEG, Leaders, LSPs. • For 2012/13 the S&FP Task Group will consider any further opportunities on the basis that in all cases a joint approach with MSDC would be the preferred way forward.
Risk 4 - Capacity	<ul style="list-style-type: none"> • The Organisational Development Plan needs to be reviewed with an emphasis on workforce planning, to reflect the work being carried out with MSDC, and the need for further resilience in light of the current economic climate. • A new Corporate and Training & Development Plan will need to be produced for 2011/12 based around integration/merger needs. • The need for change continues to be promoted through joint publications, Member and staff seminars/briefings.
Risk 5 - Partnerships	<ul style="list-style-type: none"> • Key partnerships to review their future role and responsibilities in May/July 2011 with results to be reported to Strategy Committee on 22 September 2011.

Risk	Key Messages/Issues
Risk 6 – Performance and Cost Management	<ul style="list-style-type: none"> • Performance targets may suffer from 2011/12 onwards as pressure to reduce resources increase. • Continued close scrutiny of target variances to be performed. • Continued review of budgetary and cost management arrangements to identify areas within Babergh for cost reduction and as part of the integration work with Mid Suffolk.
Risk 7 – Localism and Community Engagement	<ul style="list-style-type: none"> • Propose management and monitoring of this risk is amalgamated with management and monitoring of Risk 3a – Shared Services – Integration with Mid Suffolk DC. • Continued use of publications and other communication means to ensure that Members, staff and all outside stakeholders understand the Council’s capacity issues, particularly around the Localism Bill and associated initiatives such as the ‘Big Society’.

6.8 It is recognised that the delivery of the MAPs will be challenging. My responsibility, as Risk Manager, will be to ensure that satisfactory progress is made against each risk and reported back to this Committee.

7. **APPENDICES**

Appendix A – Monitoring Significant Business Risks - Management Action Plans

8. **BACKGROUND PAPERS REFERRED TO:**

Significant Business Risk Register

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Monitoring Significant Business Risks – Management Action Plans**Risk 1 – Political and Managerial Leadership Risk Rating B1 – Likelihood High; Impact Catastrophic**

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
<p>Failure to understand key issues facing the Council</p>	<p>Regular meetings between Political Leaders' Group and Management Team</p> <p>Members kept fully informed of key issues facing the Council e.g. through Group meetings linked to PLG meetings; bulletins on BEN and programmed Members' seminars</p> <p>Staff kept fully informed of key issues facing the Council e.g. through fortnightly bulletins on BEN; MT meetings with all staff; Manager and Team Leader Forum meetings and divisional team meetings and briefings</p>	<p>On-going approximately every 6 weeks</p> <p>On-going Political Group meetings with feedback to and from PLG; fortnightly bulletins on BEN and quarterly Members' seminars, including jointly with MSDC Members</p> <p>On-going fortnightly briefings and staff meetings</p>	<p>Residual Risk – Low for 2011/12</p> <p>Risks could increase as new relationships need time to develop e.g. appointment of new Chief Executive and shared Management Team as well as possible Member changes following District Elections</p> <p>Residual Risk – Medium for 2011/12</p> <p>Need to ensure more consistent engagement of all Members. This could be underlined in the induction programme for new Members after the May elections, and through Political Group meetings thereafter</p> <p>Residual Risk – Medium for 2011/12</p> <p>Real, tangible change is now affecting individual staff, underlining the need to ensure that staff are as well briefed as possible on the reasons for these changes. Risks could increase further</p>

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
<p>Failure to provide clarity of purpose and strategic direction in response to key issues</p>	<p>Council Priorities/Partnerships</p> <p>Structured reviews of Council's key priorities through SFP Group/Strategy Committee and scrutiny through the O&S Committees</p> <p>Member and Officer participation in key partnerships to ensure delivery of Babergh's strategic priorities</p> <p>Efficiencies and Savings</p> <p>SFP Member and Officer Group set up to make recommendations to Strategy Committee/Council, with scrutiny by the two O&S Committees built into the process</p>	<p>Priorities are clearly set out in the Strategic Plan 2008 – 18.</p> <p>As part of the detailed business case for integration with Mid Suffolk/creation of a new Council, a mapping exercise of the strategic priorities of both Councils has been undertaken. This confirms a good level of synergy and will enable the two Councils to agree a shared set of priorities for the future</p> <p>Well established Member monitoring and review arrangements in place</p> <p>Well established SFP arrangements in place that have led to finding £1.7m savings and setting of budget for 2011/12</p>	<p>Residual Risk – Low for 2011/12.</p> <p>With on-going pressure to reduce costs and make savings, the risk level will increase to Medium or even High for 2012/13 onwards unless the two Councils can agree a shared savings plan through integration to support an agreed set of affordable priorities</p> <p>See Risk 3a</p> <p>Residual Risk – Low for 2011/12</p> <p>See Risk 5</p> <p>Residual Risk – Low for 2011/12</p> <p>Risks may increase if BDC and MSDC do not achieve strong shared political leadership of the savings and integration agenda following the May elections</p> <p>See Risks 2 and 3a</p>

