

BABERGH DISTRICT COUNCIL

FROM: Director of Finance

REPORT NUMBER: **J92**

TO: OVERVIEW AND SCRUTINY
(STEWARDSHIP) COMMITTEE

DATE OF MEETING: 22 September 2009

RISK MANAGEMENT – QUARTERLY MONITORING REPORT

1. PURPOSE OF REPORT

- 1.1 To provide Members with an update on the management of the significant business risks facing the Council and to update Members on further risk management actions to mitigate against these, including those relating to partnerships.

2. RECOMMENDATIONS

- 2.1 That the latest position on managing each of the Council's Significant Business Risks as set out in the final column of Appendix A be noted.
- 2.2 That, in view of the changed economic and financial position both nationally and at the Council, the risk ratings for risks 2 and 8 be increased as set out in the report.

The Committee is able to resolve these matters.

3. FINANCIAL IMPLICATIONS

- 3.1 None directly. Officers will take actions within existing budgets and resources. Member approval will be sought for any actions that require additional resources.

4. RISK MANAGEMENT

- 4.1 This report is most closely linked with the Council's Significant Business Risk No.7. Financial, Performance and Risk Management. Key risks are set out below:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
If robust risk management arrangements are 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	Further actions continue to be taken as part of the Management Action Plans. Risks continually managed and re-assessed.

5. KEY INFORMATION

Key Messages

- 5.1 The risks facing the Council continue to provide ongoing challenges, some of which have increased in severity in recent months, most notably in relation to the Council's financial position and the scale of savings and efficiencies that will be needed over the next 3 years. This in turn impacts on the need for action on Shared Services.
- 5.2 In addition, the national issues facing the Council in terms of the ongoing economic downturn and risks in relation to swine flu are also impacting on this current review of risks and actions that are needed.
- 5.3 As a result of the above, it is proposed that the following risk ratings are increased to reflect the current position on these challenges:

Risk	Current Rating	Proposed Rating
2 - Shared Services	C3 (Likelihood significant, Impact marginal)	C2 (Likelihood significant, Impact critical)
8 - Savings and Efficiencies	B2 (Likelihood high , Impact critical)	A1 (Likelihood very high , Impact catastrophic).

- 5.4 The above recognises the current position and, specifically, places the savings and efficiencies challenge at the very top of the risk ratings scale – A1 is the highest rating that can be attached to any risk. That, of course, will be affected by actions in the coming months in terms of finding sufficient savings and efficiencies to meet the budget gaps that have been forecast. This sends a clear message to Members and officers.

Detailed Information

- 5.5 The Strategy Committee approved the 10 Significant Business Risks, which will impact on achieving the Council's corporate aims and priorities, in September 2008 (Paper H87). Risk Management action plans have been drawn up by officers in relation to each significant risk and progress made in managing the risks is monitored by this Committee on a quarterly basis. Progress was last reported to this Committee in May 2009 (Paper J22).
- 5.6 The likelihood and impact of the risks (i.e. the risk rating) is also reviewed as part of the quarterly monitoring arrangements in terms of national or local developments, issues and/or events since the risk was previously assessed. The risk rating could also be affected by the extent of actions taken and whether the likelihood or impact of the risks has altered.
- 5.7 Appendix A provides Members with a detailed update on progress in managing each of the Significant Business Risks against the Management Action Plans as reported in May 2009, including the proposed reassessment of a number of the risk ratings. The following sections of the report summarise the key issues on each risk and what action is being taken or is proposed on each of these.

5.8 Risk 1 – Local Government Review – Risk rating maintained at C2 (Likelihood significant, Impact critical).

- The Judicial Review outcome has caused further delay/uncertainty (the hearing for the Boundary Committee appeal has been fixed for the 6th/7th October)
- Members, staff and Unison have been advised via e-mails and briefing sessions
- These sessions covered the LGR position in the context of the wider savings and efficiencies agenda – see also Risk 8
- Constitutional arrangements – see Risk 4 for further details.

5.9 Risk 2 – Shared Services – Risk rating to be amended from C3 to C2 (Likelihood significant, Impact critical).

- Whilst the likelihood remains at significant, the impact has changed from marginal to critical in view of the Council's need to identify and deliver savings and efficiencies – see Risk 8.
- The Savings and Efficiency Plan includes actions to identify savings through working with others – see also Risk 8.

5.10 Risk 3 – Partnerships - Risk rating maintained at C2 (Likelihood significant, Impact critical).

- The action proposed under "Further Progress" seeks to strengthen our approach to Partnerships. The proposed strategy will ensure that there is a single reference document that will make our approach to partnerships and their effectiveness clearer and set out how this will be achieved
- The proposed toolkit to improve Governance Arrangements is based on some recent work by the Audit Commission. It will be important that the toolkit is used in a way that is effective, adding value to the partnership and meeting the Audit Commission's, Use of Resources assessment criteria whilst not becoming a bureaucratic exercise.

5.11 Risk 4 – Political and Managerial Leadership – Risk rating maintained at C2 (Likelihood significant, Impact critical).

- Meetings between the Political Leaders Group (PLG) and Management Team continue, as do the quarterly Members' seminars.
- The PLG and Management Team have had initial discussions on a paper prepared by the Suffolk Chief Executives Group (SCEG) to be considered by Suffolk Leaders and Chief Executives. This included suggested Council groupings for shared services.
- The Council's priorities are currently being reviewed in the context of the Savings and Efficiencies agenda – see Risk 8
- The three-year Medium Term Action Plans are being rolled forward with work underway on a draft one-year action plan for 2010/11. This work will inform the Strategic and Financial Planning process

- A suggested draft programme of work is being prepared by the Council's Solicitor in the event that the LGR is delayed beyond April 2011, which will allow Members to decide whether to implement new constitutional arrangements to take effect from the 2011 District elections.
- 5.12 Risk 5 – Capacity – Risk rating maintained at B2 (Likelihood high, Impact critical).
- The Organisational Development Plan is monitored and reports on progress reported to the HR Panel and Management Team on a twice-yearly basis
 - The Senior Management Team and a number of managers are undertaking leadership development training.
 - With the uncertainty of LGR, greater emphasis is to be placed on workforce planning to ensure the Council has the right workforce to deal with future challenges.
 - A staff training plan, identified from the annual appraisal process, is underway and being delivered.
 - Work this quarter has focussed on diversity and equality.
 - The Fairness and Equal Access Group has received training to enable Group members to take forward and develop key theme areas with the aim of moving the Council to an 'Achieving Level'.
- 5.13 Risk 6 – Culture and Change Management – Risk rating maintained at C2 (Likelihood significant, Impact critical).
- Members and staff have been advised on the scale of savings and efficiencies requirements and their implications – see also Risk 8
 - Managing Change' workshops have taken place to prepare staff for likely changes.
- 5.14 Risk 7 – Financial, Performance and Risk Management – Risk rating maintained at C2 (Likelihood significant, Impact critical).
- The Medium Term Action Plans and the Delivery Plan are being monitored through the Corporate Work Programme
 - A timetable and approach have been drawn up to refresh the plans for 2010/11 onwards
 - The Organisational Assessment, which is part of the Audit Commission's new approach to CAA and comprises a Use of Resources and Performance Management assessment, will inform our Corporate Improvement Plan
 - Members have been presented with the Audit Commission's Direction of Travel Report and the Annual Governance Statement from which action plans are being developed and implemented as part of the Corporate Improvement Plan

