

DERBY CITY COUNCIL STRATEGIC RISK REGISTER - SEPTEMBER 2018

RISK REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK EFFECT	RISK LEVEL	Inherent Risk Rating			Q4 2017/18 risk rating			CONTROLS IN PLACE TO MITIGATE THE RISK	Quarter 1 Review		Current risk rating			FURTHER ACTION REQUIRED	Quarter 1 Review		TARGET risk rating			RISK OWNER
					LIKELI HOOD	IMPACT	RISK RATING	LIKELI HOOD	IMPACT	RISK RATING		Is this control still in place?	Comments?	LIKELI HOOD	IMPACT	RISK RATING		Have these actions been taken?	Comments on progress with the actions	LIKELI HOOD	IMPACT	RISK RATING	
Strategic R1 / CR 1	Staffing – capacity, skills and knowledge Increasing demands on existing resources	Budget restrictions have seen services workforce shrink without proportional reduction in demands, which increases expectations on remaining staff with more responsibilities and reliance on good will of staff.	Increased stress levels, increased staff sickness, reliance on temporary staff, increased costs, increased mistakes, reduction in morale, service delivery failure (including statutory safeguarding responsibilities), external sanctions and fines.	Strategic	3	4	12	2	4	8	Management controls across the organisation to review staff stress levels and identify concerns prior to sickness becoming apparent.  Ability to recruit temporary staff in the event of high demand, subject to funding availability.	Yes	Stress policy has been refreshed and managers encouraged to complete stress risk assessments at least annually.  Market rate supplement policy is still in operation.	2	4	8	Strategic decision making through MTFP recognising pressures where appropriate with greater consideration to understand effects of decisions.	On track	Pressures collated and discussed at MTFP discussions/Directors workshops.	1	4	4	Don McLure
																	Corporate review of resilience with regular analysis of hotpots	On track	Work is taking place in key areas such as Adult Social Care and Streetpride (This aligns to further actions presented as part of Strategic R9 / CR8)				
																	Targeted work to address hotspots including market supplements, workforce development and succession planning	On track	Workforce Planning and Development Strategy being compiled, this to be produced by 31.3.18				
																	Training for all managers on health and well-being approaches and stress management.	On track	Training programmes developed and delivered across the organisation (over 500 managers trained).				
Strategic R2 / CR2	Senior Management Structure Changes in structure lead to uncertainty	Significant number of management positions either vacant or covered on interim basis leads to uncertainty of direction of travel or decision making.	Reduced morale and motivation amongst staff, lack of clarity and uncertainty over long term position and direction of authority.	Strategic	3	4	12	2	3	6	Interim post holders in place.	Yes	Some interim posts have now been filled on a permanent basis	2	3	6	Monitor effect of uncertainty on staff morale	Some slippage	No monitoring in place but position has improved with permanent directors and Chief Executive now in place.	1	2	2	Carole Mills
											New structure being implemented with increased pace Maintaining BAU where possible with key decisions taken by Chief Officer Group position holders as appropriate		Phase 1 almost complete. Phase 2 subject to personnel committee in September.				Clear and consistent messages continue to be shared with staff and structure changes.	On track	Corporate Communications have issued messages throughout the recruitment to senior posts. A new 'Team Derby' engagement framework was launched in August 2018.				
