BARNSLEY
Metropolitan Borough Council

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| **MEETING:** | Audit Committee |
| **DATE:** | Wednesday, 19 April 2017 |
| **TIME:** | 4.00 pm |
| **VENUE:** | Reception Room, Barnsley Town Hall |

# AGENDA

**Procedural/Administrative Items**

1. Declarations of Pecuniary and Non-Pecuniary Interest

2. Minutes *(Pages 3 - 8)*

   To receive the minutes of the meeting held on 22nd March, 2017.

3. Actions Arising From the Previous Meetings *(Pages 9 - 10)*

   The Committee will receive a report detailing action taken and arising from previous meetings of the Committee.

**Items for Discussion/Decision**

4. Internal Audit Charter and Strategy *(To Follow)*

   The Head of Internal Audit and Corporate Anti-Fraud will submit a report prefacing the annually reviewed and revised Internal Audit Charter and Strategy.

5. Internal Audit Quarterly Report - Quarter Ended 31st March, 2017 *(To Follow)*

   The Head of Internal Audit and Corporate Anti-Fraud will submit a report providing a comprehensive overview of the key activities and findings of Internal Audit based on the Division's work covering the fourth quarter ending 31st March, 2017.

6. Strategic Risk Register - Full Review March 2017 *(Pages 11 - 32)*

   The Executive Director Core Services will submit a report presenting a draft report to be submitted to Cabinet on the 3rd May, 2017 on a review of the Strategic Risk Register undertaken in March, 2017.

7. Risk Management Framework Review *(Pages 33 - 64)*

   The Service Director Finance will submit a report providing the Committee with assurance that, following review, the Risk Management Framework remains fit for purpose prior to the Framework being considered and approved by Cabinet.

8. Audit Committee Terms of Reference *(Pages 65 - 72)*

   The Executive Director Core Services will submit a report on a proposed revision of the Terms of Reference of this Committee to take account of Future Council developments and the establishment of the Core Services Directorate.

**Items for Information**

9. External Audit - Technical Update incorporating External Audit Progress Report *(Pages 73 - 88)*

   The Committee will receive the External Audit Technical Update which incorporates the External Audit Progress Report

10. Audit Committee Work Plan 2015/16 *(To Follow)*

    The Executive Director Core Services will submit a report on a proposed revision of the Committee's Core Workplan for 2017/18 which takes account of the revised Terms of Reference, Future Council developments and the establishment of the Core Services Directorate.

To: Chair and Members of Audit Committee:-

Councillors Richardson (Chair), Barnard, Clements and Lofts; together with Independent members Ms K Armitage, Ms D Brown, Mr S Gill, Mr P Johnson and Mr M Marks

Diana Terris, Chief Executive
All Executive Directors
Andrew Frosdick, Executive Director Core Services
Rob Winter, Head of Internal Audit
Neil Copley, Service Director Finance
Ian Rooth, Head of Technical Services
Adrian Hunt, Risk Management Manager
Michael Potter, Service Director Business Improvement and Communications
Julie Winham, Senior Audit Manager

Council Governance Unit – 3 copies

Please contact William Ward on 01226 773451 or email governance@barnsley.gov.uk

Friday, 7 April 2017

BARNSLEY Metropolitan Borough Council

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|---|---|
| **MEETING:** | Audit Committee |
| **DATE:** | Wednesday, 22 March 2017 |
| **TIME:** | 4.00 pm |
| **VENUE:** | Council Chamber, Barnsley Town Hall |

# MINUTES

**Present** Councillors Richardson (Chair), Barnard, Clements, Lofts, Ms K Armitage, Ms D Brown, Mr S Gill, Mr P Johnson and Mr M Marks.

## 50. Declarations of Pecuniary and Non-Pecuniary Interest

There were no declarations of interest from Members in respect of items on the agenda.

## 51. Minutes

The minutes of the meeting held on the 18th January, 2017 were taken as read and signed by the Chair as a correct record.

## 52. Actions Arising From the Previous Meetings

The Committee received a report detailing actions arising from previous meetings of the Committee.

A Member queried why the codes of conduct had not been distributed with item 6 on the agenda. It was noted that these had not been issued with the agenda pack, but had been subsequently distributed. It was agreed to recirculate these to ensure all Members had received copies.

The Chair suggested that the responses related to the Draft Annual Governance Statement 2014/15 and Annual Governance Statement Action Plan 2016/17 should be more specific.

Questions were also raised regarding a number of financial reports due to be submitted to the meeting, as detailed on the indicative work programme. Members noted that these reports were already in the public domain, but would be circulated to the committee after the meeting for comment.

**RESOLVED**:-
**(i)** that the report be noted;
**(ii)** that the codes of conduct be recirculated to Members;
**(iii)** that the financial reports referred to be circulated to Members.

## 53. Local Code of Corporate Governance/Annual Governance Review Process 2016/17

The Risk and Governance Manager presented a report of the Director of Finance, Assets and IT.

Members were provided with an overview of the Annual Governance Progress, which would feed into the Annual Governance Statement.

The meeting were made aware of the revised Local Code of Corporate Governance, which had taken cognisance of the 'Delivering Good Governance in Local Government Framework 2016' guidance, published by CIPFA. It was noted that colleagues from CIPFA had commented positively on the revised code at a recent workshop.

Members commented on the impending changes in senior management within the authority, and changes within Internal Audit and queried whether reassurance could be given that the authority was able to accommodate these departures successfully.

In response it was suggested that this was a reasonable risk to consider and that the AGS system would look at succession planning, with any issues being drawn out through the review process. Members heard of discussion taking place with members of the Senior Management Team, and assurances had been given of the capacity within the revised structure, which would be monitored going forward. It was also suggested that there were additional strengths in a single Executive Director overseeing HR, Finance, and Governance.

Members raised questions relating to appendix 2 of the report, and the capacity of officers to review evidence. It was noted that the process was overseen by a Corporate Assurance Group, comprising lead officers from each directorate who develop the corporate assurance map, and consider governance and control arrangements. It was also acknowledged that many of the sources of evidence would be regularly tested and reviewed with the year.

With regards to the process map, a comment was received relating to the appendix 1, the Annual Governance Review Process Map. It was suggested that if assurances could not be provided then there should be feedback to the service in light of this.

**RESOLVED**:-

**(i)** That the Annual Governance Review Process be noted;

**(ii)** That the revised Local Code of Corporate Governance be noted; and

**(iii)** That outputs from the Annual Governance Review process for 2016/17 be reported to the Committee, where consideration can be given as to whether the process provides sufficient and suitable evidence and assurances upon which the Committee can refer the Annual Governance Statement for Full Council approval in September, 2017.

## 54. Corporate Anti-Fraud Team 2017/18 Plan and Strategy

The Head of Internal Audit and Corporate Anti-Fraud introduced the report, noting the consideration given to the recent publication 'Fighting Fraud and Corruption Locally' in compiling the Strategy and Action Plan.

The approach had three themes; Acknowledge/ Deter; Prevent/Detect; and Investigate/Pursue, with resources divided amongst these three aspects. Members were reminded of the recommendation that flexibility be maintained in order that the

Head of Internal Audit and Corporate Anti-Fraud be able to direct resources as necessary to respond to any future issues requiring reactive investigation work.

It was noted that the vast majority of issues were reported to Internal Audit, with the public and employees being an important source of information, therefore the service was largely response led.

Members acknowledged that it was the responsibility of management to have appropriate anti-fraud and corruption policies in place, and the recent focus on refreshing the whistleblowing policy and raising awareness was noted.

With regards to the strategy, Members noted the continued commitment shown through the investment in the Corporate Anti-Fraud Team, the figures for which showed that based on the results of activities during the year the function had more than paid for itself. It was recognised that the team was very flexible, however Members' attention was drawn to the areas where the team was likely to focus its efforts. Also noted was the intention to submit regular reports to the committee on the successes of the team, including case studies where appropriate.

Members questioned why the publicity campaign would be undertaken in the medium term, rather than sooner. It was noted that this was in order to ensure appropriate policies and procedures had been reviewed, staff awareness raised, and the authority best placed to react to any issues raised through the campaign. Assurances were given that the campaign would run in 2017.

A question was asked relating to procurement. It was noted that the focus had generally been on high level procurement activity, but given that an increasing amount of procurement was undertaken at the Area Council level, it was asked what focus was given to this level. The Head of Internal Audit and Corporate Anti-Fraud made the meeting aware that every piece of audit work would include work to consider fraud if there were inherent risks, and this would include work at Area Council level. A previous audit of the work of Area Councils was judged overall as adequate. Members acknowledged that increased commissioning and procurement could present higher levels of risk, and it was noted that this did feature in the audit plan. It was suggested that a future meeting of the committee could receive a presentation from the Head of Strategic Commissioning and Procurement on the procurement process, including an overview of relevant policies and procedures, to ensure members were fully briefed on this.

Comments were made regarding the focus of anti-fraud work, which tended to focus on a certain segment of society, and questions were raised relating to whether the team was appropriately resourced. It was acknowledged that the work of the team was targeted at areas where results were likely, and the balance between resources allocated and likely financial results was discussed

Following a question relating to the cross referencing of identification, Members were made aware of the work with the National Fraud Initiative to cross reference data.

The meeting discussed impending changes to business rates, and the possibility for this to impact on levels of fraud.

Members discussed the compiling of an inventory of investigative/ surveillance equipment for corporate use, noting that this was to maximise the impact of the equipment through sharing of resources.

The Chair questioned the changes in responsibility for enforcing the blue badge scheme, and it was recognised that this was a function of the changes implemented through Future Council, however it was agreed that this remained an important area to maintain.

**RESOLVED:-**

**(i)** That the Corporate Anti-Fraud team plan 2017/18 and supporting strategy be agreed, subject to the need for the Head of Internal Audit to apply the plan flexibly to respond to demand;

**(ii)** That the Committee receive regular monitoring reports from the Head of Internal Audit to demonstrate progress against the plan including information where the plan has been materially varied; and

**(iii)** That a future meeting of the Committee receives a presentation from the Head of Commissioning and Procurement regarding the procurement process, and details of relevant policies and procedures.