- It is recognised that more work is required to embed service standards in all Divisions that will drive performance and improvement, and that they are clearly understood by the public
 - Officers of the Countywide Concessionary Travel Group have raised awareness of the current Judicial Review to be heard in the High Court on 17th November 2009 regarding Concessionary Travel, of which Suffolk and Babergh is an interested party and the potential financial implications depending on the ruling of the Court. If the outcome of the Judicial Review is in favour of the operators, an appeal is likely to the European Court.
- 5.15 Risk 8 – Efficiencies and Savings – Risk rating to be amended from B2 to A1 (Likelihood very high, Impact catastrophic).
- Savings and Efficiencies Plan prepared and action being taken to identify savings in this and future years
 - Risks still exist on achieving 2009/10 target, especially as income levels appear to be below expectations compared to budget
 - Engagement with staff and Unison is taking place to identify and agree savings options. The SFP Task Group will consider these in due course
 - Opportunities to work with others are being actively explored.
- 5.16 Risk 9 – Project and Programme Management - Risk rating maintained at C2 (Likelihood significant, Impact critical).
- The Council now have stronger processes in place reducing the likelihood of poor management or failure to respond to unforeseen events. However, there remains the risk of lack of capital funding and challenge by outside bodies to some of the Council's projects.
- 5.17 Risk 10 – Local Response to National Issues – Risk rating maintained at B2, (Likelihood high, Impact critical). Some of the detailed progress will be reflected in divisional service risk registers e.g. affordable housing
- Whilst the Council have improved their management of this risk, the nature of the risks identified, e.g. flu pandemic, means that the likelihood of an impact on the Council's activities has increased
 - In addition, the list of risks has been added to to reflect the comprehensive nature of what the Council are faced with and the actions they are taking e.g.
 - The Babergh East LSP is making a sum of money available to develop a Credit Union facility for small businesses and advice surgeries for people facing redundancy who are interested in setting up their own businesses
 - Taking positive steps to reduce the Council's and the district's carbon footprint.
- 5.18 Appendix B summarises the existing and proposed risk rating score with likelihood and impact definitions shown.

- 5.19 Subject to factors outside of Babergh's control, e.g. Local Government Review, all of the risks are being adequately managed and satisfactory progress is being made in implementing actions to reduce the likelihood and impact of the risks.
- 5.20 However, it is recognised that continued effort is required in a number of key areas to ensure that the risks are continuously reviewed, monitored and managed. Specific actions to further embed risk management are currently being considered as part of the Use of Resources Assessment feedback and will be included in the Corporate Improvement Plan, which will be monitored by the Overview and Scrutiny (Stewardship) Committee on a quarterly basis.

6. **APPENDICES**

- A Significant Business Risk Management Action Plans - update as at 31st August 2009
- B Risk Rating Matrix

7. **BACKGROUND PAPERS REFERRED TO**

None.

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1. Local Government Review

Risk Rating determined in September 2008 C2.

Risk rating reviewed in September 2009 – maintained as C2

Management Team Lead – Pat Rockall

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be? to whom and why
Local Government structures in Suffolk subject to review by the Boundary Committee, with any changes likely to be implemented in April 2011.	<ul style="list-style-type: none"> • Failure to engage in the review process • Failure to influence the review process. 	<ul style="list-style-type: none"> • Lack of influence on future local government arrangements • Inability to engage with partners in change planning process • Not able to manage transition to new arrangements • Poor morale/motivation amongst staff and Members. • De- stabilising impact on Babergh District Council of 'threat' of externally imposed change • Detrimental impact on service delivery.

Management Action Plan

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Full engagement of elected Members through Members' seminars; Strategy Committee and Full Council	Full understanding by Members of issues and options and reasoned, timely responses to key events	<p>Sign-off of Babergh's consultation response by 26 September 2008</p> <p>Response to Boundary Committee's final recs. Note: Deadline for BC recs changed from 24/12/08 to 13/2/09 and finally to 15/07/09. Further draft proposals issued by BCE on 19/03/09 for comment by 14/05/09 in order for BCE to then meet Sec of State's July deadline.</p> <p>Engagement with shadow and transitional planning arrangements for new unitary council(s)</p>	<p>Extraordinary Council Meeting 23 September 2008</p> <p>March 2009 Quarterly from April 2009</p>	<p>Achieved</p> <p>Outline contents of Babergh's response agreed by Strategy Committee on 07/04/09. Draft response reflecting those recommendations were agreed by Full Council on 21/04/09.</p>	<p>Judicial Review (JR) outcome has caused further delay/uncertainty. Recommendations not made by BCE on 15 July and appeal hearing fixed for 6th/7th October. Updates given to all Members by e-mail as events unfolded, and briefing session on latest position provided at Members' Seminar on 23 July 2009.</p>

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Full engagement of senior staff in Officer Steering Groups set up to develop business cases for unitary options	To input relevant data and content	<p>Submission of workbooks by Boundary Committee deadline of 19 September 2008</p> <p>Comments on independent financial assessments of business cases by deadline of 24 December 2008</p>	<p>19 September 2008</p> <p>24 December 2008</p>	Reflecting the outcome of Judicial Reviews in Norfolk and Devon, the BCE has given further opportunity to comment in the latest consultation round on the affordability assessments for each of the BCE's further draft proposals. This is covered in the draft response agreed by the Full Council on 21/04/09.	See above comments.
Full engagement of PLG Members in all Boards set up to oversee development of business cases for unitary options	To oversee quality and robustness of business cases	Submission of workbooks by Boundary Committee deadline of 19 September 2008	19 September 2008	Achieved	Constitutional arrangements – see also Risk 4.
Structured mechanisms for sharing information with all staff	To ensure that staff area aware of key issues and that there are clear mechanisms for staff to raise issues and concerns	<p>Production of programmed staff bulletins</p> <p>HR meetings with all staff</p> <p>Chief Executive meetings with all staff</p> <p>Divisional staff meetings</p>	<p>Monthly</p> <p>August – September 2008 and as necessary throughout review period</p> <p>October –</p> <p>December 2008 and as necessary throughout the review period</p> <p>On-going</p>	<p>Staff meetings scheduled for Feb-Mar 2009 took place as planned. All staff advised on 19/03/09 of BCE's further draft proposals for Suffolk. LGR bulletin issued following the Full Council's decision on 21/04/09.</p> <p>On-going</p>	<p>All staff kept updated by e-mail as JR events unfolded (see above). The CE and Director of Corporate Services held a meeting with Unison in July and 10 meetings for all staff in August 2009. These meetings covered the LGR position in the context of the wider savings and efficiencies agenda (see Risk 8)</p> <p>Two further meetings are planned for staff who were unable to attend any of the August meetings.</p>

