CORPORATE RISK REGISTER

Audit and Governance Committee 7/12/16

						Inherent Risk				Residual Risk							
	Details of Risk								**Key Controls**				**Actions**				
Risk No.	Risk Description	Trigger	Result	Owner	Probability	Impact	Score		Key Controls	Probability	Impact	Residual Score	Actions	Action Owner	Target Date	Revised Target Date	Action Status

A. CUSTOMER PERSPECTIVE

Risk No.	Risk Description	Trigger	Result	Owner	Prob	Imp	Score	Key Controls	Prob	Imp	Res Score	Actions	Action Owner	Target Date	Revised Target Date
A1	Lack of capacity to fully resource the demand for services in respect of children and adults.	1. Significant increase in the numbers of children and adults requiring services. 2. Increased demand for services arising from increased financial and social pressure on individuals, families and communities. 3. Increasing demographic pressures regarding adults with complex needs creates continued pressure on the care budget. 4. The Council does not have appropriate staff resources with the right skills and experiences to deliver Council priorities. 5. Sudden increase in population in one area due to large building development. 6. National / Local tragedy. 7. Budgetary pressures and reducing finances. 8. Impact of revised CQC regulatory and inspection regime. 9. Lack of 'affordable' Adult Care Home Placements (i.e. Homes which do not levy a top-up). 10. Impact of Minimum Wage / Living Wage. 11. Better Care Fund, health and social care integration by 2020,	1. Inability to cope with demand and increased safeguarding risk. 2. Client dissatisfaction, complaints. 3. Reputational damage to the Council. 4. Regulatory criticism. 5. More Providers potentially not meeting required standards, thus resulting in restrictions on supply of services. 6. Additional budgetary impact on the Council. 7. Additional budgetary impact on the Council / Potential for Provider Failure. Care Home closure have already arisen and we have a number of homes rated as inadequate. Seeing an increase of third party top ups being applied leading to unmanaged cost increase. Care sector unable to recruit staff and sustain delivery. Reduced ASC budget due to assumed transfer of BCF funding notbeing provided by health leading to a £6m shortfall in ASC budget	DSCH	4	4	16	1. Regular audits of assessment processes and the use of trend data to identify children's needs at the earliest stage. 2. Other safeguarding measures in place to identify service users and close liaison between multi agency partners to help manage any unanticipated increase in need. 3. Linkage with Business Planning process with Council commitment to protecting the vulnerable. 4. Placements Strategy / Turning the Tap Commissioning approach. 5. Identification of resources requirements within budgetary process and/or when significant need arises. 6. Application of Council Permanence Policy (Children's services) 7. Ongoing review of services to be commissioned with considerations of budgetary position. 8. Regular communication with CQC / Monitoring of Services / Maintaining market oversight information. 9. Market oversight and assessment of demand and supply. Review of Market position statement and development of market facillitation strategy. 10. Joint working with other Local Authority Finance Departments to fully assess potential impacts / Understanding of potential impacts on individual providers / Reviewing of Services with potential to re-negotiate and re-commission contracts. 11. Independent Inspection / Regulation (Ofsted) Performance management of the budget, utilising underspends to resoucre shortfall.	3	4	12	1. Embed and extend the audit process	HoCSC	Feb-17	
												2. Multi-agency panels enable commissioners of services to consider and plan to meet needs jointly and agree funding.	DSCH	TBC	
												3. Utilise information from Joint Strategic Needs Assessment (JSNA) to target services in Adult Social Care and Children's Services and inform commissioning.	DSCH	TBC	
												4. Implementation of Eligibility Criteria for Children's Social Work services.	DSCH	TBC	
												5. Maintain communications with CQC / Monitoring contracts. Instagate a quality review and work with those providers that require support to improve service delivery.	HoCSBI	TBC	
												6. Maintain market oversight / Analysis work relating to the cost-of-care / Liverpool City Region & Health joint working on monitoring quality and performance of services.	HoCSBI	TBC	
												7. Forecasting work in conjunction with other Local Authorities / Understanding of the cost of care / Service review exercises.	HoCSBI	TBC	
												8. Ensure regular review of budget and implement actions to mitigate against overspends. Particularly relevant for maanaging the impact of BCF shortfall.	HoASC	monthly	Dec-16
												Implementation of Ofsted Improvement Plan (27th June 2016)	DSCH	ongoing	

