

## BIRMINGHAM CITY COUNCIL

### PUBLIC REPORT

<b>Report to:</b>	<b>Audit Committee</b>
<b>Report of:</b>	<b>Assistant Director, Audit &amp; Risk Management</b>
<b>Date of Meeting:</b>	<b>30th July 2018</b>
<b>Subject:</b>	<b>Corporate Risk Register Update</b>
<b>Wards Affected:</b>	<b>All</b>
<b>1. Purpose of Report</b>	
<p>To update the Audit Committee with information on the management of risks and issues within the Corporate Risk Register (CRR) at Appendix A. Also provided is an Index of the risks showing previous updates and a Risk Heat Map. The information has been compiled using updates received from directorates on all risks.</p>	
<b>2. Recommendations</b>	
<p>That the Audit Committee reviews the information provided and decide if the risk ratings are reasonable, if action being taken is effective, or if further explanation/information is required. Approval is sought for the following:-</p>	
<p>2.1 Risk No18 (Alternative Delivery Models) has undergone a thorough review and has been reworded and re-risked.</p>	
<p>2.2 The deletion of the following risk:</p>	
<ul style="list-style-type: none"><li>No 3 (Schools PFI) as the immediate concern over PFI gap has been met. Longer term concerns are now being considered which will be managed locally or re-submitted onto the CRR.</li></ul>	
<p>2.3 The inclusion of the following 6 new risks:</p>	
<ul style="list-style-type: none"><li>No 38 – Enterprise Zones – to manage in line with its delivery plan.</li><li>No 39 – HS2 – BCC role to facilitate its delivery</li><li>No 40 – Athletes Village - Commonwealth Games</li><li>No 41 – School deficits – national funding arrangements have resulted in real term funding reductions &amp; Dedicated Schools Grant – High Needs element.</li><li>No 42 – Travel Assist – cost of provision and ability to deliver the</li></ul>	

agreed level of service

- No 43 – Early years and Well Being Contract

2.4 Reinstate removed risk in March 2018 on Allowance Payments – New risk No 44.

2.5 A new category of risk – “Service Delivery” has been added.

### **3. Background Information**

3.1 Members have a key role within the risk management and internal control processes.

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.

4.3 The Council Management Team (CMT) reviewed the CRR on 2<sup>nd</sup> July 2018 and have agreed to the above changes.

### **5. Embedding Risk Management**

5.1 There are directorate risk registers in place supported by individual risk registers for service areas.

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

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Policy, Strategy and Methodology. Documents and web pages are currently being refreshed.

5.3 Service managers are 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. 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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## INDEX OF RISKS – PREVIOUS UPDATES

### Safeguarding / Welfare

Risk No.	Short Description	Target rating	Actual Risk rating	Change in residual risk 07/18	Actual risk levels in previous updates to Audit Committee				
		Likelihood / Impact July 2018	Likelihood / Impact July 2018		Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
2	Not responding fully and effectively to the improvement agenda for children - Failure to improve children's safeguarding and children's social care.	M/H	S/H	Reduced	H/H	Same	H/H	Same	H/H
32	Risk of significant disruption to Council services and failure to effectively manage and respond to emergency incidents, including acts of terrorism.	M/S	S/H	Same	S/H	Same	S/H	Same	S/H
33	Failure of the Council to make its contribution to deliver a step change to the Health and Social Care system resulting in an improvement to the health and well-being of Birmingham citizens.	L/M	S/S	Same	S/S	Same	S/S	Same	S/S
42 New risk	Travel Assist There are risks within the service over the cost of the provision and ability to deliver the agreed level of service within the agreed budget.	M/S	S/H						
43 New Risk	Early Years Health and Well Being contract There are risks that the assumed financial savings from the contract will not be fully realised due to unforeseen costs and possible grant claw backs.	S/M	H/S						

## Statutory Responsibilities / Compliance with Statutory Responsibilities

Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk levels in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
1	Management of equal pay claims.	M/S	S/S	Same	S/S	Reduced	H/H	Same	H/H
26	Failure to comply with all of the requirements of the Counter Terrorism and Security Act (2015) and the Prevent Duty.	M/S	H/H	Same	H/H	Same	H/H	Same	H/H
31	Increased pressure on the statutory homeless service.	M/M	H/H	Same	H/H	Same	H/H	Same	H/H
34	Risk of fines being passed down to Local Authorities in relation to air quality / ongoing fines related to not meeting air quality compliance.	M/L	H/M	Same	H/M	Same	H/M	Same	H/M
12	Failure to comply with all the requirements of the Equality Act 2012 and the Public Sector Equality Duty.	M/S	M/S	Same	M/S	Same	M/S	Same	M/S
25	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.	M/S	M/S	Same	M/S	Same	M/S	Reduced	M/H
11	a) Risk to individual privacy through the loss of significant personal or other sensitive data. b) Risk of fines from the information	L/H	L/H	Same	L/H	Same	L/H	Reduced	M/S

Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk levels in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
	commissioner								
35	Risk of failure to implement GDPR.	M/M	H/H	Same	H/H				
36	Failure to respond positively and effectively to the required outcomes of the Grenfell Tower enquiry once known.	L/L	L/M	Same	L/M				
37	Homelessness Reduction Act – Insufficient council resources to meet the requirements of the Act fully.	M/H	M/H	Same	M/H				

### Financial Resilience

Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk level in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
3	Failure to identify alternative funding stream for school PFI contracts revenue pressure, impacting on availability for essential management of the LA schools estate.  Nominated for deletion	M/S	H/S	Same	H/S	Same	H/S	Same	H/S

Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk level in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
29	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.	L/S	H/H	Increased	S/S	Same	S/S	Increased	M/S
15	Not recognising the need to divest of costly property assets in radical new solutions to reframe service delivery.	M/L	S/M	Same	S/M	Same	S/M	Same	S/M
38 New Risk	Management of the Enterprise Zone Programme in line with its delivery plan	M/S	H/H						
41 New Risk	School Deficits National funding arrangements have resulted in real term funding reductions	S/M	H/H						

### Political

Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk levels in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017

None.

## Technology

Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk levels in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
16	That web services to customers or work with partners may be disrupted by malicious attacks on the City Council's web based services.	L/M	S/M	Same	S/M	Same	S/M	Same	S/M
17	Ineffective Corporate Risk Marker IT solution.	L/M	L/M	Same	L/M	Same	L/M	Same	L/M

## Transformation

Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk levels in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
7	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.	L/M	S/S	Same	S/S	Same	S/S	Same	S/S



Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk levels in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
10	Not building on the recently agreed collaborative approach with the Improvement Panel to deliver change following the Kerslake Report	L/S	M/S	Same	M/S	Same	M/S	Same	M/S
18	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.	M/L	H/H	Increased	M/M	Same	M/M	Same	M/M
45	Allowance payments  <b>Reinstated risk</b>	M/M	M/M						

## Service Delivery **New Category**

Risk No.	Short Description	Target rating Likelihood / Impact July 2018	Actual Risk rating Likelihood / Impact July 2018	Change in residual risk 07/18	Actual risk levels in previous updates to Audit Committee				
					Mar 2018	Change in residual risk	Nov 2017	Change in residual risk	Jul 2017
6 <b>New Risk</b>	Failure to achieve all of the services required including delivery of significant investment into the Highway network within the first five years of the contract.	L/S	H/S	Same	H/S	Same	H/S	Same	H/S
39 <b>New Risk</b>	HS2 Delivery of HS2 following Royal Assent of HS2 Act. BCC role to help facilitate delivery of new railway (including Curzon Station and depot). Maximise benefits for City and minimise/mitigate impact during construction.	M/M	S/S						
40 <b>New Risk</b>	Commonwealth Games – Athletes Village Delivery of the Athletes Village dependant on the funding & acquisition of land in addition to potential changes to sporting schedules affecting the village's capacity to accommodate athletes.	M/M	M/M						

## Risk Map – July 2018

Likelihood	High	Loss of personal/ sensitive data (R11)		Responding to emergency incidents including acts of terrorism (R32)	<div>GDPR Implementation (R35)</div> <div>Evaluation of service deliver options (R18)</div> <div>Containing expenditure within approved budget (R29)</div> <div>Improving children's safeguarding (R2)</div> <div>Statutory homeless service (R31)</div> <div>Equal Pay claims (R1)</div> <div>Compliance re Counter Terrorism &amp; Security Act (R26)</div> <div>School Funding Issues (R41)</div>
	Significant		<div>Responding to Kerslake Report (R10)</div> <div>Compliance to Equality Act 2010 &amp; PSED (R12)</div>	<div>Failure of STP to deliver change/improve health &amp; wellbeing (R33)</div> <div>Employee relations/ sickness absence levels (R7)</div> <div>HS2 delivery (R39)</div>	<div>Highways PFI – Core Investment deliverables (R6)</div>
	Medium	<div>Ineffective Corporate Risk Marker IT solution (R17)</div>	<div>Compliance to timescales for DoLS referrals (R25)</div>	<div>Not divesting of property assets (R15)</div> <div>Malicious attacks of web based services (R16)</div>	<div>Homeless Reduction Act (R37)</div> <div>Risk of fines re air quality (R34)</div>
	Low		<div>Grenfell Tower Enquiry (R36)</div>		
	Key	Low	Medium	Significant	High
Impact					
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