2. Shared Services

Risk Rating - September 2008 C3

Risk Rating reviewed September 2009 – revised to C2

Management Team Lead – Mike Hammond

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
<p>Problem/Challenge; The need to achieve more (in terms of service quality) from less (in terms of funding and staff resources)</p>	<p>Our failure or failure by potential partner councils, to vigorously pursue the opportunities that are available.</p>	<p><u>Up to 2010</u></p> <ul style="list-style-type: none"> • Efficiency target not delivered • Service improvements not achieved.

Management Action Plan

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
<p>Clear political and managerial arrangements in place for key shared services, i.e. waste collection, building control.</p>	<p>Monitoring and review of performance of the service provided</p>	<p>Monitoring by officers and Members of performance against agreed KPIs</p>	<p><u>Officers</u> – ongoing <u>Members</u> – 6 monthly</p>	<p>Detailed Business Case currently being developed for shared joint Building Control Service.</p> <p>Elsewhere no progress as, until LGR decision is known, there is the concern that any work would be abortive.</p>	<p>Discussions ongoing. Linked to revised position on Countywide shared services agenda.</p>

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Review with potential partner councils the opportunities for further shared services once LGR decision is known	To undertake the review once LGR decision known.	Identification of future opportunities for shared services	6 monthly	No further progress until LGR decision known.	Paper prepared by Suffolk CE's for Leaders on approach to shared services in light of LGR and savings and efficiencies position of all Councils in Suffolk. In advance of LGR decision, Babergh's Savings and Efficiency Plan Task 3 "Achieving Savings and Efficiency Gains" commits Directors and HoS, with a critical challenge from the Deputy Chief Executive, to identify service areas with scope for savings through sharing service delivery with others. A Project Implementation Plan is to be developed and implemented.

3. Partnerships

Risk Rating – September 2008

C2

Risk Rating reviewed September 2009 – maintained as C2

Management Team Lead – Mike Hammond

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
<p>Problem/Challenge; Babergh is a small council. If it is to achieve its strategic plan it needs to 'punch above its weight' by:</p> <ul style="list-style-type: none"> • Influencing local/sub regional partners to achieve the strategic plan • Influencing, delivering and engaging with Government agenda/regional agenda. 	<p>Babergh fails to engage or our partners do not value our contribution.</p>	<p>Failure to lever in resources / expertise of our partners for the benefit of our communities.</p>

Management Action Plan

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
<p>Review of key partnerships</p>	<p>Ensure partnerships contribute to Babergh's strategic priorities</p>	<p>Review undertaken</p>	<p>No further action over next year</p>	<p>Performance of major partnerships scrutinised at O&S (CS) March 2009 meeting.</p>	<p>Further review of arrangements to be put in place (see Audit Commission requirements).</p>
<p>Appropriate Member and officer participation in key partnerships to ensure delivery of Babergh's strategic priorities</p>	<p>Formal nomination of Members and officers to key partnerships and effective monitoring arrangements put in place</p>	<p>Active participation by BDC in partnerships in order to achieve Babergh's strategic priorities</p>	<p>Monitoring of outcome of partnerships undertaken on 6 monthly and/or annual cycle</p>	<p>Performance of major partnerships scrutinised at O&S (CS) Committee March 2009 meeting.</p>	<p>Project management processes to be used to ensure the partnerships' capital projects are effectively managed, monitored and delivered, e.g. HGP sponsored Pin Mill, Sudbury Town Centre projects.</p>

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Monitoring of requirements from Audit Commission	Review approach to partnership working to ensure recent guidance from Audit Commission is taken into account	Complete by 31 March 2009	Ongoing	Work undertaken, update reports, taking into account requirements of Audit Commission, on progress of partnerships reported to O&S (CS) March Committee.	<p>Formal BDC Partnership Strategy to be prepared and implemented. The Strategy to consist of two main parts:</p> <ol style="list-style-type: none"> 1. The definition of a partnership, an explanation of why we work in partnership, a list of existing BDC significant partnerships, the key principles of successful partnerships. 2. Partnership governance arrangements (including Risk Management), toolkit to assess whether a partnership should be entered into, toolkit for monitoring and reviewing performance of existing BDC partnerships. <p>O&S (Stewardship) to then monitor implementation of the strategy on 6 monthly basis as part of reports on significant business risks facing the Council.</p>

4. Political and Managerial Leadership

Risk Rating – September 2008

C2

Risk Rating reviewed September 2009 – maintained as C2

Management Team Lead – Pat Rockall

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
<p>There are serious challenges facing the council and the community that require strong political and managerial leadership.</p> <p>The Council is under no overall control and there are stretched managerial leadership resources.</p>	<p>Inability to provide strong leadership during a period of significant change.</p>	<ul style="list-style-type: none"> • Indecision/poor decision making • Mixed /conflicting messages • Lack of influence in external arenas • Change programme poorly managed and led. • Low morale and motivation • Staff unprepared for future change • Reputation of Council compromised • Not seen as a credible player.

Management Action Plan

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Regular meetings between Political Leaders' Group and Management Team	Identification of key strategic issues facing the council	PLG Members can provide informed two-way feedback between PLG/MT and their Groups	Every six weeks	As last reported to O&S (S). Regular meetings between Political Leaders' Group and Management Team are on going.	PLG/MT meetings are on going. In addition, PLG/MT have had initial discussions on a paper prepared by SCEG to be considered by Suffolk Leaders and Chief Executives. This included suggested Council groupings for shared services.
Programmed Members' Seminars	Mechanism for informal dissemination of information to all Members about key issues facing the council	Opportunity for all Members to be well informed and give informal feedback	Quarterly	As last reported to O&S (S). Information is disseminated to all Members about key issues facing the council through Member Seminars.	Quarterly Members' Seminars are continuing as scheduled in the Council's annual programme of meetings.

