

TRAFFORD COUNCIL

Report to: Accounts and Audit Committee
Date: 27 March 2018
Report for: Information
Report of: Audit and Assurance Manager

Report Title

Strategic Risk Register 2017/18 (March 2018 update)

Summary

The Accounts and Audit Committee is asked to consider this report which provides an update on the strategic risk environment, setting out developments relating to the management of each of the Council's strategic risks.

Recommendation

The Accounts and Audit Committee reviews this report.

Contact person for access to background papers and further information:

Name: Mark Foster – Audit & Assurance Manager. **Extension:** 1323
Mike Sullivan – Senior Audit & Assurance Officer **Extension:** 1564

Background Papers:

None

1. INTRODUCTION

- 1.1 The Council's Strategic Risk Register (SRR) contains the strategic risks the Council is likely to face in achieving its high level corporate objectives.
- 1.2 In accordance with the Council's Risk Management Policy, the Corporate Leadership Team (CLT) provides regular periodic updates on the strategic risk environment and in particular performance in managing the specific risks incorporated within the SRR.
- 1.3 This report is based on information provided by risk owners in February 2018.

2. THE STRATEGIC RISK ENVIRONMENT – RISK EXPOSURE AND PERFORMANCE MANAGEMENT

- 2.1 The Council continues to review and monitor its strategic risks. Given the challenges faced by the Council going forward, it is acknowledged that it will need to continue to review its approach to risk and risk management as risks change and potentially higher risks arise. Progress has continued to be made in addressing the strategic risks as detailed in this report.
- 2.2 The Audit & Assurance Service requested current strategic risk owners to provide an update on the strategic risks that are under their remit including progress in managing these risks. Section 3 of this report contains an update on the strategic risks identified.
- 2.3 Since the previous strategic risk report update was reviewed in November 2017, all the risks have been reviewed and updated with developments.
- 2.4 The risk chart on page 3 shows an analysis of the current strategic risks. The chart analyses the levels of risk exposure in terms of impact and likelihood. The number of strategic risks for each risk level is shown. There are 15 strategic risks.
- 2.5 One new risk has been added since the previous update report (Medium level risk score of 15 in relation to the Investment Strategy).
- 2.6 The risk exposure score for the following risk has decreased:
 - Shortage of Burial Ground in Trafford (SR13) reduced from a medium risk score of 12 to a low risk score of 8.
- 2.7 The timing of future Strategic Risk Register update reports to CLT and the Accounts and Audit Committee in 2018/19 will be planned as part of agreeing the Accounts and Audit Committee work programme for the coming year.

Comparison of Risk Levels November 2017 and March 2018

IMPACT	Risk Levels – November 2017				
	Very Low (1)	Low (2)	Med. (3)	High (4)	Very High (5)
Very High(5)		2	8		
High (4)			2		
Medium (3)					
Low (2)					
Very Low (1)					
	Very Low (1)	Low (2)	Med. (3)	High (4)	Very High (5)

LIKELIHOOD

** Note: In November 2017 there were two new risks added re the integration between Trafford Council and the CCG (SR1) and 'University Academy 92 (SR7) - risk scores were to be confirmed as at Nov. 2017 and are therefore not shown on the table above but are now reflected in the table below.*

IMPACT	Risk Levels – March 2018 *				
	Very Low (1)	Low (2)	Med. (3)	High (4)	Very High (5)
Very High(5)		2	11		
High (4)		1	1		
Medium (3)					
Low (2)					
Very Low (1)					
	Very Low (1)	Low (2)	Med. (3)	High (4)	Very High (5)

