

CABINET

16 APRIL 2013

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

Portfolio Holder: Councillor Alan Jarrett, Finance

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

Author: Joy Kirby, Quality Assurance & Client Manager

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 Corporate 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 Children's 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. Business Support Overview and Scrutiny Committee

- 5.1 The Business Support Overview and Scrutiny considered this report on 3 April 2013. Members supported the proposed amendments to the risk register, as detailed in section 3 of this report, along with the following additional suggested changes:
- 5.1.1 That officers consider the references to the welfare reforms, detailed in risks SR03b Finances - Longer Term and SR 19 Downturn in the Economy, and whether they are made more explicit in current risks or are made into a separate risk;
- 5.1.2 the title of risk SR21 Procurement is amended to Procurement and Tendering;
- 5.2.3 SR17 Delivering Regeneration be amended or a new risk be created to reflect the impact on the Council's regeneration programme should development not proceed;
- 5.2.4 The risk rating for the new risk SR32 Outsourcing be increased from C2 to B2.

6. Chair of Strategic Risk Management Group Comments

- 6.1 Officers support the recommendations from Business Support Overview and Scrutiny Committee and, subject to Cabinet's approval, will incorporate them into the Council's Corporate Risk Register.

7. Financial, legal and risk implications

- 7.1 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.
- 7.2 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).

8. Recommendation

- 8.1 The Cabinet is asked to:
- a) Note the comments of the Business Support Overview and Scrutiny Committee;

- b) Approve the amendments to the Council's Risk register as detailed in Section 3 and agree to delegate authority to the Director of Regeneration, Community and Culture to incorporate, within the risk register, the risks outlined in Section 5.

9. Suggested Reasons for Decisions

- 9.1 The establishment of a corporate framework for risk management is recommended by CIPFA and SOLACE and will complement and support the work already being carried out within each directorate to manage risks.

Lead officer contact

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Background Papers: None

Appendices:



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

SUMMARY OF CORPORATE RISK REGISTER – RECORD OF AMENDMENTS

Risk Ref	Rating Sep 10	Rating Mar 11	Rating Sep 11	Rating Feb 12	Rating Oct 12	Rating Feb13	Move ment	Risk Description	Owner	Portfolio Holder	Link to Corporate Priority
3b	A1	A1	A1	A1	A1	A1	→	Finances - longer term	Chief Finance Officer	Alan Jarrett	Giving value for money
19	A2	A2	A2	A2	A2	A2	→	Down turn in the economy	Chief Executive	Alan Jarrett	Giving value for money
26			B2	B2	B2	A2	↑	Children's Social Care	Director Children and Adults Services	David Wildey	Children & young people having the best start in life
9b	B2	B2	B2	B2	B2	B2	→	Keeping vulnerable young people safe and on track	Director Children and Adults Services	Les Wicks and David Wildey	Children & young people having the best start in life
13	B2	B2	B2	B2	B2	B2	→	Equalities & Diversity	AD Communications, Performance and Partnerships	Tom Mason	Putting our customers at the centre of everything we do
17	B2	B2	B2	B2	B2	B2	→	Delivering Regeneration	Director Regeneration, Community and Culture	Rodney Chambers	Everyone benefiting from the area's regeneration
25			C2	C2	C2	B2	↑	Adult Social Care Transformation	Director Children and Adults Services	David Brake	Adults maintaining their independence and live healthy lives
27			B2	C2	B2	B2	→	Government changes to Local Authority's responsibility for schools	Director Children and Adults Services	Les Wicks	Children & young people having the best start in life
4	C2	C2	C2	C2	C2	C2	→	Performance Management	AD Communications, Performance and Partnerships	Alan Jarrett	Giving value for money
21	A2	A2	C2	C2	C2	C2	→	Procurement	AD Legal and Corporate Services	Alan Jarrett	Giving value for money
30			B2	C2	C2	C2	→	Delivering Better for Less Transformation	AD Communications, Performance and Partnerships	Alan Jarrett	Giving value for money
31					C2	C2	→	Public Health Transition	Director of Public Health	David Brake	Putting our customers at the centre of everything we do
32						C2	→	Outsourcing Services	AD Legal and Corporate Services	Alan Jarrett	Giving value for money
2	D2	D2	D2	D2	D2	D2	→	Business Continuity & Emergency Planning	Director Regeneration, Community and Culture	Mike O'Brien	Putting our customers at the centre of everything we do
22	D1	D1	D1	D1	D1	D2	→	Treasury Management	Chief Finance Officer	Alan Jarrett	Giving value for money

CORPORATE RISK REGISTER

RISK MATRIX - STRATEGIC PROFILE FOR FEBRUARY 2013

 Likelihood	A		19, 26	3b,
	B		9b, 13, 17, 25, 27	
	C		4, 21, 30, 31, 32	
	D		2, 22	
	E			
	F			
		IV	III	II
	Impact 			

Likelihood:

- A Very high
- B High
- C Significant
- D Low
- E Very low
- F Almost impossible

Impact:

