

Risk Register Business Unit Display - GT VFM Tracker

	Risk Ref	Risk	Uncontrolled Risk	Action Required (In progress Only)	Control Owner Review Date Target Date	Current Risk Score	Controlled Risk Assessment for Financial Year	Comments
	<p>GTVFM0001</p> <p>Risk Owner: Peter J Lewis</p> <p>Next Risk Review Date: 28/09/2018</p>	<p>Risk Description: External Audit - VFM: The council should review the format of its budget setting, monitoring and outturn reports to ensure they maximise the ability of both officers and members to understand and challenge delivery against budget. As part of this process, members should be consulted with to determine what they would like to see and, in particular, how risks to non-delivery will be flagged.</p> <p>Cause:</p> <p>Consequence:</p>		<p>◦ Review and improve further our Budget Monitoring reports and how they link back to our budget setting documentation. Budget Monitoring reports to include favourable and adverse variances separately in Quarter 1 (September) and more explanations of the reasons behind such variances. Use of reserves and capital receipts flexibilities to be shown as separate values. While more changes are required, it is intended that the September Cabinet report on budget monitoring has moved towards the structure and clarity required.</p> <p>Risk Management report to Audit Committee (September and onwards) to include update on this Action Plan. <i>In Progress (10% complete)</i></p>	<p>Peter J Lewis 28/09/2018 28/09/2018</p>	<p>Likelihood : Impact : 0</p>	<p>Likelihood : Impact :</p>	<p>31/08/2018 A further refinement of the Budget Monitoring reports will be made for the Quarter 2 report due in November. This will include increased tracking of delivery of the new in-year savings proposals approved by Cabinet in September.</p> <p>Members feedback on the new format will be sought.</p>

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	<p>GTVFM0002</p> <p>Risk Owner: Peter J Lewis</p> <p>Next Risk Review Date: 10/10/2018</p>	<p>Risk Description: External Audit - VFM: The council should consider what is a realistic and achievable base budget for each service area, having regard to the previous year's performance. As part of this process, consideration should be given, to what level of contingency, if any, should be set aside for unexpected pressures versus direct service line allocation.</p> <p>Cause:</p> <p>Consequence:</p>		<ul style="list-style-type: none"> ◦ Financial Imperative programme to turn around current in-year overspends with budget reductions In-year savings proposals to be provided by Report scheduled for Cabinet on 17th October on "2019/20 Medium Term Financial Plan - Development and Approach" All MTFP figures for future years are to be reviewed and restated through a specific exercise. <i>In Progress (10% complete)</i> ◦ Refreshing 2019/20 Medium Term Financial Plan - Development and Approach, Report scheduled for Cabinet on 17th October on "2019/20 Medium Term Financial Plan - Development and Approach" <i>In Progress (10% complete)</i> 	<p>Peter J Lewis 28/09/2018 29/03/2019</p> <p>Peter J Lewis 28/09/2018</p>	<p>Likelihood : Impact :</p> <p>0</p>	<p>Likelihood : Impact :</p>	<p>10/09/2018 10/09/2018 All MTFP assumptions from February 2018 Cabinet onwards are being urgently reviewed by financial and service staff and the MTFP plan is being updated in order to determine pressures on the County Council and the latest estimates of what funding will be available to meet these needs.</p> <p>Specific work is being undertaken with regards to the base budget for Childrens Services, both by officers and in conjunction with the work being done by Peopletoo.</p> <p>Initial analysis of the MTFP gap will be presented to the October Cabinet, together with a new approach as to how this will be addressed. Such work will be iterative, and future reports will refine the budgets, leading up to the February 2019 Cabinet and Council meetings.</p>

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				<p>◦ Establish a revised Financial Strategy Report scheduled for Cabinet on 17th October on "2019/20 Medium Term Financial Plan - Development and Approach". All MTFP figures for future years are to be reviewed and restated through a specific exercise.</p> <p>Establish this Autumn a revised Financial Strategy that is based upon a clear and better understanding of</p> <ul style="list-style-type: none"> • Our future cost drivers (demographic growth, national cost benchmarking, output of the Peopletoo work to establish a meaningful base budget for Childrens Services) • Our future income opportunities (council tax and business rates, national initiatives such as business rate retention pilots, local opportunities through planning gain, other options including commercial and investment opportunities) • Rightsizing the Council's budget and further adjusting our service delivery accordingly, potentially cutting non-essential and critical services – informed by the Financial Imperative Programme. <p><i>In Progress (10% complete)</i></p> 	<p>Peter J Lewis 31/10/2018 31/10/2018</p>			