LIKELIHOOD

High Risk
Medium Risk
Low Risk

3. Strategic Risks (March 2018)

Red	Amber	Green
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<i>Risk</i>	<i>Strategic Risk Title / (Directorate / Portfolio)</i>	<i>Risk Level</i>	<i>Management of Risk - Direction of Travel **</i>	<i>Comments</i>
1	<p>Risks associated with the integration between Trafford Council and Trafford CCG.</p> <p>(Authority-wide - Chief Executive / Leader)</p>	<p>15 Medium</p> <p>(Initial risk score)</p>	N/a.	<p>The integration of Trafford Council and Trafford CCG is happening on 3rd April 2018.</p> <p>The integration will see the creation of a single management team, an integrated commissioning team and a single back office function. This fundamental organisational and service redesign provides both major opportunities and significant risks to both organisations.</p> <p>This integration requires a clear vision, strong leadership and clear accountability from the top, supported by both community and staff engagement. A single Accountable Officer / Chief Executive has been appointed to lead this integrated management team.</p> <p>Detailed work commenced last year and is continuing through a number of Transformation, Finance and HR working groups to ensure understanding of the current status before integration; to shape the proposed delivery models; and to design the staffing structures for the new organisational form.</p> <p>There are now nine Integration Domains established to co design the next iteration of the operating model. Each Domain has an individual risk register and quarterly action plan in place. The key risks contribute to an integrated Business Programme Risk Register. Regular meetings are arranged with the joint Executive Boards to review progress and mitigate any risks that arise.</p> <p>It is acknowledged that there are significant risks, including financial, reputational, technological and cultural attached to the integration. A period of due diligence will start in Q1 2018/19 to establish a clear understanding of the risks from a financial, capacity and capability perspective.</p> <p>The opportunities which are likely to be derived include:</p> <ul style="list-style-type: none"> • More effective commissioning;

				<ul style="list-style-type: none"> • Integrated service offering to the residents of Trafford; and • Financial cost savings.
2	<p>The Council does not fulfil its statutory duties and all accompanying policy requirements in terms of identifying and safeguarding vulnerable children.</p> <p>(CFW / Children, & Families)</p>	<p>15 Medium</p>		<p>There is a Transformation Process in place to change delivery models within Children's Social Care. Child Protection numbers have now stabilised to more manageable and there has also been a reduction in the number of families in Public Law Outline. Children in Care numbers continue to be high but have now levelled and are beginning to reduce, this will be a slow process and managing the care plans for these children must be done carefully and in line with legislation. We have had some churn in our system and delays in recruitment. This, along with the increases we have experienced, have put pressure on social worker caseloads and created pressures within the system generally. These increases are monitored and managed through moving staff or use of agency staff whenever possible.</p> <p>We have now appointed a temporary Multi-Agency Review and Improvement Team as part of our Transformation Bid to help the service review existing practice and drive improvements to our approaches to improve outcomes.</p> <p>A new set of Inspection Frameworks now apply to Children's Services. We will now be subject to three different unannounced inspection processes over the next 3 years.</p> <p>There are also changes for both the Children's and Adults Safeguarding Boards with a Joint Board Chair for both children and adults. The Safeguarding Board staff team have been through a formal Consultation to make them into one team and gaps are now being recruited to.</p> <p>Measures:</p> <ul style="list-style-type: none"> • Monthly meetings of the Director of Children's Services Safeguarding Group. • Biannual safeguarding children assurance meetings with the Chief Executive, Leader and Executive Member. • Rigorous Performance Management and Quality Assurance through Trafford Integrated Governance Group and internal Children's Integrated Governance Group.
3	<p>Demand for school places under-estimated and/ or</p>	<p>15 Medium</p>		<ul style="list-style-type: none"> • All children have been allocated places for the 2017/18 academic year. • The demand for primary and secondary school

