

Report for Information

Report to Audit Committee
17 January 2011
Report of Head of Finance
Subject Corporate Risk Management Review

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Purpose

To update members on the results of the review of key corporate risks and mitigation actions by the council's corporate management team.

Recommendations

That members:

- Review changes to the register as a result of review by the corporate management team.
- Review the mitigation actions to address individual risks.

Financial Consequences

The financial consequences of this report are none directly.

Risk Management

The report deals with the councils risk management processes.

Strategic Objective/Service Priorities

The report helps to achieve the strategic priority "One council:

- customer focus – putting customers at the heart of everything we do;
- continuous improvement of our services; and
- cost conscious – efficient and effective service delivery "

Contact Officers

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Background Documents

Audit Committee 13 May 2010 – "Corporate Risk Management Review"

Report

Background

1. The previous version of the corporate risk register was presented to Audit Committee in May 2010.
2. In October 2010 members of the corporate management team and other senior managers reviewed all the risks and mitigating actions to take account of the significant changes that had occurred, and the risk register was updated with the intention of presenting it to November's Audit Committee.
3. However, as members wanted a separate report into the risks and contingency arrangements around the Connaught collapse, it was felt to be sensible to defer the corporate risk report and consider them together at today's meeting. This provided an opportunity for a thorough review of the register to take account of recent events and associated risks.
4. In addition, Zurich Management Services was asked to carry out a review and challenge of service risk registers in December 2010. As a result some service risks have either been added to the corporate register as new risks, or have been incorporated into existing corporate risks.
5. The updated corporate risk register is attached at **annex 1**. Reasons for the changes are summarised in the following section:

Changes to the Corporate Risk Register

6. For each risk in the previous version of the register, the following shows a brief summary of where the changes have been made:
 - **CR01 – Public sector funding.** Now incorporates CR03 – government policy, which has been removed. References to recession have been removed, but have added funding arrangements for other bodies. Includes reference to under-utilisation of assets from facilities and building services' risk register.
 - **CR02 – Single status.** 'Likelihood' score reduced from 5 to 3. Although the proposed pay scheme is still with UNISON, it is satisfied that the scheme is legally compliant.
 - **CR03 – previously Government policy.** Incorporated into CR01 and removed.
 - **CR04 – HCA strategic partnership.** 'Impact' score reduced from 7 to 5. Removed reference to withdrawal or claw back of funding, as most of the funded projects are complete or on target. Mitigation added to take account of positive audit reviews.
 - **CR05 – previously Prioritisation.** Reviewed and renamed "**Delivery of the corporate plan and other key policies and strategies within the council's strategic framework.**" Now incorporates CR13 – implementation of key policies and strategies, which has been removed. Substantially amended to take account of updated situation. Owner is now head of strategy and programme management.

- **CR06 – Outsourced blue collar services.** This risk has been removed as the risks relating to the new contracts have either disappeared (where the contracts are in place and arrangements are working well), or have actually materialised in the case of Connaught, therefore they are no longer risks but issues which have been addressed. Risks relating to contract management and major contractors are now covered under CR17 and CR17a.
- **CR07 – Neighbourhood strategy.** ‘Likelihood’ score reduced from 4 to 3. Responsibility for mitigating actions now with head of local neighbourhood services.
- **CR08 – Customer demand.** Minor change to ‘trigger’.
- **CR09 – Maintenance of the housing stock.** Various updates to reflect the actions that have been taken as a result of Connaught going into administration. Additional mitigation to reflect the government’s planned changes to the housing revenue account, which should help to mitigate the affordability issues of maintaining the housing stock.
- **CR10 – Business continuity.** ‘Likelihood’ score reduced from 4 to 3 to reflect progress made on continuity planning, which has been confirmed in a recent audit review. Various updates to reflect current position.
- **CR11 – previously Greater Norwich Development Partnership,** renamed “**Delivery of Joint Core Strategy.**” Addition to ‘action/controls’ to reflect all parties’ agreement with the proposed policy framework. Additions to vulnerability, trigger and consequences to incorporate government changes to the planning framework, as taken from planning’s risk register.
- **CR12 – IT Strategy.** ‘Likelihood score increased from 3 to 4. Minor changes to ‘trigger’ and ‘consequences’.
- **CR13 – Implementation of key policies and strategies.** Incorporated into CR05 and removed.
- **CR14 – previously Minimum service standards,** renamed “**Service standards**”. Mitigation added under ‘action/ controls’ to reflect programme of ‘systems thinking’ training for managers.
- **CR15 – previously Use of resources,** renamed “**Corporate governance**”. Although use of resources inspections under the comprehensive area assessment have been abolished, the council will still be subject to a value for money conclusion by the Audit Commission or its successor. It is therefore appropriate to retain this corporate risk. Mitigation added under ‘action/ controls’.
- **CR16 – Environmental strategy.** Substantial rewrite to reflect current position.
- **CR17 – Contract management.** Substantial rewrite to reflect current position.
- **CR17a – new risk “Failure of major contractor”.** When corporate risks were reviewed by CMT in October 2010 this was added to CR17. But it has now been decided to separate them, as the risk scores are different, but keep them linked if possible.

