

WILTSHIRE COUNCIL RISK ACTION PLAN

Risk Ref: RCE001	Risk: Managing the volatile nature of care placement requirements within the resources available CHILDREN	Date of Action Plan Update: August 2011
Current Risk Rating: I = 4 L = 3 Current Score = 12 High	Target Risk Rating: I = 3 L = 3 Target Score = 9 Medium	Progress on Risk Action Plan: RAG = Amber
Comment on Current Status of Risk (for use in risk management update reports)		
<p><u>Children:</u></p> <p>A number of processes/strategies are in place to mitigate the risks. This includes LAC Placement Audit Group.</p> <p>The Placement Panel effectively scrutinises new and requested admissions to Care. However, the LAC Placement Audit Group will now review Placements already made to ensure that opportunities for further reduction of costs, Rehabilitation Plans to Families and Permanency Plans are prioritised. This ensures a pincer approach both at point of admission and also once in care. This will occur across the entire Children and Families Social Care Service and will include the Referral and Assessment Team and Community Safeguarding Teams as well as those within the Children in Care Service.</p>		
Action Plan		
Risk Owner	Carolyn Godfrey	Key Officer/s Sharon Davies, Lin Hitchman
Scope / Background to Risk (Insert information about the risk that explains it further including any history, cause of risk and potential impact and likelihood evaluation information)		
<p>Cause: Changes in legislation, market pressures and the rising number of complex cases significantly affect the Council's ability to influence or control the continuing increase in costs of services for children, disabled people and older people. Major changes in policy & practice instituted by the NHS are also relevant, as are demographic and economic pressures.</p> <p>Impact: Financial impact is significant. Increasing placement costs are a barrier to investment in preventative work.</p>		
Controls in place to manage risk		
<ol style="list-style-type: none"> 1. Out of Authority monitoring System in place, to provide accurate data re number of children placed and cost of placements, monthly supervision with Team Managers where all OOA placements are discussed to prevent placement drift 2. Commissioning Strategy 2010/2011 in place, with monthly meetings chaired by Service Director for Commissioning to ensure compliance with agreed actions 		

3. Attendance at Major Contract Task Group meetings bi-monthly to monitor Quarriers contract compliance.			
Actions to take to improve the management of this risk OR Contingency Arrangements	Responsibility for action	Date for completion	Progress / Status Report for Improvement Actions
1. Placement panel implemented during January 2011 will continue to scrutinise current placements for children placed in out of authority placements to ensure wherever possible children can be returned to live in in-house provision.	1. Lin Hitchman	1. Ongoing, outcomes will be measured on a quarterly basis	Monitoring system to be implemented and outcomes reported to commissioning Group throughout 2011.
2. Increase in in-house foster placements and targeting of return of young people from expensive OOA placements	2. Lin Hitchman	2. Progress monitored month on month	Recruitment campaign to be undertaken 2011/2012
3. Increase in range of post 16 provision in accordance with Commissioning Strategy 2010 and sufficiency duty	3. Lin Hitchman	3. 2011/2012	Development of Supportive Lodgings/Host Family resources, establishment of Service level Agreements with voluntary and private providers
4. A review of all admissions in care for 2010 - present will be undertaken with an analysis of reasons for coming into care.	4. Jackie Chipping / Jeremy Fletcher	4. September 2011	To continue