- I Catastrophic (Showstopper)
- II Critical
- III Marginal
- IV Negligible

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SR 03b	Finances - longer term	Owner	Chief Finance Officer	Finance & Deputy Leader's Portfolio	Current Risk Score	A	I	Reviewed	20-Feb-2013
Link to Corporate Priority		Giving Value for Money							
Vulnerability			Trigger		Consequences				
<p>The Medium Term Financial Plan and SR 2010 identify both significant cost pressures for the Council and unprecedented cuts in funding over the next 3 years. The settlement for 2013/14 confirmed a further 4% cut in grant support and despite the review of the distribution formula for 2013/14 the settlement revealed a further 9% cut in grant support for 2014/15.</p> <p>In addition changes to the Council Tax Benefit Scheme and wider welfare reform could add a significant cost burden to the Council.</p>			<p>The Chancellors Autumn Statement in 2012 and the subsequent LA financial settlement have confirmed that the Public Sector and LA's in particular will continue to face an austerity regime until 2017 at least.</p> <p>Welfare Benefit reforms, targeted at the working age benefit recipients, will have a significant effect on vulnerable individuals and families who are likely to see a significant drop in income. This will impact directly in our ability to collect debt and achieve income budgets as well as impose demands on services to support the vulnerable such as homelessness and social care.</p>		<input type="checkbox"/> Very difficult decisions around funding allocation <input type="checkbox"/> Service cuts <input type="checkbox"/> Quality of service compromised. <input type="checkbox"/> Cutback in staffing on an already lean organisation <input type="checkbox"/> VFM Judgement <input type="checkbox"/> Negative local publicity. <input type="checkbox"/> Damage to reputation.				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 03b.01	Need to ensure effective response/lobbying to Govt proposals for CSR and settlement and target media campaign in support	Chief Finance Officer	Co-ordinate responses with members, Brief MP's, Agree media campaign, Solicit support from peer authorities/partnerships.	VFM Judgement - adequacy of financial planning, effective budgetary control.	On-going	Six monthly			
SR 03b.02	Align priorities and activity of the council to resource availability through MTFP process.	Corporate Management Team	Co-ordinate responses with members, agree media campaign, solicit support from peer authorities and partners.	VFM Judgement - adequacy of financial planning, effective budget control, balanced budget and adequacy of reserves.	September 2013 to February 2014 for 2014/15 Budget and Council Tax. Ongoing for 2013-2015	6 monthly then monthly from September onwards			
SR 03b.03	Create resources for investment priorities	Corporate Management Team	- Track funding opportunities - Maximise asset values for disposal - Consider prudential borrowing	- External investment - Asset release - Revenue cost associated with prudential borrowing	On-going	Six monthly			
SR 03b.04	Lobby MPs and Government both directly and in concert with other Local Authorities to extend timescales and recognise cost burden of changes to Council Tax Benefit Scheme	Chief Finance Officer	- Realistic timeframe. - Recognition of cost burden in future settlement	A Sustainable, realistic scheme that doesn't rely on unachievable income collection.	Welfare reforms commence in April 2013 with council Tax Support, Under Occupancy Charge, Benefit Capping and Universal Credit is to commence in October 2013.	Monthly			

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SR 19	Down turn in the economy	Owner	Chief Executive	Finance & Deputy Leader's Portfolio	Current Risk Score	A	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Giving Value for Money							
Vulnerability			Trigger		Consequences				
<p>A continual downturn in economic conditions would impact upon the Council's ability to:</p> <p>a) support the vulnerable in our community and manage potential increase in child poverty, homelessness, benefit take-up, potential increase in anti-social behaviour and crime.</p> <p>b) deliver the capital programme with reduced receipts.</p> <p>c) balanced budgets with reduced income through fees and charges.</p> <p>d) take forward Medway's regeneration agenda.</p>			<p>A worsening global economic climate that impacts upon Medway - recession.</p> <p>Changes to benefit regimes that reduce disposable income for vulnerable groups</p>		<ul style="list-style-type: none"> - Negative impact on the community - Increased pressure on existing resources and reduction/cuts to services - Increased costs of purchasing services - Land value decline putting partnering arrangements at risk - Quality of service compromised. - Relationship with partners may deteriorate - Damage to reputation. - Negative publicity - Reduced fees and charges income - Potential debt arrears (both council and others) - Increased benefit take up 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/Pis	Monitoring			
SR 19.01	Regular monitoring of economic downturn by Corporate Management Team and Medway Economic Board	Director of Regeneration, Community and Culture	Performance indicators on downturn.	- 70% increase in the number of apprentices; - 800 unemployed people to find jobs - 74 new companies to be created in Medway	- House building - Employment rates - Apprentices	Quarterly			
SR 19.02	TIGER (Thames Gateway Innovation, Growth and Enterprise) fund. £20m for North Kent and Thurrock for business loans and grants. Indicative allocation around £4.4m - 8 April 2013.	Director of Regeneration, Community and Culture	Helping local businesses to survive the recession.	- Loans at 0% interest; - Creation of new sustainable jobs	- Numbers of local firms to bid for contracts; - Increase in numbers in sustainable employment - Promoting procurement opportunities to local firms	Monthly			
SR 19.04	Review investment strategy for regeneration/education initiatives	Chief Finance Officer	Assess funding streams and adjust spending priorities	Continue to assess the situation	Capital monitoring reports	Monthly			

