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RESOURCES OVERVIEW AND SCRUTINY PANEL

Panel Report

Public

Date of Meeting: 31st March 2011

Title: CORPORATE RISK MANAGEMENT

Report of: Deputy Chief Executive

Report reference: CE 09/11

Summary:

The purpose of this report is to give members of the Resources Overview and Scrutiny Panel the opportunity to consider the Corporate Risk Register.

Questions for / input required from Scrutiny:

Scrutiny and feedback on the Corporate Risk Register.

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Ext: 7053

CITY OF CARLISLE

To: Resources Overview and Scrutiny Panel
Date: 31st March 2011

1. Background

In accordance with the Council's Risk Management Policy, the draft Corporate Risk Register (CRR) is submitted to this Panel for scrutiny (see attached Appendix A).

2. Comments on the Corporate Risk Register

The current risks associated with delivering the Corporate Plan have recently been reviewed by the Senior Management Team and the Corporate Risk Management Group. The risks are detailed in the Appendix showing updated mitigation controls and risk scores.

As requested by ROSP in Jan 2011 the CRR now identifies the risk rating score for the target risk.

The new front cover of the CRR reflects the corporate style and shows the corporate priorities, objectives and outcomes that the CRR supports.

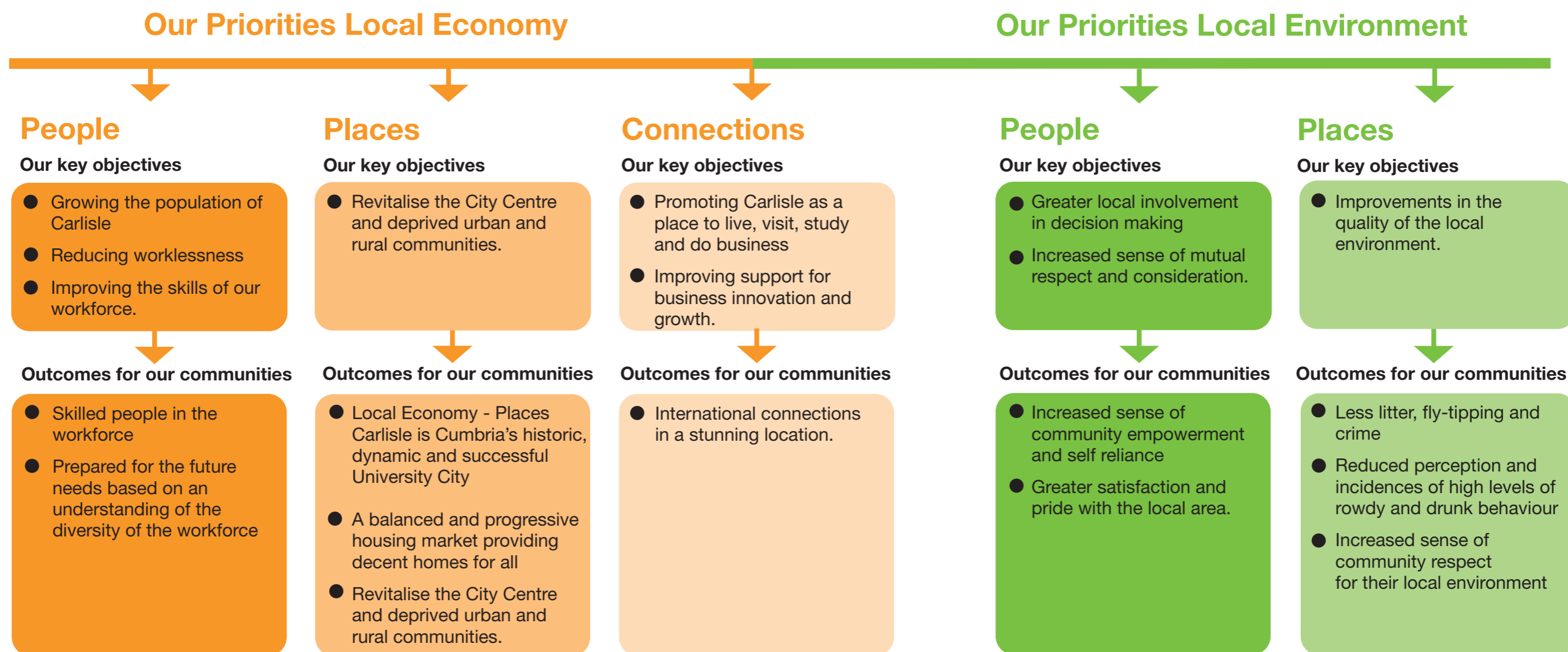
3. Recommendations

The Panel is asked to scrutinise and comment on the CRR as set out in Appendix A.

Appendix A

Corporate Risk Register March 2011

Managing the opportunities and threats in delivering the Corporate Plan



Corporate Risk Register

March 2011

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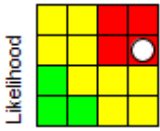
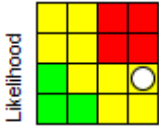
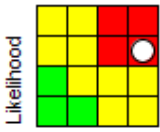


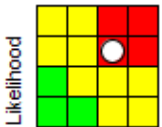
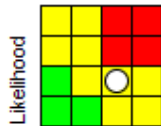
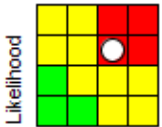

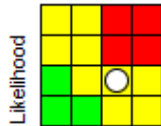