## 55. Corporate Anti-Fraud and Corruption Policies

The Head of Internal Audit and Corporate Anti-Fraud reminded Members of discussion at the previous meeting and drew attention to the copies of the policies circulated, which had been amended in light of the comments received.

It was noted that the codes of conduct relating to employees and Councillors had been circulated to Members for information.

**RESOLVED** that the revised policies be recommended to Cabinet for approval.

## 56. External Audit Plan 2016/17

Amy Warner, Manager at KPMG, introduced the item. Attention was drawn to a number of key areas. Materiality had been set based on the previous year's expenditure, with plans to report any uncorrected omissions or misstatements over £600,000.

Members noted significant audit risks relating to changes to pension liability, and in relation to waste management PFI valuation. An additional area of audit focus would take into account changes in disclosure requirements.

With regards to value for money, no significant risks had been identified, it was agreed that any issues highlighted would be report back to the committee.

The Committee discussed the materiality limits, and how they were arrived at. It was noted that these were set in-line with expenditure and levels of risks, mindful of the resources available for the service. It was acknowledged that issues would be brought to the attention of officers under thresholds for correction if these had been identified. It was suggested the report detailing errors and corrections produced for officers, could be brought to the Committee for further discussion.

**RESOLVED** that External Audit Plan 2016/17 be noted.

**57. External Audit - Technical Update Incorporating the External Audit Progress Report**

Amy Warner, Manager at KPMG presented the Technical Update and External Audit Progress report. The Committee's attention was drawn to the current position in the audit cycle, with the interim audit visit to take place week commencing 27th March, and the review of the draft financial statements commencing in July, 2017.

With regards to the information supplied on Children in need of help or protection, a question was asked as to whether this information was included as it pertained specifically to Barnsley. It was acknowledged that the National Audit Office report was something all authorities needed to be mindful of.

With regards to the Committee seeking further information on areas where it may be an outlier in terms of value for money, it was noted that no areas had been identified as yet.

**RESOLVED** that the Technical Update incorporating the External Audit Progress report be noted.

**58. Audit Committee Work Plan 2016/17 and 2017/18**

The Committee received a report providing the indicative work plan for the Committee for its proposed scheduled meetings for the remainder of the 2016/17 municipal year and for 2017/18.

**RESOLVED** that the core work plan for 2016/17 and 2017/18 meetings of the Audit Committee be approved and reviewed on a regular basis.

**59. Exclusion of the Public and Press**

**RESOLVED** that the public and press be excluded from the meeting during consideration of the item number 60 because of the likely disclosure of exempt information as defined by Paragraph 7 of Part I of schedule 12A of the Local Government Act 1972 as amended, subject to the public interest test.

**60. Internal Audit Plan 2017/18**

The Head of Internal Audit and Corporate Anti-Fraud presented the plan, which had been arrived at after a process of consultation and careful consideration. This was in the light of reductions in staff due to budget pressures. Members were assured that the impact had been mitigated as much as possible, but this had resulted in a net loss of 320 audit days to the Council.

The planned audit work had been arranged to achieve the maximum impact and was suggested that this would be adequate to provide an annual opinion, and the coverage was in line with neighbouring councils. Members were made aware that

the document had been developed through a robust process which included lead officers and heads of service.

It was noted that the plan was flexible and could respond to changes in priority, where required. The Committee were made aware that two new members of staff due to start imminently, which would bring the audit team to full capacity.

Members of the Committee discussed the provision of monitoring reports, including the resource implications of their production, and whether these should be reduced to half-yearly. After significant consideration, it was suggested that these remain quarterly, in order to provide adequate assurance to Members.

Attention was drawn to the number of chargeable days and the percentage of chargeable time per FTE staff. It was noted that the figures had increased, and questions were asked how this had been achieved. It was noted that this could partly be attributable to changes in classification of chargeable time, however it was also stated that the consistency of the team had resulted in a reduction in training required and increased efficiency.

The Chair gave thanks to Julie Winham, Audit Manager, for her hard work and dedication, including the support given to the Audit Committee, and wished her well in her future endeavours. The sentiment was echoed by the Committee.

**RESOLVED**:-

**(i)** That the indicative Internal Audit Plan 2017/18 be approved, acknowledging the need for the Head of Internal Audit to exercise judgement to apply the flexibly according to priority, risk, and resources available; and

**(ii)** That the Audit Committee receives quarterly monitoring reports from the Head of Internal Audit to demonstrate progress against the plan, including information where the plan has materially varied.

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Chair

**AUDIT COMMITTEE – 19th April, 2017**

**ACTIONS ARISING FROM MEETINGS OF THE AUDIT COMMITTEE**

| Date of Meeting | Agenda Ref | Subject | Details of Actions Arising | Person Responsible | Status / Response |
|---|---|---|---|---|---|
| 22nd July, 2015 | 6 | Draft Annual Governance Statement 2014/15 | To receive a report on the multi agency approach to safeguarding and the creation by the Police of multi-agency hubs | Chief Executive, Director of Legal and Governance, Director of Finance, Assets and Information Services | To be built into the Future Work Plan when invitations are sent to 'external witnesses/speakers' (April 2017) |
| 7th December, 2016 | 7 | Annual Governance Statement Action Plan 2016/17 | To receive a report on issues around business continuity and the need to close the gap in certain areas | Director of Legal & Governance | 19th April 2017 |
| 18th January, 2017 | 10 | Audit Committee Work Plan 2016/6 and 2017/18 | To receive a report on the revised Terms of Reference to enable a revised Work Plan to be developed for implementation from the 2017/18 Municipal Year | Director of Legal and Governance | 19th April, 2017 |
| 22nd March, 2017 | 4 | Local Code of Corporate Governance/ Annual Governance | To receive a report on the outputs from the Annual Governance Review Process as to whether<br>they provide sufficient and suitable evidence and assurances in relation to the Annual | Director of Finance/Risk and Governance Manager | 19th July, 2017 |

**AUDIT COMMITTEE – 19th April, 2017**

**ACTIONS ARISING FROM MEETINGS OF THE AUDIT COMMITTEE**

| Date of Meeting | Agenda Ref | Subject | Details of Actions Arising | Person Responsible | Status / Response |
|---|---|---|---|---|---|
| | | Review Process 2016/17 | Governance Statement to be submitted to Full Council in September, 2017 | | |
| 22nd March, 2017 | 5 | Corporate Anti-Fraud Team 2017/18 Plan and Strategy | To receive a presentation on the procurement process together with details of relevant policies and procedures | Head of Internal Audit and Corporate Anti-Fraud/Head of Commissioning and Procurement | 7th June, 2017 |
| 22nd March, 2017 | 7 | External Audit Plan 2016/17 | To receive a presentation regarding the role of External Audit | KPMG | 7th June 2017 |

**AUDIT COMMITTEE – 19th April 2017**

**STRATEGIC RISK REGISTER – Full Review March 2017**

## 1. Purpose of the Report

1.1 This brief covering note presents the draft Cabinet Report for the latest review of the Strategic Risk Register (SRR), which has been programmed for consideration by Cabinet on the 3rd May 2017.

1.2 This report forms part of the Audit Committee's assurance process where it was agreed that following the completion of each review of the SRR, the Audit Committee considers the latest iteration of the SRR, and where appropriate, provides comment.

## 2. Recommendation

**2.1 It is recommended that the Audit Committee:**

**I. Considers, and comments accordingly on the outcomes of the recent review of the SRR, in relation to the management, challenge and development of the SRR;**

**II. Considers whether any further information regarding the SRR review process is required from the Risk and Governance Manager;**

**III. Considers whether any further information is required from specific Risk Owners, or Risk Mitigation Action Owners regarding the progress towards managing and mitigating SRR risks; and,**

**IV. Confirms whether the Committee wishes to continues to receive periodic updates as to the progress of the actions taken and their impact on the SRR, or whether the Committee requires a deeper level of assurance that could be provided through the provision of a more detailed or focused report.**

**Contact Officer:** **Risk and Governance Manager**
**Telephone:** **01226 77 3119**
**Date:** **3rd April 2017**

**CABINET – 3rd May 2017**

**STRATEGIC RISK REGISTER – Full Review March 2017**

## 1. Purpose of the Report

1.1 The Strategic Risk Register (SRR) contains those high level risks which are considered to be significant potential obstacles to the overall achievement of the Council's corporate objectives.

1.2 Like all risk registers, it is important that the SRR remains up to date and is reviewed regularly in order to accurately reflect the most significant risks to the achievement of corporate objectives and facilitate timely and effective mitigations of those risks.

1.3 Following a review of the SRR in October 2016, a further review of the SRR was undertaken in March 2017. The outcomes of that review are detailed in the body of this report.

## 2. Recommendation

**2.1 It is recommended that:**

**i. Cabinet confirms that the high level strategic risks articulated within the SRR fully reflect the current position of the Council; and,**

**ii. Cabinet considers the content of this report, and continues to commit to support the Corporate Risk Management process and the embedding of a Risk Management culture within the organisation.**

## 3. Introduction and Background

3.1 The Introduction and background to the SRR is now included as Appendix One to this report. This details:

- The context of the SRR in relation to the broader governance arrangements in place;
- The importance of the SRR in relation to embedding Risk Management within the Council;
- The management of the SRR;
- The content of the SRR; and,
- The review process to ensure the SRR remains a vibrant and dynamic document;

## 4. Risk Profile

4.1 The table below sets out the distribution of the SRR risks across the six concern rating classifications:

| Risk Concern Rating | Number of Risks (as at March 2017) | Percentage (as at March 2017) | Number of Risks (as at Oct 2016) | Percentage (as at Oct 2016) | Number of Risks (as at Mar 2016) | Percentage (as at Mar 2016) |
|---|---|---|---|---|---|---|
| 1 | 0 | 0% | 0 | 0% | 0 | 0% |
| 2 | 3 | 16% | 4 | 20% | 3 | 16% |
| 3 | 5 | 26% | 6 | 30% | 7 | 37% |
| 4 | 9 | 47% | 9 | 45% | 8 | 42% |
| 5 | 2 | 11% | 1 | 5% | 1 | 5% |
| 6 | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 19 | 100% | 20 | 100% | 19 | 100% |

4.2 The total number of risks logged in the SRR has decreased by one since the last review in October 2016 (risk 3842 - Failure to ensure the transfer of 0-19 services that are coming back into Council control ensures customers remain safe, there is continuous service and that during and after the transition period customers remain safe) which has now been removed from the SRR and is now being managed at a Business Unit level.

