BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	**Audit Committee**
Report of:	**Assistant Director, Audit & Risk Management**
Date of Meeting:	**14th March 2017**
Subject:	**Corporate Risk Register Update**
Wards Affected:	**All**

1. Purpose of Report

To update the Audit Committee with information on the management of risks and issues within the Corporate Risk Register (CRR) (Appendix A). The information in Appendix A has been compiled using updates received from directorates.

To provide the Audit Committee with the refreshed risk management documents (Appendices B & C).

2. Recommendations

2.1 That the Audit Committee reviews the information provided by directorates and decide if the risk ratings are reasonable, if action being taken is effective, or if further explanation / information is required. The level of risk has reduced for five risks:

- Risk 7 - Lack of capacity and capability to respond to threat of industrial action, employee relations tensions, poor service, performance issues, sickness absence and poor morale due to organisational downsizing and pay freezes.
- Risk 9 - Failure to respond fully and effectively to the issues from recent reviews concerning school governance and related matters.
- Risk 11 - That the loss of significant personal or other sensitive data may put the Council in breach of its statutory responsibilities and incur a fine of up to £500,000 from the Information Commissioner.
- Risk 19 - Failure to deliver the Council's Localisation Agenda and commitments made in the Council's Improvement Plan and Leaders Policy Statement.
- Risk 24 - That the need to address the updated Pensions Deficit will result in an increase in employer contributions.

2.2 That the Audit Committee approves the deletion of four risks:

- Risk 8 - Risk of challenge regarding implementation of the Younger Peoples Re-Provision Programme - The work stream is now closed, and efficiency and savings targets have been transferred to the Maximising Independence of Adults (MIA) Board.

- Risk 9 - Failure to respond fully and effectively to the issues from recent reviews concerning school governance and related matters - A much improved performance culture and set of arrangements are now in place for the Council's education services.

- Risk 13 - Not planning appropriately for the on-going reduction in government grants – This is an annual risk, but there are processes in place to manage it.

- Risk 24 - That the need to address the updated Pensions Deficit will result in an increase in employer contributions - This risk crystallised in the setting of the 2017/18+ budget. The information received has been fully taken into account in the update of the Council's medium term financial plan, and in the development of savings proposals.

2.3 That the Audit Committee approves the new risks:

- Risk 30 - Risk that email / email archiving IT system fails.

- Risk 31 - Increased pressure on the statutory homeless service in regards to volume of customers, which leads to significant financial pressure on the general fund due to increased use of B&B.

2.4 That the Audit Committee approves the refreshed risk management documents.

3. Background Information

3.1 Members have a key role within the risk management process.

3.2 The Audit Committee terms of reference, sets out its responsibilities and in relation to risk management these are:

- providing independent assurance to the Council on the effectiveness of the risk management framework and the associated control environment,

- whether there is an appropriate culture of risk management and related control throughout the Council,

- to review and advise the Executive on the embedding and maintenance of an effective system of corporate governance including internal control and risk management; and

- to give an assurance to the Council that there is a sufficient and systematic review of the corporate governance, internal control and risk management arrangements within the Council.

4. Corporate Risk Register Update

4.1 The CRR is aligned to the corporate objectives of the Council and identifies the key risks to be managed at a corporate level.

4.2 The CRR focuses on the cross-cutting corporate issues.

4.3 A Lead Director has been identified for each risk. Directorates have provided information detailing the management of the risks within their service areas as at January 2017.

4.4 The CRR is attached as Appendix A.

5. Embedding Risk Management

5.1 The current main route to provide risk management awareness is the e-learning package for managers, accessed via the internet.

5.2 Information on the Council's approach to risk management is available via the BCC website. Additional information is attached to the risk management page on InLine, to support staff in using risk management in their day to day role. Advice, support and guidance are provided by Birmingham Audit as requested.

5.3 Service managers are also asked about their risk management arrangements as part of routine audit work. In addition the mandatory Public Sector Internal Audit Standards include a requirement with regard to risk management.

5.4 Risk management is also covered within the Annual Governance Statement.

6. Legal and Resource Implications

6.1 The work carried out is within approved budgets.

7. Risk Management & Equality Impact Assessment Issues

7.1 Risk management forms an important part of the internal control framework within the Council.

7.2 The Council's risk management strategy has been Equality Impact Assessed and was found to have no adverse impacts.

8. Compliance Issues

8.1 Decisions are consistent with relevant Council Policies, Plans and Strategies.

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BCC Risk Map - March 2017

Likelihood:

	Low	Medium	Significant	High
High			Alternative funding for schools PFI contracts / maintenance of schools estate (R3) Highways PFI - Core Investment deliverables (R6)	Defend / settle post 2008 equal pay claims (R1) Not responding to improvement agenda / improving childrens safeguarding (R2) Compliance re Counter Terrorism & Security Act and Prevent Duty (R26) Claims re pay back of search fees(R27) STP not alleviating the financial position of social care (R28) Financial pressures re statutory homeless service (R31)
Significant		Not divesting of property assets (R15) Malicious attacks on web based services (R16) Ineffective Corporate Risk Marker IT solution (R17)	Employee relations / sickness absence levels (R7)	Defend / settle pre 2008 equal pay claims (R4) Further equal pay claims (R5)
Medium		Evaluation of service deliver options (R18) Unpaid allowances (R20)	Younger Peoples Re-Provision Programme (R8) Responding to Kerslake Report (R10) Compliance to Equality Act 2010 & PSED (R12) Not planning appropriately for ongoing reduction in government grants (R13) Insufficient IT expertise / lack of control of non-core IT spend (R14) Setting / containing net spending within approved budget (R29) E-mail / e-mail archive failure (R30)	Compliance to timescales for DoLS referrals (R25)
Low		Delivery of Localisation Agenda (R19) Pensions deficit - increase in employer contributions (R24)	Fines from HMRC (R22)	Responding to school governance concerns (R9) Loss of personal / sensitive data (R11)

Impact

Key:

Severe — Immediate control improvement to be made to enable business goals to be met and service delivery maintained / improved.

Material — Close monitoring to be carried out and cost effective control improvements sought to ensure service delivery is maintained.

Tolerable — Regular review, low cost control improvements sought if possible.

Index by Risk / Issue Number

New No.	Orig No.	Short Description of Risk / Issue	Page
1	1c	Defend and / or settle post 2008 equal pay claims	11
2	23 / 61	Not responding fully and effectively to the improvement agenda for children - improving children's safeguarding and social care	11
3	14b / 50	Failure to identify alternative funding stream for school PFI contracts - impacting on availability of maintenance funding for essential management of the LA schools estate	18
4	1a	Defend and / or settle pre 2008 equal pay claims	17
5	1b	Further equal pay claims	18
6	46	Failure to obtain the full extent of Core Investment Period deliverables in accordance with the business case (Highways)	19
7	30	Employee relations, performance issues, sickness absence levels, etc	20
8 Nominated for deletion	N/A	Risk of challenge regarding implementation of the Younger Peoples Re-Provision Programme	22
9 Nominated for deletion	57	Not responding fully and effectively to the issues from recent reviews concerning school governance and related matters	33
10	N/A	Not responding fully and effectively to the recommendations made in the Kerslake Report and implementing the Future Council Programme	22
11	45	Loss of personal or sensitive data	35
12	2	Failure to comply with the Equality Act 2010 and the Public Sector Equality Duty	24
13 Nominated for deletion	28	Not planning appropriately for the on-going reduction in government grants resulting in a shortfall in resources, including taking the necessary actions to avoid legal challenge.	26
14	52	Insufficient in-house IT expertise within directorates & inadequate or ineffective corporate control of non-core IT spend	27
15	32	Not recognising the need to divest of costly property assets in radical new solutions to reframe service delivery	28
16	42	Web services may be disrupted by malicious attacks on Council's web based services	29
17	55	Ineffective Corporate Risk Marker IT solution	30
18	37	Evaluation of cost & benefits of alternative delivery models & failure to fully implement the decisions made to change policy / service delivery	31
19	41	Delivery of the Localisation Agenda and commitments made in the Council's Improvement Plan and Leaders Policy Statement	37
20	44	Unpaid allowances	32
21	35	Deleted	-
22	54	Risk of fines from HMRC for directorates employing long term consultants	36
23	59	Deleted	-
24 Nominated for deletion	N/A	Risk that the need to address the updated Pensions Deficit will result in an increase in employer contributions.	38
25	N/A	Failure to comply with statutory timescales in relation to DoLS (Deprivation of Liberty) referrals, which could lead to legal challenge and result in financial loss to the Council	20
26	N/A	Failure to comply with all of the requirements of the Counter Terrorism and Security Act (2015) and the Prevent Duty	14
27	N/A	Risk of claims for payback of search fees charged by the Council	15
28	N/A	Risk that in its early stages of delivery the Sustainability Transformation Plan (STP) will not alleviate the financial position of social care	16
29	N/A	Not developing sufficiently robust plans to support setting a balanced budget (including in the medium term), and not containing net spending within the approved budget	23
30 New Risk	N/A	Risk that email / email archiving IT system fails	27
31 New Risk	N/A	Increased pressure on the statutory homeless service in regards to volume of customers, which leads to significant financial pressure on the general fund due to increased use of B&B	17

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Corporate Risk Register Update for Audit Committee March 2017

	INDEX OF RISKS / ISSUES (in order of severity of risk)									
Ranking	New Ref No.	Old Ref No.	Short Description	Lead Director	Actual Risk rating and Target rating Likelihood / Impact March 2017	Change in residual risk	Actual risk level in previous 3 updates to Audit Committee			Page No.
							Nov 2016	July 2016	March 2016	
1	1	1c	Defend and / or settle post 2008 equal pay claims.	Strategic Director, Finance &Legal	Actual: H/H Target: M/S	Same	H/H	H/H	H/H	11
2	2	23 & 61	Not responding fully and effectively to the improvement agenda for children - Failure to improve children's safeguarding and children's social care.	Strategic Director, People Directorate	Actual: H/H Target: M/H	Same	H/H	H/H	H/H	11
3	26	N/A	Failure to comply with all of the requirements of the Counter Terrorism and Security Act (2015) and the Prevent Duty.	Strategic Director Place Directorate	Actual: H/H Target: M/S	Same	H/H	H/H		14
4	27	N/A	Risk of claims for payback of search fees charged by the Council.	Strategic Director, Economy	Actual: H/H Target: H/S	Same	H/H			15
5	28	N/A	Risk that in its early stages of delivery the Sustainability Transformation Plan (STP) will not alleviate the financial position of social care.	Strategic Director, People Directorate	Actual: H/H Target: H/H	Same	H/H			16
6	31	N/A	Increased pressure on the statutory homeless service in regards to volume of customers.	Strategic Director Place Directorate	Actual: H/H Target: M/M	N/A				17
7	4	1a	Defend and settle pre 2008 equal pay claims.	Strategic Director, Finance &Legal	Actual: S/H Target: L/H	Same	S/H	S/H	S/H	17
8	5	1b	Further equal pay claims.	Strategic Director, Finance &Legal	Actual: S/H Target: M/H	Same	S/H	S/H	S/H	18