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
	<p>Shared Services:</p> <p>1. Integration with Mid Suffolk</p> <ul style="list-style-type: none"> ▪ Joint Member Implementation Board (JMIB) and Joint Officer Board (JOB) set up to take common recommendations to both Councils and to oversee the implementation of agreed actions <p>2. Other Shared Services</p> <p>Chairman of Strategy Committee, Chief Executive and Management Team engaged in county-wide networks to identify opportunities e.g. Suffolk Leaders Group; Directors' Group</p>	<p>JMIB and JOB are meeting regularly to oversee delivery of the Implementation Plan for staff integration and to make recommendations to both Councils in relation to the possible creation of a new Council, including the conduct of a local poll after the District elections in May</p> <p>Notes of JMIB meetings circulated to all Members and Management Teams of both Councils for information</p> <p>Not all JMIB recommendations have been adopted by both Councils, leading to the need to revisit some issues</p> <p>Well established county-wide networking arrangements in place and specific opportunities being developed</p>	<p>Residual Risk – High for 2011/12</p> <p>Insufficient political support to see these plans through is a key risk</p> <p>Need to consider how to strengthen joint political leadership arrangements so that all Members feel engaged and any differences of view are highlighted and resolved as early as possible</p> <p>The need to reinforce the engagement of all Members will be essential after the May elections – particularly in the event of proceeding to request a review by the Local Government Boundary Commission for England (LGBCE) following a positive vote in the local poll</p> <p>See Risk 3a</p> <p>Residual Risk – Low for 2011/12</p> <p>See Risk 3b</p>

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
	<p>Managed transition to single Officer structure for Babergh and Mid Suffolk</p> <p>Performance Management</p> <p>Adoption of performance management scheme with personal targets for all staff</p> <p>Scrutiny of performance against key PIs by the O&S Committees</p> <p>Cost Management</p> <p>Adoption by Members of Medium Term Action Plans; Annual Delivery Plans and Service Standards to underpin delivery of outcomes in the Strategic Plan</p>	<p>The recruitment process for the position of shared Chief Executive is underway, with the postholder expected to be in place by June 2011</p> <p>Recruitment to positions in the shared Management Team should take place by late summer/early autumn 2011</p> <p>Proposals for staff and service integration will have been developed by June 2011. Staff integration will then be achieved in a managed programme of change</p> <p>Although the Annual PRP bonus has been voluntarily suspended as part of the staff contribution to financial savings for 2010/11 and 2011/12, a comprehensive performance management and target setting scheme for staff remains in place</p> <p>On-going programmed arrangements</p> <p>Well established arrangements in place through SFP Group for Member engagement in development of these plans and overall control of costs</p>	<p>Residual Risk – Low for 2011/12</p> <p>Risks could increase if proposals for integration are either not forthcoming or meet resistance from Members, Unison or Officers</p> <p>The process of change will be underpinned by a programme of individual support and development for all staff (see above)</p> <p>Residual Risk – Low for 2011/12</p> <p>Risks to the achievement of current targets could increase with on-going pressure on reducing resources</p> <p>See Risk 6</p> <p>Residual Risk – Low for 2011/12</p> <p>Residual Risk – Low for 2011/12</p> <p>Risks could increase as the pressure to reduce costs is maintained</p>

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
	Scrutiny of performance against commitments in these plans by the O&S Committees	Robust arrangements remain in place for scrutiny by O&S Members	Residual Risk – Low for 2011/12 These plans will need to be kept under review jointly with MSDC Members See Risk 6
Failure to engage with communities and provide community leadership at district and/or local level	JMIB overseeing the work of the BDC/MSDC Locality workstream to develop an agreed approach to Member and Officer engagement at ward level	Outline approach to developing locality proposals agreed by both Councils	Residual Risk – Low for 2011/12 Risks could increase as work progresses, particularly if Members and other key stakeholders do not feel engaged in the review process, or new arrangements cannot be mutually agreed See Risk 7

Risk 2 - Efficiencies and Savings (Rolling 2 Year Time Frame)

Risk Rating B1 – Likelihood High; Impact Catastrophic

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
The Government's Spending Review is even tougher than predicted, resulting in further savings being needed.	The annual SFP and budget setting process identifies the savings and efficiencies that are likely to be needed (in 2011/12) and those that should be made.	Work complete and £1.7m savings, efficiencies and additional income for next year reported to Strategy Committee and Council in February 2011 as part of the 2011/12 Budget approval.	Residual Risk - Low for 2011/12. However, the savings and efficiencies will still have to be delivered and the O&S (Stewardship) Committee will monitor and review the position throughout the year.