	<p>additional school places are not delivered to satisfy increased demand.</p> <p>(CFW / Children, & Families)</p>			<p>places continues to be monitored and capital resources allocated to ensure sufficient places are provided to meet our statutory duty.</p> <ul style="list-style-type: none"> • All basic need funding has been allocated up to March 2018. • There is no basic need funding from the Department for Education (DfE) for 2018/19, the first year the LA has received a £0 allocation. Indicative basic need funding for 2019/2020 is £18m. • Public consultation is currently underway for how Special educational Needs and Disability (SEND) Provision Capital Funding allocation of £1m for 2018-2021 can be spent to create new places or improve facilities in existing provision.
4	<p>Continuing uncertainty regarding the Council's medium term financial position given the reliance that exists on support from Central Government, cost pressures within the existing budget and major changes in the administration of Business Rates resulting in a greater risk being transferred to local government.</p> <p>(T&R / Corporate Resources)</p>	<p>15 Medium</p>		<ul style="list-style-type: none"> • The 2017/18 budget was agreed on 22nd February 2017, the Council agreed the 2017/18 budget of £160.83m. The latest in year monitoring position (P8) is forecasting a small underspend of £0.2m and the impact of the in-year monitoring position has been acknowledged in setting the budget for 2018/19. • The 2018/19 budget and MTFS was approved by Council on 21st February 2018. The report identified a funding gap over the next three years of £40.6m, split £22.9m in 2018/19 and £8.9m in 2019/20 and £8.8m in 2020/21. • The budget gap for 2018/19 caused by overall cost pressures of £13.3m and funding reductions of £9.6m have contributed to the gap and these include additional client demand pressures in social care services. • The budget gap in 2018/19 was met by a combination of new funding and income of £17m, including:- <ul style="list-style-type: none"> ○ A 4.99% increase in the council tax (2.99% general increase and 2% for adult social care) and increase in tax base £6m; ○ Additional business rate revenues (mainly from the 100% GM pilot) £5.4m; ○ Net income from investment properties £1.2m; ○ Additional MAG dividends and shareholder loan returns £1.6m; ○ Use of Budget Support Reserve £1.6m; ○ Other £1.2m, and; ○ continuation of savings programmes of £6m. • The level of business rate revenues now supporting the budget give rise to a significant risk in 2020/21 when the national reset of business rate baselines will take place and

				<p>therefore part of our reserves strategy over the next two years reflects this risk and where possible resources will be retained to mitigate this.</p> <ul style="list-style-type: none"> • An amount of £2.2m will be left in the Budget Support Reserve to support the MTFS in later years. • The remaining budget gap after the current round of budget proposals is £6.25m and £8.85m in 2019/20 and 2020/21 respectively. • Additional risks following the Brexit decision include reduced interest rates and impact on investment interest, cost of supplies and services and business rate risk.
5	<p>Loss / absence and retention of senior managers to the organisation.</p> <p>(T&R / Corporate Resources)</p>	<p>15 Medium</p>		<ul style="list-style-type: none"> • A new organisational structure is in place for the all-age integrated health & social care service. • A number of interim internal 'act-up' arrangements are in place, again aiding succession planning, pending permanent appointments. • A new leadership development programme is in development for all managers/senior managers across the organisation, to support them in leading and engaging their staff through transformational change and Vision 2031. • A succession planning strategy is being rolled out that formalises an approach to ensure that key skills are not lost to the Council, whilst up-skilling staff to take on higher graded roles. Successors will be identified at senior manager level and targeted development initiatives provided to ensure that we are equipped to flex our workforce to react to resource and skills gaps. Each successor will have access to a coach. • Leadership behaviours are being developed in line with Leading GM expectations and Trafford's Vision 2031. • Pro-active attendance management strategy developed and will be rolled out across Trafford with refreshment training for managers. • A Health & Well-being strategy is in place with actions to maintain and improve employee morale and well-being. • Strengthening of the senior leadership team-introduction of new roles and new appointments made to Corporate and Directorate level vacancies.
6	<p>Trafford Council must ensure that information held about</p>	<p>15 Medium</p>		<ul style="list-style-type: none"> • Citizens and businesses have a right to expect data held about them to be treated in a secure manner and only shared on a need to know