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Structured reviews of Councils' key priorities	Robust, clear and transparent decision-making processes within a formal, structured framework	Timely decision-making, monitoring and review of key priorities	Quarterly	One Year Delivery Plan for 2009/10 approved by Strategy Committee on 12/02/09 to reflect agreed Council priorities	The Council's priorities are currently being reviewed in the context of the Savings and Efficiencies Plan (see Risk 8). The Three Year Medium Term Action Plans are being rolled forward and work is in progress to draft a One Year Action Plan for 2010/11. This work will inform the SFP process for 2010/11 and be the subject of programmed reports to Members for input and decision.
Council agreement that O&S (Stewardship) Committee will undertake review of constitution if LGR does not take place or is delayed	To immediately review the adequacy of the current streamlined committee arrangements in the event of not being overtaken by new unitary councils from April 2010, or if there is any significant delay to LGR	Timely review of Babergh's constitution in the event of Babergh DC continuing in existence beyond April 2010	In light of LGR announcements	As last reported to O&S (S). Awaiting LGR announcement	The Council's Solicitor is drafting a suggested programme of work to ensure that, if LGR is delayed beyond April 2011 or does not take place, Members will be in a position to decide whether to implement new constitutional arrangements to take effect from the 2011 District elections

5. Capacity

Risk Rating – September 2008

B2

Risk Rating reviewed September 2009 – maintained at B2

Management Team Lead – Andrew Hunkin

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
The Council needs to ensure it has sufficient capacity to: deliver the strategic plan, deliver its planned efficiencies and savings, and deal with the LGR proposals, whilst maintaining and improving services to the public.	<ul style="list-style-type: none">• Increase in staff turnover• Inability to recruit staff, or staff are recruited without all the necessary skills and competencies• Inadequate funding to deliver services and plans• Inadequate technology to deliver services and plans.	<ul style="list-style-type: none">• The Council fails to: deliver the strategic plan, deliver its planned efficiencies and savings, and deal with the LGR proposals, whilst maintaining and improving services to the public.• Customer satisfaction falls• Partner/stakeholder confidence deteriorates• External scrutiny increases and further resources required/diverted.

Management Action Plan

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
<p>An OD Plan is in place and being delivered.</p>	<ul style="list-style-type: none"> • The monitoring and management of the Plan needs to form a more integral part of the SMG agenda. • The Plan needs to be disseminated further throughout the organisation such as the Manager and Team Leaders' Forums. • All parts of the Plan need to be progressed. 	<ul style="list-style-type: none"> • Staff productivity increases as measured through PIs, appraisals and the VFM element of the UoR assessment (strong link to the Performance Management Risk). • The Plans are implemented as timetabled. • Staff feel the Plans are fulfilling their needs and preparing them for LGR link to staff surveys and appraisals). • Staff in appropriate areas and functions have transferable skills (link to flexible working). 	<ul style="list-style-type: none"> • Quarterly as set out in the performance management and Overview and Scrutiny timetables. • As set out in the OD Plan. • The OD Plan forms part of the SMG work programme. • As set out in the Corporate Training and Development Plan. 	<ul style="list-style-type: none"> • A progress report on the actions carried out under the OD Plan was presented to senior management and the HR Panel in March. • Various initiatives have been put in place to deliver the agreed senior management training and development. 	<ul style="list-style-type: none"> • The OD Plan has been further disseminated throughout the organisation through Team Leader and Manager Forum meetings and through staff briefings • The plan is monitored with reports on progress programmed in to HR Panel and Management Team on a twice – yearly basis. • The Senior Manager Team have undertaken leadership workshops and are attending external Leadership development training. • The OD Plan was reviewed in 2008 to cover the period leading up to 2010 and the introductions of the LGR recommendations. With LGR now not happening until 2011 at the earliest, or perhaps not happening at all, there is a need to review the Plan. Especially important will be the need to put more emphasis on workforce planning to ensure the council has the right workforce to deal with future challenges.

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
<p>A Corporate training & Development Plan is in place and being delivered.</p> <p>Individual training and development needs identified through appraisals and delivered.</p>	<p>The Plan is delivered. The Plan needs to have a higher profile.</p> <p>Individual training and development needs are met</p>	<ul style="list-style-type: none"> • Staff productivity increases as measured through PIs, appraisals and the VFM element of the UoR assessment (strong link to the Performance Management Risk). • Percentage of individual staff training and development needs identified, agreed and met. • Staff in appropriate areas and functions have transferable skills. 	<ul style="list-style-type: none"> • Quarterly as set out in the performance management and Overview and Scrutiny timetables. • As set out on individual appraisal forms, and the centralised HR system. 	<p>The corporate and individual training and development plan is on going.</p>	<p>All staff have received an annual appraisal through which development needs are identified and reviewed. The process of building a training plan from these and other identified Corporate Training needs is underway for 2009/10 and delivery has begun. A comprehensive training and development plan covering individual and corporate /strategic development needs was delivered for the past year</p>
<p>Flexible working arrangements are in place.</p>	<p>Need to determine how the flexible working arrangements are benefiting the organisation in achieving its business needs.</p>	<p>Staff productivity increases as measured through PIs, appraisals and the VFM element of the UoR assessment (strong link to the Performance Management Risk).</p>	<p>Quarterly as set out in the performance management and Overview and Scrutiny timetables.</p>	<p>No further progress required at the moment. Any review will be considered against the outcome of the LGR.</p>	<p>Home working and flexible working are monitored and managed to ensure that the arrangements are benefiting the organisation. No formal review is required at this time – especially when LGR could be arriving soon.</p>

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
<p>2006 restructure of the Council streamlined staffing structures and ensured that resources were targeted at emerging pressures. In 2008, the senior management structure was further refined following the resignation of a Corporate Director.</p>	<ul style="list-style-type: none"> • Ongoing review of newly established teams within the divisions, to ensure that they are robust and that performance levels for key services are maintained and/or improved. • Need to protect capacity to respond to new initiatives 	<ul style="list-style-type: none"> • KPIs improved • Upper quartile/customer satisfaction/Positive external assessment scores. 	<p>The senior management structure will be reviewed early 2009.</p>	<p>The senior management structure is being reviewed and work is being carried out to further improve its efficiency and effectiveness.</p>	<p>The current senior management structure remains in place and final discussions are being held to finalise arrangements. Members of the senior management team have undertaken collective and individual training and development to further improve efficiency and effectiveness.</p>
<p>Suffolk-wide HR Officer Group</p>	<p>The solutions and strategies need to be developed, and then adopted and implemented by individual councils and county-wide.</p>	<ul style="list-style-type: none"> • Staff turnover rate (especially those giving LGR as the reason for leaving). • Number of applicants responding to vacancy adverts and the number of posts successfully filled. 	<p>Will need to be reviewed after the Secretary of State's announcement in January.</p>	<p>The Group presented its initial findings to the Suffolk Chief Executives' Group in February and continues to make good progress. These initial findings were also presented to the HR Panel.</p>	<p>The Suffolk HR Group continue to meet on a regular basis and working together have delivered a Suffolk Wide Leadership and management programme which a number of BDC Managers are attending. An overarching Interim People Protocol has been agreed for LGR transition and turnover has continued to be monitored across the County. Policies for moving forward if LGR goes ahead are being developed though on a delayed timetable to reflect the LGR delays</p>

