

REPORT TO	DATE OF MEETING
Governance Committee	25 June 2014

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
Year End Risk Monitoring Report 2013-14 and Revised Corporate Risk Register 2014-15	Risk Management	G Barclay & A Armstrong	9

SUMMARY & LINK TO CORPORATE PRIORITIES

The aims of this report are to:

- Inform members of the actions taken by management to address the key risks and opportunities in the Corporate Risk Register (CRR) during 2013/14 (**Appendix 1**)
- Present for members' information a revised CRR for 2014/15 which takes account of the risks which have now been mitigated plus any new or emerging risks and opportunities which are now impacting on the Council (**Appendix 2**).
- Demonstrate that the Council is continuing to manage its strategic risks effectively.

Sound risk management arrangements are a cornerstone of good corporate governance and as such have an impact on the achievement of all the Council's key objectives but are primarily concerned with making South Ribble an efficient, effective & exceptional council.

RECOMMENDATIONS

- that members note the progress made to manage the Council's key strategic risks during 2013/14 by reference to the end of year monitoring statement shown at Appendix 1.
- that members note the revised CRR 2014/15 shown at Appendix 2.

DETAILS AND REASONING

The CRR is the most important component of the Council's Risk Management Framework and a key element of the overall Performance Framework. It is the vehicle by which the Council aims to identify and address any potential risks to the achievement of its strategic objectives and goals. It complements the Corporate Plan and assists in managing its ongoing delivery.

Corporate Risk Register 2013/14 (**Appendix 1**)

Appendix 1 contains the following summary information:

- (1) **Risks and Opportunities** – the list of the corporate risks identified and agreed for 2013/14.
- (2) **Risk Rating** – a “traffic light” assessment of the significance that each risk presents to the achievement of the Council's priorities and objectives as set out in the Corporate Plan
- (3) **Key Actions** – the key actions contained in the 2013 -14 Corporate Plan which seek to mitigate the corporate risks.

(4) **Key Action Rating** – a traffic light system indicating the progress made to implement each key action (taken from the Corporate Plan performance report as at the end of March 2014).

(5) **Status** – a summary indication of the measures taken to implement the key action.

Appendix 1 shows the action taken as at the end of March 2014 to address each strategic risk in the 2013/14 CRR. These actions are in respect of the key projects and activities in the Corporate Plan and are essentially the prime means of mitigating the key risks & opportunities identified within the CRR.

All of the actions have a green rating indicating that sufficient progress has been made to implement them to date.

There are no red or amber rated actions.

Revised Corporate Risk Register 2014/15 (Appendix 2)

Appendix 2 contains the following information:

- (1) **Risks and Opportunities** – the list of corporate risks identified for 2014/15 by Senior Management Team.
- (2) **Risk Rating** – a “traffic light” assessment of the significance that each risk presents to the achievement of the Council’s priorities and objectives as set out in the Corporate Plan. This has been revised to reflect actions taken during 2013/14.
- (3) **Key Actions in Corporate Plan** – a list of the key actions contained in the revised Corporate Plan 2014-2015 that will further mitigate each corporate risk going forward.

The Council does not operate in a vacuum and as such the risks and opportunities it faces continuously change. Senior Management Team has therefore re-assessed the key corporate risks for 2014/15 to reflect changes in the risk landscape. The key changes are as follows:

Two new risks have been identified and added to the CRR in view of their potential strategic impact on the Council:

- ▶ The “New Waste Collection Contract”, allocated a “red” high risk rating, given the high financial and reputational impact this could have if it is not effectively managed.
- ▶ “Deliver the benefits from City Deal” in view of the long term commitment to achieve maximum benefit for the Council from this significant development opportunity and rated as “green” low risk as this is in the early stages of development.

In addition 2 existing risks in respect of the Sub-regional agenda and Welfare/health reforms have been removed as these have now been mitigated or integrated into other existing risks.

Otherwise the majority of the risks and risk ratings in the CRR for 2013/14 have been retained for 2014/15 despite the significant progress to deliver the key actions in the Corporate Plan which mitigate them. This is because challenges remain not least of which is on-going work to address the reductions in funding from central government.