No	Short Description of Risk / Issue	Page
2	Not responding fully and effectively to the improvement agenda for children - improving children's safeguarding and social care	1
32	Risk of significant disruption to Council services and failure to effectively manage and respond to emergency incidents, including acts of terrorism	2
33	Failure of the STP to deliver a step change to the Health and Social Care system resulting in an improvement to the health and well-being of Birmingham citizens	3
42 Nominate new risk	Travel Assist – cost of provision and ability to deliver the agreed level of service	3
43 Nominate new risk	The Early Years Health and Well Being Contract	4
1	Management of Equal Pay Claims	6
26	Failure to comply with all of the requirements of the Counter Terrorism and Security Act (2015) and the Prevent Duty	7
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	9
34	Risk of fines being passed down to Local Authorities in relation to air quality / ongoing fines related to not meeting air quality compliance	11
12	Failure to comply with the Equality Act 2010 and the Public Sector Equality Duty	12
25	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	13
11	Loss of personal or sensitive data	14
35	GDPR Implementation by May 2018	15
36	Failure to respond positively and effectively to the required outcomes of the Grenfell Tower enquiry once known.	16
37	Homelessness Reduction Act – Insufficient council resources to meet the requirements of the Act fully.	17
3 Nominate for deletion	Failure to identify alternative funding stream for school PFI contracts - impacting on availability of maintenance funding for essential management of the LA schools estate	17
29	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	19
15	Not recognising the need to divest of costly property assets in radical new solutions to reframe service delivery	20
38 Nominate new risk	Management of the Enterprise Zone Programme in line with its delivery Plan	21
41 Nominate new risk	Schools Deficits – National funding arrangements have resulted in real term funding reductions	21
16	Web services may be disrupted by malicious attacks on Council's web based services	24
17	Ineffective Corporate Risk Marker IT solution	25
7	Employee relations, performance issues, sickness absence levels, etc.	27
10	Not building on the recently agreed collaborative approach with the Improvement Panel to deliver change following the Kerslake Report	28

No	Short Description of Risk / Issue	Page
18	Evaluation of cost & benefits of alternative delivery models & failure to fully implement the decisions made to change policy / service delivery	28
44 Reinstate risk	Allowance Payments	29
6	Failure to achieve all of the services required (including delivery of significant investment into the Highway network), within the first five years of the contract.	30
39 Nominate new risk	Delivery of HS2 following Royal Assent of the HS2 Act	31
40 Nominate new risk	Commonwealth Games – Athletes Village	32

**Key:**

	Safeguarding / Welfare
	Statutory Responsibilities / Compliance with Statutory Responsibilities
	Financial Resilience - Risk associated with austerity and the financial challenges facing BCC
	Political - Risks driven by the political agenda
	Technology
	Transformation
	Service Delivery – New Category

Safeguarding / Welfare					
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
2	<p>Not responding fully and effectively to the improvement agenda for Children - Failure to improve children's safeguarding and children's social care.</p> <p>Lead: Corporate Director Children &amp; Young People <b>Owner: Colin Diamond</b></p> <p><b>Owner: Assistant Director Commissioning – Sarah Sinclair</b></p>	<b>Significant</b> / High	<p><b>Lead Director comment</b></p> <p><b>In April 2018 Birmingham Children's Trust became operationally independent of the council as part of the ongoing process of improvement. The Trust is a wholly-owned company of the council, and works in close partnership to continue to improve outcomes for disadvantaged children and young people in the city.</b></p> <p><b>The Director of Children's Services duties still remain within the Council and sit with the Corporate Director for Children and Young People</b></p> <p>The service is subject to regular Monitoring Visits by Ofsted. Positive progress was observed in the September and December visits. Further visits are scheduled for May and August, after which a full inspection is anticipated.</p>	<p><b>Target risk rating:</b> Medium / High</p> <p><b>Anticipated date of attainment of the target risk rating:</b> April <b>2019</b></p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p><b>Service Delivery Contract is in place and Commissioning arrangements are being developed to manage the Contract with the Trust.</b></p> <p><b>A monthly Operational Commissioning Group meets to consider performance and contract issues, this will also include risk updates. The Lead Member for Children's Services will meet regularly with the Chief Executive of the Trust to be briefed on progress.</b></p> <p><b>The Trust will continue to deliver improvement based on the four pillars of</b></p> <ul style="list-style-type: none"> <li>- <b>Leadership, Management and Governance</b></li> <li>- <b>Support for Practice &amp; Management</b></li> <li>- <b>Quality and Assurance</b></li> <li>- <b>Engagement and Involvement</b></li> </ul>	<p>O&amp;S - Schools, Children and Families O&amp;S Cttee:</p> <p>The following discussions, reviews and updates have taken place:-</p> <p>The Inquiry into Corporate Parenting was undertaken to improve the Cllrs role as Corporate Parents for Children in Care. This was agreed at Council on 4<sup>th</sup> April 2017</p> <p>Continued with scrutinising the progress with the improvement journey at the July 2017 committee meeting with the Cabinet member and Corporate Director.</p> <p>A number of briefings and updates on the Children's Trust (11 July 17 briefing, 13<sup>th</sup> September 2017 item at committee meeting and 22<sup>nd</sup> November 2017 workshop).</p> <p>In addition the committee have continued to scrutinise arrangements for children missing from home and care and Child Sexual Exploitation (18<sup>th</sup> October 2017).</p>

Safeguarding / Welfare					
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
					IA Review 2018/19: Contract monitoring framework, Service Delivery Framework, Operational review, Client contract monitoring, Correspondence management, Performance framework – high level review and Ofsted Inspection Framework.
32	<p>Risk of significant disruption to Council services and failure to effectively manage and respond to emergency incidents, including acts of terrorism.</p> <p>Lead: Chief Executive Owner: Jacqui Kennedy</p>	Significant / High	<p><b>Lead Director comment</b></p> <ul style="list-style-type: none"> <li>•Project Argus briefing to CLT undertaken during summer 2017.</li> <li>•Major incident exercise (Assured) November 2017.</li> <li>•Protect and prepare meetings programmed quarterly for 2017. Action tracker in place.</li> <li>•Corporate and LRF emergency plans in place.</li> <li>•Working with LRF partners on exercising 24/7 out of hours emergency duty officer service in place including emergency control room.</li> <li>•Security awareness briefings held with Council House Staff and elected members.</li> <li>•Work progressing with Prevent Community Reference Group to incorporate community responses into wider resilience plan</li> <li>•Recruitment of Experienced Emergency Planning Professional</li> </ul>	<p><b>Target risk rating:</b> Medium / Significant</p> <p><b>Anticipated date of attainment of the target risk rating:</b> Ongoing.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Cooperation with WMP CTU on their proposed Birmingham Protect and Prepare Board.</p> <p>Meeting to discuss this and wider issues 14<sup>th</sup> July 2017.</p> <p>Consolidate BCC and WMP P&amp;P Processes</p> <p>Active BCC engagement in the new Regional Multi-Agency sharing pilot with Home Office, MI6 and CTU colleagues in the West Midlands.</p>	<p>O&amp;S - None.</p> <p>IA Review - None.</p>

Safeguarding / Welfare					
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
33	<p>Failure of the STP to deliver a step change to the Health and Social Care system resulting in an improvement to the health and well-being of Birmingham citizens.</p> <p>Lead: Interim Corporate Director Adults Social Care &amp; Health Owner: Graeme Betts</p>	Significant / Significant	<p><b>Lead Director comment</b></p> <p>The leadership of the STP has changed. The STP board has agreed a revised purpose which will mitigate this risk. However, the scale of the challenge including meaningful public and staff engagement will mean this process will not be fast. Additionally there are “task” requirements of NHSE which may deflect attention this year.</p> <p>The STP “purpose” is evolving under new leadership. A draft vision and values has been developed and under consideration by the STP Board.</p> <p><b>The revised STP purpose has been accepted by the STP Board</b></p>	<p><b>Target risk rating:</b> Low / Medium</p> <p><b>Anticipated date of attainment of the target risk rating:</b> March 2019.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>STP board which is represented by the Leader / Cllr Hamilton, CEO and Graeme Betts.</p>	<p>O&amp;S - Health &amp; Social Care O&amp;S Committee have had regular updates on the STP both in main committee and Joint Birmingham / Solihull Health Scrutiny Committee.</p> <p>On 8<sup>th</sup> March 2017, Andrew McKirgan, who was then the Director BSol STP and Judith Davis, Programme Director, Better Care Fund attended Birmingham / Solihull JHOSC to present a progress report.</p> <p>The new BSOL STP lead Dame Julie Moore, Andrew McKirgan, Director of Partnerships UHB and Graeme Betts attended the 21<sup>st</sup> November HOSC to update Members.</p> <p>IA Reviews - None.</p>
42	<p><b>New Risk</b></p> <p><b>Travel Assist</b></p> <p>There are risks within the service over the cost of provision and ability to deliver</p>	Significant / High	<p><b>Birmingham has a higher than average number of children with SEN (17.8% in the city; 15.5% nationally). Travel Assist supports over 5,700 children and young people to an educational setting. Of these, over 4,200 are on some form of specialised transport (mini-bus/coach/one-to-one transport). It is a huge logistical operation on a daily basis.</b></p>	<p><b>Target Risk Rating:</b> Medium/ Significant</p> <p><b>Anticipated date of attainment of target risk rating:</b> Sept 2019</p> <p><b>Source of assurance regarding progress with</b></p>	<p><b>IA 2018/19:</b></p> <p><b>Work completed last year looking at contract arrangements. Work currently taking place in terms of assessment and allocation process which includes impact</b></p>



