

CABINET

14 APRIL 2015

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
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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 Extended Management Team (EMT) on 6 August 2014 and Cabinet on 28 October 2014. The following changes were made to the register at that time:

- 2.1.1 SR27 Government changes to Local Authority's responsibility for schools risk score to be lowered from B2 to C2 and actions to include the agreed national system of referring failing academies to the DFE's regional School's Commissioner. This reflects the improvement in results at academies and the good relationships with academy chains, giving greater confidence in our ability to express concern about performance and influence change. Furthermore, the DFE has introduced Schools' Commissioners and Advisory Boards to operate on a regional basis to oversee standards in academies and free schools. This affords a mechanism for the Local Authority to raise concerns about academy and free school standards where local negotiation has not effected improvement.
- 2.1.2 SR19 Downturn in the Economy be removed from the strategic risk register as that is no longer a reality and the mitigating action SR19.06 'create schemes to deliver safety net provisions' related to welfare reform be moved to SR03b Finance. This will then reflect the view nationally that the economy is

improving and there is no evidence locally to show that Medway is not following that trend. Welfare reforms have been considered and are included in SR3b.

- 2.1.3 SR31 Public Health Transition the risk score remains the same however the risk treatment actions have been updated to reflect current works being undertaken.
- 2.1.4 SR22 Treasury Management is removed from the strategic risk register as the mitigating actions taken by management and the Treasury Management Strategy approved by Members remove this as a significant strategic risk.

3. Advice and analysis

- 3.1 Risks owners have reviewed their risks and updated them taking account of the amendments made on 28 October 2014. Extended Management Team reviewed these amendments on 4 February 2015 and changes to the Risk Register are detailed in Appendix A and B and are for consideration:
 - 3.1.1 SR03b Finance the risk score remains the same however the vulnerability has been updated to reflect the current climate.
 - 3.1.2 SR26 Children's Social Care, SR25 Adult Social Care, SR27 Government changes to Local Authority's responsibility for schools the risk score remains the same however the risk treatment actions have been updated to reflect current works being undertaken.
 - 3.1.3 SR30 Better for Less (BfL) risk is down-graded from BII to DIII as the programme is in its final stage, with the majority of the estimated savings delivered it is proposed that this risk be removed. Delivery of subsequent transformation programmes may be submitted for consideration as a strategic risk at the next risk register review. Actions SR.30.02 and SR 30.08 have been deleted as the executive group no longer meets on a monthly basis to monitor performance as the majority of the programme has been completed. BfL issues can be reported by exception to the Finance Innovation and Transformation Board.
 - 3.1.4 SR32 Medway Norse Implementation is removed from the strategic risk register, as Medway Norse is now operational. The risk action identified concerning not making the savings/income did not materialise in 13/14 or 14/15 and is being overseen at Board Meetings and six monthly reports to Overview and Scrutiny.
 - 3.1.5 SR13 Equality and Diversity risk score remains the same. The risk treatment actions SR1306 has been amended and SR1307 has been removed, as it is now complete.
 - 3.1.6 SR21 Procurement and tendering risk score remains the same. The risk actions have been amended to include contract management.

4. Consultation

- 4.1 Risk owners have been consulted on the proposed amendments to the risk register. Extended Management Team reviewed these amendments on 4 February 2015. Members are consulted on the Corporate Risk Register via the Business Support Overview and Scrutiny Committee and Cabinet.

5. Business Support Overview and Scrutiny Committee – Briefing Meeting

- 5.1 The 6 monthly review of the Council's Corporate Business Risk Register would normally be submitted to the Business Support Overview and Scrutiny Committee, ahead of consideration by Cabinet. On this occasion, with cross-party agreement, the Committee meeting on 9 April 2015 was cancelled subject to a briefing being arranged on the Risk Register report for Cabinet for the Chairman, Vice-Chairman and Group Spokespersons on 20 March 2015.
- 5.2 The Chairman, Vice-Chairman and Labour Group Spokesperson attended this briefing and made the following comments to Cabinet:

5.2.1 SR30 Better for Less

Although it is recognised that the Better For Less programme is about to end, given that the next corporate transformation programme will inevitably present risks to the authority, it is recommended that:

1. The risk be down-graded to C3 and not D3 as proposed;
2. the risk be renamed and broadened to cover wider change management issues and
3. this be reviewed in 6 months' time.

