



**Doncaster**  
Metropolitan Borough Council

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# **Annual Governance Statement 2014/15**

## What is Corporate Governance?

Doncaster Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for.

“Good governance is the framework of accountability to users, stakeholders and the wider community, within which organisations take decisions, and lead and control their functions, to achieve their objectives.”

*Corporate Governance – Improvement and Trust in local Public Service (Audit Commission 2003)*

## Governance Framework

The Council’s Governance Framework aims to ensure that in conducting its business it:

- ✓ Operates in a lawful, open, inclusive and honest manner
- ✓ Makes sure public money is safeguarded, properly accounted for and used economically, efficiently and effectively
- ✓ Has effective arrangements for the management of risk

- ✓ Secures continuous improvements in the way that it operates

The Governance Framework comprises the systems and processes, culture and values by which the Council is directed and controlled. The framework brings together an underlying set of legislation requirements, good practise principles and management processes. In addition it enables the Council to monitor the achievements of the Priorities and Outcomes as set out in the Corporate Plan.

The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Doncaster Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the authority’s code is on our website at [www.doncaster.gov.uk](http://www.doncaster.gov.uk).

This statement explains how Doncaster Council has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2011, regulation 4(3), which requires all relevant bodies to prepare an Annual Governance Statement.

## About this Statement

The Annual Governance Statement review was conducted by the Corporate Policy and Performance Team. Part of the process included representatives from each directorate collating, reviewing and evidencing compliance and identifying significant governance issues. Issues identified by Internal and External Audit were also considered for inclusion in this statement.

The draft statement was presented to, the Governance Group on 25<sup>th</sup> June, Directors on 29<sup>th</sup> June and to Audit Committee on 16<sup>th</sup> July, following which this statement was formally approved.



## The Principles

The table below demonstrated how Doncaster Council delivers against the six core principles from the Good Governance Standard for Public Services

<p><b>Principle 1</b></p>	<p><b>Principle 2</b></p>	<p><b>Principle 3</b></p>
<p>Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.</p>	<p>Members and officers working together to achieve a common purpose with clearly defined functions and roles</p>	<p>Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour</p>
<p><b>We achieve this by:</b></p> <ul style="list-style-type: none"> <li>• Publishing our Borough Strategy, Corporate Plan and quarterly performance reports;</li> <li>• Holding annual Partnership summits;</li> <li>• Setting a Medium Term Financial Strategy;</li> <li>• Having a Partnership Charter and Governance Framework;</li> <li>• Benchmarking with other Local Authorities;</li> <li>• Adopting a commissioning approach to service provision;</li> <li>• Regularly updating our Corporate Procurement Strategy;</li> <li>• People Strategy;</li> <li>• Adopting an Outcome Based Accountability approach; and</li> <li>• Improved effectiveness of partnerships.</li> </ul>	<p><b>We achieve this by:</b></p> <ul style="list-style-type: none"> <li>• Holding regular Directors and Executive Board meetings;</li> <li>• Holding quarterly finance and performance challenge meetings;</li> <li>• Setting out clear terms of reference for the Councils committees;</li> <li>• Having a constitution that clearly sets out roles and responsibilities;</li> <li>• Regularly updating Cabinet decision records;</li> <li>• Setting out key aspects of the councils internal control measures in our constitution;</li> <li>• Our Team Doncaster approach;</li> <li>• Improved relationships between officers and members; and</li> <li>• Effective use of our Overview and Scrutiny Management Committee.</li> </ul>	<p><b>We achieve this by:</b></p> <ul style="list-style-type: none"> <li>• Ensuring our constitution contains guidance on officer and member conduct;</li> <li>• Having an Audit Committee which takes an active interest in the maintenance of standards across the Council;</li> <li>• Having an effective whistleblowing policy</li> <li>• Maintaining an Internal Audit Function</li> <li>• Having an Anti-fraud, bribery and corruption framework;</li> <li>• Team Doncaster Staff Charter; and</li> <li>• Staff Performance Framework.</li> </ul>
<p><b>Principle 4</b></p>	<p><b>Principle 5</b></p>	<p><b>Principle 6</b></p>
<p>Taking informed and transparent decisions which are subject to effective scrutiny and managing risk</p>	<p>Developing the capacity and capability of members and officers to be effective</p>	<p>Engaging with local people and other stakeholders to ensure robust public accountability</p>
<p><b>We achieve this by:</b></p> <ul style="list-style-type: none"> <li>• Implementing our Risk Management Framework;</li> <li>• Considering significant risks in all formal decision-making and major projects/programmes;</li> <li>• Publishing our Strategic Risk Register as part of our quarterly challenge process;</li> <li>• Approving our Annual Governance Statement;</li> <li>• Approving our Annual Accounts;</li> <li>• Receiving reports from Internal and External Audit;</li> <li>• Having clear procedures to comply with Freedom of Information requests;</li> <li>• Effective use of equality information;</li> <li>• Using accurate information to base decisions on; and</li> <li>• Promoting a culture of openness and honesty.</li> </ul>	<p><b>We achieve this by:</b></p> <ul style="list-style-type: none"> <li>• Providing an intensive 5 day member induction programme;</li> <li>• Providing Personal Development Plans for all staff to ensure they know what work priorities they have and what work is expected of them;</li> <li>• Have a suite of mandatory training for members;</li> <li>• Implementing a comprehensive e-learning package;</li> <li>• Leadership Academy; and</li> <li>• Mandatory training for officers;</li> </ul>	<p><b>We achieve this by:</b></p> <ul style="list-style-type: none"> <li>• Having a Community Engagement and consultation strategy</li> <li>• Using the Public consultations element on the Website</li> <li>• Having a Voluntary, Community and Faith sector strategy;</li> <li>• Considering consultations as part of our reporting process, where relevant;</li> <li>• Compliance with the Local Government Transparency Code; and</li> <li>• Publishing equality information on our website.</li> <li>• Using social media to communicate with the public;</li> </ul>