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							Nov 2016	July 2016	March 2016	
9	3	14b / 50	Failure to identify alternative funding stream for school PFI contracts revenue pressure, impacting on availability for essential management of the LA schools estate.	Strategic Director, Finance &Legal	Actual: H/S Target: M/S	Same	H/S	H/S	H/H	18
10	6	46	Failure to obtain the full extent of Core Investment Period deliverables in accordance with the business case (Highways).	Strategic Director, Economy	Actual: H/S Target: L/S	Same	H/S	H/S	H/S	19
11	7	30	Lack of capacity and capability to respond to employee relations tensions, poor service, performance issues, sickness absence levels and poor morale due to organisational downsizing and pay freezes.	Strategic Director, Change & Support Services	Actual: S/S Target: L/M	Reduced	H/S	H/S	H/S	20
12	25	N/A	Failure to comply with statutory timescales in relation to DoLS (Deprivation of Liberty) referrals, which could lead to legal challenge and result in financial loss to the Council.	Strategic Director, People Directorate	Actual: M/H Target: M/S	Same	M/H	M/H		20
13	8	N/A	Risk of challenge regarding implementation of the Younger Peoples Re-Provision Programme.	Strategic Director, People Directorate	Actual: M/S Target: M/S	Same	M/S	S/S	S/S	22
14	10	N/A	Not responding fully and effectively to the recommendations made in the Kerslake Report and implementing the Future Council Programme.	Chief Executive	Actual: M/S Target: L/S	Same	M/S	M/S	M/H	22
15	29	NA	Not developing sufficiently robust plans to support setting a balanced budget (including in the medium term), and not containing net spending within the approved budget.	Strategic Director, Finance & Legal	Actual: M/S Target: L/S	Same	M/S			23
16	12	2	Failure to comply with all the requirements of the Equality Act 2012 and the Public Sector Equality Duty.	Strategic Director, Place Directorate	Actual: M/S Target: M/S	Same	M/S	M/S	M/S	24

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							Nov 2016	July 2016	March 2016	
17	13	28	Not planning appropriately for the on-going reduction in government grants resulting in a shortfall in resources and avoid legal challenge.	Strategic Director, Finance & Legal	**Actual: M/S** **Target: L/L**	Same	**M/S**	**M/S**	**M/S**	26
18	14	52	Insufficient in-house IT expertise within Directorates and inadequate or ineffective corporate control of non-core IT spending.	Strategic Director, Change & Support Services	**Actual: M/S** **Target: L/S**	Same	**M/S**	**M/S**	**M/S**	27
19	30	N/A	E-Mail and E-Mail archiving IT systems now out of support.	Strategic Director Change & Support Services	**Actual: M/S** **Target: L/L**	N/A				27
20	15	32	Not recognising the need to divest of costly property assets in radical new solutions to reframe service delivery.	Strategic Director, Major Projects	**Actual: S/M** **Target: M/L**	Same	**S/M**	**S/M**	**S/M**	28
21	16	42	That web services to customers or work with partners may be disrupted by malicious attacks on the City Council's web based services.	Strategic Director, Change & Support Services	**Actual: S/M** **Target: L/M**	Same	**S/M**	**S/M**	**S/M**	29
22	17	55	Ineffective Corporate Risk Marker IT solution.	Strategic Director, Change & Support Services	**Actual: S/M** **Target: L/M**	Same	**S/M**	**S/M**	**S/M**	30
23	18	37	Failure to adequately evaluate the costs and benefits of alternative delivery models. Failure to fully implement the decisions made to change policy and service delivery.	Strategic Director, Change & Support Services	**Actual: M/M** **Target: M/M**	Same	**M/M**	**M/M**	**M/M**	31

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							Nov 2016	July 2016	March 2016	
24	20	44	Unpaid allowances / contractual overtime payments / equality of flex time agreements.	Strategic Director, Change & Support Services	**Actual: M/M** **Target: M/M**	Same	**M/M**	**M/M**	**M/M**	32
25	9	57	Not responding fully and effectively to the issues from recent reviews concerning school governance and related matters.	Strategic Director, People Directorate	**Actual: L/H** **Target L/H**	Reduced	**M/H**	**M/H**	**M/H**	33
26	11	45	The loss of significant personal or other sensitive data.	Strategic Director, Major Projects	**Actual: L/H** **Target: L/H**	Reduced	**M/H**	**M/H**	**M/H**	35
27	22	54	Risk of fines from HMRC for Directorates employing long–term consultants.	Strategic Director Change & Support Services	**Actual: L/S** **Target: L/M**	Same	**L/S**	**L/S**	**L/S**	36
28	19	41	Failure to deliver the Council's localisation agenda and commitments made in the Council's improvement Plan and Leaders Policy Statement.	Strategic Director, Place Directorate	**Actual: L/M** **Target: L/M**	Reduced	**M/M**	**M/M**	**M/M**	37
29	24	N/A	Risk that the need to address the updated Pensions Deficit will result in an increase in employer contributions.	Strategic Director, Finance & Legal	**Actual: L/M** **Target: L/M**	Reduced	**S/H**	**S/H**		38

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New No.	Original No.	Description - risk / issue	Current level of risk L/I	Current actions / Comments	Long term aim for the risk - including actions, timescales and target risk rating	Overview & Scrutiny (O&S)Review / Work & Internal Audit (IA) Work
1	1c	Failure to successfully defend and / or settle post 2008 equal pay claims. Lead: Strategic Director, Finance & Legal Owner: Kate Charlton	High / High	**Lead Director comment** A significant number of claims have been issued. A proportion of these has already been settled or is in the process of settlement. A growing proportion are now progressing through the tribunal and civil court process. No win / no fee solicitors are still canvassing for claimants. The validity of claims is constantly challenged by Legal Services. Each claim is subject to robust legal challenge. Settlement of claims is subject to financial provision and establishing validity of claims.	**Target risk rating:** Medium / Significant **Anticipated date of attainment of the target risk rating:** March 2018. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance - regular separate reporting to Corporate Governance Group and the Audit Committee. External & internal audit review.	O&S - The subject of equal pay claims has been discussed at meetings of the Corporate Resources O&S Committee but only in general terms during items relating to the Council's budget and Annual Audit Letter. IA - Payroll review work undertaken annually.
2	23 & 61	Not responding fully and effectively to the improvement agenda for Children - Failure to improve children's safeguarding and children's social care. Lead: Strategic Director, People Directorate Owner: Alastair Gibbons	High / High	**Lead Director comment** A new Commissioner for Children's Care was appointed in November 2016. He is working with the Council to oversee continued implementation of the improvement plan and support for the potential development of a Children's Trust. There is now greater clarity about resources and priorities going forward, including a sustainable 4 year financial plan and a stable operational model was in place in February 2016. We have worked with partners in the Early Help & Safeguarding Partnership to redesign the front door for early help and social work contacts, and referrals to improve referral-taking, advice, screening and decision-making. CASS (Child Advice & Support Service) is the way into family support and social work services including MASH and child protection, and was in place from September 2016. Ofsted conducted a full inspection of Birmingham children's social care in September / October 2016. Ofsted judged that the Council remained inadequate overall but with several areas of improvement.	**Target risk rating:** Medium / High **Anticipated date of attainment of the target risk rating:** April 2018. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance, Peer review, Ofsted visits, Scrutiny Committee monitoring, and Children's Commissioner fortnightly. Quartet Meetings (Children's Improvement Programme Board); Essex improvement support. The refreshed improvement plan, with the necessary investment is being delivered. There is still much to do to ensure the quality of practice and its timeliness. Cabinet approval has been given to the replacement of the CareFirst case system so that practitioners are freed up to undertake direct social work practice.	O&S - Schools, Children and Families O&S Committee: • Scrutinised progress on the Scrutiny Inquiry: Children Missing from Home and Care on 12th October 2016; and discussed children missing from education at the same meeting. The BEP was questioned on school improvement on 21st September 2016. • Members discussed the Children's Social Care and Safeguarding Improvement Plan at the informal July 2016 meeting. On 7th December 2016 the

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				Over 400 cases were looked at and many front-line staff talked with and observed by the inspectors. The inspection focus was very much on practice. The inspection was intense and forensic and provides a good deal of detailed learning to help shape our continuing improvement. Improvement priorities until April 2017, including actions in response to Ofsted's recommendations, are in place and being progressed.	As a proposed move to a Children's Trust, Cabinet will be asked to agree an alternative delivery model for implementation from April 2017 in shadow form and for full implementation from April 2018.	Committee examined changes following the Ofsted visit and improvements to MASH / CASS. • July and September saw Members discussing progress to the Voluntary Children's Trust and met with Andrew Christie on 23rd January 2017 to scrutinise the plans going to Cabinet. In addition, Members have identified Home to School Travel as being a risk to service users, the Council's reputation, legal challenge and budget control. They examined this on 5th December 2016 at an informal meeting, and at the budget discussion meeting on 11th January 2017. Held meetings with the Exec Director for Children's Services, Chief Social Worker, adoption and fostering team and Lifford Lane Social work teams. IA Reviews 2014/15: Corporate Parenting, MASH, Section 11 Safeguarding Return,

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						Excluded Pupils, Child Protection Plans, Quality of Children in Need Plans and CareFirst IT. IA Reviews 2015/16: Integrated Support Plans, S175 Safeguarding Return, Personal Education Plans, Strategy for Supporting Carers, Effective Home Education, Safeguarding Disclosure & Barring Checks and Multi Agency Safeguarding Hub. IA Reviews 2016/17: Child Protection Case Conference - Engagement, Dealing with Excluded Pupils, Children Missing From Education, Effective Social Working with Families, Carefirst, Sexual Health Contract - Identification of Child Sexual Exploitation, Personal Education Plans F/Up, IS Management (iCare Application), Child Permanency Reports and Special Education Needs & Disability - Strategy & Plan.