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A2	Failure of the Council's arrangements for safeguarding vulnerable children and adults.	1. Insufficient skilled and experienced staff in Social Care. 2. Instability of social care workforce. 3. Quality Assurance processes fail to identify poor practice. 4. Volume of work exceeds staff capacity. 5. Information not shared effectively between different parts of the safeguarding system. 6. Poor case recording and record sharing. 7. Safer Recruitment procedures not consistently implemented. 8. Inadequate file retention in respect of Goddard Enquiry requirements. 9. Significant data breach 10. National event / tragedy. 11. Historical or current Child Sexual Exploitation case within the Borough.	1. Increased or significant harm to a child or an adult receiving services from the Council and/or harm not mitigated. 2. Reputational damage to Council. 3. Regulatory Criticism. 4. Negative impact upon workforce and ability to recruit. 5. Financial claims against the Council.	DSCH	4	4	16	1. Multi-agency Safeguarding Boards. 2. Safeguarding Procedures, monitored during on-going supervision, and via service quality monitoring arrangements including case file audits and audits undertaken by LCSB/SAB/ASC. 3. Adults Safeguarding Practice Guidance and Procedures in place for Partners and reviewed regularly and are now in the process of being updated as a result of an action identified in the Adults Safeguarding Peer Review. 4. Regular sharing of information with regulating bodies/ NWADASS Sector Led Improvement Peer Review Team, including regulator reviews across Social Care Services. 5. Skilled and experienced safeguarding leads & their managers. 6. Comprehensive and robust recruitment and training and development policies for staff, including safer employment practices and arrangements for induction and ongoing development including case recording. 7. Continuous process of updating practice and procedures, linking to local and national trends, including learning from local and national reviews such as Serious Case Reviews/Safeguarding Adult Reviews. 8. Health and Wellbeing Strategy includes commitment from partners to safeguarding children and young people. 9. Multi agency Safeguarding Adults Board and subgroups in place. 10. Adult and Children's Safeguarding training strategy. 11. Complaints process informs practice. 12. Children's Social Care Performance Management system. 13. Robust challenge and partnership engagement through the LSCB / Annual Report of the LSCB. 14. Multi Agency Child Sexual Exploitation (MACSE) Panel meets fortnightly to discuss all children and young people considered to be at risk of or experiencing child sexual abuse. 15. Referrals of child protection concerns via the Multi Agency Safeguarding Hub (MASH) and Multi Agency Children Sexual Exploitation (MACSE) Safeguarding plans as appropriate. 16. LSCB Child Sexual Exploitation Partnership Pathway to co-ordinate multi-agency work to identify child sexual exploitation and awareness raising of Pathway across the Borough. 17. Co-ordination of Child Sexual Exploitation (CSE) intelligence by CSE Business Officer Analyst.	3	4	12	New chair recruited following resignation of previous chair. Liverpool City Region Safeguarding Adults Board under development. Quality reviews of case files commenced for adults bringing them in line with good practice progress will be monitored to ensure findings are fed into service development	TW TW	Apr-17 Apr-17		

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									18. Implementation of Information Asset management policies and procedures.								
									19. Targeted resource within ASC relating to Safeguarding Adults.								
									20. Independent Inspection / Regulation (Ofsted)				Implementation of Ofsted Improvement Plan (27th June 2016)	DSCH	Ongoing		
A3	The quality, responsiveness, standard and outcomes of outsourced services fails to meet Sefton Council requirements and contract compliance.	1. Contractor resources available to support SMBC are reduced as contractor expands its customer base.	1. Support services to SMBC are not provide in a timely, accurate and professional manner.	HoCS	4	4	16		1. Contract requirement in place relating to overall Governance - formal work groups and contract monitoring via monthly performance reporting.	3	4	12	1. Ongoing monitoring of compliance and performance.	CFO	Ongoing		
		2.Failure to manage contractor service delivery to SMBC.	2. Inaccurate & late submissions Government returns - penalties and loss of subsidy to Council.						2. Programme Management arrangements in place to monitor and move forward work streams.				2. Monitoring of commissioning of contractor to implement second data centre for business continuity and disaster recovery.	CFO	Ongoing		
		3. Lack of contractor expertise in technical requirements.	3. Service failures						3. SMBC performance management arrangements.				3. Monitoring via ICT Working Group, Joint Project Board and FISOB	CFO	Ongoing		
		4. Significant ICT failure or outage (i.e. loss of primary data centre, sustained unavailability of systems.)	4. Services need to revert to non-ICT delivery methods; may not have access to key data.						4. Contractor performance management team.					CF0	Ongoing		
		5. Non-compliance with Government and industry standards	5. Potential for financial penalties and suspension of key services						5. Contractor contact in place and regularly reviewed in detail.								
									6. Failures and incidents reported and escalated when required.								
									7. Any issues etc. reported from Council Services, Stakeholders, Public & Elected Members are reviewed and escalated for action when required.								
A4	Failure to deliver in respect of the integration agenda (Better Care Fund).	1 Failure to operate in accordance with Section 75 agreement.	Financial / reputational loss arising from ineffective working practice, and potential legal challenges.	DSCH	4	4			1 Governance arrangements established via the Health & Well Being Board.	3	3	9					
		2 Failure to achieve performance targets.	Loss of BCF funding	DSCH					2 Budget monitoring and reporting in accordance with governance framework.				Ongoing monitoring via the Health & Well Being Board.	DSCH	Ongoing		

