CABINET

30 MARCH 2010

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 and Culture and Chair of Strategic Risk Management Group

Author: Joy Kirby, Quality Assurance and 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 Council Plan in terms of "giving value for money".

2. Background

2.1 The Corporate Risk Register was last reviewed by Cabinet on 3 November 2009. The following changes were made to the register at that time:

- Risk Ref 03b – 'Finance, Longer Term' be updated to reflect the possible impact of future financial settlements.
- Risk Ref 05 – 'Waste Procurement' be changed to reflect the current delay in awarding the contract.
- Risk Ref 9a – 'Delivering the Transformation Agenda' be amended to reflect a refocusing of the work.
- Risk Ref 16 – 'Improvement Plan for Housing Services' – the current risk rating of C2 be downgraded to D2 (Low likelihood/Critical Impact) to reflect the significant service improvement as recognised by two independent reviews.
- Risk Ref 17 – 'Delivering Regeneration' be increased to B2 (High Likelihood/Critical Impact) to reflect potential delays to the delivery programme.
- A new risk relating to procurement processes (risk reference 21) was added to the register.

2.2   The monitoring and escalation procedure, previously agreed by Cabinet on 31 March 2009 was amended to reflect the Council's new performance management processes and systems.

3.   Advice and analysis

3.1   Risk owners have reviewed their risks and the Corporate Management Team (CMT) propose the following amendments which are summarised in Appendix A - Record of Amendments:

a) Risk Ref: SR 03b – 'Finances - longer term': Increased from B2 to A1 to reflect increasing certainty that the financial outlook is poor with commentators agreeing that the next three years could see a 10/20% reduction in Local Government resources.

b) Risk Ref: SR 04 – 'Performance management'. Taking account of the mitigating actions in place, the risk rating be reduced from B2 to C2.

c) Risk Ref: SR13 – 'Equalities & Diversity': The significance attached to effective monitoring of equality and diversity information about our customers and targeted action taken as a result is increasing as a result of the likely enactment of the Single Equality Bill in October 2010, greater focus on equalities in all inspection activity and improving performance across councils against the Equality Framework. Recent inspection and regulation activity in housing, adult social care and children's services has highlighted consistent equalities monitoring and use of the information as an area for improvement. Currently we are working towards 'achieving level' of the Equality Framework, which has already been achieved by a significant number of councils. In recognition of this 'raising of the bar' the risk rating has been increased to B2.

d) Risk Ref: SR16 – 'Improvement plan for housing services': Remove as the outcome of the inspections shows that the risk no longer exists.

e) Risk Ref: SR 20 – 'Flu Pandemic': Down grade from C1 to D2 to reflect significant reduction in concerns of the impact of the Swine flu virus.

f) The addition of a new risk relating to treasury management - Ref SR 22 reflects the Council's vulnerability should a bank that the Council has invested in fail or there are unexpected changes to interest rates.

g) The recognition of the risk relating to the Improvement Plan for Housing Service (HRA).- Ref SR23. A peer review of HRA housing services identified a number of issues which could result in the Council receiving a poor inspection score should actions put in place fail to improve the service.

3.2   Appendix B details the full risk register and associated actions.

4.   Consultation

4.1   The Strategic Risk Management Group and risk owners have been consulted on the proposed amendments to the risk register.

5. Business Support Overview and Scrutiny

5.1 The Business Support Overview and Scrutiny Committee considered this report on 16 March 2010 and recommended the following:
   a) The risk of a potential legal challenge to the waste contract be incorporate into the risk register.
   b) Increased narrative where a risk's rating has been increased.

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 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.

8. Recommendation

8.1 That Cabinet approve the amendments to the Council's Risk register as detailed in Section 3 and set out in Appendix B to the report and agree to delegate authority to the Director of Regeneration, Community and Culture to incorporate, within the risk register, the risk of a potential legal challenge to the waste contract and additional narrative where a risk's rating has been increased.

9. Suggested reasons for decision

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

Joy Kirby: Quality Assurance & Client Manager
Ext 1422 /email joy.kirby@medway.gov.uk

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

Background papers

Internal Audit's management action plans from the risk management audit 2006/2007, 2007/2008 and 2008/9.

Audit Commissions Key lines of enquiry for use of resources 2009 assessments

SUMMARY OF CORPORATE RISK REGISTER – RECORD OF AMENDMENTS

Risk Ref	Rating Feb 08	Rating Sep 08	Rating Feb 09	Rating Sep 09	Rating Feb 10	Movement	Risk Description	Owner	Portfolio Holder	Link to Corporate Priority
3b	B2	B2	B2	B2	A1	↑	Finances - longer term	Mick Hayward	Alan Jarrett	Giving value for money
19	-	A2	A2	A2	A2	→	Down turn in the economy	Neil Davies	Alan Jarrett	Giving value for money
21	-	-	-	A2	A2	→	Procurement	Deborah Upton	Alan Jarrett	Giving value for money
5	B1	B1	B1	B1	B1	→	Waste management	Robin Cooper	Phil Filmer	Clean & green environment
8a	B2	B2	B2	B2	B2	→	Partnership working	Stephanie Goad	Janice Bamber	Giving value for money
9b	B2	B2	B2	B2	B2	→	Keeping vulnerable young people safe and on track	Rose Collinson	Les Wicks	Children & young people having the best start in life
13	B2	B2	C2	C2	B2	↑	Equalities & Diversity	Stephanie Goad	Janice Bamber	Putting our customers at the centre of everything we do
14	D2	B2	B2	B2	B2	→	Delivering radical innovation	Neil Davies	Alan Jarrett	Giving value for money
17	D2	D2	B3	B2	B2	→	Delivering Regeneration	Robin Cooper	Rodney Chambers	Everyone benefiting from the area's regeneration
4	B2	B2	B2	B2	C2	↓	Performance Management	Stephanie Goad	Janice Bamber	Giving value for money
9a	B2	B2	C2	C2	C2	→	Delivering the Transformation Agenda	Rose Collinson	Tom Mason	Older & vulnerable people maintaining their independence
23	-	-	-	-	C2	→	Improvement Plan for Housing Service (HRA)	Deborah Upton	Howard Doe	Putting our customers at the centre of everything we do
22	-	-	-	-	D1	→	Treasury Management	Corporate Management Team	Alan Jarrett	Giving value for money
2	D2	D2	D2	D2	D2	→	Business Continuity & Emergency Planning	Robin Cooper	Alan Jarrett	Safer Communities
7	B2	B2	D2	D2	D2	→	Workforce planning & capacity	Tricia Palmer	Janice Bamber	Giving value for money
20	-	B2	C1	C1	D2	↓	Pandemic flu	Andy McGrath	Rehman Chishti	Safer Communities