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
	<p>Medium Term Financial Strategy (MTFS) reviewed and updated annually, which quantifies the level of savings and efficiencies required over the subsequent 3 years (2012/13 to 2014/15). Mechanisms exist to deliver these through the Corporate Work Programme with Senior Management fully engaged and ensure staff involved in identifying and delivering the required savings.</p>	<p>Initial assessment undertaken by officers that savings of up to £1.4m could be needed for 2012/13 and beyond. Further work and consideration at officer and Member level to be undertaken.</p>	<p>Residual Risk - High for 2012/13.</p> <p>MTFS to be completed with clear plans and consideration of strategic direction and priorities by Members, jointly with Mid Suffolk in first half of 2011.</p> <p>Further work on the specific savings areas to be taken forward by officers, JMIB and the SFP Task Group.</p> <p>Additional savings will have to be found and current/new partnerships developed to achieve this along with more radical approaches to reducing costs and new ways of service delivery.</p>
<p>Efficiency and other savings or additional income not identified / achieved.</p>	<p>Deliver efficiency savings through specific plans and projects and the Strategic Procurement Framework (2008 – 2011)</p>	<p>Work on plans to integrate staff and services with Mid Suffolk progressing. The Shared Revenues Partnership is on target to commence in April 2011. Specific savings continue to be found through procurement and the £100k target for 2010/11 will be met but these are limited insofar as the General Fund is concerned.</p>	<p>Residual Risk - High for 2012/13.</p> <p>As indicated below, additional savings will have to be found on top of those from integrating with Mid Suffolk and current or new partnerships developed to achieve this along with more radical approaches to reducing costs and new ways of service delivery.</p> <p>The Strategic Procurement Framework needs reviewing for 2011/12 and a new medium term framework for 2012/13 developed to maximise procurement savings.</p>

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
	Reporting on 4% per annum Government efficiency target	National requirement to report abolished but internal monitoring of savings continues	Residual Risk - No longer applicable in terms of national reporting but need to ensure that strong arrangements are in place for officer and Member monitoring of the savings identified for 2011/12.
<p>New ways of working, including decisions on the proposed integration/merger with Mid Suffolk District Council, are not made in a timely manner, including the council tax equalisation plan.</p> <p>Financial milestones are not achieved, leading to savings not being realised.</p>	<p>Plans are being drawn up by officers including the identification and delivery of at least 10% in staff and service integration savings jointly with Mid Suffolk for 2012/13.</p> <p>See Risk 3a also.</p>	<p>A timetable has been established that aims to identify proposals resulting from these integration plans by June 2011. These will then be considered by JMIB, Joint Scrutiny Committee and the Strategy/Executive Committees of both Councils.</p>	<p>Residual Risk - High for 2012/13.</p> <p>The plans on integration with Mid Suffolk that are being drawn still have to be formulated, agreed and then delivered. Very difficult choices and decisions in reducing staffing levels and services will be needed – not just for 2012/13, but beyond.</p> <p>Additional savings will have to be found though and current/new partnerships developed to achieve this along with more radical approaches to reducing costs and new ways of service delivery.</p>

Risk 3a – Shared Services – Integration and Merger with Mid Suffolk DC

Risk Rating B2 – Likelihood High; Impact Critical

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
<p>Integration and merger do not proceed, or proceed at a pace slower than anticipated, resulting in failure to deliver required savings.</p>	<p>Project Risks with risk rating and mitigation measures all in place and recorded on BMI Sharepoint.</p>	<p>To view current Risk Register:</p> <ul style="list-style-type: none"> • BMI Sharepoint • Project Team • Key Actions, Implementation Plan and Risks and Issues Registers • BMI – Risk Reg – Feb 2011. 	<p>Residual Risk – High for 2011/12.</p> <p>Monitoring of this element of BDC Risk Register transferred from O&S(S) to the Joint BDC/ MSDC Scrutiny Committee.</p>