As a result the revised CRR for 2014/15 contains nine key risks that reflect the changing risk environment - 3 high (red) risks, 5 medium (amber) and one low (green).

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below.

FINANCIAL	There are no specific financial implications arising directly from this report.		
LEGAL	None directly as these will be considered by each risk owner.		
RISK	These are described in the body of the report together with the Council's risk mitigation strategies.		
OTHER (see below)			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

Corporate Plan 2014-2015

Corporate Risk Register 2013/14 End of Year Monitoring Statement Appendix 1

Risks & Opportunities (1)	Risk Rating (2)	Key Corporate Plan 2013/14 and other Corporate Level Actions (3)	Lead Officer	Key Action Rating (4)	Status (5)
CR/2013/14/01 Manage the Efficiency Agenda to Address Reductions in Funding	12	Explore all viable options for income generation and financial savings in order to deliver the Council's efficiency agenda whilst protecting front line services (19)	HOSFS	Green	<ul style="list-style-type: none"> ▶ The target for efficiency savings of £0.515M has been achieved ▶ Income from the Investment Portfolio has exceeded budget estimates. ▶ At the mid-way point in the year the Investment Portfolio is ahead of the budget forecast in delivering a full year income of £1.1m. However since LCC withdrew from the Civic Centre in August a replacement tenant has yet to be secured ▶ The planned and reactive maintenance regimes are on track to ensure all operational and investment properties are maintained in a "fit for purpose" condition
		Seek to continually improve, ensuring that council services are fit for purpose and customer focused (16)	DOT	Green	<ul style="list-style-type: none"> ▶ Council tax maintained below inflation ▶ Service reviews of Catering have been successfully implemented. ▶ A new website has been launched, tablets have been provided for Members. ▶ Boundary Commission Review completed and positive feedback received. ▶ Preparations for Individual Electoral Registration were made for implementation during 2014/2015.
		Effectively manage change and organisational development to sustain a flexible workforce (17)	HOHRPR	Green	<ul style="list-style-type: none"> ▶ Various methods of communication have been established to enhance communication & engagement and a review for further improvements is being undertaken. ▶ The focus for 2014/2015 will be on the introduction of a coaching programme. ▶ A Health and Wellbeing Plan has been developed and is being

Risks & Opportunities (1)	Risk Rating (2)	Key Corporate Plan 2013/14 and other Corporate Level Actions (3)	Lead Officer	Key Action Rating (4)	Status (5)
	12				<p>delivered.</p> <ul style="list-style-type: none"> ▶ A staff Learning and Development Plan is developed and implemented annually.
		See also Corporate Plan actions (3) (8) (15) (18)	MISC	Green	See comments for each action number
CR/2013/14/02 Respond to Other Public Sector Policy Changes	12	Empower Members to fulfil their role as community leaders through the “My Neighbourhoods” approach to community involvement (12)	HOHRPR	Green	<ul style="list-style-type: none"> ▶ Numerous projects have been delivered within Neighbourhood Plans. These include schemes such as developments in Higher Walton, Greenbank Road, Penwortham, River Ribble enhancement, Leyland Live, Leyland Festival, Community Markets, Healthy Streets initiatives, Christmas Markets, improvements to village war memorials, improvements to Moss Side Playing fields and Cockshott Wood Improvement scheme. ▶ Key actions from the Member Development plan have been delivered and an outturn report will be submitted to the Scrutiny Committee in August 2014
		Complete the Welfare Reform Transformation Project	DOT	Green	See comments at CR/2013/14/04
		See also Corporate Plan actions (6) (8) (9) (14) (18) (19)	MISC	Green	See comments for each action number
CR/2013/14/03 Continue to Ensure the Delivery of Affordable Housing	9	Work with partners to agree priorities and secure investment in housing (9)	DOPH	Green	<ul style="list-style-type: none"> ▶ The affordable homes target has been met and 48 new homes were delivered. In addition 2 properties were returned to affordable rent through the mortgage rescue scheme and 50 homes were purchased using the Help to Buy Equity Loan scheme. ▶ Starts on sites in Bamber Bridge, Walmer Bridge and Leyland will help