1

SUMMARY OF CORPORATE RISK REGISTER – RECORD OF AMENDMENTS

Risk Removed by CMT on February 2010

Risk Ref	Rating Feb 08	Rating Sep 08	Rating Feb 08	Rating Sept 08	Risk Description	Owner	Portfolio Holder	Link to Corporate Priority
16	A2	A2	C2	D2	Poor re-inspection of housing service	Deborah Upton	Howard Doe	Putting our customers at the centre of everything we do

Change to description by CMT on February 2009

Risk Ref	Rating Feb 08	Rating Sep 08	Rating Feb 08	Risk Description	Owner	Portfolio Holder	Link to Corporate Priority
9b	B2	B2	B2	Keeping vulnerable young people safe and on track (was increasing numbers vulnerable young people)	Rose Collinson	Les Wicks	Children & young people having the best start in life
9a	B2	B2	C2	Delivering the Transformation Agenda (was changing demographics of older people)	Rose Collinson	Tom Mason	Older & vulnerable people maintaining their independence

Risks removed or incorporated into other risks from the register by CMT on February 09

Risk Ref	Rating Feb 08	Rating Sep 08	Risk Description	Owner	Portfolio Holder	Link to Corporate Priority
3a	B2	B2	Finances – short term	Mick Hayward	Alan Jarrett	Giving value for money
6b	C2	C2	Maintain 'Good Authority' status	Stephanie Goad	Janice Bamber	Giving value for money
8b	B2	B2	Partnership with PCT (risk **incorporated** into 8a)	Rose Collinson	Tom Mason	Putting our customers at the centre of everything we do
10	B2	B2	Infrastructure for regeneration (**incorporated** into delivering regeneration)	Robin Cooper	Rodney Chambers	Everyone benefiting from the area's regeneration
11	D3	D3	Social Impacts of regeneration (**incorporated** into delivering regeneration)	Robin Cooper	Jane Chitty	Everyone benefiting from the area's regeneration
12	C2	C2	Falling school population	Rose Collinson	Les Wicks	Children & young people having the best start in life

Last updated September 2009

SUMMARY OF CORPORATE RISK REGISTER – RECORD OF AMENDMENTS

Risk Ref	Rating Feb 08	Rating Sep 08	Risk Description	Owner	Portfolio Holder	Link to Corporate Priority
15	D3	D3	Overheating of contractors market	Tricia Palmer	Alan Jarrett	Giving value for money
18	-	C2	Delivering the Capital Programme (**iincorporated** in Economic Down turn)	Mick Hayward	Alan Jarrett	Giving value for money

Risk reinstated by Cabinet 30 March 2009

14	D2	B2	Delivering radical innovation	Neil Davies	Alan Jarrett	Giving value for money

Risk removed from the register by CMT on 19 March 08 as relocation to Gun Wharf was almost completed.

Risk Ref	Rating Feb 08		Risk Description	Owner	Portfolio Holder	Link to Corporate Priority
1	C/II		Relocation	Deborah Upton	Alan Jarrett	Value for Money

Risks removed from the register by EMT on September 08. This risk related to CPA which has now been replaced with CAA.

