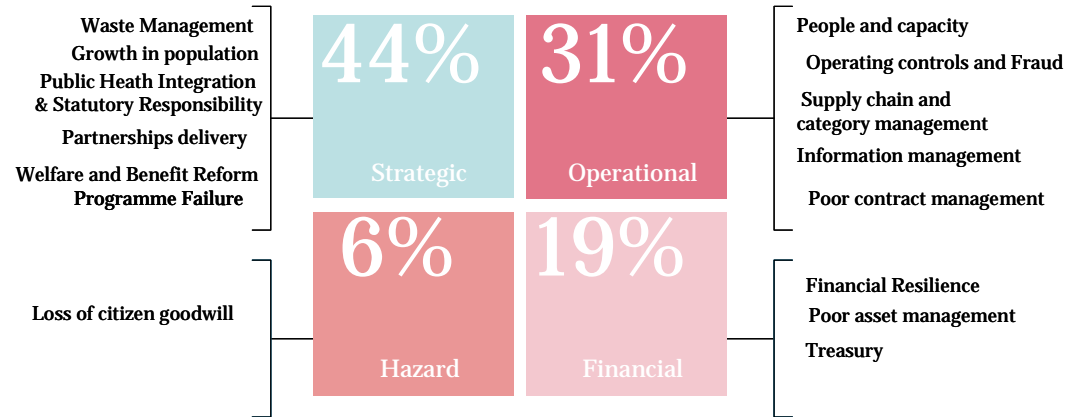


Corporate Risk Register

The following diagram highlights where those risks as determined in the workshop presently sit within the headings of strategic, operational, hazard and financial.



PROBABILITY	SCORE	IMPACT				
		1	2	3	4	5
		Negligible	Minor	Moderate	Major	Catastrophic
5	Almost Certain	0	0	0	0	0
4	Likely	0	0	0	5	0
3	Possible	0	1	6	4	0
2	Unlikely	0	0	0	0	0
1	Rare	0	0	0	0	0

Risk Commentary – the majority of risks are considered strategic and these correlate with being highly rated for impact and probability along with financial risks which is mostly due to the sector and economic climate. A number of risks are due to the changing nature of the council which requires management over the period of transition to ensure that the corporate objectives are realised.

Appendix G

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating		
<p>People – there may not be in place the capacity within the council to deliver the change agenda, business as usual and manage the transition to the new corporate structure.</p> <p>Cause: timings of the corporate restructure may mean that the right people are not in place to lead through the period of change and transition</p> <p>Consequence: Business as usual may suffer and impact on the customer experience or overall financial management or corporate governance.</p>	Major 4	Possible 3	Medium-High 12	<p>Preventative: Restructure Project Board. Transition plans for moving to new provider: Develop Organisation Development Strategy</p> <p>Detective: Performance Management Framework to identify areas of concern, in particular ‘managing the business’ indices Regular Senior Management Team meetings for each Directorate One Barnet Programme – management of transition plans for escalation to the Board.</p>	Treat	Quarterly	Moderate 3	Possible 3	Medium-High 9
<p>Welfare and Benefit Reform – there is a risk that government policy may have unintended consequences set in the wider context of service reductions and social change.</p> <p>Likelihood that there will be direct operational increases from implementing a new system, potential for cost pressures from central government to local government, and there may be a transfer of costs from one council to another.</p> <p>Cause: Central Government has committed to a programme of</p>	Major 4	Possible 3	Medium-High 12	<p>Preventative: Welfare Reform Programme in place to determine impact and to determine the design of the new scheme in place to deliver welfare and benefit reform. Development of Council Tax support scheme - partnership working to determine Barnet public sector response building on existing forms such as community coaches and NEETs</p> <p>Detective: Performance indicators in place to determine impact on housing and social care demand, NEETs</p>	Treat	Quarterly	Moderate 3	Possible 3	Medium-High 9

