

Service Specific Risk Reserves

1. Introduction

- 1.1 In order to manage the volatility of some of the Council's demand led budgets, a number of service specific risk reserves have been established. Detailed risk registers are maintained to support these reserves. The provisional level of service specific risk reserves are shown in the following table:

	Reserve Balance 1.4.2017	Change to level of Reserve 2017/18	Current Reserve Balance	Risks arising 2017/18	Reserve Balance 31.3.2018
Service	£000	£000	£000	£000	£000
Adult Social Care	2,090	-1,046	1,044	-163	881
Children & Family Services	500	-114	386	-348	38
Legal Services	50	0	50	0	50
Total	2,640	-1,160	1,480	-511	969

2. Communities

Adult Social Care:

- 2.1 Adult Social Care has a dedicated risk reserve designed to be utilised in year, should the named risks materialise. A detailed risk register is maintained to support this reserve. During the year, £901k was released against named risks identified on the risk register in order to cover some of the inflationary pressures that the service has faced. The outturn position reflects the release of a further £163k from the Adult Social Care risk reserve.

Adult Social Care	Value £000	Reserve Balance £000
Risk Reserve closing balance 31.3.2017	1,107	
Increase in reserve agreed in 2017/18 budget	983	
Risk Reserve balance 1.4.2017	2,090	
Decrease in reserve agreed at Budget Board 29.6.17	-145	
Movement to ASC for Inflationary pressures Q2	-392	
Movement to ASC for Inflationary pressures Q3	-509	
Risk Reserve balance 31.01.2018		1,044
Risks arising during 2017/18 and funding to be released at yearend:		
National Living Wage increases from providers	-15	
Delayed Transfers of Care - higher rates paid for homecare	-53	
Delayed Transfers of Care - higher rates paid for care placements	-95	-163
Risk Reserve closing balance 31.3.2018		881

Children and Family Services:

- 2.2 Children and Family Services have a dedicated risk reserve of £386k designed to be utilised in year, should named risks materialise. A detailed risk register is maintained to support this reserve. The service outturn position reflects the release of £348k from the reserve in response to realisation of identified risks.

Children & Family Services	Value	Reserve Balance
	£000	£000
Risk Reserve balance 1.4.2017	500	
Decrease in reserve agreed at Budget Board 29.6.17	-114	
Risk Reserve balance at Month Ten		386
Risks arising during 2017/18 and funding to be released at yearend:		
Children in high cost residential placements	-201	
Requirement to cover key posts - social workers - above base provision	-147	
		-348
Risk Reserve closing balance 31.3.2018		38

3. Environment and Economy

3.1 Transport & Countryside:

A risk reserve of £224k was created this year for winter gritting costs. This was fully utilised.

4. Resources

Legal Services:

Legal Services has a dedicated risk reserve of £50k which was not required in 2017/18.

Legal Services	Value	Reserve Balance
	£000	£000
Risk Reserve balance 1.4.2017		50
Risks arising:		
Risk Reserve closing balance at 31.3.2018		50

5. Risk Provision

- 5.1 All risk reserve levels have been reviewed early in 2018/19 at Budget Board and increases made in line with current service risk registers.

Transition and Transformation Funds

1. Transition Fund

- 1.1 The Council was awarded £1.37m in transition funding for 2017/18, which was allocated as:

Directorate	Service	Project Description	Transition Funding £	Agreed by	When
Communities	C&FS	Short Breaks	140,000	Council	4.3.2017
Environment	PPC	Libraries	200,000	Council	4.3.2017
Resources	SSU	Citizens Advice Bureau	30,000	Council	4.3.2017
		Transformation Reserve	1,000,000	Council	4.3.2017
		Total	1,370,000		

2. Communities

The Directorate was awarded transition funding of £140k for 2017/18.

Short Breaks – Children & Family Services

£140k was allocated to Short Breaks Services by allocating grants to a number of voluntary organisations to provide respite services and help transition short breaks services across West Berkshire. This was in response to the Judicial Review undertaken in 2016 to mitigate the impact of the original savings.

3. Environment & Economy

The Directorate was awarded transition funding of £200k for 2017/18.

Library Service – Public Protection and Culture

£200k was awarded towards the following:

- Salary costs £55k
- Shortfall from a contribution from Theale Green school £18k
- Shortfall in Parish contributions £61k
- Cost of work to modify buildings for new ways of working £40k
- Balance to be spent on transitional issues £26k within Hungerford, Lambourn and Theale.

4. Resources

The Directorate was awarded transition funding of £30k for 2017/18.

Citizens Advice Bureau – Strategic Support

£30k was awarded to Strategic Support for the Citizens Advice Bureau.

5. Transformation Reserve

- 5.1 The Transformation Reserve was established in order to ensure that the Council has the resources to pursue transformation plans outlined in the MTFS and to invest in strategies that will bring future benefits to the organisation. Funds have so far been allocated to:

Directorate	Service	Project Description	Transformation Funding Awarded	Agreed by	When	2017/18 Saving Target	2018/19 Saving Target	2019/20 Saving Target
			£000			£000	£000	£000
		Opening Balance	1,000					
Resources	Commissioning	Invest to save posts in commissioning	-225	Ops Board	13.4.17			277
Resources	HR	Invest to save post - Apprenticeship Coordinator	-74	Ops Board	6.7.17			100
Communities	P&S	Emotional Health Academy	-5	Budget Board	6.4.17	20	20	
Resources	Legal	Shared service advice	-12	AW/NC	4.12.17			
Communities	Education	Invest to save - Family Hub transformation	-28	AW	8.12.17		30	
Resources	F&P, HR, SSU	Invest to save - New Ways of Working project	-216	Corp Prog Board	15.2.18			tbc
Communities	ASC	Transport	-5	Budget Board	22.3.18			
		Total awarded	-565					
		Closing Balance	435					

- 5.2 Council approval has been given to increase the Transformation Reserve in 2018/19 by £561k, as part of the Strategy for use of Capital Receipts.

6. Communities

- Prevention and Safeguarding was awarded £5k from the Transformation Reserve for consultancy costs to review the Emotional Health provision in West Berkshire.
- Education was awarded £50k in 2016/17 to support the transformation of former Children's Centres into Family Health and Wellbeing Hubs. £25k will be carried forward into 2018/19 to complete the project.
- Adult Social Care was awarded £5k for an external resource to interrogate transport expenditure, supported by the Transport Integration Group.

7. Environment & Economy

The Directorate has not currently been awarded any transformation funding for 2017/18.

8. Resources

The Directorate was awarded transformation funding of £311k:

- £225k was awarded for invest to save posts in Commissioning. The funding has been used to cover the initial cost of staff needed to take on additional work in line with the expanded remit of the service and was agreed as part of the strategic

management review recommendations. The posts are all now recruited to and a savings forward plan is in place for 2019/20 to cover the ongoing revenue costs of the posts.

- Human Resources was awarded £74k to co-ordinate the apprenticeship levy work for 18 months to ensure we are in a position to fully utilise the money available in our digital account.
- Legal Services was awarded £12k to obtain advice regarding entering a shared service arrangement.
- The New Ways of Working Project was awarded £216k split between Finance & Property, Human Resources and Strategic Support. The funding is for additional resource requirements in order to run the project for the next three years.