5.2.1 Assistant Director's comments

The intention had been to consider how we reflect the future transformation programme in the next review of the strategic risk register. This proposal simply brings that forward. If Cabinet are minded to accept this recommendation then it is proposed that the risk be titled 'the council's digital transformation programme'.

5.2.3 Proposed Additional New Risk

Given that there are still significant risks to the Council around health and social care integration (the Better Care Fund for example) it is recommended that Cabinet review this as a potential new corporate risk.

5.2.4 Director's comments

The Better Care Fund (BCF) programme will operate through a pooled budget of £17.6m covered by a Section 75 Agreement both of which have been to Cabinet during the development of the BCF programme. The S75 Agreement includes its own shared risk register and it has been agreed the progress on the BCF programme will come to Cabinet at regular intervals (TBC).

The main risk to the success of the programme centres around achieving the non elective (NEL) target for emergency admissions to Medway Foundation Trust (MFT) as the payment by results (PBR) process relies upon achieving this: the current target is 0.8% which now equates to £289,000, this is a reduction from the original ambition of 3.5% which equated to £1.2m. The current risk is mitigated by not being included within the current funding structures so achievement of financial targets is not reliant on it.

6. Financial, legal and risk implications

- 6.1 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.
- 6.2 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.

7. Recommendations

- 7.1 The Cabinet is asked to consider the comments of the Chairman, Vice-Chairman and Labour Group Spokesperson of the Business Support Overview and Scrutiny Committee as set out in paragraph 5 of this report.
- 7.2 The Cabinet is asked to approve the amendments to the Council's Risk Register, as detailed in Appendix A and B to this report.

8. Suggested Reasons for Decisions

- 8.1 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.

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Appendices: Appendix A – Record of Amendments
Appendix B – Corporate Business Risk Register

Background papers

Cabinet 28 October 2014 Annual Review of Risk Management Strategy and 6 Monthly Review of the Council's Corporate Business Risk Register
<http://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=25361>

SUMMARY OF CORPORATE RISK REGISTER – RECORD OF AMENDMENTS

Risk Ref	Rating Mar 11	Rating Sep 11	Rating Feb 12	Rating Oct 12	Rating Feb 13	Rating Aug 13	Rating Feb 14	Rating Jul 14	Rating Jan 15	Move ment	Risk Description	Owner	Portfolio Holder	Link to Corporate Priority
3b	AI	→	Finances	Chief Finance Officer	Alan Jarrett	Giving value for money								
26		BII	BII	BII	AII	AII	AII	AII	AII	→	Children's Social Care	Director Children and Adults Services	Mike O'Brien	Children & young people having the best start in life
9b	BII	→	Keeping vulnerable young people safe and on track	Director Children and Adults Services	Mike O'Brien	Children & young people having the best start in life								
25		CII	CII	CII	BII	BII	BII	BII	BII	→	Adult Social Care Transformation	Director Children and Adults Services	David Brake	Adults maintaining their independence and live healthy lives
27		BII	CII	BII	BII	BII	BII	CII	CII	→	Government changes to Local Authority's responsibility for schools	Director Children and Adults Services	Mike O'Brien	Children & young people having the best start in life
30		BH	GH	GH	GH	BH	BH	BH	BH	↓	Delivering Better for Less Transformation	AD Communications, Performance and Partnerships	Alan Jarrett	Giving value for money
32					BH	BH	BH	BH	BH	→	Medway Nurse Implementation	AD Legal and Corporate Services	Alan Jarrett	Giving value for money
4	CII	→	Performance Management	AD Communications, Performance and Partnerships	Alan Jarrett	Giving value for money								
13	BII	BII	BII	BII	BII	CII	CII	CII	CII	→	Equalities & Diversity	AD Communications, Performance and Partnerships	Alan Jarrett	Putting our customers at the centre of everything we do
17	BII	BII	BII	BII	BII	BII	CII	CII	CII	→	Delivering Regeneration	Director Regeneration, Community and Culture	Rodney Chambers	Everyone benefiting from the area's regeneration
21	AII	CII	→	Procurement and Tendering	AD Legal and Corporate Services	Alan Jarrett	Giving value for money							
31				CII	CII	CII	CII	CII	CII	→	Public Health Transition	Director of Public Health	David Brake	Putting our customers at the centre of everything we do
2	DII	→	Business Continuity & Emergency Planning	Director Regeneration, Community and Culture	Peter Hicks	Putting our customers at the centre of everything we do								

