

BABERGH DISTRICT COUNCIL

FROM: Director of Finance

REPORT NUMBER: **K143**

TO: OVERVIEW AND SCRUTINY
(STEWARDSHIP) COMMITTEE

DATE OF MEETING: 16 November 2010

SIGNIFICANT BUSINESS RISKS REFRESH

1. PURPOSE OF REPORT

1.1 To provide Members with an updated version on the results of the latest Significant Business Risks Refresh workshop undertaken at the end of September. The results supersede the report (Paper K100) presented to this Committee on 21st September 2010.

2. RECOMMENDATIONS

2.1 That the Committee approves the revised Risk Scenarios and 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.

The 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.

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
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 Members are advised that there are two elements to each Significant Business Risk; A – Risk Scenarios, these set out the vulnerability (why, what's happening, what's the problem); trigger/risk (what's the event/what could go horribly wrong?); and consequences (what would occur as a result, how much of a problem would it be, to whom and why?), and B – Management Action Plans, these detail how the risks are to be managed.

6.2 On 21st September 2010 it was reported to this Committee (Paper K100) that Management Action Plans (MAPs) were being drawn up by senior management, along with details of the current position on managing the risk.

6.3 It was further reported that this may result in changes or further refinements of the risk scenarios.

6.4 On 29th September 2010 senior management attended a further Significant Business Risk Refresh workshop. The purpose of the workshop was to collectively discuss the initial first draft MAPs produced by the responsible Lead Officers and the effect, if any, this would have on the risk scenarios. In doing so, the group identified any issues that needed to be added, changed or taken off.

6.5 The results of the changes made to the risk scenarios and MAPs are shown as Appendix A. Changes to the risk scenarios are minor and do not represent any significant changes to the overall risk. These have been highlighted in *italic*.

6.6 The risk ratings, as reported to this Committee on 21st September 2010, remain the same.

6.7 The Strategy Committee, at its meeting on 4th November 2010, were advised of the updated risk scenarios.

6.8 The Committee is asked to scrutinise Appendix A, specifically the MAPs in terms of the actions taken and progress on managing each risk.

6.9 Key issues and actions worthy of specific mention include:

- Risk 1 – Political and Managerial Leadership:
 - Continual engagement with staff to ensure that they are kept fully informed of the key issues facing the Council and the main drivers for change.
 - Delivering a change management programme across the Council to ensure all managers develop the necessary skills and understanding to deliver strong leadership through effective change.
 - 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 will enable both Councils to agree a shared set of priorities for the future.
- Risk 2 – Efficiencies and Savings:
 - The Strategic and Financial Planning (SFP) Task Group have met on several occasions and are categorising potential savings in terms of those that are seen as unacceptable, last resort or definite/pursue further.
 - Mechanisms exist to deliver efficiencies and savings through the Corporate Work Programme. An interim report from the SFP Task Group was presented to the Strategy Committee on 4th November 2010.
- Risk 3a – Shared Services - Integration and merger with Mid Suffolk District Council:
 - Detailed Business Case for the integration and merger has been prepared, which includes a comprehensive Risk Register with mitigation measures being identified.

7. **APPENDICES**

Appendix A – Strategic Risk Scenarios and Management Action Plans

8. **BACKGROUND PAPERS REFERRED TO:**

Significant Business Risk Register

CONTACT: Barry Hunter
Director of Finance

EMAIL: barry.hunter@babergh.gov.uk

John Snell
Acting Audit Manager

john.snell@babergh.gov.uk

Appendix A

1. Political and Managerial Leadership

Risk Rating – June 2010

C2

Risk Rating reviewed July 2010 – increased to B1

Management Team Lead – Pat Rockall

A – Risk Scenario

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>Members and Senior Managers need to provide clear and decisive leadership in a period of great challenge and change.</p>	<ul style="list-style-type: none"> • Failure to make difficult decisions in a timely manner • Failure to understand the need for change • Failure to drive through necessary change. 	<ul style="list-style-type: none"> • Lack of clear strategic priorities • Lack of clear organisational direction • Resources wasted or misdirected • Inability of the Council to respond to local needs • Adverse impact on service delivery • Lack of purpose and direction for staff • Decline in staff morale and productivity • Damage to Officer / Member/Management relationships • Damage to future resilience