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Code	Description	Managed By	Desired Outcome	Output	Milestones/Pis	Monitoring
SR 19.05	Regular reports on capital programme to Management and Members	Chief Finance Officer	Reports based on historic data forecast to end of year position	<ul style="list-style-type: none"> - Finance Teams to produce data in collaboration with Managers. - Management to identify corrective action. - Members (Cabinet) to approve action, implement effective project management and capital monitoring arrangements - Officer/Member Project Boards - 	Monitoring reports	Quarterly
SR 19.06	Create schemes to deliver safety net provisions	Chief Finance Officer	Support for the most vulnerable	DHP/CTS payment schemes	Monitoring reports	Monthly

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SR 26	Children's Social Care	Owner	Director of Children and Adults	Children's Services Portfolio	Current Risk Score	A	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Children & Young People in Medway have the best start in life							
Vulnerability			Trigger		Consequences				
<p>The continuing high demand for services for children in need, including the need for protection and looked after children puts pressure on the council's ability to invest in preventative services.</p> <p>Increased expectations by external regulations in relation to standard of care and provision provided.</p> <p>Problems in recruiting to key posts would impact on Council's ability to deliver good quality and consistent practice.</p>			<p>The Council is unable to address this issue with cost effective, innovative solutions.</p> <p>Numbers of children in care and those with high level child protection needs increase.</p> <p>Increased caseloads impact on quality of work being undertaken with children in need, including the need for protection and looked after children. Work with children and families is not carried out in a timely and planned manner and the resultant drift adversely impacts on caseloads.</p> <p>Partner agencies not taking up their role in supporting the most vulnerable.</p>		<ul style="list-style-type: none"> - Costs spiral with consequences across the Council. - limits ability to divert resources to early help which ultimately must be part of the solution to increasing numbers of looked after children and preventing children and young people from becoming subject to child protection plans. - Inability to attract and retain staff. - Poorer outcomes for children and young people. - Impact on statutory responsibilities and regulatory judgement. 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 26.01	Recruitment & retention & workforce development strategy for children's social workers developed.	Children's Social Care (AD); Human Resources Service Team	Well trained & supported workforce	Business case to inform budget decisions on investment in early help	Work commissioned	Reviewed monthly			
SR 26.02	Implement improvement plan to strengthen quality of practice.	Children's Social Care (AD)	Improved outcomes for vulnerable children.	-Reduced drift -Less children subject to CP plans for 2 yrs plus -Improved educational outcomes for LAC -Voice of child clear and heard	Children subject to CP plan 2 yrs plus. Educational outcomes LAC. Reduce delays in care proceedings.	CADMT & Corporate Parenting			
SR 26.03	Implement new IT system framework	Children's Social Care (AD)	Improved recording and electronic based records	Electronic based recording system	System up and running and fully used. Go live 1 April 2013	Monthly Project Board			
SR 26.04	Implementation of the Children's Social Care Quality Audit Framework	Children's Social Care (AD)	Good quality and consistent practice	Audits are completed as per the QA framework.	The learning points from completed audits are aggregated so as to inform learning.				
SR26.05	Strengthen MSCB	Director of Children and Adults	Strengthened partnership arrangements for supporting vulnerable children.	Stronger focus on core business.	Multi agency attendance at CP conferences.	Monthly CADMT & MSCB			

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SR 09b	Keeping vulnerable young people safe and on track	Owner	Director of Children and Adults	Children's Services Portfolio	Current Risk Score	B	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Children & Young People in Medway have the best start in life							
Vulnerability			Trigger		Consequences				
Changes in the demographics and in the legislative requirements affect SEN and YOT			The Council is unable to address these issues with cost effective, innovative solutions.		<input type="checkbox"/> Poorer outcomes for children and young people <input type="checkbox"/> Costs spiral with consequences across the Council <input type="checkbox"/> Revenue problems not resolved by capital investments <input type="checkbox"/> Impact on statutory responsibilities and regulatory judgement				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 09b.04	A 5 year SEN Strategy setting out milestones towards more inclusive, VFM, local provision to meet the needs of CYP with SEN, has been developed.	Inclusion & Improvement (AD)	Ensuring service delivered within budgetary constraints	Strategy adopted by Cabinet in January 2010 and provision developed.	Less out of area SEN placements; more children being educated in mainstream schools with outreach; Increased local specialist provision	SEN data is reviewed as part of the AD's quarterly performance digest and ADQ.			
SR 09b.05	Ensure practitioners are equipped to be compliant with changes in the Youth Justice system and that monitoring systems are in place to track this. Begin to plan intensive interventions that would be used as an alternative to custody - DfE bid submitted to research needs and most effective interventions to support young people on edge of offending. Alternatives to custody being developed and the functional family therapy FFT work	Inclusion & Improvement (AD)	- Lower numbers of first and repeat entrants to the YJS. - Lower number of custodial and repeat custodial sentences. - Effective analysis of data to inform practitioners input. - Ensuring service delivered within budgetary constraints. - Magistrates have confidence in interventions. Suitable placements are developed for vulnerable children which keep them safe and enable magistrates to impose on the order as an alternative to secure remand	Performance is monitored monthly (proxy figures) and quarterly (YJB information) 1: 1 meetings with Head of Service Business case for preventative support.	Grant provided by MoJ for developing alternatives to custodial remand is used effectively for innovative support and budget not exceeded by custody bill. Successful bid to DfE. Needs assessment was completed in July 2012. We currently have an internship working with us to spec up different alternatives to custody. That piece of work will be completed by end of April	The number of YOT clients are reviewed monthly and quarterly with reports being taken to the YOT management board (chaired by CEO)			