CORPORATE RISK REGISTER

RISK MATRIX - STRATEGIC PROFILE FOR JANUARY 2015

Likelihood ↑	A		26	3b
	B		9b, 25, 30, 32	
	C		4, 13, 17, 27, 21, 31	
	D	30	2	
	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

CORPORATE RISK REGISTER

SR 03b	Finances	Owner	Chief Finance Officer	Finance & Deputy Leader's Portfolio	Current Risk Score	A	I	Reviewed	January 2015
Link to Corporate Priority		Giving Value for Money							
Vulnerability			Trigger		Consequences				
<p>The Medium Term Financial Plan and SR 2013 identify both significant cost pressures for the Council and continued unprecedented cuts in funding for the foreseeable future. The settlement for 2014/15 confirmed a further 14.4% cut in grant support and, dependent upon the election outcome in May 2015 it is possible that CSR 2015 will confirm further cuts for 2016/17 and beyond. It is now widely expected that the current £52 million of revenue support grant (2014/15) will cease to exist in 5 years' time.</p> <p>£12 billion of the £25 billion cut announced in the Autumn Statement is being suggested to come from welfare support.</p>			<p>The Chancellor's Autumn Statement and the Financial Settlement for 2015-2016 have confirmed that the Public Sector and LA's in particular will continue to face an austerity regime well beyond the election in 2015.</p> <p>Welfare Benefit reforms, targeted at the working age benefit recipients, are having a significant effect on vulnerable individuals and families who are seeing a significant drop in income.</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 Government 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 budget 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 2014 to February 2015 for 2015/2016 budget and council tax. On-going for 2016-2017.		Six monthly then monthly from September onwards		
SR 03b.03	Create resources for investment priorities.	Corporate Management Team	<ul style="list-style-type: none"> - Track funding opportunities - Maximise asset values for disposal - Consider prudential borrowing 	<ul style="list-style-type: none"> - External investment - Asset release - Revenue cost associated with prudential borrowing. 	On-going		Six monthly		
SR 19.06	Create schemes to deliver safety net provisions.	Chief Finance Officer	Support for the most vulnerable	Discretionary Housing Payments / Council Tax Support 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	January 2015
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 resources.</p> <p>Increased expectations by Regulator in relation to standard of care and provision provided.</p> <p>Challenges in recruiting to key posts would impact on the Council's ability to deliver good quality and consistent practice.</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.</p> <p>Partner agencies not fulfilling their role in supporting the most vulnerable.</p>		<ul style="list-style-type: none"> - Budget pressures 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. - 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.	Permanent staff numbers.	As per strategy and plan.	Reviewed monthly via Children's Improvement Board			
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.	CSCMT, CADMT & Corporate Parenting Board and Children's Improvement Board			
SR 26.04	Implementation of the Children's Social Care Quality Assurance Framework.k	Children's Social Care (AD), Deputy Director for Children and Adults	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.	Reviewed monthly			
SR 26.05	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.	CADMT & MSCB			
SR 26.06	Implementation of projects to better manage demand around edge of care and early help.	Partnership Commissioning (AD), Children's Social Care (AD)	Safely reduce C&YP entering and staying in the care system.	Edge of care response. Early help.	Reduced demand for CSC services.	Council plan monitoring CSCMT, CADMT, and Children's Improvement Board			