Safeguarding / Welfare					
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
	<p>the agreed level of service within the agreed budget.</p> <p>There are also wider service risks about the capacity of the market to deliver this service and the reliance upon a single provider due to limited minibus capacity with.</p> <p>Lead: Corporate Director Colin Diamond</p> <p>Owner: Interim Assistant Director, SEND – Austin McNamara</p>		<p>The TA budget for the last few years has been artificially low. It was significantly reduced to £13.6m in 2016/17 based on a consultancy report.</p> <p>This resulted in 2016/17 in a £5.3m overspend (£18.9m), and an unprecedented number of complaints and negative attention placed on the service and BCC.</p> <p>Over the course of the academic year 2016/17 90% of the change programme was delivered.</p> <p>While the TA budget has been increased for 2018/19 the service still faces an potential anticipated deficit of up to £3,000k covering both contract hire and Guides</p>	<p>mitigating the risk:</p> <ul style="list-style-type: none"> <li>Plans are being developed to remodel and re-procure the service. As part of the planned procurement new models of delivery with less reliance on minibuses are being developed to provide greater choice with regards to the delivery of the service.</li> <li>A new 0-25 Transport Policy will be drafted for consultation in 2018 which will review the criteria for service provision.</li> <li>SENAR and Travel Assist will work more closely to consider the combined cost of an education placement and the cost of transport</li> </ul> <p>In the longer term the implementation of the SEND and Inclusion Strategy will bring places back into the city closer to where the children who need them live, thus reducing transport costs.</p>	<p>on cost of delivering service.</p>
43	<p><b>New Risk</b></p> <p>Early Years Heath and Well Being contract</p> <p>There are risks that the assumed financial savings from the contract will not be fully realised due to unforeseen costs and possible grant claw backs. Previous unforeseen costs have been identified in</p>	High/ Significant	<p>In January 2018 the EYHWB Contract was issued to BCHC and a Secondment Agreement put in place between all Parties. Contract mobilisation date was the 8 January 2018. Programme management arrangements were fully stood down in March 2018. In mid-April it was clear that there were a number of outstanding risks and issues in relation to this contract. The following actions have been taken/are planned;</p> <ul style="list-style-type: none"> <li>Interim AD capacity in place to oversee the programme</li> <li>Urgent review of the Contract, Secondment Agreement and contract management arrangements completed</li> </ul>	<p>Target Risk Rating: Significant/medium</p> <p>Anticipated date of attainment of target risk rating: January 2019</p> <p>Source of assurance regarding progress with mitigating the risk</p> <ul style="list-style-type: none"> <li>Newly established Children's and Young People's Commissioning Board which has cross directorate senior representation</li> </ul>	<p>IA 2018/19: Job planned for January 2019 looking at commissioning and contract management.</p>

Safeguarding / Welfare					
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
	<p>relation to estates and staffing issues</p> <p>There are also wider risks relating to the construction of the contract itself and the lack of robust contract management arrangements.</p> <p>All risks have been increased due to a lack of permanent commissioning and contract management arrangements</p> <p>Lead: Corporate Director Colin Diamond</p> <p>Owner: Assistant Director Commissioning – Sarah Sinclair</p>		<ul style="list-style-type: none"> <li>- Stocktake report being developed</li> <li>- Programme management arrangements being reinstated with cross directorate representation</li> <li>- Risk and issues log reviewed and updated</li> <li>- Key actions identified in relation to finance, HR, estates, performance management, contract mobilisation, IT</li> <li>- Developing 1.0 fte grade 6 commissioning capacity as part of an overall Early Years re-structure</li> <li>- Preparing for TUPE transfer of staff by 8 January 2019</li> </ul>	<ul style="list-style-type: none"> <li>- Contract management arrangements in place to effectively monitor</li> <li>- Financial monitoring and reporting</li> </ul>	

Statutory Responsibilities / Compliance with Statutory Responsibilities					
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	<p>Management of Equal Pay Claims</p> <p>Lead: Chief Finance Officer Owner: Kate Charlton</p>	Significant / Significant	<p><b>Lead Director comment</b></p> <p>Since 2007 to date a significant number of claims have been issued against the Council. The predominance of these claims relates to liability pre implementation of single status, which took place in 2008 and also liability post implementation of single status. The time limit for issuing further claims for both these types of claims has now expired.</p> <p>The Council has also received claims for post implementation of the Birmingham Contract (November 2011); some with limited pleadings. The recent industrial action in waste management (July – November 2017) has increased the profile of Equal Pay. There remain considerable unknowns as to how many further claims might be brought and what risk or level of liability these claims might attract.</p> <p>Significant progress has been made in terms of defending equal pay claims and managing settlement negotiations, where approved by the Council. The settlement strategy is based on level of assessed risks in relation to the likely success of claims through the tribunal/court process and the availability of financial resources.</p> <p>The validity of all equal pay claims is constantly challenged by Legal Services. Each claim is subject to robust legal challenge before any offer to settle is made.</p>	<p><b>Target risk rating:</b> Medium / Significant</p> <p><b>Anticipated date of attainment of the target risk rating:</b> March 2019.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Management assurance - reporting to <a href="#">Equal Pay Executive Cabinet Sub Group</a> and to Corporate Governance Group, Audit Committee and District Auditor.. With a view to preventing any discriminatory working practices, robust review of processes and checks and balances to mitigate against / prevent further liability where evidence of potential risk(s) is known / identified.</p>	<p>O&amp;S - None.</p> <p>IA - Payroll review work undertaken annually.</p>

Statutory Responsibilities / Compliance with Statutory Responsibilities					
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26	<p>Failure to comply with all of the requirements of the Counter Terrorism and Security Act (2015) and the Prevent Duty.</p> <p>Lead: Corporate Director, Place Owner: Jacqui Kennedy</p>	High / High	<p><b>Lead Director comment</b></p> <p>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'.</p> <p>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.</p> <p>The Council has applied a partnership and mainstreaming approach to mitigate the risks associated with the threat.</p> <p>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.</p>	<p><b>Target risk rating:</b> Medium / Significant</p> <p><b>Anticipated date of review/attainment of the target risk rating:</b> Ongoing</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Delivery continues to be monitored by the CONTEST Board Chaired by the Deputy Leader.</p> <p>Prevent Delivery Plan in place driven by Counter Terrorism Local Profile, monitored by the Prevent Executive Board, chaired by Jacqui Kennedy.</p> <p>Security briefings to Council House staff &amp; Members.</p> <p>Training for front line staff moved to a 'train the trainer' model - 600 trainers having been trained to deliver future WRAP awareness training to schools alleviating capacity issues within the local authority.</p> <p>Support continues to be provided to schools around Prevent via the Schools Resilience Officer and officer has been recruited.</p> <p>Prevent is embedded within CASS/MASH arrangements and within the Right Services, Right Time safeguarding procedures. A new screening tool has been developed to support the request for support form and has been circulated to front line practitioners.</p>	<p>O&amp;S - Waqar Ahmed, Prevent Manager reported to Scrutiny on 26<sup>th</sup> April 2017 alongside Chief Social Worker Tony Stanley to discuss safeguarding arrangements for Prevent and radicalisation.</p> <p><a href="#">Waqar Ahmed and colleagues reported to the Schools, Children and Families O&amp;S Committee on 21/3/18.</a></p> <p>Birmingham contributing to the Home Office Audit on national Prevent activity.</p>

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				<p>CHANNEL is in place as a multi-agency pre-criminal space platform to support vulnerable people; and chaired by the DWPs Think Family Lead.</p> <p>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. Funding for a second community engagement worker has been secured; a secondment arrangement with the youth service is being agreed.</p> <p>BCC Resilience Team continues to lead on the Prepare and Protect strand of the counter-terrorism strategy.</p> <p>CTLP for 2018 delivered to the Chief Executive in January 2018 and the Prevent Executive Board in early February.</p> <p><b>Recruitment of Michael Enderby as Head of Resilience. Experienced professional in Emergency Planning, Prepare and Protect.</b></p>	