WILTSHIRE COUNCIL RISK ACTION PLAN

Risk Ref: RCS033	Risk: Managing the volatile nature of care placement requirements within the resources available ADULT	Date of Action Plan Update: August 2011
Current Risk Rating: I = 4 L = 3 Current Score = 12 High	Target Risk Rating: I = 3 L = 3 Target Score = 9 Medium	Progress on Risk Action Plan: RAG = Amber
Comment on Current Status of Risk (for use in risk management update reports)		
<p><u>Older People, Older People with Mental Health Problems and People with Physical Impairment</u></p> <p>Demand for services continues. The Department has a range of strategies to manage the demand in the future and to reduce dependency on services including Accommodation Strategy, Help to Live at Home and Disabled Children and Adults Review.</p> <p>In addition, Cabinet has approved the procurement of block contracts and framework agreements with the NHS for the provision of nursing home care for Wiltshire residents. Following a recent court case judgement around fair fee levels legal advice has been obtained which suggests that undertaking a procurement approach is the best means by which this work can be progressed. This work will be undertaken jointly with the NHS which will ensure a joint Council and NHS approach to the market which will benefit customers.</p> <p>Robust budgetary management procedures are operating within the department and work with NHS partners continues.</p>		
Action Plan		
Risk Owner	James Cawley	Key Officer/s Nicola Gregson
Scope / Background to Risk (Insert information about the risk that explains it further including any history, cause of risk and potential impact and likelihood evaluation information)		
<p>Cause: Market pressures and the rising number of complex cases significantly affect the Council's ability to influence or control the continuing increase in costs of services for children, disabled people and older people. Major changes in policy & practice instituted by the NHS are also relevant, as are demographic and economic pressures.</p> <p>Impact: Financial and service impact is significant. Increasing placement costs impact upon the Council's ability to purchase the required amount of nursing care and could impact on its ability to meet the needs of some customers.</p>		
Controls in place to manage risk		
<ol style="list-style-type: none"> 1. Regular monitoring of all placement activity is in place 2. All placements are approved at a senior level following individual negotiations with providers 		

Actions to take to improve the management of this risk OR Contingency Arrangements	Responsibility for action	Date for completion	Progress / Status Report for Improvement Actions
<ol style="list-style-type: none"> 1. Alternatives to care home placements are being proactively commissioned. 2. Procurement exercise is being undertaken to secure nursing bed provision at an appropriate cost. 	<ol style="list-style-type: none"> 1. Nicola Gregson 2. Nicola Gregson 	<ol style="list-style-type: none"> 1. Sept 2011 to March 2012 2. October 2011 	<ol style="list-style-type: none"> 1. Project plan in place and working group meeting weekly to review progress against targets 2. Work is progressing against the procurement plan

WILTSHIRE COUNCIL RISK ACTION PLAN

Risk Ref: RNP139	Risk: Delivery of a successful Waste management and landfill strategy	Date of Action Plan Update: August 2011
Current Risk Rating: I = 4 L = 3 Current Score = 12 High	Target Risk Rating: I = 4 L = 2 Target Score = 8 Medium	Progress on Risk Action Plan: RAG = Amber
Comment on Current Status of Risk (for use in risk management update reports)		
<p>Significant action has been taken to improve waste reduction and recycling, and increase waste diversion from landfill. Waste reduction has been assisted by the economic slowdown, plus national and local action. Waste and recycling collection changes programmed for 2011-12 are forecast to increase recycling significantly, from 41.1% currently to about 50%. One contract for the further diversion of waste from landfill has already started (Hills /Lakeside), securing enough capacity to avoid LATS (Landfill Allowances Trading Scheme) fines until the scheme ends in 2013 and reduce the landfill tax bill. In recent years, landfill tax has become far more important than LATS as a financial driver.</p> <p>The government review of the national waste strategy, published in May 2011, does not change the underlying requirement to significantly reduce waste to landfill. At a more detailed level, the decisions to discontinue the Landfill Allowances and Trading Scheme (LATS) in 2013 and to discontinue national indicators provide increased flexibility. However, the government recycling target of 50% by 2020 and references to possible “landfill bans” maintain the pressure to increase recycling and divert waste from landfill. Potentially conflicting statements encouraging use of weekly collections but leaving the decision to local authorities threaten to undermine measures to increase recycling whilst controlling expenditure.</p> <p>A second contract, the Hills / Entsorga Mechanical Biological Treatment (MBT) was signed in April 2011. If this project delivers forecast waste diversion, the Council will have sufficient diversion capacity to continue reducing the landfill tax bill until about 2019, on current forecasts. Therefore, the second contract would reduce the likelihood of this risk.</p> <p>The proposed changes to waste and recycling collections will provide further scope to reduce landfill. The council would also meet the Corporate Plan 2010-14 target for reducing waste to landfill (25% by 2014). The risk has therefore been reviewed; the likelihood has been reduced to reflect the significant progress achieved, but not to the target level because the MBT plant is not yet operating.</p> <p>Major budget increases required to fund the changes to waste and recycling collections were agreed by Council in February 2011. The programme for delivery of new services has been agreed and has commenced. Revenue costs will rise by more than £1 million. These costs will need to be covered in future MTFPs and annual budgets.</p> <p>Whilst the above measures will reduce pressures on the Council, it is certain that the costs of waste management will still increase significantly (see Scope of Risk). The following additional control measures are in place:</p> <ul style="list-style-type: none"> (1) consideration for control of waste management as part of Medium Term Financial Plan and budget planning cycles; (2) the Waste Service is currently reviewing longer term issues and will update or formally review the council's waste management strategy during 2011/12; (3) action by Head of Waste Management, working with the Head of Waste Collection, to increase recycling and other diversion performance within budget allocations (see above for performance and agreed service changes). Also wood waste has been diverted from landfill to energy from waste production since December 2008; 		