## Audit Committee

The Council's Audit Committee oversees the production of the Council's statutory accounts, the management of risks within the Council and the operation and effectiveness of the Council's internal control arrangements. Additionally, from 2014/15 the Committee has been given delegated responsibility for ensuring appropriate standards of ethical governance are in place and maintained.

The Committee has a programme of work in place to ensure it fulfils its responsibilities. The Committee has overseen and supported positive progress in a number of areas during the year, including:

- Improved risk management arrangements;
- Fewer significant internal audit issues;
- A continuing positive external audit report on the accounts;
- The achievement of a 'Reasonable Assurance' opinion given by the Information Commissioner on the Council's information governance arrangements;
- The development of a partnerships' governance framework;
- Better commissioning of services and stronger control over contracts;

The Audit Committee produces an Annual Report which is available at [www.doncaster.gov.uk](http://www.doncaster.gov.uk)

## Governance Group

The Council has an officer Governance Group that was established in 2011. It is chaired by the Director of Finance and Corporate Services and includes other key officers with responsibility for promoting good governance across the organisation. The Group has led on the development of governance

arrangements at the Council, including in 2014/15:

- Ensuring the Council complies with best practice guidance issued by CIPFA / SOLACE and any other sector leading advice;
- Refreshing and re-launching a range of corporate policies and procedures;
- Ensuring senior managers confirm compliance with policies and procedures;
- Ensuring recommendations made by Internal Audit, External Audit, the Audit Committee and other key stakeholders about the Council's governance arrangements are fully and effectively actioned;

The Governance Group supports and works closely with the Council's Audit Committee.

## Role of Internal and External Audit

The council has both internal and external auditors.

The role of the internal audit is to:

- give independent assurance that internal controls operated by the Council are sound and are effective
- alert managers to areas of potential weakness and to make recommendations for improvements
- give unbiased professional advice on policies, procedures, practices and systems

All councils are subject to ongoing scrutiny by External Audit and their role is to:

- review the accuracy of the council's Financial Accounts, grant claims and performance indicators
- review the adequacy of performance management arrangements including the Best Value Performance Plan
- review aspects of Corporate Governance and the Statement of Internal Control
- assess the financial standing of the authority

Internal Audit and KPMG aim to coordinate their work to get the best value from the resources in use and to this aim work closely together to achieve our objectives.