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SR 13	Equality and diversity	Owner	Communications, Performance & Partnerships (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	B	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Putting our customers at the centre of everything we do							
Vulnerability			Trigger		Consequences				
Ensuring the council complies fully with its duties under equalities legislation to carry out diversity impact assessments. Public sector spending cuts allied with the passing of the Equality Act 2010, increase the profile of equalities issues and the potential for claims, including court action, if DIA processes are not rigorous or given appropriate consideration in decision making. The effectiveness of DIAs is dependent upon services routinely gathering equalities data about the patterns of usage of their service and the difference they make and using data and intelligence to inform impact assessments.			A case is brought and the council is found to have failed its duties under equalities legislation		<input type="checkbox"/> Cost to go to a tribunal <input type="checkbox"/> Not meeting people's needs <input type="checkbox"/> Financial liability / court action <input type="checkbox"/> Seen as a poor employer <input type="checkbox"/> Loss of reputation <input type="checkbox"/> Adverse inspection for children and adults services				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs			Monitoring	
SR 13.02	Policies on Cabinet forward plan given focused corporate support to ensure DIAs are completed	Communications, Performance & Partnerships (AD)	All policy documents have a robust DIA which is undertaken at an early stage in policy formation.	- Programme for carrying out diversity impact assessments in place for all service areas and being carried out. - Relevant policies and significant changes to service due to go to cabinet are not considered unless DIA has been carried out - Item on agenda of meetings for Equal and Access Group - DIA review group is now established to improve consistency of DIAs across the authority, Positively, external inspectors have described the DIA process as sound.				Quarterly	
SR 13.04	Contract let for external support and challenge to take forward impact assessment and embedding approach to equalities	Communications, Performance & Partnerships (AD)	Services routinely gather equalities information and carry out effective impact assessment to identify and deliver any necessary mitigations if potential adverse impact is identified.	Quarterly progress reports from contractors. Currently supporting customer contact, adult social care changes and council tax benefit changes.				Quarterly	

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Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 13.05	New operating arrangements for performance and intelligence hubs created as strand of better for less are seeking to further mainstream equalities into customer insight and business planning	Communications, Performance & Partnerships (AD)	Services routinely gather equalities information and carry out effective impact assessment to identify and deliver any necessary mitigations if potential adverse impact is identified	New operating structures and procedures to continue to improve quality of equalities information collected and used.		Quarterly with post implementation review in 12 months

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SR 17	Delivering regeneration	Owner	Director of Regeneration, Community and Culture	Leader's Portfolio	Current Risk Score	B	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Everyone Benefitting from the Areas Regeneration							
Vulnerability			Trigger		Consequences				
<p>Medway's regeneration plans to regenerate the area to attract 30,000 people to Medway up to 20,000 jobs and 17,000 new homes in the next 20 plus years.</p> <p>There are challenges for the provision and maintenance of effective infrastructure. Particular areas of concern are flood protection, highways and water capacity.</p> <p>It is vital the benefits are felt by the population of Medway, so that the new jobs are not filled by only people from outside the area.</p> <p>The programme will be significantly affected by the current economic down-turn. At present funding for future regeneration is uncertain.</p>			<p>The Council fails to achieve the economic, social and infrastructure regeneration agenda</p>		<input type="checkbox"/> Regeneration projects not completed <input type="checkbox"/> Potential damage to Council's reputation <input type="checkbox"/> Not able to meet member, government and the public's expectations <input type="checkbox"/> Deteriorating physical assets <input type="checkbox"/> Developers deterred <input type="checkbox"/> Investment wasted <input type="checkbox"/> Young people are not catered for in the 'new world' <input type="checkbox"/> Low skills base among some residents remains <input type="checkbox"/> Disconnect between skills and employment opportunities <input type="checkbox"/> Maintenance of low aspiration culture <input type="checkbox"/> New jobs unfilled or filled by non-local population <input type="checkbox"/> Increased commuting and pressure on transportation <input type="checkbox"/> Negative impact on community cohesion				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 17.01	Outline infrastructure needs identified.	Director of Regeneration, Community and Culture	Completion of a Community Infrastructure Levy policy and identification of inward investment priorities.	Start made on key regeneration sites	- Generation of funds to carry out the work and investors confidence; - 20 year development programme	Quarterly			
SR 17.02	Homes and Communities Agency (HCA) alerted to the impact of lack of funding and dialogue opened with External Partners.	Director of Regeneration, Community and Culture	HCA confirm any funding commitments and business plans for HCA sites Stewardship agreements completed for each HCA site	Funding identified to continue regeneration.	Regeneration projects agreed with Members	Quarterly			
SR 17.04	Regular meetings with stakeholders to lever in external funding and bring forward transformational programmes.	Director of Regeneration, Community and Culture	External financial arrangements to fund transformational programmes and deliver plans that are implemented on time and to budget	Investors come forward for regeneration sites.	As detailed in individual delivery plans	monthly			

