

# Resources Overview and Scrutiny Panel

Agenda  
Item:

**A.3**

Meeting Date: 3rd April 2014  
 Portfolio: Finance, Governance and Resources  
 Key Decision: Not Applicable:  
 Within Policy and Budget Framework  
 Public / Private Public

Title: CORPORATE RISK MANAGEMENT  
 Report of: Deputy Chief Executive  
 Report Number: SD 08/14

**Purpose / Summary:**

The purpose of this report is to update members of the Resources Overview and Scrutiny Panel on the Corporate Risk Register.

**Recommendations:**

The Panel is asked to scrutinise and provide feedback on the updated Corporate Risk Register.

**Tracking**

Executive:	
Overview and Scrutiny:	
Council:	

## **1. BACKGROUND**

- 1.1** In accordance with the Council's Risk Management Policy, the Corporate Risk Register (CRR) is submitted to this Panel for scrutiny. The reporting cycle to ROSP has changed from quarterly to 6 monthly as agreed by ROSP in October 2013 and formally minuted on 28<sup>th</sup> November 2013. This is the first report to this new cycle.

## **2. PROPOSALS**

### **2.1 Changes to Corporate Risk Register**

The Corporate Risk Register continues to be reviewed quarterly by the Corporate Risk Management Group (CRMG) and Senior Management Team (SMT).

The following corporate risks have been reviewed and updated. Further details of these risks and the strategies in place to reduce them are set out in Appendix A.

Asset Business Plan – Asset Disposal Strategy  
Asset Business Plan – Asset Acquisition Strategy  
Delivering the Carlisle Plan  
Council's Income Targets  
Housing needs of vulnerable groups  
Workforce planning

The following risk has been removed from the Corporate Risk Register:

Improving Industrial Estate Performance – Current plans and action to improve Carlisle's industrial estates have reduced this risk to its target level. The risk will continue to be closely monitored on the Economic Development operational risk register.

## **3. CONSULTATION**

- 3.1** Corporate Risk Management Group 12<sup>th</sup> March 2014.  
Senior Management Team 18<sup>th</sup> March 2014.

#### **4. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

**4.1** The Panel is asked to scrutinise and comment on the Corporate Risk Register as set out in Appendix A.

#### **5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

**5.1** This is the strategic risk assessment for the Carlisle Plan. It will be reviewed quarterly.

**Contact Officer: Sarah Mason**

**Ext: 7053**

**Appendices SD 08/14 Appendix A  
attached to report:**

**Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:**

- None

#### **CORPORATE IMPLICATIONS/RISKS:**

**Chief Executive's** – This is the purpose of the report.

**Community Engagement** –

**Economic Development** –

**Governance** –

**Local Environment** –

**Resources** -

# Appendix A

# Corporate Risk Register March 2014



Note: Amendments in the last quarter are marked in italics. The inclusion of the previous and current risk matrices shows the effect that the control strategies have had on risk ratings since the last quarterly update. A target risk matrix shows the risk level that the Council is aiming to achieve from the successful implementation of the control strategies and the date for when this will be achieved.

## Asset Business Plan – Asset Disposal Strategy

**'There is a risk that significant delays in the disposal of Council assets will have substantial impact on the capital reinvestment plans and revenue position of the Council'**

Present and Previous Matrices	Assessment Dates	Present and Previous Risk Scores	Current Action Status / Control Strategy	Target Risk Matrix
	12-Mar-2014	6	1. Regularly monitor the disposal negotiations in line with the Asset business case. 2. Seek advice from our agent and be ready to take appropriate action to remarket the asset should this need arise. 3. Complete refresh of the Asset Business Plan partly targetting housing land provision to meet priority in the Carlisle Plan. 4. The impact of delays in the disposal programme has been accounted for in the 2014/15 budget.	
	02-Sep-2013	9	4. The impact of delays in the disposal programme has been accounted for in the 2014/15 budget. <b><i>Risk to remain on Corporate Risk Register until Business plan is complete.</i></b>	