### Our Approach to Risk Management

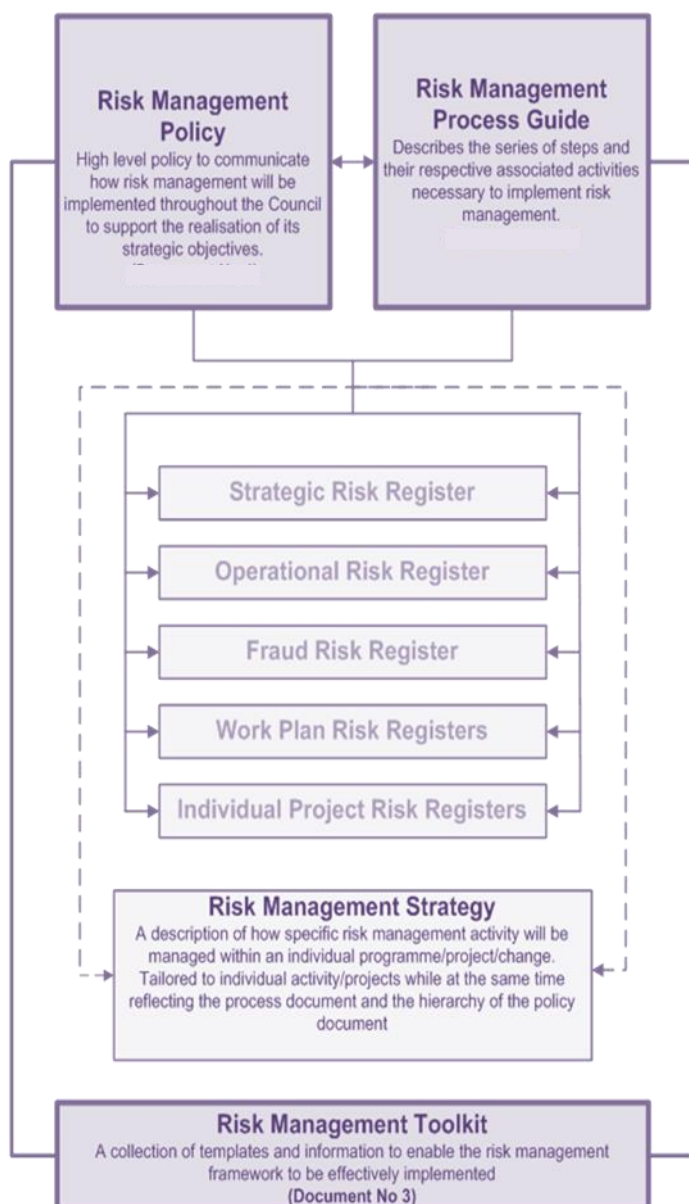
Doncaster Council recognises that risk management is an integral part of good governance and management practice.

Managing our risks effectively contributes to the delivery of the strategic and operational objectives of the authority. Doncaster Council manages risks via a Risk Management Framework that has been designed to provide structure and guidance to support our organisation, and the individuals within it, to take positive risks in an informed way.

Significant risks are identified and reported as part of the quarterly Finance and Performance challenge process. These risks make up the Council’s Strategic Risk Register. Senior Managers review the risks and report on the current position and on controls put in place to mitigate the risk. During 2014/15 the following Strategic risks were identified and reviewed as part of the Risk Management Framework.

The Strategic Risk Register is attached at Appendix B.

### Risk Management Framework



### Key Areas of Improvement from 2013/14 that have been completed

There are a numbers of areas requiring improvement identified in 2013/14 that have been effectively managed to the extent that they are no longer significant in 2014/15.

These are:

- **Doncaster Children’s Trust Monitoring –** A smooth a timely transfer to the trust was achieved. There are a number of monitoring arrangements in place to provide assurance to the Council of the effective working of the Doncaster Children’s Service Trust. Governance arrangements for all monitoring meetings are being reviewed to clarify terms of reference.
- **Safeguarding Personal Assets –** All actions identified by Internal Audit to strengthen the control systems surrounding the handling of personal assets for vulnerable adults have been completed. The main improvements have been around the storage, identification and tracking of personal assets held and a full reconciliation process for the handling of daily cash needs.

- **Financial Reporting** – In their Annual Governance Report the Council’s external auditors highlighted a weakness in the overall process for the management of the production of the accounts. The latest external audit plan states that there are no significant risks identified for the 2014/15 accounts and all recommendations within the ISA 260 reports received from KPMG have been implemented
- **Management of Temporary Accommodation** – There has been a rigorous review of the use of temporary accommodation and bed and breakfast and this has resulted in a vast reduction in the use of temporary accommodation. This service has now transferred to St Leger Homes.