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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	January 2015
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"/> Budget pressures with consequences across the Council. <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)	Improved outcomes for C&YP as per strategy. Ensuring service delivered within budgetary constraints.	Strategy adopted by Cabinet 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 quarterly.			
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. Development of intensive interventions that can 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 an 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. We currently have an intern working with the Council to spec 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 25	Adult Social Care Transformation	Owner	Deputy Director, Children & Adults	Adult Services Portfolio	Current Risk Score	B	II	Reviewed	January 2015
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, POPPI and PANSI intelligence. New responsibilities for the LA resulting from the Care Act will increase pressure on Adult Social Care services			Demographic impact. Care Act implementation in April 2015.		Potentially significant increase in spend on Adult Social Care.				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs		Monitoring		
SR 25.01	<p>Personal Budgets giving people more choice and control.</p> <p>Commissioning sufficient capacity and a suitably wide range of services to meet need.</p> <p>Prevention, early help and re-ablement services.</p> <p>Close management oversight, and action as required, to manage the budget.</p> <p>New responsibilities arising from Care Act, for example, providing assessments and services for carers and self funders.</p>	Deputy Director, Children & Adults	<p>Best outcomes for people (as per their support plans) and best value for the Local Authority as statutory body and commissioner.</p> <p>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.</p>	<p>All clients are offered Personal Budgets/Direct Payments.</p> <p>Joint strategies and commissioning plans with NHS.</p> <p>The Provider Forum engages the sector and assists us to work in partnership in a meaningful and effective way.</p> <p>Monthly scrutiny of budgets at AMT and audits of practice and Personal Budgets/Direct Payments. Management action as required.</p> <p>Implementation of Care Act changes.</p>	<p>Personal Budgets performance as per KPI.</p> <p>Category Management project on high cost placements.</p> <p>End of year spend within budget.</p> <p>Dynamic Purchasing System.</p>	<p>Monthly.</p> <p>As per star chamber and procurement forward plan.</p> <p>Monthly at AMT and quarterly at CADMT.</p> <p>Gateway process as per procurement forward plan.</p> <p>Council plan monitoring – implementation of Care Act is a key project.</p>			
SR 25.02	Deprivation of Liberty Safeguards (DoLS) post Cheshire West judgement, resulted in a rapid increase in the number of	Deputy Director, Children & Adults	People in a care home or hospital are not deprived of their liberty illegally.	DoLS applications to Medway as a Supervisory Body are processed and assessments carried out within timeframes.	<p>Setting up of Medway DoLS office – complete.</p> <p>Communication to care homes and other relevant settings to</p>	<p>Breaches monitored weekly.</p> <p>Updates to AMT.</p>			

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	<p>applications for DoLS, challenging several parts of the system – administration, Best Interest Assessors, Advocacy services.</p> <p>Risk of legal challenge and breaching statutory timeframes.</p>				<p>ensure compliance with the Mental Capacity Act 2005.</p> <p>Recruitment and training of the required number of Best Interest Assessors.</p>	<p>DH Quarterly monitoring report.</p> <p>DH annual statutory return.</p>
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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	C	II	Reviewed	January 2015
Link to Corporate Priority		Children & Young People in Medway have the best start in life							
Vulnerability			Trigger	Consequences					
<p>Councils are accountable for the outcome of performance of all schools but have reduced levers to drive action and change.</p> <p>The new OFSTED framework replaces 'satisfactory' with 'requires improvement'. Any school with 2 consecutive 'requires improvement' will be in a category.</p>			<p>A failing OFSTED inspection for a maintained school for which the Council has a statutory responsibility.</p>	<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	Analysis of school data is used to agree a school partnership rating so that appropriate support can be put in place.	Inclusion & Improvement (AD)	Schools results in line with or exceed nationally expected progress measures.	<ul style="list-style-type: none"> - School Challenge and Improvement Team (SCI) support schools to identify actions needed to improve pupil progress. - Data shows progress to be in line with similar schools nationally and then to be in upper quartile. - Implementation of School Improvement Strategy. 	- Number of schools below floor threshold reduces - Number of schools in an OFSTED category reduces and remains low.	<p>RAMP meetings with head and Chair of Governors.</p> <p>CADMT performance reports.</p> <p>Council Plan monitoring.</p> <p>School Effectiveness Board.</p>			

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SR 27.02	The proportion of schools in Medway with an OFSTED judgement requires improvement (3) is currently higher than national; and the proportion of schools with good is currently lower than national.	Inclusion & Improvement (AD)	Schools move up from requires improvement to Good and from Good to Outstanding.	<ul style="list-style-type: none"> - Core SCI 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 and better practice. - Work closely with the teaching school alliances to develop leadership and improve the quality of teaching across subject areas. 	OFSTED judgements place more schools in the Good or Outstanding categories.	<p>SCI team meetings.</p> <p>OFSTED liaison.</p> <p>CADMT performance reports.</p> <p>Council Plan monitoring.</p> <p>School Effectiveness Board.</p>
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SR 30	Delivering Better for Less transformation	Owner	Communications, Performance & Partnerships (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	D	III	Reviewed	January 2015
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.			<ol style="list-style-type: none"> Over emphasis on savings at expense of improvements mean the programme is regarded as another 'savings' programme Savings identified as part of BfL programme are 'overtaken' by other savings or improvement initiatives Delays to programme implementation mean delays to timing of delivery of savings and so provide in year pressures Cultural changes to ways of working are not sustained to deliver continuous improvement Staff supporting BfL process and IT transformation are on short term contracts coming to an end from Sept to March. Resources may not be available to deliver remaining phases 		<p>Additional budget deficit for future years.</p> <ul style="list-style-type: none"> - 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 30.06	<p>Detailed tracking of potential impact of savings options on BfL targets carried out as part of budget setting.</p> <p>Mapping of different change initiatives to understand potential impact and coordinate activity.</p>	Communications, Performance & Partnerships (AD) / Chief Finance Officer	Minimising duplication in savings targets and impact on frontline service delivery.	Savings delivered.	Delays to the delivery of the programme and deferral of work to review customer contact and administration activity in children's care as the service responds to inspection findings mean that delivery of those savings will be over a longer time period than planned. A review of savings potential for remaining phase of the programme and costs of delivery has been prepared to maximize delivery of remaining savings targets. Inevitably as original targets were set in 2011, other more recent changes in services has meant that some savings are no longer achievable.			By BfL Board	

