

BABERGH DISTRICT COUNCIL

FROM: Director of Finance

REPORT NUMBER: **J170**

TO: OVERVIEW & SCRUTINY
(STEWARDSHIP) COMMITTEE

DATE OF MEETING: 26 January 2010

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 work undertaken in respect of partnership risks and service/operational risks as reported in the main body of this report (paragraphs 5.5 to 5.14 refer) be noted.

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 Risks facing the Council continue to provide ongoing challenges, which officers are actively monitoring and reviewing.
- 5.2 A review of the likelihood and impact of each significant risk has been undertaken (i.e. the risk rating) and no immediate changes to those reported to this Committee in September 2009 are proposed. Risks are being effectively managed and appropriate actions taken to address these e.g. shared services – integration with Mid Suffolk DC/Revs and Bens with 3 other District Councils.
- 5.3 Appendix A provides Members with a detailed update on progress in managing each of the Significant Business Risks (through the Management Action Plans) compared to the position reported in September 2009. Appendix B summarises the existing risk rating score with likelihood and impact shown.

Further Developments

Partnership Risks

- 5.4 Babergh recognises the importance of partnership working and the benefits it can bring in the shaping, commissioning and delivery of services for local people - and achieving more efficient and effective use of resources.
- 5.5 The Council is already involved in a number of key partnerships that continue to evolve and more partnerships are likely to be formed in the future.
- 5.6 In view of the fundamental and growing importance of partnership work to Babergh, a Partnership Strategy was presented to and approved by the Strategy Committee in September 2009.
- 5.7 Through the Partnership Strategy the Council has set out its long term vision for successful partnership working and defined clear guidance for existing and future partnerships to ensure that they are monitored and reviewed appropriately, are effective and deliver outcomes that support the Council's priorities. This is achieved through a self assessment and includes a risk assessment.
- 5.8 To support the self assessment process a workshop to cover 'Managing Partnership Risk', facilitated by the Council's insurers, Zurich Municipal, has been arranged. The objective of the workshop is to raise officer awareness of the risks associated with partnership working and how these can be identified and managed effectively. The benefits of the workshop will:
 - Create a clear understanding of the risks of partnership working;
 - Strengthen the corporate and divisional risk assessments;
 - Give Lead Officers a way to raise concerns about partnerships they are involved with; and
 - Provide further assurance against the Audit Commission's Use of Resources Key Lines of Enquiry (KLOEs) with regard to partnership working.

Operational/Service Risks – Service Plans

- 5.9 In reinforcing the consideration of risk in all instances of decision-making, it is important to consider risk in the service planning process. Service Plans are produced annually to provide consistency, clarity and focus on action and improvement planning at service level; service improvement priorities are aligned to, and integrated with, the strategic priorities of the Council.
- 5.10 A separate section within each 2009/10 Service Plan has been devoted to identifying the main operational risks relating to the services. Heads of Service, supported by their service managers, are responsible for ensuring service/operational risks relating to their areas are effectively managed, monitored and reviewed on a regular basis.
- 5.11 These will be refreshed before the end of the current financial year and further training provided as necessary as part of the established approach to service planning for 2010/11. Any changes to the key risks identified in 2009/10 and any further actions that are required will be reported to Members.
- 5.12 This will link in with the planned strategic Risk Refresh, which will be undertaken by either the end of March or April. The timing of this in terms of the Significant Business Risks that will face the Council over the next year and beyond has been dependent on the LGR position. Any issues that arise from this strategic refresh will be fed into Service Plans.

In Conclusion

- 5.13 Continued and ongoing effort, including the work relating to partnerships, is being directed to ensuring that risks are continuously reviewed, monitored and managed and that risk management is embedded throughout the organisation.
- 5.14 As a result, the Council's significant business risks and key operational/service risks are being effectively managed. Good progress is being made in implementing actions to reduce the likelihood and impact of the risks. These risks will all be reviewed as part of the planned strategic and operational risk refreshes.

6. APPENDICES

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

7. BACKGROUND PAPERS REFERRED TO

None.