The current review identified two risks that have had their risk concern rating reduced:

- Risk 3023 ('Failure to engage with Stakeholders') – was concern rating '3', now logged as concern rating '4': Reflects developments with regard to the revised Community Engagement Strategy that has been approved by Cabinet; and,

- Risk 3514 ('Failure to be able to deliver the ambitions and outcomes associated with the Customer Strategy Implementation (CSI) Programme') – was concern rating '4', now logged as concern rating '5': Reflects improved confidence to deliver the CSI programme.

4.3 Details of the average risk category score for the SRR, from the 'zero-based' review in March 2013 are presented below:

| | Period | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Mar 2013 | Oct 2013 | Feb 2014 | Sept 2014 | Feb 2015 | Oct 2015 | Mar 2016 | Oct 2016 | Mar 2017 |
| Average Risk Concern Rating | 3.70 → | 3.47 ↓ | 3.47 → | 3.35 ↓ | 3.5 ↑ | 3.47 ↓ | 3.37 ↓ | 3.35 ↓ | 3.52 ↑ |

4.6 The slight variance in the average concern rating is directly attributable to the removal of risk 3842, allied to slight changes to risks 3023 and 3514, detailed in section 4.2 of this report.

## 5. Outcomes of the March 2017 Review

5.1 The significant outcomes that are detailed in this document focus on:

- Significant / 'Red' Risks; and,

- New / Emerging Risks.

5.2 Significant / 'Red' Risks:

5.2.1 Risk 3026: Failure to achieve a reduction in health inequalities within the Borough:

| **Risk:** | **Risk Owner:** |
|---|---|
| Risk 3026 – Failure to achieve a reduction in health inequalities within the Borough. | Director of Public Health |
| **Consequences:** | |
| Health inequalities persist.<br>Life expectancy in Barnsley remains well below the national average.<br>Such health inequalities challenge not just the health and social care services but every one interested in the future prosperity and well-being of the borough.<br>*For more information, see Appendix Six.* | |

As per previous reports, this risk is currently logged as having a 'Concern Rating' of 2. It is important to note that despite this risk having been allocated a 'red' concern rating, it is recognised that population based outcome measures are often slow and difficult to change.

The Risk Mitigation Actions for this risk focus on:

- Developing the Public Health Strategy and implementation plan including undertaking consultations regarding the Sustainability Transformation Plan;
- Further developing the distributed model by undertaking further refinement in 2017 including a full refresh of the model and development of an improvement action plan; and,
- Developing the governance arrangements regarding the use of the Public Health Grant by improving reporting arrangements between the Council and Public Health England.

5.2.2 Risk 3792: Failure to be prepared to assist in the event of an emergency resilience event in the region:

| **Risk:** | **Risk Owner:** |
|---|---|
| Risk 3792 – Failure to be prepared to assist in the event of an emergency resilience event in the region. | Director, Core Services |
| **Consequences:** | |
| Recent emergencies relating to industrial actions and flooding proves there is still an inappropriate reliance on the increasingly limited resources of the HS&ERS to manage and lead on the management of emergency events.<br>*For more information see Appendix Six.* | |

The Risk Mitigation Actions for this risk focus on:

- Delivering against the approved Action Plan following a report to SMT;
- Developing the Councils overarching Business Continuity Plan, including infillings gaps within Business Unit arrangements; and,
- Liaison with colleagues within Environment and Transport regarding community flood resilience plans.

5.2.3 Risk 3793: Failure to ensure that appropriate disaster recovery arrangements are in place to ensure the Council is able to recover in the event of a business continuity threat or incident:

| Risk: | Risk Owner: |
|---|---|
| Risk 3793 – Failure to ensure that appropriate disaster recovery arrangements are in place to ensure the Council is able to recover in the event of a business continuity threat or incident | Director, Core Services |
| **Consequences:** | |
| In the event of a business continuity threat the Council will be unable to recover in an effective manner resulting in lost time and resources. Inability for customers to be able to access services and a lack of access to IT systems to enable employees to undertake their duties effectively.<br>*For more information see Appendix Six.* | |

The Risk Mitigation Actions for this risk focus on:

- Working with the Health, Safety and Emergency Resilience Unit to assist in identifying IT related business continuity issues within individual Business Units;
- Developing plans and ensuring an appropriate location for a replacement server;
- Developing testing plans that will focus on people and behaviours; and,
- Meetings between Service Director (Information Services), Head of Health, Safety and Emergency Resilience and Risk and Governance Manager to unpick disaster recovery and business continuity arrangements.

5.3 New / Emerging Risks:

5.3.1 There are no new risks included on this version of the SRR. However, during conversations with Risk Owners, a number of emerging issues were discussed, including:

- Data Quality – increasing reliance on high quality data and information to assist in shaping services and measuring performance has resulted in increased pressure on the Research and Business Intelligence Unit; and,

- Adult Social Care – increased pressure on Councils budgets to cover adult care costs due to the implementation of the Care Act and issues regarding market building and an aging population;

As part of the next review of the SRR, these issues will be further unpicked, and included within the next iteration of the register.

5.4 Details of the risks logged on the SRR that have improved since the last review are logged in Appendix Two to this report.

5.5 There are no risks logged on the SRR that that have worsened since the last review of the SRR.

5.6 Details of all SRR risk concern ratings, including a direction of travel indicator to provide details of the 'trend' of the SRR risk profile are included as Appendix Three to this report.

**6. Risk Mitigation Actions**

6.1 The following risk mitigation actions have been logged as being 'red':

6.1.1 Risk 3792: Failure to be prepared to assist in the event of an emergency resilience event in the region:

| Risk: | Risk Owner: |
|---|---|
| Risk 3792 – Failure to be prepared to assist in the event of an emergency resilience event in the region. | Director, Core Services |
| **Mitigation:** | |
| Await feedback from SD BU6 following analysis of Community Flood Plans by Head of Health and Safety – outstanding due to structural changes within BU6 – Darton Flood Plan completed, five other Area Plans outstanding | |

6.1.2 Risk 3034: Failure to deliver the MTFS and associated KLoE / Budget savings 'Failure of Future Council to achieve the required level of savings':

| Risk: | Risk Owner: |
|---|---|
| Risk 3034 – Failure to deliver the MTFS and associated KLoE / Budget savings 'Failure of Future Council to achieve the required level of savings': | Director, Corporate Services |
| **Mitigation:** | |
| Use of BPC Business Objects by Executive Directors and Service Directors (17/18) – Internal Audit Report identified a low level of compliance with BPC | |

6.1.3 Risk 3699: Failure to ensure the Council's commercial / trading arm is effective in its operations, and is a well governed organisation:

| Risk: | Risk Owner: |
|---|---|
| Risk 3699 – Failure to ensure the Council's commercial / trading arm is effective in its operations, and is a well governed organisation: | Director, Corporate Services |
| **Mitigation:** | |
| Development of shareholder role (SMT / Member / Cabinet level) to ensure the apporpiate oversight of the trading / commercial activities is in place. | |

6.2 Appendix Four details the completed / closed risk mitigation actions following the March 2017 review.

6.3 Appendix Five details those risk mitigation actions that are new following the March 2017 review.

## 7. Other Significant Changes to the SRR

7.1 Other significant changes to the SRR have been highlighted in bold text, and included within Appendix Six of this report.

## 8. Assurance

8.1 This report and the SRR (which is attached to this report as Appendix Six) itself will be submitted to the Audit Committee at their meeting of 19th April 2017, in order to provide assurances that these significant risks are being managed appropriately.

8.2 The Audit Committee have expressed a clear interest in receiving assurance from Cabinet that appropriate challenge and scrutiny of corporate risk management arrangements take place, and engagement with significant risks through reports on the SRR will be a key source of assurance. The Audit Committee will be informed of the outcomes of Cabinet's consideration of the SRR.

## 9. Future Review of the SRR

9.1 Future review of the SRR are now programmed with other governance related reports such as those relating to Corporate Finance and Performance Management in order for Cabinet to receive and consider these governance related reports as a broad suite of documents.

## 10. Delivering Corporate Plan Ambitions

10.1 The SRR lists those significant risks which could impact upon the delivery of the Council's priorities and objectives, as set out in the Council's Corporate Plan. Risks within the SRR are directly linked to the Corporate Plan in order to ensure that the register is focused upon those risks which are considered to be significant potential obstacles to the achievement of corporate objectives.

## 11. Risk Management Issues

11.1 The report focuses on the further development of the SRR and the contribution this will make to the embedding of a risk management culture throughout the Council.

11.2 Failure to develop the SRR will present a significant risk to the successful implementation of the required Risk Management culture within the Council.

## 12. Financial Implications

12.1 There are no specific financial implications arising directly from this report, although there is often a cost in taking (or not taking) specific action that was identified through the risk management process. Most individual Cabinet Reports have financial implications and so the application of good risk management practices is vital to ensure the most effective use of resources.

## 13. Appendices

| | |
|---|---|
| **Appendix One:** | **SRR Introduction and Background** |
| **Appendix Two:** | **Improved SRR Risks** |
| **Appendix Three:** | **Direction of Travel / Trend Report** |
| **Appendix Four:** | **Completed Risk Mitigation Actions** |
| **Appendix Five:** | **New Risk Mitigation Actions** |
| **Appendix Six:** | **Full SRR as at March 2017** |

## 14. Background Papers

14.1 Various papers and electronic files and risk registers are available for inspection at the Westgate Plaza One offices of the Council.

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|---|---|
| **Contact Officer:** | **Risk and Governance Manager** |
| **Telephone:** | **01226 77 3119** |
| **Date:** | **3rd April 2017** |

## 1. Introduction

1.1 The embedding of a culture where Risk Management is considered a part of normal business process is crucial to the delivery of the Risk Management Policy and Strategy and the implementation of good governance arrangements.