B - Management Action Plan

Trigger/risk: <ul style="list-style-type: none"> • Failure to make difficult decisions in a timely manner • Failure to understand the need for change • Failure to drive through necessary change. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Regular meetings between Political Leaders' Group and Management Team	Ensure that key strategic issues facing the Council continue to be brought to the attention of PLG	PLG Members can provide informed two-way feedback between PLG/MT and their Groups	Every six weeks	<p>During this quarter, the proposal to investigate the business case for integration/merger between BDC and MSDC has been reported to and endorsed by both Councils. Detailed work is now progressing on this.</p> <p>Regular PLG meetings are on-going on this and other key issues facing the Council.</p>	On-going meetings, including updates and discussion on the review being undertaken with Mid Suffolk DC.
Members kept fully informed of key issues facing the Council e.g. through programmed Members' Seminars	To ensure adequate mechanisms remain in place for keeping all Members informed of key issues and the drivers for change	<p>Opportunity for all Members to be well informed and give informal and formal feedback.</p> <p>Members are aware of need for change and demonstrate positive attitude to this</p>	Quarterly	On-going updates as previously described e.g. on savings and efficiencies, possible integration/merger with Mid Suffolk and constitutional review.	In addition to the programmed Seminars for Babergh Members, two Joint Member workshops have been held (28 June 2010 and 7 September 2010) with Babergh and Mid Suffolk Members to achieve common understanding of the issues to be addressed in the review of possible integration/creation of a single Council.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to make difficult decisions in a timely manner • Failure to understand the need for change • Failure to drive through necessary change. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	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	On-going through structured reviews of Strategic Plan and 3 Year Medium Term Action Plans.	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 will enable both Councils to agree a shared set of priorities for the future.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to make difficult decisions in a timely manner • Failure to understand the need for change • Failure to drive through necessary change. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
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	Now linked to key milestones in review with Mid Suffolk, rather than LGR.	<p>The work to progress a constitutional review is progressing. On 23 March 2010, O&S (S) Committee agreed to recommend to Council that public consultation be undertaken prior to a decision on whether to change to Leader & Cabinet arrangements.</p> <p>Postscript to last quarter: Council endorsed the O&S(S) recommendation on 20 April 2010 and public consultation is currently underway through the June edition of <i>Babergh Matters!</i> and in addition with key stakeholders e.g. Town and Parish Councils</p>	The public consultation exercise has been completed, and will be considered by Council on 28 September 2010, after consideration of the detailed business case for integration with Mid Suffolk/creation of a new Council. A final decision on a possible change to Leader and Cabinet arrangements will be made after a decision on whether or not to seek the creation of a new Council from April 2012.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to make difficult decisions in a timely manner • Failure to understand the need for change • Failure to drive through necessary change. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Staff kept fully informed of key issues facing the Council and the main 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> <p>Good level of awareness of likely future changes and acceptance of the need for these</p>	Monthly	<p>Staff kept fully up to date on above issues through weekly (now fortnightly) Babergh Under Review newsletters on BEN and through meetings with CE and MT members.</p> <p>Postscript: meetings for all staff with CE and MT members during April/May.</p>	<p>Fortnightly briefings continue on BEN.</p> <p>Programmed meetings with Unison and CE/Director of Corporate Services/HR Manager</p> <p>Programmed meetings with staff representatives and CE/HR Manager</p> <p>Half yearly meetings with all staff and CE/other MT members and, as appropriate, PLG Members</p>
Supporting mechanisms in place to help individuals adapt to new demands	<p>Identification of individual development needs e.g. through appraisal discussions.</p> <p>Delivery of Organisational Development Plan and associated training and development events</p>	Training and development mechanisms in place to help Officers and Members adapt to changing demands	Six-monthly	Continued development of the OD Plan and workforce planning to prepare either for LGR or the alternative scenario of service integration with other partner(s) e.g. the possibility of service integration with Mid Suffolk DC	On-going development and delivery of the OD Plan.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to make difficult decisions in a timely manner • Failure to understand the need for change • Failure to drive through necessary change. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Delivering a change management programme across the whole of the Council including specific training for managers	Managers across the Council to develop the necessary skills and understanding to deliver strong leadership through effective change	<ul style="list-style-type: none"> • Training needs identified • Identified training and development needs are successfully met 	Six monthly	New action, therefore not previously reported.	Identification and delivery of the skills development to support the merger joint programmes with MSDC
The Council has adopted an Organisational Development Plan, which aligns staff, skills development and employment policy and practices to the aims and objectives of the Council.	Managers across the Council to receive the necessary skills and understanding to deliver strong leadership through effective change	<ul style="list-style-type: none"> • Training needs identified • To deliver the training needs 	Six monthly	New action, therefore not previously reported.	Identification and delivery of the skills development to support the merger joint programmes with MSDC

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to make difficult decisions in a timely manner • Failure to understand the need for change • Failure to drive through necessary change. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
The Council operates a performance management scheme with personal targets set for all staff, appraisals given and then performance measured against targets.	Senior Management to exercise effective delegation and empowerment towards their managers, and managers to take ownership of assigned tasks.	Managers acting contributing to the objectives and priorities of the Council	Quarterly	New action, therefore not previously reported.	Continual engagement/active participation with clear individual targets and goals contributing towards the merger with MSDC.
The OD Plan combines people management, organisational performance and leadership among its key themes ensuring that staff resources, skills and individual targets are aligned to the Council's aims and priorities.	Senior Management to exercise effective delegation and empowerment towards their managers, and managers to take ownership of assigned tasks.	Managers acting contributing to the objectives and priorities of the Council	Quarterly	New action, therefore not previously reported.	Continual engagement/active participation towards the merger with MSDC.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to make difficult decisions in a timely manner • Failure to understand the need for change • Failure to drive through necessary change. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Manager and Team Leader forums, Senior Management team and Divisional management team meetings are in place as an effective mechanism to ensure the engagement of managers across the organisation.	Regular meetings and full attendance from managers	Managers acting contributing to the objectives and priorities of the Council	Quarterly	New action, therefore not previously reported.	Continual engagement/active participation towards the merger with MSDC.

2. Efficiencies and Savings (Rolling 2 Year Time Frame)

Risk Rating - June 2010

A1

Risk Rating reviewed July 2010 – reduced to B1.

