

Cheltenham Borough Council
Cabinet – 15 March 2011
Corporate Risk Register

Accountable member	Cabinet Member Corporate Services , Councillor Colin Hay
Accountable officer	Jane Griffiths – Assistant Chief Executive
Accountable scrutiny committee	Economy and Business Improvement (E&BI)
Ward(s) affected	None
Key Decision	No
Executive summary	<p>At the E&BI overview and scrutiny meeting on the 29th November it was requested that the corporate register should in future highlight exceptions and provide more focus on the risks where the mitigating actions are below target. This request was reported verbally to Cabinet on the 7th December</p> <p>The format of risk register has been amended in line with this request and they E&BI overview and scrutiny committee will reconsider it along with the current risks at their meeting on the 7th March. Any further comments will be presented verbally at the Cabinet meeting.</p> <p>The corporate risk register is “owned” by the senior leadership team as it is a management tool that helps managers run the business effectively, but members also need to be aware of the risks on the register as they may impact on the council and the decisions it makes. The attached register was updated by the senior leadership team in February and sets out progress against mitigating actions.</p>
Recommendations	<p>1.1.1 That Cabinet considers the register and identifies any further corporate risks that should be included</p> <p>1.1.2 That Cabinet considers the revised template for reporting and highlighting risks and to make any further recommendations or suggestions to improve focus and clarity.</p> <p>1.1.3 That Cabinet considers whether the actions specified to manage the identified risks are appropriate</p>

Financial implications	<p>There are a number of risks in the corporate risk register which, if not managed have the potential to expose the council to financial costs which are not provided for within existing budgets. The mitigating actions seek to control the risk of expose to these costs.</p> <p>Contact officer: Mark Sheldon</p> <p>Email mark.sheldon@cheltenham.gov.uk,</p> <p>Tel no; 01242 264123</p>
Legal implications	<p>The effective engagement of members in the management of corporate risk contributes to sound corporate governance and probity in corporate decision making.</p> <p>Contact officer: Peter Lewis</p> <p>peter.lewis@tewkesbury.gov.uk, 01684 272012</p>
HR implications (including learning and organisational development)	<p>There are a number of risks in the Corporate Risk Register that have HR implications (e.g. skills for commissioning, health and safety, industrial action), however these are addressed by the mitigating actions.</p> <p>Contact officer: Amanda Attfield</p> <p>amanda.attfield@cheltenham.gov.uk,</p> <p>Tel. no; 01242 264186</p>
Key risks	<p>If the council does not manage its risks appropriately then this can lead to ill-informed decisions.</p>
Corporate and community plan Implications	<p>Effective identification and management of risk helps the council make informed decisions and manage its corporate plan priorities.</p>
Environmental and climate change implications	<p>There are no specific environmental or climate change implications arising from the report, but the council is keen to ensure that the risks of climate change and ability to mitigate and adapt are built into service plans and risk registers.</p>

2. Background

- 2.1** Effective risk management is a key component of good governance arrangements and the senior leadership team review the register on a monthly basis. They consider where mitigating actions may not be progressing as planned or may not have achieved the desired outcomes or what further action needs to be taken. They also consider any new risks and identify the mitigating actions which need to be taken to manage the impact and likelihood of that risk.
- 2.2** Each division has a service plan where they record and manage their divisional risks and those that score 16 or over are brought to the senior leadership team and the corporate implications discussed and where necessary escalated to the corporate register.
- 2.3** In addition to this the senior leadership team took on board the recommendation made by E&BI

at its meeting on the 29th November to revise the Corporate Risk Register template so that it highlights exceptions and provides more focus on the risks where the mitigating actions are not meeting deadlines.

- 2.4 The attached Corporate Risk Register now has an accompanying 'Dashboard' report that provides managers and members with a high level overview of the corporate risks.
- 2.5 The Dashboard and the register highlight that there are currently 28 active risks on the register, 3 with a low score, 16 with a medium score and 9 with a high score. The dashboard goes on to highlight the number of risks within those categories that are either on target to *meet*, *may not meet* or *will not meet* their specific deadline for reducing or removing risks.
- 2.6 All of these risks are continually monitored by the risk owners and collectively managed by SLT on monthly basis.

