

AGENDA ITEM: 12

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Meeting	Audit Committee
Date	21 June 2010
Subject	Environment & Operations – Directorate Risk Register
Report of	Director of Environment & Operations
Summary	This report summarises the service area's approach to risk management; its priority risks; and actions and timescales to control these risks. The service risk register for Environment & Operations is attached.

Officer Contributors	Hester Fairgrieve - Strategic Planning Advisor, Environment & Operations Caroline Grew - Acting Senior Performance & Development Officer, Environment & Operations
Status (public or exempt)	Public
Wards affected	None
Enclosures	Appendix A – Environment & Operations Risk Register
For decision by	Audit Committee
Function of	Council
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Hester Fairgrieve, Strategic Planning Advisor, telephone number 020 8359 7011

1. RECOMMENDATIONS

- 1.1 That the Committee receive and comment upon Environment & Operation's approach to Risk Management within corporate policy.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Audit Committee 20 June 2008, approval of Risk Management strategy.
- 2.2 Audit Committee 29 September 2009 noted the operation of the Council's risk management process.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The presence of strong risk management policies and procedures is paramount to the council achieving all of its corporate priorities and as such impacts on all the corporate objectives.
- 3.2 There is one risk from the Directorate's Risk Register currently included in the Corporate Risk Register. The risk is:
- Environmental Management - organisation making effective use of natural resources (KLOE 3.1).

4. RISK MANAGEMENT ISSUES

- 4.1 The risk management process in Environment & Operations is currently being reviewed and strengthened by the service's Strategic Management Board in order to:
- ensure a consistent approach to risk management throughout Environment & Operations;
 - ensure risk management is embedded throughout the Directorate;
 - detail the responsibilities for what is required of managers in respect of risk management;
 - provide guidance on what is required to complete the register.
- 4.2 All managers are updating their individual risk registers for their service areas as part of the service planning process for 2010/11, which will be completed by end May 2010. These will include identified risks in respect of Corporate Plan or LAA targets. All high / high risks are recorded in team plans. Team level risks are the responsibility of the relevant service manager who will ensure they are reviewed monthly, with the most significant risks being included in the Directorate Register.
- 4.3 All service managers have received (May 2010) or are in the process of receiving risk training from the Corporate Risk Officer, to ensure understanding and put in place a consistent approach. This will be constantly reviewed to ensure that training is effective for both new and current managers.

- 4.4 The Directorate Register is the responsibility of the Director who ensures it is reviewed quarterly by the service's Strategic Management Board, and that the most significant risks are proposed for inclusion in the Corporate Register. The Director also ensures that any identified risks in respect of her statutory responsibilities as Director are included as appropriate.
- 4.5 All service managers are required to complete the Internal Control Checklist (ICC) in respect of their service area. The ICC uses, as part of the evidence to the outcomes stated, details from the risk register. It also gives assurance for the formal Statement of Internal Control.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Effective management of risk gives assurance that services are provided to the entire community on an equitable basis.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 Strong risk management processes and procedures protect the council from potential financial and performance implications and enhance the control environment and governance requirements.

7. LEGAL ISSUES

- 7.1 None in the context of this report.

8. CONSTITUTIONAL POWERS

- 8.1 Constitution part 3 Responsibility for functions, section 2 responsibility for Council functions, details the terms of reference for the Audit Committee to provide independent assurance of the adequacy of the risk management framework.

9. BACKGROUND INFORMATION

- 9.1 The highest priority risks within the Directorate's Risk Register are those that are identified as being both high impact and high likelihood. The Directorate's Risk Register currently contains four such risks:
- Passenger transport – the Framework Agreement for SEN passenger transport ends in August 2011. As we are currently reviewing alternative forms of provision as part of the future shape programme, there is a risk that new provision will not be in place by the time the current agreement ends. We expect that the likelihood of this risk should reduce as the future transport programme progresses.
 - Condition of roads and pavements - meeting targets on Principal and Non-Principal Roads against national standards (NIs). There is a risk that there will be insufficient investment to mitigate the underlying downward trend in road condition. Again, this risk should reduce as we implement the new asset management approach to highways maintenance

- Delivery of waste management targets – risk of not achieving the 50% recycling rate by 2020. Barnet is on track to continue to have the highest recycling rate among the seven North London Waste Authority boroughs and existing services offer the potential for residents to recycle or compost over 70% of all their household waste. The 50% aspirational target is challenging and to meet this challenge Barnet is implementing a number of actions including a kitchen caddy project, on the go recycling, improved coverage of the flat recycling service and investigation of incentives to encourage residents to recycle more. In addition, further work is being carried out to enable more targeted communication with residents.
- Environmental Management - organisation making effective use of natural resources (KLOE 3.1). This has a potential impact on the CAA score, together with an associated reputational risk and an inability to report NI 185/194. This risk now features on the Corporate Risk Register.

