

## **Directorate Risks – Communities and Neighbourhoods**

This note looks at the main risks within CAN, and focuses upon a generic overarching risk of reduced funding, and then more specific service based issues.

### **1) Reduced Funding**

In looking at the overall risks facing the Directorate, the overwhelming major risk area is that of reduced funding and the implications that brings to the Directorate. The scale of the funding reductions, and the level of savings required is unprecedented, and is on the back of major reductions that have already taken place.

Within CAN since 2011/12 efficiency savings of £5.6m have already been achieved through restructuring, consolidation of services, and additional income. Looking ahead however, a further £2.6m of savings will be expected of the Directorate in 14/15 as part of the 2 year budget.

This brings with it risks in a number of ways and in particular there are two broad themes to these risks:

- Reduced staff levels which mean lower service levels, impacting on both internal and external customers and impact on staff morale, due to ongoing restructuring/potential job loss
- Significant loss on trading accounts

### **Reduced staffing levels, the implications for service delivery and impact on staff morale.**

Key front line services to the public are provided by the CAN Directorate, covering Communities, Culture, Public Realm, Housing including Building Maintenance, Public Protection, Community Safety and Public Health.

There are natural risks in providing service – a failure to deliver some of the front line services, due to reduced resource levels, could lead to further implications and cost. Failure to manage budgets effectively, or to properly address the HR implications of major change, could result in added cost pressures. In addition job losses and cuts in services will

impact on customer satisfaction and staff morale. Levels of sickness may increase due to staff stress.

The Directorate has to date shown its ability to deliver major efficiency changes, and structural change. Major restructuring has taken place in recent years, including major reductions in senior management. To mitigate risks all managers are involved in reviewing services to cut out waste or increase income. Staff are updated with regards the current financial climate and asked to contribute ideas for remodelling services. Staff sickness is regularly reported and monitored. The Corporate Health and Wellbeing initiatives are available to staff. Community Impact Assessments are also undertaken to establish the public impact on changes to services and regular dialogue is undertaken with members identifying the implications of change.

### **Significant Loss on Trading Accounts**

Failure to deliver a profit on trading accounts will result in the Council's income being reduced which could result in further redundancies and service cuts and decline in customer satisfaction. To manage this risk the Directorate is maintaining a partnership approach with major clients and continually looking at ways to improve cost effectiveness and identifying increasing income opportunities.

### **2) Other Directorate Risks**

Significant specific tasks which the Directorate lead upon are summarised below, with brief comment about the main risks

**-Transition of Public Health to the Local Authority from the PCT** There are two major risks in terms of finance and the transferring of contracts. The financial allocation to CYC is based on historical spend in the PCT for 10-11 up-rated by inflation and other amendments. The actual allocation will be published on 19 December 2012 but will not be less than the original estimate published earlier this year of around £5.7m. The risk is that it will be insufficient to fund all the contracts and liabilities that will pass to the Council on 1 April 2013. We are mitigating by working out the likely liabilities at the moment and will see what the allocation is in December.

With regards contracts there are about 30-40 contracts that need to be moved from the NHS to the Local Authority and there is a risk that some are not transferred in time for 1 April 2013 and a

- theoretical risk of a break in delivery. A contracts group meets fortnightly to review contract transfer and is making good progress.
- **Failure to meet air quality targets** - This risk concerns the ability of the Council to ensure that the air quality in certain areas of the city meets the health based air quality objectives. This could result in an adverse impact on the council's reputation and the health of residents. The risk is being managed through annual review of the air quality action plan, and the implementation of the recently approved Low Omission Strategy for the city.
  - **Accidents at work.** Failure of staff to adopt safe working practices could lead to a member of staff being hurt or killed. To mitigate risks, assessments are carried out. Staff are made aware of safe working practices and policies. Health and safety training is undertaken and where relevant protective clothing and equipment is issued. Routine checks of equipment are made and regular reporting and review of accidents is undertaken.
  - **Failure to deliver the Councils Equality Scheme-** Failure to deliver the scheme could mean that the Council could be in breach of the requirements of legislation and inspection bodies. This can result in legal action, fines and poor inspection results. The Council's Equality Scheme is supported by a robust performance management framework and regular updates will be provided to the Council's Equality and Leadership Group and the Equalities and Advisory Group this should ensure that actions in relation to the Council meeting its statutory requirements are not overlooked.
  - **Lack of Health and Safety Checks in Council Properties-** Lack of gas and electricity checks in council properties could lead to loss of life. To mitigate this risk annual gas and safety checks are undertaken and health and safety information is included in Housing's quarterly newsletter 'Streets Ahead'.
  - **Reduced funding for adaptations which results in Vulnerable customers put at risk by living in difficult and dangerous conditions** -.The council have a duty to assess and make arrangements for adaptations via the chronically sick and disabled persons act 1970. The council also has mandatory duty to provide grants for adaptations via the Housing Grants Construction and Regeneration Act 1996. Lack of funding could prevent the council fulfilling its legal duties which could lead to a serious accident or fatality. To minimize risk and ensure funding is used effectively an assessment framework is in place to establish priorities for assistance and access to alternative support packages.