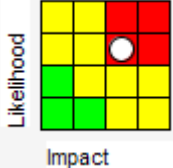
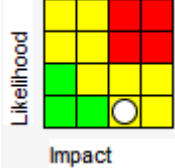
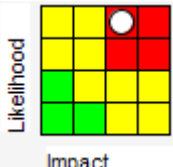
<b>Current Impact Description</b>	High
<b>Current Likelihood Description</b>	Reasonably probable
<b>Risk Score</b>	9

<b>Target Risk Date</b>	01-Dec-2014
<b>Target Risk Score</b>	3

<b>Lead Officer</b>	Mark Lambert
<b>Portfolio Holder</b>	Councillor Tickner
<b>Overview and Scrutiny Panel</b>	Resources

## Asset Business Plan – Asset Acquisition Strategy

**'There is a risk that significant delays in acquiring new revenue producing assets will have a substantial impact on the Council's revenue position during the current MTFP / budget process'**

Present and Previous Matrices	Assessment Dates	Present and Previous Risk Scores	Current Action Status / Control Strategy	Target Risk Matrix
	12-Mar-2014	9	1. Complete control strategy for above corporate risk (Asset Disposal Plan). The MTFP has taken account of the loss of income. 2. Review and seek agreement from Executive / Council to a Capital Investment Strategy covering the key criteria and potential projects for investment (including the repayment of loans etc). 3. Review Investment Strategy including Invest to Save, linked where appropriate to other procurement activities eg. the redevelopment of the Sands Centre.	
	02-Sep-2013	12		

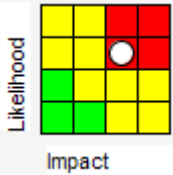
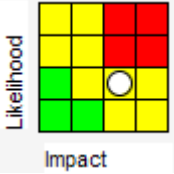
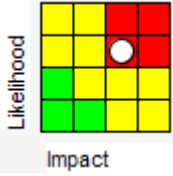
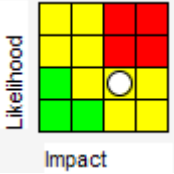
<b>Current Impact Description</b>	High
<b>Current Likelihood Description</b>	Probable
<b>Risk Score</b>	12

<b>Target Risk Date</b>	01-Apr-2016
<b>Target Risk Score</b>	3

<b>Lead Officer</b>	Mark Lambert
<b>Portfolio Holder</b>	Councillor Tickner
<b>Overview and Scrutiny Panel</b>	Resources

## Delivering the Carlisle Plan

**'There is a risk that we don't have the optimum balance of resources targetted to deliver the activities and projects delivering the Carlisle Plan'**

Present and Previous Matrices	Assessment Dates	Present and Previous Risk Scores	Current Action Status / Control Strategy	Target Risk Matrix
	06-Mar-2014	9	<p>Grant Thornton, the Council's external auditors has recently reviewed the Council's arrangements for securing financial resilience (risk) and is very satisfied with the arrangements in place. However, it does suggest that the Council's usable reserves are the lowest in it's bench marking group.</p> <ol style="list-style-type: none"> <li>1. Get resources placed appropriately for the objectives of the Council.</li> <li>2. Develop clear service standards in order to monitor key priority areas, including the Carlisle Plan eg. Clean Up Carlisle and thus balance allocation of resources.</li> <li>3. The Corporate Programme Board is managing the support resources required to deliver key Council objectives.</li> <li>4. The 2014/15 budget / MTFP has taken account of budget pressures due to reduction in RSG, additional National Insurance, increased pension costs etc and the implications for transformational savings going forward. Further savings of £1.839m need to be identified by 2015/16 and a further £2.1m in future years. <i>Salary savings through voluntary redundancy and vacancy management initiatives and SMT restructure have identified £370k savings towards 2015/16 target. Also £250k reduction in Tullie House grant. This reduces the 2015/16 target to £1.219m.</i></li> </ol>	
	02-Sep-2013	9		