Appendix G

Risk	Current Assessment			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
<p>welfare reform, aiming to simplify the benefits systems, create the right incentives to get more people into work, protect the most vulnerable, and deliver fairness to tax payers and to those claiming benefits</p> <p>Consequence: potential to negatively affect those economically disadvantaged within the community.</p>				<i>Development of an implementation plan to monitor</i>					
<p>Financial Resilience – given the slow recovery of the economy there is a risk of key concerns over delivering savings over the next few years and managing to deliver services at the highest standards over such uncertainty.</p> <p>Cause: further cuts to local government funding in 2012/13 and there have been discussions of an additional Spending Review possibly in the Autumn of 2012/13.</p> <p>Consequence: Erosion of financial reserve position or non delivery of key services to the vulnerable.</p>	Major 4	Possible 3	Medium High 12	<p>Preventative: <i>Financial and Business Planning cycle including risk assessments of saving plans</i></p> <p>Detective: <i>Budget monitoring and financial management standards being adhered to. Recovery plans and alternative options reviewed in areas with overspends. Value for money indicators in use across the business. Monitoring delivery of Medium Term Financial Strategy</i></p>	Tolerate	Quarterly	Major 4	Possible 3	Medium High 12

Appendix G

Risk	Current Assessment			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
<p>Treasury – there is a risk due to the potential break up of the Euro and associated defaults could leave banks around the world exposed to bad debt. The council will need to ensure prudent investments over this period to prevent funds and associated interest being at risk.</p> <p>Cause: Creditworthiness of banks continues to be a concern due to global economic uncertainty and the Eurozone crisis</p> <p>Consequence: Loss of funds if there are not adequate safeguards in place to review investments.</p>	Major 4	Likely 4	High 16	<p>Preventative: <i>Approved Treasury Management Strategy with appropriate sign off of deposits by senior management.</i></p> <p>Detective: <i>Compliance checks on application of strategy, continual monitoring of deposits and proactive assessment and amendment of lending lists in light of changing circumstances</i></p>	Treat	Quarterly	Major 4	Possible 3	Medium-High 12
<p>Failure to plan for population increase – the borough is set to grow in population and there is a risk that there may not be enough social infrastructure (schools, older people homes), physical and green spaces, and affordable housing available in line with demand. If the growth is not fed into sufficiently into plans there is the risk that some directorates may not be able to provide services to offset demand pressures in other directorates.</p> <p>Cause: Population increase and</p>	Major 4	Likely 4	High 16	<p>Preventative: <i>Development of Pupil Placed Planning Strategy linked effectively with the Regeneration Programme Demand Management, prevention and intervention into troubled families (Wave 2 projects)</i></p> <p>Detective: <i>Regeneration Board, performance indicators for new homes, Investment Appraisal Board for school expansions</i></p>	Treat	Quarterly	Major 4	Possible 3	Medium-High 12

Appendix G

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating		
<p>people living longer.</p> <p>Consequence: More demand for public services over a period in declining government funding.</p>									
<p>Information Management – there is a risk of non compliance with data protection legislation and information security policies without practical responses to transferring information between providers and the council.</p> <p>Cause: Changes to the ways in which services are provided require more interchange of information with external bodies.</p> <p>Consequence: potential information security or data protection breaches if policies are not strictly complied with leading to reputational damage and potential fines from ICO.</p>	Moderate 3	Possible 3	Medium-High 9	<p>Preventative: <i>Information Management Strategy; E-learning package on information management</i></p> <p><i>Communication of policies and procedures</i></p> <p>Detective: <i>Information Governance Board providing oversight and direction</i></p> <p><i>IM implementation plan</i></p> <p><i>Delivery Unit Governance Groups in place within services to monitor compliance</i></p> <p><i>Effective programme management in place</i></p> <p><i>Data-flow analysis and redefining standards by learning</i></p>	Treat	Quarterly	Moderate 3	Unlikely 2	Medium-Low 6
<p>Commercial Relationships – there is a risk that centralisation and compliance work distracts focus from supply chain management and category management across the council for delivery of key savings over the short to medium term.</p>	Major 4	Likely 4	High 16	<p>Preventative: <i>medium term procurement strategy</i></p> <p><i>Delivery of Procurement Controls and Monitoring Action Plan to ensure compliance with basic procurement rules.</i></p> <p>Detective: <i>Data for category spend</i></p>	Treat	Quarterly	Moderate 3	Unlikely 2	Medium-low 6