- **CR18** – previously **Impact of unitary status on service delivery**. Risk removed.
- **CR19 – Fraud**. Minor change to ‘action/controls’.
- **CR20** – new risk “**Level of reserves**”. Taken from Finance’s service risk register. Added to corporate risks to reflect current financial pressures and the legal duty to maintain a prudent level of reserves.
- **CR21** – new risk “**Safeguarding children and vulnerable adults**”. Taken from Local Neighbourhood Services’ risk register. The risk is likely to increase due to the impact of cuts on care services.

7. Page 2 of the register, key corporate risks summary, has been updated to reflect the above changes.
8. Page 3 of the register, council priorities 2010-12, has been updated to reflect the new portfolio holders following the local elections in May and more recent senior management changes.
9. Risks are again shown in ‘risk score’ order, highest risks first.
10. A ‘tracked’ version of the register, showing all the changes in detail, can be made available if required.

Norwich City Council Key Corporate Risks

Reviewed by Audit Committee January 2010

Updated by DMTs Feb/March 2010

Reviewed by Audit Committee May 2010

Updated by Corporate Management Team October 2010

Updated by Corporate Management Team December 2010

Key Corporate Risks Summary (next 2 – 3 years)

18 risks ranked, 5 red risks

		Impact / Consequences				
		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	5	7
Likelihood / Probability	5 Very High				1	
	4 Likely				5, 8, 12, 17a	
	3 Possible			19	2, 4, 7, 9, 10, 11, 14, 15, 16, 21	
	2 Unlikely				17, 20	
	1 Rare					

No.	Top Corporate Risks
Very High Likelihood – Major impact	
CR01	Recession & public sector funding
Likely – Major impact	
CR05	Delivery of the corporate plan
CR08	Customer demand
CR12	IT Strategy
CR17a	Failure of major contractor

Council Priorities 2010-2012 (used to link to key corporate risks below)

City Council Aims	12 priorities for 2010-2012	Portfolio Holders (tbc)	CMT Lead
Strong and prosperous city	Under this aim, our priorities will be to deliver: 1. a dynamic local economy 2. a strong cultural offer 3. sustainable growth and development	Cllr Morphew Cllr Arthur Cllr MacDonald	J Massey A Bonsor N Rotsos
Safe and healthy neighbourhoods	Under this aim, our priorities will be to deliver: 4. better access to green spaces and leisure 5. more active and engaged communities and neighbourhoods 6. a safer and cleaner city	Cllr Arthur Cllr Bremner Cllr Brociek-Coulton Cllr Westmacott Cllr MacDonald Cllr Sands	J Massey N Rotsos
Opportunities for all	Under this aim, our priorities will be to: 7. provide support to people during the recession 8. increase pride in the city 9. increase access and opportunity	Cllr Sands Cllr Waters Cllr MacDonald	All
One council	Under this aim, our priorities will be: 10. customer focus – putting customers at the heart of everything we do 11. continuous improvement of our services 12. cost conscious – efficient and effective service delivery	Cllr Waters Cllr Sands	B Buttinger J Massey R O'Keefe

Key Corporate Risks

Annex 1

Likelihood scored on a scale 1, 2, 3, 4, 5 (5 = very high, 1 = rare)

Impact scored on a scale 1, 2, 3, 5, 7 (7 = catastrophic, 1 = insignificant)