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Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 17.05	Working with the Local Enterprise Partnership to attract funds to Medway.	Director of Regeneration, Community and Culture	External financial arrangements to fund transformational programmes and deliver plans that are implemented on time and to budget. Create and protect long-term jobs in the private sector, and programmes which will deliver sustainable jobs.	<u>Growing Places Fund (GPF)</u> : £4.4m Rochester Riverside; £2.99m Chatham Waterfront. <u>TIGER (Thames Gateway Innovation, Growth and Enterprise)</u> £20.00m for North Kent and Thurrock for business loans and grants	As detailed in individual delivery plans	monthly

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SR 25	Adult Social Care Transformation	Owner	AD for Adult Social Care	Adult Services Portfolio	Current Risk Score	B	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Adults maintain their independence and live healthy lives							
Vulnerability			Trigger		Consequences				
The local population of older people and disabled adults is increasing significantly (Joint Strategic Needs Analysis). Problems in recruiting to key posts would impact on Council's ability to deliver good quality and consistent practice.			Demographic impact		Potentially significant increase in spend on Adult Social Care.				
Code	Description	Managed By	Desired Outcome	Output	Milestones/Pis	Monitoring			
SR 25.01	Personal Budgets giving people more choice and control. Commissioning sufficient capacity and a suitably wide range of services to meet need. Prevention, early help and re-ablement services. Close management oversight, and action as required, to manage the budget.	AD for Adult Social Care	Best outcomes for people (as per their support plans) and best value for the Local Authority as statutory body and commissioner. A safe and stable local sector of providers that can meet our local needs and provide high quality care and support to older people, disabled adults and carers.	All clients are offered Personal Budgets/Direct Payments. Joint strategies and commissioning plans with NHS. The Provider Forum engages the sector and assists us to work in partnership in a meaningful and effective way. Monthly scrutiny of budgets at AMT and audits of practice and Personal Budgets/Direct Payments. Management action as required.	Personal Budget target for 2012-2013 = 60%. Re-commissioning of homecare, high cost residential and nursing care. End of year spend within budget Adequate staff in post	Quarterly As per procurement forward plan. Monthly at AMT, quarterly at CADMT and then year-end budget outcome			
SR 25.02	Implement new IT system framework		Improved recording and electronic based records	Electronic based recording system	System up and running and fully used. Provisional go live date 1 September 2013	Monthly Project Board			

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SR 27	Government changes to Local Authority's responsibility for schools	Owner	Director of Children and Adults	Children's Services Portfolio	Current Risk Score	B	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Children & Young People in Medway have the best start in life							
Vulnerability			Trigger		Consequences				
Councils are accountable for the outcome of performance of all schools but have reduced levers for change. There is a new OFSTED framework in place from September 2012 which replaces 'satisfactory' with 'requires improvement'. Any school with 2 consecutive 'requires improvement' will be in a category . Medway currently has 23 schools with 2 consecutive 'satisfactory' inspection ratings and a further 11 with a single, current 'satisfactory' judgement.			A failing OFSTED inspection for a maintained school for whom the Council has a statutory responsibility		<ul style="list-style-type: none"> - Impact on children and families of being in a school that fails to provide quality provision - Performance ratings as measured through Ofsted reports and Performance tables impact on parental and community confidence. - Financial consequences - The DfE will expect that the school becomes a sponsored academy with further financial consequences to Medway including an expectation that the LA pays the legal costs for the transfer - Damage to reputation - Impact on statutory responsibilities and regulatory judgement - Progress and progression for children & young people are impacted negatively 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/Pis	Monitoring			
SR 27. 01	School data shows under achievement based on Fisher Family Trust predictions enabling analysis to be made of schools' current grade and enable support to be given. The schools have been risk rated and intervention targeted according to need.	Inclusion & Improvement (AD)	Schools results in line with or exceed nationally expected progress measures.	- School Improvement Team (SI) support schools to identify actions needed to improve pupil progress - Data shows progress to be in line with FFT of similar schools nationally and then to be in upper quartile	- Number of schools below floor threshold reduces - Number of schools in an OFSTED category reduces and remains low.	AD Performance Digest CPR meetings with head and Chair of Governors			
SR 27.02	The proportion of schools in Medway with an OFSTED judgement of satisfactory is higher than National and the proportion of schools with good is lower than National	Inclusion & Improvement (AD)	Schools move up from Satisfactory to Good and from Good to Outstanding	- Core SI training developed and delivered in a targeted way - OFSTED preparation in place for Senior Leadership Team (SLT) and Governors - NLES and LLEs linked to schools to give additional experience to draw on for delivering "Good" - Work closely with the teaching school alliances to develop leadership across subject areas	OFSTED judgements place more schools in the Good or Better categories	SI team meetings AD Performance Digest OFSTED Feedback			

