

WIRRAL COUNCIL

AUDIT & RISK MANAGEMENT COMMITTEE

13 MARCH 2012

SUBJECT:	CORPORATE RISK REGISTER
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR JEFF GREEN
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report describes the process followed in analysing the issues contained within the draft Corporate Risk Register which was presented to Cabinet on 13 October 2011. The fully populated document was agreed by Cabinet on 2 February 2012 and is appended.

2.0 RECOMMENDATION

- 2.1 That Members consider the updated corporate risk register.

3.0 REASON FOR RECOMMENDATION

- 3.1 The risk register and the monitoring process enable officers to focus resources on the most significant threats to delivery of the corporate objectives.

4.0 BACKGROUND AND KEY ISSUES

- 4.1. The Corporate Risk Register is a key element of the Risk Management Strategy. It summarises those areas of uncertainty which have greatest potential to prevent or frustrate delivery of the Corporate Plan and how the Authority is seeking to tackle them. In turn those actions influence the content of Departmental Service Plans and the allocation of resources. In that way they are closely aligned with the Corporate Planning process and so success in managing these risks is a key factor in overall performance.
- 4.2. On 13 October 2011 Cabinet received a report detailing the process followed by the Executive Team in reviewing the corporate risks, and approved the draft list of issues.
- 4.3. The report indicated that the next stage would be to evaluate the risks and score them in accordance with the matrix contained in the Corporate Risk Management Strategy.

- 4.4. Those tasks have been undertaken by the Executive Team. In doing so they also considered the principal existing controls and what further action might be necessary in order to mitigate the risks to an acceptable level.
- 4.5 Cabinet on 2 February 2012 agreed the full document which is appended to this report.
- 4.6 Departments used the register in preparing their Service Plans for 2012/13.
- 4.7 The Risk & Insurance Team will be working with Departments to identify appropriate Key Risk Indicators to enable more informed assessments of the effectiveness of the controls for each risk to be undertaken.
- 4.8 As part of the arrangements for the governance, delivery and monitoring of the Corporate Plan the Executive Team will review at regular intervals the effectiveness of the existing controls and the progress in implementing additional actions and will consider any new risks of potential corporate significance. Those reviews will inform the Risk Monitoring element of the quarterly Corporate Performance and Financial Reviews.

5.0 RELEVANT RISKS

- 5.1 The issues contained in the appendix are considered by Chief Officers to present the most significant risks to achievement of the goals contained in the Corporate Plan. As such failure to manage them effectively could have severe implications for delivery of the Plan.

6.0 OTHER OPTIONS CONSIDERED

- 6.1. None.

7.0 CONSULTATION

- 7.1 The Cabinet, the Audit and Risk Management Committee, the Executive Team and each Department have all been consulted in the preparation of the Corporate Risk Register.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 There are no direct implications

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 9.1 Whilst there are no direct implications effective management of the corporate risks will help to avoid losses with a financial impact and injury to staff.

10.0 LEGAL IMPLICATIONS

- 10.1 There are no direct implications.

11.0 EQUALITIES IMPLICATIONS

11.1 There are no direct equalities implications.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no carbon usage implications.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no direct planning implications. Effective management of the corporate risks will help assist with maintaining public safety.

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APPENDICES

Corporate Risk Register

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet - Corporate Risk Register	2 February 2012
Cabinet - Corporate Risk Register	13 October 2011
Cabinet Corporate Risk Register	3 September 2009

WIRRAL COUNCIL - CORPORATE RISK REGISTER - EXECUTIVE TEAM DECEMBER 2011

Risk Description	Lead Officer	Existing Key Controls	L	I	T	Further Control Actions Planned
If we do not manage health and safety effectively then death or serious injury could result to service users, employees or members of the public	Chief Executive Jim Wilkie	<ul style="list-style-type: none"> • Register of corporate H&S risks • Corporate and departmental H&S policy specifies roles / responsibilities • Legislative Compliance Audit programme of all Council premises • Programme of auditing H&S management systems • Delivery of essential emergency training for fire and first aid • Investigation of all significant accidents & incidents by H&S Officers • Training delivered for significant hazardous work activities • Health surveillance arrangements implemented for occupational health risks 	2	5	10	<ul style="list-style-type: none"> • Deliver Institute Of Safety and Health (IOSH) Managing Safely training to all Managers and Supervisors below Head of Service • Review and develop H&S arrangements • Continuing audits of H&S arrangements • Implement health surveillance arrangements for occupational health risks re hearing loss and HAV/CT
If safeguarding arrangements are inadequate children might be exposed to greater risk of abuse or exploitation.	Acting Director of Children's Services David Armstrong	<ul style="list-style-type: none"> • Local Safeguarding Children Board monitors serious case review action plans • Weekly performance monitoring of changes to contact and referral taking in CADT • VCI reporting to the Chief Executive • Lead Member Briefing following each LSCB • National Notification of Serious Child Care Incidents to OFSTED • Continuing programme for disseminating learning from serious child care incidents • Child Death Overview Panels • Continuing review of S118 IRO applications 	2	5	10	<ul style="list-style-type: none"> • Implement revised 'Working Together to Safeguard Children • Comprehensive review of services / outcomes for children (on a multi agency basis) to be initiated following the Governments response to Professor Munro's review of Child Protection services; leading to implementation proposals • Recruit to outstanding vacant social work posts

