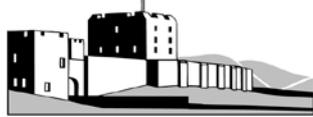


AUDIT COMMITTEE

CARLISLE
CITY COUNCIL



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Committee Report

Public

Date of Meeting: 31st October 2011

Title: Corporate Risk Management

Report of: Acting Chief Executive

Report reference: CE 29/11

Summary:

The purpose of this report is to update Members on the Council's risk management arrangements.

Recommendations: The Committee is asked to note

- the contents of the report as an indication of the continuing commitment to sound governance arrangements for corporate risk management

Contact Officer: Sarah Mason

Ext: 7053

CITY OF CARLISLE

To: Audit Committee
Date: 31st October 2011

1. Background

In accordance with the Council's Risk Management Policy, the Corporate Risk Register (CRR) is submitted to the Resources Overview and Scrutiny Panel (ROSP) and the Audit Committee for consideration on a quarterly basis.

This report contains the Risk Register (see Appendix A) that was presented to ROSP on 13th October 2011.

2. Comments on the Corporate Risk Register

The Corporate Risk Register has been reviewed by the Senior Management Team and the Corporate Risk Management Group. During the last quarter, the Current Action Status / Control Strategy sections have been addressed and the scoring of certain risks amended accordingly. The risks are detailed in Appendix A.

3. Travelers Insurance Co Healthcheck

Travelers, the Council's insurance company, carried out a risk management healthcheck in April 2011. Six non mandatory issues were identified during the assessment and recommendations made:

- Driver assessment scheme for all employees who drive on Council business
- Driver licence and insurance checks
- Driver handbook to include Council's road safety policy, driver's code of conduct, reporting of accidents, driver assessments and driver licence requirements
- Tree stock survey
- Measure of operator exposure time to harmful vibration
- Improved health and safety arrangements within Highways Services

Whilst none of the recommendations made are mandatory, implementing them is considered good practice and may help the Council defend potential claims. A number of

systems are already in the process of being updated eg. driving licence and insurance checks and an action plan has been put in place to address other issues raised. See Appendix B for further details.