Risks & Opportunities (1)	Risk Rating (2)	Key Corporate Plan 2013/14 and other Corporate Level Actions (3)	Lead Officer	Key Action Rating (4)	Status (5)
	12				<p>ensure continued delivery of new affordable homes.</p> <ul style="list-style-type: none"> ▶ The Home Improvement Agency Contract has now ended. From April 2014 the Disabled Grant process will be managed by the Council. ▶ The previously Government funded programme for energy efficiency / winter warmth has ceased. In partnership with Lancashire County Council the Public Health Lancashire service funded the Winter Warmth project. This project delivered 781 serviced appliances and 6 boiler replacements.
		See also Corporate Plan actions (8) (10)	MISC	Green	See comments for each action number
CR/2013/14/04 Manage the impact of Government proposals for reform to Welfare, Health & Social Care and Housing	12	Complete the Welfare Reform Transformation Project	DOT	Green	<ul style="list-style-type: none"> ▶ The transformation project tackling Welfare Reform is almost complete. ▶ Localisation of Council Tax Support was introduced in April 2013 as a Flat Rate scheme @ £2.95 per week. ▶ The Benefit Cap and the Under Occupancy regulations have been absorbed into the Housing Benefit Service. ▶ Personal Independence Payments (Replacing Disability Living Allowance) is due to come into effect, but its impact within SRBC is limited in terms of numbers ▶ Discretionary Housing Payment has been expanded to support the most vulnerable people affected by Welfare Reform changes
		See also Corporate Plan actions (14) (17) (18)	MISC	Green	See comments for each action number

Risks & Opportunities (1)	Risk Rating (2)	Key Corporate Plan 2013/14 and other Corporate Level Actions (3)	Lead Officer	Key Action Rating (4)	Status (5)
CR/2013/14/05 Deliver Regeneration of Leyland and the South Ribble Area	9	Continue to seek opportunities to improve parks and open spaces across the borough (1)	DON	Green	<ul style="list-style-type: none"> ▶ 2 Green Flags retained at Hurst Grange Park and Longton Brickcroft. ▶ Continuation of an events programme and educational visits to parks and nature reserves. ▶ Cabinet allocated £100k capital funding for the next 4 years for a prioritised programme of infrastructure improvement works for parks and open spaces. Two schemes have been implemented at Western Drive Park, Leyland (rebuilding river banking and footpath) and Cockshott Wood (replacement of footpaths). Farington Park Phase 2 is largely complete (works to lodge, planting, benches and final section of footpath). ▶ Cabinet also allocated an additional £200k making £300k in total for capital infrastructure improvement schemes in 2014/15. ▶ 15 wildflower areas were created across the borough. ▶ A new Friends of Paradise Park group has been set up.
		Work to enhance Worden Park as a local asset and visitor attraction (2)	DON	Green	<ul style="list-style-type: none"> ▶ The Green Flag has been retained. ▶ Following a successful bid to Veolia landfill fund for £100k with Brothers of Charity, phase 1 development of the walled garden is complete. ▶ The first phase of a capital scheme to improve Worden Hall courtyard has been implemented. ▶ A draft Strategic Development/Vision Plan for the park has been produced and is scheduled for Cabinet in June.
		Support development of the Cuerden Strategic Site (6)	DOPH	Green	<ul style="list-style-type: none"> ▶ The Partial Version of the Site Allocations Development Plan Document was approved by Council in