6a	B2		Going for Excellence	Neil Davies	Janice Bamber	Giving value for money

Last updated September 2009

RISK MATRIX - STRATEGIC PROFILE FOR FEBRUARY 2010

Likelihood	IV	III	II	I
A			19, 21	3b
B			8a, 9b, 13, 14, 17	5
C			4, 9a, 23	
D			2, 7, 20	22
E				
F				
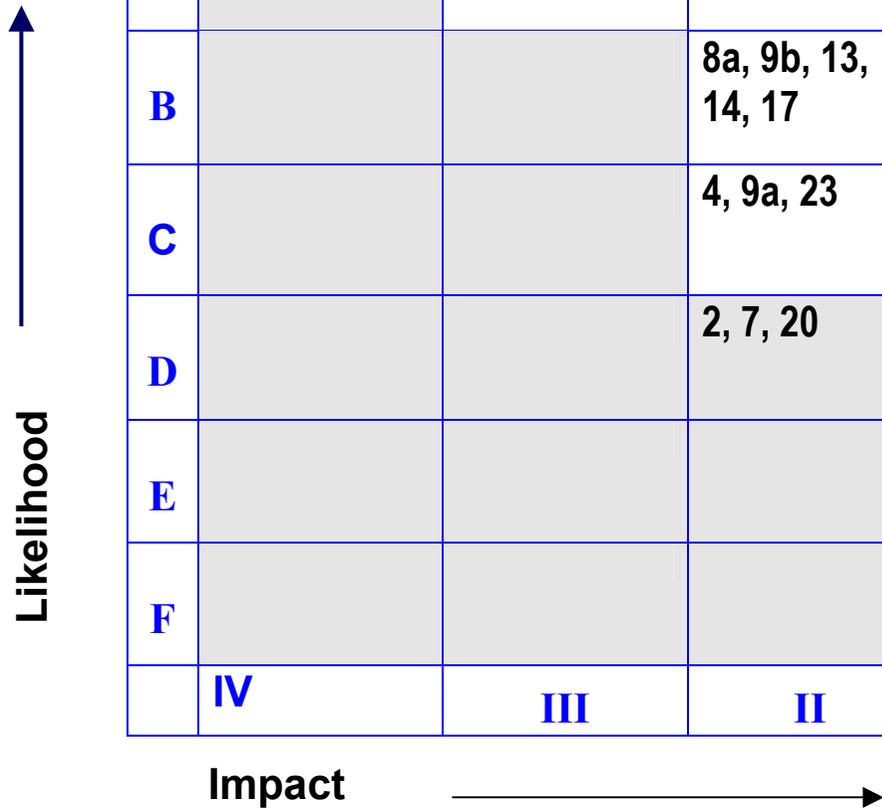
Impact →

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 - longer term		Owner	Chief Finance Officer	Finance & Deputy Leader's Portfolio	Current Risk Score	A	I	Reviewed	10 Feb 2010
Link to Corporate Priority		**Giving Value for Money**								

Vulnerability	Trigger	Consequences
The Resource Strategy identifies significant commitments for the Council that will be difficult to fund given the constraint upon Council Tax. Increases, the financial settlement already announced to 2010/11. Expectations for the future - given recent experience, the global recession and financial crisis suggests sever financial constraints for the public sector.	a) Medway does not achieve a shift in the way funding is allocated and financial challenges exacerbate. b) Future financial settlements produce real cuts in resources	Very difficult decisions around funding allocation Service cuts Quality of service compromised. Cutback in staffing on an already lean organisation CAA jeopardised Tensions within the Authority around the purpose of the Council Negative local publicity. 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.	- Use of Resources - 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.	Use of Resources - adequacy of financial planning, effective budget control, balanced budget and adequacy of reserves.	September to February 2011	6 monthly then monthly from September onwards

Corporate Risk Register

SR 19	Down turn in the economy		Owner	Neil Davies	Finance & Deputy Leader's Portfolio	Current Risk Score	A	II	Reviewed	10 Feb 2010

Link to Corporate Priority	Giving Value for Money

Vulnerability	Trigger	Consequences
A continual downturn in economic conditions would impact upon the Council's ability to: 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. b) deliver the capital programme c) raise as much income as forecast through fees and charges take forward Medway's regeneration and educational agenda	A worsening global economic climate that impacts upon Medway	- Negative impact on the community - Increased pressure on existing resources - 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 - CAA performance jeopardised - Reduced fees in leisure facilities and car parks - 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 examined regularly	Continue to assess the situation	- Council income, Planning & Building Control applications, Vacancy rates, Houses under construction, Benefit take-up, Leisure income	Monthly
SR 19.02	Launch of Medway Plan for local businesses	Director of Regeneration, Community and Culture	Helping local businesses to survive the recession.	Continue to assess the situation	- all invoices paid in 20 days - Opportunities for local firms to bid for contracts	Monthly
SR 19.03	Working with partners to deliver a 2 month benefit take-up campaign	Chief Finance Officer	Increase in numbers taking up benefits	Continue to assess the situation	N181-Time taken to process Housing Benefit/Council Tax Benefit new claims and change events DWP DSO	Monthly
SR 19.04	Review investment strategy	Chief Finance Officer	Assess funding streams and adjust spending priorities	Continue to assess the situation	Capital monitoring reports	Monthly
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	• Finance Teams to produce data in collaboration with Managers. • Management to identify corrective action. • Members (Cabinet) approve action	Monitoring reports	Monthly

Corporate Risk Register

SR 21	Procurement		Owner	Housing & Corporate Services (AD)	Finance & Deputy Leader's Portfolio	Current Risk Score	A	II	Reviewed	10 Feb 2010

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	- Legal challenges - Negative publicity - Council does not achieve value for money - Damage to reputation - CAA performance jeopardised - 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 and AD led Officer Scrutiny Panel that meets every three weeks	Housing & Corporate Services (AD)	To deliver the Procurement Strategy	Procurement Board meets every three weeks		Every 3 weeks
SR 21.02	Forward Procurement Plans in place for each directorate	Directors	Timely commencement of procurement ensuring contracts are in place	Plans monitored by the Board every 3 weeks		Every 3 weeks
SR 21.03	Create a contracts register	Directors	A contracts register that records all contracts currently in place and date due to finish	Exploration of methods to collect data to populate register		
SR 21.04	Review of procurement processes	Procurement Team	To ensure processes continue to be fit for purpose.	- Revised processed considered by Officer Scrutiny Panel (OSP) in November 2009 - New process to be tested during December & January - Final version to OSP February 2010		3 weekly
SR 21.05	Training in revised procurement procedures	Procurement Team	All staff involved in procurement will understand and be able to use revised procurement processes and procedures	Refresher training for officers involved in procurement.		3 weekly

Corporate Risk Register

SR 05	Waste management		Owner	Robin Cooper	Front Line Services Portfolio	Current Risk Score	B	I	Reviewed	10 Feb 2010

