

Cheltenham Borough Council
Economy and Business Improvement Overview and Scrutiny
Committee – 19 September 2011
Corporate Risk Register

Accountable member	Cabinet Member Corporate Services, Councillor Colin Hay
Accountable officer	Mark Sheldon, Director Resources
Accountable scrutiny committee	Economy and Business Improvement
Ward(s) affected	None
Key Decision	No
Executive summary	The corporate risk register is “owned” by the senior leadership team as it is a management tool that helps managers run their business effectively, but members also need to be aware of the risks that may impact on the council and the decisions it makes. The risks within the attached register are continually updated by the senior leadership team. The attached version is as of the 7 th September 2011.
Recommendations	<p>1.1.1 The committee are asked to consider the register and identify any further corporate risks which they feel should be brought to the Cabinet’s attention at their meeting on the 27th September 2011..</p> <p>1.1.2 The committee are asked to consider whether the mitigating actions to manage the identified risks are appropriate and if there are other actions which they would wish to bring to the Cabinet’s attention.</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 E-mail: mark.sheldon@cheltenham.gov.uk 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 E-mail: peter.lewis@tewkesbury.gov.uk, Tel no: 01684 272012</p>

HR implications (including learning and organisational development)	There are a number of risks in the Corporate Risk Register that have HR implications (e.g. capacity, skills for commissioning, health and safety) however these are addressed through the mitigating actions. Contact officer: Amanda Attfield E-mail: amanda.attfield@cheltenham.gov.uk Tel no: 01242 264186
Key risks	If the council does not manage its risks appropriately then this can lead to ill-informed decisions.
Corporate and community plan Implications	Effective identification and management of risk helps the council make informed decisions and manage its corporate plan priorities. .
Environmental and climate change implications	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.

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 record and manage their divisional risks and those that score 16 or over are brought to the senior leadership team where they are considered for escalation to the corporate register.
- 2.3 The dashboard and the register highlight that there are currently 30 active risks on the register, 1 with a low score, 24 with a medium score and 5 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.
- 2.4 Risks that are closed or transferred by SLT are listed at the end of the register in a greyed out format. There have been 15 risks closed since the last report to E&BI in March.
- 2.5 All of these risks are continually monitored by the risk owners and collectively managed by SLT on monthly basis.

3. Exceptions

- 3.1 This section of the report provides information on new risks and those that are scored at medium or high which 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 to mitigate the risk.

3.2

Table 1: New risks since the last report

Risk number	Risk
CR57	North Place & Portland Street process may be compromised by misunderstanding of the proposal or legal framework (OJEU) within which proposal has been developed
CR58	If the Waste Project does not include impact assessments to the residual (client side) organisation then customer service and reputation could be put at risk
CR59	if the council does not fully understand and plan for the impacts of new housing legislation and welfare reforms and their interdependencies then there is a risk to communities and to the MTFS.
CR60	If the required data for GO process projects (including Interface data) is not made available in required timescale then project delivery date could be delayed. Opened and closed (transferred to programme risk register)
CR61	If the demands on GO Project Management Office (PMO) exceed capacity due to unforeseen issues such as the Waste Project and a number of current challenges then the project delivery dates could be put at risk. Opened and closed (transferred to programme risk register)
C62	If the business plan for the new service fails to be delivered this will impact on HLF bid and MTFS.

Table 2: Risks that have been either closed or transferred since the last report

CR1	If the council does not implement the recommendations and action plan arising from the public interest report and working group report and put in place preventative measures based on lessons learnt then there is a potential local and national reputation risk and potential adverse audit assessment. Closed following report to Audit Committee 23rd March 2011
CR2	If councillors and officers do not "draw a line" under the review and move forward as recommended by both the judge and KPMG there is a reputation risk, as well as a risk that further resource both financially and time could be incurred Closed following Audit Committee March 2011
CR8	If the council does not manage its ambitious change management programme effectively it will put pressure onto employee resources and may impact on the delivery of services Closed as per SLT as covered within CR41
CR10	If the council is unable to approve long term solutions for its waste and recycling services then costs will continue to increase and the council will fail to meet its strategic environmental targets Closed SLT21st June 2011

CR22	<p>Art Gallery & Museum. If the AG&M Development Scheme is not effectively project managed there is a risk of the scheme failing to be delivered within the capital budget.</p> <p>It is also vital that the longer term revenue implications relating to maintenance and running costs are recognised within the business plan and subject to appropriate consideration within the MTFS.</p> <p>Closed SLT 16th August 2011</p>
CR26	<p>Airport</p> <p>If the airport project cannot be delivered within the parameters, (including borrowing limits) approved by Cheltenham and Gloucester city councils, the future viability of the airport and improved returns to shareholders could be jeopardised.</p> <p>Closed as per SLT 1st March</p>
CR32	<p>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</p> <p>Closed and combined with risk CR45</p>
CR34 a	<p>If the council does not have robust testing of its business continuity plans then there is a risk that they may not be effective</p> <p>Closed and new risk created CR34b</p>
CR 37	<p>If there is national strike action as a result of the recent TUC motion to protest against the trajectory of government budget reductions, service delivery is likely to be disrupted</p> <p>Closed as per SLT 16th June</p>
CR39	<p>Requirement to fund projected overspend from General Balances would result in General Balances falling below the minimum range of £1.5m to £2m set by the Chief Finance Officer.</p> <p>Closed SLT21st June 2011</p>
CR49	<p>If County LEP does not progress then it may damage the ability of the Task force to deliver wider vision through inability to access potential funding and technical resources</p> <p>Closed SLT16th August 2011</p>
CR50	<p>if there is not sufficient time for detailed review and approval of the Solution Design Documents (SDDs) for the GO Programme (Agresso system), and preparation for that review within required timescales, then the eventual solution design may not be robust.</p> <p>Closed SLT 21st June 2011</p>
CR51	<p>Airport Project</p> <p>If the airport project cannot be delivered within the business plan parameters, (including borrowing limits) approved by Cheltenham and Gloucester city councils, then the borrowing costs may fall on the councils</p> <p>Closed SLT 21st June 2011</p>
CR60	<p>If the required data for GO process projects (including Interface data) is not made available in required timescale then project delivery date could be delayed. (transferred to programme risk register)</p>
CR61	<p>If the demands on GO Project Management Office (PMO) exceed capacity due to unforeseen issues such as the Waste Project and a number of current challenges then the project delivery dates could be put at risk. (transferred to programme risk register)</p>

Table 3: Risks that may or will not meet their original deadline for mitigating the risk

Risk number	Risk	Risk score
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	12

	in the right way which may impact on flexibility and/or costs.	
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
CR52	If the Waste Project between some of the GO partners has significant effects on the GO programme from both a Governance and operational perspective, delivery of the GO Programme may be adversely impacted.	8

4. Reasons for recommendations

- 4.1 The committee need to be satisfied that the council is taking appropriate action to mitigate its risks and reduce either the likelihood or impact of such risks on the council's ability to deliver on its outcomes and objectives.

5. Alternative options considered

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

6. Consultation and feedback

- 6.1 No consultation has been undertaken.

7. Performance management –monitoring and review

- 7.1 Cabinet leads discuss risks with their respective 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 – 'Dashboard' 2. Corporate risk register
Background information	