## Significant Governance Issues Identified in 2014/15

Whilst we are satisfied with the effectiveness of corporate governance arrangements and systems of internal control, as part of our continued efforts to improve governance the following new issues have been identified for improvement as part of the 2014/15 Annual Governance Statement process:

- **Procure to Pay**  
Improve the performance of ordering and payment and fully embed the online processes across the Council. Revisited teams to ensure they are adopting the correct process, as well as communicating with suppliers to ask them to supply order numbers. The Council will also be monitoring and reporting on the payment of invoices, as has set a target of 95% (invoices paid within 30 days) , as part of the Corporate Plan targets.  
*The Lead Officer for this is the Director of Finance & Corporate Services; the completion date is December 2015*
- **Fraud Code of Practice Assessment**  
Deliver the improvement actions identified as part of our assessment against the new Code of Practice on Managing the Risk of Fraud and Corruption. A full assessment against the Code of Practice for Managing the Risk of Fraud and Corruption will be undertaken and, where appropriate, an action plan will be created and action taken to address any improvements required. Assessment is due to be complete by September 2015. Implementation of actions to be agreed as identified and will be reported to Audit Committee as appropriate. *The Lead Officer for this is the Director of Finance & Corporate Services; the completion date is September 2015*
- **Doncaster Children’s Trust**  
Continue to develop arrangements with Doncaster Children’s Trust to ensure that all responsibilities are properly discharged and to ensure that joint working ensures the best possible impact on children in Doncaster. The Council have an agreed performance framework and monitoring arrangement with Doncaster Children’s Services Trust which ensures that key statutory and contractual obligations are being effectively and safely met. Officers meet regularly to ensure shared service development in the context of the Children & Young People Strategy and the Doncaster Safeguarding Children Board Working Together requirements. For example in relation to developing mutual early help services as part of shared pathway and jointly assessing the delivery of service outcomes in readiness for future Ofsted inspection.  
*The Lead Officer for this is the Director of Learning & Opportunities: Children & Young People; the completion date is October 2015*
- **External Funding**  
An issue has arisen relating to European funding of the White Rose Way development scheme. Following an audit a claim has been



made to potentially claw back funding over procurement procedures. Doncaster Council has completed a report which outlines the justification for the European Commission Audit (ECA) to rescind its correction order. The report is currently with Department for Communities and Local Government (DCLG) who will submit it to the European Commission Audit. Procurement procedures are to be reviewed dependant on the outcome of the European Commission Audit. We should hear the response to the report in December 2015.

***The Lead Officer for this is the Director of Regeneration & Environment; the completion date is December 2015.***

• **Doncaster Market**

Deliver the improvements identified to upgrade the facilities in Doncaster Market and enhance the service offer. Numerous actions have been identified which include the implementation of repairs and maintenance programme; health and safety improvements; the introduction of a cashless system; a full

review of all policies and procedures; improved communications; accessibility to the market; and footfall solution

***The Lead Officer for this is the Director of Regeneration & Environment; the completion date is April 2016.***

The progress that has been made in dealing with governance issues, that were identified in 2013/14 and are still an issue in 2014/15, can be found in Appendix A. Certain governance issues relating to the Doncaster Children’s Services Trust are indicated with an asterisk (\*) in Appendix A and the Doncaster Children’s Services Trust has been notified. Details of the completed issues have been highlighted on the previous page.

### Statement of Commitment

We have been advised of the implications of the result of the 2014/15 review of the effectiveness of the governance and internal control framework by the Audit Committee and of the plans to address identified weaknesses and ensure continuous improvement of the system in place.

We propose over the coming year to take steps to address the above matters to enhance further the Council’s governance and internal control arrangements.

We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and that we will monitor their implementation and operation over the next year and as part of our next annual review of effectiveness.