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26	N/A	Failure to comply with all of the requirements of the Counter Terrorism and Security Act (2015) and the Prevent Duty. Lead: Strategic Director, Place Directorate Owner: Jacqui Kennedy	High / High	**Lead Director comment** The threat and vulnerability risk assessment of a terrorist attack in the UK places Birmingham as the most vulnerable city after London. In 2015 the Council and partners reviewed its infrastructure around this risk to take into account the Counter-Terrorism and Security Act 2015, that includes a duty on certain bodies ('specified authorities' listed in Schedule 6 to the Act), in the exercise of their functions to have 'due regard to the need to prevent people from being drawn into terrorism'. The duty does not confer new functions on any specified authority. The term 'due regard' means that the authorities should place an appropriate amount of weight on the need to prevent people being drawn into terrorism when they consider all the other factors relevant to how they carry out their usual functions. The Council has applied a partnership and mainstreaming approach to mitigate the risks associated with the threat. Governance for the Prevent programme has been strengthened with the Prevent coordinator now reporting directly to the Strategic Director and Assistant Chief Executive increasing visibility across the Council.	**Target risk rating**: Medium / Significant **Anticipated date of review/attainment of the target risk rating:** Ongoing **Source(s) of assurance regarding progress with mitigating the risk:** Delivery continues to be monitored by the CONTEST Board Chaired by the Deputy Leader. Prevent Delivery Plan in place driven by Counter Terrorism Local Profile (CTLP), monitored by the Prevent Executive Board, chaired by Jacqui Kennedy / Peter Hay. Consultations undertaken with elected members, District Chairs and communities. 15,000+ front line schools staff have undertaken Workshop to Raise Awareness of Prevent (WRAP) training. Over 600 staff within Adult Safeguarding also trained In WRAP awareness training. Training for front line staff has now moved to a 'train the trainer' model with 450 trainers having been trained to deliver future WRAP awareness training to schools alleviating capacity issues within the local authority. Support continues to be provided to schools around Prevent via the Schools Resilience Officer. Prevent Community Engagement Officer now recruited. Prevent is embedded within MASH arrangements and within the Right Services, Right Time safeguarding procedures.	O&S - Waqar Ahmed, Prevent Manager reported to Scrutiny on 12th October 2016 alongside Chief Social Worker Tony Stanley to discuss safeguarding arrangements for Prevent and radicalisation, and is due to return to Committee in April 2017. Birmingham contributing to the Home Office Audit on national Prevent activity.

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					CHANNEL is in place as a multi-agency pre-criminal space platform to support vulnerable people; and is chaired by the DWP's Think Family Lead. Community initiatives in place commissioned by the Home Officer to provide community solutions and are regarded by the Home Office as national best practice with scaling up plans initiated to extend into other regional areas. BCC Resilience Team continues to lead on the Prepare and Protect strand of the counter-terrorism strategy. Security briefings provided to Council House Staff, more briefings anticipated for security staff from Woodcock Street and Lancaster Circus.	
27	N/A	Risk of claims for payback of search fees charged by the Council. Note: Relates to reimbursement of fees deemed to be in breach of Environmental Information Regulations. Claims for costs can be substantially higher than the search fees. Lead: Strategic Director, Economy Owner: Anne Shaw	High / High	**Lead Director comment** Current charges are in line with guidance issued by the European Court of Justice; preventing any other grounds for claims beyond 1st April 2016. Charges prior to 1st April 2016 are subject to challenge. If payback is necessary it will impact the Council's budget. The potential liability to the Council is estimated to be in the region of £0.5m. APPS claims have now been settled following negotiations by Bevan Britton Lawyers acting on behalf of local authorities. However, the APPS companies have made a new burdens application in respect of the sums paid by Councils, including interest and legal fees. The LGA were to meet with Central Government in October 2016 to come to a decision, but the meeting was cancelled	**Target risk rating:** High / Significant **Anticipated date of attainment of the target risk rating:** March 2022. **Source(s) of assurance regarding progress with mitigating the risk:** Legal Services are being consulted.	

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				as further advice from Counsel was required. Until Central government makes a decision, the LGA cannot give a completion date for this work. The LGA anticipate that future legal costs will be limited and continued to be apportioned between local authorities, but are unable at this stage to quantify. Concerns still exist that a further claim for the period April 2009 - April 2016, may be received as £190,192.27 was charged for commercial searches with searchers visiting the office. Following the recent European Court of Justice ruling Councils now have to make this information available for free.		
28	N/A	Risk that in its early stages of delivery the Sustainability Transformation Plan (STP) will not alleviate the financial position of social care. Lead: Chief Executive Owner: Peter Hay	High / High	**Lead Director comment** To facilitate the STP development, Council resources were utilised. Whilst an STP has been submitted, it is very uncertain whether this will deliver against the required financial savings in the short and medium term.	**Target risk rating:** High / High **Anticipated date of attainment of the target risk rating:** N/A **Source(s) of assurance regarding progress with mitigating the risk:** Further controls will be required to mitigate the risk.	O&S: The Health, Wellbeing & Environment OSC was briefed on the approach to the Plan in June 2016. In September they took evidence from the Cabinet Member for Health and Social Care. As a result of concerns, they devoted the October meeting to scrutinising the Plan, and reported to Full Council in December 2016 highlighting areas of concern. In February 2017 Members were briefed on transition arrangements; new models of care, etc. It was also agreed that an item on Delayed Transfers of Care would be scheduled on the work programme.

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31	N/A	Increased pressure on the statutory homeless service in regards to volume of customers, which leads to significant financial pressure on the general fund due to increased use of B&B. Lead: Strategic Director, Place Directorate Owner: Rob James	High / High	The Housing Options Service has a forecasted overspend of approximately £4 million for 2016/17. This pressure is primarily through increased use of B&B type accommodation due to an increase in demand, both locally and nationally. The service is putting in place a number of mitigations to seek to reduce this year's spend as well as planning for future years. There are a number of issues that will impact on future demand including: Welfare Reform changes, demand for social housing and budgetary reductions in Supporting People funding.	**Target risk rating:** Medium / Medium **Anticipated date of attainment of the target risk rating:** March 2018. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance - regular reporting to Cabinet Member, monthly meetings with finance, discussions at Housing DMT, 1to1s with Head of Service.	Housing and Homes Overview & Scrutiny published the Homelessness Review 2016/17 on 14th February 2017.
4	1a	Failure to successfully defend and / or settle pre 2008 equal pay claims. Lead: Strategic Director, Finance & Legal Owner: Kate Charlton	Significant / High	**Lead Director comment** In 2010, the Tribunal determined that the Council had no defence to pre 2008 equal pay claims (Barker v Birmingham City Council). C12,000 early claims without the involvement of solicitors have been settled including a further cohort as part of settlement agreements reached in 2011 and 2013. Claims issued since January 2015 are now out of time and are not valid claims. The Council is succeeding in striking out these out of time claims. The validity of claims is constantly challenged by Legal Services. Each claim before any offer to settle is made is subject to robust legal challenge. Any offer of settlement is subject to available financial resources.	**Target risk rating:** Low / High **Anticipated date of attainment of the target risk rating:** March 2018. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance - reporting to Corporate Governance Group, Audit Committee, external & internal audit review.	See risk 1 above.

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5	1b	Risk of further equal pay claims. Lead: Strategic Director, Finance & Legal Owner: Kate Charlton	Significant / High	**Lead Director comment** Claimant solicitors are continually 'fishing' for further equal pay liability by issuing further equal pay claims in addition to those referred to in risks 01and 04. The validity of these type of claims is, and will be subject to robust legal challenge. At the moment, there is no determination as to liability or attainment as to target risk due to the nature of the challenge.	**Target risk rating:** Medium / High **Anticipated date of attainment of the target risk rating:** Not known at current date. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance - reporting to Corporate Governance Group, Audit Committee, external & internal audit review. With a view to preventing discriminatory working practices, robust review processes and checks and balances have been put in place to mitigate against / prevent further liability post 2011; where evidence of potential risk(s) is known / identified.	See risk 1 above.
3	14b & 50	Failure to identify alternative funding stream for school PFI contracts revenue pressure, impacting on availability of maintenance funding for essential management of the LA schools estate. Lead: Strategic Director, Finance & Legal Owner: Jaswinder Didially	High / Significant	**Lead Director comment** Major review of PFI contract management arrangements underway following Local Partnerships pilot project. External consultants are engaged and a Lead Officer allocated to fully explore all opportunities to reduce PFI costs. Proposals are being brought forward and while the project more than pays for itself, there are limited opportunities to impact on the major £6m annual affordability gap. The savings proposal, being implemented to meet the current PFI affordability gap from within the funds available to invest in the maintenance of the estate, has not yet impacted on the funding available for emergency repairs. However, there are significant risks of funding shortfall into 2017/18, due to the diminishing annual maintenance grant funds available, particularly as more schools convert to academy status. The current risk rating relates to the PFI affordability gap and subsequent impact on availability of funding to address backlog maintenance across the schools' estate. The opportunities to reduce the PFI costs are limited, and this therefore remains a high risk in terms of management of the	**Target risk rating**: Medium / Significant **Anticipated date of review/attainment of the target risk rating:** September 2017. **Source(s) of assurance regarding progress with mitigating the risk:** Management reporting to Strategic Director Finance & Legal on PFI savings. Oversight and monitoring of temporary school closures due to asset failure. A report was submitted to the March Audit Committee meeting outlining some of the initiatives being pursued to reduce the gap and a subsequent report has been consider at Cabinet (20th September 2016), detailing savings associated with the Broadway lifecycle arrangements. Outcomes of the benchmarking exercise which were implemented in December 2016 - a total net saving of £545,000 per annum for 5 years will be achieved.	O&S - None. IA Review 2015/16: Final Planning Permission Breach - Longmoor Special School.

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				education infrastructure and potential impact of asset failure. There is a very substantial Schools Capital Programme in delivery that includes basic need and planned maintenance programmes, with further emergency maintenance projects emerging regularly. Mitigations include: • Schools capital maintenance programme is successfully levering school spend on essential repairs and maintenance through a dual funding strategy. • Dedicated resource is focusing on maximum savings against current PFI contracts although opportunities are limited. • Lean review of Acivico has potential to reduce overheads associated with planned maintenance programme, releasing those funds for investment into the schools stock. • Options for alternative revenue funding stream for the PFI affordability gap are being explored.		
6	46	Failure to obtain the full extent of Core Investment Period deliverables in accordance with the business case for the Highway Maintenance and Management PFI contract. Lead: Strategic Director, Economy Owner: Domenic de Bechi	High / Significant	**Lead Director comment** The Council has sought to resolve the issue informally but this was not possible. The Council referred this matter for adjudication under the contractual Dispute Resolution procedure, the outcome of which was advised favourably to the Council's case in July 2015. The outcome was referred to court by the Service Provider, and the trial took place in February 2016. The judgment was handed down on 5th September 2016, which ruled that the adjudication "was wrong", but did not grant the declarations sought by the Service Provider. The Council, based on legal advice, has submitted a request for grounds to appeal. Another related dispute will also need to be resolved and the way forward on this is also being considered.	**Target risk rating:** Low / Significant **Anticipated date of attainment of the target risk rating:** The date of permission to appeal the judgement is presently awaited. If granted, the appeal will then need to be considered. Resolution of the further dispute is not yet known but is likely to take many months. **Source(s) of assurance regarding progress with mitigating the risk:** External legal advice and representation has been engaged. The merits of an appeal are being considered.	O&S - Economy, Skills and Transport OSC discussed with Cabinet Member at Committee on 22nd September 2016. A private session subsequently took place on 3rd November 2016. A further briefing for members will be scheduled during 2017 subject to the outcome of the appeal. IA Review 2016/17: Highways PFI.