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31	<p>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&amp;B.</p> <p>Lead: Corporate Director, Place Owner: Rob James</p>	High / High	<p>Although the service was forecast to be overspent by over £4.7 million in 2016/17, the final outturn was £2.6 million. To mitigate the financial pressure on the service, several management interventions have been put in place. These include a report to Cabinet in August 2017 to increase the number of homeless centres owned and managed by Birmingham City Council. Properties are to be refurbished for use as temporary accommodation, which avoids use of Bed and Breakfast (the most expensive).</p> <p>The report sets out:</p> <ul style="list-style-type: none"> <li>Proposals for the creation of two additional homeless centres for use as temporary accommodation as part of the Council's statutory duty to provide temporary accommodation; and</li> <li>The approach and procurement strategy for the refurbishment of two Council owned properties for use as temporary accommodation.</li> </ul> <p>In addition, a homeless prevention strategy is currently being consulted on, which aims to prevent people becoming homeless and assisting in sustaining tenancies. The strategy is to be reported to Cabinet in January 2018 and to full Council in February 2018. The Homeless Reduction Act is due to come into force in 2018, which will place additional burdens on the City to prevent homelessness and reduce the use of temporary accommodation. We are currently working with the Department of Communities and Local Government to produce an implementation plan for the City. <b>The strategy has been launched and commitments gained from partners on how they will collaborate to prevent homelessness. The</b></p>	<p><b>Target risk rating:</b> Medium / Medium</p> <p><b>Anticipated date of attainment of the target risk rating:</b> March 2019.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Management assurance - regular reporting to Cabinet Member, monthly meetings with finance, discussions at Housing DMT, 1to1s with Head of Service.</p> <p>Reduce known risks at fortnightly meetings with all partners and manage risk to reduce these through pro-active work</p>	<p>O&amp;S -The Housing and Homes O&amp;S Committee inquiry into rough sleeping was presented to City Council in June 2017, and progress on implementation of the recommendations was tracked for the first time by the committee at its December 2017 meeting. The Committee will continue to track this until all recommendations are achieved and a further report back is scheduled for February 2018. It is also proposed that at the same meeting the Committee be briefed on the implementation of the Homelessness Reduction Act.</p> <p>Members received an update on the implementation of the new Housing Allocations Scheme at their October 2017 meeting.</p> <p>The Committee has also held an informal meeting to consider the Budget Consultation 2018+ where Members were able to question the Cabinet Member about the proposal to make savings by providing other less costly accommodation options instead of using Bed &amp; Breakfasts.</p>

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			<p><b>commitments will form the action plan which will be monitored through the homelessness partnership board.</b></p> <p>As of 22 January 2018 Preparatory works remain ongoing at both locations. Tentative timeline has been provided by Acivico for Magnolia House and briefed to the Service Director. Acivico has been asked to reconsider this timeline and to bring occupancy dates forward. Risk is being managed by Acivico and the Service at fortnightly meetings. Costs as of 9 January 2018 were on budget.</p> <p>Work continues at Barry Jackson to remove asbestos and prepare the site for refurbishments works to begin this financial year. A detailed timeline will be provided 12 January 2018. Risk is being managed by Capital Investment Team, the Service and contractors at fortnightly meetings. There is considerable pressure from and opposition to the proposal from the local community. A plan has been agreed to address concerns however the risk remains very high that this project may be withdrawn as a result of community activity and pressure. Costs have exceeded agreed budget as a result of additional capital works agreed. <b>Barry Jackson Tower remains a high risk due to it not yet receiving planning permission.</b></p> <p>The requirement to install sprinklers at both locations, further to the Leaders commitment, will push the full occupancy dates back to yet to be confirmed dates.</p> <p>Targeting of readily available void dwellings suitable for re-housing homeless households and for use as temporary accommodation has been increased to help reduce B&amp;B use.</p>		<p><b>IA Review 2018/19: Allocations. planned for 2018/19 in February 2019</b></p>

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34	<p>With uncertainty on the UK air quality action plan following challenges through the judicial system and the costs associated with the Government announcing infraction fines being passed down to Local Authorities in relation to air quality there is the potential of an initial £60m fine and then ongoing fines related to Birmingham not meeting air quality compliance.</p> <p>Lead: <b>Assistant Chief Executive</b> Owner: <b>Jonathan Tew</b></p>	High / Medium	<p><b>Lead Director comment</b></p> <p><b>The Council has been issued with ministerial directions under the Environment Act (1995) to complete key milestones to be compliant for roadside NO<sub>2</sub> by 2020</b></p> <p><b>Cabinet, in June 2018, agreed options for public consultation regarding a Clean Air Zone for Birmingham. The ambition demonstrated in the option for consultation has gone some way to mitigating the risk of Government fine. An Outline Business Case has been submitted to Government to release relevant funds for preventative work and allow for independent analysis of the modelling outputs.</b></p> <p><b>Significant milestones remain, however, with particular emphasis around a special Cabinet in September 2018 and submission of the Full Business Case</b></p> <p><b>These headline mitigations are supported by: -</b></p> <ul style="list-style-type: none"> <li>- <b>Weekly teleconference meetings with DEFRA's Joint Air Quality Unit to update mitigation plans.</b></li> <li>- <b>Regular Cabinet Member briefing to provide strategic direction for wider Air Quality Programme including deployment of Clean Air Zone.</b></li> <li>- <b>Ongoing feasibility studies to measure air quality impact and assess measures and controls to meet compliance, including level of Clean Air Zone to be deployed.</b></li> <li>- <b>Development of overarching clean air policy for Birmingham for 2018.</b></li> <li>-</li> </ul> <p><b>Ongoing joint development work and positive engagement</b></p>	<p><b>Target risk rating:</b> Medium / Low</p> <p><b>Anticipated date of attainment of the target risk rating:</b> April 2019.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Wider Air Quality Plan that includes:</p> <ul style="list-style-type: none"> <li>• Traffic management, signalling and signage controls - 12/2018.</li> <li>• Controlled Parking Zones - 12/2018.</li> <li>• BCC Internal &amp; External Fleet transition to low / zero emission full Low / zero re-fuelling infrastructure - 04/2019.</li> <li>• Clean Air Zone strategic business case signed off by Secretary of State by 12/2017 to enable CAZ infrastructure for access restrictions deployed by 04/2019.</li> <li>• Revised Birmingham Taxi Licensing Policy based on air quality compliance emissions - 12/2018.</li> <li>• All BCC procurement frameworks and tendering processes aligned with CAZ compliance -12/2018.</li> </ul>	<p>O&amp;S - The Health &amp; Social Care O&amp;S Committee have carried out an inquiry into 'The Impact of Poor Air Quality on Health'. Evidence gathering took place on 17<sup>th</sup> January 2017 and 28<sup>th</sup> March 2017. Witnesses included:-</p> <ul style="list-style-type: none"> <li>• Public Health England</li> <li>• Friends of the Earth</li> <li>• Birmingham Trees for Life</li> <li>• Transport for West Midlands</li> <li>• Birmingham Children's Hospital</li> <li>• Network Rail</li> </ul> <p>The final report was presented to City Council for ratification on 12<sup>th</sup> September 2017.</p> <p>Further reports tracking the implementation of recommendations will be presented to HOSC on a regular basis beginning in January 2018 with progress report from Cllr Trickett on behalf of the Air Quality Members Steering Group</p> <p><b>A report on the air quality at New Street Railway Station was presented to committee by representatives from Network Rail and the University of</b></p>



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			with WMCA.		Birmingham on 20 <sup>th</sup> March 2018  IA Review - 2018/19 – Planned for Q2
12	<p>Failure to comply with all of the requirements of the Equality Act (2010) and the Public Sector Equality Duty.</p> <p>Lead: Assistant Chief Executive / HR Director Owner: Jonathan Tew</p>	Medium / Significant	<p><b>Lead Director comment</b></p> <p>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:</p> <ul style="list-style-type: none"> <li>• Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act.</li> <li>• Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it.</li> <li>• Foster good relations between people who share a relevant protected characteristic and those who do not share it.</li> </ul> <p>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. All EA</p>	<p><b>Target risk rating:</b> Medium / Significant</p> <p><b>Anticipated date of attainment of the target risk rating:</b> Attained.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <ul style="list-style-type: none"> <li>• Corporate Governance is in place to manage this risk effectively and close monitoring by ECS&amp;CS and Legal Services will continue in order to address any issues which may arise.</li> <li>• Corporate Consultation undertaken on savings proposals.</li> <li>• Unique EA reference will be tracked and reported against individual Corporate Savings Proposals.</li> <li>• Corporate Steering Group to oversee compliance.</li> <li>• Initial RAG assessment of savings proposals to be undertaken.</li> <li>• Legal advice sought on high risk initiatives.</li> <li>• Process of Legal sign off on Cabinet Reports.</li> </ul> <p>Management assurance. In addition to current guidance and information, the development and use of the online Equality Analysis Toolkit will help</p>	<p>O&amp;S - Corporate Resources and Governance O&amp;S Committee to have briefing on HR matters including workforce equality on 2<sup>nd</sup> November 2017.</p> <p>IA Review - None.</p>

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			<p>are subject to audit by Quality Control Officers and Senior Officers who sign off the completed EA through the Equality Analysis Toolkit <b>currently through the</b> Black Radley <b>software</b>. This 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 and check compliance through the cabinet report clearance system.</p> <p>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.</p> <p>All budget planning paperwork requires equality assessments to be completed at an early stage and throughout.</p> <p><b>Please note that this Equality Analysis Toolkit will be subject to review in-year 2018/19 as part of a whole-system review of equalities linked to the Councils new workforce strategy.</b></p>	<p>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.</p> <p>The online toolkit provides an overview of all EAs undertaken on the system.</p> <p>Project managers are encouraged to take legal advice on high risk initiatives.</p>	
25	<p>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.</p> <p>Lead: Interim Corporate Director, Adult Social Care &amp; Health Owner: <b>Pauline Mugridge</b></p>	Medium / Significant	<p><b>Lead Director comment</b></p> <p>This risk is made of 2 components:</p> <p>1) <b>DOLS in Care Homes and Hospitals</b> - DOLS strategy was reviewed in July. ASC&amp;H DLT and the Cabinet Member subsequently adopted the recommendation to adopt an alternative view of the balance of litigation risks v financial risks in this area. In line with the approach taken by the majority of West Midland Local Authorities, it will in future only undertake DOLS assessments for those adults who</p>	<p><b>Target risk rating:</b> Medium / Significant</p> <p><b>Anticipated date of review/attainment of the target risk rating:</b> September 2017.</p> <p><b>Update provided by David Gray 30/04/18</b> <b>The target risk rating was achieved in September 2017 and now remains static</b></p> <p><b>Source(s) of assurance regarding progress with</b></p>	<p>O&amp;S - None.</p> <p>IA Review 2016/17: Deprivation of Liberty Standards F/Up.</p> <p>IA Review 2017/18: Deprivation of Liberty 2<sup>nd</sup> F/Up.</p>