1.2 A robust and dynamic SRR sets the culture and tone for Risk Management across and throughout the Council. The engagement of the Senior Management Team (SMT) in the Risk Management process through their ownership and review of the SRR demonstrates a strong commitment to lead and champion Risk Management 'from the top' and to further reinforce the continuing development of a Risk Management culture.

1.3 The risks in the SRR are owned by SMT, with the management of individual risks being allocated to a Risk Manager (a member of SMT) and measures to mitigate risks allocated to Risk Mitigation Action Managers (being those senior managers best placed to take responsibility to drive the implementation of those actions).

1.4 SMT is also responsible for ensuring that the SRR continues to express those high level risks which have a significant bearing upon the overall achievement of corporate objectives and that they are being appropriately managed.

1.5 In order to provide assurances that the SRR is being appropriately managed, reviews of the register are facilitated by the Risk and Governance Manager on a six monthly cycle. The results of these reviews reported to SMT for further consideration and challenge. The outcomes of these processes are then reported to the Audit Committee, and subsequently, Cabinet.

1.6 This report provides a summary to Cabinet of the recent review, and highlights specific issues and actions for consideration. This ensures Senior Elected Members are aware of the SRR and can contribute to its development. The consideration of the SRR by Cabinet also contributes towards the role of Elected Members in assisting in the development of strategy and contributing to the identification of high level strategic risks, rather than simply monitoring the management of the Risk Management process.

## 2. Background and Context to the March 2017 Review

2.1 The review that has recently been completed is the fifth review of the SRR, which was significantly refreshed, following a 'zero-based' review of the SRR in March 2013.

2.2 The current review included:

- **Consideration of the current expression of the Risk:**
  Risk Owners are encouraged to consider risks in terms of Event > Consequence > Impact, and these are logged within the 'Risk Title' and 'Risk Consequences' fields.

- **Consideration of links between Corporate Priorities, Outcomes and Risks:**
  Each Risk is clearly linked to a Corporate Priority, and these are logged in the 'Priority' field.

Clear links between Corporate Outcomes and Risks have been identified and logged in the 'Existing Control Measures' field, to demonstrate the relevance of risks to the Council's performance management framework.

- **Consideration of the level of 'Concern' for each Risk:**
  Clearly, all risks logged in the SRR are significant. A 'traditional' quantative risk assessment of all SRR risks has been undertaken, and all of the risks logged in the SRR have been assessed as being 'red' due to their high rating in terms of probability and / or impact.

  Whilst risk mitigation actions are in place, and efforts are being made to ensure the intended benefits of such risk mitigation actions are realised, the actual positive impact of these mitigations can often be hard to express in terms of the risk assessment itself, and ultimately, what are contextually small positive impacts on such significant risks may simply result in the *maintenance* of the assessment, rather than actually *improving* it.

  As part of the 'zero-based' review of the SRR in March 2013, the use of a 'Concern Rating' was implemented. This qualitative assessment gives the Risk Owner, or SMT collectively, the opportunity to consider the following dynamic elements of the risks, rather than focusing on the traditional probability and impact based assessments:

| Concern Rating | Description |
|---|---|
| **1 - Red** | Little confidence the Risk can be improved;<br>Unachievable Objective;<br>Difficult to Influence; or,<br>Out of Tolerance. |
| **2 - Red** | Concern is between Rating 1 and Rating 3. |
| **3 – Amber** | Some confidence the risk can be improved;<br>Moderately achievable Objective;<br>Possible to Influence; or,<br>Barley Tolerable. |
| **4 – Amber** | Concern is between Rating 3 and Rating 5. |
| **5 – Green** | Confident the Risk can be improved;<br>Achievable Objective;<br>Easily Influenced; or,<br>Tolerable. |
| **6 – Green** | Concern Rating is less than 5. |

- **Consideration regarding *existing* Risk Mitigation Actions, as well as consideration of any *new* Risk Mitigation Actions:**
  Each risk mitigation action is allocated a red, amber or green rating, on a similar basis as the Risk Concern rating. Risk mitigation action owners are asked to provide an assessment as to the overall progress and achievement of each of these actions. Of note is the fact that some risks may be logged as being 'amber' or in some circumstances, 'red' in terms of the overall 'Concern Rating', but risk mitigation actions may be logged as 'green'. The implication of this is that the actions being taken are on track, but due to factors such as the 'long-tail' nature of some risks, the action may be something that is aimed at *maintaining* the risk, rather than *improving* it.

  Similarly, some risks may be logged as having a 'Concern Rating' of 'green', with actions logged as being 'amber' or in some circumstances, 'red'. This reflects that whilst the risk itself may be acceptable, the actions themselves may be less so. In these circumstances, attention should be given to ensuring the action is resourced to ensure it is able to deliver the intended outcomes. This is in addition to the '% complete' field which is included within the register.

- **Consideration of Future Council Activity:**
  As part of the current review, SRR Risk Owners were asked to consider the implications of the transition to the Future Council model, in terms of the ownership and positioning of the risk, along with any issues arising that may affect the delivery of risk mitigation actions.

2.3 Consideration was also given during each update meeting with Risk Owners regarding any new or emerging risks that should be considered, or any risk areas that may be developing that could influence the consideration of exiting risks.

**Appendix Two: Improved SRR Risks**

| Risk Number | Risk Name | Reason for Improvement |
|---|---|---|
| 3023 | Failure to engage with Stakeholders | Reflects revised Community Engagement Strategy that has been approved by Cabinet |
| 3514 | Failure to be able to deliver the ambitions and outcomes associated with the Customer Strategy Implementation Programme | Reflects improved confidence to deliver the CSI programme |

| Risk Number | Risk Title | Mar 2017 | Oct 2016 | Mar 2016 | Sept 2015 | Feb 2015 | Sept 2014 | Feb 2014 | Oct 2013 | June 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| 3021 | Failure to build the Economy of Barnsley | Closed - | Closed - | Closed - | Closed - | Closed - | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 - |
| 3022 | Inability to direct Corporate Strategy | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 2 | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 - |
| 3023 | Failure to engage with Stakeholders | 4 ⇧ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇧ | 2 ⇩ | 3 ⇔ | 3 ⇔ | 3 - |
| 3024 | Lack of Educational Attainment | 4 ⇔ | 4 ⇧ | 3 ⇔ | 3 ⇩ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇧ | 3 - |
| 3025 | Failure to Safeguard Vulnerable Service Users | 3 ⇔ | 3 ⇔ | 3 ⇧ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 - |
| 3026 | Failure to achieve a reduction in health inequalities within the Borough | 2 ⇔ | 2 ⇔ | 2 ⇔ | 2 ⇔ | 2 ⇔ | 2 ⇔ | 2 ⇔ | 2 ⇔ | 2 - |
| 3027 | Failure to manage Organisational Change ('Risk of destabilisation of the Organisation') | 5 ⇔ | 5 ⇔ | 5 ⇔ | 5 ⇔ | 5 ⇔ | 5 ⇔ | 5 ⇔ | 5 ⇔ | 5 - |
| 3028 | Workforce planning issues | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇩ | 4 - |
| 3029 | Failure to Safeguard Information | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇧ | 3 ⇔ | 3 ⇔ | 3 ⇩ | 4 - |
| 3030 | Failure to be prepared for an emergency response or business continuity threat | Closed - | Closed - | Closed - | 2 ⇔ | 2 ⇔ | 2 ⇩ | 3 ⇔ | 3 ⇩ | 4 - |
| 3031 | Strategic Performance, Governance or Compliance failure | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 - |
| 3032 | Failure of Partnership Working / Supply Chains | Closed - | Closed - | Closed - | Closed - | Closed - | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 - |
| 3033 | Failure to adapt the Authority into a sustainable organisation ('Failure to maintain current Services) | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇧ | 3 ⇔ | 3 ⇔ | 3 ⇩ | 4 - |
| 3034 | Failure to deliver the Medium Term Financial Strategy ('Failure of the Future Council to be able to deliver the required level of savings') | 4 ⇔ | 3 ⇧ | 3 ⇩ | 4 ⇩ | 5 ⇔ | 5 ⇔ | 5 ⇔ | 5 ⇔ | 5 - |
| 3035 | Loss of assets and resources as a result of one-off incident of fraud / corruption / bribery or a sustained or widespread occurrence | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇩ | 4 ⇔ | 4 ⇩ | 5 - |
| 3047 | Failure to protect the population from preventable health threats | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 - |
| 1630 | Equal Pay Claims | Closed - | Closed - | Closed - | Closed - | 3 ⇔ | 3 ⇔ | 3 ⇔ | 3 ⇧ | 2 - |
| 3514 | Failure to be able to deliver the ambitions and outcomes associated with the Customer Service Organisation (CSO) Programme | 5 ⇧ | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 - | - | - | - | - |
| 3543 | Failure to ensure the adequate supply of land for housing and commercial property growth | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 ⇧ | 3 - | - | - | - | - |
| 3699 | Failure to ensure the Council's commercial / trading arm is effective in its operations, and is a well governed organisation | 4 ⇔ | 4 ⇔ | 4 ⇔ | 4 - | - | - | - | - | - |

| Risk Number | Risk Title | Mar 2017 | Oct 2016 | Mar 2016 | Sept 2015 | Feb 2015 | Sept 2014 | Feb 2014 | Oct 2013 | June 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| 3792 | Failure to be prepared to assist in the event of an emergency resilience event in the region | 2 ⇔ | 2 ⇔ | 2 - | - | - | - | - | - | - |
| 3793 | Failure to ensure that appropriate disaster recovery arrangements are in place to ensure the Council is able to recover in the event of a business continuity threat or incident | 2 ⇔ | 2 ⇔ | 2 - | - | - | - | - | - | - |
| 3794 | Failure to ensure the governance arrangements underpinning and controlling the emerging City Region Deal Devolution Deal enable an appropriate blend of risk and reward for the Council | 4 ⇔ | 4 ⇔ | 4 - | - | - | - | - | - | - |
| 3842 | Failure to ensure the transfer of 0-19 services that are coming back into Council control ensure customers remain safe, there is continuous service and that during and after the transition period customers remain safe | Closed - | 2 - | - | - | - | - | - | - | - |