	<p>citizens, employees, partners, contractors, members and organisations in Trafford is safe in their hands. To be able to assure its partners and the public that this is the case they need to demonstrate that they are handling personal/ sensitive and commercial data securely both in technology and physical terms. They also need to ensure that 3rd parties acting on their behalf are handling their data sets in accordance with Trafford Council's policies and procedures. This is a corporate risk and the risk to the Council is reputational, financial, adverse publicity and could ultimately be a breach of the Data Protection Act.</p> <p>(T&R / Corporate Resources)</p>			<p>basis.</p> <ul style="list-style-type: none"> • Employees, Partners, Contractors and members have the right to expect data held about them to be treated in a secure manner. • Trafford Council have a responsibility to protect their data and information. • The Council has a dedicated Corporate Information Governance (IG) team which provides advice and guidance in relation to compliance with Data Protection and Freedom of Information legislation as well as with data sharing. It also investigates data security breaches and reports these on a monthly basis to the ISGB and quarterly to CLT and provides services concerned with recommendations to improve their working practices. • The Council has an Information Security Governance Board (ISGB), which meets monthly and is comprised of senior officers across the council who lead on IG matters within their Directorates .The ISGB has a terms of reference which provides a direct reporting line to the CLT, underlining the importance of information governance and information security within the Council. The ISGB takes the corporate lead on all data protection related matters and in progressing the embedding of information governance into the Council's day to day activities. Progress on the ISGB's information governance work plan is reported fortnightly to CLT. • The Council achieved "reasonable assurance", the second highest level awarded, in the, voluntary information governance audit performed by the Information Commissioner's Office (ICO) during January 2017. • The Council's responses to their best practice recommendations have been approved by the ICO. • Work is underway with implementing the various procedural changes to be introduced in May 2018 by General Data Protection Regulations (GDPR) and revised Data Protection Act 2018. • The Council has appointed a Data Protection Officer, a mandatory requirement under GDPR.
7	<p>University Academy 92: failure to implement programme and achieve possible benefits this may bring in terms of</p>	<p>15 Medium (Initial risk score)</p>	N/a.	<p>University Academy 92 (UA92) was launched in September 2017 to establish a new model of university by bringing together the best of academia, business and sport. It is a unique collaboration involving the Class of 92, Lancaster University, Microsoft, Trafford College and Bruntwood as well as Trafford Council. Other</p>

	<p>regeneration around Stretford and Old Trafford.</p> <p>(Authority wide - EGEI) / (Authority-wide)</p>			<p>supporters of UA92 and the regeneration in the Trafford area include Lancashire County Cricket Club and Manchester United Football Club.</p> <p>Trafford Council believe UA92 will help regenerate the area around Stretford and Old Trafford as it presents a fantastic opportunity to revitalise and support local communities to maximise their potential. UA92 aims to create jobs and attract 6,500 students by 2028.</p> <p>This programme comprises of a number of facets including the university campus, student accommodation, Stretford leisure centre and Turn Moss. Each of these aspects are being considered individually as well as part of the overall programme. Mitigation arrangements are in place in the event of failure of any part of the programme. For example, Stretford Leisure refurbishment will continue regardless of the university as this is also a community asset.</p>
8	<p>A successful Cyber Security Attack could lead to sensitive data being compromised, denial of access to the Council's computing services or severe degradation or loss of control of those services.</p> <p>(T&R / Corporate Resources)</p>	<p>15 Medium</p>	<p>← →</p>	<ul style="list-style-type: none"> • Trafford will continue to operate in an assumed state of compromise in that there should always be a presumption that our network boundaries both internal and external are vulnerable. • All information sources and systems within the Council should have an identified owner. • The Council will continually address issues that may affect our ability to detect and respond to threatening cyber activity e.g. continually review our Internet Service Providers and their effectiveness. • Trafford will create a culture in which the security of technology, information and business process is assessed and verified from the point of inception through to delivery use and disposal. • We will not restrict innovation in the Council by managing rather than avoiding all risk. • We will seek expert guidance when appropriate and collaborate with central and local government bodies to benefit from tried and tested approaches, knowledge, wisdom and learned experience. We will continue to be members of associations such as North West Warning, Advice & Reporting Point (WARP). • In addition a full review of the Trafford Information and Communications Technology (ICT) Security Policies is taking place to bring them up to date and to identify and complete any policy gaps. Additional Firewalls have been implemented to secure the HR Shared Services network from the main Trafford network and to