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			<p>meet the ADASS "High" criteria. The significantly enlarged Best Interest Assessor (BIA) team, with increased management and administrative support will remain but expenditure on the external BIA service has ceased. The effect is anticipated to be a reduction in the number of DOLS authorisations, but an increase of those of "High" priority (and existing cases due for renewal) being completed within the legal time limit. The overall position of the number of cases which have not been assessed will steadily increase, but this will be viewed as a lower risk to the Council than previously.</p> <p><b>2) Community DOLS</b> - A business process, staff procedure, manager prioritisation guidance and staff training have been established, in conjunction with legal Services, and are now in use. This level of activity seems to be in line with that of Other local authority areas.</p> <p>There has been no change since the last report so there is no update to report. The position remains as previously reported. The Target Risk Rating was achieved in September 2017 and now remains static.</p>	<p><b>mitigating the risk:</b></p> <p>A monthly position report is presented to the Directorate DOLS Project Board. A bi-monthly report is presented to the Cabinet Member.</p>	
11	<p>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.</p> <p>Lead: Chief Operating Officer</p>	Low / High	<p><b>Lead Director comment</b></p> <p>Current controls based on encryption of data on mobile devices or copied to removable media; and programme of staff education and training.</p> <p>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</p>	<p><b>Target risk rating:</b> Low / High</p> <p><b>Anticipated date of attainment of the target risk rating:</b> Attained.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>The e-Learning modules have been rolled out to all staff that have access to e-mail.</p>	<p>O&amp;S - None.</p> <p>IA Reviews 2016/17: Sophos Post Implementation Review, N3 Network, IG - Fostering &amp; Adoption F/Up, Third Party Service Provision F/Up, Network Management and Data Quality -</p>

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	Strategic Services Owner: Malkiat Thiarai		<p>recommendations are presented to the Monitoring Officer for consideration to notify the Information Commissioner's Office.</p> <p>Egress has been deployed and is operational.</p> <p>The e-learning Information Governance modules were launched in October 2016 following approval by the SIRO.</p> <p><b>A report was taken to CMT on 21<sup>st</sup> May 2018 on GDPR readiness and CMT have asked for a further update and progress reporting of the training.</b></p>	<p>Further controls on assuring that suppliers and partners impose similar controls on Council data in their possession.</p> <p>There is a risk that the low level take up of Information Governance training in the Council will create an information breach across the council</p> <p>CLT support to improve take-up. Consider possible sanctions.</p> <p>Update: 090118: Report being presented to IAB on 10.1.18 to highlight performance and discuss approaches to improving take-up going forward as part of GDPR.</p> <p>Updated Target Closure Date: <b>May 2018</b></p>	<p>DfE Returns.</p> <p>IA Reviews 2017/18: Data Sharing, Third Party Service Provision, Information Assurance Framework, and IG - Planning Application Compliance with DP Guidelines.</p>
35	<p>General Data Protection Regulation Implementation - There is a risk of that our GDPR plan does not enable the authority to meet its obligations ready for the May 2018 implementation date</p> <p>Lead: AD Peter Bishop Strategic Services Owner: Malkiat Thiarai</p>	High/High	<p><b>Lead Manager's comment</b></p> <p>GDPR materials being prepared by CIM and Legal; Legal Services seeking to appoint additional legal support</p> <p>GDPR is being recommended to be included on the Corporate Risk Register because of the related new legislation, implementation date of May 2018 and the penalties involved for non-compliance.</p> <p><b>An updated report was presented to CMT 21<sup>st</sup> May 2018 on GDPR readiness. The work to meet the requirements of GDPR and mitigate risks of non-compliance will continue as part of the Information Assurance Maturity Plan.</b></p>	<p><b>Target risk rating:</b> Medium / medium</p> <p><b>Anticipated date of attainment of the target risk rating:</b> May 2018</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>KPMG have been commissioned to conduct a gap analysis to high risk areas for the Council. Feedback on 15.12.17 Head of CIM chairs GDPR project board that is taking forward current known actions.</p> <p>Target Closure date <b>June 2018</b></p>	<p>O&amp;S – None</p> <p>Internal Audit reviews – 2017/18. A readiness assessment completed which included a high-level action plan to assist the project focus on key deliverables.</p> <p><b>Internal Audit reviews 18/19 - GDPR Readiness review follow up. KPMG have been engaged to complete some work to achieve the GDPR requirements.</b></p>

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36	<p>Failure to respond positively and effectively to the required outcomes of the Grenfell Tower enquiry once known.</p> <p>Lead: Corporate Director, Place Owner: Rob James</p>	Low/ Medium	<p>Project plan produced for all programmes of works required to investigate cladding systems and any associated remedial works to further enhance existing fire safety measures.</p> <ul style="list-style-type: none"> <li>• Programme to fit Sprinkler systems to 213 high rise blocks over a 3 year period starting 1/4/18</li> <li>• Programme to carry out fire risk assessments to all communal areas annually</li> </ul> <p>Programme of work underway to ensure tower block tenants understand fire safety measures and how to respond in the event of an emergency, including:</p> <ul style="list-style-type: none"> <li>• Fire safety campaign – completion April 2018</li> <li>• Fire awareness visits – completion autumn 2018</li> </ul> <p>Other actions include:-</p> <ol style="list-style-type: none"> <li>Resilience processes review – completion autumn 2018</li> <li>Night security service expansion</li> <li>Vulnerable persons review – completion autumn 2018</li> </ol> <p>Approached Government for grant funding for the installation of sprinkler systems</p>	<p><b>Target risk rating:</b> Low/Low</p> <p><b>Anticipated date of attainment of the target risk rating:</b> 2019/20 financial year.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b> Housing/West Midlands Fire Service</p>	<p>O&amp;S - None.</p> <p>IA Review – Proactive work to produce a fire risk index</p>

Statutory Responsibilities / Compliance with Statutory Responsibilities					
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37	Homelessness Reduction Act – Insufficient council resources to meet the requirements of the Act fully.  Lead Corporate Director, Place Owner: Rob James	Medium/ High	Implementation Plan to ensure compliance has been produced and consists of the following key work streams; <ul style="list-style-type: none"> <li>•Redesign the Housing Option Service</li> <li>•Awareness and Training (Staff, Trade Unions and Elected Members)</li> <li>•IT systems to be developed with Councils IT Fixture providers.</li> <li>•Accommodation, additional accommodation for staff, communication plan being produced.</li> <li>•Temporary Accommodation Services will require a complete review to reduce the Council's reliance on temporary accommodation moving to preventative measures. Report presented to EMT on 23<sup>rd</sup> January 2018.</li> <li>•Cabinet Report March 2018</li> </ul>	<b>Target risk rating:</b> Medium/High  <b>Anticipated date of attainment of the target risk rating:</b> April 2018 for initial implementation but further work over the next 12 months.  <b>Source(s) of assurance regarding progress with mitigating the risk:</b> MHCLG	<b>O&amp;S: session on response to the Act (implementation plan) held in February 2018</b>  Audit: 2017/18 Housing Options Service <b>IA Review planned for 2018/19 in February 2019</b>

Financial Resilience - Risks associated with austerity and the financial challenges facing BCC					
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
3	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.	High / Significant	<b>Lead Director comment</b>  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	<b>Target risk rating:</b> Medium / Significant  <b>Anticipated date of review/attainment of the target risk rating:</b> December 2017.  <b>Source(s) of assurance regarding progress with mitigating the risk:</b>	O&S - None.  IA Review - None.