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	9				<p>November 2013.</p> <ul style="list-style-type: none"> ▶ The County Council has appointed consultants to prepare a Master plan for the site. The timescales are with County and it is hoped a document will be out for consultation in summer 2014. ▶ Discussions with landowners and stakeholders are part of the Master planning process.
		Deliver a range of town and village centre schemes and environmental schemes (7)	DORHC	Green	<ul style="list-style-type: none"> ▶ Improvements plans were undertaken in Farington, and Higher Walton and three further plans are under development for Longton, Bamber Bridge and Penwortham.
CR/2013/14/06 Manage the Economic Recovery	9	Work with neighbours to develop opportunities for economic regeneration (8)	DORHC	Green	<ul style="list-style-type: none"> ▶ A new inward investment service has been established. This includes a new web service which is improving to handle property enquiries. ▶ In addition the borough now has several business support networks including the Big Do, a joint initiative with South Ribble Partnership, Business before Breakfast which has expanded to a huge degree and the Leyland Town Team which has worked in partnership to assist town centre improvements and deliver local events. ▶ 311 business have been assisted and the Council has directly supported 161 business enquiries in the year between 1st April 2013 and 31st March 2014 with a further 150 aided on-line
CR/2013/14/07 Take Advantage of New Health & Well-Being Opportunities Resulting from the Break up PCTs	9	<ul style="list-style-type: none"> ▶ Work with GP consortia and other partners on local health and wellbeing needs (14) 	DORHC	Green	<ul style="list-style-type: none"> ▶ The Chorley and South Ribble Health and Wellbeing Partnership have been recognised by the Lancashire Health and Wellbeing Board as the delivery partnership for health and wellbeing improvements. ▶ The Health and Wellbeing Partnership now has a Framework which identifies accessibility to services, leisure and

Risks & Opportunities (1)	Risk Rating (2)	Key Corporate Plan 2013/14 and other Corporate Level Actions (3)	Lead Officer	Key Action Rating (4)	Status (5)
	8				<p>independence as its three priorities with actions.</p> <ul style="list-style-type: none"> ▶ The Scrutiny Task Group has been supported in its work on Health Inequalities. ▶ 97% of the food premises inspected in the borough are compliant with food safety legislation or above as measured by the National Food Hygiene Rating Scheme.
		Complete the Welfare Reform Transformation Project	DOT	Green	See comments at CR/2013/14/04
CR/2013/14/08 Deliver Meaningful Outcomes from Key Partnerships and Collaborative Working with Neighbouring Authorities / Other Agencies	8	Maximise recycling and reduce the amount of waste going to landfill, in line with our commitment to the Lancashire Waste Strategy (3)	DON	Green	<ul style="list-style-type: none"> ▶ The performance for missed bins has been maintained with a collection rate of 99.97%. ▶ The procurement process for waste and the new collection service are on track. A Member Group is overseeing the process. The new contract is due to commence in June 2015. ▶ The tonnage of residual waste (grey bins) going to landfill has been reduced again for the 9th consecutive year. ▶ The recycling rate of 49.6% in 2013/14 of has exceeded the target and is an increase from the 2012/13 figure of 48.9%.
		Through the Safer Chorley and South Ribble Partnership and new Police & Crime Commissioner, work to tackle crime, fear of crime and promote public confidence (5)	DON	Green	<ul style="list-style-type: none"> ▶ Operation Bright Sparx (Halloween and Bonfire Night anti-social behaviour), Operation Shepherd (Christmas related theft, burglary, anti-social behaviour) and Operation Summer nights (summer related theft, burglary, anti-social behaviour) have been successfully implemented over the year. ▶ The overall crime figure for 2013/14 has reduced by – 9.3% compared to the previous year.