3. Exceptions

- 3.1 It is intended that in future this section of the report will provide information on new risks and any medium or high that may or will not meet their deadlines i.e. those that are highlighted within the register as Amber or Red, the reasons for this and what is being done mitigate the risk.

Table 1: New risks since the last report

Risk number	Risk	Risk score	Proposed action	Deadline	Action taken
CR43	If CSR settlement impacts result in required GO Programme resource being consumed, then programme implementation and resulting savings and efficiency realisation, will be put at risk.	8	Assess impact of CSR 2010. Ensure GO Programme resources remain dedicated to the Programme.	End March	This risk was raised by the Go Programme Board and scored as a high (red) risk, staying high (red) even after mitigating actions (NB the GO Programme uses different a risk scoring matrix and approach). Programme Board Members agreed that any risks falling into this category (red/red) be considered by each partner council for their own corporate risk registers and local action. The CSR impact has been assessed for CBC, and aside from the wider capacity issue risk already identified as a separate risk, no further mitigating action needs to be taken by CBC as GO Programme resources are not impacted by CSR 2010. Discussed at SLT on 1st February 2011, suggest this risk is noted and closed.

Table 2: Risks that may or or will not meet their original deadline for mitigating the risk

Risk number	Risk	Risk score	Why mitigating actions will or may not reduce or remove the
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			risk by the original deadline
High Risks			
CR33	If the council does not keep the momentum going with regards to the JCS then the policy vacuum left by the abolition of the RSS and the resultant delay in projections and framework could result in inappropriate development.	16	The original deadline was set prior to the new coalition government and the publication of the Localism Bill which has impacted on key milestones Review of all programme activities underway. The contract to deliver econometric housing model outputs expected March 2011
CR34 b	If the council does not have robust testing of its business continuity plans then there is a risk that they may not be effective	16	The council has a business continuity plan that covers a wide range of business systems including the need for an effective ICT back up system at the depot. The target date for carrying out a robust test for this back-up system is Mid May 2011. The outcome for this test will provide assurance to SLT that its back-up systems are effective.
CR35	If the current public service proposed budget cuts mean that the county council are unable to fund and provide officer resource for strategic infrastructure planning phase 3 then the JCS will not be supported by robust evidence which may lead to inappropriate development	16	Awaiting GCC restructuring and budget allocation
Medium risks			
CR20	If knowledge and skills about commissioning are not developed within the organization, there is a risk that services will not be commissioned or delivered in the right way which may impact on flexibility and/or costs.	12	The member joint party working group are defining Member roles under commissioning and when complete these will be used to audit members current knowledge and skills. It is unlikely that the audit will be complete by the end of March 2011.
CR29	If the council does not implement the actions identified in the climate change adaptation risk assessment there is a risk that resources will not be used to best effect which could impact on financial, environmental and service decisions and affect service delivery.	8	SLT have reviewed the planned climate change adaptations and have ask divisions to identify climate change champions; this champions group will be established once restructuring has been completed and risk assessments revised to reflect new structures. Risk remains amber but likelihood has been

			reduced to reflect completed and planned actions
CR32	If the council is unable to realise the capital value of some of its assets it will be unable to progress the civic pride proposals	12	SPD formally adopted on 13.12.10 (Full Council). OJEU Notice issued 24.1.11 as per target. We await market response. Other asset disposals progressing as planned.

4. Reasons for recommendations

- 4.1 Cabinet need to satisfy themselves that the council is considering the full range of risks which may impact on the delivery of our outcomes, and that we are taking appropriate action to manage risks.

5. Alternative options considered

- 5.1 No alternative options have been considered. It was agreed by both the Cabinet and E&BI that corporate risks should be reported quarterly for consideration by members.

6. Consultation and feedback

- 6.1 The register is being considered by the economy and business improvement overview and scrutiny committee and their comments will be fed back to the meeting this evening.

7. Performance management –monitoring and review

- 7.1 Cabinet leads discuss risks with their respective assistant directors at one to one meetings. The senior leadership team consider the risk register on a monthly basis, and challenge how risks are being managed and monitored.

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Appendices	1. Corporate Risk Register - Dashboard 2. Corporate risk register