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If safeguarding arrangements are inadequate vulnerable adults could be exposed to greater risk of abuse or exploitation.	Director of Adult Social Services Graham Hodkinson	<ul style="list-style-type: none"> • Whole system review of safeguarding completed & recommendations have been implemented including revised safeguarding procedures; • Training rolled out across partnership agencies; • Regular monitoring reports to DASS Strategic Leadership Team; Operational staff and Safeguarding Adults Partnership Board; • Safeguarding service self assessment undertaken as part of Peer Challenge; • Weekly monitoring of performance with key social work team members; • Safeguarding is a core project in the Corporate Plan; • Wirral Adult Safeguarding Board and Wirral Local Safeguarding Children's Board jointly administered; • Safeguarding Social Worker located in CADT to better deal with potential safeguarding alerts; • Joint Head of Safeguarding (CYPD and DASS) post established; • Additional safeguarding posts created and filled. 	2	5	10	<ul style="list-style-type: none"> • Victim experiences recorded and used to inform service effectiveness; • Case-file auditing process used to quality-assure the decision-making process; • Audits of data recording and data reporting systems are planned to ensure the effectiveness of the processes; • Benchmarking activities with other Safeguarding Board areas are to be undertaken to assess overall system effectiveness.
Not having plans in place could compromise delivery of essential services in the event of a major public emergency	Director of Technical Services David Green	<ul style="list-style-type: none"> • Dedicated team provides support and guidance • IT disaster recovery planning audit • External suppliers identified and position statement compiled as to their arrangements • Awareness sessions delivered • Exercises conducted to test efficiency of plans • Departmental business continuity plans finalised • Wirral Business Continuity Plan finalised • Wirral Flood and Water Management Partnership formed • Review of winter maintenance arrangements conducted. 	1	5	5	<ul style="list-style-type: none"> • Ensure external agencies have cohesive continuity arrangements • Conduct exercise to test the efficiency of critical service area business continuity plans • Undertake reviews of large scale incidents or emergencies to capture learning points and improve the councils response e.g. Leasowe/Moreton Gas disruption, Heswall water disruption, etc.

Risk Description	Lead Officer	Existing Key Controls	L	I	T	Further Control Actions Planned
If the Council does not maintain the trust and confidence of citizens in the conduct of its duties this could result in service failure, significant damage to the authority's reputation and undermine the level of engagement with residents.	Head of Communications and Community Engagement Emma Degg	<ul style="list-style-type: none"> • Comprehensive consultation process to engage local residents in identifying their local priorities and helping to shape local services by informing the Council's planning, budgetary and decision making processes • Development of Neighbourhood Plans based on consultation findings and engagement with Ward Councillors and increased transparency of area forum funding • Increased transparency of • Central coordination of consultation and engagement activities • Proactive approach to media and local communities with regards to changes that will impact on service delivery • Proactive approach to media and local communities to effectively promote and advertise local services 	3	5	15	<ul style="list-style-type: none"> • Ongoing annual programme of consultation with local residents • Integration of the Council's marketing and Community Engagement activities including the ongoing development of the Council's area forums
A serious failure in corporate governance could result in breaches of legislation and/or significant damage to the authority's reputation.	Chief Executive Jim Wilkie	<ul style="list-style-type: none"> • Constitution regularly reviewed, reported to Members and officers • Risk-based internal audit programme • Annual Governance Statement produced • Corporate Governance Monitoring Group • Code of Corporate Governance adopted • CIPFA/SOLACE 'Delivering Good Governance' Framework • Training programme for Members • Standards and Audit & Risk Management Committees • ICT Security policy and role of FoI officer • Individual strategies reviewed • Corporate Governance Cabinet Committee (CGC) established 	4	4	16	<ul style="list-style-type: none"> • Action plan for key areas agreed by CGC in October 2011 with actions identified for implementation before April 2012. Process for monitoring progress established. • Revised Code of Corporate Governance to be considered by Council February 2012, with enhanced compliance and review procedures. • Review of Internal Audit (reporting March 2012) will include recommendations for enhancing profile and authority of Internal Audit • Enhanced Corporate Performance Management Framework including monitoring, review and reporting to be implemented from April 2012 • Review of Legal and Member Services to identify additional resources required to strengthen Corporate Governance