Appendix G

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating		
<p>Cause: As the focus of procurement has been compliance resources have not been balanced in terms of delivery of category management and ensuring understanding of contract management after the procurement exercise.</p> <p>Consequence: Failure to understand the data and to make future savings from better commercial relationships.</p>				<p><i>per Directorate reviewed and acted upon</i> <i>Centralisation of procurement specialists to act as key supplier relationship managers (SRMs) across the business.</i></p>					
<p>Asset Management – there is a risk that there is not a common understanding of the current state and size of council and community owned assets.</p> <p>Cause: there has been a lack of an integrated Asset management System due to a lack of data on properly held.</p> <p>Consequence: Asset management planning may not be well integrated within business planning processes leading to poor use of resources.</p>	Moderate 3	Possible 3	Medium-High 9	<p>Preventative: <i>Asset Management Strategy development</i></p> <p>Detective: <i>Developing a list of council and community based assets, including any compliance issues.</i> <i>Implementation of Estates Strategy Action Plan</i> <i>Establish corporate asset management system</i></p>	Treat	Quarterly	Minor 2	Possible 3	Medium-Low 6

Appendix G

Risk	Current Assessment			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
<p>Waste Management and Sustainability – without consideration of alternative ways of improving recycling and changing behaviours around sustainability there is a risk that costs will escalate in the future and delivery of services at the current quality will not be possible leading to declining customer satisfaction.</p> <p>Cause: Growth and changes in government regulations and law require change to waste management and sustainability.</p> <p>Consequence: Increased costs due to penalties attracted where minimum recycling rates not achieved and where rubbish sent to landfill. Without appropriate ownership of responsibility for environmental matters and easy access to methods of recycling there may be an adverse affect on the environment and standards of living.</p>	Major 4	Likely 4	High 16	<p>Preventative: <i>Strategic Outline Business Case for Street Scene considering alternative ways of delivery</i> <i>NWLA partnership</i></p> <p>Detective: <i>Performance Indicators for recycling and customer satisfaction.</i> <i>Waste Project Board for oversight of delivery of plan</i> <i>One Barnet Programme Management</i></p>	Treat	Quarterly	Major 4	Possible 3	Medium-High 12
Health Integration – local health organisations and social care have agreed to work on a single integration programme for commissioning and service change	Moderate 3	Possible 3	Medium-High 9	<p>Preventative: <i>Strategic Outline Business Case for Health and Social Care Integration and investment priorities outlining commitment of NHS organisations</i></p>	Treat	Quarterly	Moderate 3	Unlikely 2	Medium-Low 6

Appendix G

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating		
<p>from October 2012. Without clear evidence that demonstrates the measurable return on investment for integration with social care and the timescale for benefit realisation, there is a risk that partner organisations may be unwilling to commit to support and invest in integration projects where they do not see a rapid and/or proportionate return on their investment for their own organisation.</p> <p>Cause: Resourcing constraints and are expected to impact local NHS organisations that are undergoing major transitions now and during the next 12 months.</p> <p>Consequence: Without appropriate partnership commitment the opportunities from integration of health and social care may not be realised such as the ability to improve the health and wellbeing of the Barnet community; and appropriate care and support to support and facilitate good outcomes; & improved management of demographic change</p>				<p><i>and Barnet Council to provide resources to support the delivery of social care and health integration initiatives and the investment of Section 256 monies.</i></p> <p><i>NHS and Social Care integration summit agreed the benefits of a single programme approach to integration in the borough, July 2012. Programme initiation October 2012</i></p> <p>Detective: <i>Health and Well-Being Board oversight Building local insight through the piloting and evaluation of integration initiatives prior to a large scale commitment or long-term investment decision. Also definition of benefits measurement will be an essential component of integration project development and delivery. Creation of concordat detailing principles of engagement, investment and benefits realisation to be signed by all NHS and social care organisations in the programme. Programme management approach through One Barnet to ensure that the mix of benefits</i></p>					