**Signed on behalf of Doncaster Council on xx xxxxx 2015:**

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**Ros Jones**  
Mayor of Doncaster

\_\_\_\_\_  
**Jo Miller**  
Chief Executive



## APPENDIX A

### An update on Key Improvement Areas identified during 2013/14 that remain an issue in 2014/15

- **Direct Payments**

An improvement area was identified in the recovery of direct payments and personalised budgets. Progress has been made on the actions agreed in the personal budgets and direct payments audit and 50% of the actions have been implemented. **Work is ongoing on the remaining actions and the Director of Adults, Health & Wellbeing has agreed a completion date of November 2015.**

- **Information Commissioners Office (ICO) Inspection & Recommendation**

The ICO carried out a consensual audit in December 2012 with the outcome of 'limited assurance' against the Council's arrangements for Data Protection compliance. The Council now has a 'reasonable assurance' rating and all of the 34 ICO recommendations are either complete or on-going. The level of data protection breaches has reduced for the Council but breaches are still being reported within Doncaster Children's Trust. Work is on-going to embed data protection awareness and training within the Trust to ensure breaches are reduced. **This activity is on-going and the Director of Finance & Corporate Services will monitor quarterly.**

- **Corporate Procurement and Contract Management**

An improvement area was identified in the procurement and contract management arrangements around the compliance with Contract Procedure Rules. Phase 2 of the Procurement Transformation Plan has been completed. Dates for commissioning and procurement training have been published and proposed changes to Contract Procedure Rules are being presented to Full Council in July 2015. The service plan for 2015/16 will extend and develop the commissioning procurement and contract management activity and process. **The Director of Finance & Corporate Services will have implemented these actions by March 2016.**

- **Data Quality Arrangements**

Internal Audit and the Corporate Performance Team highlighted an opportunity to improve the reliability of information to support performance management. The Data Quality Strategy 2013-15 implementation plan has slipped from its original timescale but work is clear and planned to fulfil the commitments within the Strategy. Officers responsible for submitting a statutory return will complete a data quality self-assessment to produce a comprehensive picture of data quality across the organisation. This will inform the review of the Data Quality Strategy. **The Director of Finance & Corporate Services has agreed a completion date of October 2015.**

- **Income Management**

Internal Audit identified an improvement opportunity regarding compliance with the Council's procedures and associated best practice for monitoring and collecting debt. An Income Management project plan has been produced that aims to maximise all income opportunities, ensure all income due is identified and collected in a cost efficient and timely manner. **The Director of Finance & Corporate Services has agreed this will be established by 2016.**

- **Asset Register**

The Council is reviewing its arrangements for maintaining its asset register to enhance arrangements and better facilitate accounting for assets. The Fixed Asset Register implementation is part of Phase 2 of the Enterprise Resource Planning programme. Early work has commenced on collating the information and drawing up a project plan for infrastructure assets. ***The Director of Finance & Corporate Services will provide an update on the Phase 2 project plan in October 2015.***

- **\*Respite Care Overpayments**

A weakness was identified in the processing of respite care payments to respite carers. A full review is taking place to identify and correct these weaknesses. Additional capacity has been identified to oversee a review of commissioning, invoicing and procurement of services. ***The Director of Learning & Opportunities: Children & Young people has agreed a completion date of November 2015.***

- **\*Improving Children & Young Peoples Services**

An improvement action was identified to ensure robust performance reporting against outstanding arrangements and the implementation of actions as a result of recommendations emerging from internal and external audit/inspection recommendations. The Improvement Board continues to oversee the associated action plan. Specific areas of work are underway to address areas of concern and are monitored through the Doncaster Children's Services Trust Board. ***This is an ongoing priority for the Director of Learning & Opportunities: Children & Young people.***

- **\*Professional Practice**

We continue to experience concerns around the consistency in quality of professional practice, highlighted in services own audits and confirmed by the 2012 Ofsted Inspection, of local authority arrangements for the protection of children. Improvement activity is underway in Doncaster Council and Doncaster Children Services Trust to improve practice and consistency through regular case file auditing, the use of supervision and continuous professional development. ***This is an ongoing priority for the Director of Learning & Opportunities: Children & Young people.***

- **\*Children's Services – Foster Care Service**

During 2009/10 overpayments in excess of £225k were identified as being made to foster carers. In February and March 2013 management identified a number of new overpayments amounting to £50k. No substantial overpayments have been made to foster carers following the overpayments reported. Any minor overpayments are immediately resolved through amendment to the following weeks payments. Potential issue due to differing systems for foster care and Special Guardianship Orders payments will be resolved through the integration of all payments into the ContrOCC system and management through the placements service. ***The Director of Learning & Opportunities: Children & Young people has agreed a deadline of July 2015.***

- **Business Continuity**

Business continuity arrangements need to be reviewed across the authority. Business Continuity Plan Review meetings have been held with 42 Heads of Service to date. 120 Doncaster Council priority activities have been identified and individual business continuity plans are being progressed for those activities which have been identified as priority.