Strategic R3 / CR3	Cyber security - Risk of serious service disruption across the Council's entire IT estate. Potential for extended IT outages and significant data loss.	Historic lack of investment in IT, failure and/or unwillingness to maintain systems at most current release and constantly changing threat landscape.	Increased potential of cyber incident leading to significant business disruption and potential data corruption. Potential fines from the ICO and reputational damage.	Strategic	3	4	12	3	3	9	Perimeter security - firewalls etc. Anti-malware software. PC patching programme. Incident response procedures. New post of IT Security Officer. Prioritising system upgrades where budget available. Compulsory cyber security training.	Yes	In place.	3	3	9	Continual monitoring and refinement of defences and response arrangement	On track	The internal cyber threat landscape is continuously changing as the criminals behind them get more sophisticated in their approach. Therefore, the Council has a continuous programme of system and software patching, user awareness training and auditing.	3	2	6	Andy Brammall
																	Strategic involvement in budget priorities for cyber protection.	On track	Funding has been identified for on-going improvements				
Strategic R4 CR4	Delivering the Medium Term Financial Plan for the authority	Budget restrictions require proportionate consideration of future allocations to ensure delivery of services or a reduction or cessation of non-statutory services	Failure to strategically plan long term finances exposes potential for unidentified expenditure adding additional pressure on financial structure and jeopardising the financial sustainability of the council. Financial plans are too short sighted with limited consideration for longer term impacts of decisions being made with primary focus on election cycle within Derby and supporting projects with perceived greater impact for the city.	Strategic	3	4	12	2	4	8	1) Senior officers taking ownership of MTFP and understanding implications for Council 2) Working with departments to fully understand budget position to ensure complete planning and ongoing monitoring.	Yes	The MTFP process started early for 2019/2020 with a Medium term Financial Strategy going to July Cabinet outlining the current position and the strategy and timetable in place to achieve the required outcomes. The MTFP is progressing with options to either balance or smooth the position being outlined at appropriate meetings together with challenge around emerging pressures.	2	4	8	Continued monitoring of plan development and changing circumstances and effect on budget and timely feedback	On track	Actions have been taken and there is no slippage within the current timetable.	1	4	4	Don McLure
Strategic R5 / CR5	Statutory Compliance and Property Health & Safety	Lack of capacity and resources to maintain and manage our land, building and facilities  Failure to operate safe systems for the use and occupation of buildings, including management of events	Council will be in breach of statutory obligations and duty of care by compromising health and safety of people.  May result in injuries/loss of life, disruption to service provision and damage to property assets.	Strategic	4	4	16	3	4	12	Health & Safety/ compliance assurance now firmly embedded as a key objective in Property Team's Business Plan. A Buildings maintenance programme is in place supported by asset surveys to limit likelihood and potential of incidents occurring as a result of unidentified H&S issues.	Yes	Lead responsibility for developing an assurance framework has been assigned to the Head of Service Facilities Management.	3	4	12	A Property Compliance Improvement Plan will be developed by September 2018 to refocus responsibility and resources within the newly integrated Property Department	On track	Two Action Planning workshops have been held and will conclude with actions and priorities for improvement.	2	4	8	Dinesh Kotecha
																	A review and development of policies and guidance for all services and teams responsible for operating buildings and managing events.	On track	Discussions have commenced with the Corporate Health, Safety, Wellbeing and Attendance Team				

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Strategic R6 / C&F R1	Managing major capital projects effectively to ensure delivery of agreed objectives and budgets	Variable approaches across the Council in managing projects. High number of projects currently underway requires significant management and governance resource. Resources and timescales associated with bids for project funding can lead to insufficient due diligence leaving the project vulnerable to cost overruns and programme delays.	Delay to delivery of projects, overspend and increasing pressure on council reserves, reputational damage for failure to deliver projects, political pressure from members	Strategic	4	4	16	2	4	8	Projects allocated to staff with experience and knowledge of Prince management techniques, all projects sponsored by senior director and regular updates with members to ensure accurate and complete position of project delivery is understood and monitored.	No	Major capital projects have been reviewed to ensure there is appropriately experienced staff in place to lead and manage each project.	3	4	12	Review of projects currently being undertaken with agreement of criteria for major projects and review of senior lead officers / project managers.	On track	A detailed review of projects has been undertaken to develop a long list. Further work will be undertaken during the Autumn to prioritise these projects by impact, value and deliverability.	2	4	8	Christine Durrant	
											Monitoring of capital projects by the Capital Programmes Boards.	Yes	Capital projects are monitored regularly but this has not proven effective in all cases.				Improved monitoring of projects with escalation of issues where appropriate.	On track	A Programme Management Office has been established as at 1 September. A projects register is being established and all major projects will be monitored by the PMO with evidenced tracking. It is expected a provisional PMO report will be in place for quarter 2 by the end of October 2018.					
											Project Gateway process being piloted which a) achieves corporate prioritisation of projects and b) ensures consistent approach to approving projects.	Yes	Gateway process is currently being piloted.				Review lessons from A52 scheme and address recommendations from A52 scheme investigation (once it is concluded).	On track	Once the investigation is concluded, lessons learnt will be evaluated and recommendations taken forward.					