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
HR Panel	This needs to continue.		As set out in the HR panel timetable.	The panel has met its 2008/09 timetable and has formulated a new one for 2009/10.	The Panel continue to meet quarterly and have considered outcomes from an Equal Pay Audit and a Plan for establishment monitoring and control among other items in the 2009/10 year
The Council is seen as a good and equitable employer	<ul style="list-style-type: none"> • Staff surveys need to be carried out on a more regular basis. • Systems need to be strengthened that demonstrate the Council's employer role. • The Diversity and Equality Scheme needs to be fully implemented and promoted. 	<ul style="list-style-type: none"> • Staff surveys • Staff turnover. • Staff Exit Forms 	<ul style="list-style-type: none"> • An initial staff survey should be carried out in 2008/09. • Staff turnover and Exit Forms should be analysed and interpreted on a quarterly basis. • The Diversity and Equality Scheme will be monitored by the Equality Steering Group, linking into the SMG work programme. 	<ul style="list-style-type: none"> • The timing of a staff survey still needs to be set. Consideration needs to be given to the potential impact of LGR on this. • An approach to the new Diversity and Equality Framework has been agreed and is being implemented. 	<p>Staff turnover and exit interviews continue to be analysed and acted upon. However the major activity this quarter has focussed on diversity and equality.</p> <p>The Fairness and Equal Access Group has been reviewed and the new group received training to focus on their new role. An action plan has been developed with theme leaders taking forward each of the key theme areas. The proposed action plan to move the Authority toward Achieving Level will be going forward to Committee in the next month</p>

Conclusion

The actions completed to date, especially the production and implementation of the OD Plan, have helped to maintain the current risk rating during the uncertain environment of LGR. No change to the risk rating is recommended.

6. Culture and Change Management
Risk Rating - September 2008 C2
Management Team Lead – Pat Rockall

Risk Rating reviewed September 2009 – maintained as C2

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
The Council is facing a great deal of externally imposed change.	Members and staff do not see the need for change or are resistant to change.	<p>The Council as a whole does not change and develop to meet new challenges and demands</p> <ul style="list-style-type: none"> • Reputational damage • Inability to maintain good performance levels • Inability to recruit/retain high calibre staff.

Management Action Plan

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Members kept fully informed of key drivers for change	Regular briefings e.g. through informal mechanisms of Members' Seminars	Members are aware of need for change and demonstrate positive attitude to these drivers	Quarterly	As last reported to O&S (S). Achieved through Members' Seminars and on-going	At the Members' Seminar on 23 July 2009, Members were advised on the scale of savings and efficiencies requirements (see Risk 8) and the tough political, cultural and managerial challenges that these requirements would bring – with and without LGR.
Staff kept fully informed of key drivers for change	Regular briefings, e.g. through written briefings and face to face discussions	<p>Staff demonstrate flexibility and willingness to learn new skills</p> <p>Good morale and motivation</p> <p>Good service standards maintained</p>	Monthly	As last reported to O&S (S) - On-going achievement through regular written and face-to-face communications. See also Risk 1 (LGR) update. Staff meetings in Feb-Mar 09 highlighted the key challenges facing the Council, with and without LGR. In particular, these outlined the savings and efficiencies challenges and sought the engagement of staff in meeting these challenges.	The CE and Director of Corporate Services have undertaken a further round of 10 staff meetings in August 2009 to highlight the implications of the savings and efficiencies agenda and to outline the latest LGR position.

<p>Supporting mechanisms in place to help individuals adapt to new demands</p>	<p>Organisational Development Plan</p>	<p>Training and development mechanisms in place to help Officers and Members adapt to changing demands</p>	<p>Six-monthly</p>	<p>As last reported to O&S (S) - On-going. Key elements of OD Plan being delivered to support staff and Members.</p>	<p>The OD Plan has been further developed and key elements delivered e.g. "Managing Change" workshops to assist all staff in their personal preparations for likely change and workshops for managers to develop their skills in supporting and developing their staff.</p> <p>The OD Plan was reviewed in 2008 to cover the period leading up to 2010 and the introductions of the LGR recommendations. With LGR now not happening until 2011 at the earliest, or perhaps not happening at all, there is a need to review the Plan. Especially important will be the need to put more emphasis on workforce planning to ensure the council has the right workforce to deal with future challenges.</p>
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7. Financial, Performance and Risk Management

Risk Rating September 2008

C2

Risk Rating reviewed in September 2009 – maintained as C2

Management Team Lead – Andrew Hunkin & Barry Hunter

Vulnerability: (why, what’s happening, what’s the problem)	Trigger/risk: what’s the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
<p>The Council needs to deliver the strategic plan, deliver its planned efficiencies and savings and deal with the LGR proposals, whilst maintaining and improving services to the public. It will only do so if financial, performance and risk information is managed efficiently and effectively.</p>	<ul style="list-style-type: none"> • Failure to embed risk management, including partnership risks • LGR impacts on capacity and focus on maintaining/improving financial and performance management • Targets set are not achieved • Direction of Travel and relative performance improvement compared to others not maintained. 	<ul style="list-style-type: none"> • The Council fails to deliver the strategic plan, deliver its planned efficiencies and savings and deal with the LGR proposals, whilst maintaining and improving services to the public • Service standards/quality suffers. Customer satisfaction falls • External scrutiny increases and further resources required/diverted - impact on CAA, Direction of Travel and Use of Resources assessments by Audit Commission (embeddedness) • Could affect Corporate Governance arrangements (annual governance statement) • Partnerships don't deliver desired outcomes and partner/stakeholder confidence deteriorates.

Management Action Plan

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress
Performance and finance information to Overview and Scrutiny committees, SMG and Management Team and in circulation in divisions for corrective action.	There needs to be increased attention on dealing with identified variances.	<ul style="list-style-type: none"> • The basket of key PIs. • The identification of variances and action plans put in place to deal with them. 	Quarterly as set out in the performance management and Overview and Scrutiny timetables.	No further progress required. Reporting, particularly around variances and Member consideration of these, is working well.	No further progress required. Reporting, particularly around variances and Member consideration of these, is working well.
Medium term action plans (MTAPs) are being created to deliver and demonstrate delivery of outcomes within the strategic plan.	MTAPs to be completed, implemented and managed.	<ul style="list-style-type: none"> • Percentage of expected outcomes in the Strategic Plan delivered. • Delivery of PIs and LAA targets set out in the MTAPs. 	Quarterly as set out in the performance management and Overview and Scrutiny timetables.	MTAPs have been completed and the Delivery Plan agreed. The management and monitoring of the MTAPs and the Delivery Plan form part of the Corporate Work Programme.	MTAPs and the Delivery Plan are being monitored through the Corporate Work Programme. A timetable and approach has been drawn up to refresh the MTAPs and Delivery Plan for 2010/11 onwards.