The full review of Business Continuity Plan has been completed and embedded across the authority. The Business Continuity Plan action plan is being progressed and the strategic steering group and Resilience and Emergency Planning continue to review Business Continuity Management with heads of services to identify priority activities the actions should be completed by December 2015. ***This is an ongoing priority for the Director of Regeneration & Environment.***

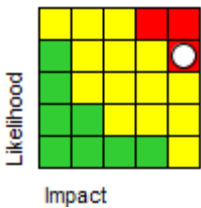
- **Risk Assessment**

A recent incident highlighted a weakness relating to risk assessments on vacant buildings/land and some health and safety practices across the service. This is being addressed by managers attending Health & Safety training and implementing appropriate associated actions to identify and mitigate risk. Measures have now also been put in place to ensure the land transfers between council and contractors is clear and explicit and timely and procedures are in place to prevent a re-occurrence. ***This is an ongoing priority for the Director of Regeneration & Environment.***

## APPENDIX B

### The Strategic Risk Register as at 31<sup>st</sup> March 2015, reported in order of risk score, highest to lowest

#### The impact of the welfare reforms on communities and on Council Services

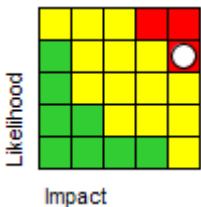


**Current position** The impacts of welfare reform continue to affect local people and are a risk to the achievement of the Council, and our partnership, objectives. It will be proposed that this strategic risk be replaced by one which considers the effects of poverty, as a whole, and is addressed by the Anti-Poverty Strategy Group.

**Mitigating actions** The second Anti-Poverty summit in January 2015 identified a series of commitments to address the effects of poverty on local people. The Anti-Poverty Strategy Group will monitor progress and report to the Doncaster Together Strategic Partnership.

**Target risk profile** Impact currently remains at '5 Critical', Likelihood '4 Likely', giving a score of 20. Mitigating actions are likely to prevent deterioration and maintain the profile score, due to the severity of the risk this currently acceptable.

#### A failure to identify, or to act on, areas of serious performance weakness in the Doncaster Children's Service Trust or in the Council, which could result in significant harm to a child or children which could have been avoided, or which could lead to an 'inadequate' judgement at Ofsted Inspection, which will negatively impact on the reputation of the local authority.

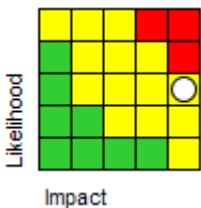


**Current position** - This Strategic Risk was added during the year following the establishment of the Childrens Trust

**Mitigating actions** - Ofsted inspection preparation is underway which will include self-assessment; dummy runs; data quality review and performance check and challenge strengthening. From the contract an escalation process is in place to address timeliness of reactions to underperformance.

**Target risk profile** - target currently remains at 5x4 as Childrens Trust has only been operational for 6 months. Target will be reviewed with the Trust.

#### Failure to apply agreed safeguarding standards and policies, increasing the risk of vulnerable children experiencing harm or abuse

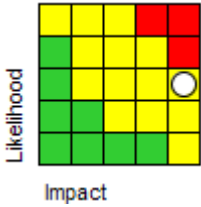


**Current position** - In view of transfer of responsibilities this risk should be retitled 'Failure to obtain assurance as to the safeguarding and protection of children in the borough'.

**Mitigating actions** - A new accountability framework has been put in place and is being developed to improve the quality of reporting in order to better facilitate effective check and challenge.

**Target risk profile** - target currently remains at 5x3 as Childrens Trust has only been operational for 6 months. Target will be reviewed with the Trust.

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



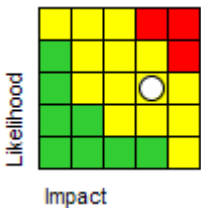
**Current Position** -This risk has been reviewed and is considered to remain unchanged. Some key activities by Resilience and Emergency Planning include developing flu pandemic response arrangements. This is which is considered to be 'high risk' by Central Government. The plans and arrangements have been rehearsed with partners from across South Yorkshire in April 2014.