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1. Local Government Review

Risk Rating in September 2009 C2.

Risk rating reviewed in January 2010 – 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 September 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>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.</p> <p>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>	<p>Boundary Committee proposals published December 2009. Draft representations reported to Council 15 December 2009. Final representations to Secretary of State, as agreed by Council, submitted to meet 19 January deadline.</p> <p>Report will be submitted to Council on 28 January 2010 on possible transitional arrangements if LGR proceeds – deadline for comments to Department of Communities and Local Government 3 February 2010.</p> <p>If LGR proceeds, there will be Member input, as determined by Secretary of State, in the transitional arrangements to new structures</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 September 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	Submission of workbooks by Boundary Committee deadline of 19 September 2008 Comments on independent financial assessments of business cases by deadline of 24 December 2008	19 September 2008 24 December 2008	Achieved	Initial task completed and no actions currently needed. If LGR proceeds, there will be detailed officer input into implementation arrangements – likely to begin in February 2010.
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	No further action needed
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	Production of programmed staff bulletins HR meetings with all staff Chief Executive meetings with all staff Divisional staff meetings	Monthly August – September 2008 and as necessary throughout review period October – December 2008 and as necessary throughout the review period On-going	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) Two further meetings are planned for staff who were unable to attend any of the August meetings.	Regular meetings with staff representatives and CE/HR Manager are now taking place to keep staff updated on all key issues facing the Council, including LGR. Chairman of Council and Chairman of Strategy also attending meetings when necessary. Weekly bulletins for all staff available on BEN.

2. Shared Services

Risk Rating - September 2009 C3

Risk Rating reviewed January 2010 – remains at 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?
Problem/Challenge; The need to achieve substantial savings whilst ensuring service delivery in key areas is sustained	Our failure or failure by potential partner councils, to vigorously pursue the opportunities that are available.	<ul style="list-style-type: none"> • Efficiency target not delivered • Reduced capacity and resilience of teams to deliver key services.

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 September 2009	Further progress and additional actions being undertaken/required
Clear political and managerial arrangements in place for key shared services, i.e. waste collection, building control.	Monitoring and review of performance of the service provided	Monitoring by officers and Members of performance against agreed KPIs	<u>Officers</u> – ongoing <u>Members</u> – 6 monthly	Discussions ongoing. Linked to revised position on Countywide shared services agenda.	Monitoring of existing shared services continues on a regular basis. Ongoing discussions held with potential countywide partners to explore further opportunities.

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 September 2009	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	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.	Mechanisms in place, e.g. Directors, Suffolk Chief Executives Group (SCEG), to develop opportunities once LGR discussions known.
HoS instructed to explore new ways of working with other councils	Regular monitoring at MT/HoS meetings	Identification, investigation and implementation of shared services opportunities	Ongoing		Babergh, Ipswich, Mid Suffolk and St Eds have engaged consultants to look at shared services for Revs and Bens. Report to Strategy Committee (January 2010) seeking authority to proceed to fill Business Case Assessment.

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 September 2009	Further progress and additional actions being undertaken/required
Discussions recently with Mid Suffolk DC on merger of not just services, but also whole functions and management structures	Report to Strategy Committee on 14 January 2010 recommending governance arrangements to drive forward proposed merger	<ul style="list-style-type: none"> ▪ Efficiency savings ▪ Creation of more sustainable teams with greater resilience ▪ Better and more varied career opportunities for staff 	<ul style="list-style-type: none"> ▪ PLG – December 2009 ▪ Strategy Committee – 14 January 2010 ▪ Council – 23 February 2010 		PLG engaged. Formal report to Strategy Committee on 14 January 2010 recommending Babergh and Mid Suffolk commit to preferred partner status and undertake a comprehensive joint review that seeks to develop fully integrated systems of service delivery at management and operational levels by April 2011