Financial Resilience - Risks associated with austerity and the financial challenges facing BCC					
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
	<p>Lead: Corporate Director Finance &amp; Governance Owner: Jaswinder Didially</p> <p><b>Nominate for deletion</b></p> <p><b>The reason for this is that the immediate concern over PFI gap has been met. There are longer term concerns and these are currently being evaluated but for now the proposal is to remove this risk from the Corporate Risk Register and review current and future concerns</b></p>		<p>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.</p> <p>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.</p> <p>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 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:</p> <ul style="list-style-type: none"> <li>Schools capital maintenance programme is successfully leveraging school spend on essential repairs and maintenance through a dual funding strategy.</li> <li>Dedicated resource is focusing on maximum savings against current PFI contracts.</li> </ul> <p>Current restructure includes specialist resource to implement savings initiative including a review of Facilities Management and life cycling arrangements</p>	<p>Management reporting on PFI savings.</p> <p>Oversight and monitoring of temporary school closures due to asset failure.</p> <p>A report was submitted to the March 2016 Audit Committee meeting outlining some of the initiatives being pursued to reduce the gap and a subsequent report has been considered at Cabinet (20<sup>th</sup> September 2016), detailing savings associated with the Broadway lifecycle arrangements.</p> <p>Savings associated with the Broadway life cycling arrangements achieved - £1.6m for 2017/18 as a one off payment followed by £330k pa for the duration of the contract.</p> <p>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.</p> <p>Cabinet report 24<sup>th</sup> Jan 2018 with a proposal to review current facilities management arrangements. - The report was approved so the proposal to terminate the Facilities Management from the 7 Building Schools For the Future Design and Build (not to be confused with the PFI) schools contract.</p> <p>Restructure to be completed by March 2018</p>	

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29	<p>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</p> <p>Lead: Corporate Director Finance and Governance. Owner: Steve Powell</p>	High/High	<p><b>Lead Director comment</b></p> <ul style="list-style-type: none"> <li>• Delivery of the budget and savings programme is being closely monitored, by CLT and CMT to review delivery and to identify mitigating actions. This includes the future years' dimension as well as the in-year position</li> <li>• Corporate Directors have clear accountability for the delivery of savings in their directorates.</li> <li>• The Council holds reserves which can be used as part of a risk management strategy to support the implementation of the budget if necessary , but plans are being developed that will not assume reliance on these.</li> <li>• The Council's LTFP is refreshed regularly to take account of latest information, including savings delivery issues. Plans for 2018/19 and later years were revised accordingly , and work is now starting on planning for 2019/20 onwards, linked to the Council's policy priorities and the development of the performance management arrangements. This will better integrate revenue and capital financial planning.</li> <li>• Proposals have been subject to corporate public consultation and more specific engagement and consultation also take place where appropriate.</li> <li>• Long-term collection rates for principal sources of income, together with any expected surplus/deficit in the Collection Fund for business rates and council tax, are taken into account in setting budgets. Rigorous action is taken to pursue outstanding debts wherever possible.</li> </ul>	<p><b>Target risk rating:</b> Low / Significant</p> <p><b>Anticipated date of attainment of the target risk rating:</b> Ongoing.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Planned activities to further mitigate this risk:</p> <ul style="list-style-type: none"> <li>• There is close monitoring of the delivery of the Budget and additional governance arrangements have been introduced.</li> <li>• The Council has a risk management strategy to address issues relating to difficulties in the delivery of the savings programme.</li> <li>• There is a clear focus on the development of robust consultation and implementation plans for all savings. There is focus on the project management of the savings programme. The Council maintains a medium term perspective in its financial plans - spending, savings and resources.</li> <li>• The Council is moving to a more integrated planning and performance management approach.</li> </ul>	<p>O&amp;S - A Resources O&amp;S Committee has been set up to scrutinise budget matters with the Deputy Leader.</p> <p>IA Review 2017/18: Financial Control Review.</p>



Financial Resilience - Risks associated with austerity and the financial challenges facing BCC					
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15	<p>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 innovative and appropriate reductions in future revenue operating costs.</p> <p>Lead: Corporate Director, Economy</p> <p>Owner: Alex Grey</p>	Significant / Medium	<p><b>Lead Director comment</b></p> <p>Risk mitigated by:</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>The Corporate Landlord Service has continued to deliver the facilitation of delivery of further organisation changes.</li> <li>Accommodation changes across Directorates continue to be dealt with and delivered.</li> <li>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.</li> <li>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.</li> </ul>	<p><b>Target risk rating:</b> Medium / Low</p> <p><b>Anticipated date of attainment of the target risk rating:</b> April 2018. Ongoing and subject to potentially, significant change driven by BCC corporate business plan (this is currently "continuously changing in the short term").</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Management assurance.</p>	<p>O&amp;S - None.</p> <p>IA Review - None.</p>

Financial Resilience - Risks associated with austerity and the financial challenges facing BCC					
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38	<p><b>New Risk</b></p> <p>To manage the Enterprise Zone Programme in line with its delivery plan.</p> <p>Risk of under achieving: potential business rates income, economic growth, and outputs/achievements.</p> <p>Risk of reputational damage to BCC</p> <p>Lead: Corporate Director, Economy</p>	High/High	<p>Lead Director comment</p> <p>Monitor development on EZ sites.</p> <p>Monitor and manage the EZ financial model with finance, using approved financial principles, measure business rates uplift to ensure programme affordability and delivery.</p> <p>Collate programme output achievements. Procure a Programme Monitoring Database.</p> <p>Report quarterly performance and updates to EZ Board / GBSLEP Board meetings.</p> <p>Annual Delivery Plan Schedules</p>	<p>Target risk rating: Medium/Significant</p> <p>Anticipated date of attainment of the target risk rating: Ongoing</p> <p>Source(s) of assurance regarding progress with mitigating the risk:</p> <p>To further improve the programmes due diligence including the ability to measure value for money of funding applications</p>	<p>Internal Audit 2018/19: Work on Enterprise Zones Final Report issued 03/04/18, Follow Up planned for later in year.</p>
41	<p><b>New Risk</b></p> <p>School Deficits</p> <p>National funding arrangements have resulted in real term funding reductions which coupled with rising costs means that there is a risk that increasingly, schools schools are not able to run balanced budgets:-</p> <p>-There is the potential that some schools may build up</p>	High/High	<p>Maintained schools are facing significant pressures on funding. As of 31-3-18 the number of schools in deficit compared to a year ago has increased by 5 to 37 (14% of the total number of LA maintained schools) but the cumulative value of deficits has reduced to £10,964k. If a school is issued with a directive academy order then any deficits at the point of conversion may become the responsibility of the local authority. (Any school converting with a surplus may retain this)</p> <p>Separately</p> <p>Even after allowing for a cumulative high needs deficit brought forward from 2017/18 of £13.8m, Indications are that there will continue to be extremely challenging budget</p>	<p>Target Risk Rating: Significant/Medium</p> <p>Anticipated date of attainment of target risk rating: March 2019</p> <p>Source of assurance regarding progress with mitigating the risk from school deficits:</p> <ul style="list-style-type: none"> <li>- Schools Financial Governance Group set up to co-ordinate support and challenge to schools.</li> <li>- Schools financial monitoring procedures to be reinforced with requirement that these are reported to ALL Governors.</li> </ul>	<p>IA 2018/19: Work completed last year looking at schools financial management, we are working with the Directorate on their response. A second piece of work on this area planned for quarter 2. Schools work programme adjusted to take account of schools financial management, and a number of schools themed jobs planned during.</p>

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	<p>deficits which cannot be cleared and which ultimately may need to be met by BCC</p> <p>In addition there is a pressure on the high needs block which centrally supports places for children with SEND.</p> <p>Lead: Corporate Director Colin Diamond</p> <p>Owners: Assistant Director – Education Safeguarding - Julie Young / Assistant Director SEND – (Austin McNamara)</p>		pressures in 2018/19.	<ul style="list-style-type: none"> <li>- Earlier use of financial warning notices where there are financial concerns. Intervention considered as appropriate inc. removal of cheque book facility to the removal of governing body and replacement with an Interim Executive Board</li> <li>- Collaboration with Regional schools Commissioner to ensure swift action taken to address school improvement requirements by identifying a Sponsor early to then maximise the impact of additional investment in school improvement.</li> <li>- Initial Audit review carried out with findings being adopted and second review to be set up to include more detailed stress testing of schools ability to cope with further cuts in funding.</li> <li>- More targeted audits of schools</li> <li>- Maintaining an in year balanced budget for placements.</li> <li>- Looking to address any pressures with possible mitigations coming from potential underspends.</li> </ul> <p>Source of assurance regarding progress with mitigating the risk from high needs block:</p> <p>In the longer term CYP will implement the SEND and Inclusion Strategy's following three strands to reconfigure the provision funded from the high needs block and alleviate pressure on the</p>	<p>IA Review 2018/19:</p> <p>The school audit visit programme looks at reporting to Governing Board on the notional Special Education Needs (SEN) budget and how this has benefitted SEN pupils in mainstream schools. When undertaking audits in special schools a review is undertaken on the budget and how this relates to the banding funding for pupils on the school role and the challenges around the budget.</p>

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				<p><b>budget:</b></p> <p>1. Develop a framework of SEND assessment and planning from 0-25 years to enable professionals and partners to meet the full range of individual need and raise achievement.</p> <p>2. Ensure there is a sufficient and appropriate range of quality provision to meet the needs of children and young people with SEND aged 0-25 years and improve outcomes from early years to adulthood and minimising dependence on high cost independent placements.</p> <p>3. Develop a unified resource allocation system to distribute the range of SEND funding across all schools and settings in order to make the most effective use of available resources and maximise the impact on outcomes for young people.</p>	

Political - Risks driven by the political agenda					
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

None.