				<p>protect the Sale Waterside data centre network used for backups and recovery of data. The Council via a competitive procurement has appointed an established security partner, The Network People (TNP) to help manage, monitor and develop Trafford's Security defences via Firewall management and professional services design. This arrangement will be extended in line with Procurement rules for a further two years.</p> <ul style="list-style-type: none"> • Trafford is maintaining its compliance with Public Service Network (PSN) through annual vulnerability penetration testing of both the internal and external networks. This is also the case regarding the PCI compliance required for financial services. • Trafford Council ICT department are proposing that the business undertakes an awareness campaign that focuses on the potential threats and vulnerabilities that could possibly lead to Council data and systems being compromised.
9	<p>Failure of the Adult Safeguarding Service. (CFW/Adult Social Care)</p>	<p>12 Medium</p>		<ul style="list-style-type: none"> • Refreshed Safeguarding Policies and procedures and completed new policy live from May 2017 and available as an app for all staff. • An Interim Clinical Commissioning Group chief nurse has been appointed and a Designated Nurse for Adults has been in post for some time. • A new Health Safeguarding Team (Pennine) has been designed but it is currently facing significant staffing challenges and is on the Pennine Risk Register – the social care arm of the Integrated Service is supporting the health practitioners with safeguarding matters in the meantime. • The Director of Safeguarding and Professional Development is in role and the standard of safeguarding for adults and children is managed centrally through this role. • Serious Case Review Panel (Adults) reviewed and in place, has completed several Learning Reviews, a Safeguarding Adults Review (SAR) has been published, 2 more SAR's have now been commissioned and Independent Authors procured. Learning from these processes will be rolled out to staff. • One Senior Practitioner is in post and overseeing safeguarding decision making with the Community Screening Team. A Senior Practitioner role is currently vacant and the function is being reviewed. • The Screening Team is the first point of contact for Safeguarding referrals – referrals on open cases are now sent directly to the

				<p>neighbourhood teams who have better knowledge and understanding of the individuals concerned and can offer a quicker and more comprehensive response.</p> <ul style="list-style-type: none"> • All referrals into Screening are immediately risk assessed and Safeguarding referrals are prioritised. • There is a discrete Adult Protection Line for members of the public to directly contact social care to raise safeguarding concerns. • There are advanced plans for Greater Manchester Police (GMP) officers to co-locate with the Screening Team to enhance our response to safeguarding referrals. • Self-assessment underway for a Peer Review of Adult Safeguarding due in April 2018. • Mental Capacity Act (MCA) and Deprivation of Liberty Safeguards (DoLS) e-learning available for all staff and use is monitored.
10	<p>Breach of health and safety legislation leading to prosecution under the Corporate Manslaughter Act and other Health and Safety Regulations.</p> <p>(T&R / Corporate Resources)</p>	<p>10 Medium</p>		<ul style="list-style-type: none"> • Current Health & Safety Policy and comprehensive arrangements in place. Subject to periodic review as required and available to the workforce via the intranet. • Health and Safety Audit programme in place across all Directorates and schools. This programme includes proactive monitoring of compliance with health & safety law and internal H&S management arrangements. • Policy, arrangements, protocols and guidance for Directorates and schools updated to reflect legislative or organisational changes and any new or emerging risks (in addition, a targeted rolling programme is ongoing). • Health & Safety Unit (HSU) support in the comprehensive assessment and investigation, where required, of health and safety issues or incidents. Facilitates the effective management of risk and statutory compliance. • HSU support in responding to occupational health and workforce referrals to ensure the health, safety and welfare of staff. • Staff consultation processes in place to report and liaise on Health and Safety performance issues. • Competent HSU advisory service with advisors subject to continuing professional development requirements. • Employee Health and Wellbeing Strategy in place which incorporates ill health reduction and mental wellbeing support. • Training calendar in place and online training available to support managers and schools in