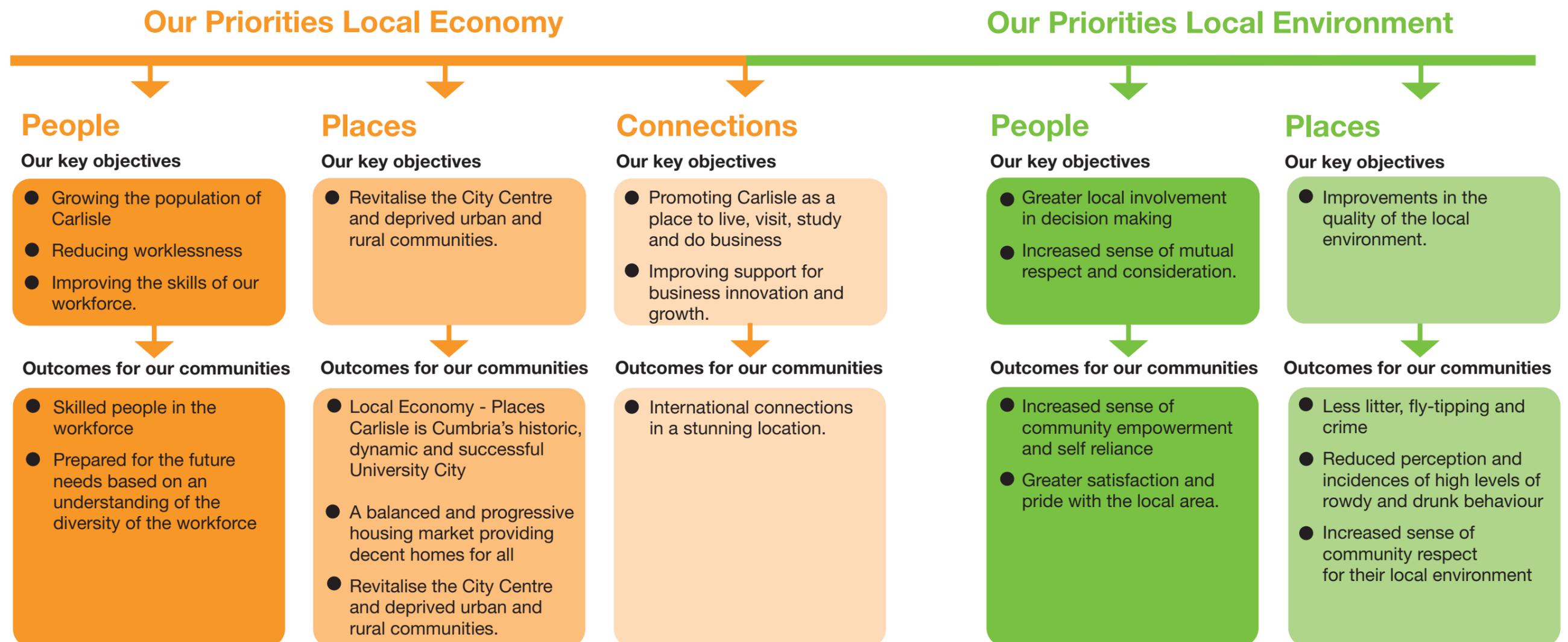
4. Recommendations

The Committee is asked to note the contents of the report as an indication of the continuing commitment to sound governance arrangements for corporate risk management.

Appendix A

Corporate Risk Register

Managing the opportunities and threats in delivering the Corporate Plan



Corporate Risk Register 28 September 2011

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.

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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
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Present and Previous Matrices	Review Dates	Present and Previous Risk Scores	Current Action Status/Control Strategy	Target Risk Matrix
<p>Likelihood</p> <p>Impact</p>	22-Sep-2011	12	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 a <i>further 2</i> budget cycles to be confident in delivering the required efficiencies. Two year (2012/13 and 2013/14 budgets) RSG settlement is in line with Council projections for transformational savings requirements. <i>Further savings of £635,000 have been identified by SMT and will be implemented by 1st April 2012.</i>	<p>Likelihood</p> <p>Impact</p>
<p>Likelihood</p> <p>Impact</p>	23-Jun-2011	12		

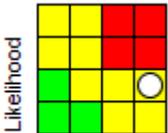
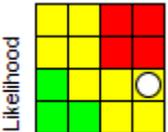
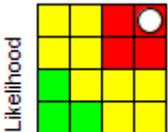
Current Impact Description	Critical
Current Likelihood Description	Reasonably probable
Risk Score	12

Target Risk Date	31-Mar-2013
Target Risk Score	8

Managed By	Jason Gooding
Portfolio Holder	Councillor J Mallinson

Provision of Disabled Facility Grants (DFGs)

The previous risk has been that capital funding was unavailable to meet the demand placed upon the service. These are statutory grants and provision has to be made for them. Level of DFG expenditure in 2010/11 was £1.7 million with £200k also approved at year end. The level of grant in 2011/12 is £663,000. Riverside have confirmed full financial year contribution as £300,000. Cumbria County Council (Health to Social Care) have committed a contribution countywide and Carlisle is estimated to receive £150,000. This is to be ratified at the next County Chief Executives meeting. The total is £1,113,000. It is envisaged that supplementary estimate will not be required. In addition grants will have been approved for projects to the value of approximately £200k to be delivered after 1 April 2012. Provision will need to be made for these works in 2012/13 budgets. There is a litigation and reputational risk to the Council if the 6 month grant claim timeframe is exceeded.

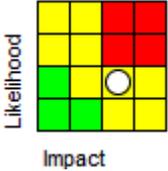
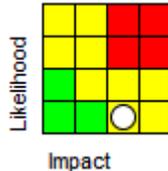
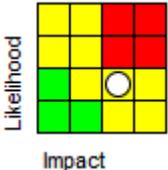
Present and Previous Matrices	Review Dates	Present and Previous Risk Scores	Current Action Status/Control Strategy	Target Risk Matrix
 <p>Likelihood</p> <p>Impact</p>	22-Sep-2011	8	<ul style="list-style-type: none"> - Future procurement will be through Chest Framework. - Strengthened assessment function and joint work with Occupational Therapists. - Ensure minimum specification for applications is appropriate and consistent. 	 <p>Likelihood</p> <p>Impact</p>
 <p>Likelihood</p> <p>Impact</p>	23-Jun-2011	16	<ul style="list-style-type: none"> - Improved data management to forecast and control demand. - Improved internal 'triage' process. - Improved understanding of funding support. 	

Current Impact Description	Critical
Current Likelihood Description	Remote
Risk Score	8

Target Risk Date	01-Nov-2011
Target Risk Score	8

Managed By	Keith Gerrard
Portfolio Holder	Councillor Bloxham

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.
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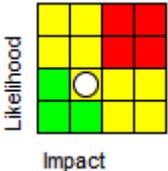
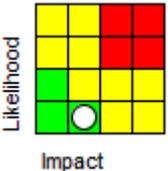
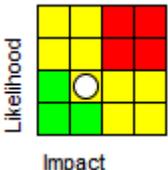
Present and Previous Matrices	Review Dates	Present and Previous Risk Scores	Current Action Status/Control Strategy	Target Risk Matrix
	26-Sep-2011	6	<p>The Council has led the redevelopment of the Economic Development and Enterprise Group to form a new Carlisle Enterprise Partnership (CEP). <i>The CEP has now held it's first meeting and is now refreshing the existing action plans.</i> This group will now take responsibility for delivering on the key plans for managed growth:</p> <ul style="list-style-type: none"> - Improving Business Performance - Supporting Growth and Investment - Growing the Low Carbon Economy - Raising Skills and Reducing Unemployment - Enhancing Quality of Life - Place shaping and connectivity 	
	28-Jun-2011	6		