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SR 04	Performance Management	Owner	Communications, Performance & Partnerships (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	C	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Giving Value for Money							
Vulnerability			Trigger		Consequences				
There have been in the past concerns that performance is not consistently managed across the council. The Council has introduced a comprehensive performance management (and business planning) framework. The major risk is that the removal of CAA will lead to less priority and focus being given to effective management of performance - at council wide and service levels.			The council fails to embed a robust performance management system		<input type="checkbox"/> The Council is not clear on what it wants to achieve so cannot demonstrate difference it is making to the public customers do not receive the services they need <input type="checkbox"/> Silo-ism reinforced <input type="checkbox"/> Rate of improvement is impeded <input type="checkbox"/> Not getting Value for Money or able to evidence it				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 04.08	Review performance management resource deployment across the council as part of better for less vfm project	Communications, Performance & Partnerships (AD)	More effective performance management arrangements	An effectively resourced performance management framework to drive performance improvement	New structures agreed. RCC performance and intelligence team fully staffed, recruitment ongoing to C&A and corporate team. Interim support in place to mitigate risks in key areas in C&A. A new performance and QA framework is being devised for childrens' care.	By BfL Board			

CORPORATE RISK REGISTER

SR 21	Procurement	Owner	Legal and Corporate Services (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	C	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Giving Value for Money							
Vulnerability			Trigger		Consequences				
Procurement processes are not consistently applied across the council.			- Complaints/challenge from tenders to procurement decisions. - Audit reviews reveal weaknesses		<ul style="list-style-type: none"> - Legal challenges - Negative publicity - Council does not achieve value for money - Damage to reputation - Increased costs of purchasing services - Not achieving cost efficiencies - Overspend on budget allocation - Failing to achieve Members' expectations - Failing to achieve statutory responsibilities 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 21.01	Member chaired Procurement Board with the Council's Monitoring officer responsible for the strategic procurement direction that meets every four weeks	Legal and Corporate Services (AD)	To deliver the Procurement Strategy	Procurement Board meets every four weeks	On-going	Every 4 weeks			
SR 21.02	Forward Procurement Plans in place for each category theme (people, place and corporate)	Category Management	Timely commencement of procurement ensuring contracts are in place	Plans monitored by the Procurement Board every 4 weeks.	Taken over by Category Management team after "go-live" in December 2012	Every 4 weeks			
SR 21.03	Create a corporate contracts register	Category Management	A contracts register that records all contracts currently in place and date due to finish	Exploration of methods to collect data to populate register	On-going	Procurement Board strategic oversight with Category Management team day-to-day management.			
SR 21.04	Review of procurement processes	Category Management	To ensure processes continue to be fit for purpose e.g. enable SMEs to access procurement opportunities, promote social value and deliver corporate targets such as opportunities for disabled workers, care leavers and ex-armed service personnel	<ul style="list-style-type: none"> - Refreshed Procurement Policy - Procurement process chart; - Refreshed procurement intranet, website/portal; - Refreshed Terms and Conditions and Tender documentation 	On-going ,with next review scheduled March 2013 (Procurement Board)	Managed by the Category Management Team through client engagement and the Procurement Board as part of a 4 weekly review			

CORPORATE RISK REGISTER

Code	Description	Managed By	Desired Outcome	Output	Milestones/Pis	Monitoring
SR 21.05	Training in revised procurement procedures	Category Management	All staff involved in procurement will understand and be able to use revised procurement processes and procedures	Training will be devised and developed to reflect new procedures introduced through the new category management processes. Emphasis on self-serve through intranet site	Draft training strategy March 2013	On-going
SR 21.06	BfL Board and Procurement Board	Category Management	Category Management delivered across organisation through classification of spend within Integra to industry standard classification system, against which expenditure analysis and compliance assessment can be undertaken	Cashable savings through 4 x Strategic Sourcing Plans. High client satisfaction with Category Management Team. Fewer exemption requests. Evidence of more SMEs accessing procurements Benchmarking work re reduction in supplier base.	4 SSPs agreed. 1 (Homecare) delivered in excess of savings target 3 Heads of Category Management appointed. Further recruitment for remaining team continuing with 16 out of 22 in post. Go live occurred 1 December 2012. Exemptions down from 36 in 11/12 to 19 in 12/13 .	On-going