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	GTVFM0003 Risk Owner: Peter J Lewis Next Risk Review Date: 10/10/2018	Risk Description: External Audit - VFM: The council should ensure that there is consistency of reporting between budget setting and monitoring with a clear approach to how savings are identified, quantified financially and monitored. If annual savings are to be identified on a thematic basis, they should also be monitored on a thematic basis. Where savings are built into service line budgets, a full reconciliation should be provided to show how these impact on thematic savings targets Cause: Consequence:		<ul style="list-style-type: none"> ◦ Review & improve budget monitoring reports & their links back to budget setting documentation We will review and improve further our Budget Monitoring reports and how they link back to our budget setting documentation. It is noted that our current format has previously served us well but given our current financial context we will seek to make them more transparent for all members to see our progress and recommendations. This will include a statement on the use of the Capital Receipts Flexibilities directive and a fuller disclosure of the transformation projects that are being considered for funding through this mechanism. <i>In Progress (10% complete)</i> 	Peter J Lewis 28/09/2018 30/11/2018	Likelihood : Impact : 0	Likelihood : Impact :	10/09/2018 Future Budget Monitoring will include an update of progress against all MTFP savings, in particular those agreed by Cabinet in September 2018. Although the new savings proposals have again been grouped into themes, detailed savings supporting this work have been proposed at service area level (SAP node) and will be monitored at this level.
	GTVFM0004 Risk Owner: Peter J Lewis Next Risk Review Date: 10/10/2018	Risk Description: External Audit - VFM: Committees and meetings responsible for monitoring financial delivery should explicitly minute the challenge and actions taken, where necessary, in response to in year overspends. These should be followed-up at the next meeting to ensure the proposed action is having the desired effect and to inform what further action, if any, is needed. Cause: Consequence:		<ul style="list-style-type: none"> ◦ Discuss with Democratic Services to ensure challenges & actions are expressly minuted. We are in discussion with Democratic Services as to ensuring these challenges and actions are expressly minuted. There is also an audio recording of every public meeting that is available. <i>In Progress (10% complete)</i> 	Peter J Lewis 28/09/2018	Likelihood : Impact : 0	Likelihood : Impact :	

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	GTVFM0005 Risk Owner: Peter J Lewis Next Risk Review Date: 28/09/2018	Risk Description: External Audit - VFM: Reporting of financial performance to members should be transparent and understandable and include greater analysis of areas such as use of reserves or grants and application and achievement of transformational projects through the use of capital flexibilities. Cause: Consequence:		<ul style="list-style-type: none"> Review and improve further our Budget Monitoring reports, making them more transparent and understandable We will review and improve further our Budget Monitoring reports and how they link back to our budget setting documentation. It is noted that our current format has previously served us well but given our current financial context we will seek to make them more transparent for all members to see our progress and recommendations. This will include a statement on the use of the Capital Receipts Flexibilities directive and a fuller disclosure of the transformation projects that are being considered for funding through this mechanism. <i>In Progress (10% complete)</i> 	Peter J Lewis 09/10/2018	Likelihood : Impact : 0	Likelihood : Impact :	31/08/2018 The report to the September Cabinet meeting moves in this direction, but the focus this time has been on the numbers. Over the next month there will be focus on the words to ensure greater transparency. Cllrs Liz Leyshon and Tessa Munt have volunteered to be part of a member feedback group
	GTVFM0006 Risk Owner: Peter J Lewis Next Risk Review Date: 10/10/2018	Risk Description: External Audit - VFM: Capital flexibilities should be reported and monitored in line with Central Government guidelines. All identified projects should be included in the budget process and approved prior to the financial year along with achievement against prior year projects. In-year reporting should update for any changes including newly identified projects or those projects that are delayed or unlikely to deliver Cause: Consequence:		<ul style="list-style-type: none"> Review and improve our reporting of the use of Capital Receipt Flexibilities The use of Capital Receipts Flexibilities will be specifically included in the MTFP update at the October Cabinet meeting and thereafter as part of the preparation of a revised strategy to the Council in February 2019 <i>In Progress (10% complete)</i> 	Peter J Lewis 10/10/2018	Likelihood : Impact : 0	Likelihood : Impact :	10/09/2018 Work has already taken place through the Financial Imperative work to review all uses of CRF proposed this year to ensure that they are compliant with the guidelines and that they are affordable within the predicted capital receipts, and will deliver the necessary transformational results.

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	GTVFM0007	<p>Risk Description: External Audit - VFM: The S151 officer in his/her annual reporting under Section 25 of the LG Act 2003 on the adequacy of reserves should clearly articulate their view on the adequacy of both general fund and other reserves (including earmarked reserves) along with any proposed actions to strengthen these going forward. As part of this process, consideration should be given, to the appropriateness of holding negative earmarked reserves.</p> <p>Cause:</p> <p>Consequence:</p>		<p>◦ Refreshing our 2019/20 Medium Term Financial Plan - Development and Approach Refreshing our 2019/20 Medium Term Financial Plan - Development and Approach, and report back at the Cabinet on 19th September with budget setting taking place in February 2019. This will include a very clear statement on investment areas, efficiencies and budget reductions over the coming periods to ensure transparency and facilitate effective overview and scrutiny. Future year target savings are currently modelled at £8.6mil (2019/20), £5.8mil (2020/21), £1.1mil (2021/22). These figures already include £10mil of additional budget for Children's services to be added over this period. <i>In Progress (10% complete)</i></p>	Peter J Lewis 28/09/2018	Likelihood : Impact : 0	Likelihood : Impact :	<p>10/09/2018 The Interim Director of Finance has already undertaken a review of all reserves, both General and Earmarked, as part of his overall analysis of the financial situation. Immediate findings are in the September Cabinet report</p> <p>The report to the September Cabinet meeting refers to reserves and the General Fund, including plans to restore the latter to a more acceptable level. The inter-relationship to the revenue budget is also explained as are the risks of the low level of reserves.</p> <p>Annual reporting will take place in February 2019.</p>

Report Selection Criteria

Status Flag=ACTIVE - Business Unit Code=GTVFM - ISNULL(Project Code)