| Risk Number | Risk Name | Risk Mitigation Action |
|---|---|---|
| 3024 | Lack of Educational Attainment | Barnsley Alliance Plan being developed prior to submission to Cabinet in November 2016 |
| | | Development of SEND strategy to meet the Council's accountability requirements – to be discussed at TEG – strategy in final stages of development |
| | | Corporate Parenting Panel – delivery of service improvement plan which is monitored by the Safeguarding Governance Board and reported to Education Steering Group chaired by Cllr Cheetham – governance structures for 'virtual school' in place – monitor and review arrangements 16/17 |
| 3047 | Failure to protect the population for preventable health threats | Monitoring of Health Protection Board (HPB) to ensure any system issues associated with working with CCG and partners are identified and addressed - ongoing discussions with CCG regarding Health Protection arrangements. HPB established – good engagement from partners and proportionate systems are in place. Emerging links with Emergency Planning developing |
| 3027 | Failure to manage organisational change - 'Risk of Destabilisation of the Organisation' | Talkabout sessions being developed for November 2016 with Chief Executive and Leader |
| 3028 | Workforce planning issues | Refresh of Corporate Plan to align it to 2020 outcomes - will also include a review of the Future Council Strategy which will join up the Future Council Strategy to the Workforce Development Strategy and also ensure the Future Council Improvement and Growth Strategy is more aligned to resourcing and financial influences |
| 3029 | Failure to safeguard information | Programme of activity to assist in achieving Baseline Personnel Security Standard (BPSS) - 2015 round of BPSS compliance included 1500 employees - specification moving - full time developer in place to work on scheme for 6 months |
| 3033 | Failure to adapt the Authority into a sustainable organisation - 'Failure to maintain current services' | Development of new Corporate Plan 2017 - 2020 |
| | | Refresh of Future Council Strategy and Workforce Development Plan to align them to the Corporate Plan 2017 - 2020 (will include merging FC Strategy and FC Workforce Development Plan) |
| | | Development of Talkabout sessions for Chief Executive and Leader regarding MTFS, Service and Financial Planning and Business Plans - November 2016 |

| Risk Number | Risk Name | Risk Mitigation Action |
|---|---|---|
| 3024 | Lack of Educational Attainment | Development of plans to ensure Barnsley Schools are in a strong position to implement the Progress 8 framework which is designed to encourage schools to offer a broad and balanced curriculum with a focus on an academic core at key stage 4, and reward schools for the teaching of all their pupils, measuring performance across 8 qualifications. This will also include:<br>▪ Developing a Communications Strategy to ensure stakeholders understand the framework;<br>▪ Continued liaison with schools via the Barnsley Alliance construct to ensure Progress 8 is embedded in BMBC maintained schools and,<br>▪ Use of limited capacity within BMBC in terms of Schools Improvement activities. |
| | | Development of School Places Plan which will be designed to influence and build external markets - plan gone to SMT |
| 3025 | Failure to safeguard vulnerable service users | Safeguarding Awareness Week - ambitions include embedding Safeguarding into community activities via significant liaison with South Yorkshire partners to allow and enable them to learn from us |
| 3027 | Failure to manage organisational change - 'Risk of Destabilisation of the Organisation' | Talkabout sessions being developed for May and June 2017 to be led by Executive Directors aiming to link new Corporate Plan to Business Plan via 'golden thread' and focusing on:<br>▪ Accelerating Growth<br>▪ Marshalling Resources<br>▪ Local Devolution and Area Council arrangements<br>▪ Support behavioural change within communities<br>▪ Dealing with the implications of Brexit<br>▪ Using technology to maximise impact<br>▪ Using Improvement and Growth fund to drive innovation; and,<br>▪ Making decisions on what we will do more of, continue, do differently or stop altogether |
| 3028 | Workforce Planning Issues | Delivery of Future Council Workforce Development Strategy |
| 3029 | Failure to Safeguard information | Training of new Caldicott Guardian – Head of Public Health |
| 3033 | Failure to adapt the Authority into a sustainable organisation - 'Failure to maintain current services' | Talkabout sessions being developed for May and June 2017 to be led by Executive Directors aiming to link new Corporate Plan to Business Plan via 'golden thread' and focusing on:<br>▪ Accelerating Growth<br>▪ Marshalling Resources |

| Risk Number | Risk Name | Risk Mitigation Action |
|---|---|---|
| | | ▪ Local Devolution and Area Council arrangements<br>▪ Support behavioural change within communities<br>▪ Dealing with the implications of Brexit<br>▪ Using technology to maximise impact<br>▪ Using Improvement and Growth fund to drive innovation; and,<br>▪ Making decisions on what we will do more of, continue, do differently or stop altogether |
| 3035 | Loss of assets and resources as a result of a one-off incident of fraud / corruption / bribery or sustained or widespread occurrences. | E) Communication of arrangements via training and awareness sessions regarding anti-fraud and corruption arrangements to publicise these throughout the Council |
| | | F) Reinstatement of annual Fraud Risk Self-Assessment at Business Unit level |
| 3699 | Failure to ensure the Council's commercial / trading arm is effective in its operations, and is a well governed organisation | Development of ILAH Action Plan to identify lessons to be learnt |

# Strategic Risk Register - as at March 2017

**Concern Rating 1:** Little confidence the Risk can be improved; OR, Difficult to influence; OR, Out of tolerance.

**Concern Rating 2**

**Concern Rating 3:** Some confidence the Risk can be improved; OR, Moderately acheiveable objective; OR, Barely tolerable.