Technology					
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
16	<p>There is a risk that web services to customers or work with partners may be disrupted by malicious attacks on the City Council's web based services.</p> <p>Lead: Chief Operating Officer Owner: Peter Bishop</p>	Significant / Medium	<p><b>Lead Director comment</b></p> <p>The following control measures are routinely taken by the Council's Information, Technology and Digital Services Team:</p> <ul style="list-style-type: none"> <li>Continuously scan the information security landscape with partners to detect upcoming and new vulnerabilities which could be exploited by potential hackers. This ensures that SB are aware of all risk posed by different intrusion methods.</li> <li>Have updated the Council's firewalls and introduced Intrusion Prevention Services as part of the firewall implementation. This means 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.</li> <li>Have implemented a cloud based Distributed Denial of Service 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 Council's web sites from attackers and the contract is currently being renewed.</li> <li>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.</li> </ul> <p>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.</p> <p>There is improved reporting of cyber risks and security incidents</p>	<p><b>Target risk rating:</b> Low / Medium</p> <p><b>Anticipated date of attainment of the target risk rating:</b> Ongoing - this risk can only ever be mitigated, and never fully closed due to the nature of hacking etc.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <ul style="list-style-type: none"> <li>The Council are now transmitting sensitive data securely through the PSN secure infrastructure together with the improvements / enhancements made to the firewalls.</li> <li>BCC has successfully passed its PSN accreditation.</li> <li>Service Birmingham, on behalf of the Council, is constantly monitoring the information security landscape with solution providers to detect upcoming and new vulnerabilities which could be exploited by potential hackers.</li> <li>Given the nature of this risk these activities are now being kept under constant review.</li> <li>The next health check (a mandatory requirement of PSN) has recently been completed.</li> </ul>	<p>O&amp;S - Referenced in the Scrutiny Inquiry 'Refreshing the Partnership: Service Birmingham' (presented to Council in June 2015).</p>

Technology					
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			<p>which will be presented to the Corporate Information Security Group bi-monthly. This will ensure BCC are fully aware of potential regulatory &amp; legal exposures and can assess the implications for future investment decisions.</p> <p><b>This is an acknowledged ongoing risk that should remain on the CRR. For reference a PSN Compliance Certificate was issued to Birmingham City Council on 27/03/18.</b></p>		
17	<p>Ineffective Corporate Risk Marker IT solution.</p> <p>Lead: Corporate Director – Strategic Services Owner: Dawn Hewins</p>	Low / Medium	<p><b>Lead Director comment</b></p> <p>Paper went to CLT on 18<sup>th</sup> January 2018, explaining how it worked currently and what the issues were around funding the costs of accessing the register, including a suggestion we bring the budget together centrally so people don't feel they can't afford to do it. There were a number of actions from CLT, including that: 1) CLT approve the use of the Data Warehouse as a mandatory requirement to check risk markers prior to any visits being undertaken by BCC employees to both domestic properties and businesses 2) CLT will review the funding of the Data Warehouse as part of the Councils long term financial plan to ensure that the risks associated with failure to comply are minimised and that the data warehouse continues to be available for use across the council 3) CLT will identify the appropriate Director to be the named officer responsible for the risk marker solution (currently this is the director of HR) 4) CLT will require the safety manager to draft the appropriate guidelines for usage of the risk marker solution by employees and managers prior to any visits being undertaken.</p> <p>A further report is to be bought back to CLT.</p>	<p><b>Target risk rating:</b> Low / Medium</p> <p><b>Anticipated date of attainment of the target risk rating:</b> <b>May 18 further work on effective access is required</b></p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Management assurance.</p> <p>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.</p> <p>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</p>	<p>O&amp;S - None.</p> <p>IA Review - None.</p>

Technology					
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				<p>some contact with the public. <b>However there remain challenges regarding balancing the need for timely access by a large number of staff and the requirement to ensure sufficient security of the sensitive data. Further work on this is required</b></p> <p>Council Tax, Business Rates and Rents have a risk marker on their respective systems; this risk marker is extracted and added to the data warehouse.</p> <p>Monitoring the use of the IT system by Corporate Safety Services.</p> <p><b>Guidance for employees will be completed once surety of access for all required has been secured</b></p>	

Transformation					
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7	<p>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.</p> <p>Lead: Chief Operating Officer Owner: Claire Ward</p>	Significant / Significant	<p><b>Lead Director comment</b></p> <p>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. The proposed national pay award is more generous than originally anticipated and unlikely to elicit national action.</p> <p>There are some proposals in the 2017/18 s188 Notice that might generate localised disputes &amp; potential action and poor attendance / performance challenges. There are further proposals for 2018-19 which may create challenge</p> <p>Council wide attendance levels are stable. <b>EMT &amp; CLT have endorsed a reinvigorated approach to supporting positive attendance which will be implemented in the Autumn.</b></p> <p>There are business continuity plans in place in readiness for industrial action. Bespoke HR support is being provided to identify high risk areas. However contingency plans need testing. <b>A monthly review of Industrial Relations disputes is happening ensuring that we have Council wide oversight and a consistency of approach.</b></p>	<p><b>Target risk rating:</b> Low / Medium</p> <p><b>Anticipated date of attainment of the target risk rating:</b> Ongoing.</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>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.</p> <p>Expert HR support is being provided to areas experiencing significant employee relations challenges relating to service redesign and headcount reduction.</p> <p>There continues to be regular and positive engagement and dialogue with the trade unions at a corporate and regional level as appropriate</p>	<p>O&amp;S - The Corporate Resources OSC received an update from the Deputy Leader and senior HR officers at a briefing in September 2017.</p> <p>IA Review - None.</p>



Transformation					
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10	<p>Not responding fully and effectively to the recommendations made in the Kerslake Report and implementing the Future Council Programme.</p> <p>Lead Assistant Chief Executive Jonathan Tew</p>	Medium / Significant	<p><b>Lead Director comment</b></p> <p>Decision to pause on Corporate PMO activity in May 2017, but with programmes of work expected to progress in a streamlined way, owned by all directorates.</p> <p>The BIIP and the Council published a letter in March 2018 reinforcing our approach to collaborative work in 2018. We have facilitated a series of productive joint meetings with the BIIP and the Council's new political / chief executive leadership and are now holding monthly stock-take meetings with the BIIP and Ministry of Housing, Communities and Local Government throughout 2018/19.</p> <p>In June 2018 the Council published a new 'stock-take' report which represented a self-assessment against Kerslake and subsequent BIIP concerns, in addition to a Corporate Governance Improvement Plan. From July 2018 we will be providing regular reports against agreed self-assessment and improvement plans utilising core reports from the Council's own performance / budget monitoring process.</p>	<p><b>Target risk rating:</b> Low / Significant</p> <p><b>Anticipated date of attainment of the target risk rating:</b> March 2019</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>The collaborative approach between BCC and the BIIP is now established through the joint editorial against documents released in June 2018. That represented a crucial milestone against our original plan for 2018-19. Monthly meetings (with BCC represented by the Leader, Deputy, Chief Executive, Assistant Chief Executive and CFO) will now embed this way of working and will also provide a monthly opportunity to review the status of this risk.</p> <p>It is clear that the BIIP and MHCLG will come to a view in March 2019 about the future degree of intervention in BCC and that would be a rationale point at which to formally review this risk.</p>	<p>The Leader and Deputy Leader will report to the O&amp;S co-ordinating committee on a monthly basis, where our improvement planning will be essentially a standing item. The first such session was in June 2018.</p> <p>Similarly, the Resources O&amp;S committee will, less frequently, consider the implications of BIIP challenge against that provided by external audit. The first such session will be in July 2018.</p>
18	<p>Evaluation of Alternative Delivery Models</p> <p>a) Failure to adequately identify and agree the costs and benefits of alternative delivery models arising from Service</p>	High / High	<p><b>Lead Director comment</b></p> <p>Any alternative delivery model must demonstrate some benefit and better value for the Council. There needs to be the early identification of all costs, benefits, losses/impacts as part of the formulation and evaluation of options in the development of the business case.</p>	<p><b>Target risk rating:</b> Medium / Low</p> <p><b>Anticipated date of attainment of the target risk rating:</b> As soon as possible</p> <p><b>Source(s) of assurance regarding progress with mitigating the risk:</b></p> <p>Management assurance - reports to CMT, notes and actions from CCMB agenda. Dialogue with</p>	<p>O&amp;S - Corporate Resources and Governance O&amp;S Committee undertaking overview of procurement strategy for DCFM services.</p> <p>IA Reviews 2016/17: Acivico Contract Monitoring -</p>

Transformation					
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	<p>Reviews before the decision to proceed is made.</p> <p>b) Failure to fully implement the decisions taken to change the service model to enable delivery of expected benefits / efficiency gains.</p> <p>Lead: Relevant Chief Officers</p> <p>Owner: Mike Smith</p>		<p>The financial implications of any change against the existing model need to be evaluated on a case by case basis, seeking specialist advice where necessary to inform recommendations. The evaluation should be proportionate to the value and complexity of the service and the assumptions and level of confidence will need to be made clear in order to avoid over-engineering financial modelling.</p> <p>The Finance Business Partners will provide the necessary skills for the project requirements, as follows:</p> <ul style="list-style-type: none"> <li>All costs and income of the proposed model as compared with existing, together with some sensitivity and risk analysis.</li> <li>remaining costs to BCC (e.g. fixed overheads, income targets, resource requirements etc.)</li> <li>any costs/benefits to customers/residents who are the recipients of the service</li> </ul> <p>These risks/costs need to be presented to and managed by the Commissioning and Contract Management Board (CCMB)/CMT and included in any cabinet reports.</p>	<p>directorate lead commissioners. Finance to be embedded in commissioning reviews.</p> <p>Commissioning expertise established in CPS to ensure best practice is applied across the Council.</p> <p>Risk will be managed on a case by case basis through proper use of the Commissioning Toolkit, and through reviews supported by the Finance Business Partners.</p> <p>CPS believes that given the challenges encountered in supporting alternative delivery models, and the innovative approaches required, the risk is now High/High. Only when we have examples of alternative delivery models being successfully implemented should this risk be removed. Mitigations detailed above are only partly in place and appropriate available resources are not yet accessible to manage risk in implementing alternative service delivery models.</p>	<p>Overall delivery of Contract and Contracts &amp; Procurement Summary Report 2015/16. Acivico Contract Monitoring - Final Accounts Process.</p> <p>IA Review 2017/18: Acivico Review of Business Continuity Arrangements.</p>
44	<p>Reinstated Risk</p> <p>Allowance payments.</p> <p>Lead: Chief Operating Officer Strategic Services</p> <p>Owner: Claire Ward</p>	Medium / Medium	<p>Lead Director comment</p> <p>The bulk of unpaid allowances claims have been successfully managed by HR and Legal Services on a case by case basis.</p> <p>As new case law is decided challenges to payments have arisen including:</p>	<p>Target risk rating: Medium / Medium</p> <p>Anticipated date of attainment of the target risk rating: Attained.</p> <p>Source(s) of assurance regarding progress with mitigating the risk:</p>	<p>O&amp;S - None.</p> <p>IA Review – Reviewing allowances relating to Payment of Language Supplement, Temporary Night Allowance, Tool Allowance, Disturbance Allowance and Laundry</p>