9.2 All risks are reviewed regularly by Strategic Management Board and actively managed in the Directorate through the process described in section 4 above. The Directorate Risk Register is reported to Council Directors Group and to Statutory Officers Group. Clearly risks are inherent in the work of the Directorate and the process that has been put in place, and is currently being strengthened further, ensures that these are managed and appropriate actions put in place to address them.

10. LIST OF BACKGROUND PAPERS

10.1 None.

Legal: MAM
Finance: CM

2010/11 Directorate Risk Register

Number	Corporate Priority	Objective	Risk Type	Risk Description	Risk Raised by	Date Raised	Controls in place	Initial Assessment (High/Medium/Low)		Mitigating Action	Lead Officer	Last updated	Action taken	Current status	Revised Assessment	
								Likelihood	Impact						Likelihood	Impact
1	Better services for less money	Deliver the E&O restructure	Strategic & Operational	Failure to deliver all elements of E&O review	Strategic Planning Advisor	01/04/2010	Governance structure in place to support delivery, risk register, status updates	Medium	High	Monitor through governance arrangements; development of detailed implementation plan	Assistant Director, Highways	12/05/2010	Weekly project review meetings are being held; key risks and issues are regularly taken forward to monthly Project Board meetings	Open	Medium	High
2	Better services for less money	Deliver an effective and efficient passenger transport service to internal clients	Operational & Financial	Framework Agreement for SEN passenger transport ends in August 2011. Risk that new provision will not be in place by time current agreement ends	Strategic Planning Advisor	01/04/2010	Governance arrangements in place; regular liaison with suppliers; status updates	High	High	Take forward as part of future transport programme, appoint external consultant to support process; seek advice from procurement; agreement of short-term arrangements with suppliers if required.	Assistant Director, Highways	12/05/2010	Project now initiated; external consultant now appointed, in process of appointing additional project management resource.	Open	High	High
3	Better services for less money	Implement Exor Atlas as Barnet's Highway Asset Management System	Operational & Financial	Failure to implement new ways of working and use modern technology to best effect to ensure we can drive out efficiencies and service improvement and enable customer self-service	Highways Manager (Network Management)	01/04/2009	Implementation of action plan	Medium	Medium	Resource identified to take project forward, purchase system and modules/licenses, review examples of how the system is working for other authorities, trial of hand held technology with IT	Assistant Director, Highways	12/05/2010	Implementation of Exor Atlas is progressing and the upgrade of NRSWA functions is now in place. Resources now lined up.	Open	Low	Medium
4	Better services for less money	Effective managements of projects	Operational	Failure to apply effective project management techniques and effectively monitor risks, delivery of project outcomes & milestones	Business Support Consultant	01/11/09	Review of all current projects and contracts to assess level of risk. Further controls will be introduced to address outcomes of review	Medium	High	Prepare framework with major projects team. Briefing to SMT	Business Support Consultant	12/05/10	Draft framework prepared awaiting submission to SMB before rollout. Framework extended to include robust monitoring of Highway Works Programme.	Open	Medium	High
5	Better services for less money	Ensure performance management embedded across E&O	Compliance	Effective performance management structures not in place resulting in local and national indicators not being met	Assistant Director, Environment	12/05/2010	SMB & SMT monitoring, Member challenge, OSC	Medium	High	Review performance management framework for directorate. Performance reviewed monthly by SMT, with strengthened quarterly performance meetings for SMB.	Assistant Director, Community Protection	12/05/10	New risk for 2010/11	Open	Medium	High
6	Better services for less money	Workforce that is fit for purpose	Operational	Unmotivated and unskilled workforce with high sickness levels	Strategic Management Board	04/01/2010	Regular monitoring and review, status updates, liaison with HR	Medium	High	Regular team meetings; training plans; supervision and appraisals. Regular review of sickness by SMT, with status updates to SMB; workforce planning workshops with SMT	Director of E&O	12/05/10	Workshop planning workshops held with SMT; staff survey results analysed and team plans for dealing with it developed and now being implemented; sickness is a regular agenda item on SMT and SMB	Open	Medium	High
