

Audit & Governance Committee

10 February 2016

Report of the Assistant Director, Customers & Business Support Services, Customers & Employees

Key Corporate Risk Monitor 4 2015/16

Summary

1. The purpose of this paper is to present to Audit & Governance Committee (A&G) an update on the key corporate risks for City of York Council (CYC), and the present refreshed Key Corporate Risk (KCR) Register 2015.
2. Risk management at CYC identifies the key risks for the authority and how they are being managed. This process may demonstrate that risks are being managed very well but need ongoing monitoring, others need action taken to manage the risk effectively. The role of this Committee is to assess whether the full risk environment is being adequately reviewed, key risks are identified and receive assurances that risks are being mitigated through targeted monitoring and/or action.

Background

3. The risk management process at CYC ensures that all key and emerging risks are reported regularly to A&G on at least a quarterly basis. The purpose of this paper is to provide assurance that the council identifies understands, effectively manages and reviews its key risks.
4. A key element in the work to revitalise risk management throughout the authority was to get risk back onto the corporate agenda.
5. This work has been very successful and we now see risk routinely featuring on DMT agendas on a quarterly basis. These sessions are used to update both the departmental and any key corporate risk (KCR) which has been allocated to the

Director for management. It is also an opportunity to consider any risks which might be on the horizon and facilitate dialogue around risk in general.

Key Corporate Risk (KCR) update

6. By their very nature, the KCRs remain reasonably static with any real movements being further actions that are undertaken which strengthen the control of the risk further. The current KCRs can be found at Annex A.
7. Work has been started following the feedback from committee that the risks were not clearly articulated. This issue arose due to the evolution of the KCRs which had initially been themes rather than actual risks that required management. This work will be completed in time for the next monitor.
8. During the risk training delivered to members of this committee, it was stated that a greater understanding of the controls in place to mitigate the risk would be key to gaining assurance that the risk is being effectively managed and that the net scores appear reasonable.

KCR 06 Workforce/Capacity

9. The author has sought the assistance of the Head of Business HR to provide further information around each of the controls for the above referenced risk.
10. Workforce Strategy

The Workforce Strategy sets out how the council plans to shape and support its workforce and resources to meet its priorities in the Council Plan. Our vision for York is to have a workforce that understands our priorities, is innovative and creative, diverse and inclusive, flexible, ready and willing to respond to changes in the work we do and how we do it. Underpinning the strategy are a range of activities which focus on the following areas;

- Skills and Behaviours Development
- Recruitment and Retention
- Pay, Reward and Recognition
- Wellbeing and Engagement
- Performance and Change

HR are currently consulting on the next version of the Workforce Strategy which will reflect the changing environment the council now operates in.

11. Stress Risk Assessments

We know that work-related stress can be a major cause of occupational ill health, poor productivity and human error. It can result in sickness absence, high staff turnover and poor performance, plus a possible increase in accidents due to human error. The risk assessment provides a framework for a discussion between an employee and their manager about work demands, the controls and support which can be put in place and hopefully create better work relationships. Agreed actions are recorded for follow up.

12. PDRs

The aim of the annual PDR meeting is for staff and their manager to:

- Explore and review performance from the previous year, recognising achievements and areas of particular strengths, whilst also receiving positive and constructive feedback highlighting areas of potential development.
- Discuss and set measurable objectives and targets for the coming year in line with team, service and corporate plans (exploring potential challenges along the way).
- Have the opportunity to review and identify learning and development needs and explore any desire for career progression.

13. Comprehensive occupational health provision including counselling

The council has an Occupational Health provider who can provide advice guidance and support to staff and their managers, with the aim of:

- Enabling the rehabilitation of employees returning to work following ill health.
- Assist employees to achieve good health by providing health advice and support.
- Prevent employees from becoming ill as a result of the work they do.

In addition the council provides for staff a free, confidential, independent telephone counselling and advice service with professional advisers is available any time day or night, 365 days a year.

14. HR Policies

provide guidance on how a wide range of issues should be handled, incorporating a description of principles, rights and responsibilities for managers and employees. Some are specifically needed to comply with legal requirements but all provide a framework for resolving workplace issues.

Risk Management next steps

15. Risk management training was delivered to members of the Audit & Governance Committee on the 14th January 2016 and was the first session to be delivered. Further training for all members will now be planned and will be delivered by Zurich Municipal.

16. Work will then be undertaken with the Workforce Development Unit to arrange training sessions for officers and to ensure that the issues experienced previously with regards to attendance on risk training are not repeated.

17. As we can now have some degree of confidence in the system for the updating of the Key Corporate Risks, time can now be spent working with services to develop risk registers for their area of work. To date we have undertaken work with the following:

- Finance
- Legal
- Public Health
- Customer Services
- Transparency and Feedback (to be completed)

It is recognised that there remains much work to do in this area and as such this is ongoing.

18. Initial discussions have taken place with Zurich with regards to the development of a risk appetite statement. It is intended

that a defined risk appetite would assist decision making by both members and officers in that it would provide much needed context around the risk scores. This work will begin in earnest in April and will be reported to Audit & Governance Committee in risk monitor 3.

Options

19. Not applicable.

Council Plan 2015 - 2019

20. The effective consideration and management of risk within all of the council's business processes helps support achieving 'evidence based decision making' and aid the successful delivery of the three priorities.

Implications

21.

- (a) **Financial** - There are no implications
- (b) **Human Resources (HR)** - There are no implications
- (c) **Equalities** - There are no implications
- (d) **Legal** - There are no implications
- (e) **Crime and Disorder** - There are no implications
- (f) **Information Technology (IT)** - There are no implications
- (g) **Property** - There are no implications

Risk Management

22. In compliance with the council's Risk Management Strategy, there are no risks directly associated with the recommendations of this report. The activity resulting from this report will contribute to improving the council's internal control environment.

Recommendations

23. Audit and Governance Committee is asked to:

- (a) consider and comment on the refreshed key corporate risks which can be found in detail at Annex A;
- (b) consider and provide feedback/comment on the information provided in respect of the controls applicable to KCR 06 Workforce/Capacity.

Reason

To provide assurance that the authority is effectively understanding and managing its key risks.

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Report ✓ **Date** 1/2/16
Approved

Specialist Implications Officer(s) Not applicable

Wards Affected Not applicable

All

For further information please contact the author of the report

Annexes

Annex A – Refreshed Key Corporate risk register