(4) monitoring of the LATS for availability and cost of allowances.

The target risk rating is dependent upon funding being made available to support the mitigation measures. The council's Financial Plan 2011-15 identifies the following increase in base budgets needed to deliver the above improvements :

2011/12	2012/13	2013/14	2014/15
£2.5 m	£2.763 m	£2.443 m	(£0.089 m)

These forecasts will need to be regularly updated, to reflect such variables as contract price inflation and RPI, the results of procurement of services beyond 2016, when one contract terminates, Landfill Tax and LATS, waste tonnage, progress with recycling, the effects of harmonisation of waste and recycling collections (2011/12) and progress with other diversion contracts.

Action Plan

Risk Owner	Tracy Carter	Key Officer/s	Tracy Carter / Andy Conn
-------------------	--------------	----------------------	--------------------------

Scope / Background to Risk

(Insert information about the risk that explains it further including any history, cause of risk and potential impact and likelihood evaluation information)

Cause: The EU Landfill Directive requires a major change in waste management, with much more emphasis on waste reduction, re-use and recycling, or production of energy from waste, and much less disposal to landfill. The UK government has created two powerful financial incentives to reduce landfill. (1) The Landfill Allowances Trading Scheme has a reducing landfill allowance for each waste disposal authority to 2020. This applies to biodegradable waste (about 68% of Municipal Solid Waste). Fines for exceeding the allowance have been set at £150 per tonne of biodegradable waste, although trading, banking and borrowing can be used as short term measures in most years. In June 2011 government announced that this scheme would be terminates at 2013. (2) Landfill Tax has risen significantly and is set to rise from the 2011/12 rate of £56 per tonne, by £8 increments to £80 per tonne in 2014/15. Governemnt is alos examinnig the case for further restrictions on landfill (Strategy review June 2011). There is also increasing public support for recycling and waste minimisation.

Impact: Diversion from landfill by means of recycling and energy from waste projects is relatively expensive in the short term. Benefits realisation assessments of Energy for Waste (EfW) projects and the current proposal to harmonise waste and recycling collections show initial outlay leading to major cost avoidance in a few years time. Markets and prices for recyclables are unpredictable. These factors combine to create a risk of failure to manage the overall costs of waste management. The major identified additional risks for the service and budget are: (1) from 2006/07 – payment of increased landfill tax per tonne (certain) and purchase of LATs allowances (possible), subject to waste reduction and landfill diversion achieved; (2) from 2009/10 – payment for diversion contracts. (Hills / Lakeside EfW commenced June 2009, MBT contract due to commence 2013). (3) from 2016 - a new payment regime for waste management services, including a large recycling operation, following the conclusion of the current contract; (4) Up to 2013, risk of further penalties associated with the LATS scheme in certain "scheme" years, as a pro rata share of any EU penalty charged to the UK; (5) The LATS and Landfill Tax schemes or the definition of council waste management responsibilities may be changed by government, affecting the Council's financial assessments; LATS is due to terminate in 2013. (6) Possible additional government measures to further restrict use of landfill. The government will consult on possible measures, including landfill bans, from June 2011. An additional area of risk, currently more limited, is the increased scope of Landfill Tax. In Autumn 2009, the government announced that the low rate of landfill tax (LFT)(£2.50 per tonne) would be extended to (inter alia) all material used as landfill cover (previously exempt). The Council now pays LFT on this tonnage. (7) the government review of waste policy has not required councils to revert to weekly waste collections, but pressure is still being maintained by some ministers, particularly for weekly food waste collections, increasing both collection and disposal costs.