Risk No	Council Priority	Likelihood	Impact	Change	Risk Score	Short name	Vulnerability	Trigger	Consequence	Ownership
CR 01	All	5	5	↔	25	Public sector funding	<p>A major reduction in public sector funding, including consequences of changes in funding arrangements for other bodies.</p> <p>Impact on balancing the budget – significant change and financial savings required.</p> <p>New policies and regulations place a major financial burden on the Council e.g. RSG and HRA restructuring.</p> <p>Change in direction of government policy.</p> <p>Under-utilisation of assets.</p>	<p>Further economic decline.</p> <p>Change in national government policy as a result of the economic position.</p> <p>Unable to make saving within the required timescales</p> <p>Other triggers:</p> <p>Residual liability re land at Bowthorpe.</p> <p>Bethel St Police Station – market value payment.</p> <p>Triennial pensions review.</p> <p>VAT partial exemption.</p> <p>Variable energy prices</p> <p>Increasing voids due to market and economy factors</p> <p>Loss of major tenant</p>	<ul style="list-style-type: none"> Inability to raise capital receipts Decline in income streams (eg rents from investment properties) – insufficient funds to maintain current service levels Erosion of reserves Major financial problems Reputation damage Possible industrial action Poor inspection results Changes become “knee jerk” Govt intervention Further savings required Council loses critical mass in key areas Service failures Potential disproportionate impact on the poorest and most vulnerable members of society Damage/costs across void portfolio 	S151 Officer
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
<p>Medium Term Financial Strategy incl. reserves policy, financial reporting to CMT & Executive, transformation projects regularly monitored, MTFS is regularly reviewed and updated.</p> <p>Weekly review by CMT of government announcements to assess implications and response required.</p>							CMT and S151 Officer		Monthly or more frequently if needed	
CR 05	All	4	5	↔	20	Delivery of the corporate plan and other key policies and strategies within the council's strategic	<p>The council has a clear set of corporate priorities within its corporate plan.</p> <p>Within the council's wider strategic framework, there are a number of key corporate strategies and</p>	Corporate priorities	<ul style="list-style-type: none"> Key priorities for the City are not delivered Projects halted or delayed Adverse public opinion Projects / work completed to a lower quality Negative impact on 	Head of Strategy and Programme Management

Risk No	Council Priority	Likelihood	Impact	Change	Risk Score	Short name	Vulnerability	Trigger	Consequence	Ownership
						framework.	<p>policies which must be delivered across the organisation to realise the council's objectives, e.g. customer experience strategy, equalities policy etc</p> <p>The new localism bill will change the legislative framework for local government and put new requirements on the council that must be met in a number of different areas. When this is combined with the significant savings the council will need to make to meet the government funding reductions, there is a risk that these changes will reduce the capacity of the council to deliver on its corporate objectives</p>		<p>outcomes for customers</p> <ul style="list-style-type: none">Negative performance ratings for the councilContinual over stretching of capacityInconsistent approach taken across councilFull benefits not realisedBenefits of cross working not gainedLack of corporate workingStaff confusion over policies and process	
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
Regular review of Corporate Plan, Medium Term Financial Strategy and other key policies and strategies, effective performance and programme management, corporate planning and service planning aligned with budget setting to ensure resources are in place to deliver priorities. Effective assessment and preparation of new localism bill.							Cabinet and CMT		Continuous process	
CR 08	All	4	5	↔	20	Customer demand	The profile of customer demand is always changing. The change will accelerate through periods of decline and changing demographics.	Excessive customer demand in key areas, particularly in relation to the need to cut services	<ul style="list-style-type: none">Unable to copePoor KPIsComplaintsPoor CAAReputation damage	Deputy Chief Executive
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
Proactive research on customer profile, forward planning, eg anticipating future events that will generate higher demand and use of data held to map and channel shift. Data capture, consultation, survey and service planning.							Head of Service where relevant and Customer Contact		Continuous	