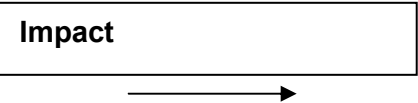
Risk Description	Lead Officer	Existing Key Controls	L	I	T	Further Control Actions Planned
If we do not use the available resources to meet the priorities set out in the Corporate Plan the services we provide might not be appropriate	Director of Finance / Deputy Chief Executive Ian Coleman	<ul style="list-style-type: none"> • Medium Term Financial Capital HR and IT strategies linked and reflect priorities in Corporate Plan. • Links between service & financial plans. • Investment is based on business cases for projects. • Financial management by planning, monitoring and reporting • Programme of financial management training. • Impacts of the future financial position identified and appropriate responses developed Budget resolution links directly to corporate priorities	3	4	12	<ul style="list-style-type: none"> • Review the effectiveness and appropriateness of the strategies • Strengthen the links between service and financial planning • Plan service delivery so as to not exceed available resources - includes implementing KLOE 1 – Corporate Plan / Budget Setting alignment • Maintain reserves and provisions • Apply the provisions in the Constitution • Workforce planning • Performance appraisal and performance management framework
Insufficient growth in the borough's economy could make it difficult for the Council to deliver its vision of a more prosperous and equal Wirral.	Acting Director of Regeneration, Housing and Planning Kevin Adderley	<ul style="list-style-type: none"> • Investment Strategy Board established to lead and direct implementation of Investment Strategy • Wirral Business Forum set up by Invest Wirral • Performance Management arrangements for Corporate Plan • Corporate Investment Group in place • Council's Child Poverty Strategy • Wirral Apprentice Programme • Business Support initiatives in place • Broadband investment • Influence over other Govt Departments investment (e.g DWP Work Programme) • Monitoring of Economic Indicators 	3	3	9	<ul style="list-style-type: none"> • Support inward and indigenous investment through a programme of support delivered by Invest Wirral Team • Explore opportunities for working internationally, supporting businesses to access opportunities as appropriate • Support for economic regeneration schemes by the Regeneration and Investment Teams to create greater prosperity for Wirral • Corporate Response to Welfare Reform Bill

Risk Description	Lead Officer	Existing Key Controls	L	I	T	Further Control Actions Planned
If we do not engage sufficiently with the workforce it could lead to de-motivation, a negative culture and a focus on short term rather than long term considerations.	Head of HR & Organisational Development Chris Hyams	<ul style="list-style-type: none"> • Staff communications including One Council, One Brief and team Briefing • Chief Executive Roadshows • Key Issue Exchanges 	3	3	9	<ul style="list-style-type: none"> • Deliver improved and systematic management communication and engagement • Develop Organisational Development programme to develop culture, linked to performance management
If do not have the right people with the right skills in the right posts it will be difficult to deliver the corporate priorities.	Head of HR & Organisational Development Chris Hyams	<ul style="list-style-type: none"> • People Strategy implemented • Partial implementation of Job Evaluation • Implementation of people management policies • Priorities in Corporate Plan communicated to staff. • Corporate KIE process • Trainee and Apprenticeships development • Enhanced communication strategy • Skills for Wirral Programme • Skills for Wirral Leadership programme 	3	3	9	<ul style="list-style-type: none"> • Conclude Local Pay Review • Performance Management framework with Appraisal implemented, with supporting development and communications • Concluded people management policy review