CORPORATE RISK REGISTER

SR 30	Delivering Better for Less transformation	Owner	Communications, Performance & Partnerships (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	C	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Giving Value for Money							
Vulnerability			Trigger		Consequences				
The Better for Less programme is a council wide transformation programme which is intended to transform the way all council employees work to deliver improvements to customer service as well as making significant savings which are built into the MTFP budget projections for the next 4 years. If the programme is not delivered effectively and on time and in a way that ensures change can be sustained, improvements and savings will not be made.			1. Over emphasis on savings at expense of improvements mean the programme is regarded as another 'savings' programme 2. Savings identified as part of BfL programme are 'overtaken' by other savings initiatives 3. Redundancy costs erode savings 4. Cultural changes to ways of working are not sustained to deliver continuous improvement		<ul style="list-style-type: none"> · Additional budget deficit for future years · Requirement to make alternative savings proposals which may have greater impact on frontline services · Services standards drop and growing customer expectations will not be met · Drop in resident satisfaction · Loss of faith by staff in ability of the council to deliver council wide change will impact on any future change initiatives 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/Pis		Monitoring		
SR 30.02	Detailed definition of the performance gains we expect the programme to deliver being developed.		Shared understanding of what we want to be better, how we will measure that and ultimately delivery of improved performance	BfL measures of success	Performance framework in place for phase 1 and 2 services. Key measures to be reported to members as part of council plan monitoring.		Quarterly by BfL Board and members through council plan monitoring		
SR 30.06	Detailed tracking of potential impact of savings options on BfL targets carried out as part of budget setting	Communications, Performance & Partnerships (AD)	Minimising duplication in savings targets and impact on frontline service delivery		Budget proposals for 2013/14 do not duplicate or impact on BfL proposals		By BfL Board		
SR 30.07	Minimise redundancies through vacancy management and redeployment where this is in interests of the business and employees	Communications, Performance & Partnerships (AD)	Minimum number of redundancies whilst making appropriate appointments within newly established shared services		Phase 1 BfL saw only 3 compulsory redundancies and 14 voluntary redundancies. phase 2 saw 12 compulsory redundancies and 10 voluntary. Staff training and support continues to be offered to affected staff as we move into consultation on phase 3. Council is balancing redeploying staff with securing right skills mix to ensure new shared services are successful.		By BfL Board		

CORPORATE RISK REGISTER

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 30.08	Develop culture of the organisation to embrace ongoing change and drive for customer focussed service improvement	Communications, Performance & Partnerships (AD); Organisational Services (AD)	<p>Organisation using information and intelligence to drive customer focussed improvement.</p> <p>More collaborative 'one council'</p>	<p>New performance and intelligence hub structure effectively operating.</p> <p>Visibility of performance across 'customer journeys' where accountability is shared across specialist and shared services</p> <p>Leadership development programme</p>	<p>Performance and intelligence hubs go live by April 2013, slightly behind original timescale as we have been keen to secure the right people with skills to fulfil new roles.</p> <p>Performance frameworks in place with baseline before each phase of services goes live.</p> <p>Leadership development programme for staff being piloted in early 2013.</p>	By BfL Board

CORPORATE RISK REGISTER

SR 31	Public Health Transition	Owner	Director of Public Health	Adult Services Portfolio	Current Risk Score	C	II	Reviewed	20-Feb-2013
Link to Corporate Priority									
Putting our customers at the centre of everything we do									
Vulnerability			Trigger		Consequences				
<p>The Council will have new public health responsibilities from April 2013 which will involve the transfer of staff, contracts and functions from Medway PCT.</p> <p>Lack of clarity from DH regarding details of health protection duties and the Council's responsibility.</p> <p>Failure to realise benefits to population of Health and Social Care Act e.g. integrated approach to commissioning and service delivery; local authority impact on wider determinants of health.</p>			Ineffective implementation of changes related to the Health and Social Care Act 2012		<ul style="list-style-type: none"> - Failure to meet statutory duties - Unforeseen in year spending pressures. - Loss of staff with specialist skills - Risks to prevention and management of public health incidents - Increase demand on health and social services - Health and social care services less efficient and do not meet needs - Failure to implement Public Health programmes - Negative publicity 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 31.01	Transition Programme established with Project Board and member oversight. Plan covers HR, contracts, finance, facilities, communications, governance, IT and IG	Director of Public Health	Safe transfer of PH responsibilities to Council	Transition project plan established with milestones		Monthly			
SR 31.02	Establish current spend within public health portfolio coming to Council and associated contract details.	Director of Public Health	Public health responsibilities funded within PH grant.	Reconciliation of grant against future PH responsibilities of the Council and action agreed to minimise risk. Agreement with Medway Commissioning Group (MCG)/national Commissioning Board on future funding responsibilities e.g. block contracts for funding some services.		On-going			
SR 31.03	Ensure effective engagement of the Medway Commissioning Group (MCG) in Medway partnerships e.g. Health and Wellbeing Board (HWB), Medway Safeguarding Children Board (MSCB), Children's Trust	Director of Public Health	All members engage in pre-shadow HWB to establish and deliver Joint Health and Wellbeing Strategy	JHWS action plan which supports delivery of strategy.	Four development sessions held with HWB prior to establishment of shadow HWB. Work programme currently being developed.	Quarterly			