Risk No	Council Priority	Likelihood	Impact	Change	Risk Score	Short name	Vulnerability	Trigger	Consequence	Ownership
CR 12	10-12	4 (changed Dec '10 from 3 to 4)	5	↑	20 (was 15)	IT Strategy	<p>The council is currently half way through a 15 year PFI contract to provide IT.</p> <p>See risk around Steria contract in risk CR17</p> <p>The council also holds a variety of data that is confidential. There is a legal imperative to keep this data secure e.g. FoI, Data Protection</p>	IT strategy fails to support the organisation moving forward and the Lean blueprint for a new council.	<ul style="list-style-type: none"> Incoherent approach to IT systems Systems not customer friendly Systems are not integrated with one and other Drain on resources as staff work around the systems Lack of accuracy in key data Data are unreliable Key information not trusted Hinders management and service improvements Failure to deliver council priorities 	Deputy Chief Executive
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
Regular monthly meetings of Programme Review Board, Service Review Board and feedback to Contract Board, delivering alignment of priorities, Data Security Forum, prioritisation of work requests, Strategy Board, Contract Board, monthly service reviews, Steria Programme Board							Head of Procurement & Service Improvement and Steria for governance arrangements in contract; Data Security Forum - Monitoring Officer		Bi-annual review of overall governance arrangements	
CR 17a	4-6, 10-12	4	5	NEW	20	Failure of major contractor	The council has a number of key contractors who may be vulnerable to market and economy factors.	Key contractor goes into administration	<ul style="list-style-type: none"> Customer and staff complaints Services not delivered Contingency plans have to be invoked Cost and time to retender contract 	Director of Regeneration and Development
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
Monitor major contractors for warning signs and make any necessary contingency plans							Head of Procurement and Service Improvement		Quarterly	
CR 02	11, 12	3 (changed Dec '10 from 5 to 3)	5	↓	15 (was 25)	Single status	<p>The council is currently in the process of implementing single status. Single status is designed to promote equality.</p> <p>In some organisations it has caused significant</p>	<p>Adverse impact either</p> <p>a) Significant financial cost</p> <p>b) Negative impact on staff morale</p> <p>c) Impact on the</p>	<ul style="list-style-type: none"> Time / Cost /Money Impact on service delivery Negative impact on outcomes 	Deputy Chief Executive

Risk No	Council Priority	Likelihood	Impact	Change	Risk Score	Short name	Vulnerability	Trigger	Consequence	Ownership
							problems.	demand for resources e.g. appeals		
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
Financial projections of outcomes, regular review by CMT of overall impact, review by HR legal consultant for legal compliance (confirmed by UNISON), Single Status Steering Group (joint with UNISON)							Overall co-ordination by HR		As and when required	
CR 04	All	3	5 (changed Dec '10 from 7 to 5)	↓	15 (was 21)	Norwich and Homes & Communities Agency Strategic Partnership (NAHCASP)	Reputation Change of rules by the government – tighter deadline for bidding for affordable housing grant Problems with major contractors	Material breach of contract Deadlines missed Major contractor in administration	<ul style="list-style-type: none"> Projects halted or delayed Adverse public opinion Increase in local unemployment Funding for some projects may not be obtained 	Director of Regeneration and Development
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
Contract. Strategic Board includes Members and HCA. Officer Implementation Board. Annual Business Plan. Project managers for individual projects. Regular financial and budget reports. Two audit reports gave good assurance on controls							Asst Director City Development & City Growth & Development Mgr		Monthly highlight reports	
CR 07	4-6	3 (changed Dec '10 from 4 to 3)	5	↓	15 (was 20)	Neighbourhood Strategy	The Neighbourhood Strategy is a priority for the council, which requires a joined up corporate approach. The council has a Neighbourhood Agenda around improving neighbourhoods by focusing more closely on the individual needs in specific locations, providing local solutions and involving residents in decision making.	The council fails to deliver the agreed outcomes of the Neighbourhood Agenda.	<ul style="list-style-type: none"> Failure to take the opportunity to make the lives of Norwich citizens better Other organisations, such as the police, take the initiative and lead the agenda Loss of reputation 	Director of Regeneration and Development
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
Implementation plan in place - organisation restructure to reflect the requirements of the neighbourhood strategy. Resources aligned to needs. Neighbourhood teams established. Next phase of neighbourhood approach to service delivery to be agreed Autumn/winter 2010/11							Head of local neighbourhood services		6 monthly review to Executive. DMTs will monitor progress	