Link to Corporate Priority	A Clean and Green Environment

Vulnerability	Trigger	Consequences
The Council has tendered for a new waste management contract worth approximately £14 million per annum. The process has reached the potential to award the contract. However, questions raised from unsuccessful bidders regarding evaluation of the bids has delayed the award of contract. whilst the Council takes external legal and financial advice. Deferral of part of the procurement process could have significant financial implications.	The Council does not negotiate a good value contract within acceptable budget provision	- The Council doesn't get value for money - Benefits of contacting out not realised - Services not provided at an acceptable level - Customer and staff complaints - Recycling targets missed - Costs over-run - Failing to achieve Members' expectations - Resident criticism - High Profile services under the spotlight

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 05.01	Project Board setup and chaired by Director of RCC	Director of Regeneration, Community and Culture	Regular scheduled meetings	- Board meets weekly to monitor actions - Board have agreed to meet at specific dates targeted to coincide with key decisions milestones	Award of contract to start September 2010	Project Board meets weekly
SR 05.03	Continued dialogue with external legal and financial advisers concerning substance of concerns expressed by bidders.	Director of Regeneration, Community and Culture	Robust external advice will ensure effective decision making.	Regular updates to portfolio holder and the waste procurement project board.	Decision on award of contract by end of April 2010	Weekly
SR 05.05	Other peripheral services such as abandoned vehicles and potentially clinical waste to be dealt with in accordance with timetable	Director of Regeneration, Community and Culture	Timely procurement of other peripheral services	- Exclusive pre qualification and reference questionnaire devised. - Electronic data room and contact procedure set up. - Professional technical support arranged for when needed - Procurement commenced for household recycling centre waste January 2010	- The clinical waste contract is being procured jointly with KCC - Household recycling centre waste contract start date September 2010	In accordance with programme timetable

Corporate Risk Register

SR 08a	Partnership working		Owner	Communications, Performance & Partnerships (AD)	Customer First & Corporate Services Portfolio	Current Risk Score	B	II	Reviewed	10 Feb 2010
Link to Corporate Priority	**Giving Value for Money**									

Vulnerability	**Trigger**	**Consequences**
The council is involved in a number of key partnerships to deliver for the people of Medway and going forward this will be an even more important part of how Local Authorities deliver better outcomes for their area with the introduction of new style local area agreements and the Comprehensive Area Assessment (CAA)	- A key partnership fails to deliver - Statutory responsibilities are not adequately recognised through partnership arrangements. - LAA targets are off track	Council's capacity Impact on service delivery Community outcomes compromised. Relationship with partners may deteriorate Don't get joined up approach to achieving the vision for Medway Financial implications Claw-back of grants More difficult to control budget requirements Poor inspection outcomes Statutory responsibilities

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 08a.03	New multi agency operational group in place to ensure work of LSP board is delivered	Communications, Performance & Partnerships (AD)	The Local Strategic Partnership is delivering on agreed LAA target actions. Operational group now supported by multi-agency performance management group and communications group. Membership of operational group will be reviewed in next cycle to address issues of inconsistent attendance. LSP risk management arrangements being developed.	Attendance, participation in meetings of key agencies and council staff, measurable impact in terms of challenging LAA targets which are off track and developing cross cutting projects	November each year	6 month review of progress
SR 08a.04	Chief Officers attend PCT Board meetings and ADs attend Professional Executive Committee (PEC) meetings Service Managers to attend PEC sub groups	Director of Children and Adults	No surprises and reduced tensions between the two organisations	Builds a hierarchy of joint planning and monitoring activity that sharpens knowledge and offers opportunities to develop shared understanding in building integrated services.	Review annually	Regular monitoring of the efficacy of these arrangements by the Management Team

Corporate Risk Register

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 08a.05	Clarity of processes and procedures for setting managing and monitoring budgets operated by one organisation on behalf of both	Director of Children and Adults	Protocols to be set out in original agreements to pool budgets or combine services or take on lead commissioning responsibilities	Clarity of processes and procedures for setting managing and monitoring budgets operated by one organisation on behalf of both	At time of signing agreements	
SR 08a.06	Joint Work on JSNA	Director of Children and Adults	Useful and used needs analysis	Evidence based joint planning and commissioning	Agreed sign-off	

Corporate Risk Register

SR 09b	Keeping vulnerable young people safe and on track	Owner	Rose Collinson	Children's Services Portfolio	Current Risk Score	B	II	Reviewed	10 Feb 2010

Link to Corporate Priority	Children and Young People Having the Best Start in Life

Vulnerability	Trigger	Consequences
- There are challenges to the demand-led children services within Medway. - There are more, younger, people coming into the system with intensive support SEN needs. - These services represent major components of the Councils funding provision. - National and local evidence base that Children and Young people in care are more vulnerable to poorer outcomes - Changes in the youth justice system requiring new skills set within existing practitioners.	The Council is unable to address these issues with cost effective, innovative solutions.	More and more resource needed to run the service Poorer outcomes for children and young people Significant budget overspends Money drawn from other services Cost spiral Reductions in service level the council can offer Revenue problems not resolved by capital investments Adverse effect on staff morale affected Adverse effect on assessments Council may be required to make unpopular decisions. Councils finances compromised