CORPORATE RISK REGISTER

SR 32	Outsourcing Services	Owner	Legal and Corporate Services (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	C	2	Reviewed	12-Mar-2013
Link to Corporate Priority			Giving Value for Money						
Vulnerability			Trigger			Consequences			
As part of the Better for Less transformation agenda and to ensure flexible and responsive services to address future challenges and changes in corporate priorities and wider environment, the Council are actively working towards outsourcing services. This could lead to disruption to end users as a result of the transition to new delivery models.			a) Providers fail to deliver improved in-scope service performance, compliance and quality. b) The outsourcing solution fails to delivers sustainable cost reductions / value for money			- No direct influence outside of contract management - Damage to reputation. - Negative publicity - Quality of service compromised - Relationship with partners may deteriorate			
Code	Description	Managed By	Desired Outcome	Output	Milestones/Pis	Monitoring			
32.01	Robust Procurement processes.	Individual services with support from Category Management Team	Quality services and works that are delivered and better safeguard the authority on statutory, regulatory and reputational issues	Effective partnership arrangements that deliver the Councils vision.	To be agreed	Procurement Board meets every four weeks			
32.02	Contract Management arrangements in place.	Individual services with support from Category Management Team	Improve in-scope service performance, compliance and quality	Key performance indicators are delivered.	To be agreed	Quarterly meetings with partners. Reports to BfL Board			
32.03	Detailed tracking of potential savings options as part of budget setting.	Chief Finance Officer	Transfer of risk management & better cost certainty	Sustainable cost reductions / value for money	On-going	Monthly scrutiny of budgets Monthly reports to BfL Board			

CORPORATE RISK REGISTER

SR 22	Treasury Management	Owner	Chief Finance Officer	Finance & Deputy Leader's Portfolio	Current Risk Score	D	II	Reviewed	20-Feb-2013
Link to Corporate Priority			Giving Value for Money						
Vulnerability			Trigger		Consequences				
a) The Council could lose money as happened to other local authorities when financial institutions fail. b) Unexpected changes in interest rates.			Loss of resources due to external events beyond the Council's control		<ul style="list-style-type: none"> - Loss of resources - Damage to reputation. - Negative publicity - VFM Judgement jeopardised - Increased pressure on existing resources - Reduction/cuts to services - Quality of service compromised. - Relationship with partners may deteriorate 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 22.02	Review the treasury management strategy and performance	Chief Finance Officer	Recommend changes to the strategy as and when necessary in order to maintain a high level of stewardship of the Council's funds	The Outturn report in June. Mid-year report in November. Strategy in February. Monthly budget monitoring reports.	<ul style="list-style-type: none"> - Cost of external debt. - Breaches of policy - Interest earned on investments. 	June (Outturn), November Mid-year and quarterly budget monitoring.			
SR 22.03	Monitoring reports and regular review by members in both executive and scrutiny functions	Chief Finance Officer	To ensure that those with responsibility for the treasury management function appreciate the implications of treasury management policies and activities, and that those implementing policies and executing transactions have properly fulfilled their responsibilities with regard to delegation and reporting	<ul style="list-style-type: none"> • Enhanced member involvement, understanding, responsibility and scrutiny. • Continue training for officers and members 	Member training carried out February 2010 and November 2010. On-going officer training	As & when required			

CORPORATE RISK REGISTER

SR 02	Business continuity and emergency planning	Owner	Director of Regeneration, Community and Culture	Finance & Deputy Leader's Portfolio	Current Risk Score	D	II	Reviewed	20-Feb-2013
Link to Corporate Priority		Putting our customers at the centre of everything we do							
Vulnerability			Trigger		Consequences				
<p>Duties under the Civil Contingencies Act require Councils to have an Emergency Plan. The Emergency Management and Response Structure may not be robust enough to respond to a major emergency.</p> <p>Every business activity is at risk of disruption from a variety of threats, which vary in magnitude from catastrophic through to trivial, and include pandemic flu, fire, flood, loss of utility supplies and accidental or malicious damage of assets or resources.</p>			A significant adverse event occurs and the Council is found wanting or negligent in its planning and/or operational response		<input type="checkbox"/> Response to event is not rapid, adequate nor effective. <input type="checkbox"/> Lack of clear communication lines <input type="checkbox"/> Essential service priorities not clearly understood. <input type="checkbox"/> Communication between agencies and the public is poor. <input type="checkbox"/> Residents expect more from their Council <input type="checkbox"/> Local press quick to seize issue. <input type="checkbox"/> Comparisons made with other local authorities and resilience groups <input type="checkbox"/> A death, or deaths, in the community <input type="checkbox"/> Legal challenge under the 'Civil Contingencies Act 2004'				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring			
SR 02.01	Continue to develop the Council's Emergency Plan	Director of Regeneration, Community and Culture	<ul style="list-style-type: none"> - Revised plan agreed by CMT - Continued engagement with Kent Resilience Forum - Staff trained in emergency response management 	<ul style="list-style-type: none"> - Existing plan in place - Programme of on-going review of COMAH plans - Emergency response operations room in place 	<ul style="list-style-type: none"> - Draft plan update in place - Relevant staff training during 2013 	On-going			
SR 02.02	Business continuity plans completed to implement the actions	Director of Regeneration, Community and Culture	All services will have an up-to-date and tested Business Continuity Plan	<ul style="list-style-type: none"> - BCM Policy agreed; - BCM principles and project aims communicated to divisional management teams across the Council. - A Corporate Recovery Plan - IT Recovery Plan in place; - Draft flu plans in place - Winter preparedness plans in place 	Plans tested.	Quarterly reports to Strategic Risk Management Group			