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7	30	Lack of capacity and capability to respond to threat of industrial action, employee relations tensions, poor service, performance issues, sickness absence levels and poor morale due to organisational downsizing and pay freezes. Lead: Strategic Director, Change & Support Services Owner: Claire Ward	Significant / Significant	**Lead Director comment** Collective agreement has been reached on a package of measures that will secure required reduction in the cost of employment for 2017/18, 2018/19 and 2019/20. This has greatly diminished the likelihood of action on a widespread basis. There are some proposals in the 2017/18 s188 Notice that might generate localised disputes & potential action and poor attendance / performance challenges. Council wide absence levels continue to be above target. There are business continuity plans in place in readiness for industrial action and they have been effective in reducing the impact of action on service users. Particular areas of risk such as Fleet and Waste management have well progressed contingency plans. A workforce planning framework is in place for 2016/17 and its effectiveness will be reviewed during the year.	**Target risk rating:** Low / Medium **Anticipated date of attainment of the target risk rating*:*** Ongoing. **Source(s) of assurance regarding progress with mitigating the risk:** Following significant employee engagement and collective consultation and negotiation with the trade unions, we have reached a collective agreement with the trade unions regarding the workforce savings proposals. Therefore there is now a low likelihood of industrial action in relation to these changes. Management are also committed to building on the current positive relationships with the trades unions, to move towards a more collaborative approach to the developments of the Council of the Future.	O&S - The Corporate Resources OSC received an update from the Deputy Leader and senior HR officers at its October 2015 committee meeting; and will receive a further report in March 2017. IA Reviews 2015/16: Hardship Grants, Managing Absence, and review of managing absence arrangements in Place Directorate.
25	N/A	Failure to comply with statutory timescales in relation to DoLS (Deprivation of Liberty) referrals, which could lead to legal challenge and result in financial loss to the Council. Lead: Lead: Strategic Director, People Directorate Owners: Carl Griffiths & Tapshum Pattni	Medium / High	**Lead Director comment** This risk is made of 2 components: **1) DOLS in Care Homes and Hospitals** The combined effect of all the previous planned actions taken resulted in a steadily improving position until the end of October 2016, when the Directorate's worsening financial position led to the laying off of additional agency BIAs and the suspension of further work being given to the externally procured DOLS service. Although the backlog of work had been set to be eradicated by March 2017, this change resulted in an immediate deterioration of the position, and a waiting list started to re-accumulate. The position has been made worse by the anniversary of increased assessment activity, since assessments require renewal within 12 months of approval.	**Target risk rating**: Medium / Significant **Anticipated date of review/attainment of the target risk rating:** September 2017. **Source(s) of assurance regarding progress with mitigating the risk:** DOLS in Care Homes and Hospitals - Continue existing actions to achieve removal of assessment backlog by September 2017. Community DOLS: • Continue to train staff and priorities those highest risk cases where the approach would	O&S - None. IA Review 2015/16: Deprivation of Liberty. IA Review 2016/17: Deprivation of Liberty Standards F/Up.

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				It is clear that the substantive BIA team is unable to meet the level of demand now experienced (risen from 150 per month in 2015/16 to 276 in November 2016), without continued external service support. It will continue to triage referrals to Association of Directors of Adult Social Services (ADASS) criteria and focus on meeting timescales in these cases. Between December 2016 and January 2017 a review of the relative risks (DOLS waiting list V unbudgeted expenditure to remove it) was considered at Strategic Director and Cabinet Member level, and direction given that all efforts should be made to continue to work to eradicate the DOLS waiting list through re-continued use of externally procured services to support the substantive service. It is anticipated that the temporary suspension of the external service has made it impossible to achieve the removal of the assessment waiting list by March 2017, so the indicative date of September is now predicted. **2) Community DOLS** A business process, staff procedure, manager prioritisation guidance and staff training have been established, in conjunction with legal Services, and are now in use. 36 cases have so far been identified since March 2014, 14 applications made to the Court of Protections, and 12 decisions received. This level of activity seems to be in line with that of other local authority areas. The outcome of the Children's High Court appeal is anticipated in the period January-February. If lost this decision could result in a significant increase in the number of Community DOLS cases the Council may need to undertake. It is unclear how many of the 100-200 potential 16 and 17 year olds a year will need to be prioritised. If the view is that most should be, the cumulative effect upon adults of the subsequent annual reassessments would create a new and significant risk.	bring significant benefits to the citizen for requesting Court decisions. • Commence training of Children's staff to complete Community DOLS for 16 and 17 year olds.	

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8	N/A	Risk of challenge regarding implementation of the Younger Peoples Re-Provision Programme. Lead: Strategic Director, People Directorate Owners: Carl Griffiths & Tapshum Pattni Risk nominated for deletion.	Medium / Significant	**Lead Director comment** This work stream is now closed and efficiency and savings targets have been transferred to the MIA Board. As such this should now be removed from Corporate Register.	**Target risk rating:** Medium / Significant **Anticipated date of attainment of the target risk rating:** Targets and Risk are being identified and will be detailed in the project approach for MIA programme. **Source(s) of assurance regarding progress with mitigating the risk:** MIA Programme Board in place as well as MIA Operations Board.	O&S - None. IA Review 2015/16: Young Adults Re-provisioning. IA Review 2016/17: Independent Living F/Up. Young Adults Re-provisioning F/Up.
10	N/A	Not responding fully and effectively to the recommendations made in the Kerslake Report and implementing the Future Council Programme. Lead: Chief Executive Owner: Angela Probert	Medium / Significant	**Lead Director comment** In its most recent letter to the Secretary of State, published on 9th November 2016, the Birmingham Independent Improvement Panel recognised that the Council has made progress in addressing many of its own improvement priorities and handled effectively some unexpected external events and challenges. The Panel also noted that focused activity has enabled the Council to further address some of the outstanding recommendations from Lord Kerslake's review. Council of the Future (Future Council phase 2); has 3 'big moves - areas with clear ownership and leads for delivery. 1. Key transformations - for example Children's Trust. 2. 'Budget' - the implementation of our key budget 'high risk' proposals. 3. Service Improvement - for effective organisation. Governance arrangements established in January 2017.	**Target risk rating:** Low / Significant **Anticipated date of attainment of the target risk rating:** Review April 2017, following January - April highlight reports which should evidence progress and reduce the risk rating. **Source(s) of assurance regarding progress with mitigating the risk:** There was a report to the Birmingham Independent Improvement Panel in Autumn 2016. Corporate Programme Management Office (PMO) established to build governance assurance and aid visibility. New CLT Performance and Transformation and Budget Boards established to track implementation of key budget proposals. Corporate standard templates introduced. Programme / Project Plan - Gantt chart of key deliverables to achieve savings / benefits and resources required to deliver the plan. Risk and Issue Registers.	O&S - A Future Council Working Group has been set up under the Corporate Resources and Governance O&S Committee to maintain oversight of Future Council programme. The Corporate Resources O&S Committee and Neighbourhood & Community Services O&S Committee completed work on reviewing governance arrangements at district level, including the Neighbourhood Challenge. There is a Member Development Programme in place and the Corporate Resources O&S Committee received an update on the work completed to date at its Sept 2016 meeting. A further update will be brought to that committee.

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					Stakeholder and Communication Plan.	IA Review 2015/16: Customer Service Contact Centre Dashboard.
29	N/A	Not developing sufficiently robust plans to support setting a balanced budget (including in the medium term), and not containing net spending within the approved budget Lead: Strategic Director Finance & Legal Owner: Steve Powell	Medium / Significant	**Lead Director comment** The following key activities have been undertaken: • The Council holds reserves which can be used as part of a risk management strategy to support the implementation of the budget. • Financial support is being provided to address known budget pressures. • Delivery of the budget and savings programme is being closely monitored, including the introduction of a PMO and Budget Board (of CLT and with the Deputy Leader) to monitor delivery of the most significant elements of the savings programme. • The Council's LTFP is being refreshed to take account of latest information, including any areas where savings are no longer considered to be deliverable. Plans have been amended accordingly. Policy choices have been discussed with Cabinet Members, with proposals being developed in the context of the Council's vision and policy priorities. • Robust implantation plans have been produced for all savings.	**Target risk rating:** Low / Significant **Anticipated date of attainment of the target risk rating:** Ongoing. **Source(s) of assurance regarding progress with mitigating the risk:** Planned activities to further mitigate this risk: • There is close monitoring of the delivery of the Business Plan and Budget and additional governance arrangements have been introduced. • The Council has a risk management strategy to address issues relating to difficulties in the delivery of the savings programme. • There is a clear focus on the development of robust consultation and implementation plans for all savings. • There is an enhanced focus on the project management of the savings programme, co-ordinated by the PMO. • The Council maintains a medium term perspective in its financial plans - spending, savings and resources.	Each Scrutiny Committee considered aspects of the budget relevant to their remits (December 2016 to January 2017) and findings fed back as part of the budget consultation process. The Corporate Resources and Governance O&S Committee questioned the Deputy Leader on deliverability of the budget.

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12	2	Failure to comply with all of the requirements of the Equality Act (2010) and the Public Sector Equality Duty. Lead: Strategic Director, Place Directorate Owner: Jacqui Kennedy	Medium / Significant	**Lead Director comment** The Public Sector Equality Duty (PSED) was created by the Equality Act 2010 and is set out in section 149. It applies to public bodies, such as local authorities listed in Schedule 19 to the Act, and to other organisations when they are carrying out public functions. The PSED contains specific duties (Specific Duties Regulations 2011) which are an important lever for ensuring that public bodies take account of equality when conducting their day-to-day work. When delivering their services and performing their functions, bodies subject to the PSED must have due regard to the need to: • Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act. • Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it. • Foster good relations between people who share a relevant protected characteristic and those who do not share it. Legal challenge can delay implementation of change and significantly delay or reduce the planned savings to be achieved this may also have a detrimental impact on other services. It is important therefore, that Equality Assessments (EAs) are carried out robustly across BCC regarding all initiatives and service delivery changes. The responsibility for ensuring that EAs for all major policy / budget changes lies with the Directorates. Directorate Equality Champions are responsible for assuring their SMT that a governance framework is in place across their directorate which supports the equalities agenda and compliance to legislation. They should ensure that the EAs produced by the service are capturing evidence of ongoing compliance. Legal Services are advising on high risk EAs.	**Target risk rating:** Medium / Significant **Anticipated date of attainment of the target risk rating:** Attained. **Source(s) of assurance regarding progress with mitigating the risk:** • Corporate Governance is in place to manage this risk effectively and close monitoring by ECS&CS and Legal Services will continue in order to address any issues which may arise. • Corporate Consultation undertaken on savings proposals. • Unique EA reference will be tracked and reported against individual Corporate Savings Proposals. • Corporate Steering Group to oversee compliance. • Initial RAG assessment of savings proposals to be undertaken. • Legal advice sought on high risk initiatives. • Process of Legal sign off on Cabinet Reports. Management assurance. In addition to current guidance and information, the development and use of the online Equality Analysis Toolkit will help mitigate against managers undertaking inadequate EAs. The toolkit provides a step by step process and on line guidance to completing an EA and developing an action plan. The online toolkit provides an overview of all EAs undertaken on the system. Project managers are encouraged to take legal advice on high risk initiatives.	O&S - None. IA Reviews 2014/15: Corporate Review, other work at request of Mashuq Ally re ethnicity monitoring. IA Review 2016/17: Audit planned to review divisional management arrangements, including review of management of the corporate risk.