				<p>ensuring staff are competent to undertake tasks/role.</p> <ul style="list-style-type: none"> • Arrangements in place for the health and safety assessment of providers/contractors prior to approval and for subsequent monitoring of performance.
11	<p>Joint Venture partner fails to deliver services to the required standard or fails to deliver required efficiency savings.</p> <p>(EGEI / Highways, Parks & Environment Services)</p>	<p>15 Medium</p>		<ul style="list-style-type: none"> • Second year of contract completed, and part way through third. Increasing number of service issues identified and public perception became increasingly negative. Additional staffing has been brought into the client team to enhance contract management. • New measures put in place by Amey with additional resources. Independent validation of KPI and Job records by Trafford Council on-going. This has been done across the contract but with a particular focus on domestic waste, greenspace and highways maintenance services. • KPIs monitored on a monthly basis, and control and auditing mechanisms reviewed. • Capital programme delivery is broadly on target for highways, with agreed variations.
12	<p>The Transformation /Vision 2031 Programme savings are not delivered in full.</p> <p>(T&R / Corporate Resources)</p>	<p>15 Medium</p>		<ul style="list-style-type: none"> • Portfolio savings targets are reviewed and monitored bi-monthly. • Robust governance is in place, greater scrutiny at theme level, with progress reported through CLT, the Place Shaping Board and the Integration Board. • The Programme Management Office (PMO) support process monitors delivery plans to ensure projects are delivered to time. • The CLT continue to support understanding of and engagement in the programmes, to secure support for it and to continue to the original plan with minimal disruption. Working closely with Senior Responsible Officers to identify risks and dependencies to the projects at the earliest opportunity and identify appropriate and considered mitigations plans. • Exceptions to plan are escalated to the CLT/Vision Board at the earliest opportunity. • Currently, the Vision 2031 portfolio is forecast to achieve a saving of £8.939m which is a forecasted shortfall of £2.174m. Project work continues to address this shortfall.
13	<p>Inability to meet Trafford residents' requests to have burials within the local area due to</p>	<p>8 Low</p> <p>(Previously risk score 12)</p>		<ul style="list-style-type: none"> • Planning approval granted. • Agreement in principle reached to purchase additional land. • Sale of land approved by National Trust (NT) Board in December 2017.

	insufficient land. (T&R / Corporate Resources)			<ul style="list-style-type: none"> • NT undertaking due diligence on proposed offer for land (Charity requirement). On conformation Legal & NT solicitors will undertake completion of transfer. • Outline infrastructure and landscape design complete and costed. • Negotiations with Tenant Farmers on land can commence on purchase of land. • The new proposal will ensure the authority has sufficient burial space for 8-10 years.
14	Failure to complete the Business Continuity (BC) Programme Project, resulting in an increased risk that the Council may fail to deliver Council services in the event of significant disruption. (T&R / Corporate Resources)	10 Medium	← →	<ul style="list-style-type: none"> • The Emergency Planning Manager maintains a RAG rating for Business Impact Analysis (BIA) completion across all services which is reported to Directors quarterly. There are still gaps in completion. At its last meeting TPR agreed that an annual staggered programme for BIA review and refresh should be devised so that they are not all due at once and so it is easier for Directors to maintain an overview of performance across their services. • Contractual requirements on external providers have business continuity plans in place. • In respect of ICT, Trafford has produced an ICT Architecture Landscape which is being used to influence infrastructure sharing strategies with other LA's including adopting Cloud Services if there is a compelling business case to do so. • Trafford will continue to use its existing investment in High Availability solutions using the existing Sale Waterside location for Data and potentially other recovery services. • A Terms of Reference has been agreed with Salford ICT Internal Audit to review the Trafford Town Hall Data Centre. This review will focus on auditing the level of resilience within the Data Centre as well as the plans to expand the use of Sale Waterside as a recovery site. • A Data Centre strategy paper was presented to the TPR Group on 25th April 2017. This paper included reference to a recommended approach to Cloud computing. • Mobile Telephone Privileged Access Scheme (MTPAS) – Priority access to telecommunications has been reviewed to ensure capability during incidents. • Underuse of Resilience Direct, is a national web based portal endorsed by the Cabinet Office. Emergency Planning Manager to increase usage. <p><i>Refer also to the comments regarding Risk 8.</i></p>
15	Investment Strategy	15	N/a.	<ul style="list-style-type: none"> • In July 2017 the Executive agreed an Investment