Current Impact Description	High
Current Likelihood Description	Remote
Risk Score	6

Target Risk Date	31-Mar-2011
Target Risk Score	3

Managed By	Darren Crossley
Portfolio Holder	Councillor Mitchelson

Community involvement in decision making	There is a risk that communities are not sufficiently engaged in the Transformation programme.
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Present and Previous Matrices	Review Dates	Present and Previous Risk Scores	Current Action Status/Control Strategy	Target Risk Matrix
	26-Sep-2011	4	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. 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.	
	28-Jun-2011	4		

Current Impact Description	Marginal
Current Likelihood Description	Remote
Risk Score	4

Target Risk Date	31-Mar-2011
Target Risk Score	2

Managed By	Keith Gerrard
Portfolio Holder	Councillor Geddes

Risk Improvement Requirements and Recommendations Travelers Insurance Co. Ltd, 19 April 2011

Recommendation	Action to be taken	Timescale	Responsible Service Manager/Safety Health and Environmental Manager (SHE)
<p>Driver assessment scheme should include all employees who drive on Council business. Driver assessments should include health surveillance and fitness checks, particularly high mileage drivers (>20k miles) or drivers who operated vehicle machinery. Risk Improvement Code E</p>	<p>Internal driver assessment is undertaken for those who driver Council vehicles. This is not currently undertaken for those who use own vehicles. Cost is approx £50 per person. Health surveillance is already undertaken for all persons using Council vehicles / machinery. Not currently undertaken for essential user high mileage drivers.</p>	<p>Health surveillance for high mileage own drivers needs consent. Surveillance April 2012 to fit in with current Health surveillance programme.</p>	<p>Relevant Managers and SHE Manager</p>
<p>Driver licence checks should be carried out following accidents. Insurance checks should be carried out for those drivers who are on Council business and who provide their own insurance cover. Monitoring arrangements should be in place to ensure these arrangements are adhered to. Risk Improvement Code E</p>	<p>Management of Road Risk Policy (MORR policy) already in place covering driving licence checks P11 & P14. Checks and self declaration form collation is currently underway to ensure monitoring of insurance documents and roadworthiness of own vehicles.</p>	<p>Provisional Timescale 31st October 2011.</p>	<p>Relevant Service Managers who have persons driving on Council business within their teams.</p>
<p>Produce a comprehensive driver handbook to include Council's road safety policy, driver's code of conduct, reporting of accidents, driver assessments and driver licence requirements etc. Risk Improvement Code E</p>	<p>Contained within the MORR policy which is available to all employees on the H & S e-library. Reviewing accident and incident practices and standardising information contained within Council vehicles.</p>	<p>MORR policy in place. Review of cab vehicle information on going. April 2012.</p>	<p>SHE / Transport Co-ordinator / Managers of teams using Council Vehicles</p>
<p>Loss control arrangements within Neighbourhoods and Green Spaces require further evaluation and improvement. Risk Improvement Code E</p>	<p>This referenced the possible improvement of tree surveys. This work is ongoing and cost effective ways to ensure systems are in place are being reviewed by Green Spaces Team.</p>	<p>Resources still required to put in place tree survey programme. April 2012 - 2015</p>	<p>Neighbourhoods and Green Spaces Team. This is now included on their Operational Risk Register.</p>
<p>A system should be implemented to a reliably measure operator exposure time to harmful vibration. Risk Improvement Code E</p>	<p>System exists. Refresher training for teams has been recognised. O.D. currently looking for suitable provider. Equipment is periodically monitored by stores and labelled.</p>	<p>Only outstanding team – Green Spaces April 2012-2013</p>	<p>Neighbourhoods and Green Spaces Manager</p>
<p>Improve health and safety arrangements within Highways Services – Ensure risk assessments are suitable and sufficient Ensure working practices are always safe Ensure working practices are always enforced Risk Improvement Code E</p>	<p>Working with Highways teams – undertaken R.A. training. Need to enlist senior management support to ensure standards and safe working practices / risk assessments are documented and reviewed. Slow progress but proposal is to work with highways at least 1 day per month until all R.A. `s have been updated and Safe Working Practices developed and acknowledged by team members.</p>	<p>Waiting dates from highways team. RA training already undertaken.</p>	<p>Local Environment Asst Director / Highways Manager.</p>