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CR 09	5	3	5	↔	15	Maintenance of the housing stock	The council has to achieve and maintain a decent homes standard. This requires ongoing planned and responsive long-term maintenance of the housing stock. Health & Safety risk. Financing the longer term maintenance requirements	Failure in the medium to long term to sustain the housing stock (affordability issues)	<ul style="list-style-type: none"> Quality of stock diminishes and the need to decommission increases Responsive repairs increase Social problems increase Investment in the stock falls below required levels Delay in meeting the decent homes standard Death/injury 	Director of Regeneration and Development
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
	Potential national funding changes should benefit the council financially - capital investment programme The council's major contractor has gone into administration. The importance of the services provided to tenants were assessed for the risk to tenants if they were ceased, and on that basis emergency contracts were set up for gas servicing and housing repairs. Short term contracts are in the process of being let to cover all other areas of work, and then the strategy for future service delivery will be developed.						Head of Housing Property Services		Housing Improvement Board, review annually, monitored quarterly CMT monthly	
CR 10	10	3 (changed Dec '10 from 4 to 3)	5	↔	15 (was 20)	Business continuity	The council delivers a range of complex services to vulnerable elements of the community. Organisations generally are experiencing significant continuity events once every five years on average.	Occurrence of a significant event (I.T failure, contractor collapse, weather event, communications failure, pandemic)	<ul style="list-style-type: none"> Service disruption Reputation damage Years to recover Poor inspection reports 	Deputy Chief Executive
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
	Flu pandemic plan, Norfolk Resilience Forum and Business Continuity Team. Access to resources, action plans have been used to deal with actual total City Hall IT failure, alternative site for Customer Contact Team, disaster recovery plan and the use of Blackberries for communications. Approach has also been used to test business continuity in the event that the main works contractor changing.						Public Health & Enforcement Manager co-ordinates general business, Service Improvement Manager co-ordinates the IT list of key officers. Heads of service responsible for works contracts.		All documents have review dates after valuable lessons learned. Business continuity plans for works contracts reviewed as necessary.	
CR 11	All	3	5	↔	15	Delivery of Joint Core Strategy	The council, through the Greater Norwich Development Partnership, is seeking to ensure it	Partnership failure on internal governance issues	<ul style="list-style-type: none"> Lost opportunity Reputation damage Failure to provide: Appropriate physical 	Director of Regeneration and Development

Risk No	Council Priority	Likelihood	Impact	Change	Risk Score	Short name	Vulnerability	Trigger	Consequence	Ownership
							<p>receives the appropriate additional funding for the growth and regeneration programme.</p> <p>The city will develop and see more than 30,000 homes built in the greater Norwich area, and 35,000+ jobs created.</p> <p>Initial studies show that the growth in jobs and homes may occur but there is a funding gap.</p> <p>New government is committed to radical changes to the planning framework</p>	<p>Partnership fails to deliver (variety of causes e.g. funding, market, capacity)</p> <p>Joint Core Strategy not delivered or found to be unsound</p> <p>Changes in government guidelines</p>	<p>infrastructure (roads, drainage) / Environmental quality (parks, open spaces) / Social infrastructure (schools, health centres, community centres)</p> <ul style="list-style-type: none"> Failure to regenerate inner city areas and improve life for local residents Failure to develop the local economy and high quality jobs Radical change to work programmes Current plan development has to be aborted Could affect the way the city looks in the future 	
Action/controls and other mitigation							Responsibility for Action		Review Frequency	
Ensuring that strategies being prepared with GNDP colleagues are as robust as possible and firmly grounded in reliable evidence. Inter-authority working based on consensus decision-making ensures all parties are in agreement with the proposed policy framework. All policy work is supported by comprehensive evidence in accordance with government guidelines.							Head of Planning		Quarterly - DMT	
CR 14	10-12	3	5	↔	15	Service standards	The council has made significant progress in improving service delivery, however there is not always a consistent understanding of this currently and there remain differing views of what is 'good' service delivery. Revising, communicating and maintaining service standards may be more difficult	The council fails to set and maintain service standards	<ul style="list-style-type: none"> Inconsistent standards for service delivery The council fails to 'raise its game' to a sufficient level to achieve what it wants Unable to fully embed culture of high achievement within the council Failure to break out of culture of low aspiration Customers and service users don't receive the service they expect Loss of reputation 	Deputy Chief Executive