Risks & Opportunities (1)	Risk Rating (2)	Key Corporate Plan 2013/14 and other Corporate Level Actions (3)	Lead Officer	Key Action Rating (4)	Status (5)
					<ul style="list-style-type: none"> ▶ Cabinet has made a commitment to fund PCSOs and Domestic Abuse services including IDVA.
		<p>Work with partners to offer the best possible opportunities to South Ribble's children and young people (13)</p>	DORHC	Green	<ul style="list-style-type: none"> ▶ The South Ribble Children and Young Peoples Trust Action Plan has been reviewed and developed in conjunction with local partners. Work has included the Summer Diversionary activities booklet, an activities booklet for families developed by the children and young people themselves covering the five My Neighbourhood Areas. ▶ South Ribble Children and Young Peoples Trust have been allocated £62,813 for Early Support covering domestic abuse, parenting skills, family support and emotional health and wellbeing. The commissioning process was completed by LCC. ▶ A wider partnership review has been undertaken by LCC across Lancashire. As a result, the Trust Board, Working Together with Families and Early Support arrangements have been combined into one forum. This will enable a more streamlined, joined up and effective approach. ▶ The South Ribble Working Together with Families programme has worked with 130 families up to 31/3/14. This exceeds the target of 76 families.
		<p>Work with the South Ribble Community Leisure Trust to offer high quality, accessible sports and leisure activities (15)</p>	DORHC	Green	<ul style="list-style-type: none"> ▶ The Bikeability cycling proficiency program delivered by the Sports Development team provided Level 1 and 2 Bikeability training to 35 primary schools. ▶ The target to increase swimming and exercise at Leisure Centres by 10% was exceeded as SWIMLIFE increased by 19%, fitness memberships increased by 23% and

Risks & Opportunities (1)	Risk Rating (2)	Key Corporate Plan 2013/14 and other Corporate Level Actions (3)	Lead Officer	Key Action Rating (4)	Status (5)
	6				<p>Leisure Card memberships increased by 15%.</p> <ul style="list-style-type: none"> ▶ New off- peak programmes were introduced for older people and a disabled training programme has been developed with partners. ▶ QUEST Accreditation has been maintained at all four leisure centres facilities.
		Establish opportunities to develop effective collaborative working with partners (18)	DORHC	Green	<ul style="list-style-type: none"> ▶ Working as a key partner in the South Ribble Partnership, SRBC has helped support the Partnership to develop and change. The Community Strategy and governance of the Partnership have been reviewed and the result is a much more focussed and positive agenda.
CR/2013/14/09 Optimise the Sub-Regional Agenda	6	Work with neighbours to deliver a joined up and long term approach to planning and development (10)	DOPH	Green	<ul style="list-style-type: none"> ▶ Working with Preston and Chorley to achieve adoption of the Central Lancs Core Strategy : ▶ The CIL Charging Schedule was adopted by the Council in September 2013. A legal challenge was made following adoption however this has been dismissed by the High Court on all grounds. ▶ The Partial Version of the Site Allocations Development Plan Document was approved by the Council in November 2013. ▶ The Planning Inspector has requested further work on the Gypsy and Traveller Accommodation Assessment and further documentation and consultation has been necessary on this. Once the required work has been completed the plan will be forwarded again for adoption in summer. ▶ Planning permission has been

Risks & Opportunities (1)	Risk Rating (2)	Key Corporate Plan 2013/14 and other Corporate Level Actions (3)	Lead Officer	Key Action Rating (4)	Status (5)
					<p>granted for the residential development of the former Lostock Hall Gasworks site.</p> <p>▶ Negotiations are ongoing with the owner of the Wesley Street Mill site and demolition of the Mill has started.</p>

Corporate Risk Register 2014/15

Appendix 2

	Risks & Opportunities (1)	Risk Rating (2)	Key Actions in Corporate Plan (3)	Lead Officer
1	Manage the Efficiency Agenda to Address Reductions in Funding (Retained)	12	Explore all viable options for income generation and financial savings in order to deliver the Council's efficiency agenda whilst protecting front line services (22)	HOSFS
			Seek to continually improve, ensuring that council services are fit for purpose and customer focused (19)	DOCGBT
			Effectively manage change and organisational development to sustain a flexible workforce (20)	HOHRPR
			See also Corporate Plan actions (3) (9) (18) (21)	MISC
2	Respond to Other Public Sector Policy Changes (Retained)	12	Empower Members to fulfil their role as community leaders (14)	HOHRPR
			See also Corporate Plan actions (7) (9) (10) (17) (21) (22) (15)	MISC
3	New Waste Collection Service Contract (New)	12	Deliver the waste procurement project plan as part of retendering the service and ensure an effective transition for the new waste partner (4)	D(MG)
4	Continue to Ensure the Delivery of Affordable Housing (Retained)	9	Work with partners to agree priorities and secure investment in housing (10)	D(DJ)
			See also Corporate Plan actions (9) (11)	MISC
5	Deliver Regeneration of Leyland and the South Ribble Area (Retained)	9	Continue to seek opportunities to improve parks and open spaces across the borough (1)	D(MG)
			Work to enhance Worden Park as a local asset and visitor attraction (2)	D(MG)
			Support development of the Cuerden Strategic Site (7)	D(DJ)
			Develop a range of town and village centre schemes and environmental schemes (8)	D(DJ)