Controls in place to manage risk

1. Waste minimisation programme - joint venture Recycle for Wiltshire work with Wiltshire Wildlife Trust and subsidised sale of food waste digesters to Wiltshire residents
2. Actions to increase recycling and composting -

The heads of waste management and waste collection are working to increase opportunities for recycling and composting, within budget allocations (see above for performance and agreed service changes)

The council consulted on proposed changes to harmonise waste and recycling collections during June-August 2010 and Cabinet agreed to proceed in October 2010. Service changes will take place between October 2011 and March 2012. Significant additional diversion of waste to recycling and composting is forecast to result.

A new recycling centre has opened at Marlborough (March 2011).

A project is underway to increase access to kerbside recycling services by residents of flats.
3. Actions to divert additional waste from landfill, to energy from waste production -

The Lakeside contract commenced June 2009 (50,000 Tonnes Per Annum)

The Westbury MBT contract has been signed (see above)

Household wood waste delivered to recycling centres (about 7500 Tonnes Per Annum) is being sent to energy from waste production under the existing waste management contract.
4. Consideration for control of waste management as part of Medium Term Financial Plan and budget planning cycles
5. Monitoring of the Landfill Allowances Trading Scheme (LATS) for availability and cost of allowances and reporting accurate data on waste tonnages to the national (statutory) Waste Data Flow system

Actions to take to improve the management of this risk OR Contingency Arrangements	Responsibility for action	Date for completion	Progress / Status Report for Improvement Actions
1. The waste service is currently reviewing longer term issues and will update or formally review the council's waste management strategy during 2011/12, to update forecasts, targets and priorities from 2011 onwards. Strategic Environmental Assessment / Sustainability Appraisal of the revised strategy will be required. This will require consultancy support, the cost of which may exceed the current budget allocation. Cabinet approval of the revised strategy will be required.	1. Andy Conn	1. 30/03/2012	Action 1 - the waste service carried out vision / blueprint work during the Summer and Autumn of 2010. Work on the strategy review is programmed for 2011/12. Staff capacity is expected to be limited, due to the demands of the planned harmonisation of waste and recycling collection services.
2. The waste service will also be preparing for the continued operation of contracted out services as the FOCSA west Wiltshire collection	2. Tracy Carter	2. Various from 2011	Action 2 - to follow the early stages of Action 1

<p>contract (2014) and the Hills waste disposal and recycling contract (2016) expire. Options for future service delivery and costs will be investigated. Again, significant consultancy support may be required. A Cabinet decision on preferred options will be required.</p>		<p>onwards</p>	
<p>3. Use of project management techniques within the waste service, to improve operation of service improvement projects</p>	<p>3. John Geary</p>	<p>3. Ongoing</p>	<p>Action 3 has commenced and is being applied to work required to implement the proposed collection service changes.</p>
<p>4. Improve collection and management of waste data in the newly formed waste service</p>	<p>4. Andy Conn and Martin Litherland</p>	<p>4. 31/03/12</p>	<p>Actions 4 and 5 have commenced. A relatively long time scale will be needed, due to the time required for finalisation of the waste collection service staff structure and resolution of pay and terms / conditions harmonisation issues (departmental and 4 area services).</p>
<p>5. Increase co-ordination of staff resources across the newly formed waste service to help deliver the Recycle for Wiltshire joint venture, encouraging residents to minimise and recycle more waste</p>	<p>5. Andy Conn and Martin Litherland</p>	<p>5. 31/03/12</p>	<p>Actions 4 and 5 have commenced. A relatively long time scale will be needed, due to the time required for finalisation of the waste collection service staff structure, and resolution of pay and terms / conditions harmonisation issues (corporate and 4 area services).</p>