Management Team Lead – Barry Hunter and Andrew Hunkin

A – Risk Scenario

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 increasingly significant sums year-on year. The current forecast (as at September 2010) is that in excess of £3m will have to be saved over the 3 year period 2011/12 to 2013/14). The actual amounts will depend on the Government's Spending Review in October 2010. The Government's 4% per annum efficiencies target also has to be met.</p> <p>(NB: Actions are taken through the annual SFP process to ensure that the required levels of savings and efficiencies are achieved. As at September 2010, significant progress in relation to the 2011/12 Budget has been made)</p>	<ul style="list-style-type: none"> • Efficiency and other savings or additional income not identified / achieved. • New ways of working, including decisions on the proposed integration/merger with Mid Suffolk District Council, are not made in a timely manner. • The Government's Spending Review is even tougher than predicted, resulting in further savings being needed. 	<ul style="list-style-type: none"> • Investment in services less than desired and priorities set out in the strategic plan and Medium-Term/Annual Delivery Plans not achieved. • Service quality suffers. • Unable to minimise impact of service cuts, which are inevitable • Engagement with Members and staff comes increasingly difficult • Unable / difficult to achieve council tax increases at or below inflation as per existing financial strategy

B - Management Action Plan

Trigger/risk:					
<ul style="list-style-type: none"> • Efficiency and other savings or additional income not identified / achieved. • New ways of working, including decisions on the proposed integration/merger with Mid Suffolk District Council, are not made in a timely manner. • The Government's Spending Review is even tougher than predicted, resulting in further savings being needed. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
<p>There is a Medium Term Financial Strategy (MTFS) that is reviewed and updated annually. This sets out and quantifies the level of savings and efficiencies required over the next 3 years. The annual SFP and budget setting process then looks to identify the savings and efficiencies that should be made.</p>	<p>Rigorous challenge of costs and service provision, existing processes, staff vacancies etc by Members and officers throughout the SFP process to ensure required level of efficiencies and savings are delivered</p>	<p>Annual saving requirements clearly understood by Members and officers</p> <p>Clear plan exists to deliver the required savings</p> <p>New ways of working and service delivery identified</p> <p>Annual savings required are reflected in the budget each year</p>	<p>Annual SFP process runs from June to December with budgets and service provision reviewed</p> <p>MTFS updated and reviewed between October and December each year with the Government's Spending Review proposals reflected</p>	<p>The Revised Budget for 2009/10 reflected achievement of the £1.3m savings target.</p> <p>In February, Council agreed final proposals for meeting the remaining £0.2m 2010/11 budget shortfall and approved the Budget for 2010/11 and the Medium Term Financial Strategy for 2011/12 to 2013/14.</p> <p>Work started early in 2010/11 (Q1) on identifying where the savings, assessed at amounting to potentially approaching £1.5m, saving for 2011/12 can or should be found.</p>	<p>Overall plan to set out what additional savings can be achieved over the next 3-4 years from further partnership and other new ways of working.</p> <p>SFP Task Group has met on several occasions and is categorising potential savings in terms of those that are seen as unacceptable, last resort or definite/pursue further</p>

Trigger/risk:

- Efficiency and other savings or additional income not identified / achieved.
- New ways of working, including decisions on the proposed integration/merger with Mid Suffolk District Council, are not made in a timely manner.
- The Government's Spending Review is even tougher than predicted, resulting in further savings being needed.

Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Mechanisms exist to deliver these through the Corporate Work Programme	Senior Management fully engaged and ensure staff involved in identifying and delivering the required savings	Timely MT/Hoes meetings with clear decisions and actions agreed	Quarterly – initial assessment of areas for savings by end of June, which is then firmed up by the end of September as far as possible. Draft Budget and revised MTFs by December	<p>The Savings and Efficiency Programme, which set out the elements and timetable for considering expenditure and costs, existing processes, staff vacancies etc. is incorporated into the Corporate Work Programme.</p> <p>A Collective Agreement between UNISON and management on the variation to terms and conditions of employment for all staff was agreed by Council in February.</p> <p>Staff and Members are being kept informed of the proposed integration of management and service delivery, and possible merger with Mid Suffolk District Council.</p>	<p>Interim report from the SFP Task Group to Strategy Committee on 4th November 2010</p> <p>Collective Agreement being discussed with Unison with a Staff Joint Consultative Committee planned for early October 2010. Council to agree on 19th October.</p> <p>Business Case for integration/merger with Mid Suffolk has been produced.</p>

Trigger/risk:

- Efficiency and other savings or additional income not identified / achieved.
- New ways of working, including decisions on the proposed integration/merger with Mid Suffolk District Council, are not made in a timely manner.
- The Government's Spending Review is even tougher than predicted, resulting in further savings being needed.

Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Reporting on 4% per annum Government efficiency target	Proposed and actual efficiency savings (NI 179) captured by HoS and Corporate Finance Team	Achieve cumulative minimum 4% annual target	October – estimate for the year June – actuals reported	As January 2010. The actual efficiencies achieved for 2009/10 will be submitted in the NI179 return in June 2010. Some efficiencies, resulting from the voluntary redundancies exercise, will feed into the 2010/11 efficiencies target, others feature in the £1.6m overall savings, efficiencies and additional income identified in the 2010/11 Budget.	Further efficiencies of £374k reported for 2009/10, resulting in a cumulative total of £1.25m for the two years of the current 3 year spending review period (ending in 2010/11). This includes savings from the previous 3 year spending review period that were in excess of the 3% annual target. The estimated efficiencies that are expected in 2010/11 are currently being captured and this will be reported to the November O&S (Stewardship) Committee.

Trigger/risk:

- Efficiency and other savings or additional income not identified / achieved.
- New ways of working, including decisions on the proposed integration/merger with Mid Suffolk District Council, are not made in a timely manner.
- The Government's Spending Review is even tougher than predicted, resulting in further savings being needed.

Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Strategic Procurement Framework (2008 – 2011)	Head of Contract & Asset Management and other HoS to deliver savings and efficiencies targets through the strategic framework	<ul style="list-style-type: none"> • Overall 3-year target for the framework to be £150,000 • £50,000 minimum annual target • Introduce annual 'stretched' target of £100,000 	<p>Quarterly by Senior Management and Procurement Task Group</p> <p>Annually by O&S (Stewardship) Committee</p>	Savings of £152,000 were achieved in 2009/10 i.e. the original and stretched targets were exceeded, as has the 'stretched' target of £100,000. Of the savings achieved in 2009/10 60% were related to the General Fund and 40% were related to the Housing Revenue Account.	<ul style="list-style-type: none"> • Increase the overall framework target to £300,000 • Maintain the 'stretched' target at £100,000 • Update the Strategic Procurement Framework during early 2011, so that a new 3-year strategy for 2011/12 onwards can be approved.

Trigger/risk:

- Efficiency and other savings or additional income not identified / achieved.
- New ways of working, including decisions on the proposed integration/merger with Mid Suffolk District Council, are not made in a timely manner.
- The Government's Spending Review is even tougher than predicted, resulting in further savings being needed.

Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Delivery efficiency savings through specific plans and projects	Even if the Babergh and Mid Suffolk integration/merger proposals are approved, 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.	New ideas captured as part of an overall plan for the next 3-4 years	Quarterly by Senior Management	As January 2010 and indicated above – the savings, as identified in the 2010/11 Budget, will need rigorous monitoring by MT/HoS and this will be reported to Members through the quarterly performance management reports.	The position for the first half of the year will be reported to O&S (Stewardship) Committee in November. Work on the overall 3-4 year plan to be undertaken between October and December 2010, jointly with Mid Suffolk.

3a. Shared Services – Integration and merger with Mid Suffolk District Council

New risk identified from July 2010 Risk Workshop

Risk Rating determined as B2

Management Team Lead – Mike Hammond

A – Risk Scenario

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>Despite both Councils consistently exceeding Government efficiency targets, both Councils face unprecedented financial pressures over next 5 years. Estimated joint savings of approximately £5.7m needed over next 3 years. In recognition of the scale and immediacy of this challenge, each Council has committed to preferred partner status with the other. Hence the Council is currently considering integration with Mid Suffolk District.</p> <p>This requires a robust business case and also political support at a national and local level.</p>	<ul style="list-style-type: none"> • Business Case for integration/<i>merger</i> doesn't add up <i>or not delivered</i>. • Insufficient political support. 	<ul style="list-style-type: none"> • Potential for significant savings lost. • Less resilience as individual authorities. • Viability of both Councils questioned. • Alternative options for achieving efficiencies have to be developed.

B - Management Action Plan

Trigger/risk: <ul style="list-style-type: none"> • Business Case for integration/merger does not add up or not delivered. • Insufficient political support. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Detailed Business Case prepared including comprehensive Risk register with Mitigation Measures identified.	To ensure risks to Babergh DC are managed through Member seminars.	Approval from the 2 Councils	Ongoing	New action, therefore not previously reported.	Babergh's Strategy Committee (16/09/10) to recommend Business Case and action for creation of a new single Council to Full Council (28/09/10). Mid Suffolk Executive to consider (20/09/10) and submit recommendations to their Full Council.
Proposals for appointment of single Chief Executive to lead implementation of the Business and delivery of merger	Joint Member and Joint Officer Boards established.	Approval from the 2 Councils	In line with Business Case	New action, therefore not previously reported.	Babergh's Strategy Committee (16/09/10, recommendations to Full Council 28/09/10). Mid Suffolk Executive to consider 20/09/10.

Trigger/risk:					
<ul style="list-style-type: none"> • Business Case for integration does not add up or not delivered • Insufficient political support. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
“Preferred partnership” status established with MSDC.	Joint Member and Joint Officer Boards established.	Economies of scale. Increased savings and efficiencies. Increased resilience.	Ongoing	BDC Strategy Committee 29/07/10 and MSDC Executive 02/08/10 consider High Level Business Case. BDC Strategy Committee 16/09/10, MSDC Exc. 20/09/10 consider detailed feasibility report.	“Preferred partnership” status established with MSDC.
Joint Member Board established. Joint Member Seminar/Workshop held. Regular item at PLG meetings. Regular communication to Members in a Babergh Under Review	To ensure regular timely meetings/ Communication.	Understanding and support of the need for change.	Ongoing	New action, therefore not reported.	Babergh’ Full Council (28/09/10) approved approach to be taken.

NB: Comprehensive Risk Register with mitigation measures identified included in Detailed Business Case reported to Council 28/09/10

3b Shared Services – Other Shared Services

Risk Rating – June 2010 C2

Risk Rating reviewed July 2010 – risk increased to B2

Management Team Lead – Mike Hammond

A – Risk Scenario

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?
In addition to MSDC the Council has other shared services opportunities which require the management of a new pattern of relationships with other local authorities.	Failure to ensure that the new pattern of relationships is addressed.	<ul style="list-style-type: none">• Potential bigger cuts in services• Reduced capacity to deliver services

B - Management Action Plan

Trigger/risk:					
<ul style="list-style-type: none"> Failure to ensure that the new pattern of relationships is addressed. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Clear political and managerial arrangements in place for key shared services, e.g. waste collection, proposed Shared Revenues Partnership (SRP).	Monitoring and review of performance of the service provided.	Monitoring by officers and Members of performance against agreed KPIs. (Note: success criteria may be dependent on full participation of other Council's).	<u>Officers</u> – ongoing <u>Members</u> – 6 monthly	Monitoring of existing shared services continues on a regular basis. Ongoing discussions held with potential countywide partners to explore further opportunities.	Council 28/09/10 to be recommended to approve establishment of and participation in SRP Joint Committee; and to appoint two Babergh Members to the committee.