	Risks & Opportunities (1)	Risk Rating (2)	Key Actions in Corporate Plan (3)	Lead Officer
			Implement My Neighbourhoods Action Plans (15)	D(DJ)
6	Manage the Economic Recovery (Retained)	9	Work with neighbours to develop opportunities for economic regeneration (9)	D(DJ)
7	Collaborate with the LCC Public Health Service to deliver Health & Well-Being Opportunities (Retained)	9	Work with GP's and other partners, including Lancashire County Council Public Health, on local health and wellbeing needs (17)	D(MG)
8	Deliver Meaningful Outcomes from Key Partnerships and Collaborative Working with Neighbouring Authorities / Other Agencies (Retained)	8	Maximise recycling and reduce the amount of waste going to landfill, in line with our commitment to the Lancashire Waste Strategy (3)	D(MG)
			Through the Safer Chorley and South Ribble Partnership and new Police & Crime Commissioner, work to tackle crime, fear of crime and promote public confidence (6)	D(MG)
			Work with partners to offer the best possible opportunities to South Ribble's children and young people (16)	D(DJ)
			Work with the South Ribble Community Leisure Trust to offer high quality, accessible sports and leisure activities (18)	D(DJ)
			Establish opportunities to develop effective collaborative working with partners (21)	CEO
9	Deliver the benefits from City Deal (New)	4	Work with partners to deliver the agreed Preston, South Ribble, Lancashire City Deal, including promoting and marketing the Borough (12)	D(DJ)
			Work with our communities to deliver a joined up and long term approach to planning and development (11)	D(DJ)
			Note: City Deal has been identified as a Key Corporate Risk as it represents a long term strategic commitment and significant development opportunity that will need to be exploited over a sustained period in order to achieve the maximum benefit for South Ribble. At the present time this is "on track" and is rated as green however this may change and it will need to be monitored going forward as more information becomes known.	

KEYS

Risk Ratings

Likelihood		Rarely 1	Unlikely 2	Likely 3	Highly Likely 4
Impact					
Major	4	Low	Medium	High	High
Serious	3	Low	Medium	Medium	High
Minor	2	Low	Low	Medium	Medium
Insignificant	1	Low	Low	Low	Low

THE RISK MATRIX			
4	8	12	16
3	6	9	12
2	4	6	8
1	2	3	4

Likelihood of Occurrence	
Definition	Score
Almost certain (there is little doubt that the event will occur)	4
Likely (there is a strong possibility that the event will occur or there is history of regular occurrence within the Council)	3
Unlikely (there is a possibility that the event will occur or there is history of occasional occurrence within the Council)	2
Rarely (there is a slight possibility that the event will occur)	1

Lead Officers

CE	Chief Executive
DOCGBT	Director of Corporate Governance & Business Transformation
D(DJ)	Director (Denise Johnson)
D(MG)	Director (Mark Gaffney)
HOSFS	Head of Shared Financial Services
HOSAS	Head of Shared Assurance Services
HOHRPR	Head of Human Resources & Public Relations
Former titles relating to pre April 2014 activity – See Appendix 1	
DORHC	Director of Regeneration and Healthy Communities
DOPH	Director of Planning and Housing
DON	Director of Neighbourhoods
DOT	Director of Transformation

Action Ratings

	Progress being made performance on track
	Some progress made – performance limited
	Little or no progress made – performance needs to be improved