WILTSHIRE COUNCIL RISK ACTION PLAN

Risk Ref: RNP140	Risk: Delivery of 350 unit housing PFI scheme			Date of Action Plan Update: July 2011
Current Risk Rating:	(High, Med, Low):	Target Risk Rating:	(High, Med, Low):	Progress on Risk Action Plan:
I = 4 L = 3 Current Score = 12	High	I = 4 L = 2 Target Score = 8	Medium	RAG = Amber
Comment on Current Status of Risk (for use in risk management update reports)				
<p>As previously reported, due to issues concerning affordability and planning, Cabinet agreed that the housing PFI scheme would be reduced from the provision of 400 homes to around 350. These will be delivered in a phased approach, with approximately 242 homes being provided in phase 1.</p> <p>Following the government's Spending Review, the Department for Communities and Local Government (DCLG) / Homes and Communities Agency (HCA) confirmed continuing funding support for the project (22/11/10), subject to rigorous demonstration of value for money (VfM). The VfM review finally reported in March and we quickly addressed the points of concern.</p> <p>All projects were subsequently asked to identify additional savings and to accept a reduced level of PFI credit. Our revised bid was submitted on 1/6/11 and the Minister has now agreed (14/7/11) to continue to support the project through to financial close (contract award). We have reduced the contract period by seven years, to 20 years, and this has enabled us to reduce our maximum credit allocation by £6 million, to £77 million.</p> <p>We are currently in the process of finalising the contract and financial models with the government/bidder. Our internal approval process is scheduled for mid-September. All projects now need to be signed off by the Treasury before financial close and this will add about a month to the programme. Based on current assumptions, financial close is likely to be in mid-November, at the earliest. Persimmon has indicated a December deadline to achieve start on site.</p>				
Action Plan				
Risk Owner	Sue Redmond (as of 17/5/11)	Key Officer/s	Graham Hogg / Mike Swabey / Chris Trowell	
Scope / Background to Risk				
(Insert information about the risk that explains it further including any history, cause of risk and potential impact and likelihood evaluation information)				
Cause: Scheme unaffordable. Unable to demonstrate value for money. Unable to secure sufficient sites with planning permission. Persimmon withdraws sites. Lack of resources. Lack of budgetary control. Loss of political/HCA support. Delays.				
Impact: Loss of £83m PFI credit. £2.3m abortive set up costs. Overspend on set up costs. Failure to meet corporate plan objective. 350 households left in unsuitable accommodation. Reputational damage.				
Controls in place to manage risk				

1. Affordability gap resolved by reduction in scheme to around 350 units (Cabinet 24/11/09).
2. Planning permission granted for 242 units. Timing issue on remaining units resolved by phased approach (Cabinet 24/11/09).
3. Cabinet agreement to enter into contract (22/6/10).
4. 2011/12 budget in place.

Actions to take to improve the management of this risk OR Contingency Arrangements	Responsibility for action	Date for completion	Progress / Status Report for Improvement Actions
1. Project Agreement (PFI contract) to be agreed by HCA / DCLG / IUK.	Chris Trowell	16/9/11	Derogations response finally received from HCA 15/4/11 (submitted 10/9/11). Project Agreement/derogations due to be re-submitted 5/8/11.
2. Value for money position to be approved by HCA.	Chris Trowell	8/7/11	VfM feedback received 21/3/11 (submitted 9/12/10). Revised bid accepted 14/7/11 (submitted 1/6/11).
3. Land issues on Council sites arising from Contractor due diligence to be resolved.	Janet Lee / Mark Hunnybun / Chris Trowell	31/8/11	Issues in respect of Council provided sites largely resolved.
4. Manor School site to be sold to Sarsen.	Graham Garrett / Tim Slater	31/8/11	Documentation almost agreed. Sale and purchase to be completed as soon as possible.
5. Submit Final Business Case.	Chris Trowell	23/9/11	FBC to reflect new Treasury approval process. Council internal approval scheduled for 14/9/11. In discussion with HCA to overlap derogations approval / FBC submission.

