

Audit & Governance Committee

**2 April 2012**

Report of the Assistant Director CBSS (Finance)

Key Corporate Risk Monitor Four 2011/12

### **Summary**

1. The purpose of this paper is to present to Audit & Governance Committee (A&G) the current position of the risks associated with the Key Corporate Risks (KCRs) as at the end of February 2011.

### **Background**

2. The High and Critical KCRs are reported to A&G four times a year and at least twice a year to Corporate Management Team (CMT) as part of the council's overall governance arrangements. The KCRs along with directorate level risks are also regularly reviewed at Directorate Management Teams (DMT's).

### **Monitor Four**

3. As approved earlier this financial year (A&G 26 July 2011) in addition to providing the headline High and Critically ranked KCRs each quarter the monitor now also provides directorates the opportunity to present an overview of their own High and Critical risks. This is has been delivered on a rolling programme throughout the year. CBSS & OCE delivered their risk reports in September 2011 and CANS & CS in December 2011. The final directorates risk report (ACE) would have come to this meeting but has been deferred until A&G in July due to the current Ofsted inspection. The suggested full year programme for 2012/13 is set out below:

**A&G Committee**  
**Date**

**Directorate**

25 July 2012 - Office of the Chief Executive + ACE  
27 September 2012 - Customer & Business Support Services  
12 December 2012 - Community & Neighbourhoods/City Strategy

4. 13 February 2013 Adults Children & Education  
T

There has been a reduction by one in the number of Critical KCRs since Monitor 3 2011/12. The risk relating to the Capital Programme (Failure to obtain funding for Access York Phase 1) has been reduced to Medium and an update by the risk owner is set out below:

**KCR 0016 Capital Programme**

**Failure to obtain funding for Access York Phase 1**

*'The delivery risk for Access York Phase 1 has been reduced from critical because provisional funding for the project was confirmed by the Government and the City Council in November 2011. The final funding approval for the project is dependent on the tenders for the project being received below the budget allocation. This is not expected to be until November 2012. Other key risks including planning consent and land purchase have been resolved satisfactorily.*

*If Final Approval is obtained for the Access York Phase 1 scheme it is anticipated that the project would be completed and the Park & Ride sites operational, by summer 2014.'*

5. There are now just two critical risks corporately and the up to date risk owners comments are set out below:

## **KCR 0019 Safeguarding**

### Safeguarding (Eoin Rush)

*“In common with every other local authority this risk remains a constant. The controls in place are regularly reviewed and updated in line with emerging national guidance. Measures to review and strengthen the controls in place to manage this risk in the next quarter include, implementation of our local action plan in response to peer review, following the unannounced inspection of our contact, referral and assessment service, implementation of a new supervision policy for all children’s social care workers involved in child protection activity and improved case file auditing arrangements. The service will also be responding to the findings of the Ofsted safeguarding and looked after children inspection conducted in March 2012”*

## **KCR 0022 Financial Pressures**

### Reduction in Revenue Budgets (Keith Best)

*“The requirement to reduce revenue budgets by approximately 28% and a 45% reduction in capital funding over the 4 years of the Spending Review presents a challenging financial scenario for the council to manage. Whilst long term financial planning provides a key control, critical to the organisation being able to manage this risk effectively lies in identifying and achieving the savings identified in service reviews and through making difficult choices in the way services are delivered. Achievement of the savings will also require both a full commitment across the organisation and a robust approach to the ongoing monitoring of the savings programme.”*

6. There has also been a reduction by one in the number of High key corporate risks from 14 to 13 following the removal of the risk in relation to the new Administrative Accommodation ‘Developers unable to meet the requirements of the development brief’ since the last monitor to A&G in December 2011:

### Ageing Population – KCR 0018

- Increasing social care support costs (Graham Terry);
- Understanding & responding to the demands of an ageing population (Graham Terry).

### Fairness & Inclusion – KCR 0015

- Vulnerable people are unable to access our services including employment opportunities (Pauline Stuchfield);
- Councillor's vision and expectations of a fair inclusive and customer-focussed organisation will not be realised (Sally Burns);
- We do not provide fair and inclusive customer-focused services (Sally Burns);
- Vulnerable staff are bullied, harassed and feel excluded (Sally Burns).

### Financial Pressures – KCR 0022

- Savings identified beyond 2011/12 are not achieved (Keith Best);
- Reduced levels of economic development due to less investment in national & regional transport infrastructure (Richard Wood).

### Waste Management Strategy – KCR 0003

- Delays to the project (Bill Woolley);
- Failure to secure planning consent on any of the selected sites (Bill Woolley).

### Emergency Planning – KCR 0010

- Inability to respond to and assist in the recovery of city of York following a major incident (Richard Wood);
- Inability to continue to deliver services following a business disruption event (Richard Wood).

### Capital Programme – KCR 0016

- Administration & Accommodation Review – Failure to discharge planning conditions (Ian Asher).

7. The appropriate risk owner from the relevant directorate can provide more detailed information, if it is required, in relation to any of the above risks.

### **Directorate Risks**

8. The risk report in respect of ACE has been deferred at the request of the Director of ACE due to the current Ofsted inspection and will now be presented at A&G on 25 July 2012.

### **Options**

9. Not applicable.

### **Council Plan 2011 - 2015**

10. The effective consideration and management of risk within all of the council's business processes helps support achieving 'A confident collaborative organisation' and aid the successful delivery of the five priorities.

### **Implications**

- (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**

11. 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**

12. A&G are asked to:
  - a. Consider, comment and agree on the risks set out at paragraph 5 & 6 of this report;
- b. Approve the directorate risk reporting agenda set out at paragraph 3.

Reason

*To provide assurance that risks to the council are continuously reviewed and updated.*

Reason

*To ensure that directorates bring forward updated risk reports providing assurance that risk is being properly managed through 2012/13..*

## Contact Details

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report:**

Keith Best  
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**Report  
Approved**



**Date** 21 March  
2012

**Specialist Implications Officer(s)** Not applicable

**Wards Affected** Not applicable

**All**

**For further information please contact the author of the report**

### **Background Papers**

Key Corporate Risk Monitor Three 2011/12.

**Annexes - None**