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A5	Failure to transform Council services.	1. Lack of leadership, innovation, capacity and financial investment to transform services.	1. The Council is unable to develop and deliver agreed prioritised change initiatives which will impact on the delivery of approved savings and fails to meet statutory responsibilities or budget targets.	HoSS	3	4	12	1. Council and partners to agree a Vision Outcomes Framework	3	3	9	The Council has led on developing a new and exciting vision for the future of the borough. Working closely with partners, businesses, private sector organisations, the voluntary, community and faith sector and the wider Sefton community, the aim is to focus on what is important and to be ambitious for the borough and its communities in the future. 17th November 2016 Council will consider the Vision and Outcomes Framework will guide long term planning - helping to collectively stimulate growth, prosperity, set new expectation levels and to help focus on what is important for Sefton.	HoSS & Head of Comm Supp	Nov-16		In progress
		2. Failure to develop a prioritised range of initiatives to the Council's improvement and efficiencies agenda.	2. Adverse effect on delivery of outcomes for communities.					2. Consistent Change & Project Management techniques overseen by Project Boards.				Alongside this the Council is developing a major change programme to enable the Council to be sustainable and fit for the future, Underpinning this the Council will implement a Performance framework.	HoSS & Head of Comm Supp	Feb-16	Apr-17	
		3. Ineffective monitoring of implementation of change.	3. Adverse reputational impact upon the Council.					3. Project Governance including quality assurance processes and maintenance of Project Risk Registers.				2. Communications Framework to be updated once Vision Outcomes Framework has been considered by Council.	HoSS & Head of Comm Supp	Feb-16	ongoing	
		4. Council culture does not facilitate the required speed of change to deliver change.	4. Intended benefits from project initiation are not realised.					4. Effective communication plans and reporting of Transformation projects to Boards, SLB / Cabinet Members/ Cabinet within existing Council decision making frameworks				3. Embed quality assurance and performance culture across Council.	SLB	ongoing	ongoing	
		5. Transformation projects do not align with the strategic direction and objectives of the Council.						. Benefits realisation is effectively tracked through the life of each project.				4. Continue to embed One Council .	SLB	ongoing	ongoing	
								6. Post Implementation Reviews are undertaken								
								7. Clear ownership in the delivery of change								
A6	Failure to manage sufficient fuel stocks to enable normal fleet operation and also to operate in emergency situations	Diesel stocks reduce to a level whereby standard fleet operation is not possible.	Council unable to undertake a number of functions including street cleansing, refuse collection, recycling, coastal protection.	HoLSP	4	4	16	Management of fuel stock via automated and manual control mechanisms and systems	2	3	6	Expand existing storage and fuel management systems at Hawthorne Road Depot to provide a capacity of 45,000 litres	HoLSP	May-17		
								Implementation of storage facilities to allow for continued fleet operation in the event of fuel shortages/rationing.				Install new fuel storage system at Formby Bypass Depot to provide a capacity of 20,000 litres.	HoLSP	May-17		
								Manage fuel delivery and storage system to provide enough fuel for 1 months operation of the Council fleet in emergency situations.				60,000 litres of fuel would be required to deliver all frontline servcies for 1 month. This can be achieved via the storage and operational practices detailed above.	HoLSP	May-17		
A7	Loss or suspension of vehcile fleet 'Operators Licence'	Operators Licence suspended or revoked following random vehicle check by VOSA	The whole Council vehcile fleet would be unable to operate. Hire vehicles could also not be obtained as there would be no Operators Licence in place. Council services would suffer severe disruption.	HoLSP	4	4	16	Ensure that the vehicle fleet is maintained to the required standards in terms of frequency	2	2	4	Council HGV fleet maintained on a six weekly programme in accordance with all DVLA and VOSA requirements.	HoLSP	Ongoing		