Risk 3b – Shared Services – Other Shared Services

Risk Rating B2 – Likelihood High; Impact Critical

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
<p>Failure to identify opportunities for sharing services with partners other than Mid Suffolk.</p>	<p>Political and managerial networks in place e.g. SCEG, Leaders, LSPs, Town/Parish Council liaison in order to identify any opportunities.</p>	<p>Robust arrangements in place to manage, monitor and develop:</p> <ul style="list-style-type: none"> • Countywide Waste Partnership • Single Revenues Partnership (IBC, MSDC, BDC) <p>Discussions held with local partners re delivery of services:</p> <ul style="list-style-type: none"> • Sudbury TC i.e. Tourism agreement reached. • Parish Councils: Public Toilets negotiations progressing. 	<p>Residual Risks – Low for 2011/12 through service and financial planning process. For 2012/13 the S&FP Task Group will consider any further opportunities for other shared services (i.e. other than MSDC) on the basis that in all cases a joint approach with MSDC would be preferred way forward.</p>

Risk 4 - Capacity

Risk Rating B2 – Likelihood High; Impact Critical

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
<p>Members, managers and staff fail to understand the need for change</p>	<p>A comms plan including a regular newsletter is in place to ensure everyone understands the case for change</p>	<ul style="list-style-type: none"> • The need for change promoted through the fortnightly joint publication. • Joint Members' Seminar held to explain the need for change and how this can be brought about. • Regular meetings held with the Unison Executive and with staff representatives. 	<p>Residual risk – high</p> <ul style="list-style-type: none"> • Continue to promote the need for change. • Further Joint members' Seminars planned. • Lunch-time drop-in sessions to be held for staff to answer questions on the integration / merger project • Meetings with the manager and team leader forums to be held to answer questions on the integration / merger project
<p>Comprehensive, agreed and resourced strategies and plans not in place or not delivered by Members and / or managers</p>	<ul style="list-style-type: none"> • A Members' HR Panel helps develop the necessary strategies and plans to deliver change. • An OD Plan is being delivered against the timescales set. • A Corporate Training & Development Plan is delivering training in an efficient and economic manner. • Individual training and development needs identified through appraisals. • A Members' Information Management Panel helps develop the necessary strategies and plans to deliver ICT and information management systems that improve capacity • ICT and information strategies are in place that endeavour to improve capacity 	<ul style="list-style-type: none"> • The HR Panel has met regularly to consider Organisational Development, HR Policy and issues, shared services, Health and Safety, Fairness and Equal Access, corporate staffing indicators and SJCC matters. • The OD Plan has been regularly monitored with reports on progress to the HR Panel and Management Team. • Foundation change management and 'building resilience' training has been provided to all staff. • Members of the senior management team have undertaken collective and individual training and development to further improve efficiency and effectiveness. 	<p>Residual risk – medium</p> <ul style="list-style-type: none"> • The OD Plan needs to be reviewed with an emphasis on workforce planning, to reflect the work being carried out with MSDC, and the need for further resilience in light of the current economic climate. • The monitoring and management of the OD Plan needs to continue. • Identify and deliver further change management and 'building resilience' training. • A development programme for the new shared Chief Executive and Management Team will be needed to support strong collective managerial leadership of the change programme. This will then need to be extended to other managers/team leaders and to individual staff to support their own development needs

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
		<ul style="list-style-type: none"> • Some middle managers have received training as part of a Suffolk – wide programme so they are able to support their staff through change • The Information Management Panel has met regularly to develop ICT and information strategies and consider plans to deliver these. 	<ul style="list-style-type: none"> • A joint programme of Member development will be needed to support political leadership of the change programme and the changing representational role of Members in their wards • The Corporate Training & Development Plan needs to be jointly developed for 2011/12. • Individual training and development need to be identified through the 2010/11 appraisals. • The monitoring and management of the ICT and information management strategies needs to continue. • A new ICT Strategy needs to be developed with MSDC
<p>Inability to recruit staff, or staff are recruited without all the necessary skills and competencies</p>	<ul style="list-style-type: none"> • A Fairness and Equal Access Action Plan is in place. This should help demonstrate that the Council is a good and equitable employer. • Information from staff turnover and exit interviews analysed to determine why staff leave. • A shared vacancy management protocol with MSDC. 	<ul style="list-style-type: none"> • The Fairness and Equal Access Action Plan has been implemented according to the timescales set out. • Information from staff turnover and exit interviews have been analysed to determine why staff leave. No further action has been necessary • The shared vacancy management protocol with MSDC has been managed and monitored by the Joint Officer Board. 	<p>Residual risk – medium</p> <ul style="list-style-type: none"> • To monitor and use the information from staff turnover and exit interviews. • The Fairness and Equal Access Action Plan needs to be fully reviewed in line with new legislation being introduced from 1 April 2011. • Continue to reinforce the need to use the vacancy management protocol, and manage its use.