7	Better services for less money	Effective delivery of Street Lighting PFI Contract	Operational & Financial	Contractor has struggled to deliver the required standards and as a consequence has suffered large financial adjustments. Contractor has indicated this is not sustainable and has threatened to withdraw from the contract.	Highways Manager (Network Management)	04/09	Nationally recognised expert appointed to help manage contract to mitigate and minimise risk issues.	High	High	Work with service provider at the highest levels to identify short comings and address each to improve standards and hence reduce the applicable level of financial adjustments due to sub contractor default.	Interim Assistant Director, Highways	12/05/10	Historical problems reviewed and identified. Items of dispute are now resolved and this has removed the existing financial burden on service provider and hence assisted to improve the sustainability of the contract.	Open	Medium	High
8	Better services for less money	Ensure parking service is delivered within budgetary constraints. Meet income targets.	Financial	Parking income falls below target / costs exceed budget	Parking Manager	01/09/2009	Budget reprofiled and weekly monitoring takes place on inputs, activity levels, and income generated.	High	High	Focus enforcement activity on the areas / times with the highest levels of non compliance; put programme in place to improve the reliability of the Pay and Display machines; and introduce cashless option for street parking to better collect revenue.	Interim Assistant Director, Highways	12/05/2010	Business efficiency leading to a better balance of income and expenditure has been placed at the heart of both planning and operations. Work on improving reliability of pay and displays and rolling out cashless parking is progressing.	Open	Medium	High
9	Better services for less money	Ongoing implementation of 'Civica Civil Enforcement (CE)' System	Operational	Delays to implementation lead to a lag in the benefits of Civica CE system being realised.	Parking Manager	01/09/2009	Dedicated project management resource	Medium	High	Dedicated project management resource to monitor progress against agreed milestones which focus on delivering the planned benefits. Ensure phase 1 is on course for successful completion - laying the platform for Phase 2.	Interim Assistant Director, Highways	12/05/2010	Core system now in place. Ongoing work will focus on delivering specific benefits.	Open	Low	Medium
10	Better services for less money	Ensure the service meets its Health & Safety operational requirements	Operational	Injury to staff	Assistant Director, Environment	01/07/2009	Risk Assessments reviewed and updated annually, staff training requirements reviewed annually, assessment and collation of stats relating to accidents reported quarterly and annual H&S report submitted to JNCC. Lead Health and Safety officer nominated for the service.	Low	High	Record the stats in order to report quarterly and annually; undertake periodic reviews of existing documents i.e. risk assessments.	Assistant Director, Environment / Health and Safety Lead Officer	12/05/2010	The annual report identifies the actions to be taken over the next 12 month period and the achievement or otherwise of these targets. Each service manager has responsibility of the targets set in the report. This will be reviewed at SMT.	Open	Low	High
11	Better services for less money	Deliver quality E&O services to budget	Financial	Budget Managers unable to manage budgets leading to overspends and little opportunity to take early action	Assistant Director, Environment	01/07/2009	Budget management training; regular meetings with budget managers	Medium	High	Targeted training and support to budget managers	Business Support Consultant	12/05/2010	Targeted support and training to budget managers provided during 2009/10	Open	Low	High
12	Better services with less money	Delivery of the re-configured Drug & Alcohol Action Team	Operational & Financial	Value for money savings will not be achieved / performance improvement risk	Community Protection Group Manager	01/04/2010	Monitoring of progress by Drug and Alcohol Strategic Commissioning Group; partnership implementation plan	Medium	High	Development and implementation of action plan for re-configuration overseen by DASCSC	DAAT Manager & Interim Joint Commissioning Substance Misuse Manager	12/05/2010	New risk for 2010/11. Reconfigured implementation plan has been agreed through Drug and Alcohol Strategic Commissioning Group (DASCSC)	Open	Medium	High
13	Better services with less money	Ensure data is used effectively to drive service improvement	Reputational	Important/sensitive data is lost	Director of Environment & Operations	01/04/2010	Encryption, regular checks and monitoring	Low	High	All tablets encrypted; guidance provided to staff	Director of E&O	12/05/2010	New risk for 2010/11. Corporate guidelines implemented in E&O; all managers and staff separately briefed	Open	Low	High