**Concern rating 4**

**Concern Rating 5:** Confident the Risk can be improved; OR, Acheiveable objective; OR, Tolerable.

**Concern Rating 6**

| Priority | Risk No | Risk Title | Risk Consequences | Risk Owner | Existing Control Measures | Oct-15 | Mar-16 | Oct-16 | Mar-17 | Risk Mitigation Action | Owner | % comp | Review Date | Recovery Plan |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| THRIVING AND VIBRANT ECONOMY | 3543 | Failure to ensure the adequate supply of land for housing and commercial property growth | There are some important opportunities that Barnsley needs to exploit in order to ensure that it continues to meet its economic growth aspirations. These include the delivery of good quality and affordable housing and a range of commercial property. Underpinning this includes the potential offered through the delivery of superfast broadband, the use of low carbon technology and the scope to improve the area's visitor economy through better operation of its cultural assets (to attract visitors and spend) which will add to the overall viability of such housing and commercial schemes.<br><br>In order to address the challenges and to maximise these and other opportunities, it will be essential to work in partnership with a variety of stakeholders to deliver a suite of priorities and key interventions, complete major regeneration projects, target both housing growth and business development and growth, and link new and existing jobs more effectively to local people.<br><br>There are financial pressures making the delivery of the Local Plan difficult, but the positioning in two city regions (Leeds and Sheffield) provides opportunities to identify and maximise funding from these sources.<br><br>Schemes that have been successful in obtaining external funding must be able to demonstrate adequate progress towards achieving their ambitions within appropriate timescales or face the risk of having the external funding removed; | SMT SMT | Local Plan<br>Working with Sheffield City Region regarding SCRIF funding to facilitate the development of Strategic Business Park infrastructure;<br>Housing Strategy 2014 - 2033 outlines the Council's ambitions for regeneration and building in the region and relies on the Local Development Plan to identify and obtain land, and SCR and LCR to assist in building developments;<br>SY Superfast Broadband programme which is intended to improve the infrastructure in the Borough, to benefit both commercial and residential stakeholders;<br>Property Investment Fund set up to facilitate the identification of land to build speculative developments to aid commercial growth;<br>Enterprising Barnsley schemes focusing on attracting inward investment, investing in infrastructure, growing existing businesses and encouraging higher activity start ups;<br>Skills Plans completed;<br>Other strategies in place include Jobs and Business, Transport and Employment and Skills that aim to make the Borough a thriving and unique place to live, work, visit and trade;<br>Local Plan consultation extended, due to the inclusion of new development sites, and is due to be reported back to Cabinet in September 2015;<br>Positive approach to planning applications for housing on sustainable non-Green Belt sites that are yet to be allocated;<br>Overview and Scrutiny Task and Finish Group considered Skills and Jobs in 2016/17;<br>Planning applications being dealt with in appropriate timescales contributing to strong relationship with Planning Board;<br>Quarterly Developer Forums in place;<br>**Cabinet Report approved regarding LDF and consultations undertaken in November 2016;**<br><br>Outcomes:<br>Create more and better jobs and good business growth (GREEN)<br><br>Increase skills to get more people working (AMBER)<br><br>Develop a vibrant Town Centre (GREEN)<br><br>Strengthen our visitor economy (AMBER)<br><br>Create more and better housing (GREEN)<br><br>Protecting the Borough for future generations (AMBER) | 4 | 4 | 4 | 4 | Progression of Devolution Deal - development of deal, consideration of impacts, strategic planning and governance issues and the duty to engage constructively, actively and on an ongoing basis in relation to planning of sustainable development - BMBC signed Devolution Agreement and was considered by Full Council in March 2016. Likely to be devolved funding opportunities and extra powers in respect of land development opportunities - also need to consider whether there are any benefits in developing a regional 'LDF' to sit above BMBC's borough-wide LDF - **significant slippage due to Judicial Challenge - deferred by at least one year** | ED Place | 75% Amber | 30/09/2017 | |
| | | | | | | | | | | Development of SCR infrastructure plan which has been **agreed and approved** by the CA which will begin infrastructure commissioning processes - **now looking at infrastructure plans** | ED Place | 40% Green | 30/09/2017 | |
| | | | | | | | | | | Refresh of Local Plan and approval by Cabinet in March 2016 (this will confirm the allocation available for the Goldthorpe scheme) - **Consultations complete and Cabinet approved in November 2016 - plans was submitted to Planning Inspectorate December 2016 who will measure extent of representations made before re-running numbers over two or three pahses - likely to feedback in December 2017** | ED Place | 80% Green | 30/09/2017 | |
| | | | | | | | | | | Delivery of 3 year SCRIF programme (2015-18) :<br>J36 BP: Business Plan in place, funding agreement to sign, Tenders ready - **on schedule;**<br>J37 BP: Impact Assessment to be submitted May 16, viability work ongoing, pinchpoint scheme completed - **held up due to Local Plan issues;**<br>Goldthorpe: Impact Assessment approved, awaiting on Local Plan allocation - **held up due to Local Plan issues;** | ED Place | 75% Green | 30/09/2017 | |
| CITIZENS ACHIEVING THEIR POTENTIAL | | Lack of educational attainment | Negative impact on pupils and parents in terms of health, economic, employment and life choices;<br>Negative OFSTED inspection findings;<br>Failure to meet DfE targets for educational attainment;<br>Damage to reputation through poor performance in published league tables compared to the national average, and in poor inspection outcomes;<br>Reputational damage from press;<br>Potential adverse Annual Performance Assessment;<br>Intervention by DfE; | SMT SMT | Performance Management Framework;<br>CYPF Policies and Strategies;<br>Close monitoring of Government grade boundaries to ensure the Authority remains aware of changing or improving performance targets;<br>Barnsley Alliance established and reports to DMT and SMT;<br>Work with the Barnsley Governors Association to ensure strong governance within schools;<br>School Evaluation Team works to monitor, challenge and intervene in schools to improve standards and outcomes;<br>Children and Younger People's Plan 2016 - 19 being refreshed and will be adopted by the TEG and Cabinet;<br>As at April 2016 the gap has narrowed with national Early Years, Primary and Secondary settings;<br>Looked-After children's attainment included as part of central OFSTED inspection;<br>Corporate Parenting role;<br>Overview and Scrutiny consider Educational Attainment on an annual basis;<br>Children and Younger People's Plan 2016 - 2019 refreshed and adopted by TEG and Cabinet with aspirational targets;<br>Revised approach to assessing performance in schools developed and embedded;<br>GCSE results in Barnsley above national average for first time ever;<br>**Barnsley Alliance Plan developed and approved by Cabinet in November 2016;**<br>**SEND strategy developed to meet the Council's accountability requirements;**<br>**Corporate Parenting Panel in place to delivery Service Improvement Plan which is monitored by the Safeguarding Governance Board and reported to Education Steering Group chaired by Cllr Cheetham - governance structures for 'virtual school' in place and working effectively;**<br>**KS2 results at national average;**<br><br>Outcomes:<br>Every child attends a good school and is successful in learning and work (AMBER)<br><br>Reducing demand through improving access to early help (AMBER) | 3 | 3 | 4 | 4 | **Development of plans to ensure Barnsley Schools are in a strong position to implement the Progress 8 framework which is designed to encourage schools to offer a broad and balanced curriculum with a focus on an academic core at key stage 4, and reward schools for the teaching of all their pupils, measuring performance across 8 qualifications. This will also include:**<br>**• Developing a Communications Strategy to ensure stakeholders understand the framework;**<br>**• Continued liaison with schools via the Barnsley Alliance construct to ensure Progress 8 is embedded in BMBC maintained schoolsand,**<br>**• Use of limited capacity within BMBC in terms of Schools Improvement activities.** | ED People | 0% Green | 30/09/2017 | |
| | | | | | | | | | | **Development of School Places Plan which will be designed to influence and build external markets - plan gone to SMT** | ED People | 40% Green | 30/09/2017 | |
| | 3025 | Failure to safeguard vulnerable service users | The risk of not safeguarding vulnerable children, adults and families who are either known or not known to the service;<br><br>The risk is greatly enhanced due to a 98% increase in referrals within the Borough in recent years which is affecting the ability to properly manage cases, which could result in a significant case being missed;<br><br>Changes in demographics mean there are more 'older-older' people which means an increased demand for services;<br>As increased pressure mounts to reduce budgets / spending, there will be a likely increase in demand for assistance, intervention and help from service users who are also under significant financial pressure;<br>Better care at an young age for those with physical or other forms of disability means life expectancy increases which puts further pressure on Adult Services;<br><br>Arrangements are not sufficient to keep children and young people safe from harm, abuse or neglect;<br>National and local child abuse enquiries affecting public confidence and reputation of local authorities and other agencies;<br>The risk is compounded by whether or not the children at risk are known to the service;<br>The system that delivers to children, young people and families is increasingly complex. Complexity arises from a number of factors; the number of partners with responsibilities for commissioning and/or delivering services to vulnerable children; the changing legislative, policy and financial landscape; the different mechanisms for partnership working to align delivery and test the effectiveness of services; the potential for changes within the workforce at operational levels and strategic levels; | SMT SMT | Adults Safeguarding Board;<br>Barnsley Safeguarding Children Board;<br>Service Delivery Plans / Business Plans;<br>Risk enablement built into Personalisation – management of Personalisation / Personal Care packages that require less regulated services, makes better use of commissioning resources and ensures people are better placed to look after themselves;<br>Service Improvement Plan (Children's) developed to deliver OFSTED Safeguarding Recommendations;<br>Sign-posted Universal Information and Advice;<br>Safeguarding Scrutiny Committee formed May 2015 (was Children's Services Scrutiny Board) with workplan in place;<br>Monitoring of Barnsley Safeguarding Children Board and Adults Safeguarding Board Risk Registers;<br>Improved Ofsted judgement;<br>Review of 'Front door';<br>Promotion of use of CAF/Early Help Assessments;<br>Safeguarding Board includes CSE Strategic Group which reports directly to the Safeguarding Board;<br>Opportunities to undertake Lessons Learnt reviews are fully exploited by the Safeguarding Board (including regional and joint learning);<br>Action Plan developed using OFSTED inspection framework;<br>Restructuring for Future Council complete;<br>Stronger Communities Programme in place;<br>Governance arrangements in place which includes the overseeing of the Executive Group being overseen by H&WB Board;<br>Continuous Service Improvement Framework developed;<br>Implementation and management of Personal Budgets programme, including building 'risk-enablement' into services users in place;<br>Analysis of national guidance issued and full review now complete and new operating model is in place;<br>Local Welfare Scheme established;<br>Early Help for Adults delivery group in place;<br>Peer review regarding Early Help completed - Early Help Action Plan monitored through Early Help Strategic Group;<br>SY Safeguarding Procedures and production of Annual Report;<br>Performance Quality Management Framework in place;<br>Member briefings for Children's and Adults;<br>Implemented IA recommendations regarding Casey improvements;<br>Safeguarding Scrutiny Committee - annual topics;<br>Private Member briefings in place;<br>Refresh of Adults Safeguarding Board arrangements and sub-structures including Annual Reporting arrangements and production of Business Plan;<br>Review of Target Operating Model (TOM);<br>Adults Social Care Peer review - outstanding actions consolidated into Business Plan;<br>Making Safeguarding personal programme - outstanding actions consolidated into Business Plan;<br>**Adults and Childrens Safeguarding Busienss Plans refreshed 2017;**<br><br>Outcomes:<br>Children and Adults are safe from harm (RED) | 3 | 3 | 3 | 3 | Stronger Community Partnership includes Anti Poverty sub-group which benefits from Delivery Action Plan which is reportable and accountable to the Health and Wellbeing Partnership **(17/18) - updated version of the All Age Early Help Strategy developed and now being delivered** | ED Communities | 60% Green | 30/09/2017 | |
| | | | | | | | | | | Stronger Community Partnership (multi agency) established to deliver improvements in early intervention and prevention **(17/18) - now monitoring the delivery of the updated version of the All Age Early Help Strategy** | ED Communities | 60% Green | 30/09/2017 | |
| | | | | | | | | | | Adults Safeguarding - development of outcome based Performance Framework | ED People | 20% Amber | 30/09/2017 | |
| | | | | | | | | | | Second review of Service Delivery Model - **Action Plan embedded into Business Unit arrangements with appropriate structures in place to support the delivery of the plan** | ED People | 10% Green | 30/09/2017 | |
| | | | | | | | | | | **Safeguarding Awareness Week - ambitions include embedding Safeguarding into community activities via significant liaision with South Yorkshire partners to allow and enable them to learn from us** | ED People | 15% Green | 30/09/2017 | |