**Mitigating Actions** A recent assessment of DMBC's emergency response capabilities by the Cabinet Office has demonstrated a high level of preparedness and compliance with Government expectations for Civil Contingencies.

The challenges of responding to emergencies and supporting our communities and businesses with reducing staff numbers continues to be addressed with training, exercise and development opportunities delivered to 820 staff and partners since April 2014. 99% have rated these events good or excellent.

**Target Risk:** Impact 5 Likelihood 3

**Failure to improve Data Quality will prevent us from ensuring that data relating to key Council and Borough priorities is robust and valid.**

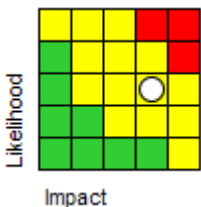


**Current Position:** Risk score not changed. The Council continues to be at risk of making decisions using data that is not always as robust as it should be. In order to commission properly, make good decisions and ensure vulnerable people are safe, then the quality of data within its systems must be of good quality.

**Mitigating Actions:** A new Tier 1 Data sharing strategy has been agreed and signed by most partners and is being co-ordinated prior to publication, which demonstrates the willingness of the partnership to have good quality data and share data securely and appropriately. The single data list of returns to central government has been brought together for the first time with relevant ownership across the authority and further self-assessments and audits will follow in May 2015. This approach will allow a picture of data quality across all statutory datasets to be formed and appropriate action taken to address poor data quality arrangements.

**Target Profile:** Likelihood 2 Impact 4 = Total Score 8.

**Failure to comply with the Data Protection Act 1998**

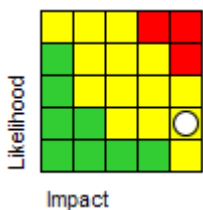


**Current Position** – Much improved outcome this quarter with no breaches for the council but 3 for the Children's Trust. That said, we cannot be complacent and continual work is progressing as mitigation against future breaches.

**Mitigating Actions** – Continuing training, awareness and guidance being provided.

**Target Risk Profile** – Likelihood Unlikely (2) and Impact Major (4) = 8

**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**

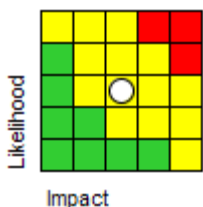


**Current Position:** Safeguarding Adult Risk Assessment Matrix in place, Case File Audits measuring adherence to the safeguarding process and action plans on-going to address shortfalls.

**Mitigating Actions:** Review of South Yorkshire procedures in light of Care act on-going. Training continues to be provided to raise awareness and a training needs analysis is underway. Care Act implementation plan in place to identify and direct all work streams.

**Target Risk:** Impact 5 Likelihood 2

**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**

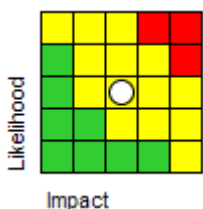


**Current Position** – 9.75 days per fte

**Mitigating Actions** – A significant amount of resource and effort has been planned into managing sickness more effectively and this has resulted in this reduction over time. Levels are now far more manageable resulting in this no longer needing to be reported as a strategic risk for the council this financial year.

**Target Risk Profile** – 9.10 days per fte

**DN17 Programme does not deliver the level of savings required and this impacts on the services the council can offer to the public**

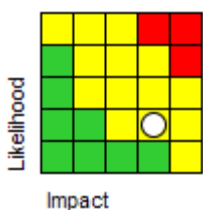


**Current Position** – For 2014/15 although there has been a delay in some projects, this has been mitigated by other savings throughout the council. For 2015/16 the risk still exists for major projects such as Digital Council and Assets, but rigorous review by Assistant Directors & Directors, is driving improvement and transformation across the council.

**Mitigating Actions** – Other savings will need to developed if programmes cannot deliver the savings, however where there is slippage in the programme, this can be funded from the Service Transformation fund.

**Target Risk Profile** – 3 x 3 (total 9) is a reasonable risk for a programme of this size and complexity.

**Failure to identify and manage Health and Safety risks**



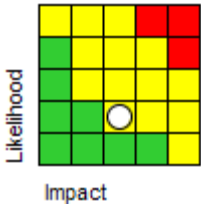
**Current Position** -This risk has been reviewed and remains unchanged. Health and Safety Training for Managers continues to be rolled out across all Directorates. The new Health and Safety Advisor post for Construction Services has been in post since Oct 2014 and this is working well. In addition a further Health and Safety Training post is being developed as part of a review and restructure of the Regulation and Enforcement Service within Environment. Recruitment to this post is expected to take place in June 2015 (currently subject to staff consultation as part of a wider review of the service area).