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 09b.01	The numbers of looked after children in Medway has been constant over the last 18 months at about 340. Therefore there is not an increase in the numbers. There is an increase in the spend however as the needs of these young people become more complex.	Children's Care (AD)	Service is delivered within budgetary constraints whilst maintaining the safety of children and young people.	-Needs of children and young people looked after by the Council are met to ensure best outcomes possible for them. - Family Group conferencing impacts on reduced numbers of young people entering care system.	- The January report to the corporate parenting group - Monthly performance digest reported to GOSE	Reviewed monthly
SR 09b.03	In recognition of the high risks facing councils in their duties to safeguard children, as highlighted by the 'Baby P' case and the Laming report, the Council have decided to invest in improvements to safeguard children.	Children's Care (AD)	Ensuring service is delivered effectively and children are kept safe, within a budget whilst making sure that resourcing issue doesn't put our most vulnerable at risk.	- Performance is monitored monthly through the AD's performance digest and quarterly through the AD quarterly report. - Additional file audits look at current practice and record keeping.	Internal and external review and NIs demonstrate risk to vulnerable children and young people is being effectively managed	Monthly

Corporate Risk Register

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, is out for consultation.	Inclusion (AD)	Ensuring service delivered within budgetary constraints	Consultation closes at end of September. Planned Strategy launch at the end of November.	Less out of area SEN placements; more children being educated in mainstream schools with outreach.	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	Inclusion (AD)	- Lower numbers of first and repeat entrants to the YJS. - Lower number of custodial and repeat custodial sentences - Ensuring service delivered within budgetary constraints	Performance is monitored monthly (proxy figures) and quarterly (YJB information) 1: 1 meetings with Head of Service	December report to YOT management board will show the YOT's response to the new CJSSS and Youth Rehabilitation order.	The number of YOT clients are reviewed monthly and quarterly with reports being taken to the YOT management board (chaired by CEO)

Corporate Risk Register

SR 13	Equality and diversity		Owner	Communications, Performance & Partnerships (AD)	Customer First & Corporate Services Portfolio	Current Risk Score	B	II	Reviewed	10 Feb 2010

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	A case is brought and the council is found to have failed its duties under equalities legislation	Cost to go to a tribunal Not meeting people's needs Impact on staff morale Financial liability Open to other claims Seen as a poor employer Loss of reputation Adverse inspection

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 13.01	Equalities action plans in place for each directorate. DMTs carrying out monitoring	Communications, Performance & Partnerships (AD)	DMTs monitor the action plans on a quarterly basis	- This is an area requiring ongoing improvement and has been agreed as a priority for DMTs. Each directorate has a plan in place and process to review. - Monitoring and analysis of monitoring not yet uniformly being undertaken across the council., therefore, regular monitoring to be built into DMT work programmes. - Regular item on agenda for meetings of the Equal Opportunities Core Value Working Group.	% of DIAs completed reviewed and monitored	Quarterly
SR 13.02	Policies on Cabinet forward plan given focused corporate support to ensure Diversity Impact Assessments (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 DIAs place for all service areas and being carried out. - Policies due to go to cabinet are not considered unless DIA has been carried out - Item on agenda of meetings for Equal Opportunities Core Value Working Group - DIA review group established to improve consistency of DIA's across the authority, Positively, external inspectors have described the DIA process as sound.		Quarterly

Corporate Risk Register

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 13.03	Diversity impact assessment training in place with additional tailored coaching and support available	Communications, Performance & Partnerships (AD)	Diversity Impact Assessments delivering improved outcomes for customers.	- Item on agenda for meetings of Equal Opportunities Core Value Working Group - Temporary support being employed until all vacancies in research and review are filled. - Recruitment process must secure right skills mix. - Permanent staff now in place, from December 2009, carrying out workshops for individual services.	- Permanent support in place by November 2008 - Where necessary diversity impact assessments delivering improved outcomes for customers by April 2009	Quarterly

Corporate Risk Register

SR 14	Delivering radical innovation		Owner	Neil Davies	Finance & Deputy Leader's Portfolio	Current Risk Score	B	II	Reviewed	10 Feb 2010
Link to Corporate Priority	**Giving Value for Money**									

Vulnerability	Trigger	Consequences
Like most organisations, public and private, Medway is finding it increasingly difficult to find service improvement and cost efficiency by slimming down existing service provision. It will need to address radical delivery solutions, some of which might be politically and managerially uncomfortable, if it is to make a quantum leap forward.	Budget savings/efficiencies are not made	Short term thinking and operational behaviour Opportunities for income generation are missed. Opportunities for shared and devolved service provision are missed. Radical efficiency gains lost Economies of scale not achieved. Budget challenges will exacerbate Others will lead the way. Medway marginalised

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 14.01	Identify alternative ways to deliver services	Directors	Service managers identify alternative ways of delivering their services in their Star Chamber templates linked to a review of the organisation's priorities and activities as referenced in Risk 03b - Finances -longer term.	Star Chamber templates completed annually. The development of service workforce plans.	- Development of the Medium Term Financial Plan in May each year - Star Chamber process commences in October each year	Annually via Star Chamber Process
SR 14.02	Established networks used to explore opportunities for partnership/joint working	Directors	New ways of working linked to the Council's Workforce Strategy (referenced in risk 07 - Workforce planning & capacity)	Services continue to adapt and change	Development of workable options	Monthly

Corporate Risk Register

SR 17	Delivering regeneration		Owner	Robin Cooper	Leader's Portfolio		Current Risk Score	B	II	Reviewed	10 Feb 2010
Link to Corporate Priority		**Everyone Benefitting from the Areas Regeneration**									