																		Wider implementation of Gateway processes.	Some slippage	Way forward, following the pilot, to be confirmed.				
Strategic R7 / CR6	Procurement and ongoing management of service delivery contracts	Lack of training and capacity to ensure those responsible for contract scoping, procurement and management are suitably confident and experienced to proactively manage / monitor delivery.	Reputational damage if service standard drops, financial penalties if contract management processes found to be inadequate, increased stress / sickness of staff, failure of contract, failure of service delivery, failure of statutory duties, council placed in special measures	Strategic	4	4	16	3	3	9	All contracts are issued with support and assistance from procurement, management passed onto service client team with oversight at board level from strategic sponsor. Additional investment in procurement team. Change to contract procedure rules to enable greater focus on high value contracts / category management.	Yes	Changes to contract procedure rules were implemented in June 2018 so impact has not yet been felt. Additional investment in procurement team is being pursued.	3	3	9	Training staff in contract risk management skills should be considered to further mitigate this risk	Some slippage	Resource to facilitate staff training Council wide is not yet available. Some individual team training has taken place	2	2	4	Don McLure	
																	Development of strategic contracts library	Some slippage	Reliant on additional investment in the procurement team.					
Strategic R8 / CR7	Data and records management - Risk of error or wrong decisions due to poor, or incomplete, records	No corporate records management framework. Poorly defined processes. Historic lack of investment in system controls including user access.	Inefficiencies from time taken finding material. Incomplete records. Data from systems used to support decision making may not be robust. High levels of data breaches. Potential fines from the ICO and reputational damage.	Strategic	3	3	9	2	3	6	Audits of key systems. Management and data quality groups in place for nominated systems. Robust data breach reporting and follow through. New security posts in IT division.	Yes	In place.	2	3	6	Secure records management expertise to support a review of existing arrangements starting with the OpenText installation.	On track	Independent review of Open Text complete. The recommendations will form the basis of the Improvement Plan. Further support to be commissioned.	2	2	4	Andy Brammall	
Strategic Risk R9 / CR8	Health and Wellbeing Ongoing impact of high levels of sickness absence across the organisation	Increased pressures on staff as a result of budget cuts, loss of workforce and retained levels of expected delivery	Increased sickness levels (including stress), failure to deliver service, statutory duty, decreased staff morale, potential for EL claims - potential pay-out	Strategic	3	4	12	NEW	NEW	NEW	Health and Well-being Strategy implemented	Yes	On track - approximately 500 managers have been trained on the health and well-being strategy and stress management.	2	4	8	Specific actions to focus on mental health / reducing impact of stress - Mental Health First Aider, Stress Risk Assessments etc.	On track	Actions progressing. The First Aider training commenced in Sept 2018.	1	4	4	Don McLure	
											Regular monitoring of sickness absence levels by CLT and DMTs.	Yes	Monthly monitoring reports are being produced and reviewed by CLT and DMTs.				Monitoring of hotspots with targeted interventions to support a gradual reduction of stress related absence	On track	Work is taking place in key areas such as Adult Social Care and Streetpride					
																	Overall targets for sickness absence to be agreed (including individual director targets).	On track	Review of targets commissioned by CLT on 21/8/18. Planned for launch in April 2019.					
Strategic Risk R10 / People R1	Ability to manage demand to avoid significant overspends in budget Short term focus on financial prioritisation	Social and economic factors such as increased migration and asylum, longer life expectancy, higher levels of disability, greater levels of need.	Higher number of placements required beyond LA capacity leading to major budget overspends	Strategic	4	4	16	3	4	12	Discussions at Strategic level with services outlining justification for budget structure	Yes	Challenge, action planning and review of budget issues at weekly DMTs. Agreed MTFP priorities in place and targeted meetings in high pressure areas (i.e. CYP demand and children in care)	3	4	12	Maintain close working relationship with all interested parties	On track	Well established relationships, with discussions focused on priority areas.	2	4	8	Andy Smith	
											Close liaison with responsible cabinet member to ensure social care given appropriate focus when reviewing MTFP	Yes	Regular Cabinet Member Meetings - where pressures and priorities are both considered.											