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				Following consultation with Legal Services and Directorate Equality Leads, the Equality Analysis Toolkit was developed to improve the guidance information to staff. If followed, this guidance should help improve the content and standard of EAs submitted for approval. The Equality Analysis Toolkit is available to Directorates to undertake EAs for all new Policies and Procedures, and the EA process includes a quality assurance check by the Directorate Equality champion, alongside a senior officer level sign off and assurance of each EA. Advice and support on completion of the EA is provided from the Equalities, Community Safety and Cohesion Service (ECS&CS) and Legal Services. Guidance on undertaking consultation has been updated and is available on Inline and this is now aligned with the EA process. Over 700 staff ranging from GR5 through to JNC have been trained on the EA Toolkit and on undertaking an EA. Corporate consultation and EAs have been undertaken on all relevant corporate savings. Directorates will continue to undertake consultation and EAs for individual initiatives where appropriate. This process is overseen by the Directorate Equality Champions. Directorate DMTs will monitor progress on the EAs alongside other performance related issues which are then reported to the CLT Performance Board. A robust approach exists for savings proposals. Corporate Consultation, EAs and all associated consultation are aligned, with emphasis on feedback from the protected groups. In line with the Specific Duties Regulations 2011, the council must annually publish information relating to (a) people who are affected by our policies and practices who share protected characteristics; and (b) our employees who share protected characteristics. The Regulations also require us to set equality objectives every 4 years. In 2014 the City		

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				Council published high-level actions identified to deliver the council's business plan and achieve the council's vision. In March 2016 the council approved its vision, priorities and approach set out in the Council Business Plan. This will be reviewed as part of programme for the Council of the Future.		
13	28	Not planning appropriately for the on-going reduction in government grants resulting in a shortfall in resources, including taking the necessary actions to avoid legal challenge. Lead: Strategic Director, Finance & Legal Owner: Steve Powell Risk nominated for deletion.	Medium / Significant	**Lead Director comment** Projections of resources are updated on a regular basis in the light of announcements made by the Government. This is assisted by liaison with the DCLG, LGA, IFS and other authorities to ensure that up-to-date intelligence is used. The Council has accepted the opportunity to benefit from multi-year settlement figures published by DCLG, giving much greater certainty on the future financial position. The Council's Long-Term Financial Plan sets out a financial strategy for delivering a balanced budget over a ten-year period, linked to the Council's strategic priorities. This includes a significant level of contingency funding as a mitigation against delivery difficulties. The Council's business planning process includes appropriate assessments of the equalities impacts of new proposals, and arrangements for the necessary consultation processes. Regular advice is provided by Legal Services and Equalities officers in this regard. The monitoring of the revenue budget, including the savings programme, is reported monthly via directorate management teams to the CLT Performance Board and Budget Board. This has a multi-year perspective. This has a particular focus on problem resolution and the identification of appropriate mitigating actions where necessary. Resources have been identified to provide additional capacity / expertise to facilitate the implementation of the savings programme and the associated organisational change, through the PMO.	**Target risk rating:** Low / Low **Anticipated date of attainment of the target risk rating:** On-going. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance as detailed in Lead Director comments also an Internal Audit review.	O&S - The subject of reduction in government grants has arisen in general terms at the Corporate Resources O&S Committee in discussions with the Leader and Deputy Leader regarding the budget. There has recently been a discussion at the Corporate Resources O&S Committee on the in-year monitoring position. IA Reviews 2014/15: FCRs, Accounting for VAT and Fixed Assets - several areas. IA Review 2015/16: Management and monitoring arrangements for delivery of the Council Savings Plan. IA Review 2016/17: Savings Plan - Progress.

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14	52	Inadequate or ineffective corporate control of non-core IT spend as a result of insufficient in-house IT expertise within Directorates to ensure software / systems changes are adequately specified, that their implementation is adequately managed and that changes are adequately coordinated across the organisation to maximise the benefit to the Council. Lead: Strategic Director, Change & Support Services Owner: Andy Fullard	Medium / Significant	**Lead Director comment** The ICT and D Strategy was approved by Cabinet on 18th October 2016, and provides a stronger framework for ICT&D within the Council. The work is led by the Interim CIO. The Corporate Leadership team (CLT) has requested greater controls for ICT projects, in part to deliver savings, but in addition to ensure that all ICT project spend is aligned with key council priorities and delivers / supports the ICTD strategy. This change in governance will occur progressively commencing in February 2017, with the introduction of the Portfolio Board and Architecture Governance Board. These will provide additional scrutiny on spend through subject matter experts, and will be followed by additional Boards to implement a long term sustainable governance model. The final governance arrangements should be in place by April 2017; with further anticipated improvement between then and 2021.	**Target risk rating:** Low / Significant **Anticipated date of attainment of the target risk rating:** April 2017. **Source(s) of assurance regarding progress with mitigating the risk:** Governance structure in place and planned actions.	O&S - Completed Scrutiny Inquiry 'Refreshing the Partnership: Service Birmingham' (presented to Council in June 2015). A progress report on implementation of the recommendations was considered at the April & September 2016 meetings of the Corporate Resources O&S Committee. IA Review 2015/16: IT Project Governance. IA Review 2016/17: IT Project Governance F/Up, IT Service Management F/Up, IT Project Governance -2017, IT Project reviews - ChildView Hub & Agile Working.
30	N/A	The e-Mail and e-Mail archiving IT systems in BCC are now out-of support. Whilst we have a backup connection, this may fail due to one or more of the following conditions: 1. A mandatory upgrade of another component in the system will cause both the connection and backup to cease working.	Medium / Significant	**Lead Director comment** The ICF have gained approval to finance the technical solution to avoid this risk. However; the issue with this is that the solution may be unwanted. The Council has signed a Microsoft Enterprise Agreement (MEA), which enables it to deploy software solutions that will replace the current arrangement. Once this software is deployed, the expenditure would be unnecessary. However given that the deployment of the MEA is some months away the Council needs to investigate the optimum	**Target risk rating:** Low / Low **Anticipated date of attainment of the target risk rating:** End of April 2017. **Source(s) of assurance regarding progress with mitigating the risk:** The current proposed solution is a short-term proposal to replace the existing hardware with up-to-date and supported replacement. At the moment, the long-term solution is to move the BCC e-Mail system to a version of Microsoft	

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		2. The component itself may fail and BCC would be dependent on a single remaining connection for which there is no longer any supplier support If this connection is lost, BCC will no longer be able to archive e-Mails older than two weeks. The potential implication is that the main e-Mail system will fill up in a matter of days and ultimately fail. This situation has been the case since c. 2015 with no issues. Lead: Strategic Director, Change & Support Services Owner: Andy Fullard		solution that minimises the risk and cost. We have a proposal for an intermediate solution that involves moving the existing vault contents to a more modern, supported solution until the Microsoft facility is in place. The risk will exist until a new solution is in place : i.e. until all Council officers' e-Mails have been migrated to the alternative solution. It is estimated that this will take three-to-four months to deliver	Outlook, based in Microsoft's UK data centre (a cloud-based solution). This service will move BCC away from having its own e-Mail system to manage - avoiding the risk.	
15	32	Risk of not recognising the need to divest of costly property assets in radical new solutions to reframe service delivery; driving out property for disposal, but beyond capital receipt generation, ultimately solutions should deliver radical reductions in future revenue operating costs. Lead: Strategic Director, Major Projects Owner: Peter Jones	Significant / Medium	**Lead Director comment** Risk mitigated by: • The Future Council Programme and proposals put out to public consultation, have the potential to drive commitment to property rationalisation, as part of the contributions to future years cost reductions. • To assist with property rationalisation alongside future service planning and development programmes, a Property Services Business Partner role has been established with the Place Directorate. • The Corporate Landlord Service has cleared, decommissioned and sold Tamebridge House.	**Target risk rating:** Medium / Low **Anticipated date of attainment of the target risk rating:** April 2017. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance as detailed in Lead Director comment.	O&S -None. IA Review 2014/15: Asset Management Corporate Review.

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				• Accommodation changes across Directorates are being dealt with and the freeing up of space to accommodate the Call Centre, and Service Birmingham staff has been achieved (this has enabled the release of B1). Further 're-stacking' is underway to assist occupants improve their working practices and utilisation of the office space available. • Continued development of the corporate property database (Techforge) - information and systems development continues to progress as planned and the additional functionality is being applied in the management of repairs and maintenance costs, provision of information and analysis to inform strategic decision making, etc. • The 'Smarter Working' project is intended to increase agility and bring further organisation and management culture change across the Council. A key outcome will potentially be further rationalisation of the Central Administration Buildings portfolio.		
16	42	That web services to customers or work with partners may be disrupted by malicious attacks on the City Council's web based services. Lead: Strategic Director, Change & Support Services Owner: Andy Fullard	Significant / Medium	**Lead Director comment** Service Birmingham on behalf of the Council: • Have updated the Councils firewalls and introduced Intrusion Prevention Services (IPS) as part of the firewall implementation. This means that the firewalls are receiving regular updates from the supplier to detect new and evolving types of security attack. The firewalls detect and defeat many thousands of attacks every day. • Have implemented a cloud based Distributed Denial of Service (DDoS) system that defends four of the Council's main websites from high volume attacks where hackers are trying to flood the Council's websites with requests for service. This service regularly defends the Councils web sites from attackers and the contract is currently being renewed.	**Target risk rating:** Low / Medium **Anticipated date of attainment of the target risk rating:** Ongoing - this risk can only ever be mitigated, and never fully closed due to the nature of hacking etc. **Source(s) of assurance regarding progress with mitigating the risk:** • The Council are now transmitting sensitive data securely through the PSN secure infrastructure together with the improvements / enhancements made to the firewalls. • BCC has successfully passed its PSN accreditation. • Service Birmingham, on behalf of the Council, are constantly monitoring the information	O&S - Referenced in the Scrutiny Inquiry 'Refreshing the Partnership: Service Birmingham' (presented to Council in June 2015). IA Reviews 2014/15: Cyber Risk & Firewalls. IA Review 2015/16: Web Page Security. IA Review 2016/17: Web Page Security F/Up.