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		Operators Licence suspended or revoked following major accident or incidnet involving a Council vehicle following which it is proved that the vehicle was defective or unraodworthy.						Ensure that the Councils vehicle maintenace section is suitably qualified and experienced to deliver necessary outputs.				Maintain ongoing accreditation and inspection regimes by VOSA.	HoLSP	Ongoing		
												Achieve and maintain the highest 'green' category of accreditation by VOSA and DVLA.	HoLSP	Ongoing		
A8	Failure to monitor, secure and protect Council facilites and Schools from intruders, dmage, theft or fire	Fire alarm triggered at Council facility and not acted upon.

Council facilities not protected by suitable alarm systems. | Severe damage to, or total loss of facility. Service disruption. Loss of reputation.

Increased insurance premiums. Lack of insurance cover. Risk to facility and reputation. | HoLSP

HoLSP | 4 | 5 | 20 | Continuous 24 hour operation of BS5979 Alarm Receiving Centre

Mobile Patrol Service able to respond to any incident 24 hours a day

Provision of Gold Standard services accredited by the National Securtities Inspectorate for fire alarm, intruder alarm, and CCTV system design, installation and maintenance. | 2 | 2 | 4 | Maintain accreditations from a variety of national bodies.

Ensure that all systems at any Council facility meet the necessary standards to provide the maximum lelvel of protection. | HoLSP

HoLSP | Ongoing

Ongoing | | |
| A9 | Failure to meet partner expectations - greater role as facilitator and enable rather than direct delivery | 1. Significant increase in partners requiring services.

2. The Council does not have appropriate staff resources with the right skills and experiences to deliver Council priorities. | 1. Inability to cope with demand and increased risk or poor service delivery.

2. Partner dissatisfaction, complaints.

3. Reputational damage to the Council. | HoH&R | 4 | 4 | 16 | 1. Key account management of partners.

2. Skilled and experienced staff | 3 | 4 | 12 | | | | | |
| | **B. FINANCIAL & RESOURCES** | | | | | | | | | | | | | | | |
| B1 | Inability to deliver the planned savings and efficiency targets within the two year financial plan. | 1. Failure to deliver the two-year plan and achieve required efficiency savings and service transformation.

2. Assumptions in existing two-year Plan regarding the wider economic situation are inaccurate.

3. Organisation not sufficiently aligned to face challenges. | 1. The Council is unable to achieve required savings and fails to meet statutory responsibilities or budget targets.

2. Need for reactive in year savings.

3. Adverse effect on the delivery of outcomes.

4. Adverse impact on the Councils reserve position | CE /CFO | 5 | 4 | 20 | 1. Robust service planning; priorities cascaded through management teams and through appraisal process.

2. Strategy in place to communicate vision and plan throughout the Council.

3. Effective Performance Management arrangements.

4. Governance Framework to manage Transformation agenda. | 4 | 1 | 4 | Regular budget Monitoring and Reporting is undertaken, to both Senior Leadership Board and Council. | CE/CFO | Ongoing | | |