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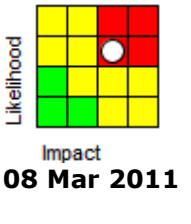
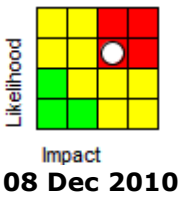
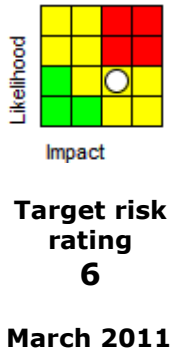
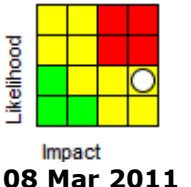
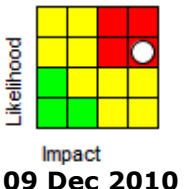

Note: Amendments in the last quarter are marked in *red italics* (or italics only on a black and white version)
The inclusion of the previous and current risk matrices shows the effect that the control strategies have had on risk ratings since the last quarterly update.

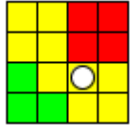
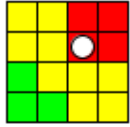
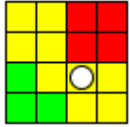
A target risk matrix shows the risk level that the Council is aiming to achieve from the successful implementation of the control strategies and the date for when this will be achieved.

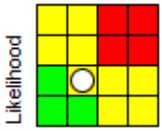
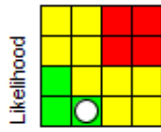
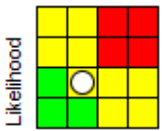
| Risk | Description | Present and Previous Risk Matrices | Current Risk Rating | Rating Description | Current Action Status/Control Strategy | Target matrix and date | Managed By/ Portfolio Holder (PH) |
|--------------------------|--|------------------------------------|---------------------|---------------------------|---|--|--|
| Limited Resources | There is a risk that scarce resources are not directed to priority areas within the Council's key objectives of local environment and local economy. | Impact 08 Mar 2011 | 12= | Impact Critical | To make sure that the Transformation Programme, and the Medium Term Financial Plan and the Annual Budget are coherently focussed toward the appropriate allocation of resources to deliver the organisation's key objectives. It is anticipated that it will take 2 budget cycles to be confident in delivering the required efficiencies. Two year (2011/12 and 2012/13 budgets) RSG settlement is in line with Council projections for transformational savings requirements. | Impact Target risk rating 8 March 2013 | Deputy Chief Executive PH: Governance & Resources |
| | | Impact 08 Dec 2010 | | | | | |