(New risk)	(T&R&Authority-wide/Investment)	Medium (Initial risk score)		<p>Strategy and subsequent growth to the Capital Programme to cover future investments involving either the acquisition of revenue generating commercial property or the provision of debt funding for new developments. The returns from this approach to be sufficient to repay borrowing costs and provide a net return to support the remaining budget gap.</p> <ul style="list-style-type: none"> To mitigate the risks of the approach nationally recognised investment advisors are being used as part of the due diligence process with emphasis placed on securing investments in low risk assets. Further risk mitigation is being undertaken through the creation of a “Risk Reserve” through the ring-fencing of an element of the returns and an allowance for debt repayment (in accordance with national regulations). All investments are scrutinised by an Investment Management Board which includes cross-party representation. To date a number of acquisitions have been made:- <table border="1" data-bbox="917 861 1534 1218"> <caption>Table 6 : Capital Investment Strategy</caption> <thead> <tr> <th></th> <th>2017/18 £m</th> <th>2018/19 £m</th> <th>Total £m</th> <th></th> </tr> </thead> <tbody> <tr> <td>Total Investment Fund</td> <td>295.00</td> <td>5.00</td> <td>300.00</td> <td></td> </tr> <tr> <td>Activity to date :</td> <td></td> <td></td> <td></td> <td rowspan="2">Average 10 yr.net return (%)</td> </tr> <tr> <td>Projected Cost</td> <td></td> <td></td> <td></td> </tr> <tr> <td>K Site, Stretford (*)</td> <td>1.13</td> <td>11.38</td> <td>12.51</td> <td>n/a</td> </tr> <tr> <td>Sonova House, Warrington</td> <td>12.17</td> <td></td> <td>12.17</td> <td>0.69</td> </tr> <tr> <td>DSG, Preston</td> <td>17.39</td> <td></td> <td>17.39</td> <td>2.60</td> </tr> <tr> <td>Commercial property in Altrincham (**)</td> <td>10.81</td> <td></td> <td>10.81</td> <td>1.34</td> </tr> <tr> <td>Provision of debt financing for residential development</td> <td>37.80</td> <td></td> <td>37.80</td> <td>6.00</td> </tr> <tr> <td>Total investments</td> <td>79.30</td> <td>11.38</td> <td>90.68</td> <td></td> </tr> <tr> <td>Balance available</td> <td></td> <td></td> <td>209.32</td> <td></td> </tr> </tbody> </table> <ul style="list-style-type: none"> When evaluating potential opportunities extensive legal and property due diligence is undertaken which places a significant emphasis on security and liquidity and includes for example an assessment of the financial strength of the tenants and market sector, length of unexpired lease, location, asset condition and residual land value. Each year there will be performance monitoring of each investment to ensure it is still consistent with the investment strategy. In addition an annual valuation will be undertaken to assess the current capital value of the asset and this will be used to determine whether the right level of debt repayment is being made. It is inevitable there will be changes in valuation year on year but the risks of downward movements in value are being mitigated through a diversified portfolio of assets. 		2017/18 £m	2018/19 £m	Total £m		Total Investment Fund	295.00	5.00	300.00		Activity to date :				Average 10 yr.net return (%)	Projected Cost				K Site, Stretford (*)	1.13	11.38	12.51	n/a	Sonova House, Warrington	12.17		12.17	0.69	DSG, Preston	17.39		17.39	2.60	Commercial property in Altrincham (**)	10.81		10.81	1.34	Provision of debt financing for residential development	37.80		37.80	6.00	Total investments	79.30	11.38	90.68		Balance available			209.32	
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** Note: This indicates the direction of travel in respect of performance in managing the risk and not direction of travel of the risk level.