Trigger/risk:					
<ul style="list-style-type: none"> Failure to ensure that the new pattern of relationships is addressed. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Review with potential partner councils the opportunities for further shared services now LGR decision is known	<p>Regular review/monitoring at MT/HoS meetings.</p> <p>To ensure the Council pursues significant additional shared services with clear benefits.</p>	Identification of future opportunities for shared services	6 monthly	<p>Work underway to progress:-</p> <ul style="list-style-type: none"> BDC/IBC/MSDC Revs & Bens shared service. Business Case and Implementation Plan to be reported to strategy Committee July 2010. County-wide waste collection and disposal authority Joint working between BDC, St Eds. and Forest Heath Leisure Trusts 	<p>Strategy Committee 16/09/10 approved Business Case for Shared Revenue Partnership with recommendation to Council 28/09/10. That Partnership is established with commencement from 01/04/2011.</p> <p>Discussions continuing, including consideration of joint working between Babergh and Mid Suffolk Leisure Trusts.</p>

4. Capacity

Risk Rating – June 2010

B2

Risk Rating reviewed July 2010 – maintained as B2

Management Team Lead – Andrew Hunkin

A – Risk Scenario

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 ensure it has sufficient capacity to deliver its strategic plan (through the Medium Term Activity Plans and Annual Delivery Plan) and planned efficiencies and savings (especially through shared services and partnership working), whilst maintaining and improving services to the public.</p> <p>Because of the current financial constraints, having sufficient capacity is going to be very difficult to achieve, so the emphasis has to shift to ensuring that the Council has the right people with the right skills in the right places in order to deliver services with reduced resources.</p> <p>This includes having a comprehensive and clear workforce plan and staff who are properly trained and have the right mindset and approach to change and adopting new ways of working. Political and managerial leadership is also essential in driving through change.</p>	<ul style="list-style-type: none"> • Failure to have the right skills in the right places. • Members, managers and staff fail to understand and drive through change. • Inadequate funding to deliver training and development. • Inability to recruit staff with the necessary skills and competencies. • Inadequate technology to deliver services and plans. • Poor workforce plan in place. 	<ul style="list-style-type: none"> • The Council fails to deliver its priorities and key actions, services are reduced or even removed, and the planned efficiencies and savings are not delivered. • Impact on integration with MSDC and other shared services. • The needs of communities and citizens not being met and customer satisfaction falls. • Staff morale declines. • Staff confidence declines. • <i>Employee relations decline.</i> • Partner/stakeholder confidence deteriorates.

B - Management Action Plan

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
<ul style="list-style-type: none"> • Active approach to shared services. • Shared vacancy management protocol with MSDC. 	<ul style="list-style-type: none"> • Continued active approach to shared services. • A vacancy management protocol that is fully understood and utilised to bring benefits to both organisations. 	<ul style="list-style-type: none"> • Staff productivity increases or is as a minimum maintained as measured through PIs, Delivery Plan, customer satisfaction ratings and appraisals. • Business cases implemented and savings and benefits realised as set out in the business cases. • Number of vacancies filled from within the two authorities. • Number of external vacancy adverts. 	<ul style="list-style-type: none"> • Quarterly as set out in the performance management and Overview and Scrutiny timetables. • As set out in the business cases. 	<p>New action – therefore not previously reported.</p>	<ul style="list-style-type: none"> • Continue to develop and implement the business case for the integration of staffing structures, or the creation of a single Council with MSDC. • Complete implementation of the SRP partnership business case. • Continue to seek further opportunities for shared services (e.g. the Suffolk-wide back office concept). • Reinforce the vacancy management protocol.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
<p>An OD Plan is in place and being delivered against the timescales set. It is regularly monitored with reports on progress to the HR Panel and Management Team.</p> <p>NB – The Leadership element of OD Plan is covered in Risk 1 – Political and Managerial Leadership.</p>	<ul style="list-style-type: none"> • An OD Plan with more emphasis on workforce planning. 	<ul style="list-style-type: none"> • Staff productivity increases or is as a minimum maintained as measured through PIs, Delivery Plan, customer satisfaction ratings and appraisals. • The Plan is implemented as timetabled. • Staff and Members feel the Plan is fulfilling their needs and preparing them for the future. 	<ul style="list-style-type: none"> • Quarterly as set out in the performance management and Overview and Scrutiny timetables. • As set out in the Corporate Work Programme. • Certain specific items will be reviewed as set out in the OD Plan. 	<ul style="list-style-type: none"> • The Plan is regularly monitored by the SMG and is progressing against the timescales set. • No further dissemination is required this year. • The plan is monitored with reports on progress to the HR Panel and Management Team. • The Senior Management Team has undertaken leadership workshops and completed the external Leadership development training. • The OD Plan needs to be reviewed to reflect the work being carried out on shared services (especially with regard to the integration of services with Mid Suffolk DC), and the need for further resilience in light of the current economic climate and the likely austerity measures introduced by any new Government in early 2010/11. 	<ul style="list-style-type: none"> • The 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 and the pending CSR. • The monitoring and management of the Plan needs to continue.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
<ul style="list-style-type: none"> • A relevant Corporate Training & Development Plan is in place and being delivered. • Individual training and development needs identified through appraisals and delivered. 	<ul style="list-style-type: none"> • The Plan is delivered. • Individual training and development needs are met. 	<ul style="list-style-type: none"> • Staff productivity increases or is as a minimum maintained as measured through PIs, Delivery Plan, customer satisfaction ratings and appraisals. • Percentage of individual staff training and development needs agreed and met. • Staff in appropriate areas and functions have the necessary transferable skills. 	<ul style="list-style-type: none"> • Quarterly as set out in the performance management and Overview and Scrutiny timetables. • The Corporate Training and Development Plan is reviewed annually. • As set out on individual appraisal forms. 	<p>All staff have received an annual appraisal through which development needs are identified and reviewed. The training plan from these and other identified corporate training needs has been delivered.</p>	<ul style="list-style-type: none"> • Action will continue to deliver the Plan. • Continue to deliver Individual training and development needs.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Robust project and programme management process and skills.	Continued robust project and programme management process and skills.	<ul style="list-style-type: none"> • Appropriate staff trained as project managers. • Project management skills and methodology are universally used across the Council, thereby reducing the risk of project failure. 	Annually.	<ul style="list-style-type: none"> • Ongoing monitoring undertaken by the Programme Board with variations (red flags) reported to MT/HoS. • Project Management process documentation and status reports available to view online. • February/April annual appraisals to be undertaken with any project management training needs identified and addressed. 	Continue to promote the use of project and programme management and ensure staff have the necessary skills.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
<ul style="list-style-type: none"> • Restructure of the Council streamlined staffing structures and ensured that resources were targeted at emerging pressures. • The senior management structure was further refined following the resignation of a Corporate Director. • In 2010, the senior management structure was further reduced by a service head. • Members of the senior management team have undertaken collective and individual training and development to further improve efficiency and effectiveness. 	<ul style="list-style-type: none"> • Ongoing review of teams and the establishment to ensure robustness and that performance levels for key services are maintained and/or improved. • Need to protect capacity to respond to new initiatives. 	Staff productivity increases or is as a minimum maintained as measured through PIs, Delivery Plan, customer satisfaction ratings and appraisals.	At the appropriate time.	<p>The current senior management structure is to be further reduced by a service head. If LGR or significant shared service initiatives do not occur, the senior management structure will be reviewed to ensure it is fit for purpose.</p> <p>Members of the senior management team have undertaken collective and individual training and development to further improve efficiency and effectiveness.</p>	If significant shared service initiatives do not occur, the senior management structure will be reviewed at the appropriate time to ensure it is fit for purpose.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
An active Suffolk-wide HR Officer Group that seeks to take a collective approach to vacancy management and some training and development.	Strategies have been developed, and adopted by individual councils. More needs to be done to reinforce the work of the Group.	<ul style="list-style-type: none"> • Number of vacancies filled from within Suffolk authorities. • Number of external vacancy adverts. • Staff turnover rate. 	Six-monthly by the HR Group to senior management teams, and disseminated as necessary.	The Suffolk HR Group continues to meet on a regular basis and, working together, have delivered a Suffolk Wide Leadership and Management Programme which a number of BDC Managers have attended. An overarching People Protocol has been agreed for LGR transition, which can be used to form the basis of any protocol required for shared service initiatives.	Continue to reinforce the work of the Group