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3. Partnerships

Risk Rating – September 2009

C2

Risk Rating reviewed January 2010 – 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/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in September 2009	Further progress and additional actions being undertaken/required
<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>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>	<p>Monitoring of outcome of partnerships undertaken on 6 monthly and/or annual cycle</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 September 2009	Further progress and additional actions being undertaken/required
Review of partnership working, including implementation of requirements from Audit Commission	Review approach to partnership working to ensure recent guidance from Audit Commission is taken into account	Approval and implementation of a Partnership Strategy	Annually	<p>In liaison with St Eds and Forest Heath, formal Partnership Strategy prepared, approved (Strategy Committee, 17 September 2009, Paper J88) and implemented. The Strategy consists 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, the key principles of successful partnerships. 2. Partnership governance arrangements, which put in place arrangements for policy making and setting of priorities, risk management, financial planning and performance management as well as arrangements for the sharing of intelligence with relevant partner organisations for all of Babergh's significant partnerships 	<p>Outcomes of Paper J140 shared with St Eds and Forest Heath in order to share and learn from experiences of implementing Partnership Strategy.</p> <p>BDC arranging joint training for BDC, St Eds and Forest Heath on the self-assessment of Significant Partnerships.</p> <p>Delivery of innovative projects, e.g. Babergh East LSP – Hadleigh NEETS project which is reducing level of anti-social behaviour in the community and creating employment and education opportunities for young people</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 September 2009	Further progress and additional actions being undertaken/required
				O&S (Community Services), 24 November 2009, Paper J140. In accordance with Partnership Strategy report identified BDC's significant partnerships and undertook an assessment of Babergh East LSP	Partnership Strategy to be applied to all significant partnerships

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4. Political and Managerial Leadership

Risk Rating – September 2009

C2

Risk Rating reviewed January 2010 – 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 September 09	Further progress and additional actions being undertaken/required
<p>Regular meetings between Political Leaders' Group and Management Team</p>	<p>Identification of key strategic issues facing the council</p>	<p>PLG Members can provide informed two-way feedback between PLG/MT and their Groups</p>	<p>Every six weeks</p>	<p>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.</p>	<p>On-going. At its meeting on 17 December 2009, PLG endorsed a proposal that the CE take a report to Strategy Committee on 14 January 2010 making recommendations to Council on possible integration of services with Mid Suffolk DC in the event of LGR not proceeding.</p>
<p>Programmed Members' Seminars</p>	<p>Mechanism for informal dissemination of information to all Members about key issues facing the council</p>	<p>Opportunity for all Members to be well informed and give informal feedback</p>	<p>Quarterly</p>	<p>Quarterly Members' Seminars are continuing as scheduled in the Council's annual programme of meetings.</p>	<p>On-going e.g. see above - update on possible shared services provided to Members at Seminar on 29 October.</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 September 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	<p>The Council's priorities are currently being reviewed in the context of the Savings and Efficiencies Plan (see Risk 8).</p> <p>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.</p> <p>This work will inform the SFP process for 2010/11 and be the subject of programmed reports to Members for input and decision.</p>	On-going, as reported in September 2009.
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	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	The work of the Constitution Review Task Group recommenced in December 2009 in order to be in a position to meet the statutory deadline for any constitutional change to Leader & Cabinet arrangements in May 2011 if required.

5. Capacity

Risk Rating – September 2009

B2

Risk Rating reviewed January 2010 – 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/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in September 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"> • 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 Management 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. 	<ul style="list-style-type: none"> • The Plan is regularly monitored by the SMG and the Plan is progressing according the timescales set out. • No further dissemination is required this year. • The plan is monitored with reports on progress programmed in to HR Panel and Management Team on a twice – yearly basis. • The Senior Management Team have undertaken leadership workshops and have completed the external Leadership development training. • The OD Plan was to be reviewed as it seemed that LGR was not likely. The Plan now needs to reflect the increased likelihood of LGR and the back-up plan of the integration of services with Mid Suffolk DC at both operational and managerial level. This will be done from 1 April 2010.