Risk Description	Lead Officer	Existing Key Controls	L	I	T	Further Control Actions Planned
If we do not learn about changes to the legislative and policy environment it could impede our ability to understand and respond to them.	Director of Law, HR & Asset Management Bill Norman	<ul style="list-style-type: none"> All solicitors are members of The Law Society. The Director of LHRAM and the Head of Legal & Member Services are members of the Association of Council Secretaries and Solicitors, a national consultative body. All solicitors undertake a minimum of 16 hours CPD each year. The Council is a member of the North West Legal Consortium. The Council subscribes to Westlaw, an on-line legal research tool. 	3	5	15	<ul style="list-style-type: none"> Review of resources within Legal Services as part of the Council's Corporate Governance Review in order to identify and acquire additional solicitors required
If we do not ensure that the policies and practices being introduced by the Council reflect a through understanding of the wants and needs of our citizens and businesses the services we provide might not be appropriate	Head of Communications and Community Engagement Emma Degg	<ul style="list-style-type: none"> Needs analysis and evidence base including the Joint Strategic Needs Assessment (JSNA) to inform corporate / business planning Understanding needs of Wirral's communities through consultation and community engagement activities, e.g. Area Forums, Older Peoples Parliament and Youth Parliament Corporate / business planning linked with the budget setting process Equality considerations are accounted for through equality impact assessments Single Equality Scheme sets out statutory requirements and duties relating to Wirral's diverse communities 	2	5	10	<ul style="list-style-type: none"> Implementing the outcomes of the Corporate Governance KLOE 1 – Corporate Plan / Budget Setting alignment Implementing the outcomes of the Corporate Governance KLOE 5 – Review of Policy Implementing the outcomes of KLOE 7 - Equalities

Risk Description	Lead Officer	Existing Key Controls	L	I	T	Further Control Actions Planned
<p>In an era of increasingly scarce resources, if the Council does not collaborate effectively with partners we may not make the best use of the collective resource available to meet citizens' needs.</p>	<p>Chief Executive Jim Wilkie</p>	<ul style="list-style-type: none"> • Needs analyses and evidence bases inform the partnership's priority setting and key plans and strategies • Action-led delivery plans for partnership priorities • Strong strategic leadership for the partnership (Executive Board) • Council is the accountable body for Wirral's LSP. Supported by senior management inc. joint posts such as the Joint Director of Public Health • Partnership toolkit and register developed to support governance 	<p>3</p>	<p>3</p>	<p>9</p>	<ul style="list-style-type: none"> • Periodic checks to ensure partnerships comply with Wirral's governance arrangements • Refresh of Partnership Register and governance arrangements • Develop a performance management framework for the Sustainable Community Strategy • Comprehensive review of all economic policy in response to the recession, in line with statutory Local Economic Assessment duty • Ensure that partners share operational intelligence and co-ordinate activities in response to recession
<p>Business failure from a supplier to the Council, including major private sector suppliers and the voluntary, community and faith sector providers, leading to interruption of service</p>	<p>Chief Executive Jim Wilkie</p>	<ul style="list-style-type: none"> • External suppliers identified and position statement compiled as to their arrangements • Procurement Strategy and the agreed procurement process • Contract and performance management arrangements • Linkages to Business Continuity 	<p>3</p>	<p>3</p>	<p>9</p>	<ul style="list-style-type: none"> • See linkages to Business Continuity above • Introduce a requirement on departments to ensure that: <ol style="list-style-type: none"> 1. all partner agencies and/or voluntary, community or faith sector organisations have suitable and sufficient business continuity arrangements – a check should be made on a two yearly basis 2. all external suppliers/contractors provide a position statement in regard to their individual business continuity plans on a two yearly basis 3. an annual financial check is incorporated as part of the regular contract performance management arrangements

WIRRAL COUNCIL - RISK MANAGEMENT STRATEGY - RISK SCORING MODEL



	Very Low (1)	Low (2)	Medium (3)	High (4)	Very High (5)
Very High (5)	5 Very low impact but very high likelihood	10 Low impact but very high likelihood	15 Medium impact but very high likelihood	20 High impact and very high likelihood	25 Very high impact and very high likelihood
High (4)	4 Very low impact but high likelihood	8 Low impact but high likelihood	12 Medium impact but high likelihood	16 High impact and high likelihood	20 Very high impact and high likelihood
Medium (3)	3 Very low impact and medium likelihood	6 Low impact and medium likelihood	9 Medium impact and medium likelihood	12 High impact but medium likelihood	15 Very high impact and medium likelihood
Low (2)	2 Very low impact and low likelihood	4 Low impact and low likelihood	6 Medium impact and low likelihood	8 High impact but low likelihood	10 Very high impact but low likelihood
Very Low (1)	1 Very low impact and very low likelihood	2 Low impact and very low likelihood	3 Medium impact and very low likelihood	4 High impact but very low likelihood	5 Very high impact but very low likelihood