Vulnerability	Trigger	Consequences
The Council has been granted substantial Government funding to regenerate the area. The programme is planned to bring 50,000 people to Medway up to 40,000 jobs and 17,000 new homes in the next 20 plus years. Delays to the programme could result in allocated funding not being spent at end of the 3 year funding programme March 2011. There are challenges for the provision and maintenance of effective infrastructure. Particular areas of concern are highways and water capacity. 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. The programme could be significantly affected by the current economic down-turn.	The Council fails to achieve the economic, social and infrastructure regeneration agenda	Regeneration projects not completed Not be able to spend funding Potential damage to Council's reputation Not able to meet member, government and the public's expectations Deteriorating physical assets Developers deterred Investment wasted Young people are not catered for in the 'new world' Low skills base among some residents remains Disconnect between skills and employment opportunities Maintenance of low aspiration culture New jobs unfilled or filled by non-local population Increased commuting and pressure on transportation 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 establishment of private/public partnership, a S106 policy and Inward investments	- Funding for detailed appraisal secured for 16 regeneration projects	- On-going government funding and S106 contributions - 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	CLG will confirm funding commitments			
SR 17.03	Investigate innovative solutions to deal with challenges for the provision and maintenance of infrastructure	Director of Regeneration, Community and Culture	Proposals for Public Realm Strategy	- Public Realm Strategy has been adopted by the Council - Group established to take it forward		Monthly
SR 17.04	Regular meetings with stakeholders to consider the delivery plans	Director of Regeneration, Community and Culture	Delivery plans are implemented on time and to budget		As detailed in individual delivery plans	monthly

Corporate Risk Register

SR 04	Performance Management		Owner	Communications, Performance & Partnerships (AD)	Customer First & Corporate Services Portfolio	Current Risk Score	C	II	Reviewed	10 Feb 2010
Link to Corporate Priority		**Giving Value for Money**								

Vulnerability	Trigger	Consequences
There are concerns that performance is not consistently managed across the council. The Council has introduced a comprehensive performance management (and business planning) framework	The council fails to embed a robust performance management system	Issues in vulnerable services are not recognised before key inspections Some staff continue to focus on inputs and processes rather than outcomes. Some staff continue to feel disconnected and unengaged from the business plans. Silo-ism reinforced Communication blockages remain if 1-2-1s and team meetings are seen as irrelevant to the 'day job' Rate of improvement is impeded Council struggles to achieve excellence Affects service planning Not getting Value for Money Poor CAA score

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 04.04	Assess adequacy of performance management arrangements against new CAA criteria.	Communications, Performance & Partnerships (AD)	Positive audit feedback	- Development plans reviewed in light of confirmed CAA changes. - CAA Action Group established and meet monthly - Action plan developed and monitored each meeting - Work continues. During Q3 the council received 3 for managing performance.	- Audit Commission and external auditors note progress in terms of developing performance culture and more systematic use of the council's performance management framework. Work programme for 2010/2011 being developed which will focus on strengthening outcome focus of the council's performance management arrangements.	Monthly
SR 04.05	Detailed scrutiny of targets		- More detailed scrutiny of underperforming (red rated) targets to take place by senior officers, cabinet and O&S - Focus on delivering LAA targets	Council Plan outcomes are used as key management tool to drive performance improvement. Positive performance trend	Quarterly monitoring reports	Quarterly

Corporate Risk Register

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 04.06	Roll out Covalent across the organisation-		Quarterly Council Plan monitoring reports delivered using the Covalent system	- Service Plans and AQ reports being input into Covalent - Ensure tiimely reporting of performance against outcomes to management and Members - Project board established to oversee the implementation of the Covalent system - Delivery of reports using Covalent Software embeds performance management across the organisation.		Quarterly

Corporate Risk Register

SR 09a	Delivering the Transformation Agenda	Owner	Rose Collinson	Adult Services Portfolio	Current Risk Score	C	II	Reviewed	10 Feb 2010

Link to Corporate Priority	Older and Vulnerable People Maintaining Their Independence

Vulnerability	Trigger	Consequences
- The population of older people is set to considerably increase. - The expectations of vulnerable and older people and their families are rising. - Poor inspection result will affect the Council's CAA score.	Delivering the Transformation Agenda within Government prescribed timescales	Costs spiral Reductions in service customers receive Regulatory intervention

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 09a.01	Effective partnerships with people using services, carers and other local citizens	Social Care (AD)	Formal and informal structures in place to allow citizens, user and carer representatives to contribute to the local design and delivery of social care transformation.	- Plans in place to meet the DH target of a User-led Organisations (ULO) in place by the end of 2010. - Users of personal budgets are directly involved in the developments of Personal Budgets - People using care and support are being directly involved to co-produce transformation. - Medway DVD has been produced and is included in new Adult Social Care Handbook, due to be distributed to the public an service providers in February 2010.	**April 2010** - A communication made to the public including all current service users and to all local stakeholders about the transformation agenda and its benefits. **October 2010** - Local service users understand the changes to personal budgets and that many are contributing to the development of local practice. **December 2010** - Council areas have at least one user-led organisation who are directly contributing to the transformation to personal. budgets.	Monthly
SR 09a.02	Self-directed support and personal budgets	Social Care (AD)	Systems in place to allow citizens who require social care support to easily find and choose quality support, and control when and where services are provided and by whom.	- We have started to use issue personal budgets - On course to achieve the LAA target of 7% for NI 130 for 09/10. Currently performance for Q3 is 6.73% - The mechanism in use for 09/10 is the Interim Customer Pathway (triggered by reviews of existing customers).	**April 2010** - The Council has introduced personal budgets, which are being used by existing or new service users/carers. **October 2010** - All new service users/carers (with assessed need for on-going support) are offered a personal budget. **October 2010 -** All service users whose care plans are subject to review are offered a personal budget. **April 2011** - At lease 30% of eligible service users/carers have a personal budget.	Monthly