Transformation					
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			<ul style="list-style-type: none"> <li>Holiday pay – there are some new claims</li> <li>Sleeping in allowance - case law remains ambiguous so at this point all claims are on hold.</li> <li>Travel time - currently a subject of internal challenge, but may become a matter for Employment Tribunal.</li> </ul> <p>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.</p>	<p>Management assurance.</p> <p>All new claims for allowances are being assessed on their merits and defended wherever practical.</p> <p>Use of overtime is being monitored on a monthly basis, with Strategic Directors taking responsibility for addressing any areas of concern.</p> <p>There is a Governance Board monitoring any potential high risk claims.</p>	Allowance.

Service Delivery - New Category					
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
6	<p>Failure to meet the council's objectives going forward with the Highway Maintenance and Management PFI contract. these are to:</p> <ul style="list-style-type: none"> <li>i. Obtain the investment for which we are paying;</li> <li>ii. Retain the capacity and financial support from government;</li> <li>iii. Ensure we manage the contract and only pay for what we receive; and</li> </ul>	High/Significant	<p><b>Lead Director comment</b></p> <p>The council has made extensive effort to resolve issues with Amey informally and through various stages of the contractual Dispute Resolution procedure since April 2014. It has numerous disputes relating to non-delivery of investment, non-performance and delivery of previous settlement requirements.</p> <p>On 22 February 2018 the Court of Appeal determined one of the two key investment disputes comprehensively in the council's favour. This is an important step to reducing this risk and places the council in a significantly improved position. Amey is increasingly seeking to dispute all matters and has sought leave to appeal at the Supreme Court.</p>	<p>Target risk rating: Low / Significant</p> <p>Anticipated date of attainment of the target risk rating:</p> <p>At this stage it is not possible to confirm this. It is proposed to bring a decision on the way forward to Cabinet in summer 2018.</p> <p>Source(s) of assurance regarding progress with mitigating the risk:</p> <p>External legal advice and representation has been</p>	<p>O&amp;S - Economy, Skills and Transport OSC discussed with Cabinet Member at Committee on 22<sup>nd</sup> September 2016. Private briefing sessions have been held for members, most recently in March 2018</p> <p>IA Review 2016/17: Highways PFI.</p>

	<p>iv. Develop a way forward that will enable us to have confidence in future delivery.</p> <p>Lead: Corporate Director, Economy</p>		<p>However, this appeal is only on matters relating to payment; it does not dispute the requirement to do the work.</p> <p>To fully resolve this matter requires a number of complex issues to be resolved, including payments, programming of work and assurance of delivery to the appropriate standards. We are considering the appropriate way forward that meets the council's objectives and are discussing this with the project lenders and SPV Board. At the same time, we are taking steps to recover money payable to the council, establish the condition of the network, continue to manage the contract and defend our position in disputes.</p>	<p>engaged.</p> <p>Department for Transport (as the sponsoring government department) is also fully engaged.</p>	
39	<p><b>New Risk</b></p> <p>HS2</p> <p>Delivery of HS2 following Royal Assent of HS2 Act. BCC role to help facilitate delivery of new railway (including Curzon Station and depot). Maximise benefits for City and minimise / mitigate impact during construction.</p> <p>Lead: Corporate Director, Economy Owner: Waheed Nazir</p>	Significant / Significant	<p>Lead Director comment</p> <p>HS2 Ltd is the government's delivery body for the new high speed railway.</p> <p>HS2 governance established including regular meetings on individual projects (station, depot etc.)</p> <p>Regular meetings with HS2 Ltd including HS2's planning team regarding programme for Schedule 17 applications and other consents.</p> <p>New burdens on local authority recognised by HS2. Service Level Agreement (SLA) drafted but not yet completed.</p> <p>On-going meetings and joint working with HS2.</p> <p>Internal meeting established at Directorate level to co-ordinate and support work and address any issues.</p> <p>SLA to be completed March / April. Report to be drafted setting out resources required for Schedule 17s etc. going forward.</p>	<p>Target risk rating: Medium/Medium</p> <p>Anticipated date of attainment of the target risk rating: Ongoing</p> <p>Source(s) of assurance regarding progress with mitigating the risk: On-going meetings and joint working with HS2.</p> <p>Internal meeting established at Directorate level to co-ordinate and support work and address any issues.</p> <p>SLA to be completed March / April. Report to be drafted setting out resources required for Schedule 17s etc. going forward.</p>	

40	<p><b>New Risk</b></p> <p>Commonwealth Games – Athletes' Village</p> <p>Delivery of the Athletes' Village dependant on funding &amp; acquisition of land in addition to potential changes to sporting schedules affecting villages capacity to accommodate athletes.</p> <p>Lead – Corporate Director, Economy Owner: Waheed Nazir</p>	Medium/ Medium	<p><b>Lead Director comment</b></p> <p><b>Funding</b> First phase approval for the HIF Bid has now been given, BCC officers now need to contribute to the development of the WMCA business case (the umbrella bid under which the BCC HIF bid falls). Decision on funding from Government required in September.</p> <p><b>Land</b> Compulsory Purchase Orders will be used to support the delivery of the Village.</p> <p><b>Changes to Sporting Schedule</b> Identify potential options for suitable additional accommodation. Flag the risks and consequences of adding additional events to Senior Officers/Members.</p>	<p><b>Target risk rating: Medium/Medium</b></p> <p>Anticipated date of attainment of the target risk rating: Ongoing</p> <p>Source(s) of assurance regarding progress with mitigating the risk:</p> <p><b>Funding</b> BCC officers working with WMCA to develop the FBC. Engagement with Government through WMCA re: timescales.</p> <p><b>Land</b> Land required for residential element of the Village acquired. CPO progressing to agreed timeline.</p> <p>HCA are keen to be involved and have been providing advice to the City Council in relation to planning and delivery.</p> <p><b>Changes to Sporting Schedule</b> A final date for adding events needs to be agreed and clearly communicated with politicians.</p> <p>The Village will be built to accommodate 6500, that number being inclusive of Games Officials, so if additional athletes are scheduled, Officials could be relocated. Student accommodation has been retained to account for additional influx.</p>	<p><b>Internal Audit 2018/19:</b> Nothing in Plan at the moment</p>
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**Removed Risks:**

Ref No.	Risk description	Reason for removal	Date removed
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
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

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Ref No.	Risk description	Reason for removal	Date removed
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 30 <sup>th</sup> 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 20 <sup>th</sup> 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
2015/16.10a	Resolution of contractual issues in the Highway Maintenance & Management PFI contract.	A commercial settlement signed on 18 <sup>th</sup> 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

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Ref No.	Risk description	Reason for removal	Date removed
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
8 (old N/A)	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.	March 2017
9 (old 57)	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.	March 2017
13 (old 28)	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.	March 2017
24 (old N/A)	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.	March 2017
28	Risk that in its early stages of delivery the Sustainability Transformation Plan (STP) will not alleviate the financial position of social care.	The Council budget from April 2017 does not make assumptions regarding this proposal contained in the previous year's budget; and is no longer a major financial risk to the organisation.	July 2017
22	Risk of fines from HMRC for Directorates employing long term consultants.	There are now processes in place for the engagement of off payroll individuals.	November 2017
27	Risk of claims for payback of search fees charged by the Council.	The potential liability is less than £160k, and this risk will be monitored via the directorate risk register.	November 2017
4	Defend and or settle pre 2008 equal pay claims	Equal pay risks have been reworded and updated and included on one risk No1.	March 2018
5	Further equal pay claims	Equal pay risks have been reworded and updated and included on one risk No1.	March 2018
14	Insufficient in-house IT expertise within Directorates	Transition of Service Birmingham	March 2018



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<b>Ref No.</b>	<b>Risk description</b>	<b>Reason for removal</b>	<b>Date removed</b>
19	Delivery of Localisation Agenda	Majority of work has now progressed	March 2018
20	Allowance Payments	The bulk of unpaid allowance claims have been successfully managed by Legal Services. All other new claims are being assessed on their merits and defended wherever practical.	March 2018