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Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 30.09	Seeking alternative additional savings to compensate for impact on in-year cash-flow.	Communications, Performance & Partnerships (AD)	In-year savings forecast delivered.	Alternative savings plans.	Scoping potential impact of successful delivery of channel shift for high volume call areas as part of phase 3 of implementation. Business case for further channel shift to be developed	By BfL Board
SR 30.10	Review resource requirement going forward to deliver priority areas of the programme and retain essential skill-sets.	Communications, Performance & Partnerships (AD); Organisational Services (AD)	Appropriate skill-set to sustain delivery of required changes and of the CRM system's ongoing development.	Costed change plan with clear resource allocation.	Plan agreed as part of 2014/5 budget setting.	By BfL Board

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SR-32	Medway Norse Implementation	Owner	Legal and Corporate Services (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	B	H	Reviewed	January 2015
Link to Corporate Priority			Giving Value for Money						
Vulnerability			Trigger			Consequences			
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 Council's vision.	Operational multi-disciplinary teams for monitoring Medway Norse now in place. Client function has been carried out by Category Management. Due to transfer to Property Services.	Procurement Board meets every four weeks. Portfolio Holder holds regular "Category Management" briefings with Medway Norse as a standing item.			
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.	Medway Norse reports quarterly to a Board and has also been held to account for KPIs to Scrutiny and Cabinet.	Quarterly management meetings between Medway Norse and Council. Business Support Overview & Scrutiny. Cabinet.			
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.	Reporting to Portfolio Holder on regular basis. Reports to Overview and Scrutiny. Reporting to Cabinet	Monthly scrutiny of budgets. Monthly reports to Portfolio Holder.			

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SR 04	Performance Management	Owner	Communications, Performance & Partnerships (AD), Directorate DMT's	Finance & Deputy Leader's Portfolio	Current Risk Score	C	II	Reviewed	January 2015
Link to Corporate Priority		Giving Value for Money							
Vulnerability			Trigger		Consequences				
<p>There have been in the past concerns that performance is not consistently managed across the Council. The Government has dismantled national corporate performance frameworks and relaxed service inspection and regulation with the notable exception of children's services.</p> <p>This has made the development of a effective Council wide performance management processes increasingly vital to ensure that key priorities are delivered efficiently and effectively, a 'one council' approach to improvement is in place, while risks to delivery are appropriately identified and managed.</p>			The Council fails to embed a robust performance management system.		<ul style="list-style-type: none"> • 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. • Not getting Value for Money or able to evidence it. • Provides no evidence of outcomes from the organisations allocation of resources. • Does not prevent misallocation of resources due to flawed decision making. • Cannot inform future risk management (e.g. high risk external inspections). • Is unable to identify and capitalise on organisational best practice. 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs		Monitoring		
SR 04.09	Review and develop existing Performance Management processes, whilst ensuring a robust and consistent approach across the Council.	Communications, Performance & Partnerships (AD)	An embedded performance management culture that makes evidence based decisions.	Consistent, effective performance management processes, across the Council.	<p>February 15 – Review and refresh Council Plan Indicators and Key Projects for 2015-16.</p> <p>July 15 - Development of Council Plan Quarterly Monitoring Process (including links to Finance).</p>		Quarterly.		

CORPORATE RISK REGISTER

SR 13	Equality and diversity	Owner	Communications, Performance & Partnerships (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	C	II	Reviewed	January 2015
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 13.05	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.	New operating structures in place.	Quarterly with post implementation review in 12 months. Implementation complete – review to occur by July 2015.			
SR 13.06	New processes to be developed to collate and assess the cumulative impact of budget decisions during the star chamber process.	Communications, Performance & Partnerships (AD) and Chief Finance Officer	Directorates routinely assess the potential equalities impact on budget decisions before proposals are submitted to Council.	New procedures are put in place for DMT's to follow while undertaking the annual budget setting process.	New operating procedures in place.	Corporate Management Team.			