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress
Service standards are in place.	Complete the exercise to review and integrate service standards into service delivery.	<ul style="list-style-type: none"> The review of service standards is completed. The management of service standards becomes an integral part of the Performance Management Framework. 	<ul style="list-style-type: none"> The review will be finished by the end of 2008. Service standards performance is reported as part of the final 2008/09 quarterly report. 	The action plan continues to be implemented. The focus is on the generic customer service standards as the timetable was disrupted by a period of absence of a key senior member of staff.	Report on the current position scheduled for O & S (S) Committee on 22/09/09 Earlier period of disruption being recovered but not yet back to original timetable. Service standards published on the website and as a leaflet. Customer Charter standards generally being met across the organisation. More work is required to embed service standards in all Divisions. Some standards will need to be revised or reworded for 2009/10 to give greater clarity to the public and internally to drive performance and improvement.
Process in place through SMG, Management Team and the Overview and Scrutiny committees to help the Council prepare for, participate in and learn from external assessment.	<ul style="list-style-type: none"> MIG needs to develop an overall action plan to deal with external assessment. MIG needs to effectively manage the Use of Resources (UoR), Direction of Travel (DoT) and Annual Governance Statement (AGS) assessments. 	<ul style="list-style-type: none"> Overall action plan in place and delivered that allows external assessment to be dealt with more effectively and efficiently. Less duplication of effort. UoR score maintained. DoT shows an increase in the percentage of PIs improving. Improved AGS report. 	End of 2008. UoR, DoT and AGS results known in March 2009.	MIG is currently developing the Council's self-assessment for the 2008/09 Use of Resources assessment, which will be submitted to the auditors by the end of May 2009. Looking to achieve level 3 'Performing Well'. Direction of Travel report and position on today's agenda. Annual Governance Statement and Improvement actions to be reported to June Committee.	The self-assessment, other evidence and discussions have taken place with the auditors/ inspectors together with a number of case studies. A presentation was given to the inspectors to explain the self-assessment and a number of follow-up meetings held and further evidence submitted. This will form part of the Organisational Assessment that will be given to the Council in October. The Direction of Travel report and the Annual Governance Statement were presented to Members and the action plans are being implemented.

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress
Concessionary fares operator reimbursements – Judicial Review on 17 th June 2009. If Judicial Review ruling in favour of operators reimbursement will double for 2008/09, 09/10 and onwards. Counsel's opinion - positive for local authorities re current calculations and reimbursement.	<ul style="list-style-type: none"> Appointed Queens Counsel to represent all local authorities in the High Court Currently lobbying LGA to raise profile and put pressure on the Department for Transport to ensure clarity of reimbursement guidance in Statutory Instructions. Raised awareness at SLGA on 17th July 2009. All Suffolk local authorities working jointly on instructing legal representation. If negative ruling for local authorities in the High Court, local authorities to appeal through the European Court. 	<ul style="list-style-type: none"> N/A 	See Further Progress	N/A	<ul style="list-style-type: none"> Raise awareness to SLGA Write to LGA lobbying them over the finance issue Ensure all Suffolk authorities write to the LGA Await further legal guidance as case continues, be prepared and react as appropriate. Await Judicial Review outcome on the 17th November 2009

Conclusion

The successful introduction of MTAPs and Service Standards will have an effect on the risk rating. However Service Standards are still being implemented and no change to the risk rating is recommended at this stage.

8. Efficiencies and Savings (2 Year Time Frame)

Risk Rating September 2008 B2

Risk Rating reviewed September 2009 – revised to A1

Management Team Lead – Barry Hunter and Andrew Hunkin

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
<p>The Council needs to save up to £700k per annum on the budget and meet the Government's 3% per annum efficiencies target. HRA savings and efficiencies are also required.</p> <p>(2 year timeframe, assuming unitary authorities are created - 2009/10 and 2010/11 financial years)</p>	<ul style="list-style-type: none"> • Plans for efficiencies over the next two years not agreed/established • Members/staff don't sign up to and/or engage in making decisions around these requirements and/or delivering them. • Insufficient delivery from shared services, procurement, BPR etc. 	<ul style="list-style-type: none"> • Unable/difficult to achieve council tax increases at or below inflation as per existing financial strategy. • Investment in services (including HRA) less than desired/set out in strategic plan and 2-3 year Medium-Term Action Plans. • Failure to meet 'Gershon' targets resulting in poor Direction of Travel/UOR Assessment. • Service quality suffers. Unable to maintain/improve services. • Service cuts possible. • Potentially unrealistic calls on limited resources.

Management Action Plan

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress
<p>The SFP process and budget quantifies and identifies the level of savings and efficiencies required</p>	<p>Considered by Members and officers throughout the SFP process, having regard to the impact of the economic downturn</p>	<p>Requirements clearly reflected in the budget</p>	<p>SFP process from September 2008 to February 2009</p>	<p>Higher level of efficiencies, savings and additional income of over £1m likely to be needed in 2009/10 and 2010/11 as a result of the impact of the economic downturn reducing income received by the Council.</p>	<p>Savings and Efficiencies Plan prepared and action being progressed to identify necessary savings in this and future years. Risk still exists on achieving 2009/10 target, especially as income levels appear to be below expectations. Target for 2010/11 of £1.4m and £3.4m over the next 3 years is extremely challenging</p>
<p>Mechanisms to deliver these through the Corporate Work Programme</p>	<p>Rigorous challenge of expenditure and costs, existing processes, staff vacancies etc. to ensure required level of efficiencies and savings are delivered</p>	<p>Achievement of requirements, including any changes resulting from the impact of the economic downturn</p>	<p>Quarterly</p>	<p>Engagement with staff through CE briefings undertaken and framework, including Member involvement, being developed to identify and deliver the necessary amounts that need to be found. UNISON on board.</p>	<p>Further discussions with staff and Unison to start to identify and agree options. This work will feed into the SFP process for Member decisions between now and early 2009.</p>