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								5. Rigorous Risk Management discipline embedded in all transformation programmes / projects, with escalation process to SLB/ Chief Executive.								
								6. Integrated performance and resource reporting monitoring of progress against savings targets.								
								7. Regular meetings with the s.151 officer, Overview and Scrutiny, Cabinet and SLB to track exceptions and identify remedial actions.								
								8. Effective treasury management in place plus ongoing tracking of national and international economic factors and Government policy.								
								9. Prudent use of reserves for minor deviations.								
B2	Ongoing reductions in budget risk the sustainability of the Council and the ability to deliver a secure and robust Budget Plan over the next five years.	1. Failure to have clear political direction, vision, priorities and outcomes of the Council's Strategic Plans. 2. Failure to plan effectively to achieve necessary efficiency savings and service transformation. 3. Failure to identify sufficient additional savings in addition to existing plans, in light of CSR. 4. Worsening Pension Fund deficit. 5. Legislative changes add unforeseen pressures to Council financial position.	1. The Council lacks clear direction for resource use and either over-spends, requiring the need for reactive savings during the life of the plan. 2. The Council spends limited resources unwisely, to the detriment of local communities. 3. The Council level of reserves falls below acceptable levels.	CE / CFO	5	4	20	1. Robust political leadership, strong vision, clear priorities and policies, developed through councillor engagement. 2. Robust engagement with members of SLB and Councillors through the Budget Planning process timetable, to ensure greater cross-organisational challenge and development of options. 3. Full consultation with public, partners and businesses during planning process, including thorough use of data research and business intelligence to inform the planning process. 4. Stronger links with service planning across the Council seeking to transform large areas of spend. 5. Budget / Business Planning process requires early identification of possible impacts of legislative changes, as details emerge.	4	3	12	1. Impact of relevant financial factors and pressures reflected in ongoing review of the Medium Term Financial Plan	CE / CFO	Ongoing		
B3	Failure to contribute towards economic growth reduces Council income (Council Tax and Business Rates), community wellbeing, resilience and prosperity.	1. Poor local economic performance, leading to falling investment and rising unemployment. 2. Slow national economic recovery 3. Reduced relocation of / disinvestment by companies within the borough. 4. Determination of the local business rate.	1.Increased business failures. 2. Reduced business start ups in the borough. 3. Increased unemployment. 4. Lost investment to the borough.	CE/HoIIE	4	4	16	1. Quality of, and access to, Business Support Services in Merseyside, with priority to (re-)investment, exporting and job growth. 2. Regular monitoring of economic data for warning signs. 3. Analysis of informal information from partners and business community. 4. Priority to job-rich sectors in line with the LCR Single Growth Strategy.	4	3	12	1. Monitoring the impact of the Key Controls identified in the Risk Register, and taking corrective action as necessary 2. Complete the Economic Assessment and implement the Economic Strategy for Sefton.	CE/HoIIE CE/HoIIE	Quarterly Jun-17		

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		5. Council appetite for promoting acceptable economic growth. 6. Impact of Brexit						5. Engagement of members with Sefton's economic performance. 6. Sefton's influence over LCR resources including Single Investment Fund 7. Growth Programme to co-ordinate Council activity on growth. 8. Income maximisation plan for business rates 9. Mechanisms to capture social value of all investment and development 10. Action to divert workless residents from high-cost services and towards employment & learning, that will increase personal resilience in the long-term								
B4	The Council does not achieve best value from its commissioning, procurement and contracts.	1. Ineffective procurement processes. 2. Lack of awareness of procurement processes across the Council. 3. Ineffective contract management.	1. Poor value for money. 2. Legal challenge. 3. Wasted time and effort in contractual dispute.	HoComm Supp & BI	4	3	12	1. Council Contract Procedure Rules (CPR) 2. Awareness training on CPR provided to Management teams in 2014/15 3. Effective contract management processes are in place	3	3	9	1. A full review is being undertaken of Procurement Process, Rules and Guidance with changes to CPR reported to Audit & Governance Committee 2. The Council's CPR, commissioning and procurement processes, and staff training will be kept under review to ensure that commissioning and procurement are as effective as resources allow.	HoComm Supp & BI	Dec-16 Ongoing		
B5	Fraud / Irregularity / Staff Misconduct	4 . Attempts to defraud the Council.	4. Financial / reputational / legal costs.	HoCR	5	3	15	1 Regular update & dissemination of relevant policy & procedure 2 Internal Audit	4	3	12	1. Regular review of policy 1. Delivery of audit plan & investigatory review	HoCR CIA	Ongoing Ongoing		
	C. SYSTEMS AND PROCESSES															
C1	Non-compliance with legislative and regulatory requirements.	1. Staff unaware of changes to legislative /regulatory requirements. 2. Lack of staff training. 3. Lack of management review. 4. Information management / data protection / FOI	1. Adverse reports from regulators. 2. Criminal or civil action against the Council. 3. Reputational Damage. 4. Financial Penalties.	HoRC	3	4	12	1. Legal Services robust and up to date with appropriate legislation. 2. Senior Managers brief SLB / members on legislative changes. 3. Monitoring Officer role. 4. Code of Corporate Governance. 5. Community / equality Impact assessments required for budget decisions. 6. Constitutional delegation to Committees and SLB.	2	3	6	1. Code of Corporate Governance to be re-written and agreed by the Audit and Governance Committee.	CIA /HoRC	Ongoing		

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								7. H&S policy and processes. 8. Legal clearance on all published member decisions. 9. Adhoc training for members on specific legislation. 10. Membership of NW Legal Consortium with access to relevant professional training. 11. Development of appropriate courses with the Learning and Development Unit.								

Details of Risk

Actions