

Report of the Acting Corporate Director for Resources

STRATEGIC RISK REGISTER (SRR) Q4 2011/12 UPDATE

1. **REPORT PURPOSE**

- 1.1 This is the Q4 2011/12 (as at March) update of the Council's SRR presenting the progress made in reducing the threat level for each strategic risk from their original position.
- 1.2 At its 2 March meeting Audit Committee selected two strategic risks for more detailed scrutiny; *SR2 - Of the reputation of the city*, and *SR11 - Failure to address medium term financial pressures in a sustainable way*. Risk owners attend to provide more information and respond to questions on selected risks.
- 1.3 With the agreement of the Chair of Audit Committee, the Risk Management Action Plan (RMAP) for SR2 is not included as part of this Update as it is now subject to review. On completion of this work, an updated RMAP will be presented to Audit Committee for consideration.

2. **RECOMMENDATIONS**

Audit Committee is recommended to:

- 2.1 Consider the strategic risk *SR11 - Failure to address medium term financial pressures in a sustainable way* (**Appendix 1**) for more detailed review following its selection by Audit Committee at its 2 March meeting.
- 2.2 Consider and critically appraise the progress made on reducing the seriousness of the Council's strategic risks as reflected by their threat levels and Direction of Travel (DoT) for Q4 2011/12 (**Table 1** and **Appendix 2**).
- 2.3 Note the results of the review of the SRR by CLT.
- 2.4 Select a number of strategic risks from **Appendix 2** for specific scrutiny as part of the SRR Q1 2012/13 Update. Selection might be based on the time elapsed since the risk was last reviewed, changes in the risk's Threat Level (or DoT) or relevance to current local or national matters of interest or concern.

3. **REASONS FOR CONSIDERATION**

- 3.1 The Audit Committee's key risk management role is to provide assurance on the adequacy of the Council's Risk Management Framework and the associated control environment by reviewing the mechanisms for assessing and managing risk. Part of this responsibility is to ensure active risk management is undertaken by relevant managers. This report presents the latest CLT review of the strategic risks faced by the Council.

4. THREAT LEVEL REDUCTION PROGRESS

4.1 Progress in reducing the seriousness of our strategic risks is assessed by a combination of each risk's overall threat level and its Direction of Travel (DoT). This rounded assessment gives a clearer picture of progress in reducing the risk threat level. Table 1 (below) lists the risks in the SRR and presents for each the most recent change to the overall Threat Level and DoT.

4.2 Overall progress continues in reducing the threat levels of the strategic risks we face, with several risks in the SRR assessed by risk owners as improving, stable or at target. However, 9 risks are red rated reflecting a range of delivery pressures and challenges the Council has to respond to.

4.3 For the 17 strategic risks within the SRR:

- 4 strategic risks are now at target;
- *SR27 - Failure of Workplace Parking Levy to raise sufficient income to meet NET Phase Two funding requirements*, has shown a significant reduction in threat level on quarter 3;
- 3 strategic risks show an improved DoT.

4.4 **Table 1** shows the strategic risks ranked in order of Threat Level and DoT (highest to lowest Threat Level):

TABLE 1: Risk Threat Level & DoT in rank order at Q4 2011/12			
SR No.	Strategic Risk Description	Threat Level	DoT (Q3-Q4)
Red rated strategic risks			
19	Failure to deliver Council Plan priorities	16	↔
26	Failure to support Nottingham citizens and communities to cope with welfare reforms	16	↔
6	Failure to safeguard vulnerable children	15	↓
11	Failure to address medium term financial pressures in a sustainable way	12	↔
1	Failure to implement harmonised pay, grade & terms & conditions	12	↔
10	Failure to maintain good standards of governance	12	↔
12a	Failure to provide the best educational outcome for children and young people	12	↔
14	Failure to deliver culture change	12	↔
3	Failure to mitigate the impact of the economic climate on Nottingham City and its citizens	12	↓

TABLE 1: Risk Threat Level & DoT in rank order at Q4 2011/12 (continued)			
SR No.	Strategic Risk Description	Threat Level	DoT (Q3–Q4)
Amber rated strategic risks			
2	Of the reputation of the City	9	↔
8a	Failure to implement and embed effective information management structures, policies, procedures, processes	9	↓
27	Failure of Workplace Parking Levy to raise sufficient income to meet NET Phase Two funding requirements	12 to 9	↓
5a	Failure to safeguard vulnerable adults	8 At target	↔
7	Failure of NCC's contribution to reduce crime and the fear of crime	8 At target	↔
16a	Failure of partners including the City Council to work effectively together	8 At target	↔
25	Failure to deliver improved outcomes through the Commissioning Framework	8	↔
24	Failure to ensure effective systems are in place to manage health and safety risks	6 At target	↔
Green rated strategic risks – There are no green rated risks at Q4.			