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New No.	Original No.	Description - risk / issue	Current level of risk L/I	Current actions / Comments	Long term aim for the risk - including actions, timescales and target risk rating	Overview & Scrutiny (O&S)Review / Work & Internal Audit (IA) Work
				• Continuously scan the information security landscape with partners to detect upcoming and new vulnerabilities which could be exploited by potential hackers. • Have implemented the PSN walled garden which has enhanced the security of all users accessing web based government systems. PSN services have been remodelled and are currently being monitored to ensure secure transmission. • SB are producing a Lesson Learnt from the PSN process to ensure improved future working. The management of cyber risks within BCC will form part of the security strategy and responsibilities clearly defined. The ICF will ensure that the cyber risk investment strategy is aligned to, and supports strategic priorities. There is improved reporting of cyber risks and security incidents which will be presented to the Corporate Information Security Group bi-monthly. This will ensure BCC are fully aware of potential regulatory & legal exposures and can assess the implications for future investment decisions.	security landscape with solution providers to detect upcoming and new vulnerabilities which could be exploited by potential hackers. • Given the nature of this risk these activities are now being kept under constant review. • The next health check (a mandatory requirement of PSN is being scoped; and an independent external body to carry out this check will be appointed).	
17	55	Ineffective Corporate Risk Marker IT solution. Lead: Strategic Director, Change & Support Services Owner: Chris Gibbs	Significant / Medium	**Lead Director comment** The Corporate Risk Marker solution in SAP CRM system is defective and the data harmonisation to service areas is not working as specified. Whilst a more long term solution is investigated as part of the updating of the Councils e-forms package, an interim solution is being investigated to see if the data warehouse held within the Councils Audit Division can offer the required functionality to enable this risk to be at least partially mitigated. Note: Access to the information will only be available to those members of staff who can access the data warehouse.	**Target risk rating:** Low / Medium **Anticipated date of attainment of the target risk rating:** July 2017. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance. Currently the Data Warehouse pulls in the risk markers from CRM, Housing, MAPSS and CareFirst. Any user of the warehouse that searches a relevant name or address will have the respective risk markers presented to them. The risk markers not only relate to health and safety but child / vulnerable adult safeguarding too.	O&S - None. IA - None.

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New No.	Original No.	Description - risk / issue	Current level of risk L/I	Current actions / Comments	Long term aim for the risk - including actions, timescales and target risk rating	Overview & Scrutiny (O&S)Review / Work & Internal Audit (IA) Work
					The Audit team are in the process of creating an Intelligence Network across the City for anyone who has an investigative, enforcement or regulatory element to their role ; or are likely to have some contact with the public. Council Tax, Business Rates and Rents have a risk marker on their respective systems; It is proposed that this risk marker be extracted and added to the Data Warehouse. Monitoring the use of the IT system by Corporate Safety Services.	
18	37	Failure to adequately identify the costs and benefits of alternative delivery models arising from Service Reviews to enable them to be fully and accurately modelled and ensure they are feasible and the changes proposed can be delivered, before the decision to move forward is made. Failure to fully implement the decisions taken to change BCC policy and service delivery to enable delivery of expected benefits / efficiency gains. Lead: Strategic Director, Change & Support Services Owner: Mike Smith	Medium / Medium	**Lead Director comment** Any alternative delivery model must demonstrate some benefit and better value for the Council. There needs to be the early identification of all costs and benefits as part of the formulation and evaluation of options in the consideration of the business case. The ADs of Finance will provide support on key projects based on their area of expertise. Those developing new service delivery options need to evaluate the full circumstances on a case-by-case basis, seeking proper advice where necessary, in order to identify the implications of the change in service delivery model. This will include assessing what will be left behind in BCC (e.g. fixed overheads, income targets etc.) as well as ensuring that all of the costs and income of the new model are taken into account - including those which are not applicable to a local authority model of delivery (e.g. taxation), together with some sensitivity and risk analysis. This needs to be done before any commitments are given. The need to evaluate the full circumstances for each delivery option requires a proportionality to it, and due regard for the need for	**Target risk rating:** Medium / Medium **Anticipated date of attainment of the target risk rating:** Attained. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance - notes and actions from Corporate Commissioning Board agenda. Dialogue with directorate lead commissioners. Finance to be involved in commissioning reviews. Additional resources to support commissioning recruited (internally) to support the commissioning approach. Commissioning Toolkit in place. Risk will be managed on a case by case basis through proper use of the Toolkit, and through reviews supported by the ADs of Finance. A checklist developed by AD Finance (Strategy) will continue to be used to ensure proper evaluation and appraisal of decision making reports. Corporate Commissioning Board will provide the	O&S - None. IA Reviews 2014/15: Acivico reviews, Museum Management Arrangements, Golf Management Arrangements, Efficiency Agenda and Change Management. IA Reviews 2015/16: Acivico Deferred Services, Governance Review, Acivico Contract Monitoring, Procurement Contracts - Engagement of Individuals and Acivico - Recruitment & Selection Concerns. IA Reviews 2016/17: Acivico Contract Monitoring - Overall delivery of Contract and Contracts &

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New No.	Original No.	Description - risk / issue	Current level of risk L/I	Current actions / Comments	Long term aim for the risk - including actions, timescales and target risk rating	Overview & Scrutiny (O&S)Review / Work & Internal Audit (IA) Work
				calculated assumptions in order to avoid over-engineering financial modelling based on projected costs. The risk to the transferred service is the possible future loss of the Council as a customer and the risk to the Council is the loss of services provided to the transferred service as a customer, if the transferred service obtains these same services from another provider. These risks need to be managed by the corporate commissioning hub with peer reviews undertaken by Thematic Centres of Excellence and approval via Cabinet.	governance for new commissioning strategies. CPS believes that given the challenges encountered in supporting alternative delivery models, and the innovative approaches required, the risk remains at Medium / Medium (target met). Only when we have examples of alternative delivery models being successfully implemented should this risk be removed. Mitigations detailed above are now in place with commissioning checklists to CCB ensuring that appropriate resources are in place to manage risk in implementing alternative service delivery models.	Procurement Summary Report 2015/16. Acivico Contract Monitoring - Final Accounts Process.
20	44	Unpaid allowances / contractual overtime payments / equality of flex time agreements. Lead: Strategic Director, Change & Support Services Owner: Claire Ward	Medium / Medium	**Lead Director comment** The bulk of unpaid allowances claims have been successfully managed by Legal Services on a case by case basis, with outstanding claims being considered and managed by Legal Services on the same basis. As new case law is decided challenges to payments have arisen including: • Holiday pay • Sleeping in allowance • Travel time An assessment of claims is made and as appropriate defended or settled dependent on legal advice. There is a clear policy and monitoring framework regarding the application of regular overtime. A new standard Flexi scheme has been developed as part of the Future Council workforce Contract.	**Target risk rating:** Medium / Medium **Anticipated date of attainment of the target risk rating:** Attained. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance. All new claims for allowances are being assessed on their merits and defended wherever practical. Use of overtime is being monitored on a monthly basis, with Strategic Directors taking responsibility for addressing any areas of concern. A new universal Flexi scheme will be introduced as part of the new contract of employment to be introduced in 1st July 2017. There is a Governance Board monitoring any potential high risk claims.	O&S - None. IA Review 2014/15: Review on overtime -in conjunction with HR. IA Review 2015/16: Overtime F/Up.

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New No.	Original No.	Description - risk / issue	Current level of risk L/I	Current actions / Comments	Long term aim for the risk - including actions, timescales and target risk rating	Overview & Scrutiny (O&S)Review / Work & Internal Audit (IA) Work
9	57	Failure to respond fully and effectively to the issues from recent reviews concerning school governance and related matters. Lead: Strategic Director, People Directorate Owner: Colin Diamond Risk nominated for deletion.	Low / High	**Lead Director comment** It is now appropriate to remove this risk from the Register given the progress made and mitigations in place. In 2014 Sir Mike Tomlinson was appointed as Commissioner to oversee a programme of improvement. Based on evidence shared and agreed with the DfE, Regional Schools Commissioner, Ofsted and the Commissioner Sir Mike Tomlinson's time in Birmingham ended in July 2016. Continued improvement is being driven by the Leader, Cabinet Member, Chief Executive and Strategic Director and is overseen by a much improved performance culture and set of arrangements within the service. The Council commissioned Birmingham Education Partnership to deliver school improvement support and challenge functions from September 2015, and this is closely monitored, with evidence of a positive early impact. An Education Improvement Group comprising BCC, DfE, Regional Schools Commissioner and Ofsted will continue to meet monthly to share information on schools causing concern, and this will be supported by regular stocktakes of progress. Systematic school surveys are in place to inform the work of the local authority. Work on civic leadership and community cohesion is in place and this will complement the city leadership approach being established in the light of the Kerslake review. A cross-party community cohesion statement for the city was agreed in early September. The existing Birmingham Curriculum Statement has been revised to reflect the above.	**Target risk rating:** Low / High **Anticipated date of attainment of the target risk rating:** Attained. **Source(s) of assurance regarding progress with mitigating the risk:** Management assurance obtained through the usual systems, and checked by the Cabinet Member. Verification through key channels - the Unions, meetings with Heads and Governors etc. Oversight of the Action Plan and checks on implementation. A much improved performance culture and set of arrangements are now in place for the Council's education services.	Schools, Children and Families O&S Members have been involved in the LGA Peer Review. The Peer Review Findings were discussed at the February 2016 meeting. Governance and related matters were also picked up in the previous Scrutiny Inquiry on Child Sexual Exploitation (presented to Council in December 2014) and tracking of the recommendations concluded on 12 October 2016. IA Reviews 2014/15: Saltley School Visit. School Improvement Strategy. IA Reviews 2015/16: School Governance 2015, numerous school visits and Schools Unannounced Cash Counts. IA Reviews 2016/17: Numerous school visits.