20010/11 Directorate Risk Register

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							Likelihood	Impact						Likelihood	Impact	
14	Better services with less money	Ensure equalities is integral to everything we do	Operational	Poor understanding of our customers / how a particular proposal will affect them - leading to unfair access to, or provision of, services	Strategic Planning Advisor	04/01/2010	Place Survey; Service Plans; Fortnightly SMB and SMT meetings to discuss issues; OSC	Medium	High	Bring external consultants in to provide support to Directorate; leadership from SMB and SMT; improved service planning process	Director of E&O	12/05/2010	External consultants review undertaken and are due to report in June 2010; changes to be embedded as part of E&O review. Action, once implemented, will reduce likelihood to low	Open	Medium	High
15	Better services with less money	Deliver a consistent level of service throughout the year within budget	Financial	Unexpected budget pressures on service and falling income from a period of severe weather	Director of Environment & Operations	23/12/2009	Regular reviews, BC plan	Medium	High	Regular planning meetings, review of lessons learnt. BC plans in place.	Director of E&O	12/05/2010	Meetings have been held to reflect on key lessons from severe weather in 09/10. Plans for dealing with a repeat in 2010/11 have been put in place to minimise financial impact.	Open	Medium	Medium
16	Better services with less money/Successful London Suburb	Environmental Management- Organisation making effective use of natural resources (KLOE 3.1)	Operational/ Financial/ Reputational	Potential impact on CAA score, together with an associated reputational risk; inability to report NI 185/194	Director of Environment & Operations	20/04/2010	Data collection using the prescribed data collection methodology with support from councils "TEAM" energy accounting database, appropriate data collection templates. National / local benchmarking where available.	High	High	Undertake periodic reviews to ensure progress against Use of Resources; consideration of additional staff resource to help with data capture; manage the invest to save programme based on a business case approach to deliver best use of resources.	Director of Environment & Operations	12/05/2010	A paper- "A New Sustainable Model for Barnet Council" has been prepared for discussion recommending, amongst other actions, increased resources to support an expansion in the collection and reporting of carbon emission and water usage data and the continuation of the Council's Energy Efficiency "Invest to Save" Programme. The Council's Energy monitoring software is in the process of being upgraded to permit the use of electronic data uploads. Part time data officers post has been temporarily moved to full time within Commercial Services.	Open	High	High
17	Successful London Suburb	Improve the condition of roads and pavements - meet targets on Principal and Non-Principal roads against National standards by establishing an agreed carriageway and footway maintenance programme and implementing asset management programme for highways maintenance.	Operational	Insufficient investment to mitigate the underlying downward trend in road condition	Assistant Director Highways	20/07/09	Annual condition surveys	High	High	Developing HAM approach to maintain investment in highways over short, medium and long term against agreed level of service	Assistant Director, Highways	12/05/10	Permanant repairs carried out to deal with impact of severe weather, additional funding from central gov received; asset management established as a project, with dedicated resource	Open	High	High
18	Successful London Suburb	Delivery of waste management targets	Operational	Failure to grasp the scale of change needed to achieve 50% recycling rate	Waste & Sustainability Manager	01/11/2009	Implement Waste minimisation plan; maximise participation in recycling services	Medium	High	Development of Waste Action Plan, Annual publicity plan engagement work Participating in NLWA 50% Club meetings	Waste & Sustainability Manager	12/05/10	Development of Waste Action Plan (now being implemented), Annual publicity plan and engagement work Participation in NLWA 50% Club meetings.	Open	High	High
19	Better services for less money, Successful London Suburb	Achievement of NLWA procurement – waste disposal contract	Financial, Strategic & Reputational	NLWA interim and long term procurement does not progress in a timely manner, leading to Barnet paying additional costs	Waste & Sustainability Manager	01/11/2009	Barnet Waste Board NLWA Procurement Risk Register Documents available on T drive under 'NLWA Procurement	Medium	High	Progress monitoring at NLWA meetings and through review of NLWA correspondence and papers, with additional support from specialist waste consultant	Waste & Sustainability Manager	12/05/10	Progress monitoring at NLWA meetings and through review of NLWA correspondence and papers, with additional support from specialist waste consultant; Inter-authority Agreement is being drafted and will be ready for November 2010. PFI credits awarded - landmark award (largest in Europe)	Open	Medium	High
20	Successful London Suburb	Continued development of the CCTV operation	Operational	Existing facility is at capacity and unlikely to support future needs	Community Protection Group Manager	06/08	Close monitoring of demands; options review	Low	Medium	Seeking new facility for CCTV; review of future delivery options	Community Protection Group Manager	12/05/10	Temple Fortune Scheme added for 2010 which has further impacted on capacity. External consultant appointed with project manager from Commercial Directorate. Currently exploring options for future delivery/locations.	Open	Medium	Medium
21	Successful London Suburb	Effectively manage the demands / expectations placed on the Community Protection Group by prioritising work based on risk/impact assessments.	Operational	Failure to achieve service priorities; embedding service changes	Community Protection Group Manager	08/08	Standard risk assessment template; regular status updates to SMT	Medium	High	Review risk assessment process in TS & L; re-profiling on function as part of E&O review i.e.nuisance vehicles to parking and implement risk assessment process for it. Review all procedures and protocols during 2010/11.	Community Protection Group Manager	12/05/10	Ongoing. Risk remains medium / high as resources have further reduced across Community Protection since 2008. Internal audit review conducted 08/09; updates for 09/10 given satisfactory assurance.	Open	Medium	High
22	Successful London Suburb	Improve public confidence in Police and the Council	Operational	Ineffective and inefficient use of resource in tackling crime and anti social behaviour	Community Protection Group Manager	01/04/2010	Monitoring by Safer Communities Board; regular liaison and review with partners, annual communication plan	Medium	High	Review of anti-social behaviour with partners, development of new communications plan led by communications team, data analysis and intelligence to identify trends/patterns/needs	Community Protection Group Manager	12/05/10	New risk for 2010/11	Open	Medium	High
23	Successful London Suburb	Implement the recommendations of the DV Service Review	Strategic & Operational	Poorly performing and costly domestic violence provision - poor performance, not getting value for money; risk to victims as focus on high level intervention rather than prevention; growing agenda and national requirements	Community Safety Manager	13/06/2009	DV Board monthly meeting, regular liaison with partners	High	High	Implement governance structure plus sub groups, development of performance framework, strategy and action plan and a commissioning review of DV services; produce violence against women and girls strategy; link to safeguarding corporate risk	Director of E&O	12/05/10	Revitalised DV Strategic Board; Task & Finish Group produced draft strategy; new governance structure agreed; Specialist Domestic Violence Court Accreditation	Open	Medium	High
24	Successful London Suburb	Reduce re-offending	Operational	Failure to meet new statutory obligation from 1st April 2010 to reduce re-offending	Community Protection Group Manager	01/04/2010	Monitoring by Safer Communities Partnership, regular liason and joint planning with partners	Medium	High	Review partnership approach to re-offending; external walk through of DIP PPO scheme	Director of E&O	12/05/10	New risk for 2010/11	Open	Medium	High