DoT key: ↓ Reducing Threat Level ↔ Stable Threat Level ↑ Increasing Threat Level

Appendix 2 identifies individual risk owners, detailed risk threat level assessments between May 2011 (Q1 2011/12) and March 2012 (Q4 2011/12) and the projected dates when target threat levels will be achieved.

4.5 Review of new, emerging and existing SRR risks

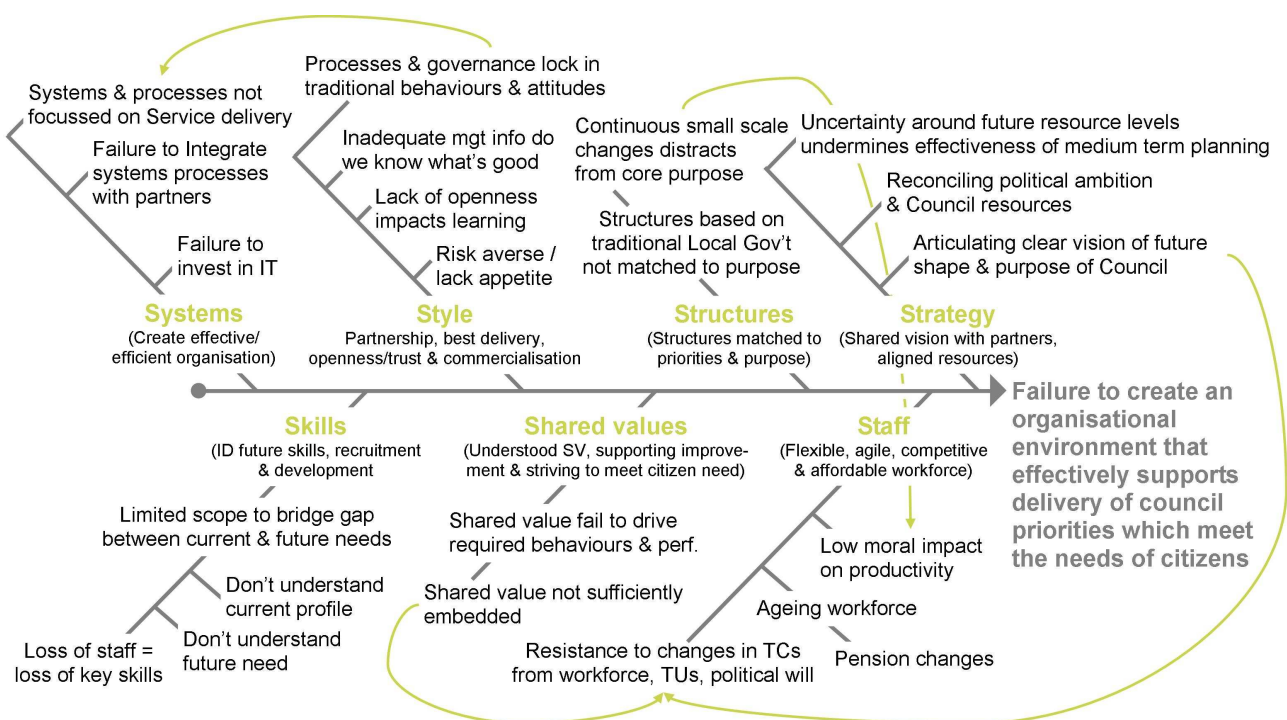
SR2 - Of the reputation of the City: This risk has been represented on the SRR for more than three years. At the 2 March meeting, Audit Committee selected the risk for review as a deteriorating direction of travel had been reported. The selection of the risk by Audit Committee for review, coupled with the time elapsed since this risk was last reviewed by the service has prompted more fundamental consideration of the management of reputational risk. With the agreement of the Chair of Audit Committee, the RMAP for SR2 has not been included, but will be presented as part of future SRR Updates once the work has been completed.

SR7- Failure to reduce crime levels and the fear of crime and anti-social behaviour entered the SRR in December 2008 assessed as 12. When reported at Q2 the risk had been assessed at 8 for seven consecutive quarters. In response to revised Council Plan priorities, new manifesto commitments and emerging crime and disorder issues from the summer disturbances, the Corporate Director for Communities identified this for review. A review workshop has taken place but further work is required. The update RMAP will be included as part of the SRR Q1/Q2 Updates.

SR11 - Failure to address medium term financial pressures in a sustainable way: While economic indicators continue to show volatility and the Government continue to maintain their austerity measures, the Chancellors recent Budget Statement does not impact significantly on the Council's medium term financial projections. Information released to date on the Comprehensive Spending Review similarly does not change the medium term projection. Consequently, the overall assessment remains stable at 12 (RMAP included as **Appendix 1**).

SR14 - Failure to deliver culture change and SR19 - Failure to deliver Council Plan priorities. Both these risks have been represented on the SRR for more than three years with the threat level for both remaining above target and red. A review commenced in March to consider the scope of the risks and the effectiveness of mitigations. Initial work undertaken has identified benefits from bringing the two risks together providing a more coherent approach which reflects management accountability. A draft risk description has been prepared SRXX - Failure to create an organisational environment that effectively supports delivery of council priorities which meet the needs of Citizens. A finalised RMAP will be included as part of the SRR Q1 Update.

The following diagram provides an overview of the areas of risk and uncertainty and how they relate to one another.



SR26 - Failure to support Nottingham citizens and communities in minimising any negative impact of welfare changes. At its meeting on the 2 March, Audit Committee received a briefing on risks arising from Welfare Reform changes. The committee expressed interest in understanding how the Council could ensure that those affected by Welfare reform would receive the help and information they needed.

The council's focus for activity is awareness building and where the council is directly responsible for dealing with benefits (for example Housing and Council tax Benefit) and welfare reform changes impact on a household, providing targeted information explaining how and when the changes will happen and where help and support may be available.

To this end the Council has established a Welfare Reform communication group, comprising Nottingham City Homes and other partners drawn from the advice sector, led by Councillor Piper. This group is developing and co-ordinating communication activity in advance of each phase of the Welfare Reform changes. The primary purpose of the group is to ensure that households affected by benefit changes access the correct benefit and welfare reform expertise from relevant government agencies.

Gauging the effectiveness of the Council's communication and awareness raising activity is a consideration for the group. However, given that many welfare reform changes require households to contact agencies directly, assessing the effectiveness will be extremely difficult. Currently the Council receives summary data on benefit claimants, but don't hold individual records needed to properly analyse the potential effects of all of the changes for individuals. While Job Centre Plus and the DWP hold detailed information it is rare that they provide detailed analysis beyond their standard outputs.

SR-27 - Failure of Workplace Parking Levy to raise sufficient income to meet NET Phase Two funding requirements: This risk entered the SRR at Q1 2011/12 focussed on the ability of WPL to raise revenue (on average £14m p.a. over the 25 year life span of the PFI) to meet the Council's contribution to the NET Phase Two, HUB and Link Buses projects. The scheme is now live and charging commenced in April. Previously a constituent risk had been identified of employers reducing the number of places prior to the introduction of charging. A renewal campaign implemented in January 2012 to encourage employers has contributed to over 99% of employers renewing their licence at 1 April.

Threat levels relating to non-compliance have significantly improved, although constituent risks regarding displaced parking, accuracy of survey estimates for parking places and relocation of business outside the city are still assessed as above their target threat levels. Despite this, the overall threat level has improved from 12 to 9.

New risk - "Failure to ensure a financially sustainable adult social care system is in place able to respond to the significant increase in demand for care and at the same time protects our most vulnerable citizens": A programme has been developed bringing together significant change activity across the area of adult social care with the aim of ensuring ongoing financially sustainable adult social care. Work has taken place to identify constituent risks, threat assessments and management actions to the above risk.

Further work is planned for April & May to engage a wider group of stakeholders in this work. A completed RMAP will now be presented to CLT as part of the SRR Q1 Update for consideration of the risk for inclusion to the SRR.

5. FUTURE AUDIT COMMITTEE RISK REVIEWS

- 5.1 The provision to select strategic risks for review allows Audit Committee to direct attention to areas of risk considered potentially significant to the Committee's operations and remit. The Audit Committee is invited to select two strategic risks from **Appendix 2** for more detailed examination in the SRR Q1 2012/13 Update.

6. FINANCIAL IMPLICATIONS

- 6.1 There are no direct financial implications arising from this report. Actions to mitigate identified constituent risks are contained within the RMAPs. These actions will be positioned within the Council's Corporate Directorate and Strategic Service Plans and, as appropriate, inform the medium term service and budget planning process.

7. RISK MANAGEMENT ISSUES

- 7.1 These are dealt with throughout the report.

8. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

- 8.1 The following background papers were referred to in preparing this report:
- Quarter 4 2011/12 Strategic Risk Management Action Plans.

9. PUBLISHED DOCUMENTS REFERED TO IN COMPILING THIS REPORT

- 9.1 The following reports were referred to in preparing this report:
- SRR Q3 Update reported to Audit Committee 2 March 2012.

APPENDICIES

Appendix	Description
1	RMAP SR11 - <i>Failure to address medium term financial pressures in a sustainable (strategic risk for review)</i>
2	Nottingham City Council Risk Register - Report Summary

Sponsoring Corporate Director

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SR11 - Failure to address medium term financial pressures in a sustainable way

		Impact				
		Negligible (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Likelihood	Remote (1)	1	2	3	4	5
	Unlikely (2)	2	4	6	8	10
	Possible (3)	3	6	9	12	15
	Likely (4)	4	8	12	16	20
	Almost certain (5)	5	10	15	20	25

Owner:	DCEX/CD for Resources	Completed by:	Dir Strategic Finance	Date Completed:	April 2012	Next Review Date:	June 2012
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Overall Risk Summary

Previous (Q3 2010/11)				Latest (Q4 2011/12)				Target (Mar 2011)			Overall Risk Mitigation Effectiveness (Adequate, Yet to secure improvement, Inadequate)
L'hood	Impact	L x I	DoT	L'hood	Impact	L x I	Dot	L'hood	Impact	Lxl	
3	4	12	↔	3	4	12	↔	3	2	6	YET TO SECURE IMPROVEMENT

Constituent risks under risk management:

Risk Ref:	Constituent Risk Description	Opening Threat Level (Lxl)	Previous Threat Level (Lxl)	Latest Threat			Direction of Travel (DoT) (Stable ↔ Improving ↓ Deteriorating ↑)	Target Threat Level (Lxl)
				L	I	Lxl		
1	General grant levels reduce and/or fail to rise in line with actual pressures		5x4=20	5	4	20	↔	3x3=9
2	Inflation increases are higher than anticipated in MTFP		4x4=16	4	4	16	↔	3x3=9
3	Income streams are lower than anticipated/budgeted		4x3=12	4	3	12	↔	2x2=4
4	Demand led services experience increases		4x3=12	4	3	12	↔	4x2=8
5	Grant is clawed back		2x3=6	2	3	6	↔	2x2=4
6	Interest rates impact adversely on borrowing and investment		4x4=16	4	4	16	↔	4x2=8

7	Potentially adverse impact of "locked in" investments		2x2=4	2	2	4	↔	2x2=4
8	Genuine pressures are not fully funded within the budget		2x3=6	2	3	6	↔	2x3=6
9	Arrangements for implementation of savings are not sufficiently robust		3x3=9	3	3	9	↔	1x2=2
10	Arrangements for delivery of services on time, to standard & within budget insufficient		3x4=12	3	4	12	↔	2x2=4
11	Financial reporting/forecasting is insufficiently prompt and/or accurate		3x3=9	3	3	9	↔	1x2=2
12	The budget process is not fully aligned with the service planning process		3x3=9	3	3	9	↔	1x 2=2

Current and new management actions acting on risk:								
Risk Ref.	Current management actions in place	Adequacy of action/control to mitigate risk (Effective, Yet to secure improvement, May not be enough)	Additional action / control to mitigations	Responsibility for additional action		Critical success factors of additional actions	Key Dates	
				Owner	Support		Additional action / complete	Progress review frequency
1	<ul style="list-style-type: none"> • Full understanding of how the mechanism works • Engagement in national technical forums • Lobbying activity • Accurate forecasting of grant levels • Widespread awareness of key issues arising from recent presentations to CLT, DF, TN and exec panel • Budget process for 2011/12 progressing. • Provisional Settlement for 2012/13 received in December 2011. Specific grant announcements ongoing. • Future funding levels (including likely annual settlement has been reviewed in the light of the Coalition Government's announcements and global and national economy 	ADEQUATE	<p>Continue to review Coalition Government budget announcement and white papers to identify impact for Nottingham and its partners.</p> <p>Model emerging situation and await CSR and settlement announcements</p> <p>Ongoing lobbying of Government/ministers through Core Cities and SIGOMA in relation to changes to Government on Review of Resourcing.</p> <p>Formula Grant is a one year settlement which will only be impacted by changes in data. Monitor use of data.</p> <p>Ongoing identification and monitoring service pressures and fully cost impact on budget</p>	CME	TK	<ul style="list-style-type: none"> • Grant is in line with predictions or better • 2012/13 grant in line with expectations future estimates 'settlement' built into MTFP . • Review further announcements • Executive Board considering savings to deliver balanced budget (Jan-Feb) • Council to set budget in March 2012. • Work with SIGOMA and Core Cities into local Government Resource Review. • 5 year grant projections included in MTFP modelling • 30 year model for HRA demonstrates affordability within projected rental income. • 10 year model for capital. • Robust risk assessment as part of the budget setting process. 	31.3.13	<p>Annual as part of the MTFS</p> <p>Ongoing review of statements from the Government</p>

	<ul style="list-style-type: none"> • Service pressures identified and where known these have been built into future years projections 							
2	<ul style="list-style-type: none"> • Availability of detailed inflation trend data • Availability of forecasting data • Ability to cost impact • Built understanding of trends and actual pressures with key cllrs (see above) • Major focus on accurate funding of inflation pressures 	ADEQUATE	<ul style="list-style-type: none"> • Ensure evolving issues are immediately reflected in budget papers and MTFO projections. 	CME	TK	<ul style="list-style-type: none"> • Inflation continues to be understood and accurately reflected in the budget • Latest GDP inflator, Government estimates included in MTFO projections. • Specific areas identified where they are materially different to GDP inflator and estimates based upon best available market information. • Sensitivity analysis undertaken as part of the budget process 	Ongoing	Monthly in current climate
3	<ul style="list-style-type: none"> • Understanding of national funding mechanisms is sound • Budget process requires accurate budgeting and sensitivity analysis. • New process for reviewing fees and charges has been used. • All briefings to finance staff, managers and members have made this point very clear. • Quality control activities embedded within the budget process. 	ADEQUATE in many aspects but overall YET TO SECURE IMPROVE-MENT	<ul style="list-style-type: none"> • Ensuring new process for reviewing fees and charges is universally used • Learning used to inform updated MTFS and budget process for future years. • Income Generation focus within the Big Ticket transformation 'commercialisation' • Evaluation of impact of LGRR and other 	CME	TK GW GW GW	<ul style="list-style-type: none"> • Accurate sensitivity analysis to inform the financial risk assessment • Adequate general reserves and contingency to manage adverse cash flows. • Accurate 2011/12 base budget. • Sound projection for 2012/13onwards • Funding notifications from central Government are not materially different from evaluations and assumptions 	22.12.12 ongoing	Income streams reviewed as part of the Budget 2012 process. Income streams monitored as part of monthly financial monitoring.

	<ul style="list-style-type: none"> • Process requires action plans to reduce cost in line with reduced income. • Sensitivity analysis is undertaken to identify the scale and scope of risks • Budget proposals to be presented to Executive Board January 2012. Budget approved by Full Council March 2012 • Focus on income generation in Budget 2011 		national changes in funding streams					
4	<ul style="list-style-type: none"> • Regular monitoring and forecasting reveals where demand led pressures arise. • Management action is being undertaken to mitigate the pressures. • The 2011/12 budget sought to understand and fund pressures and issues were considered for funding through the Strategic Choices process. • Monitoring considered by CLT with actions arising. • 2011/12 shows a level of overspend which has been significantly reduced through mgt action – building on previous track record. 	ADEQAUTE in many aspects but overall YET TO SECURE IMPROVE-MENT	<ul style="list-style-type: none"> • Ensuring the new budget process is universally followed. • Risk assessments and sensitivity analysis is undertaken in all demand led areas before budget setting is finalised. • Forecasting is done on a monthly basis and reported within 2 – 4 weeks of month end. • Management action in response to 2011/12 is both robust and effective. • Long range demand forecasts need to be more robust.. 	JT CME CME JT > JK & IC IC & JK	CME TK TK All CDs	<ul style="list-style-type: none"> • Budget process is universally followed. • Risk assessment is accurate and robust and used to inform levels of contingencies and reserves. • Forecasting is accurate and prompt. • Robust mitigating action is undertaken immediately issues are identified. • MTFO projections include £6-7m pa (last 3 years average) for as yet 'unknown' pressures in future years. 	Ongoing	Monthly and in detail as part of the budget and service planning process.

	<ul style="list-style-type: none"> • Risk assessments and sensitivity analysis undertaken on key budget areas • High visibility on financial management and variation. 							
5	<ul style="list-style-type: none"> • Grant instructions are used to administer grants • Qualified accountants and service experts are involved in spending and administering grants • Internal and external audit scrutiny 	ADEQUATE in many aspects but overall YET TO SECURE SUSTAINED IMPROVEMENT	<ul style="list-style-type: none"> • Audit outcomes and findings have identified areas for further improvement in some areas and an action plan is being developed to address system weaknesses • Response to any more in-year grant related announcements 	CME	TK Relevant Directors	<ul style="list-style-type: none"> • Current arrangements continue to be adopted. • Full understanding of impact of accountability body status by those involved. • Only very minor grant amendments produced as part of the annual accounts. • Review of Audit Commissions annual grant report and lesson learnt fed back to Audit Committee. • Considered as part of the budget risk assessment 	30.09.12	Annual as part of final accounts
6	<ul style="list-style-type: none"> • Greater focus on interest rates levels and trends • Ability to cost the impact of such changes • Clear TM strategy balancing risk with returns • Greater awareness and understanding of TM in the wake of global economic issues • Accurate figures are to be used in setting the 2012/13 budget 	ADEQUATE	<p>Review of TM strategy in the light of prevailing issues.</p> <p>NET business plan includes sensitivity analysis on impact of interest rates in relation to building line 2</p> <p>Council employs external advisors to provide support in decision making process.</p>	CME	TK	<ul style="list-style-type: none"> • Continue to appropriately balance risk with opportunity and the organisation does not become unduly risk averse. • Monitor and respond to interest rate trends. • Considered as part of the budget risk assessment 	Jan Council ongoing	Review TM strategy quarterly in current economic situation

	<ul style="list-style-type: none"> • Regular monitoring and reporting in place <ul style="list-style-type: none"> • New TM strategy was approved by Exec Board and full council • Regularly updated to take into account market variations • Budget adjusted to take account of changed interest environment. • 2011/12 TM budgets proving to be robust. • New strategy is increasing interest achieved in 3rd and 4th quarters. 							
7	<ul style="list-style-type: none"> • Successful outcome of court action • Understanding of potential range of impact based on various scenarios. • Arrangements in place to mitigate on the MTFP. • Engagement with LGA and national government is seeking solutions • LGA approach to litigation. • CIPFA issued guidance on impairment. • Increasing values are being returned in 	ADEQUATE for 2011/2012	<ul style="list-style-type: none"> • Greater certainty of likelihood of extent and timing of return • Access to supported borrowing 	CME	TK	<ul style="list-style-type: none"> • Return of funds • Access to supported borrowing (or alternate mechanism of similar impact) • Success of actions of LGA and its agents in defence against appeal. • Securing reserves to meet any potential shortfall. • Considered as part of the budget risk assessment and in establishing the level of contingency. 	ONGOING	Positive outcome of court action

	<p>tranches.</p> <ul style="list-style-type: none"> • Continue to work with LGA in relation to the litigation. 							
8	<ul style="list-style-type: none"> • Budget process enables easy identification of pressures. • All briefings have made clear the importance of accurate budgeting • Monitoring, forecasting and reporting arrangements in place going forward • Budget process concludes with these key principles intact 	ADEQUATE	<ul style="list-style-type: none"> • Embracing the process and accepting importance of accurate budgeting • 2012/13 budget proposal includes updated risk assessed pressures. 	CME	TK	<ul style="list-style-type: none"> • Budget 2011 is as successful as previous years and further continuous improvement is evident • Executive Board to consider pressures and provide appropriate resources within budget proposals, Council approve budget (March 2012) • No unfunded emerging pressures emerge that cannot be accommodated from within mainstream council resources 	Ongoing	Monthly monitoring going forward
9	<ul style="list-style-type: none"> • Every saving has been worked up in detail and evaluated • Named individuals are aligned with each saving • Accountability letters are despatched making accountabilities clear • Regular monitoring and reporting to DLTs, CLT and Exec Board • Performance management is now higher profile. • Culture change and restructuring within the finance service • Accountability letters issued to managers for 	ADEQUATE in part but overall YET TO SECURE IMPROVEMENT	<ul style="list-style-type: none"> • The culture of delivering services on time, to standard and within budget is universally embraced. • Mitigating action is taken promptly to address arising issues. • The extent and nature of the savings package continue to be demanding • Ensuring all managers + operate in the spirit of the requirements of the accountability letters. • Robust challenge in 	JT/CME	All	<ul style="list-style-type: none"> • Budget process concludes with these principles intact • Accountability letters returned in April 2012. • Tracking forms despatched and completed quarterly and reported to CFO and CLT • Regular and prompt mgt action takes place going forward 	<p>31.3.13</p> <p>20.04.12</p> <p>30.06.12</p> <p>ongoing</p>	<p>Quarterly</p> <p>Progress tracked quarterly (more frequent for high risk areas)</p> <p>ongoing</p>

	<p>2011/12 budget, pressures and savings etc.</p> <ul style="list-style-type: none"> Improving track record of savings delivery in areas where previously this was not the case. Remedial action is taken for any that are delayed/difficult to implement 		<p>relation to the deliverability of savings proposals as part of the budget process.</p> <ul style="list-style-type: none"> Development of the big ticket-themed approach to ensure a more holistic set of proposals. 					
10	<ul style="list-style-type: none"> The MTFS is very clear on the required standards Accountability letters to individual senior managers reiterate those responsibilities and notify the budgets Leadership of CLT on this requirement is clear 	<p>Overall ADEQUATE but in some areas YET TO SECURE IMPROVEMENT</p>	<ul style="list-style-type: none"> Emerging pressures in adults and children's successfully addressed Medium term trend forecasting is accurate and sensitivity tested. Service planning process. 	JT > All CDS	All Directors	<ul style="list-style-type: none"> This will be evidenced in the actual year end outturn 	30.06.12	Quarterly reports to board.
11	<ul style="list-style-type: none"> Strategic council wide reports are quarterly and available to the CFO within 3 weeks of period end. Regular reports to CLT and Executive Board Reports go regularly to DLTs 	<p>Overall ADEQUATE But in some areas YET TO SECURE IMPROVEMENT</p>	<ul style="list-style-type: none"> Current year predicted overspends re brought back in line Further system improvements to enable more rapid reporting Culture of delivering within (or under) budget is widespread and embedded 	IC CME JT > all CDs	All Directors TK All Directors	<ul style="list-style-type: none"> Reporting continues to be timely and accurate Action is taken to address identified issues Culture of delivery within budget is embedded Development of improved monitoring and forecasting tools as part of the new ERP system. 	Quarterly Annual ongoing	
12	<ul style="list-style-type: none"> Budget process and service planning are embedded within the CIPPF Budget process is well planned and project 	ADEQUATE	<ul style="list-style-type: none"> Process goes to plan Full engagement of the various stakeholders 	CME	All Directors	<ul style="list-style-type: none"> Budget process is followed by all Engagement continues to be good Development of the 	Ongoing until 31.03.13	Weekly throughout the process

	<p>managed</p> <ul style="list-style-type: none">• Relevant colleagues from the various disciplines work together to maintain the necessary connections.• “Resourcing Nottingham Future” group operational and effective.• New approach to delivering the Nottingham Plan taking account of the financial landscape in place					<p>Leading Nottingham transformation programme.</p>		
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Nottingham City Council Risk Register - Report Summary

Ref.	Risk description	SR criteria							Estimated Threat Level / Seriousness / DoT				DoT	Target Threat Level	Managing Accountability		
		Highest Pri	Corp Mit	Legal	Reputation	H & S	Citizen well-being	Financial	Date threat level & DoT	2011/12					Corp. Director (Risk Owner)	Lead Director or Senior Colleague	
										Q1	Q2	Q3					Q4
SR19	Failure to deliver Council Plan priorities				✓				Date	Jul-11	Nov-11	Jan-12	Jan-12	↔	Sep-11	C. Mills-Evans DCEX/CDR	A. Probert Director HR & Transformation
		Threat Level	16 (4X4)	16 (4X4)	16 (4X4)	16 (4X4)	9 (3x3)										
		DoT	Improving	Stable	Stable	Stable											
SR26	Failure to support Nottingham citizens and communities in minimising any negative impact of welfare changes.		✓				✓		Date	Jul-11	Jul-11	Jan-12	Mar-12	↔	Apr-14	C. Mills-Evans DCEX/CDR	L. Black Head of Revenues, Benefits & Welfare Rights
		Threat Level	16 (4X4)	16 (4X4)	16 (4X4) R	16 (4X4)	9 (3x3)										
		DoT	Stable	Stable	Stable	Stable											
SR6	Failure to safeguard vulnerable children		✓	✓	✓		✓	✓	Date	Jul-11	Oct-11	Jan-12	Apr-12	↓	Oct-12	I. Curryer CD-Ch & Fam	S. Gautam Director Specialist Services
		Threat Level	15 (3x5)	15 (3x5) R	15 (3x5)	15 (3x5)	10 (2x5)										
		DoT	Improving	Improving	Improving	Improving											
SR11	Failure to address medium term financial pressures in a sustainable way		✓		✓			✓	Date	May-11	Oct-11	Feb-12	Apr-12	↔	Mar-11	C. Mills-Evans DCEX/CDR	T. Kirkham Strategic Finance
		Threat Level	12 (3x4)	12 (3x4)	12 (3x4) R	12 (3x4) R	6 (3x2)										
		DoT	Improving	Deteriorating	Stable	Stable											
SR1	Failure to implement harmonised pay, grade & terms & conditions, that are fair to all colleagues & Equal Pay legislation compliant		✓	✓	✓			✓	Date	Jul-11	Oct-11	Jan-12	Mar-12	↔	May-13	C. Mills-Evans DCEX/CDR	A. Probert Director HR & Transformation
		Threat Level	12 (3x4)	12 (3x4)	12 (3x4)	12 (3x4)	6 (2x3)										
		DoT	Stable	Stable	Stable	Stable											
SR10	Failure to maintain good standards of governance		✓		✓			✓	Date	Mar-11	Mar-11	Jan-12	Jan-12	↔	Jul-11	C. Mills-Evans DCEX/CDR	G. O'Connell Director Legal & Democratic Services
		Threat Level	12 (4x3)	12 (4x3)	12 (4x3)	12 (4x3)	6 (2x3)										
		DoT	Stable	Stable	Stable	Stable											
SR12a	Failure to provide the best educational outcome for children and opportunities for young people to access further education and skills training to contribute to the economic wellbeing of the City	✓	✓		✓				Date	Jul-11	Oct-11	Dec-11	Mar-12	↔	Jul-12	I. Curryer CD-Ch & Fam	G. Ellis Director Schools & Learning
		Threat Level	12 (3x4)	12 (3x4)	12 (3x4)	12 (3x4)	8 (2x4)										
		DoT	Stable	Stable	Stable	Stable											
SR14	Failure to deliver culture change		✓						Date	May-11	Nov-11	Jan-12	Jan-12	↔	Apr-11	C. Mills-Evans DCEX/CDR	A. Probert Director HR & Transformation
		Threat Level	12 (3x4)	12 (3x4)	12 (3x4)	12 (3x4)	8 (2x4)										
		DoT	Stable	Stable	Stable	Stable											
SR3	Failure to mitigate the impact of the economic climate on the Nottingham City and its citizens				✓			✓	Date	Jul-11	Oct-11	Jan-12	Apr-12	↓	Apr-12	D. Bishop CD-Dev	J. Yarham Dir Economic Innovation & Employment
		Threat Level	12 (4x3)	12 (4x3)	12 (4x3)	12 (4x3)	9 (3x3)										
		DoT	Stable	Stable	Improving	Improving											
SR2	Of the reputation of the City		✓		✓			✓	Date	Jul-11	Oct-11	Jan-12	Mar-12	↔	Mar-12	J. Todd Chief Exec.	R. Bhattal Head of Corp Marketing P. Choudhury
		Threat Level	9 (3x3)	9 (3x3)	9 (3x3)	9 (3x3)	8 (2x4)										
		DoT	Stable	Stable	Deteriorating	Stable											

Ref.	Risk description	SR criteria						Estimated Threat Level / Seriousness / DoT				DoT	Target Threat Level	Managing Accountability					
		Highest Pri	Corp Mit	Legal	Reputation	H & S	Citizen well-being	Financial	Date threat level & DoT	2011/12				Corp. Director (Risk Owner)	Lead Director or Senior Colleague				
										Q1	Q2					Q3	Q4		
SR8a	Failure to implement and embed effective information management structures, polices, procedures, processes		✓	✓	✓			✓	Date	Jul-11	Oct	Jan-12	Mar-12	↓	Jun-14	C. Mills-Evans DCEX/CDR	M. Gannon Director IT		
								Threat Level	12 (3x4)	12 (3x4)	9 (3x3) R	9 (3x3)			3 (1x3)				
								DoT	Deteriorating	Stable	Improving	Improving							
SR27	Failure of Workplace Parking Levy to raise sufficient income to meet NET Phase Two funding requirements				✓			✓	Date	May-11	Oct-11	Dec-11	Apr-12	↓	Apr-12	J. Kelly CD-Comm	A. Vaughan Dir Neighbourhood Services		
								Threat Level	12 (3x4) N	12 (3x4) R	12 (3x4)	9 (3x3)			6 (2x3)				
								DoT	New	Stable	Improving	Improving							
SR5a	Failure to safeguard vulnerable adults		✓	✓	✓			✓	Date	Jul-11	Oct-11	Dec-12	Dec-12	↔	Apr-11	I. Curryer CD-Ch & Fam	H. Jones Dir Comm Inclusion E. Yardley Dir Access &		
								Threat Level	8 (2x4)	8 (2x4)	8 (2x4)	8 (2x4)			8 (2x4)				
								DoT	Improving AT TARGET	Stable AT TARGET	Stable AT TARGET	Stable AT TARGET							
SR7	Failure of NCC's contribution to reduce crime and the fear of crime	✓	✓		✓				Date	Apr-11	Oct-11	Oct-11	Oct-11	↔	Apr-11	J. Kelly CD-Comm	E. Orrock Comm Safety Exec. Coordinator		
								Threat Level	8 (2x4)	8 (2x4)	8 (2x4)	8 (2x4)			8 (2x4)				
								DoT	Stable AT TARGET	Stable AT TARGET	Stable AT TARGET	Stable AT TARGET							
SR16a	Failure of partners including the City Council to work effectively together to achieve vision and outcomes in the Nottingham Plan to 2020		✓		✓				Date	Aug-11	Oct-11	Nov-11	Mar-12	↔	2014	J. Todd Chief Exec.	C. Richmond Acting Dir Policy Partnerships & Comms		
								Threat Level	12 (3x4) R	12 (3x4)	8 (2x4)	8 (2x4)			8 (2x4)				
								DoT	Stable	Stable	Improving AT TARGET	Stable AT TARGET							
SR25	Failure to deliver improved outcomes through the implementation and embedding of the Commissioning Framework within the directorate, the council and with partners				✓			✓	Date	Jul-11	Oct-11	Jan-12	Jan-12	↔	Apr-12	I. Curryer CD-Ch & Fam	C. Brudenell Director Quality & Commissioning		
								Threat Level	12 (3x4)	8 (2x4)	8 (2x4)	8 (2x4)			6 (2x3)				
								DoT	Improving	Improving	Stable	Stable							
SR24	Failure to ensure effective systems are in place to manage health and safety risks (entered to the register May 2010)			✓	✓	✓		✓	Date	Jul-11	Nov-11	Jan-12	Mar-12	↔	Jul-12	C. Mills-Evans DCEX/CDR	P. Millward Head of Service Emergency Planning		
								Threat Level	9 (3x3)	9 (3x3)	6 (2x3)	6 (2x3)			6 (2x3)				
								DoT	Stable	Stable	Improving AT TARGET	Stable AT TARGET							

DIRECTION OF TRAVEL (DoT):

Improving (reducing) threat level



Stable threat level



Deteriorating (increasing) threat level