Corporate Risk Register

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 09a.03	Prevention and cost effective services	Social Care (AD)	- Support available to enable citizens requiring help to stay independent for as long as possible - Council-wide and partnership approaches to universal services	- Local initiatives to deliver prevention and early intervention are underway, and led by social care e.g. MEAPS (Medway Enablement & Prevention Service). - Initial Intake Team, Dementia Project, Extra Care Housing, Well-being fund. Health and Social Care partners intend to write a joint strategy for Health and Well-being in Medway, as referenced in the OP joint commissioning strategy.	**April 2010** - The council has a clear strategy, jointly with health, for how it will shift some investment from reactive provision towards preventative and enabling/ rehabilitative interventions for 2010/11. Agreements should be in place with health to share the risks and benefits to the 'whole system'. **October 2010** -That processes are in place to monitor across the whole system the impact of this shift in investment towards preventative and enabling services. To enable efficiency gains to be captured and factored into joint investment planning, especially with health. **April 2011** - There is evidence that cashable savings have been released as a result of the preventative strategies and that overall social care has delivered a minimum of 3% cashable savings. **April 2011** -There should also be evidence that joint planning has been able to apportion costs and benefits across the 'whole system'.	monthly
SR 09a.04	To make easily available relevant information and advice	Social Care (AD)	- All citizens are able to easily find locally relevant quality information and advice about their care and support needs in order to enable control and inform choice. - The development of a single coherent service strategy.	- 21 January 2010 - the UIAG group met to progress the development of the strategy. - Adult Social Care Handbook that incorporates a locally developed DVD about Personal Budgets. This is a small step to developing multi-media information for people with social care needs.	**April 2010** - The Council has a strategy in place to create universal information and advice services. **October 2010** - The Council has put in place arrangements for universal access to information and advice. **April 2011 -** The public are informed about where they can go to get the best information and advice about their care and support needs.	monthly

Corporate Risk Register

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 09a.05	Commissioning strategies that incentivise development of diverse and high quality services, and balance investment in prevention, early intervention/reablement with provision of care and support for those with high-level complex needs.	Social Care (AD)	The development of a diverse and high quality market in care and support services to offer real choice and control to service users and their carers.	- The Council is establishing a market development group, which will contribute to the co-production of a market development strategy. - A market development questionnaire has been developed, distributed and returned. The information will contribute to profiling the market as a benchmark. - Medway wide Providers Forum and market development events led by GL. - Developing arrangements to support new and existing businesses through the Council's mainstream Business Development Unit. - Clear links between adults social care transformation and the NHS local services commissioning in the Older People's Strategy and the Carers Strategy. - Synergies between adult social care and NHS commissioning are recognised in current partnerships. - Contracted services continue to be needs led.	**April 2010** - Councils and PCTs have commissioning strategies that address the future needs of their local population and have been subject to development with all stakeholders especially service users and carers; providers and third sector organisations in their areas. These commissioning strategies take account of the priorities identified through their JSNAs. **October 2010** - Providers and third sector organisations are clear on how they can respond to the needs of people using personal budgets. **October 2010** - An increase in the range of service choice is evident. **October 2010-** The Council has clear plans regarding the required balance of investment to deliver the transformation agenda. **April 2011-** Stakeholders are clear on the impact that purchasing by individuals, both publicly (personal budgets) and privately funded, will have on the procurement of councils and PCTs in such a way that will guarantee the right kind of supply of services to meet local care and support needs.	monthly

Corporate Risk Register

SR 23	Improvement Plan for Housing Service (HRA)	Owner	Housing & Corporate Services (AD)	Community Services Portfolio			Current Risk Score	C	II	Reviewed	10 February 2010
Link to Corporate Priority	**Putting Our Customers At The Centre of Everything we do**										

Vulnerability	Trigger	Consequences
A peer review of HRA housing services identified a number of issues which could result in the Council receiving a poor inspection score. Action taken fails to improve the service.	Poor inspection may result in intervention or an enforced transfer of management	- Potential negative impact on the community - Damage to the Council's reputation for housing services - Negative local publicity - High profile service under the spotlight - Impact on service delivery - Complaints from residents - Low staff morale - Financial implications

Code	Description	Managed By	Expected Outcome	Output	Milestones/PIs	Monitoring
SR 23.01	Implementation of the HRA improvement plan	Housing & Corporate Services (AD)	Actions will improve the service	All identified actions by the peer review have been developed into an action plan and issues will be dealt with through this mechanism.	Actions completed by end of December 2010	Monthly by Housing DMT, Key actions quarterly by CMT

Corporate Risk Register

SR 22	Treasury Management		Owner	Chief Finance Officer	Finance & Deputy Leader's Portfolio		Current Risk Score	D	I	Reviewed	10 Feb 2010

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	- Loss of resources - Damage to reputation. - Negative publicity - CAA performance 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 22.01	The Code and the revised Treasury Management Policy Statement (TMPS) adopted as part of the Constitution.	Chief Finance Officer	TMPS is incorporated into the Council's Constitution.	Report currently going through the political process	BS O&S – 2 February 2010 Cabinet - 16 February 2010 Council – 25 February 2010	Annually
SR 22.02	Review the treasury management strategy and performance	Chief Finance Officer	Highlight any areas of concern that have arisen since the original strategy was approved	The Outturn report in June. Mid-year report in September. Monthly budget monitoring reports.	- Cost of external debt. - Breaches of policy - Interest earnt on investments.	6 monthly
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	• Enhanced member involvement, understanding, responsibility and scrutiny. • Training for officers and members	2 Feb 10 -Member Training On-going officer training	As & when required