Action/control s already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress
Reporting on 3% per annum Government efficiency target	Gathering and recording of proposed and actual efficiency savings (NI 179)	Achieve minimum 3% annual target	October – estimate for the year June – actuals reported	2008/09 actual efficiencies to be reported in June 2009. No material change from Jan 09 position anticipated.	Actual efficiencies of £870k reported for 2008/09 (NI179), which was £74k more than the estimate of £796k for the year. This is well in excess of the 2008/09 target and achieves the 2009/10 target as well. Further efficiencies have been identified this year and these will be reported to the Government and Members in October/November 2009.
Strategic Procurement Framework	Delivery of savings and efficiencies targets through the strategic framework	£50,000 minimum target set for 2008/09 with a 'stretch' target of £100,000	Quarterly by Senior Management Annually/Six-monthly by O&S (Stewardship) Committee	The O&S (Stewardship) Committee received a report in March 2009, which indicated that savings through the Strategic Procurement Framework had exceeded the £50,000 target in 08/09. This target, plus the £100,000 stretch target retained for future years.	£25,000 savings achieved to date this year through use of the 'supply2gov' initiative, Contracts Register now fully updated for access by all relevant staff. Some difficulties are being encountered regarding working with other Suffolk authorities due to uncertainty generated by LGR. There are however emerging opportunities with Mid Suffolk that are being explored.
Delivery of efficiency savings through specific plans and projects	Ensure existing projects such as CAST and LAMP deliver the agreed levels of cashable savings	Cashable savings for each project fully achieved	Specific arrangements for each project	Efficiency savings through specific plans and projects: <ul style="list-style-type: none"> CAST project reported to Council on 21 April. Efficiency savings largely achieved and net ongoing savings of £118,000 per annum reported. A report on the progress of implementing LAMP was presented to the Strategy Committee on 7th May 2009. 	CAST project complete in terms of efficiency savings. LAMP savings reduced due to economic downturn – actual savings will be reported as part of the update in October/November (see above).

9. Project & Programme Management

Risk Rating September 2008

C2

Risk Rating reviewed September 2009 – maintained as C2

Management Team Lead – Mike Hammond

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
The approach of LGR and our new Strategic Plan could affect the timetable for the delivery of several major capital projects and programmes. Are we still able to deliver in terms of capacity and funding?	Decisions made to proceed with 'legacy' projects, which then fail due to unforeseen events or poor management.	<ul style="list-style-type: none"> No legacy left by Babergh Capital funding transferred to a subsequent authority Repercussions on Members and staff.

Management Action Plan

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Review of: <ul style="list-style-type: none"> timing and scope of significant uncommitted projects timing of decisions on future use, ownership and management of Babergh's property assets, i.e. housing stock and car parks undertaken by Strategy Committee on 19 June 2008 	Strategy Committee of 19 June 2008 and of Council (relating to housing stock) on 26 June 2008	Resources allocated. Business case being prepared – to be followed by detailed timetable	Strategy Committee 31 July 2008 (possible) and 18 September 2008	Legacy projects proceeding with progress monitored by Programme Board and Strategy Committee. Further review of projects and capacity and funding due once LGR decision known.	Review of significant uncommitted capital projects, including estimate of timing and extent of capital receipts (to fund capital projects) and estimate of revenue costs of capital projects. Management of BDC car parks, in terms of whether to introduce charges, to be considered as part of Savings and Efficiency Plan. Timing for review of future of housing stock to be decided once LGR decision known.

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in May 09	Further progress and additional actions being undertaken/required
Improve monitoring of significant projects by senior management	Programme Board to report progress on significant projects to Senior Management Team and onto MT on a quarterly basis.	Monitoring and active management (to correct variations) of significant projects by senior management, thereby ensuring the Council's significant projects are managed effectively so there is a higher probability of them being completed according to the terms of reference and timescales.	Quarterly	<ul style="list-style-type: none"> • MT has considered initial report from Project Board - as a result improvements/refinements made to process, particularly on how approval is obtained for establishing a project. Further reports to follow on a quarterly basis. • Notes of Programme Board and status reports on each Project (using traffic light system) can be viewed electronically. 	<p>Programme Board established and operating effectively:</p> <ul style="list-style-type: none"> ▪ Systematic process in place for initiating new projects (PID: Project Initiation Document) ▪ Regular meetings of Programme Board to review progress and report, by exception, to MT. ▪ Programme Board submits systematic, timetabled (as diarised in Corporate Work Programme) status reports to MT and Members (O&S (Stewardship)). ▪ Status reports on each project (using traffic light system) available electronically. ▪ Project management process and supporting documentation developed and available on line.
Through annual appraisal system, monitor training needs of staff including training for project and programme management	Further develop and deliver Project Management training, tailored to BDC needs, for key staff	<p>BDC staff trained as project managers.</p> <p>Project management skills and methodology are universally used across the Council, thereby reducing the risk of project failure.</p>	Annually	<ul style="list-style-type: none"> • Approved OD Plan provides for required training. • Content of training agreed. • Training to commence in June 2009 with nominated officers. 	Officer training underway. Effectiveness of training and need for future training identified through staff appraisal system and Corporate OD Plan

10. Local Response to National Issues
Risk Rating – September 2008 C2
Management Team Lead – Mike Hammond

Risk Rating reviewed September 2009 – maintained as C2

Vulnerability: (why, what's happening, what's the problem)	Trigger/risk: what's the event/what could go horribly wrong?	Consequences: what would occur as a result, how much of a problem would it be, to whom and why?
<p>Recognition that an issue not directly involving the region or district may have an (significant) impact. E.g. Economic downturn, climate change, "Mexican Flu".</p> <p>Ensuring that an effective and influential response/reaction to wider issues results in positive outcomes for district.</p>	<p>Failure to respond to or influence changes or impacts proposed by others.</p>	<ul style="list-style-type: none"> • Babergh does not benefit from financial /economic/social/logistical etc. support from particular agencies arising from issue • Results in dis-benefits or deterioration on Babergh's economy, environment, communities • Migration of population, skills economy etc. • Criticism of Council for being seen to fail to respond to issue • Adverse publicity/media reaction.

Management Action Plan

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee on May 09	Further progress and additional actions being undertaken/required
<p>Monitoring national programmes that address the risk and which allocate resources to local authorities, e.g. additional government funding/advice to mitigate a national housing crisis, food crisis (blue tongue), "Mexican Flu"</p>	<p>It is the responsibility of Management Team & Heads of Service to raise risks that have this level of impact.</p>	<p>BDC accesses relevant resources/ advice from Government/National Bodies to mitigate impact of the event.</p>	<p>Annually</p>	<p><u>"Economic Downturn"</u> Consideration of impact of economic downturn and mitigation measures to help most vulnerable undertaken by LSP's with report submitted to MT/HoS. Babergh has successfully influenced LSP's to realign resources and deliver actions that mitigate against impact of the downturn, e.g. Babergh East LSP's "Credit Crunch" Roadshow to be rolled at throughout the Area.</p> <p><u>"Mexican Flu"</u> Babergh maintaining contact with relevant agencies responsible for monitoring and managing the risk. Senior management are monitoring developments. Regular updates are provided to Members/staff on summary of situation, public/media messages, planned internal advice to local authority staff and an outline of the management of potential health related actions if UK "Mexican Flu" situation changes. In addition, the Council is updating its own business continuity preparations in readiness.</p>	<p>WSLSP agreed to make £50,000 available from the Performance Reward Grant fund on developing a Credit Union facility in the Sudbury area, on the provision of bursaries for small businesses and advice surgeries for people facing redundancy who were considering setting up their own businesses.</p> <p>Operation Matrix (Business Continuity exercise) was undertaken on 20th August 2009. The purpose of the exercise was to test the Council's plans to deal with loss of staff. In addition, managers and team leaders are reporting all suspected cases of Swine Flu to HR. The Tactical Management Team (TMT) have expanded the reporting process to give them early information about areas of service that are, or may be affected by all absence, including planned leave and sickness other than Swine Flu. This enhanced reporting will enable the TMT to put in place a high level response to loss of staff in critical service areas, by redeployment of staff for example.</p>