CORPORATE RISK REGISTER

SR 17	Delivering regeneration	Owner	Director of Regeneration, Community and Culture	Leaders Portfolio	Current Risk Score	C	II	Reviewed	January 2015
Link to Corporate Priority		Everyone Benefitting from the Area's Regeneration							
Vulnerability			Trigger	Consequences					
<p>Medway's regeneration plans to regenerate the area with 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 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 and infrastructure assets. <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"/> 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	Identification of inward investment priorities.	Progressing 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 including developers 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.	Quarterly			

CORPORATE RISK REGISTER

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> £20m for North Kent and Thurrock for business loans and grants. £4m for Strood Flood Defences (Public Works Loan Board). £29m Local Growth Funding from the Local Enterprise Partnership.	As detailed in individual delivery plans.	Quarterly

CORPORATE RISK REGISTER

SR 21	Procurement and Tendering	Owner	Legal and Corporate Services (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	C	II	Reviewed	January 2015
Link to Corporate Priority		Giving Value for Money							
Vulnerability			Trigger		Consequences				
Strategic Sourcing Plans and standard procurements do not realise the savings predicted and included in budget projections. Contracts are not appropriately and consistently managed such that the potential for regular reviews and annual reductions are not taken.			<ul style="list-style-type: none"> - Budget pressures - Audit reviews reveal weaknesses. 		<ul style="list-style-type: none"> - 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. 				
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 four 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 four weeks.	Taken over by Category Management team after "go-live" in December 2012.	Every four weeks.			
SR 21.03	Strategic Sourcing Plans which are agreed with the relevant service and monitored regularly.	Category Management	Predicted savings that are sensible and achievable and the ability to take alternative action if under performance occurs.	Regular savings reports to the Portfolio Holder and to the Finance team.	Completed and due to be monitored in 2015/16.	Procurement Board strategic oversight with Category Management team day-to-day management.			
SR 21.04	Building capacity in contract management including the use of external support.	Category Management	Good regular engagement with suppliers. Regular discussions about performance and savings.	Identification of contract management savings.	Commenced and to be reported throughout 2015/16.	Portfolio Holder strategic oversight with Category Management team day-to-day management.			

CORPORATE RISK REGISTER

SR 31	Public Health Transition	Owner	Director of Public Health	Adult Services Portfolio	Current Risk Score	C	II	Reviewed	January 2015
Link to Corporate Priority		Putting our customers at the centre of everything we do							
Vulnerability			Trigger		Consequences				
<p>The Council has had new public health responsibilities from April 2013 which involved the transfer of staff, contracts and functions from Medway PCT. Further transfer of public health responsibilities for 0-5 public health commissioning in Oct 15.</p> <p>Failure to realise benefits to population of Health and Social Care Act e.g. local authority impact on wider determinants of health.</p>			<p>Ineffective implementation of changes related to the Health and Social Care Act 2012.</p> <p>Financial constraints.</p>		<ul style="list-style-type: none"> - Failure to meet statutory duties. - Unforeseen in-year spending pressures. - Risk to procurement processes. - 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 and greater demand on health and social care. 				
Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs		Monitoring		
SR 31.02	Ensure effective use of PH grant and wider Council business to improve and protect health.	Director of Public Health	Agreement with partners on ongoing responsibility for payment.	Provision of evidence based cost effective public health interventions. Cross Council contributions delivered through Collaborative Working Agreements with Public Health.	Collaborative working agreements to be agreed by Q1.		On-going via PHOF and ADQs.		
SR 31.03	Ensure safe transition of 0-5 public health commissioning responsibilities.	Director of Public Health	Effective transfer of commissioning responsibility.	Agreement on financial resource to be transferred, contracts novated, new commissioning arrangements embedded. Work with NHS England to co commission service prior to transfer.	Milestones as per national transition programme with NHS England. Allocation to be challenged by 16 Jan 15. Contract to novate from 1 Oct 15.		On-going.		

CORPORATE RISK REGISTER

SR 02	Business continuity and emergency planning	Owner	Director of Regeneration, Community and Culture	Community Safety and Customer Contact	Current Risk Score	D	II	Reviewed	January 2015
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 2015. 	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			