| Risk | Description | Present and Previous Risk Matrices | Current Risk Rating | Rating Description | Current Action Status/Control Strategy | Target matrix and date | Managed By/ Portfolio Holder(PH) |
|--|---|---|---------------------|--|---|---|--|
| Strategic Housing Authority | <p>There is a risk that the Council fails to deliver in its role as a strategic housing authority in achieving a balanced housing market.</p> |  <p>Impact</p> <p>08 Mar 2011</p> | <p>12=</p> | <p>Impact Critical</p> <p>Likelihood Reasonably probable</p> | <p><i>The transformation review of Health, Housing and Well Being has now been completed and recruitment to the revised staff structure is underway. This includes a focus on housing and homeless services.</i></p> <p>The Carlisle Strategic Housing Partnership is now <i>meeting on a regular basis and remains</i> focused on:</p> <ul style="list-style-type: none"> - Supporting vulnerable and homeless people - Providing decent homes - Developing the housing market <p><i>As at 15th December</i> these key foci are all working with a full understanding of the current changes in housing capital grants and government welfare reform. The impact of significantly reduced capital resources announced in the 2011/12 RSG settlement on the partnerships' desired outcomes <i>is being addressed. However, it is felt that the risk has not (at this stage) been significantly reduced.</i></p> |  <p>Impact</p> <p>Target risk rating</p> <p>8</p> <p>March 2012</p> | <p>Strategic Director</p> <p>PH: Housing</p> |
|  <p>Impact</p> <p>15 Dec 2010</p> | | | | | | | |

| Risk | Description | Present and Previous Risk Matrices | Current Risk Rating | Rating Description | Current Action Status/Control Strategy | Target matrix and date | Managed By/ Portfolio Holder(PH) |
|---|---|---|---------------------|-----------------------|--|--|--|
| Effective and Efficient Neighbourhood services | There is a risk that the Council fails to deliver effective and efficient neighbourhood services, and improve residents' perception of Carlisle through local environment issues. |  <p>Likelihood</p> <p>Impact</p> <p>08 Mar 2011</p> | 9= | Impact High | <i>The transformation review of Local Environment is ongoing and entering a second phase (phase 1 being focused on the Service Management Team). This review will develop and implement a cost efficient approach to neighbourhood management with key Council Partners. This work is to be co-ordinated by the Assistant Director (Local Environment).</i> |  <p>Likelihood</p> <p>Impact</p> <p>Target risk rating 6</p> <p>March 2012</p> | Assistant Director (Local Environment) PH: Community Engagement |
| | |  <p>Likelihood</p> <p>Impact</p> <p>09 Dec 2010</p> | | | | | |
| Supporting Employment | There is a risk that the Council fails to adequately support employers during the economic downturn. |  <p>Likelihood</p> <p>Impact</p> <p>08 Mar 2011</p> | 9= | Impact High | <i>The Council and its Partners are now revising the Economic Development and Enterprise (E,D&E) Action Plan to reflect a range of key issues. These are identified under 'Vision for the City'. Partners working on these key issues are focused on Improving Business Performance and Innovation, Supporting Growth and Investment and Raising Skills and Reducing Unemployment.</i> |  <p>Likelihood</p> <p>Impact</p> <p>Target risk rating 6</p> <p>March 2011</p> | Strategic Director PH: Economic Development |
| | |  <p>Likelihood</p> <p>Impact</p> <p>09 Dec 2010</p> | | | | | |