WILTSHIRE COUNCIL RISK ACTION PLAN

Risk Ref: RNP142	Risk: Delivery of a transformed Waste Collection Service	Date of Action Plan Update: July 2011
Current Risk Rating: I = 4 L = 3 Current Score = 12 High	Target Risk Rating: I = 1 L = 3 Target Score = 3 Low	Progress on Risk Action Plan: RAG = Amber
Comment on Current Status of Risk (for use in risk management update reports)		
<p>Following intensive negotiations with the trade unions and a period of staff consultation, all in-house waste collection staff have now moved to new posts on harmonised Wiltshire Council terms and conditions.</p> <p>The waste directorate's management team has worked hard with HR to avoid creating poor industrial relations resulting in disruption to services. Affected staff have had previous Bank Holiday working recognised with an element of pay protection deployed where applicable. Differences in take-home pay between depots, now mitigated to a large degree, and steps have been taken to allow additional resilience by paying standby payments in certain circumstances, such as during periods of inclement weather. From December 2011 onwards, collection arrangements over public and bank holidays will be the same across the county.</p> <p>New waste and recycling collection services are being rolled out to programme, with user information packs and collection calendars now being distributed to residents ahead of the new bins. New collections will begin in the north of the county on 10 October 2011.</p> <p>The risk remains high because of the possibility of adverse publicity if there are any problems with implementing the new services or when north and south Wiltshire move to fortnightly collections for their non-recycled waste. This is programmed for February and March 2012 so we anticipate the risk being reduced in April or May next year.</p>		
Action Plan		
Risk Owner	Tracy Carter	Key Officer/s Tracy Carter / Martin Litherland
Scope / Background to Risk (Insert information about the risk that explains it further including any history, cause of risk and potential impact and likelihood evaluation information)		
<p>Cause:</p> <ol style="list-style-type: none"> 1) Failure to implement harmonisation of pay and conditions exposing the Council to possible legal challenge. 2) Failure to transform the four current waste collection systems into a single, consistent service covering the whole council area. 3) The government review of waste policy during 2011 does not require councils to revert to weekly waste collections, but ministers are continuing to press for weekly food waste collections, which would increase both collection and disposal costs. 4) Lack of space in existing network of depots to accommodate vehicles and staff for new services. 		

Impact: 1) Could seriously damage and undermine the pay harmonisation process across the council as a whole and failure to achieve a negotiated collective agreement with the unions could lead to poor industrial relations in the longer term and disruption of a key service used by every resident;

2) Public complaints about inequality and discrimination due to different collection systems remaining in place, possible multiple ombudsman cases, criticism and low assessment by central government and to some boycotting of recycling by residents, leading to failure to hit landfill diversion targets, and to budget pressures.

3) Increases in both collection and disposal costs, the latter due to increased waste disposal to landfill and payment of LFT.

4) May not be possible to deliver services if staff and vehicles cannot be accommodated.

Controls in place to manage risk

1. Changes to recycling and waste collection services are under way. These will harmonise collections across the county and are forecast to deliver significant additional diversion of waste to recycling and composting.
2. Significant progress has been made by project teams on the various workstreams.
3. Regular meetings take place with union representatives. Staff representatives have been consulted on JEQs for new roles within the waste collection service. The new collection service structure has been agreed by the council and recruitment of staff to new posts is under way .

Actions to take to improve the management of this risk OR Contingency Arrangements	Responsibility for action	Date for completion	Progress / Status Report for Improvement Actions
1. Use of project management techniques within the waste service, to improve operation of service improvement projects	1. John Geary	1. Ongoing	These actions have all commenced and are regularly reviewed. Project teams are meeting as frequently as necessary to progress the work on both role remodelling and waste collection service projects.
2. Alternatives to using Wiltshire Council depots for delivery of new services are being explored	2. Martin Litherland	2. March 2012	These actions have all commenced and are regularly reviewed. Project teams are meeting as frequently as necessary to progress the work on both role remodelling and waste collection service projects.
3. Communications strategy is being developed to ensure that all staff are kept informed of proposed changes. Communications will continue through the service change period into 2012.	3. Martin Litherland	3. March 2013	These actions have all commenced and are regularly reviewed. Project teams are meeting as frequently as necessary to progress the work on both role remodelling and waste collection service projects.

