

Directorate Risks – City and Environmental Services

This note looks at the main risks within CES, 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 CES since 2011/12 efficiency savings of £8.3m have already been achieved through restructuring, consolidation of services, and additional income. Looking ahead however, a further £2.24m 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
- Financial Pressures

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

The CES Directorate provide key services for CYC including the development of the Local Plan and the delivery of major projects such as the Community Stadium, the PFI Waste Management Facility, and Local Transport Projects etc. The Directorate has undergone and is undergoing major organisational change. Within the change process 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.

Financial Pressures

Contributing to the financial pressures of the Directorate are reduced levels of economic development due to less investment of national and regional transport infrastructure. This could mean that there is less investment available for supporting infrastructure affecting the future economic prosperity of the city. The Directorate is therefore continually lobbying for sustainable levels of investment and funding and is project managing several initiatives.

The Directorate hope to alleviate some of its financial pressures through income generation opportunities. However budget reliance depends on large values of income from a few service areas. Effective and consistent financial monitoring and reporting of key budget variables are in place to monitor income levels.

2) Other Directorate Risks

- **Capital Programmes**- Failure to deliver on these externally funded schemes will restrict the Council's ability to secure future capital funds for vital infrastructure works and improvements to its assets. Failure to deliver will hinder the council's ability to provide improved services to its customers. To monitor capital programmes effectively a project management framework is being adhered to and the establishment of project boards and projects managers with regular project updates being provided.

Intelligent Travel York Project - Failure to deliver relevant schemes on the ground to qualify for the relevant funding. In order to ensure this does not happen projects have been prioritised and claims to the DfT are submitted on a quarterly basis.

-The Waste PFI partnership- Failure to deliver this partnership will mean highly significant financial impact on the Council's finances, because of the level of fines imposed by the Government. Controls that are in place include reporting to Cabinet on a regular basis and regular meeting of senior officers from the two Authorities. Failure to agree the final contract with bidder will result in delays and have an impact on the council meeting its landfill targets.

-Inability to continue to deliver services following a business disruption event- A Business Continuity Working group has been established. Senior Managers have undertaken impact assessment and a Business Continuity plan is to be developed.

-Inability to respond to and assist in the recovery of city of York after a major incident - Under the Civil Contingencies Act, as a local authority, it is the role of City of York Council to support the emergency services in the case of a major emergency and to provide aid and assistance and advice to the general public. Emergency services may not be completely supported which could hinder the promptness of their response, the speed of recovery of the city, and vulnerable people within the city may be put at risk. To mitigate the risk Emergency Plans are in place and Emergency Planning exercises take place. Officers are on call and engagement with regional partners via local resilience forum takes place.

-Tackling Climate Change – If the Council does not achieve climate change targets then this will cause the council to incur increased costs due to damages relating to future climatic changes. The council's reputation can also be affected. This will also put people's lives and businesses at greater risk. To mitigate risks a Climate Change strategy and Low Omissions strategy has been developed. Key climate change actions and targets are included in Directorate Service Plans. Tackling Climate Change is a key priority of the recently established Environment Board.

-Highway Management Breach of Statutory Duty - Resources not available and/or systems not working could result in a Traffic Management Act failure to manage the Highway network to the maximum efficiency which could result in the Government stepping in and taking over the powers of the Council to manage its highways network. This would, amongst other matters, remove from Council influence the advice given to the Planning Committee and the relative priority given to Highway related matters and Council Objectives. To reduce the risk CMT and Cabinet are made fully aware of the impact of policy decisions on the Council's statutory duties.

- York North West Development - Failure to meet housing and economic targets Community benefit for city not achieved. There is regular monitoring by York Central Group and dialogue between partner organisations and key stakeholders

- Exceptional transport infrastructure failure- Failure of CCTV UTMC, Bus/Rail services could potentially result in traffic chaos within the city. To mitigate this a Business Continuity plan is in place and regular inspection of equipment takes place.