| Priority | Risk No | Risk Title | Risk Consequences | Risk Owner | Existing Control Measures | Oct-15 | Mar-16 | Oct-16 | Mar-17 | Risk Mitigation Action | Owner | % comp | Review Date | Recovery Plan |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 3026 | Failure to achieve a reduction in Health inequalities within the Borough. | Health inequalities persist. Life expectancy in Barnsley remains well below the national average and varies between different parts of the borough. Although life expectancy has increased, the gap between Barnsley and the rest of the country has continued to widen. Such health inequalities challenge not just the health and social care services but every one interested in the future prosperity and well-being of the borough. It is unacceptable that people's health and quality of life varies so much with the sort of work they do or where they live.<br>The cost of health inequalities is borne not just by health and social care services and, of course, parents, carers and children, but by employers and the local economy.<br>Good health is essential to the borough's economic regeneration. Healthy people are less likely to be socially excluded and more likely to be in work. Healthy children are<br>more likely to do well at school.<br>All the available evidence shows that health is closely associated with people's standard of living, occupation, level of education and where they live - there are significant differences in terms of average life expectancy depending on where in the Borough one resides;<br>Reduced 'Healthy Life Expectancy' (a population health measure that combines age-specific mortality with morbidity or health status to estimate expected years of life in good health for persons at a given age in the Borough); | SMT SMT | Director of Public Health in post to provide leadership;<br>Liaison with Clinical Commissioning Group (CCG) and GPs to ensure that the right services are being commissioned;<br>Joint Strategic Needs Assessment (JSNA) undertaken to ensure an appropriate understanding of the requirements of the population of Barnsley;<br>Health and Wellbeing Strategy identifies six key objectives - and within these, it is acknowledged that it is impossible to 'try and do everything' - the objectives and key deliverables identify the significant areas of concern;<br>Oversight of Health and Wellbeing Strategy provided by partnering organisations and agencies that are best placed to deal with the issues (health - hospital, alcohol - police etc);<br>Six-monthly reports to Health and Wellbeing Board;<br>Structure and procedures in place - need to assess impacts / benefits to identify effectiveness;<br>H&WB Board established JSNA undertaken and programme boards now in place;<br>Public Health now integrated into BMBC - Public Health Development Programme established;<br>Public Health Strategy agreed;<br><br>Outcomes:<br>People are happier, healthier, independent and active (RED) | 2 | 2 | 2 | 2 | Public Health Strategy and Implementation Plan developed to enable DPH to hold Service Directors to account regarding health outcomes that are now vested with service areas - Strategy developed and presented to SMT, H&WB Board and Cabinet - now developing action plans and key milestones in terms of delivery - 3 key action plans in draft format with developing governance arrangements - been considered by H&WB Board - now being progressed and references Sustainability Transformation Plan (STP) - Tobacco and Alcohol prevention plans link to STP and the local Barnsley Plan feeds into this also. **Barnsley Place Based Plan has been developed and feeds into the STP (which acts as the delivery vehicle for the health and Wellbeing Partnership) - currently undertaking engagement activities regarding the STP** | Director Public Health | 40% Green | 30/09/2017 | Revisions to policy - liaise with Leader, PH spokesperson and Chief Executive - consideration of 'call to action' |
| | | | | | | | | | | Delivery of Public Health 'distributed model' including the monitoring and reviewing of impacts and outcomes on Future Council - distributed model to include sector led improvement recommendations which are to be considered by SMT - **needs some further refinement in 2017 including a full refresh of the model and development of an improvement action plan** | Director Public Health | 50% Green | 30/09/2017 | |
| | | | | | | | | | | Internal governance and assurance arrangements for the use of the Public Health Grant across the Council are necessary to assure PH England and the Department of Health that the grant is being used to improve public health outcomes – indicators in place and agreed across Directorates. **Priority areas now agreed and spending is now in accordance with requirements. Further work to be done to improve reporting arrangements between BMBC PH and PHE and to mitigate removal of ring fence in 2019** | Director Public Health | 75% Green | 30/09/2017 | |
| | 3047 | Failure to protect the health of the population from preventable health threats. | Failure to protect health and population against preventable disease by ensuring appropriate levels of vaccination, immunisation and screening. | SMT SMT | Liaison with NHS regarding large scale response;<br>Health Protection Agency Framework in place;<br>Maintenance of World Health Organisation targets;<br>Currently Barnsley has above average coverage regarding public health related screening;<br>Health Protection Board established;<br>Transition into BMBC complete;<br>BMBC DPH is co-chair of Local Health Resilience Partnership;<br>**HPB established – good engagement from partners at local and regional meetings and proportionate systems are in place.** | 3 | 3 | 3 | 3 | Liaison with Public Health Communicable Disease representative - need to update key plans and report these to the Health Protection Board - **initial links made with Communicable Disease Consultant** | Director Public Health | 50% Amber | 30/09/2017 | |
| | 3023 | Failure to engage with stakeholders | Non ability to explain Authority's position and / or public relations. Failure to communicate effectively with community/stakeholders. Lack of proper engagement with stakeholders, at the right level, and at the right time. Loss of confidence in ability to deliver services or respond to problems. Lack of community support which prevents and / or hinders improvement or effective implementation of change. High expectation of service delivery and resource availability despite budget reductions.<br>Poor engagement with regard to Future Council Activity could result in legal challenge;<br>**Increased community tensions as a result of Brexit decision resulting in a loss of community cohesion and increased incidents of hate crime;** | SMT SMT | Revised Governance Arrangements regarding Area Councils and the changing role of Elected Members;<br>Use of key partners and LSP to coordinate wider communication activity;<br>Review of Community Engagement Strategy borough-wide;<br>Resourcing agreed to support the review and development of the Community Engagement Strategy;<br>Review of approach to engaging with CCG;<br>Increasing use of social media to assist with engagement;<br>Introduction of Barnsley 'Help';<br>Conclusion of voluntary, community and social enterprise infrastructure review;<br>One Barnsley Consultation taking place - seeking views and aspirations as to what Barnsley should be like in 2025;<br><br>Outcomes:<br>People volunteering and contributing towards stronger communities (GREEN) | 3 | 3 | 3 | 4 | Refresh of Community Engagement Strategy that underpins Stronger Communities Partnership and Community Safety Partnership (council, not multi-agency) - **revised Community Engagement Strategy to be considered by Cabinet in March 2017 - following approval, an implementation plan will be developed to underpin the 'deal' between the Council and its stakeholders** | ED Communities | 25% Green | 30/09/2017 | |
| | 3792 | Failure to be prepared to assist in the event of an emergency resilience event in the region | Recent emergencies relating to industrial actions and flooding proves there is still an inappropriate reliance on Health and Safety and Emergency Resilience Service to manage and lead on the management of emergency events;<br>The emerging risk environment is increasingly making continuity or 'resilience' a significant focus for all organisations. Reduced employee numbers, service rationalisation, third party service delivery models and on-going budget cuts may challenge the Authority's ability to fulfil its Civil Contingencies Act 'Category One' responder duties to an extent expected by residents and their political representatives.<br>In addition, the transition to Future Council will lead to established emergency response arrangements no longer reflecting the Council's operational structure. Compounding this is a lack of engagement by employees to volunteer for emergency response duties that will mean that currently expected responses in relation to flooding cannot at present be delivered. The extent of the transition to Future Council necessitates in many cases the complete review of Business Unit and Service Business Continuity Plans to reflect revised structures and resources if they are to be able to continue to deliver critical functions in the event of a business interruption.<br>Recent emergencies relating to industrial actions and flooding proves there is still an inappropriate reliance on the increasingly limited resources of the HS&ERS to manage and lead on the management of emergency events. | SMT SMT | Business Unit/Service Business Continuity Plans developed using the template provided;<br>Corporate Resilience Plan and supporting specific plans;<br>Ongoing liaison with SMT regarding aspirations and expectations during emergency events;<br>Formal on-call arrangements by the Health, Safety and Emergency Resilience Service (bronze/operational) and BLT (strategic/gold);<br>Multi-agency working across the Local Resilience Forum;<br>Operational Services role as 'Lead Local Flood Authority';<br>Corporate emergency plans appear robust and are well delivered - concern raised regarding the management of those incidents that occur 'out-of-hours';<br>Business Case developed for Humanitarian Assistance role;<br>Ward Alliances encouraged to consider and develop Community Flood plans - Dodworth, Darfield and Penistone visited;<br>Corporate Resilience Plan reviewed following transition to Future Council;<br>Business Unit level plans reviewed with Internal Audit;<br>Overview and Scrutiny Task and Finish Group to look at flooding in 2016/17;<br>Extra resource in place within Health &Safety and Emergency Resilience Unit;<br>**Revised Action Plan agreed by SMT;** | N/A | 2 | 2 | 2 | Revised report to SMT which identifies a number of improvements to the Council's emergency resilience arrangements based on analysis undertaken against SOLACE Best Practice - Action Plan approved and now delivering against this | Director, Core Services | 0% Green | 30/09/2017 | |
| | | | | | | | | | | Top 5 service Business Continuity Plans passed to IS to identify IT implications and requirements - met with IT managers - Head of System Management dealing with broad resilience arrangements, Head of Code Green dealing with service related resilience - **new overarching BCP developed with gaps relating to BU6 and analysis undertaken to feed into Disaster Recovery Plans** | Director, Core Services | 75% Amber | 30/09/2017 | |
| | | | | | | | | | | Await feedback from SD BU 6 following analysis of Community Flood Plans by Head of Health and Safety and Emergency Resilience Service - oustanding due to structural changes within BU6 - Darton Flood Plan completed, five other Area Plans oustanding | Director, Core Services | 45% Red | 30/09/2017 | |