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
The HR Panel meets regularly to consider Organisational Development, HR Policy and issues, shared services, Health and Safety, Fairness and Equal Access, corporate staffing indicators and SJCC matters.	This needs to continue.	Annually through the Task Group's report.	As set out in the HR panel timetable.	The Panel continues to meet quarterly and consider Organisational Development, HR Policy and issues, LGR, Health and Safety, Fairness and Equal Access, corporate staffing indicators and SJCC matters.	To continue to deliver the Panel's 2010/11 work programme.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
The Council is seen as a good and equitable employer.	<ul style="list-style-type: none"> • The Fairness and Equal Access Action Plan needs to be fully implemented. 	<ul style="list-style-type: none"> • Fairness and Equal Access Action Plan implemented according to timescales and projected outcomes. • Staff turnover. • Staff Exit Forms. 	<ul style="list-style-type: none"> • Staff turnover and Exit Forms will be analysed and interpreted on a quarterly basis. • The Fairness and Equal Access Action Plan will be monitored by the Fairness and Equal Access Group and reported to senior management and members as set out in the Corporate Work programme. 	<ul style="list-style-type: none"> • Staff turnover and exit interviews continue to be analysed and acted upon. • The Fairness and Equal Access Group continue to implement the action plan, which will move the Authority toward 'Achieving' Level. 	<ul style="list-style-type: none"> • Continue to monitor and use the information from staff turnover and exit interviews. • Implement the Fairness and equal Access Action Plan.

Trigger/risk:					
<ul style="list-style-type: none"> • Failure to have the right skills in the right places • Members, managers and staff fail to understand and drive through change • Inadequate funding to deliver training and development • Inability to recruit staff, or staff are recruited without all the necessary skills and competencies • Inadequate technology to deliver services and plans • Poor workforce plan in place. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
An ICT Programme that allows improvements to be made to methods of working and access to information.	The Programme is developed and monitored effectively.	<ul style="list-style-type: none"> • Programme delivered. • Staff productivity increases or is as a minimum maintained as measured through PIs, Delivery Plan, customer satisfaction ratings and appraisals. 	<ul style="list-style-type: none"> • Regular meetings between the Technical Support Manager and the Corporate Improvement and Information Manager. • Regular reports to the IMTG. • Quarterly as set out in the performance management and Overview and Scrutiny timetables. 	N/A	Complete the implementation of the ICT programme.