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				An Equality and Cohesion Toolkit was launched at the Birmingham Education Partnership (BEP) Conference in September 2016, and an operational plan for schools is now in place, alongside a wide range of resources available on the BEP Hub to enable schools to challenge inequality and deliver on the cohesion agenda. An Ofsted monitoring visit in June highlighted records of children missing education and visits to children with whom the local authority is working (eg. SEND) as matters needing attention. However, Ofsted's full inspection in September / October 2016 confirmed significant progress in addressing these weaknesses and reducing the numbers of children missing education. Ofsted also acknowledged the quality of personal education plans for children looked after and increases in the number of children in care who attend good or better schools.		

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11	45	That the loss of significant personal or other sensitive data may put the City Council in breach of its statutory responsibilities and incur a fine of up to £500,000 from the Information Commissioner. Lead: Strategic Directorate, Change & Support Services Owner: Malkiat Thiarai	Low / High	**Lead Director comment** Current controls based on encryption of data on mobile devices or copied to removable media; and programme of staff education and training. Breach management processes have been established with clear lines of responsibility to the Senior Information Risk Owner (SIRO), and the Monitoring Officer. Known data breaches are discussed at the Breach Management Panel and reports and recommendations are presented to the Monitoring Officer for consideration to notify the Information Commissioner's Office. Egress has been deployed and is operational. The e-learning Information Governance modules were launched in October 2016 following approval by the SIRO.	**Target risk rating:** Low / High **Anticipated date of attainment of the target risk rating:** Attained. **Source(s) of assurance regarding progress with mitigating the risk:** The e-Learning modules have been rolled out to all staff that have access to e-mail (approximately 15,000). Analysis on completion shows approximately17% of staff had completed the training as at 10th January 2017. Further reports will be presented to the Information Assurance Board at future meetings to identify areas of low take up and non-compliance. Further controls on assuring that suppliers and partners impose similar controls on Council data in their possession.	O&S - None. IA Reviews 2014/15: Third Party Service Provision, Review on SARs, MASH, Family Support - Data Quality, Children's Services - Data Security Breach and IT Standards. IA Reviews 2015/16: Caldicott Guardian, Information Governance (IG) - Data Classification, Third Party Information Security, Data Sharing Review, Sophos Local Self Help, and IG - Fostering & Adoption. IA Reviews 2016/17: Sophos Post Implementation Review, N3 Network, IG - Fostering & Adoption F/Up, Third Party Service Provision F/Up and PCI - Data Security Standard.

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22	54	Risk of fines from HMRC for Directorates employing long term consultants. Lead: : Strategic Director, Change & Support Services Owner: Nigel Kletz	Low / Significant	**Lead Director comment** A revised process has been implemented for the engagement of off payroll 'Individuals' in April 2016 which has resulted in a significant increase in compliance. HR and CPS are working collaboratively to ensure compliance by cascading the process through DMT's and monitoring engagements centrally within the CPS compliance team. No orders are released until the manager has completed all the required approval documentation.	**Target risk rating**: Low / Medium **Anticipated date of attainment of the target risk rating:** September 2017. **Source(s) of assurance regarding progress with mitigating the risk:** The new process has been widely publicised to all Directorates and is available on People Solutions as well as Voyager. It has been embedded in to the procedures within Payroll and CPS. In addition CPS are in the process of arranging information events for officers to attend in order to gain further advice, guidance and support in order to minimise the Council's exposure to risk. HMRC have reviewed the protocol and were satisfied that a robust process is in place and have indicated they will be reviewing the operational effectiveness in the Spring. A review group has been established to review the new proposals being introduced with regard to off payroll engagements by HMRC from April 2017. This requires all off payroll engagements within the public sector to be paid via PAYE by the Council. From 6th April 2017 all interims / consultants engaged directly via their personal services company will be paid by BCC Payroll. Agencies who manage interim / consultancy engagements will be expected to payroll these individuals; and the Council will be seeking assurance from agencies that this is being completed.	O&S - None. IA Review 2014/15: Audit carried out in quarter 3.

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19	41	Failure to deliver the Council's localisation agenda and commitments made in the Council's Improvement Plan and Leaders Policy Statement. Lead: Strategic Director, Place Directorate Owner: Chris Jordan	Low / Medium	**Lead Director comment** The Improvement Panel have assessed progress in relation to the specific prescriptions made on localisation through the independent Lord Kerslake report and commitments made against this in the Council's Improvement Plan in September 2015 and January 2016. The feedback from this has been positive. In particular all direct recommendations have been actioned including the transfer of delegations away from district committees and the delineation of a new role for district committees. Services are now accountable to cabinet portfolios and management. The remit for district committees around neighbourhood challenge and community planning has been embedded effectively. Policy guidance for this was agreed by cabinet in July 2015 and development undertaken with members in five sessions over July to October, with delivery of outcomes currently live within 2016/17. Delivery against this has been performance managed through the Future Council Local Leadership sub programme board meeting fortnightly. This has now moved to business as usual. The next phase of local leadership / political governance is being shaped through the newly formed Cabinet Committee Local Leadership. Four Assistant Leaders have been given responsibility to review local working with a focus on 'every place matters' and 'delivering differently in neighbourhoods'. A clear timetable has been set out for their work and how this ties into the changing landscape for ward and district committees.	**Target risk rating**: Low / Medium **Anticipated date of attainment of the target risk rating**: Attained. **Source(s) of assurance regarding progress with mitigating the risk**: Management assurance as detailed in Lead Director comment - Scrutiny Report in January 2013. Cabinet Committee Local Leadership is meeting monthly and now has accountability for progressing this agenda.	O&S - The Corporate Resources O&S Committee has completed a piece of work around district and ward arrangements. This includes a review of arrangements put in place in May 2015 and options for the future development of devolution. The Neighbourhood & Community Services O&S Committee completed a review of the Neighbourhood Challenge. Recommendations were made to the Leader. The Corporate Resources and Governance OSC questioned Assistant Leaders at their meeting in January 2017. IA Reviews 2014/15: Housing Governance Arrangements and watching brief - quarterly progress updates from Place. IA 2015/16: Watching brief - quarterly progress updates from Place.

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24	N/A	Risk that the need to address the updated Pensions Deficit will result in an increase in employer contributions. Lead: Lead: Strategic Director, Finance & Legal Owner: Steve Powell Risk nominated for deletion.	Low / Medium	**Lead Director comment** The assessment of any pension fund deficit is updated every 3 years. The position as at 31.3.16 will affect employer contribution rates from 2017/18 onwards. The Council has been proactive in working with other councils (particularly through a sub-group of Finance Directors) and in utilising advisors to provide independent advice and expertise. Regular meetings have been held with the Pension Fund (WMPF) and will continue to ensure that there is a shared understanding of the issues facing both parties. The information received has been fully taken into account in the update of the Council's medium-term financial plan and in the development of the savings proposals.	**Target risk rating**: Low / Medium **Anticipated date of review/attainment of the target risk rating:** Attained. **Source(s) of assurance regarding progress with mitigating the risk:** • Regular updates to WM Finance Directors. • Sub-group continuing to liaise with advisors and WMPF. • Reporting to Leaders.	O&S - None. IA - None. Audit Committee verbal update Nov 16

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Removed Risks:

Ref No.	Risk description	Reason for removal	Date removed
13	Failure to progress with delivering against the Birmingham Prospectus.	Risk flagged for deletion by Development & Culture Directorate, this risk should now be picked up at the Directorate level due both to the progress of individual projects and the engagement which is now in place with public and private sector partners.	November 2008
10	Property Utilisation of Central Admin Buildings – failure to take full advantage of the opportunities arising from the Working for the Future (WFTF) Business Transformation Programme.	Merged with risk 3 regarding WFTF cross portfolio buildings, at request of Business Transformation Steering Group.	July 2008
7	Reduction in non-core budgets e.g. Working Neighbourhoods Fund Comprehensive Spending Review, grant regimes etc.	Risk flagged for deletion by Corporate Director of Resources. Will remain on Directorate Risk Register.	July 2008
19	Failure to deliver on the Executive Management Team's (EMT's) key supporting outcomes.	Risk flagged for deletion by Effectively Managed Corporate Business group – EMT's key supporting outcomes were identified in June 07 and are fully embedded within the Directorate Business Plans and monitoring of the Performance Plan. It is a duplication to have this as an issue in the Corporate Risk Register.	January 2008
22	Failure to meet the code of connection for Government Connect.	Risk flagged for deletion by the Corporate Director of Resources. Will be managed via ICF risk register.	March 2010
8	Failure to co-ordinate / control all of BCC's Accountable Body roles and responsibilities.	This has improved and will continue to be monitored via the Resources risk register.	July 2010
14a	Failure to progress the Highways Public Finance Initiative (PFI).	The PFI contract was signed on 7 May 2010.	July 2010
15	Failure to achieve the efficiencies agreed in the budget round and plan for the efficiencies necessary for the next two years.	This has been incorporated into risk 28.	July 2010
16	Lack of compliance with and appropriateness of, corporate people management policies & procedures and national regulations.	The policies & procedures have been updated on People Solutions with the Excellence in People Management system, and compliance with them is covered in risk 18.	July 2010
17	Failure to act on the sustainability agenda.	This has been included by Directorates as business as usual now. It will continue to be monitored via the Development risk register.	July 2010
21	Adverse impact of the economic downturn.	This has been included by Directorates as business as usual now. It will continue to be monitored via Directorate and Department risk registers.	July 2010

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Ref No.	Risk description	Reason for removal	Date removed
3	Failure to progress the Cross portfolio elements of the Working For The Future (WFTF) programme.	This has been flagged for deletion by the Corporate Director of Resources as progress is being made on this and where there are problems with buildings this is covered in new risk 32 added November 2010.	November 2010
1c	Failure to implement the pay and grading review for **all** non-schools staff.	The pay and grading structure for has now been fully implemented and this is no longer a risk.	March 2011
6a	Failure to adopt the new working practices implemented through the EPM programme which in turn will impact on benefit delivery.	The new working practices have become business as usual. Benefits delivery is being monitored as part of risk 4.	March 2011
6b	Failure to achieve the IT infrastructure which allows all employees to access information electronically.	A full business case is being developed to achieve this. This is no longer a corporate risk and will be monitored through the Corporate Resources Directorate risk register.	March 2011
24	Failure to manage pay progression effectively.	The pay progression framework has been applied to Council managed staff and is no longer a risk. The pay progression issue regarding schools staff is covered in risk 1a and will also be monitored through CYP&F Directorate risk register.	March 2011
12	Failure to engage and inform communities around the Council's approach to improving community cohesion.	Strategic Director of Corporate Resources considers this is no longer a corporate issue and it has been delegated to the Strategic Directorate of Corporate Resources' risk register for continued management.	July 2011
18	Failure to implement recommendations made to improve internal control in the External Audit Annual Letter and by Internal Audit to help prevent fraud and error.	Strategic Director of Corporate Resources considers this is no longer a corporate issue and the risk has been delegated to each Directorate to continue to manage.	July 2011
29	Failure to achieve progress against local priorities as stated in the Sustainable Community Strategy.	Strategic Director of Corporate Resources considers this is no longer a corporate issue and the risk has been delegated to each Directorate to continue to manage.	July 2011
27	Failure to put in place action plans and strategies to fully mitigate the effects of reductions in area based grants.	Merged with risk 28 "Need to meet the massive spending reductions over the three years from 2011/12" at request of Strategic Director of Corporate Resources.	December 2011
11	Failure to deliver Achieving Excellence with Communities.	The target risk level has been met. Cabinet Committee Achieving Excellence with Communities receives progress reports. The risk has been delegated to Homes and Neighbourhoods directorate to manage.	March 2012
33	Failure to adapt to Climate Change.	The target risk level has been exceeded and long term planning has now been put in place. This risk will continue to be managed by directorates.	March 2012