Appendix G

Risk	Current Assessment			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
				<p><i>across the portfolio of projects are fairly distributed at programme level.</i></p> <p><i>Engagement and Communications workstream</i></p> <p><i>HR engagement</i></p>					
<p>New Public Health Statutory Responsibilities - Local Authorities will have a new statutory responsibilities for health improvement, health protection and the provision of public health advice and information to local NHS Commissioners from April 2013 as part of the changes to the health and social care system enacted in the new Health and Social Care Act. The new responsibilities will be funded by a ring-fenced grant which will be based on historical actual outturn spend and will not be confirmed by the Department of Health until December 2012. A project is being implemented jointly with NHS NCL to prepare for the transfer of designated public health functions, contracts and staff to the Local Authority.</p> <p><u>Cause</u> - There is a risk of insufficient funding and specialist public health staff resources for the</p>	Major 4	Likely 4	High 16	<p>Preventative – Barnet Council is seeking to increase the capacity and capability of public health staff and resources, spread financial and operational risk and achieve economies of scale through the establishment of a shared specialist Public Health Service and single Director of Public Health with Harrow Council. This will also open up opportunities for greater public health contract efficiencies and scope for the joint commissioning of public health provider services. Barnet Council has representation on the London Councils forum and is lobbying for a fair funding settlement through a range of formal and informal channels including Department of Health, NCL Cluster, NHS London Public Health Programme and the Local Government Association.</p> <p>Detective – Joint NCL and Barnet Council Public Health Transition</p>	Treat	Quarterly	Moderate 3	Likely 4	Medium-High 12

Appendix G

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating		
<p>Local Authority to discharge its statutory Public Health responsibilities. There is an identified £1.4m shortfall between the expected funding requirement and the likely public health ring-fenced grant allocation settlement. The historical level of investment public health in Barnet is substantially lower than other parts of London and is well below the national average.</p> <p><u>Consequence</u> – The Local Authority will be unable to discharge its new statutory public health commitments and will have insufficient resources to fulfil its corporate local strategic priorities for public health improvement and health protection.</p>				<p><i>Board including representation from NCL Finance, Public Health, Barnet CCG and the regional Health Protection Unit. The Project Board meets monthly. Direct input into the preparation and validation of NCL Public Health financial information. Review of monthly NCL public health financial reporting during the transition year (2012/13).Memorandum of Understanding with NCL Cluster to support the safe transfer of public health functions to the Local Authority.</i></p>					
<p>Fraud – there is a risk that monies or assets may be fraudulently gained by individuals internal or external to the council over the period of change or austerity.</p> <p>Cause: In periods of austerity it is inherent in any organisation, particularly within government agencies, that they are targeted by fraudsters either external or internal.</p>	Minor 2	Possible 3	Medium-Low 6	<p>Preventative work: fraud awareness training delivered through e-learning, appropriate design of control by management to prevent fraud.</p> <p>Deterrent: publication of any fraudsters convicted and prosecuted by the Council</p> <p>Detective: Proactive fraud plan in place for 2012-13 to identify</p>	Tolerate	Quarterly	Minor 2	Possible 3	Medium-Low 6

Appendix G

Risk	Current Assessment			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
Consequence: funds may fraudulently leave the council and in the event that the fraud is not detected may not be recovered.				<p><i>weaknesses in control to mitigate the risk of fraud; controls designed by management to detect fraud or error within their key systems.</i></p> <p><i>Regular review of fraud cases and consideration of the application of controls.</i></p>					
<p>Failure to engage properly with Residents.</p> <p>Cause: A full understanding of resident's and their involvement in their communities may not be reflected in services approach to business planning; or on building how residents would like to be involved further in their communities.</p> <p>Consequences: reputational damage and the potential to make policy that does not reflect the needs of residents</p>	Moderate 3	Possible 3	Medium-High 9	<p>Preventative: Finance and Business Planning – feeding consultations into service design.</p> <p><i>Governance: development of participatory/ward budget to enable ward leaders to engage with community groups/leaders and the voluntary sector on improving neighbourhoods/wards.</i></p> <p><i>Social media – alternative methods of engaging with residents to be explored through future updates to the website.</i></p> <p>Detective: Common understanding of the citizen engagement within the Council through review of complaints data analysis and prior consultations. Performance indicators for customer satisfaction and</p>	Treat	Quarterly	Moderate 3	Unlikely 2	Medium-Low 6