WILTSHIRE COUNCIL RISK ACTION PLAN

Risk Ref: RP006	Risk: Procurement Programme Targeted savings not fully aligned to Business Plan requirements	Date of Action Plan Update: 6 September 2011	
Current Risk Rating: I = 3 L = 3 Current Score = 9 Medium		Target Risk Rating: I = 2 L = 2 Target Score = 4 Low	
Progress on Risk Action Plan: RAG = Green			
Comment on Current Status of Risk (for use in risk management update reports)			
<p>The level of risk is maintained at amber as whilst it is not thought that it is going to be possible to deliver the original pure procurement savings of £11m next year in line with the business plan, detailed work on the savings opportunities within 2011/12 and for future years indicate that the savings achievable will need to be revised in the business plan targets. The savings targets are based on 2009/10 actual spend information and the Business Plan is based on the 2010/11 Base Budget, therefore anomalies exist in making percentage savings on budgets which overspent in 2009/10 or have already been reduced by alternative savings proposals. There are also cases where the amount of addressable spend for pure procurement is limited, due to contracts already being in existence which either cannot be broken or which on being reviewed are deemed to already provide best value for money. This risk is being mitigated through a new review of alternative procurement and non-procurement opportunities.</p> <p>To realign the savings target to the Business Plan we will need to realign the programme approach and include service review savings. This will be discussed with CLT as part of the budget monitoring and budget setting process but is outside the remit of the Programme in isolation.</p>			
Action Plan			
Risk Owner	Michael Hudson / Caroline Bee	Key Officer/s	Caroline Bee
Scope / Background to Risk (Insert information about the risk that explains it further including any history, cause of risk and potential impact and likelihood evaluation information)			
<p>Cause: Savings targets for P&C are based on 2009/10 actual spend information; Business Plan is based on 2010/11 Base Budget. Therefore anomalies may exist in making %age savings on budgets which overspent in 2009/10. Also opportunity assessments and further work on candidate lists for future savings evidence that assumptions on available savings are not realistic given other commitments across the council or current arrangements being better than anticipated.</p> <p>Impact: Financial risk. Savings targets may be achieved in P&C Programme but spend may still exceed targeted budget base in Business Plan.</p>			
Controls in place to manage risk			
<ol style="list-style-type: none"> 1. Budget monitoring process at corporate level. Programme does not own budgets and mitigating actions. 2. 			

3.			
Actions to take to improve the management of this risk OR Contingency Arrangements	Responsibility for action	Date for completion	Progress / Status Report for Improvement Actions
1. Compare all addressable spend in P&CP with 2010/11 Base budget to identify variations & report findings	1. Caroline Bee	1. Date	Business Plan and budget contain reduced targets for expected savings from P&CP therefore providing margin for error. P&CP savings targets remain but appear to be non deliverable in isolation to other corporate actions, hence action 3 below.
2. Review & adjust P&CP savings targets as necessary	2. Caroline Bee	2. Date	Risk of P&CP savings becoming out of line with Business Plan forecasts increases over the course of the programme. Business Plan contains £9m for 2013/14 then £11.6m for 2014/15 (red). Completed, hence escalation to action 3
3. Programme needs to move to Phase 2 and a review of addressable spend and savings targets must be undertaken with a refresh of the approach to procurement savings to maximise VFM from spend, including service redesign and demand management. This will move the programme away from pure procurement and will feature as part of the budget setting 2012-13 process. The action plan therefore becomes the contingency arrangement within the budget monitoring and budget setting processes at a corporate level.	3. Caroline Bee	3. October 2011	At present it is difficult to see how £11m pure procurement savings can be made from the current candidate lists. To realign the savings target to the business plan we will need to realign the programme approach and include service review savings. This will be discussed with CLT as part of the budget monitoring and budget setting process but is outside the remit of the Programme in isolation.