5. Partnerships

Risk Rating – June 2010

C2

Risk Rating reviewed July 2010 – maintained as C2

Management Team Lead – Mike Hammond

A – Risk Scenario

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 is increasing uncertainty about the sustainability of funding for partnerships and about which partnerships will carry most weight with central government.</p> <p>Individual partners are also facing increasing resource and financial constraints.</p> <p>In this context the Council needs to consider where to target its resources and which partnerships will help with the delivery of corporate priorities.</p>	<ul style="list-style-type: none"> • <i>Failure to effectively manage the Council's strategic partnerships and ensure they deliver the Council's priorities.</i> 	<ul style="list-style-type: none"> • Opportunities missed • Wasted resources • Outcomes not delivered • Tensions with partners • Impact on the community / failure to deliver key services

B- Management Action Plan

Trigger/risk:					
<ul style="list-style-type: none"> Failure to effectively manage the Council's strategic partnerships and ensure they deliver the Council's priorities 					
Action/control s already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Appropriate Member and officer participation in key partnerships to ensure delivery of Babergh's strategic priorities	Formal nomination of Members and officers to key partnerships and effective monitoring arrangements put in place	Active participation by BDC in partnerships in order to achieve Babergh's strategic priorities	Monitoring of outcome of partnerships undertaken on 6 monthly and/or annual cycle	Partnership strategy and toolkits approved and implemented Monitoring of outcome of partnerships undertaken on 6 monthly and/or annual cycle	O&S (CS) May and August meetings monitored progress of key partnerships. Following consultation with PLG discussions underway with partners on future role of key partnerships. Report back to Strategy anticipated Spring 2011.

6. Performance and Cost Management

Risk Rating - June 2010

C2

Risk Rating reviewed in July 2010 – maintained as C2

Management Team Lead – Andrew Hunkin & Barry Hunter

A – Risk Scenario

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 is managing change and new ways of working with limited and decreasing resources. This needs effective and integrated performance and cost management, including having the right information and acting on it, SMART targets and clear costs including VFM. It is also imperative that managers know how to use the information provided.</p>	<ul style="list-style-type: none"> • Poor targets set and/or not achieved • Budgets and costs are not actively/systematically managed and reduced and, in the worst case, they increase. 	<ul style="list-style-type: none"> • The Council fails to deliver the best possible VFM , which has an impact on its priorities and key actions, and services are reduced or even removed. • Inadequate capacity and money to meet the challenges facing the Council, leading to poorer services. • More service cuts than necessary; less funding for community grants, discretionary services and other projects. • The needs of communities and citizens are not met and there are lower customer satisfaction levels. • Savings and efficiencies targets are not met. • Greater pressure on council tax levels. • More redundancies (likely to be costly) required • Lower levels of staff morale. • Member dissatisfaction.

B- Management Action Plan

Trigger/risk:					
<ul style="list-style-type: none"> Poor targets set and/or not achieved Budgets and costs are not actively/systematically managed and reduced and, in the worst case, they increase. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
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.	There needs to be appropriate and rigorous challenge in dealing with identified variances and an increased focus on cost management / reduction.	<ul style="list-style-type: none"> The basket of key PIs. The identification of variances and actions to deal with them. Increased understanding of costs and action to address areas where Babergh's costs are relatively high compared to others. 	Quarterly as set out in the performance management and Overview and Scrutiny timetables.	<p>The Q3 report for 2009/10 has been considered by the O&S (Stewardship) Committee and the year end report, including a more detailed report on financial outturn was presented to Members in June 2010.</p> <p>Reporting, particularly around variances and Member consideration of these is, therefore, working well. No further action required.</p>	<p>Costs and service provision being examined as part of SFP process (see efficiencies and savings risk).</p> <p>HoS need to continue to critically examine costs and take action where costs are relatively high, based on the most up to date benchmarking information. SFP Task Group to consider as part of SFP process.</p>
Medium Term Action Plans (MTAPs) and annual Delivery Plan in place to deliver and demonstrate delivery of outcomes within the strategic plan.	MTAPs to be completed, implemented and managed.	<ul style="list-style-type: none"> High percentage of expected outcomes in the Strategic Plan delivered. Delivery of PIs and targets set out in the MTAPs and Delivery Plan. 	Quarterly as set out in the performance management and Overview and Scrutiny timetables.	<p>The 2010/11 One Year Delivery Plan was approved by Strategy Committee in February 2010.</p> <p>The year-end report on achievements on the One Year Delivery Plan was presented to Members in June.</p>	Delivery Plan will continue to be monitored, MTAPs will be refreshed and a Delivery Plan will be developed for 2011/12.

Trigger/risk:					
<ul style="list-style-type: none"> Poor targets set and/or not achieved Budgets and costs are not actively/systematically managed and reduced and, in the worst case, they increase. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
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"> Revised service standards in place for 2011/12. Service standards performance is reported as part of the quarterly report. 	In terms of embedding embed service standards in all Divisions, Some standards will need to be revised or reworded for 2011/12 to give greater clarity to the public and internally to drive performance and improvement. This work forms part of the 2010/11 Corporate Work Programme.	Continue to report the key service standards on a quarterly basis and review as part of the target-setting process for 2011/12.