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Ref No.	Risk description	Reason for removal	Date removed
9	Need for capacity to react promptly to and manage the significant workforce changes occurring.	The level of risk has reduced to the target level.	July 2012
31	HRA Finance Reforms.	This is no longer a risk - the funding has been agreed and is included in the 2012/13 budgets.	July 2012
34	Independent Care Sector Fees.	The target level of risk has been attained. The risk will continue to be monitored by the Adults & Communities Directorate.	July 2012
38	Failure to maintain infrastructure assets including responsibilities regarding protected listed buildings.	Merged with risk 32 and changed to: Shortage of capital and failure to take appropriate long term decisions to manage the property asset portfolio (by disposals and reinvestment of capital in the residual estate); including responsibilities regarding protected listed buildings, leading to escalating costs.	November 2012
39	Shortfall in resources compared to projections from 2013/14 onwards as a result of the new system of local retention of business rates.	Merged with risk 28 and changed to: Need to plan appropriately for the on-going reduction in government grants resulting in a shortfall in resources compared to projections from 2013/14, particularly the significant potential reduction in resources from 2014/15, and avoid legal challenge.	November 2012
53	Inadequate or ineffective corporate control of non-core IT spend.	Merged with risk 52 to become: Insufficient in-house IT expertise within Directorates & Inadequate or ineffective corporate control of non-core IT spend.	July 2013
5	Safer recruitment.	Had been at target level of risk for over 12 months, will be managed locally in future.	July 2013
36	Council Tax Rebate scheme.	The Council Tax Rebate scheme has been adopted by Full Council and was implemented with effect from 1/4/2013.	July 2013
49	Delivery of Business Charter for Social Responsibilities.	Cabinet reports and policies for Social Value: The Charter and Living Wage were approved by Cabinet in April 2013.	July 2013
43	Implications to BCC regarding decision making due to the provisions within the Localism Act and need to respond to community approaches under the Act.	This issue has been assessed as having met the target level of risk (Low likelihood and Medium impact) since May 2013. Corporate Resources and Development & Culture Directorates to continue to monitor locally.	November 2013
4	Need to achieve the full benefits from the whole business transformation programme - including financial and non-financial benefits.	The risk has been fully mitigated and is assessed as being a low likelihood and low impact. The financial challenge going forward is covered within Risk 28 “On-going reduction in government grants resulting in a shortfall in resources compared to projections from 2013/14”.	March 2014

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Ref No.	Risk description	Reason for removal	Date removed
1d	Failure to successfully settle pay & grading and allowances equal pay claims.	The issues will be addressed within risks 1a - 1c & 44.	July 2014
26	Failure to utilise resources well in jointly working with the NHS to reduce delayed discharges as measured by National Performance Indicator ASCOF2C.	No Birmingham hospitals are now fining the Council for delayed transfers of care activity, and Members are supportive of the progress made and sustained.	July 2014
48	Delivery of new Public Health responsibilities.	All of the actions relating to the transition of Public Health have been actioned.	July 2014
20	Demonstration of benefits arising from Customer First.	All of the actions for 2014/15 are being put in place, ie: Launch of the new Housing Repairs functionality which was delayed from last year, re-design of the website, promotion of self service, improvements to online forms, etc.	November 2014
25	Production of timely & accurate IFRS Final Accounts.	The accounts were submitted on 30th June 2014.	November 2014
51	Service Birmingham support provided to the SAP HR and payroll system.	There has been significant progress against an agreed improvement plan and the service is now significantly more stable.	November 2014
2015/16.08	Insufficient resources (finance & people) to agree / deliver the change programme.	Cabinet approved a report on 20th April 2015 that set out the Children's Social Care and Early Help Improvement Plan for 2016-2018, including the appropriate financial envelope for the plan.	July 2015
2015/16.25	Supply chain failure by reason of supplier withdrawal, liquidation or contract non-compliance.	Following identification of this risk, processes and procedures were developed and rolled out to key contract managers across the organisation with supply chain risk assessments being completed by suppliers. The supply chain risk assessment process is now captured as an annual activity within the supplier annual reviews and the Council's contract management toolkit.	July 2015
2015/16.26	PSN resubmission.	The Council has successfully retained PSN submission till April 2016.	July 2015
2015/16.27	Financial implications of failing to meet obligations regarding climate change and sustainability - carbon tax cost.	We have made four submissions out of four without issue (and passed an Environment Agency Audit in 2011), giving a 100% success record. The 2014/15 return is progressing normally.	July 2015
2015/16.28	Potential for disruption to council services due to the need to transition to a new Banking Services provider with effect from 1/4/2015.	The banking transfer has been successfully concluded.	July 2015

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Ref No.	Risk description	Reason for removal	Date removed
2015/16.10a	Resolution of contractual issues in the Highway Maintenance & Management PFI contract.	A commercial settlement signed on18th December 2015, resolved a number of contractual issues.	March 2016
2015/16.29	Risk of Court deciding against the Council regarding the Homeless Service.	The High Court dismissed the four applications for Judicial Review.	March 2016
21 (old 35)	IT refresh / update.	The desktop refresh is progressing as business as usual, and PSN compliance means that we cannot have unsupported applications running on our network.	July 2016
23 (old 59)	Risk of enforcement action and fines of up to £500,000 by the Information Commissioners Office (ICO) for failure to comply with the 40 day timescale for responding to Subject Access Requests (SARs).	There has been considerable improvement in responding to Subject Access Requests. The Information Commissioner's Office is happy with the progress being made and are no longer monitoring the Council.	November 2016

APPENDIX B

Risk Management Policy Statement 2017

Our Risk Management Policy, Strategy and Methodology support the City Council's vision and priorities which are set out in the Council Business Plan and Budget 2016+. The Council has a vision for Birmingham. This is to make Birmingham a city of growth where every child, citizen and place matters.

The Council has a well established approach to managing risk. It has recognised that risk is an integral part of innovation in order to deliver the key outcomes of the Council. By managing risk proactively we can take full advantage of opportunities and better use the limited resources available.

In particular a clear understanding of the risks and opportunities arising from the changing nature of service delivery is important; partnership working with businesses, academia, the public sector and the community is increasing and more services are being 'commissioned' rather than directly provided by the Council. New types of service providers are being used, or may be used in the future, such as Trusts, Social Enterprises and Co-operatives as well as 3rd Sector organisations, to drive service improvements. There is a greater emphasis on personal choice and the safety and opportunity for all children, the provision of a great future for young people and ensuring thriving local communities. However, these changes in service delivery provide new risks and opportunities to be managed.

Council objectives relate to the whole city and indeed region. As a result they can be influenced by an enormous variety of risks and opportunities. It would be impossible to identify all of these risks and opportunities. It is therefore important to focus on high risks and getting early warning of when they become more imminent, or start to take effect, and to enable us to be in the best position possible to make the most of opportunities.

Advice has been provided to directorates through the Risk Management Strategy and the publication of the Risk Management Toolkit. There is a regular process of risk assessment at a corporate level. This process identifies and scores key risk factors, and results in the Corporate Risk Register - a public document. This outlines the controls and plans in place to respond to the risks and opportunities identified. Transparency and accountability are key to the process.

As part of the corporate governance agenda the Council includes an Annual Governance Statement (AGS) within the Statement of Accounts. The AGS incorporates a statement on internal control, including risk management. Directors and Heads of Service are also required to produce a governance statement in relation to their Directorate / service to support the AGS.

Note: The Risk Management Methodology is now included within the Risk Management Toolkit.

APPENDIX C

Risk Management Strategy 2017

1. Introduction

1.1 The Council's risk management strategy's objectives are to:

- Integrate risk management into the culture of the Council.
- Manage risk in accordance with good practice.
- Anticipate and respond to changing social, economic, political, environmental, legislative and technological requirements.
- Prevent injury, damage and losses and reduce the cost of risk.
- Raise awareness of the need for risk management by all those connected with the Council's delivery of services.

1.2 These objectives will be achieved by:

- Establishing clear roles, responsibilities and reporting lines within the Council for risk management - making clear that everyone should take ownership for risk management.
- Incorporating risk management considerations into all levels of business planning.
- Providing opportunities for shared learning on risk management across the Council and with Partner organisations.
- Offering a framework for allocating resources to identified priority risk areas.
- Reinforcing the importance of effective risk management as part of the everyday work of employees by offering training.
- Monitoring of arrangements, at all levels, on an on-going basis by management.

Diagrams showing our approach to risk management are included within the Risk Management Toolkit available from the PSPG.

2. Embedding risk management

Risk management is an important part of the business planning process. This will enable strategic, operational and cross cutting risks / opportunities, as well as the accumulation of risks / opportunities from a number of areas to be properly considered. The Council continues to embed the process and raise awareness of the importance of good risk management.

The milestones to be met in embedding risk management are detailed overleaf.

Milestone	Annual Target Date(s)
Directorate key risks reviewed and new significant risks fed into the Corporate Risk Register for reporting to the Audit Committee three times a year. Directorate key risks to be informed by divisional, service, business change and project risk registers.	Reports to Audit Committee each July, November and March
Directorate, divisions, services, business change and project leads to: • clearly identify existing controls regarding the risks identified, and the degree to which they are applied. Evidence of the application of controls to be maintained and cross referenced onto the Action Plans; • evaluate existing controls for the degree of mitigation the controls provide and if further control is desirable.	April 30th July 31st October 31st January 31st
Assistant Chief Executive and Strategic Directors give assurance to Chief Executive regarding internal control, including the management of key risks, within their area of service delivery.	March 31st
Assistant Chief Executive and Strategic Directors to ensure that risk / opportunity identification is intrinsically linked to business / service plan objectives.	During annual business / service planning process
Assistant Chief Executive and Strategic Directors to include performance on managing risks within performance monitoring of business / service plans and in senior officer's performance contracts / plans and 'My Appraisal' reviews.	Each year
Annual Governance Statement signed and published in the Council's Annual Accounts.	Signed annually every June