Risk No	Council Priority	Likelihood	Impact	Change	Risk Score	Short name	Vulnerability	Trigger	Consequence	Ownership
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
	Corporate performance reporting, reviewed by DMT, performance against standards reviewed regularly by CMT, service specific standards, corporate customer service standards A programme of training on systems thinking is now underway and this will support managers to focus on consistent levels of service delivery to customers in the most efficient way possible.						Review at CMT		Bi-annually Monthly to CMT	
CR 15	10-12	3	5	↔	15	Corporate governance	The council is making considerable progress since its last inspection. However, it is an external assessment and there will be a degree of uncertainty concerning outcomes.	Value for money conclusion has a negative impact on the council.	<ul style="list-style-type: none"> Perception that progress has not been made Adverse publicity Impact on service improvement plan Damage to morale Wider perception of council affected Impacts on relationship with members 	Deputy Chief Executive
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
	Improvement plan, Annual Governance Report action plan, individual owners for 'proper arrangements', plans detailed for 'proper arrangements'. Review progress at regular meetings of all lead officers. A Finance Improvement Plan has been scoped and is now being implemented to support the improvements needed in the Finance Service						Reviewed by Deputy Chief Executive and KLOE reporting leads		Quarterly Monthly	
CR 16	3, 11	3	5	↔	15	Environmental Strategy	The council is about to develop a new Environment Strategy 2011-15. This is a vital area for the council, which will require a joined up corporate approach. Currently the council has only a small environmental strategy team, but a lot of people are involved across the authority. There is a risk that other priorities may reduce the capacity of some areas to work on delivering the new strategy. There is also a risk because a lot of the supporting funding is short-term.	The council does not fully deliver the new strategy.	<ul style="list-style-type: none"> Failure to deliver Puts greater pressure on services Loss of reputation Response is not co-ordinated corporately Ineffective use of resources Opportunities missed 	Head of Strategy and Programme Management

Risk No	Council Priority	Likelihood	Impact	Change	Risk Score	Short name	Vulnerability	Trigger	Consequence	Ownership
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
	Effective programme and performance management of the development and rollout of new strategy and refresh of carbon management programme. Resource requirements built into strategic priority plans.						Environmental Strategy Manager		Quarterly	
CR 21	6	3	5	NEW	15	Safeguarding children and vulnerable adults	Safeguarding responsibilities not embedded throughout the council. Impact of cuts on care services	Critical incident Reduced service provision	<ul style="list-style-type: none">Vulnerable adults and children at greater risk of exclusion or harm	Director of Regeneration and Development
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
	Safeguarding children policy and procedures in place and reviewed annually through safeguarding children's officer group. Safeguarding compliance self assessment improvement plan being implemented. Draft safeguarding vulnerable adult policy and procedures has been prepared.						Safeguarding children - Head of local neighbourhood services Safeguarding vulnerable adults - Tenancy support manager		Quarterly	
CR 17	4-6, 10-12	2	5	↔	10	Contract management	The council has a number of key contracts – eg with Steria and Fountains Environmental Services – which require strong, consistent procurement and client management.	Key contracts not managed effectively and key objectives not achieved.	<ul style="list-style-type: none">The council doesn't get value for money from the contractsBenefits of contract not realisedConstant negotiation around the contractSpecification not adhered toServices not provided at an acceptable levelCustomer and staff complaints	Director of Regeneration and Development
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
	Management restructure is focused on contract management in relevant areas. Clarity over responsibility and a team established for contract enforcement - governance structure behind each of contracts. Learning and development needs of contract managers have been assessed and a programme is now in place to meet these needs. The contract governance of the 'direct works' contracts will be reshaped when the interim contracts have been let.						Head of Citywide Services and Head of Housing Property Services Learning and Development Manager Head of Procurement and Service Improvement		Direct Works Board and Strategic Board review quarterly Quarterly Quarterly	

Risk No	Council Priority	Likelihood	Impact	Change	Risk Score	Short name	Vulnerability	Trigger	Consequence	Ownership
CR 20	All	2	5	NEW	10	Level of reserves	The council has a legal duty to ensure it has a prudent level of reserves to conduct its business	Reserves fall below acceptable levels	<ul style="list-style-type: none">Government interventionImpact on reputation of the council	S151 Officer
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
							Head of Finance		Quarterly	
CR 19	12	3	3	↔	9	Fraud	Poor internal controls lead to fraudulent acts against the council, resulting in losses	Failure in internal control Discovery of fraudulent acts Allegations received	<ul style="list-style-type: none">Loss of income or assetsAdverse public opinionEffect on use of resourcesIncreased costs of external auditCost of investigation and rectifying weaknesses	S151 Officer
	Action/controls and other mitigation						Responsibility for Action		Review Frequency	
	Internal audit, fraud and corruption policy, Payment Card Industry security assessment to protect card payments, National Fraud Initiative, fraud team, whistleblowing policy and prosecution policy						Head of Finance		Quarterly	