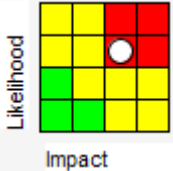
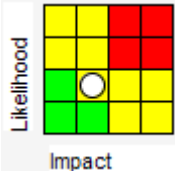
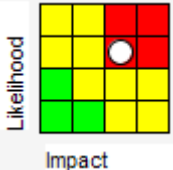
<b>Current Impact Description</b>	High
<b>Current Likelihood Description</b>	Reasonably probable
<b>Risk Score</b>	9

<b>Target Risk Date</b>	01-Apr-2017
<b>Target Risk Score</b>	6

<b>Lead Officer</b>	Jason Gooding
<b>Portfolio Holder</b>	Councillor Glover
<b>Overview and Scrutiny Panel</b>	Resources

## Council's Income Targets

'There is a risk that the Council's income from chargeable services eg car parking does not meet MTFP targets and that the Council does not take advantage of other commercial opportunities'

Present and Previous Matrices	Assessment Dates	Present and Previous Risk Scores	Current Action Status / Control Strategy	Target Risk Matrix
	12-Mar-14	9	1. Improved marketing of chargeable services. 2. Improved performance information to enable intervention measures to be taken quicker. 3. Review of commercial opportunities to identify a range of opportunities to pursue during 2014/15. 4. Fundamental review of car parking provision and charging <i>is taking place. Staffing structure review subject to consultation.</i> 5. Review of income targets / corporate charging policy in May 2014.	
	02-Sep-2013	9		

<b>Current Impact Description</b>	High
<b>Current Likelihood Description</b>	Reasonably probable
<b>Risk Score</b>	9

<b>Target Risk Date</b>	01-Apr-2015
<b>Target Risk Score</b>	4

<b>Lead Officer</b>	Senior Management Team
<b>Portfolio Holder</b>	Councillor Tickner
<b>Overview and Scrutiny Panel</b>	Resources

## Housing needs of vulnerable groups

'There is a risk that we are not able to reduce repeat use of access to our homeless facilities'

Present and Previous Matrices	Assessment Dates	Present and Previous Risk Scores	Current Action Status / Control Strategy	Target Risk Matrix
	28-Feb-2014	6	1. Strengthen procedures that support vulnerable people at the correct times of crisis. 2. Maintain strong partnership working with Supported Housing Providers, Probation, Criminal Justice system, health professionals and pathways to training and employment. 3. <i>Complete the Hostel review implementing the recommendations from April 2014 onwards. This will also strengthen procedures that support vulnerable people.</i>	
	02-Sep-2013	9		

<b>Current Impact Description</b>	High
<b>Current Likelihood Description</b>	Reasonably probable
<b>Risk Score</b>	9

<b>Target Risk Date</b>	01-Dec-2014
<b>Target Risk Score</b>	6

<b>Lead Officer</b>	Jane Meek
<b>Portfolio Holder</b>	Councillor Riddle
<b>Overview and Scrutiny Panel</b>	Community



## Workforce planning

'There is a risk of not having sufficient management competency to deliver our organisational objectives'

Present and Previous Matrices	Assessment Dates	Present and Previous Risk Scores	Current Action Status / Control Strategy	Target Risk Matrix
	12-Mar-2014	6	<p>1. Transformation reviews across the Council (2011/12/13) have focussed on the deployment of staff and the balance between management, back office and frontline staff. It is felt that this balance currently suits the needs of the Council.</p> <p>2. A new Organisational Development Plan has now been completed. This attends to the issues of management competency and 'new' skills including commissioning, commercial marketing skills and drafting tenders / monitoring contracts. The implementation of this plan has begun and will be monitored via SMT.</p>	
	12-Dec-2013	6		

<b>Current Impact Description</b>	High
<b>Current Likelihood Description</b>	Remote
<b>Risk Score</b>	6

<b>Target Risk Date</b>	01-Apr-2014
<b>Target Risk Score</b>	4

<b>Lead Officer</b>	Jason Gooding
<b>Portfolio Holder</b>	Councillor Tickner
<b>Overview and Scrutiny Panel</b>	Resources