| Risk | Description | Present and Previous Risk Matrices | Current Risk Rating | Rating Description | Current Action Status/Control Strategy | Target matrix and date | Managed By/ Portfolio Holder(PH) |
|------------------------------------|--|---|---------------------|---|--|--|--|
| Vision for the City | There is a risk that there is no clear consensus/vision for the City's Economy and no agreed strategy with Partners. |   | 9= | Impact High Likelihood Reasonably probable | <i>The Transformation review of Economic Development is now entering it's second phase and is focused on developing economic development and regeneration services that will support the E, D and E Action Plan. This plan is now under development across six key drivers, these are:</i> <ul style="list-style-type: none"> • <i>Improving Business Performance</i> • <i>Supporting Growth and Investment</i> • <i>Growing the Low Carbon Economy</i> • <i>Raising Skills and Reducing Unemployment</i> • <i>Enhancing Quality of Life</i> • <i>Place shaping and connectivity</i> |  | Chief Executive PH: Promoting Carlisle |
| Use of Resources and Assets | There is a risk that the Council fails to adequately use resources and assets to stimulate, support and sustain economic growth in the area. |   | 8 ↓ | Impact Critical Likelihood Reasonably probable | To put in place fit for purpose arrangements for the management of our strategic operation and investment. <i>The Asset Management Business Plan was agreed at full Council on 11th Jan 2011. The Deputy Chief Executive is leading on the implementation of the Plan over the next four years.</i> |  | Deputy Chief Executive PH: Governance & Resources |

| Risk | Description | Present and Previous Risk Matrices | Current Risk Rating | Rating Description | Current Action Status/Control Strategy | Target matrix and date | Managed By/ Portfolio Holder(PH) |
|---------------------------|--|---|---------------------|--|---|---|---|
| Workforce Planning | <p>There is a risk that the Council is unable to continue to deliver and develop services due to lack of skills/capacity within the workforce.</p> | <div style="display: flex; flex-direction: column; align-items: center;"> <div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-size: 8px; margin-right: 5px;">Likelihood</div>  </div> <div style="margin: 5px 0;">Impact</div> <div style="margin: 5px 0;">08 Mar 2011</div> <hr style="width: 100%;"/> <div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-size: 8px; margin-right: 5px;">Likelihood</div>  </div> <div style="margin: 5px 0;">Impact</div> <div style="margin: 5px 0;">08 Dec 2010</div> </div> | 6 ↓ | Impact High Likelihood Remote | <p>Workforce Planning Group established; Organisational Development <i>Plan has been developed and is addressing</i> authority-wide issues; Workforce planning tools being developed to identify and address current workforce planning issues; <i>Demographic data is being used to support workforce planning.</i> Skills and capacity issues are being addressed through the transformation programme. Learning and development initiatives to support this are ongoing.</p> | <div style="display: flex; flex-direction: column; align-items: center;"> <div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-size: 8px; margin-right: 5px;">Likelihood</div>  </div> <div style="margin: 5px 0;">Impact</div> <div style="margin: 5px 0;">Target risk rating</div> <div style="margin: 5px 0;">6</div> <div style="margin: 5px 0;">Sept 2011</div> </div> | <p>Chief Executive</p> <p>PH: Performance & Development</p> |

| Risk | Description | Present and Previous Risk Matrices | Current Risk Rating | Rating Description | Current Action Status/Control Strategy | Target matrix and date | Managed By/ Portfolio Holder(PH) |
|---|--|--|---------------------|--|---|---|---|
| Community involvement in decision making | There is a risk that communities are not appropriately engaged in decision making. |  <p>Impact 08 Mar 2011</p> | 4= | Impact Marginal Likelihood Remote | <p><i>Engagement activity is now taking place with a range of community and charitable organisations who are responding to the current financial issues and assisting with future Council grant policies and budget preparations.</i></p> <p><i>The Council is also working with other Local Strategic Partners to establish other mechanisms for engaging local communities e.g. the review of neighbourhood forums.</i></p> |  <p>Impact Target risk rating 2 March 2011</p> | Assistant Director (Community Engagement) PH: Community Engagement |
|  <p>Impact 08 Dec 2010</p> | | | | | | | |