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee on May 09	Further progress and additional actions being undertaken/required
To engage with partners in identifying and responding to national issues	Effective engagement, e.g. as per recent Economic Summit held in response to economic downturn	BDC effectively engages with partners	As required	See above re work by LSP's initiated by BDC.	<p>Specific risks which have been identified on which action is being taken:</p> <ol style="list-style-type: none"> Requirement to perform new community leadership role for local authorities. Action Taken: <ul style="list-style-type: none"> Active role in and support of LSPs and Local Area Agreement for Suffolk as informed by Community Strategy. Developed 10-year Strategy for the Babergh area, identifying key strategic priorities with required outcomes with Babergh's leadership responsibilities and contribution set out in its rolling 1-year and 3-year plans. Close working with partners on joint programmes, e.g. Suffolk wide Waste Strategy, Haven Gateway Partnership on Sub-Regional Integrated Development Plan. External scrutiny and lobbying on key issues impacting upon Babergh area, e.g. O&S (CS) on 18/08/09 to scrutinise and comment upon work of "Choose Suffolk" (Suffolk Development Agency), proposals by Ipswich Hospital NHS Trust to seek Foundation Trust status. Active participation in "Suffolk Leadership Programme" and development of BDC's Senior Management Team to increase leadership capacity.

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee on May 09	Further progress and additional actions being undertaken/required
					<ul style="list-style-type: none"> <li data-bbox="1550 193 2018 496"> <ul style="list-style-type: none"> <li data-bbox="1550 193 2018 496">▪ Providing active leadership in responding to the new Equalities and Diversity Framework: Member and Officer Champion, and Working Group in place, Fairness and Equal Access Action Plan in place, implementation underway, with clear aim of raising Babergh's performance to the "Achieving Level" under the new framework. <li data-bbox="1550 528 2018 679"> <p data-bbox="1550 528 2018 679">2. Demographic Changes – need to meet the demands created by population changes such as growth, increased ageing population or other diversity issues. Action Taken:</p> <ul style="list-style-type: none"> <li data-bbox="1550 711 2018 959">▪ Demographic changes and actions developed in response to those changes through countywide Community Strategy (LAA2 Actions), BDC Strategic Plan (1-Year and 3-Year actions) including new Fairness and Equal Access Action Plan. <li data-bbox="1550 991 2018 1142"> <p data-bbox="1550 991 2018 1142">3. Need to respond readily to external emergencies, which directly impact on Babergh and the Babergh area, e.g. flu pandemic, floods, storms. Action Taken:</p> <ul style="list-style-type: none"> <li data-bbox="1550 1142 2018 1206">▪ Emergency Plan drafted and tested with pilot exercise undertaken. <li data-bbox="1550 1206 2018 1270">▪ Active partnership with Suffolk Resilience Partnership. <li data-bbox="1550 1270 2018 1302">▪ Business Continuity Plan adopted. <li data-bbox="1550 1302 2018 1422">▪ Mutual support developed with partners, e.g. Mid Suffolk DC re cover for key housing functions in response to staff illnesses/absence.

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee on May 09	Further progress and additional actions being undertaken/required
					<p>4. Need to adapt to changes in climate and to reduce BDC and the Babergh area's carbon footprint. Recent risk includes imminent departure of key member of staff. Action Taken:</p> <ul style="list-style-type: none"> ▪ SMART targets in 1-Year and 3-Year Medium Term Action Plans to achieve necessary reductions. ▪ Support for SSP/LAA green partnership. ▪ 3-Year Partnering Agreement with Energy Saving Trust to improve insulation of Council housing stock. ▪ Successfully secured from Carbon Trust funding to develop a Carbon Management Plan. ▪ Piloting sustainability appraisal for a major project "Sudbury town Centre Redevelopment" using EEDA's sustainability wheel. ▪ Relevant HoS considering how best, in view of importance of task and the need for savings, to maintain staff capacity. <p>5. Need to respond to economic downturn and mitigate impact on local communities. Action Taken:</p> <ul style="list-style-type: none"> ▪ In partnership with others, providing support programmes, e.g. Babergh East LSP Community Credit Crunch Roadshows targeting advice and support at rural communities, SDA "Choose Suffolk" campaign, HGP Integrated Development Programme, proposed countywide Apprenticeship Campaign.

Action/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee on May 09	Further progress and additional actions being undertaken/required
					<ul style="list-style-type: none"> ▪ Providing increased financial support to Citizens' Advice Bureaux. 6. Need to maintain supply of Affordable Housing Programme in face of increased demand and decrease in house building. Need to meet requirements of gypsy and traveller communities. Action Taken: <ul style="list-style-type: none"> ▪ Housing market assessment underway. ▪ Implementation of 35% target of social housing for new developments. ▪ Review of Council landholdings to identify land suitable for development. ▪ Choice based lettings on a sub-regional basis introduced (an initiative led by BDC). ▪ Active liaison with Homes and Communities Agency to attract funding for new affordable schemes. ▪ Private sector leasing scheme introduced. ▪ Housing needs surveys completed and underway in several rural parishes and new "exception" affordable housing sites identified. ▪ Outcome from above actions monitored and managed, through Council's Performance Management Framework, with quarterly reporting to MT and Members. ▪ Gypsy and Travellers Working Group with Member, officer and gypsy and traveller representation established with clear work programme.

Appendix B

RISK RATING FOR EACH SIGNIFICANT BUSINESS RISK FACING THE COUNCIL

Likelihood				
A Very high				8
B High			5, 10	
C Significant			1, 2, 3, 4, 6, 7, 9	
D Low				
E Very low				
F Almost impossible				
Impact	4 Negligible	3 marginal	2 Critical	1 Catastrophic

Note:

The matrix above reflects the **proposed changes** to the following risk ratings:

Risk 2 – previous rating C3

Risk 8 – previous rating B2

Definitions:

LIKELIHOOD		IMPACT	
A	Very High	1	Catastrophic
B	High	2	Critical
C	Significant	3	Marginal
D	Low	4	Negligible
E	Very Low		
F	Almost Impossible		