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 September 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>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>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 is being delivered.</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>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>	<p>Home working and flexible working continue to be monitored and managed.</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 September 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 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>The current senior management structure remains in place and final discussions have been 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 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>	<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 have attended. 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.</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 September 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 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 Panel continue to meet quarterly. This quarter they have focussed on matters arising from the savings and efficiencies programme.
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. 	<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>	<p>Staff turnover and exit interviews continue to be analysed and acted upon.</p> <p>The O&S (S) committee agreed an action plan put together by the Fairness and Equal Access Group, which will move the Authority toward 'Achieving' Level.</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 2009 C2
Management Team Lead – Pat Rockall

Risk Rating reviewed January 2010 – 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 September 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	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.	On-going updates through quarterly seminars e.g. at 29 October seminar, progress on savings & efficiencies; possible shared service opportunities and medium term action plans.
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	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.	CE and HR Manager holding regular meetings with staff representatives on key issues facing the Council. All staff kept updated through weekly newsletters on BEN.

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 September 09	Further progress and additional actions being undertaken/required
Supporting mechanisms in place to help individuals adapt to new demands	Organisational Development Plan	Training and development mechanisms in place to help Officers and Members adapt to changing demands	Six-monthly	<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>	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

7. Financial, Performance and Risk Management

Risk Rating September 2009

C2

Risk Rating reviewed in January 2010 – 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 September 09	Further progress and additional actions being undertaken/required
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 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.	<p>A mid-year report (Paper J136) on progress on the One Year Delivery Plan for 2009/10 was reported to this Committee in November 2009. This indicated that the vast majority of actions were on target.</p> <p>The 2010/11 Plan will be considered by Strategy Committee in February 2010.</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 September 09	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"> • The review will be finished by the end of 2008. • Service standards performance is reported as part of the final 2008/09 quarterly report. 	<p>Report on the current position scheduled for O & S (S) Committee on 22/09/09</p> <p>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.</p> <p>More work is required to embed service standards in all Divisions.</p> <p>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.</p>	<p>More work is required to embed service standards in all Divisions. Some standards will need to be revised or reworded for 2010/11 to give greater clarity to the public and internally to drive performance and improvement. This will form part of the annual performance target setting process.</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 September 09	Further progress and additional actions being undertaken/required
<p>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.</p>	<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. 	<p>End of 2008.</p> <p>UoR, DoT and AGS results known in March 2009.</p>	<p>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.</p>	<p>Outcomes of 2008/09 Organisational Assessment now received, with an overall level 2 (adequate) score.</p> <p>Although this was very disappointing and not felt to fully reflect Babergh's performance and achievements, a lot of work has been done in 2009/10 that addresses the key areas where the Council was only assessed as adequate.</p> <p>Work on the 2009/10 assessment has commenced and this will continue into the first quarter of 2010/11.</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 September 09	Further progress and additional actions being undertaken/required
<p>Concessionary fares operator reimbursements – Judicial Review on 17th 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.</p>	<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 	<p>See Further Progress</p>	<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 	<p>Still awaiting Judges ruling, after Judicial Review hearing in November 2009.</p>

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 reviewed September 2009 – revised to A1 (from B2). Further reviewed January 2010 and remains at 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/controls already in place	Required management action/control	Critical success factors & KPIs	Review frequency/ Key dates	Progress reported to O&S (S) Cttee in September 09	Further progress and additional actions being undertaken/required
The SFP process and budget quantifies and identifies the level of savings and efficiencies required	Considered by Members and officers throughout the SFP process, having regard to the impact of the economic downturn	Requirements clearly reflected in the budget	SFP process from September 2008 to February 2009	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>Now anticipated that the overall Revised Budget for 2009/10 will reflect achievement of the £1.3m savings target.</p> <p>Latest forecast target for 2010/11 is £1.6m of which £0.2m is still to be identified. The SFP Task Group will be recommending where this could be found to either the Council meeting on the 28 January or to the final February Budget setting meetings in February.</p> <p>Forecast of potential savings needed for the following 3 years will be set out in the Medium-Term Financial Strategy, which will also be considered by Members in February.</p>
Mechanisms to deliver these through the Corporate Work Programme	Rigorous challenge of expenditure and costs, existing processes, staff vacancies etc. to ensure required level of efficiencies and savings are delivered	Achievement of requirements, including any changes resulting from the impact of the economic downturn	Quarterly	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>Substantial progress made via Corporate Work Programme to ensure all aspects fully considered.</p> <p>Ongoing discussions with staff and Unison in terms of reductions in staff terms and conditions.</p> <p>Staff are being kept informed of the proposed integration of management and service delivery with Mid Suffolk District Council.</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 September 09	Further progress and additional actions being undertaken/required
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	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.	Additional estimated efficiencies of £306k reported to the Government for 2009/10. This would result in a cumulative total for 2008/09 and 2009/10 of nearly £1.2m, which would considerably exceed Babergh's target of around £850k. Local Government target for 2010/11 is increasing to 4% - about £560k for Babergh. Efficiencies identified as a result of the Savings & Efficiencies Plan and proposed integration with Mid Suffolk DC should deliver significantly on this.
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	£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.	Savings have exceeded the minimum target of £50K. Savings to date stand at £68K.

