

WAO Financial Resilience Action Plan V3

| WAO Ref | Proposal for Improvement | Key Tasks | Action | Owner | Start date | Completion date | Dependencies | BRAG Status | Progress | Next Steps |
|---------|--|--|--|--------------------------|--------------------|------------------------------|--------------|---|---|---|
| P1a | Strengthen financial planning arrangements by: Ensuring that the service savings targets set for third party spend, income and cost improvement opportunities can be achieved in planned timescales. | Ensure that projects are identified to meet the third party spend and income generation targets set. | Implement recommendations within 'Income Management and delivery of Income Savings' report presented to Management Team 16/01/2017. | Jane Thomas and services | | 30/06/2017 | | | Recommendations approved. Income & Cost Improvement Board to take work forward. £1.7m FIR 3 rd party procurement support has been delivered but only 22% can be claimed as cashable budget reductions. In year some targets have been delivered through other one off savings. A gap of over £800k is rolled forward into 2017/18. 2017/18 new Tier 1 and 2 3 rd party savings plan has been drawn up by Procurement – will be discussed at next Board. | Provide an updated action plan to Management Team 6/6/17 that provides a view from CIB about how it will ensure delivery of the income and 3 rd party targets. |
| | | Ensure that sources of income and the risks arising from these are fully understood, and review the approach to fees and charges to achieve value for money. | Manage and monitor third party spend and income generation via the Cost Improvement Board. | | 16/01/2017 | Ongoing | | | Cost Improvement Board re-established on 17 th February. ToR agreed. In year target managed by use of other savings, but for 2017/18 further action to update the income register and identify those chargeable areas that have not uplifted for inflation. New year will see benchmarking against others to glean new ideas that should see delegation of budgets to those. | |
| | | | ToR for Income & Cost Improvement Board | | February 17 | 30/04/2017 | | | Draft completed and agreed by Board | |
| P1b | Strengthen financial planning arrangements by: Ensuring that all savings plans are sufficiently well developed for inclusion in the annual budget. | Ensure that savings proposals included in the MTFS are sufficiently well developed and have realistic timescales for delivery. | Produce Savings Delivery Plan template. | | | Completed – date sent to HoS | | | Savings delivery plans have been developed and introduced for the 2017/18 savings. Budget approved 23/02/2017. | |
| | | | Take a longer term view by revising the Savings Delivery Plan template and consider integration with SIP Action templates and Impact Assessment (IA) template. | | June 2017 | | | | One report – used for all purposes – no paperwork duplication. | |
| | | Greater building of cross-service networks. | HoS forum, challenge, etc. | | April Onwards 2017 | | | | Agreed to pick up with accountants – as gatekeepers of the monthly efficiency tracker and to challenge at service meetings. | |
| | | | Strengthen 'Stakeholder Impact' within the IA template to ensure impact on other services is fully understood. | | | | | | | Action plan to be prepared to set out all necessary steps to improve budget setting in |
| | Produce separate FRM per Directorate and per Service Area. | Produce separate FRM per Directorate and per Service Area. | | January 2017 | 31/10/2017 | | | Initial development underway. Documents to be used to inform the overall budget plan as it develops through 2017/18 for the next year's budget. | | |

| WAO Ref | Proposal for Improvement | Key Tasks | Action | Owner | Start date | Completion date | Dependencies | BRAG Status | Progress | Next Steps |
|---------|--|---|---|-------|---------------|-----------------|--------------|-------------|---|---|
| | | Explore priority based budgeting as a potential model to take forward. | Explore priority based budgeting as a potential model to take forward. Discretionary v statutory spend. How English LAs have reduced services and delivered saving | | April 2017 | 30/09/2017 | | | Initial conversations with external organisations taking place to fully understand the model and what is required. | autumn 2017. Present to Management team 6/6/17 |
| | | In addition to reviewing MTFS assumptions during the year, monitor MTFS performance in-year | Explore producing a set of data or a report that monitors performance. | | TBD | 31/05/2017 | | | Initial investigations taking place to monitor spend against budget pressures and confirm how close to estimates real pressure materialised. | |
| P1c | Strengthen financial planning arrangements by: Forecasting the use of reserves over the MTFP period. | Include a comprehensive statement of planned use of reserves over the term of the MTFS. | Expand the current forecasting of reserves undertaken by including a table which shows the reserves position in 3 years' time. | Now | December 2017 | | | | The budget plan clearly considers the use and replenishment of reserves, currently on an annual basis and reports regularly to Cabinet. Report by Head of Financial Services to S151 Officer: 'Assessment of the Robustness of Proposed Budget for 2017/18 and the Adequacy of Reserves held', 23/01/2017. | |
| | | | | | | | | |  Audit com Report - Reserves jan 2017.doc | |