Trigger/risk:					
<ul style="list-style-type: none"> Poor targets set and/or not achieved Budgets and costs are not actively/systematically managed and reduced and, in the worst case, they increase. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
<p>Process in place through Management Team/HoS and the Overview and Scrutiny Committees to help the Council prepare for, participate in and learn from external assessment. Although this position has changed following the abolition of CAA and the Use of Resources assessment, ongoing work and improvements relating to those elements that need to be embedded is still taking place.</p>	<ul style="list-style-type: none"> Update overall corporate improvement action plan to deal with key areas that are seen as important. Continue to ensure that clear and effective arrangements are in place to deliver required outcomes in relation Value for Money, Corporate Governance and the Annual Governance Statement (AGS). 	<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. 	<p>Annual/half yearly</p>	<p>Within the overall Organisational Assessment, the Managing Performance Assessment also received a level 2 score. Again, this was very disappointing and not felt to fully reflect Babergh's performance and achievements. The Audit Commission agreed to carry out a review of the Managing Performance Assessment and the results of the review are expected in early 2010/11 (see note below).</p> <p>Work on the 2009/10 assessment is ongoing and external audit (PKF) will continue with this into the first quarter of 2010/11. Babergh has self-assessed at level 3 (Performing Well).</p> <p>(Note: Re-assessed to level 3 – see report on today's agenda)</p>	<p>Achievements and outcomes for 2009/10 to be reported to O&S (Stewardship) Committee in November along with a proposed Corporate improvement Plan.</p>

Trigger/risk:					
<ul style="list-style-type: none"> • Poor targets set and/or not achieved • Budgets and costs are not actively/systematically managed and reduced and, in the worst case, they increase. 					
Action/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in June 2010	Further progress and additional actions being undertaken/required
Arrangements in place to secure effective deployment of Council resources e.g. through sound budgetary control, asset management, and programme & project management	Ensure that key mechanisms remain in place and are improved where necessary	<p>Budgets and other assets are deployed to deliver key Council priorities</p> <p>Budgets and projects are effectively managed</p>	<p>Reports to SFP Task Group and Committees</p> <p>Programmed reports to MT</p>	<p>Project Management - ongoing monitoring undertaken by the Programme Board with variations (red flags) reported to MT/HoS. Project Management process documentation and status reports available to view online</p> <p>Member Task Group supported by officers to review Resources available and the Capital Programme.</p>	On-going work through SFP Task Group on the capital programme. Ensure strong budgetary control is maintained throughout the year. Review capital strategy and asset management plans.

7. Localism and Community Engagement

Risk Rating – June 2010 B2

Risk Rating reviewed July 2010 – reduced to C2

Management Team Lead – Mike Hammond and Andrew Hunkin

A – Risk Scenario

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 respond to central government’s localism agenda and in doing so understand and respond to the needs of the local community.</p> <p>However this is at a time when resources are being reduced and it may not be possible to deliver on all community needs.</p> <p>Proposed integration with MSDC could create single Council covering large geographical area. This would strengthen strategic decision making capacity, whilst creating the challenge on how to maintain and improve the ability of local communities to “have their say”.</p>	<ul style="list-style-type: none"> • <i>Failure to engage and understand local needs together with a failure to build local understanding of the Council’s capacity to respond and deliver.</i> 	<ul style="list-style-type: none"> • Reputation undermined. • Fail to engage with parts of the community. • Increased criticism of the Council. • Poor VFM / wrong services delivered. • Resources not focussed on areas of greatest need.

B - Management Action Plan

Trigger/risk:					
<ul style="list-style-type: none"> Failure to engage and understand local needs together with a failure to build local understanding of the Council's capacity to respond and deliver. 					
Actions/controls already in place	Required management action/control	Critical success factors	Review frequency/ Key dates	Progress reported to O&S (S) Cttee on June 2010	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. government funding/reductions to Homes and Communities Agency; Changes to R.S.S. to address local issues.</p> <p>To engage with partners in identifying and responding to national issues at a Local Level.</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>Service/Financial Planning: Reductions in Government funding to be taken account of in service and Financial Planning Process.</p> <p>Local response to Economic Downturn:</p> <ul style="list-style-type: none"> BDC involvement in LSP Apprenticeship Scheme. BDC involvement in Redundancy Support Programme. Support for Local Business through provision of accommodation, prompt payment of invoices. Funding for Choose Suffolk. <p>Local Response to Diversity Issues:</p> <ul style="list-style-type: none"> Member and Officer champion appointed and Officer Group. Adopted Single Equality Scheme Working towards consultation with Hard to Reach Groups. Equality Impact Assessments underway. Progress on LDF and provision of Gypsy and Traveller sites to be reviewed once Government decision on R.S.S. known. 	

Actions/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/Key dates	Progress reported to O&S (S) Cttee on January 2010	Further progress and additional actions being undertaken/required
				<p>Local Response to Carbon Reduction/Climate Change:</p> <ul style="list-style-type: none"> • Carbon Management Plan with resources allocated and targets for carbon reductions. • Actions underway to develop Planning Policies (LDF) to mitigate impact of climate change. • Actions underway to manage Councils Assets to reduce carbon emissions. <p>Local Response to Swine Flu: Risk closed.</p>	

Actions/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/Key dates	Progress reported to O&S (S) Cttee on January 2010	Further progress and additional actions being undertaken/required
Monitoring of Government announcements (particularly from CLG) on proposals to promote 'localism' and community engagement	Responsibility of MT, HoS and Policy to undertake the monitoring and to alert colleagues to issues, risks and implications and actions required from Babergh of Government statements	Babergh responds promptly to consultation; plans ahead in response to proposed changes and is able to access resources from any new Government programmes.	Report to be co-ordinated and submitted by Policy and Communications Manager once Government announcement made	No report. This risk identified post June 2010.	<ul style="list-style-type: none"> • Strategy Committee 16/09/10 responded to Government proposals for <u>Local</u> Enterprise Partnerships (LEP) with recommendation to establish an East Anglian (Suffolk, Norfolk, Cambridge and North Essex) to replace EEDA. • Policy Manager in discussion with MSDC to identify whether opportunity exists for joint bid to Sustainable Communities Fund (once criteria and bid timetable clarified). • Localism Bill awaited. • Member/Officer Group established to develop Locality Arrangements for community involvement and participation in the new Merged Authority of BDC and MSDC.