Risk 5 – Partnerships Risk Rating C2 – Likelihood Significant; Impact Critical

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
<p>Failure to effectively manage the Council's strategic partnerships and ensure they deliver the Council's priorities.</p>	<p>Appropriate Member and officer participation in key partnerships to ensure delivery of Babergh's strategic priorities.</p>	<p>Annual review of Member representation on Outside Boards. Monitoring of outcomes achieved by key partnerships undertaken by Committee.</p>	<p>Residual Risk – Low for 2011/12. May 2011 Council to review Member representation on Outside Bodies. Key partnerships to review their future role and responsibilities in May/July 2011 with results reported to Strategy Committee on 22 September 2011.</p>

Risk 6 - Performance and Cost Management

Risk Rating C2 – Likelihood Significant; Impact Critical

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
<p>Poor targets set and/or actions/outcomes not achieved</p>	<p>Performance and finance information to Overview and Scrutiny (Stewardship) Committee, following review by Management Team and heads of service. Corrective action undertaken where necessary by divisions and reported to Members.</p>	<p>Quarter 3 report to be considered by O&S (Stewardship) Committee on 22 March 2011 Report presented to O&S (CS) on a key PI variance – returning long term empty properties back into use.</p>	<p>Residual Risk – Low (for 2010/11) but High for 2011/12 onwards due to ongoing pressure of reducing resources. Continued rigorous challenge and action in dealing with identified variances Strategy Cttee will set targets for 2011/12</p>

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
	<p>Medium Term Action Plans (MTAPs) and annual Delivery Plan in place to deliver and demonstrate delivery of outcomes within the strategic plan. Service standards are in place.</p>	<p>Delivery Plan for 2011/12 agreed by Strategy Committee taking into account savings and reduced resources for next year.</p> <p>MTAPs monitored at officer level with key actions reflected in the Delivery Plan.</p> <p>Key service standards identified and monitored through the quarterly performance arrangements.</p>	<p>Residual Risk – Low</p> <p>Delivery plan will continue to be monitored and managed through the quarterly performance management arrangements.</p> <p>Key service standards will be reviewed through the annual targets setting process.</p>
	<p>Although the position on external assessment and inspection by the Audit Commission has changed following the abolition of CAA and the Use of Resources assessment, ongoing work and improvements relating to those elements that are still seen as important is still taking place e.g. value for money, risk management, workforce planning, corporate governance, carbon management plan</p>	<p>Quarterly review of risks continuing.</p> <p>Workforce planning being developed as part of integration plans with Mid Suffolk</p>	<p>Residual Risk - Low</p> <p>Update overall corporate improvement action plan to deal with key areas that are seen as important.</p> <p>Continue to use appropriate data to focus on value for money in identifying future savings and integration plans.</p>

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
Budgets and costs are not actively or systematically managed and reduced and, in the worst case, they increase.	Arrangements in place to secure effective deployment of Council resources e.g. through sound budgetary control, asset management, and programme & project management.		Residual Risk – High Review of arrangements relating to budget and cost management to achieve an increased focus on key areas for cost reduction for Babergh's own activities and as part of integration work with Mid Suffolk.

Risk 7 – Localism and Community Engagement Risk Rating C2 – Likelihood Significant; Impact Critical

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
Failure to engage and understand local needs, together with a failure to build local understanding of the Council's capacity to respond and deliver. Failure to engage with partners in identifying and responding to issues at a local level.	Locality workstream established for BMI Project, with implementation plan and risk register for the overall project.	As per previous column to view current position click BMI Sharepoint: <ul style="list-style-type: none"> • Project Team • Key Actions, Implementation Plan and Risks and Issues Register. 	Residual Risk – Low 2011/12. Propose management and monitoring of this risk is amalgamated with management and monitoring of Risk 3a – Shared Services – Integration with Mid Suffolk DC.
		Babergh Matters used to set out the Council's position on capacity, and to manage customer and stakeholder expectations.	Continue to use publications and other communication means to ensure that stakeholders understand the Council's capacity issues. Develop proposal to set up a citizens' panel.

Trigger/risk: what's the event/what could go horribly wrong?	Existing controls and mechanisms to manage the risk	Current position and specific action on risk taken since last monitoring report	Residual risk status and further action proposed or needed
		Briefings prepared and issued to staff and Members on the Localism Bill and associated initiatives such as Big Society.	Continue to monitor and interpret legislation and guidance on localism and Big Society, and engage with partners such as VCO as appropriate and necessary.

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