

Strategic Risk Report – ORG0043

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>ORG0043</p> <p>Risk Owner: Sheila Collins</p> <p>Next Risk Review Date: 24/06/2019</p>	<p>Risk Description: Strategic Risk Update 2019: Maintaining a balanced budget for 2019/20 and ensuring a sustainable MTFP.</p> <p>There is a risk to the council's long term sustainability if there are significant in year service overspends, and or if the council suffers significant loss of funding in future years its ability to prepare a robust and sustainable MTFP for 2020/21 onwards may be impacted.</p> <p>Cause: Because reserves remain at low levels and the Council has a statutory duty to deliver services where demographic pressures remain high and volatile, and because significant savings remain to be delivered the Council:</p> <p>1) is dependent on the Government clarifying the future of Local Government funding to enable effective longer term planning, 2) must have a robust MTFP (2020 23) process that engages stakeholders.</p> <p>Consequence: A balanced budget has been set for 2019/20 and the level of reserves improved during 2018/19. However, there remains a risk of service overspends due to demographic pressures and / or the non delivery of savings in 2019/20.</p> <p>On going Local Government funding uncertainty means the Council can only develop its MTFP (2020 23) on sensible assumptions, rather than known funding allocations</p>	<p>Likelihood : 5 Impact : 5</p> <p style="background-color: red; color: white; text-align: center;">25</p> <p>Red – V. High Risk</p>	<ul style="list-style-type: none"> o Head of Procurement is developing a business case to improve contract spend tracking across services Marie Stretch <i>In Progress</i> (20% complete) o Robust MTFP process Proposed MTFP (2020-23) process under development by Interim Director of Finance. <i>In Progress</i> (10% complete) o Controls as in 2018/19 focus on high risk budget management To ensure new tighter financial controls are embedded in financial practices across the council the same rigour to controlling spend that was in place in 2018/19 (ie 10 point plan, savings tracker, financial reporting to Members etc), will be maintained throughout 2019/20. <i>In Progress</i> (60% complete) o Lobbying / horizon scanning Council proactively responding to Government consultations to make the case for improved funding for Somerset. This has included responding to the two technical consultations on the governments proposed Business Rates Retention Review and Fair funding Review proposals (these were only high level technical consultations at this stage) (February 2019 ; and submitting views to the Governments Spending Review Inquiry (April 2019). <i>In Progress</i> (30% complete) 	<p>Marie Stretch 24/06/2019</p> <p>To be confirmed 24/06/2019</p> <p>To be confirmed 24/06/2019</p> <p>To be confirmed 24/06/2019</p>	<p>Likelihood: 4 Impact : 4</p> <p style="background-color: red; color: white; text-align: center;">16</p> <p>Red – V. High Risk</p>	<p>Likelihood: 4 Impact : 4</p> <p style="background-color: red; color: white; text-align: center;">16</p> <p>Red – V. High Risk</p>	<p>29/05/2019: Revenue outturn report to Cabinet in June 2019 updates on the significantly improved position.</p>