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 September 09	Further progress and additional actions being undertaken/required
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	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).	<p>These two projects are now complete.</p> <p>The corporate Savings & Efficiencies Plan has been the main tool for driving forward savings and efficiencies for the current year – which are being reported as part of the SFP report to Members.</p>

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9. Project & Programme Management

Risk Rating September 2009

C2

Risk Rating reviewed January 2010 – 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 September 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 	Actions integrated into timetable setting of the budget	Resources allocated. Outline business case for specific projects	<ul style="list-style-type: none"> Service and Financial Planning Task Group considered November/ December 2009 Report to Strategy Committee and Council as an integral part of Council's budget making process 	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 future management 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 and subject to "preferred partner" discussions with MSDC.	February 2010 – agreement to budget by Full Council January/February 2010 – Member agreement to "preferred partner" status with MSDC to be sought

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 September 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	<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. 	Ongoing monitoring undertaken by the Programme Board.
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	Officer training delivered. Effectiveness of training and need for future training identified through staff appraisal system and Corporate OD Plan	February/April annual appraisals to be undertaken.

10. Local Response to National Issues

Risk Rating – May 2009 B2 (previously C2)

Risk Rating reviewed January 2010 – maintained as B2

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>Recognition that an issue not directly involving the region or district may have an (significant) impact. E.g. Economic downturn (resulting in decrease in public sector expenditure), climate change, influenza epidemic</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, or plan for, 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 September 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>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.</p> <p>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>	<p>Continual monitoring and networking with others to identify any emerging issues.</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 September 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	<p>Specific risks which have been identified on which action is being taken:</p> <ol style="list-style-type: none"> 1. 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. 	Continual monitoring and networking with others to identify any emerging issues.

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 September 09	Further progress and additional actions being undertaken/required
				<ul style="list-style-type: none"> ▪ 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. 2. Demographic Changes – need to meet the demands created by population changes such as growth, increased ageing population or other diversity issues. Action Taken: <ul style="list-style-type: none"> ▪ 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. 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: <ul style="list-style-type: none"> ▪ Emergency Plan drafted and tested with pilot exercise undertaken. ▪ Active partnership with Suffolk Resilience Partnership. ▪ Business Continuity Plan adopted. ▪ 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 September 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, with Babergh leading on developing a countywide "Backing Young Suffolk" 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 September 09	Further progress and additional actions being undertaken/required
				<ul style="list-style-type: none"> ▪ Identified as strategic risks, in their own right, with mitigation measures set out elsewhere in this Risk Register are: <ul style="list-style-type: none"> ○ efficiencies and savings (Risk 8 in the Strategic Risk Register) ○ Shared Services (Risk 2 in the Strategic Risk Register) 	
				<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. 	<ul style="list-style-type: none"> ▪

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 September 09	Further progress and additional actions being undertaken/required
				<ul style="list-style-type: none"> ▪ Gypsy and Travellers Working Group with Member, officer and gypsy and traveller representation established with clear work programme. 	

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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

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		