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25	Successful London Suburb	Delivery by TFL of the planned improvement scheme at Henlys Corner by 2012	Operational	Risk of non or late delivery as proposed scheme has yet to be formally endorsed by LBB, and TFL programme believed to be tight with details yet to be confirmed or agreed	Transport & Regeneration Manager	12/05/2010	Regular liaison meetings with TFL	Low	Medium	CDG and Cabinet Briefing to seek endorsement programme for July. Close and collaborative liaison with TFL on the works	Assistant Director, Highways	12/05/2010	New risk for 2010/11	Open	Low	Medium
26	Sharing Opportunities and Sharing Responsibilities	Manage customer expectations in the context of reduced public funding	Reputational	Falling Customer Satisfaction levels & rising expectations	Assistant Director, Environment	01/04/2010	Place Survey, regular liaison with customers	High	Medium	Regular dialogue with customers, further analysis of Place Survey results, development of more targeted 21 Little Barnets approach as part of E&O redesign	Director of E&O	12/05/2010	New risk for 2010/11	Open	High	Medium
27	Sharing Opportunities and Sharing Responsibilities	Develop the parks and open spaces strategy by ensuring parks meet local needs	Operational	Insufficient funding to provide continued improvements; poor customer engagement / ownership	Assistant Director Environment/Principal Greenspaces Manager	20/07/09	Development of parks and open spaces strategy with residents	Medium	Medium	Early engagement with Friends Groups, community groups, residents; liaison with comms; development of needs assessment	Assistant Director, Environment	12/05/10	Open space PPG completed. Scoping document agreed with SMB and lead Member	Open	Medium	Medium