

Scrutiny Committee: As requested in email 1 Feb 2021

Date of meeting: N/A

Reporting Period under consideration: Quarter 3

In line with the council's [Performance Management and Quality Assurance Framework](#), it is proposed that Scrutiny consider the following key questions as part of analysing the performance information:

Strategic Risk Report

1. Do you agree with the Risk Rating Scores that are given to the Strategic Risks? Are they a fair and appropriate judgement of risk likelihood and impact?
2. Are the control/mitigating actions robust enough for getting the residual risk score down or confidence to close the risk?
3. Does the commentary provided, give confidence that the risk is being managed effectively?
4. Any other comments

| Comment by:        | Comment:                                                                                                                                                                                                                                                           | Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cllr JC<br>FIN0001 | This seems to contradict the budget documents which seem to comply with the MTFS and assurance given. The settlement was greater than had been anticipated and there is little evidence here to indicate that savings last year won't be met. Went up from 9 to 16 | The development of the budget has been completed by Cabinet following the receipt of the Provisional Settlement on the 22nd December providing the Council with an additional 4% in 'Aggregate External Finance' (AEF) funding for 2021/22. The additional settlement has helped bridge the remaining budget gap and Cabinet propose a balanced budget for 2021/22. However, the risk identifies the risk over the medium and longer term and with no indication of future funding levels, the risk remains. The Mid Term Financial Strategy (MTFS) has been updated to reflect the current economic climate and the 5 year Finance Resource Model (FRM) still shows significant budget gaps across the following 4 years based on a number of scenarios. The MTFS sets out the principles and approach that will be adopted to identify ways of bridging these gaps. The impact of the ongoing pandemic has been considered in the plans and we await confirmation of WG funding to support this. <i>Jane Thomas</i> |
| Cllr JC<br>ED0022  | Schools budgets have now had new funding formula embedded for over 12 months. This was supposed to overcome issues. Not clear why this pressure now? Went up from 12 to 15.                                                                                        | This risk highlights the current concerns with some schools still holding deficit balances, and the continued need for recovery action. But it also highlights that the formula will need further review alongside the implementation of the transforming education strategy. <i>Jane Thomas &amp; Lynette Lovell.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|                    |                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cllr JC<br>WO0021  | Only two areas have decreased. What actions enabled this one to be lowered?                              | Over the past quarter, 3 of the controls and actions have been completed, a fourth withdrawn (as it was no longer relevant/viable). In addition, I was conscious that further progress had also been made against a number of the other controls and actions. Taking account of this and recognising that this is the first time that I have personally rated this risk, I felt that, on balance, the progress made it less likely that the Council would not be able to recruit staff and to commission organisations with the numbers of staff required in the future. I therefore adjusted the likelihood rating to likely and hence from 5 to 4. <i>Paul Bradshaw.</i> |
| Cllr JC<br>PCC0003 | Only two areas have decreased. What actions enabled this one to be lowered?                              | Based on the work and progress made since last quarter (please see narrative provided in the risk report) and assurance received, it was felt this risk could be re scored to a 12.<br><br>Further evidence to support this decision can be found in the performance reports and Transforming Education Programme which articulate the actions taken and our improved performance. <i>Emma Palmer.</i>                                                                                                                                                                                                                                                                     |
| Cllr JC<br>CS0081  | This is a worrying new risk. What impact will this have on expected savings outlined for 2020/21 budget. | This risk replaced a previous risk that was similar but not identical. The previous risk was entitled 'Ability to meet the requirements of the MTFS / Retaining grant funding around posts within Children's Services' with the following' after Children Services did a thorough review of all their risks. <i>Bets Ingram</i><br><br>Requested further response from Head of Service and owner of risk.                                                                                                                                                                                                                                                                  |
|                    |                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |