

**To the Chair and Members of the  
AUDIT COMMITTEE**

**STRATEGIC RISK UPDATE FOR QUARTER 1 2014/15**

<b>Relevant Cabinet Member(s)</b>	<b>Wards Affected</b>	<b>Key Decision</b>

**EXECUTIVE SUMMARY**

1. The purpose of this report is to provide an update on strategic risks for Quarter 1 2014/15. The current profile of strategic risks is set out in Appendix A and are reported in order of risk score, highest to lowest, as requested at a previous Audit Committee meeting.

There are 16 strategic risks linked to the Corporate Plan. The risk around the delivery of the LDF has been highlighted for demotion and no new strategic risks have been nominated.

**EXEMPT REPORT**

2. Not applicable

**RECOMMENDATIONS**

3. Members should note and comment on the content of this report.

**WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

4. The embedding of robust risk management arrangements within the Council incorporating the management of strategic risks creates an environment in which we can successfully meet our objectives to deliver Doncaster's priorities and the Mayoral Priorities Outcome Framework.

**BACKGROUND**

5. Due to the importance of the strategic risks the Director of Finance and Corporate Services requested that the quarterly update on strategic risks is presented as a separate report, and not as part of the quarterly Finance and Performance report. This is to ensure that strategic risks are effectively managed in line with the Risk Management Policy.

## OPTIONS CONSIDERED

6. Not applicable

## REASONS FOR RECOMMENDED OPTION

7. Not applicable

## IMPACT ON THE COUNCIL'S KEY PRIORITIES

8.

Priority	Implications
<p>We will support a strong economy where businesses can locate, grow and employ local people.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Be a strong voice for our veterans</i></li> <li>• <i>Mayoral Priority: Protecting Doncaster's vital services</i></li> </ul>	<p>The embedding of robust risk management arrangements within the Council will contribute to the effective delivery of all the Council's key priorities</p>
<p>We will help people to live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Safeguarding our Communities</i></li> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	
<p>We will make Doncaster a better place to live, with cleaner, more sustainable communities.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Safeguarding our Communities</i></li> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	
<p>We will support all families to thrive.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Protecting Doncaster's vital services</i></li> </ul>	
<p>We will deliver modern value for money services.</p>	
<p>We will provide strong leadership and governance, working in partnership.</p>	

## RISKS AND ASSUMPTIONS

9. Consideration of the effective development and operation of risk management within the Council is an important governance and performance management process which helps to reduce risks that could prevent or delay delivery of objectives. The Risk Management Policy includes a requirement to review strategic risks on a quarterly basis and this

is a matter of good management and good governance.

## **LEGAL IMPLICATIONS**

10. Any specific implications will be reported separately and in the context of any initiative proposed to be taken in relation to the management of strategic risk.

## **FINANCIAL IMPLICATIONS**

11. Should any specific initiatives be required, in response to the management of strategic risks, any cost implications will be reported and addressed as and when they arise.

## **HUMAN RESOURCES IMPLICATIONS**

12. Not applicable

## **EQUALITY IMPLICATIONS**

13. Decision makers must consider the Council's duties under the Public Sector Equality Duty at s149 of the Equality Act 2010. The duty requires the Council, when exercising its functions, to have 'due regard' to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the act, and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic. There are no specific equality implications arising from this report. However, any activities arising from the management of strategic risks will need to be the subject of separate 'due regard' assessments.

## **CONSULTATION**

14. Consultation has taken place with strategic risk owners and Directorate Management Teams as part of the quarterly performance challenge process.

This report has significant implications in terms of the following:

Procurement		Crime & Disorder	
Human Resources		Human Rights & Equalities	
Buildings, Land and Occupiers		Environment & Sustainability	
ICT		Capital Programme	

## **BACKGROUND PAPERS**

15. Reports generated via Covalent for Directorate Q1 challenge meetings.

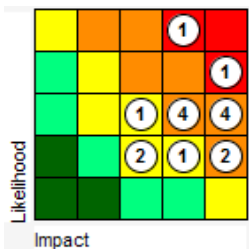
## **REPORT AUTHOR & CONTRIBUTORS**

Sennette Wroot,  
Corporate Policy & Performance Manager  
01302 862533  
[Sennette.Wroot@doncaster.gov.uk](mailto:Sennette.Wroot@doncaster.gov.uk)

**Simon Wiles**

**Director of Finance & Corporate Service**

STRATEGIC RISKS 2014/15

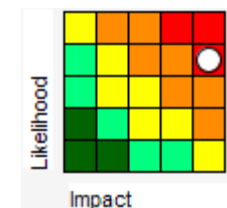


There are 16 strategic risks linked to the Council Plan. The risk around the delivery of the LDF has been highlighted for demotion and no new strategic risks have been nominated. The heat map highlights the number of risks in each score profile.

The Q1 risk profiles with a score >10 are shown in order of risk severity (highest-lowest).

**(Strategic Risk) The impact of the welfare reforms on communities and on Council Services**

**Corporate**

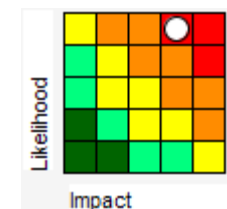


20

31-Jul-2014 An Anti-Poverty task group has been established to develop a cross-partnership approach to poverty in Doncaster. The Welfare Reform Steering Group will become part of the Anti-Poverty approach.

**(Strategic Risk) (R&E) Impact of a delayed adoption of the Sites & Policy's documents from the Local Development Framework (LDF)**

**Peter Dale**

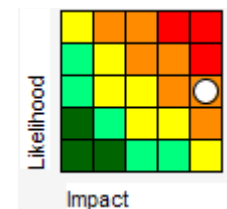


20

18-Jul-2014 The inspector's completed the stage 1 hearings into the Sites and Policies DPD on the 2 May. This considered matters of methodology, processes and contextual background provided by the Core Strategy and national policy. The Council received his letter on the 13 June which concluded that parts of the plan were sound, in particular the Gypsy & Traveller and mineral policies. However, he concluded that that the plan needed to be modified to comply with national policy with regard to housing need, site selection methodologies (including the balance of flood risk against sustainability issues) and making the plan simpler with a recommendation that the plan be withdrawn. The council is taking legal advice on how to respond to the inspector's letter which will be discussed with Cabinet and Full Council. The matter is included on the full council forward plan for consideration at the 25 September meeting. In view of this, and after discussion with cabinet members, the stage 2 hearings are not progressing until the Council has decided how it wishes to respond to the Inspector's letter.

**(Strategic Risk P2O5.6) Failure to apply agreed safeguarding standards and policies, increasing the risk of vulnerable children experiencing harm or abuse**

**Eleanor Brazil**

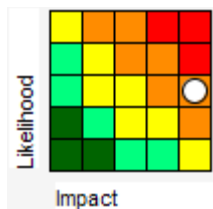


15

31-Jul-2014 Considerable resource has been committed to improving front-line responses, management oversight is more robust. All the performance data indicates improved risk management and more consistent conversion rates throughout the system, The improvement plan is currently being refreshed in readiness for the move to the trust.

**(Strategic Risk F&CS P5O15d) DN17 Programme does not deliver the level of savings required and this impacts on the services the council can offer to the public**

**Simon Wiles**

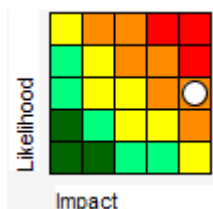


**15**

24-Jul-2014 There is buy-in and commitment from senior management to the governance structure and Implementation Boards led by Directors and Assistant Directors. Quarter 1 Board meetings have already taken place and the outcomes will be reported through quarterly finance & performance monitoring reports (Cabinet and OSMC). There is a programme team in place who are active members of the individual project teams. The majority of project plans are in place and activity to achieve objectives and savings is underway with good progress made to date.

**(Strategic Risk) Failure to respond adequately to borough emergencies or mitigate effectively against the effects of extreme weather conditions e.g. flooding [R&E-ENV].**

**Peter Dale**

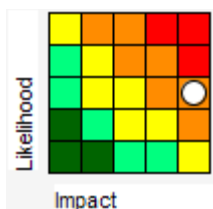


**15**

15-Jul-2014 This risk rating has been reviewed and is considered to be unchanged. During 2013/14 the Resilience and Emergency Planning Team responded to 72 incidents including the Civic Office power surge, 9 severe weather events and 2 controlled explosions. During May and June 2014, 150 senior managers and staff participated in corporate emergency planning exercises. The challenge of training and retaining experienced and skilled staff remains as the Council continues to shape and change the way it delivers services, however a corporate review of strategic business continuity arrangements is ongoing to enhance the Council's resilience arrangements.

**(Strategic Risk) That the cost of winding up DRL exceeds the amount approved by the Shareholders.**

**Peter Dale**

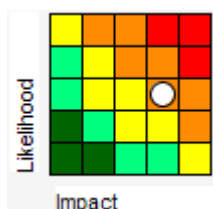


**15**

18-Jul-2014 Peter Dale and Simon Wiles considers that this is no longer a strategic risk.

**(Strategic Risk F&CS P5O13b) As a result of sickness not being effectively managed, there is a risk that the council target of delivering national average sickness levels by 2015/16 would not be achieved**

**Simon Wiles**

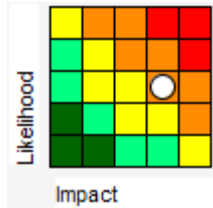


**12**

10-July-2014 Directorate Managing Attendance Action Plans are reviewed on a regular basis and refocused where appropriate to areas with the highest levels of absence. Performance has improved compared to this time last year and the corporate target has been exceeded, therefore the likelihood risk has reduced, however a further reduction is still required to bring Doncaster in line with the national average and therefore remains a corporate priority across the Council. Corporate and Directorates targets have been agreed for 14/15 and have been used to profile performance for Q1.

**(Strategic Risk F&CS P6O20.3) Failure to improve Data Quality will prevent us from ensuring that data relating to key Council and Borough priorities is robust and valid.**

**Simon Wiles**



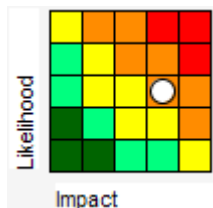
**12**

17-Jul-2014 The Council continues to be at risk of making decisions using data that is not always as robust as it should be. In order to commission properly, make good decisions and ensure vulnerable people are safe, then the quality of data within its systems must be of good quality.

Mitigating actions to improve data quality include: - 1) Implementation of the Data Quality Strategy. 2) Raising data quality issues in all appropriate forums and reports. 3) New policy compliance arrangements, 4) Corporate Commissioning Strategy, 5) Review and implementation of Policy, Performance and Research structures and functions (Phase 2), 6) Refreshed Data Observatory arrangements

**(Strategic Risk) Low staff motivation/morale and low performance**

**Simon Wiles**

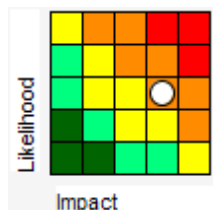


**12**

24-July-2014 Changes to structures, service delivery, further staff reductions, budget implications etc. all continue, plus the newly launched Improvement programme and associated review of 22 services, so the risk to morale and motivation remained high over the last year. However, due to the results of the recent Peer Review and the work in progress on a corporate Engagement Strategy the likelihood for this risk has been changed from 4 down to 3 giving the over risk a profile of 12 (from 16).

**(Strategic Risk F&CS P6O20.4) Failure to comply with the Data Protection Act 1998**

**Simon Wiles**

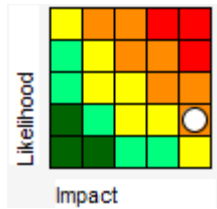


**12**

14-Aug-2014 Following the ICO audit an Information Governance structure has been implemented with all relevant officers aware of their roles and responsibilities to protect the Councils information security. Information Asset Owners have all received training in this role by the Information Management Officer and the majority have had external training provided by Dylis Jones Associates, the knowledge leader in Information Governance. The Data Protection Officer has also been providing classroom based training to Members and sessions are timetabled for all newly elected Members following the upcoming elections. Breaches still continue to occur, and as previously reported, the breach process now enables all reported breaches to be fully investigated. All recommendations identified from the investigation are followed up after 2 months to ensure they have been implemented.

**(Strategic Risk F&CS P6O19.3) Failure to implement the Council's key borough objectives in partnership**

**Simon Wiles**



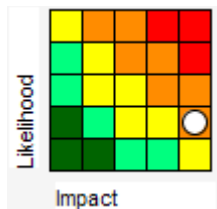
**10**

17-Jul-2014 The health and effectiveness of the partnership has never been better. The Borough Strategy has been refreshed and a new performance framework is being implemented using Outcomes Based Accountability. The partnership is moving forward under the "Team Doncaster" banner. This risk will be monitored closely and mitigating actions will be put in place if the situation changes.

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**(Strategic Risk P2 O5.1) (A&C) The agreed standards and policies are not adequately understood and implemented by practitioners who work with vulnerable adults increasing the risk of vulnerable people experiencing harm or abuse**

**David Hamilton**



**10**

21-Jul-2014 New Safeguarding Adult Risk Assessment Matrix has been implemented and revised process documentation published on the website, Case File Audits measuring adherence to the safeguarding process and action plans ongoing to address shortfalls, commissioned work investigating reasons behind high Unsubstantiated cases, validation of Health partner performance figures, and review of South Yorkshire procedures now complete and accessible to all staff. There are changing structures of partner agencies, capacity and accountability for Safeguarding Adults but risk remains unchanged.'

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