Appendix G

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating		
				<i>customer care.</i>					
<p>Partnerships – there is a risk that our relationships with key partners with schools, NHS, police may not work effectively to achieve joint outcomes for local people.</p> <p>Cause: Immature partnership framework that is yet to endure a test of the strength of the relationships.</p> <p>Consequence: without clear focus on outcomes partnerships want to achieve the benefits of working collaboratively will not be realised and there could be duplication of efforts or gaps in discharging statutory responsibilities.</p>	Moderate 3	Possible 3	Medium-High 9	<p>Preventative: <i>Overarching Partnership Strategy. Partnership Framework</i></p> <p>Detective: <i>Partnership Delivery Boards monitoring delivery of partnership outcomes.</i></p>	Treat	Quarterly	Moderate 3	Unlikely 2	Medium-low 6
<p>As DRS and NSCSO wave 1 projects move towards finalisation there are risks around selection of the provider and the mobilisation period with potential for delay and business continuity over that time.</p> <p>Cause: The stage in the</p>	Major 4	Possible 3	Medium-High 12	<p>Preventative: <i>Selection panels in place for the assessment of final bids. Training and development for panel members to ensure process is adhered to.</i></p> <p><i>Transition plan in place to move to new provider through senior</i></p>	Treat	Weekly	Moderate 3	Possible 3	Medium-High 9

Appendix G

Risk	Current Assessment			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
<p>procurement process requires capacity and leadership to ensure smooth transition.</p> <p>Consequence: Business as usual may suffer or delays occur if the process is not controlled well over the selection and mobilisation process.</p>				<p><i>management restructure process.</i></p> <p>Detective: <i>Transition Board in place monitoring delivery of plans, escalating issues as appropriate.</i></p>					
<p>There is a risk in the new organisational structure that the Council may not have the capacity to manage contracts effectively.</p> <p>Cause: change in the model for management contracts post finalisation of major outsourcing of DRS and NSCSO services within scope.</p> <p>Consequence: contract managers may not be in place and with sufficient knowledge of the new working arrangements to ensure delivery of Key Performance Indicators from April onwards.</p>	Moderate 3	Possible 3	Medium High 9	<p>Preventative: <i>Appointment of contract managers. Embedding central/devolved approach to contract management Sufficient lead in period until go-live of April 13.</i></p> <p>Detective: <i>Transition Board and Project Board in place monitoring requirements of the new organisation</i></p> <p><i>New Head of Commercial in place and instigating change.</i></p>	Treat	Monthly	Minor 2	Possible 3	Medium Low 6

For Information:

For completeness purposes, when comparing from quarter 4 2011-12 to quarter 1 2012-13 the following risks were transferred to their respective Directorates or Programmes for monitoring at that level:

- ORG 0019 Street Lighting PFI contract – the level of risk has been mitigated partially to offset any larger impact across the business
- ORG0001 Transformation – effective governance arrangements are in place and operating as intended. Risks are now included above for the new structure and finalisation of the One Barnet wave 1 two major outsourcings.
- ORG0004 – Governance risks has been subdivided into People and Fraud to be specific around cultural and inherent risks across the organisation in periods of change
- ORG0017 – Localism Act – the project board has devised a plan that is being successfully managed. The Board is therefore empowered to manage the risk on behalf of Directors.
- ORG0018 – Business Continuity around the Olympics has been successfully managed and therefore Directors are asked to manage individual risks around business continuity as normal, with emphasis placed on co-ordination of IT and Accommodation plans.