Corporate Risk Register

SR 02	Business continuity and emergency planning	Owner	Robin Cooper	Finance & Deputy Leader's Portfolio	Current Risk Score	D	II	Reviewed	10 Feb 2010

Link to Corporate Priority	Safer Communities

Vulnerability	Trigger	Consequences
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. Every business activity is at risk of disruption from a variety of threats, which vary in magnitude from catastrophic through to trivial, and include fire, flood, loss of utility supplies and accidental or malicious damage of assets or resources.	A significant adverse event occurs and the Council is found wanting or negligent in its planning and/or operational response	Response to event is not rapid, adequate nor effective. Lack of clear communication lines Essential service priorities not clearly understood. Communication between agencies and the public is poor. Residents expect more from their Council Local press quick to seize issue. Comparisons made with other local authorities and resilience groups A death, or deaths, in the community 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	- Revised plan agreed by CMT - Continued engagement with Kent Resilience Forum - Staff trained in emergency response management	- Existing plan in place - Programme of on-going review of COMAH plans - Emergency response operations room in place.	- NI137 Awareness of civil protection arrangements in the local area. - Draft plan update in place - Programme of staff training in place by September 2010	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	- Gloucestershire County Council Model adopted and amended to reflect Medway's requirements; - BCM Policy agreed; - BCM principles and project aims communicated to divisional management teams across the Council. - A Corporate Recovery Plan tested in September 2009; - IT Recovery Plan in place; - Agreement that all services will develop a business continuity plan.	Plans need to be tested.	Quarterly reports to Strategic Risk Management Group

Corporate Risk Register

SR 07	Workforce planning and capacity		Owner	Organisational Services (AD)	Customer First & Corporate Services Portfolio	Current Risk Score	D	II	Reviewed	10 Feb 2010

Link to Corporate Priority	Giving Value for Money

Vulnerability	Trigger	Consequences
Medway is a comparatively lean organisation, in particular, at a senior level. Insufficient capacity to deliver services. There is a perception of a dependency on key individuals in some positions. The need to transform services is increasing and this requires significant changes to the workforce. Some see a deficiency of critical skills e.g. project and change management and variability in the quality of middle management The workforce is ageing and there is a need for succession planning.	Medway does not have enough of the right people in the right job at the right time	Insufficient capacity to deliver services Too much is required of key people Service quality struggles Insufficient capacity to manage change Some members of staff skill sets do not match those required for the job they are in Talented people are not identified, encouraged and coached to be Medway's future leaders Talented people feel under utilised, or frustrated, in their current role and leave Some staff 'move out to move on' Inertia and resistance to change Some staff ' burn out' Levels of stress and staff absenteeism

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 07.02	Build a workforce that reflects the community we serve through better workforce planning, recruitment and retention.	Organisational Services (AD)	Improved workforce planning at directorate level	Apprenticeships, graduate placements and work experience, revised recruitment and selection policy	Directorate Workforce Plans in place by December 2010	Quarterly
SR 07.03	Improve employment opportunities within Medway.	Organisational Services (AD)	More Medway people in employment	- Future Jobs fund. - Getting a life Project	180 new jobs from the Future Jobs fund by December 2011	Quarterly
SR 07.04	Improve leadership and management skills across the organisation.	Organisational Services (AD)	Enhanced managers and leaders skills	New Leadership and Management Development Programme in place	All managers benefitting from the programme by April 2012	Quarterly
SR 07.05	Train and develop individuals and teams to deliver effective and improving services.	Organisational Services (AD)	Services continue to adapt and change	- Service focussed training - I-share - Medway College of Social Care - Union Learning Agreement	Ongoing	Quarterly

Corporate Business Risk Register

SR 20	Pandemic flu		Owner	Frontline Services (AD)	Community Safety & Enforcement Portfolio	Current Risk Score	D	II	Reviewed	10 Feb 2010
Link to Corporate Priority		Safer Communities								

Vulnerability	Trigger	Consequences
- Staff indirectly employed by the Council - Contracted out service - Closed communities, eg schools and residential care homes, public events - Loss of revenue through closure of Medway facilities e.g leisure centres	World Health Organisation Phase 6 UK Alert Level 2 – Virus isolated in the UK as virus spreads WHO Phase remains to the same but the UK Alert levels rise up to Alert Level 4 – Widespread activity across the UK.	- Increased demands on social care both in residential environment and in support of people discharged from hospital - Financial implications from loss of events revenue - High levels of staff absence resulting in a reduced service delivery in some cases leading to a failure to deliver statutory services - Failure by contractors to meet their obligations - Central Government decision to close schools - Low staff moral and increased levels of stress - Failure of small businesses - Excess deaths in the community, leading to the Council managing and financing - Possible staff deaths - Possible disruption to the democratic process - Increased level of customer complaints - Requests for mutual support and sharing services with NHS, neighbouring local authorities

Code	Description	Managed By	Desired Outcome	Output	Milestones/PIs	Monitoring
SR 20.01	Joint working with KCC, NHS and local funeral directors on pandemic issues including technical aspects and impacts	Frontline Services (AD)	Establishment of a Medway Group to identify and address strategic issues an sign off any operational plans.	- Ongoing attendance at KRF Pandemic meetings. - Work with Medway PCT to establish and plan local response - Volunteers provided to PCT since July and on-going		Weekly
SR 20.02	Joint Kent Resilience Forum Managing Excess Deaths Plan and working with funeral directors on capacity issues for managing excess deaths	Frontline Services (AD)	Plan submitted to GOSE	New guidance issued need to work with local funeral directors, hospitals and crematorium to look for a local solution		
SR 20.04	Service business continuity plans being prepared	Service Managers	Effective business continuity plans in place			Quarterly