**Mitigating Actions** -A substantial amount of work has also been undertaken in quarters 3 and 4 to identify and mitigate the health and safety risks within the Council's Markets with appropriate action plans now in place. Work is also progressing within the Assets Team

regarding health & safety risks on Council land.

**Target Risk:** Impact 4 Likelihood 2

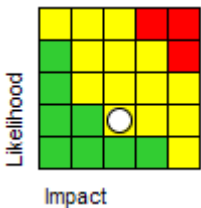
**Lack of capacity from house builders to build affordable properties**



**Current Position** - Improvements in the wider economy and housing market have led to a significant increase in activity and supply of affordable housing across the Borough in the past year. Going forward it is possible different pressures arising from more challenging development sites, lack of skilled labour, material supply chain issues and cost increases may reverse recent improvements. Risk level therefore remains in place.

**Target Risk:** Impact 3 Likelihood 2

**Failure to implement the Council's key borough objectives in partnership**

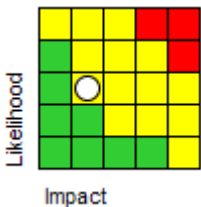


**Current Position** - The Annual Borough Strategy Stock take held on the 21st November was a huge success with a plethora of partners determining future priorities and the successes over the last 12 month, of particular importance was the launch of the Refreshed Borough Strategy refresh, which determines partner's objectives and strategy for the forthcoming year.

**Mitigating Actions** - All mitigating actions have been implemented

**Target Risk Profile** - this risk has been managed from a profile of 16 (at its highest) down to a profile of 6.

**Low staff motivation/morale and low performance**

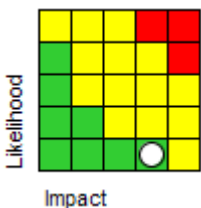


**Current Position** – Continued downward trend in risk profile

**Mitigating Actions** – based on the latest staff survey response reaching 51% which is up by 21% from previous year, with encouraging responses given to questions around pride (93% 2174) and enjoying work (88%-2051), although lower response to statement on feeling the council is a better place to work than a year ago (54% 1225). Sickness statistics also impact on morale and performance and are continuing a downward trend; as well as a downward trend in case management, e.g. grievance and disciplinaries. This also needs to be balanced with only achieving a 75% completion as at Quarter 4 for PDRs when target was 95% to be achieved by Quarter 2. So overall, this will remain a risk but at a much lower and manageable level.

**Target Risk Profile** –aligned to a number of measurable outcomes of Culture Change to achieve moderate and unlikely profile

**Failure to achieve the budget target for 2014/15 - 16/17**



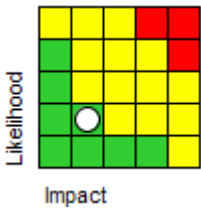
**Current Position** – The budget savings for 2014/15 have been achieved and the council is due to report a year-end underspend of £3.2m. For 2015/16 the council has a challenging programme of savings to deliver but this is also being robustly managed by programme leads and reviewed by AD's & Directors on a quarterly basis.

**Mitigating Actions** – Developing other savings or utilising one off funds for any delays in the savings for 2015/16.

**Target Risk Profile** –Impact 4, likelihood 1 – is as low as we can expect this to go



**Failure to set robust assumptions on pensions deficit recovery and future contribution rate**



**Current position** – The council has agreed a 22 year repayment profile for the pension deficit which will be reviewed with the actuary every 3 years. These were agreed and set within the budget for 2014/15 to 2016/17 and confirmed again in the budget in February 2015. The council has also taken advantage of low interest rates to repay the current 3 year contribution, which will save approximately £650k over 3 year. Further options will be examined; the next assessment is not scheduled until 2016.

**Mitigating Actions** – Working with South Yorkshire Pensions and other LA’s in South Yorkshire to ensure we kept aware of the latest position. We are also looking to retender the services for the Actuary for SYPS

**Target Risk Profile** 2 x 2 – this risk has been managed down to target.