

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

3 APRIL 2013

6 MONTHLY REVIEW OF THE COUNCIL'S CORPORATE BUSINESS RISK REGISTER

Report from: Robin Cooper, Director of Regeneration, Community
& Culture and Chair of Strategic Risk Management
Group

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Summary

In accordance with paragraph 4.1 of the Council's Risk Management Strategy, this report is to discuss the 6 monthly review of the Council's Corporate Business Risk Register.

1. Budget and Policy Framework

1.1 The Risk Management Strategy underpins all aspects of Council work and is fundamental to the Performance Plan in terms of "giving value for money".

2. Background

2.1 **The Corporate Risk Register** - was last reviewed by Management Team 22 August 2012 and Cabinet on 30 October 2012. The following changes were made to the register at that time:

2.1.1 SR 28 Implementation of the Government's agenda to the Health system – risk rating be increased from D2 to C2 to reflect the change in vulnerability arising from recent clarification on risks relating to finance and contracts.

2.1.2 SR 27 Government changes to Local Authority's responsibility for schools be increased from C2 to B2 to reflect the Council's increased vulnerability arising from the new OFSTED framework which applies to schools and comes into place from September 2012 which replaces 'satisfactory' with 'requires improvement'. Any school with 2 consecutive 'requires improvement' will be in a vulnerable category. Medway currently has 23 schools with 2 consecutive 'satisfactory'

inspection ratings and a further 11 with a single, current 'satisfactory' judgement.

- 2.1.3 SR 21 Procurement – risk rating be reduced from C2 to C3 to reflect the progress we have made in terms of embedding procurement processes across the Council which will be significantly enhanced by the introduction of the new Category Management Team.
- 2.1.4 However, the Business Support Overview and Scrutiny Committee on 25 September 2012 recommended that consideration of reducing the risk rating for SR21 Procurement be delayed for six months, to enable the new Category Management Team to become established and embed the new procurement processes across the council. Cabinet agreed to that request.
- 2.1.5 A new risk SR 31 be created to reflect the Council's new public health responsibilities involving the transfer of staff, contracts and functions from Medway PCT.

3. Advice and analysis

The Corporate Risk Register

- 3.1 Risks owners have reviewed their risks and updated them as detailed in Appendix B and the following recommendations has been proposed:
 - 3.1.1 Amend the name of SR26 'Maximising Outcomes for Looked after Children in the context of increasing demand' to Childrens' Social Care and increase the risk rating from B2 to A2 to reflect the fact that we are working to address the areas for improvement outlined in the recent OFSTED report and need to be alert until the programme has been fully embedded and delivered.
 - 3.1.2 Amend the name of SR25 'Adult Social Care Demographics' to Adult Social Care Transformation and increase the risk rating from C2 to B2 to reflect the fact that we are at a point of significant change and need to be alert until the programme has been fully embedded and delivered.
 - 3.1.3 To achieve a single focused risk on Public Health issues, SR28 Changes to the Health System be merged with SR31 Public Health Transition.
 - 3.1.4 The inclusion of a new risk SR32 that focuses on potential outsourcing issues.
 - 3.1.5 Appendix A - Record of Amendments, summarises the amendments to the risk register.

4. Consultation

- 4.1 The Strategic Risk Management Group and risk owners have been consulted on the proposed amendments to the risk register. Members will be consulted on the Corporate Risk Register via Overview and Scrutiny and Cabinet.

5. Financial, legal and risk implications

- 5.1 This report brings forward the six monthly review of the Council's risk register, which is integral to the Council's approach to risk management.
- 5.2 There are no direct financial or legal implications arising from this report although clearly the inability to control or mitigate risks could have a financial or legal impact. Risk rating for this report is E3 (Likelihood: very low, Impact: Marginal).

6. Recommendation

- 6.1 Members' views are sought on the Management Team's recommendations on amendments to the Council's Risk Register as detailed in section 3 of this report.

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Appendices:

Appendix A - Record of Amendments
Appendix B - Corporate Business Risk Register