| Priority | Risk No | Risk Title | Risk Consequences | Risk Owner | Existing Control Measures | Oct-15 | Mar-16 | Oct-16 | Mar-17 | Risk Mitigation Action | Owner | % comp | Review Date | Recovery Plan |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 3793 | Failure to ensure that appropriate disaster recovery arrangements are in place to ensure the Council is able to recover in the event of a business continuity threat or incident | In the event of a business continuity threat the Council will be unable to recover in an effective manner resulting in lost time and resources;<br>Inability to process customer queries resulting in dissatisfaction, complaints and possible issues regarding safeguarding and vulnerable customers;<br>Lack of support to employees such as that provided to lone workers as a result of IT and telephony systems being unavailable for significant lengths of time;<br>Inability for customers to be able to access services;<br>Lack of access to IT systems to enable employees to undertake their duties effectively; | SMT SMT | Working with Health and Safety and Emergency Resilience Service;<br>Data Centre located at Beevor Court;<br>Working with Business Units to understand their requirements;<br>Informal testing programme in place;<br>SMT report approved May 2016 to support removal of out of hours support for service desk;<br>Power supplies tested on a weekly basis; | N/A | 2 | 2 | 2 | Analysis of top 5 service Business Continuity Plans which have been passed to Information Services to identify IT implications and requirements from Health and Safety and Emergency Resilience Service - initial analysis undertaken which suggests that the level of detail required is lacking - **feeding back to Health and Safety and Emergency Resilience Service** | Director, Core Services | 0% Green | 30/09/2017 | |
| | | | | | | | | | | Undertake weekend (minor incident) testing, and undertake annual (major incident) testing of IT resilience - currently mapping priority disaster recovery systems against BMBC Resilience Plans - **replacement server equipment obtained - now looking for an appropriate location for it to be placed** | Director, Core Services | 20% Amber | 30/09/2017 | |
| | | | | | | | | | | Formalise testing plans that will focus on systems and people / behaviour | Director, Core Services | 0% Amber | 30/09/2017 | |
| | | | | | | | | | | Business Continuity Plan in draft format, corporate Business Continuity Plan being investigated. Disaster Recovery Plan being investigated. **Meeting to be arranged between SD IT, Head of Health and Safety and Risk and Governance Manager to begin unpicking Disaster Recovery and Business Continuity issues** | Director, Core Services | 10% Amber | 30/09/2017 | |
| | 3022 | Inability to direct corporate strategy | The Authority may be challenged by internal friction between Elected Members and appointed leadership, especially with regard to challenging decisions with significant political consequences or local repercussions;<br>Increased commissioning activity in 16/17 will means there is a greater exposure to challenge and friction; | SMT SMT | Council Constitution;<br>Local Code of Corporate Governance;<br>Community Strategy for Barnsley (2011-2015);<br>Corporate Plan;<br>In the event of Constitutional dispute, role of Monitoring Officer to adjudicate as and when tensions arise;<br>Area Council Arrangements in place, with supporting documentation in the form of 'Area Governance Handbook', 'Ward Alliance Governance Handbook', 'Ward Alliance Community Representative Handbook', 'Consulting and Engaging our Communities through Neighbourhood Networks' and 'Working with you to support your Community';<br>Purple Cabinet meetings used as a forum to discuss sensitive and confidential issues;<br>SMT meetings and processes to ensure leadership is able to keep in touch with regard to pressures;<br>Area Chairs meet each other on a regular basis to ensure cooperation and consensus;<br>Member information session held regarding Conduct and Commissioning;<br>Revisions to Contract Standing Orders (CSOs) to enable flexibility;<br>Officer Working Group in place to support commissioning and procurement activity;<br>Area Council Officer Coordinating Group to unpick issues relating to Area Governance - developing Member Protocol to deal with potential tensions within Ward Alliances in place and working effectively;<br>Area Council Commissioning Group to unpick issues relating to procurement and commissioning in place and working effectively;<br>Area Council Chairperson Group to encourage cooperation and consensus amongst Area Councils in place and working effectively; | 3 | 3 | 3 | 3 | Monitor and Review Area Council activity (in terms of Area Council Coordinating Group, Area Council Commissioning Group and Area Council Chairperson Group) **(17/18)** | Director, Core Services | 0% Green | 30/09/2017 | Refer matter to Monitoring Officer for adjudication. |
| | | | | | | | | | | Monitor and review the implementation and effectiveness of revised Contract Procedure Rules to deal with commissioning of internal services from Area Council budgets **(17/18)** | Director, Core Services | 0% Green | 30/09/2017 | |
| | 3027 | Failure to manage organisational change - 'Risk of Destabilisation of the Organisation' | Significant budget cuts are driving the 'Future Council' programme. This change programme is dramatically transforming the organisation's business model.<br>For example, delivering services and outcomes through mixed economy partnerships and outsourced contracts. Infrastructure transformation initiatives, process re-engineering and organisational change programme and projects may be challenged by cost over-runs and failure to meet expectations. | SMT SMT | HR Policies;<br>Council Constitution;<br>Service and Financial Planning Process;<br>Service Delivery Planning Process;<br>Partnership Governance Framework;<br>Corporate Complaints Policy;<br>Risk Management Policy;<br>New Models of Business - departments and services considering and implementing new Trading Models;<br>Changes to Employee Terms and Conditions;<br>Employee Relations Forum with Trade Unions;<br>Talkabouts Sessions with CX and Middle Manager Conference;<br>BLT and SMT sessions to assist in communication;<br>Restructure of Communications Division now with ACE HR, P&P and Comms;<br>Investor in People accreditation;<br>Future Council Steering Group being led by HR;<br>Future Council Programme Board being led by CX;<br>Programme and Project Management issues now being identified and mitigated at Directorate level;<br>'Excellence' achieved by Corporate Equalities Group;<br>Communications Strategy revised in 2015;<br>'Tell Us What You Think' Month September 2015;<br>All Business Plans in place prior to April 2016;<br>Talkabout sessions delivered in May 2016;<br>Staff Survey 2016 - 2020 (including employee preference questionnaire);<br>Social Media policies in place;<br>**Talkabout sessions November 2016 with CX and Leader;**<br>**SMT Improvement and Growth Fund in place with robust Board and governance arrangements in place;** | 5 | 5 | 5 | 5 | Consideration of organisational change requirements following the development of the Council's MTFS **(17/18) - MTFS is a three year plan rather than the statutory minimum of one year** | Chief Executive | 0% Green | 30/09/2017 | |
| | | | | | | | | | | **Talkabout sessions being developed for May and June 2017 to be led by Executive Directors aiming to link new Corporate Plan to Busines Plan via 'golden thread' and focusing on:**<br>**• Accelerating Grwth**<br>**• Marshalling Resources**<br>**• Local Devolution and Area Council arrangements**<br>**• Support behavioural change within communities**<br>**• Dealing with the implications of Brexit**<br>**• Using technology to maximise impact**<br>**• Using Improvement and Growth fund to drive innovation**<br>**• Making decisions on what we will do more of, continue, do differently or stop altogether** | Director, Core Services | 15% Green | 30/09/2017 | |
| | 3028 | Workforce planning issues | The Authority is currently undergoing tremendous organisational change. This will create significant workforce issues around having the right skills, people and employee capacity. The Authority will require employees to have different skill sets that underpin a transformed business model. Operationally, risks inherent in organisational down-sizing initiatives will include:<br>- Increasing workforce productivity;<br>- Getting the balance right between cost and benefit;<br>- Need to reduce deficit reductions;<br>- Balancing the impact of reducing the workforce and the economic impact on the community; and,<br>- Maintaining morale in the remaining workforce. | SMT SMT | HR Policies;<br>Council Constitution;<br>Equalities and Diversity Policy;<br>Risk Management Policy;<br>Management and monitoring of 'Future Council' / KLoE activity;<br>PULSE Survey to measure progress in key areas since the last full employee survey in 2011;<br>Development of Adobe Forms to assist management processes;<br>As at October 2013 37% of employees benefit from a current PDR;<br>HR Reorganisation completed;<br>As at 31/03/2015 81% of employees benefit from a current PDR;<br>Corporate Plan 2015 - 2018;<br>Organisational Development Strategy monitoring reports to Scrutiny;<br>Regular progress reports against Future Council characteristics to SMT;<br>As at 26/03/2016 65.9% of employees benefit from a current PDR;<br>**NW Employers session - workforce planning now a more important element of Business Planning processes;** | 3 | 3 | 3 | 3 | **Delivery of Future Council Workforce Development Strategy** | Director, Core Services | 0% Green | 30/09/2017 | |
| | 3029 | Failure to safeguard information | The Council is increasingly managing, storing and maintaining personal data and information as part of the delivery of services. With data held in a vast array of places and transferring between between supply chain partners, it becomes susceptible to loss, protection and privacy risks.<br><br>Loss of personal and financial information held by Council employees and systems;<br>Financial and non-financial penalties from Information Commissioners Office;<br>Loss of public confidence in the ability of the Council to store sensitive information, possibly resulting in a reduction in the use of public self-service facilities;<br>Failure to maintain PSN compliance leading to the suspension of the Councils connection to the government secure network;<br>Non compliance with Data Protection Act and Freedom of Information Act;<br>Non compliance with Payment Card Industry Data Security Standards (PCI DSS) leading to the inability to process payment card transactions;<br>Failure to ensure that unwanted data is cleared and disposed of, leading to non-compliance with DPA requirements;<br>Inability to gather data from other agencies to strengthen and benefit the Council's activities;<br>Failure to have appropriate data sharing agreements with agencies and partners leading to vicarious liability in the event they lose or misplace sensitive information;<br>Inability to ensure that partners that we share data with are in themselves compliant with appropriate guidance and legislation; | SMT SMT | Information Management and Governance Policies;<br>Director of Core Services has taken on the role of Senior Information Risk Officer (SIRO);<br>Information Security and Computer Usage Policy in place;<br>Information Governance Team in place to provide advice, guidance and training;<br>PSN compliant;<br>Records Management Team in place to provide advice, guidance and training;<br>Information Governance Board refreshed and re-established and engaged in corporate risk management arrangements;<br>Technical Architect role filled;<br>Some initial actions have been taken as a result of IT Health Check to control, and restrict access:<br>• Reduced permissions<br>• Deactivated USB ports<br>• Deactivated removable media options<br>• Implemented temporary changes to homeworking solutions.<br>The Council's core infrastructure has benefitted from:<br>• Patching<br>• Protection.<br>Caldicott guardians in place within Communities and People Directorates;<br>Communities and Public Health have IG Steering Groups in place;<br>Review of technical architecture completed and action plan identified;<br>BMBC Cabinet agreed to endorse the requirement to achieve Baseline Personnel Security Standard (BPSS);<br>IT business plan been through 'Check and Challenge' process;<br>Information Governance Board confirmed engagement will be undertaken with DMTs to ensure actions arising from the IG Toolkit are completed;<br>IT Business Plan produced and presented to 'check and challenge' session - analysis of other business plans to identify IT requirements and resourcing complete;<br>Implementation of EGRESS secure email solution completed;<br>Majority of IG Framework now in place;<br>Proactive Phishing campaign to identify risk areas;<br>Proactive approach to PSN compliance - addressing lower risk issues that may become bigger in future years;<br>Baseline Personnel Security Standards Programme completed;<br>Sharepoint being rolled out across Council during 2016/17; | 4 | 4 | 4 | 4 | Removal of Citrix from personal computers due to PSN constraints - **due September 2017** | Director, Core Services | 15% Green | 30/09/2017 | Enable revisions to infrastructure that will allow limited communications. |
| | | | | | | | | | | Review of IG Toolkit - aiming for L3 compliance in 2017/18 | Director, Core Services | 0% Green | 30/09/2017 | |
| | | | | | | | | | | ICT systems access system access, review policy and simplify process for new starters, movers and leavers - **in progress** | Director, Core Services | 15% Green | 30/09/2017 | |
| | | | | | | | | | | Information flow mapping activities to ensure compliance with General Data Protection Regulations 2018 | Director, Core Services | 15% Green | 30/09/2017 | |
| | | | | | | | | | | **Training of new Caldicott Guardian - Head of Public Health** | Director, Core Services | 0% Green | 30/09/2017 | |

| Priority | Risk No | Risk Title | Risk Consequences | Risk Owner | Existing Control Measures | Oct-15 | Mar-16 | Oct-16 | Mar-17 | Risk Mitigation Action | Owner | % comp | Review Date | Recovery Plan |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ONE COUNCIL | 3031 | Strategic Performance, governance or compliance failure | Budgetary pressures to minimise back office functions may drive the Authority to downgrade the focus on meeting proper governance standards and ultimately, remaining 'safe'.<br>The implementation of the Area Council Arrangements has required the Council's Constitution to have been significantly reviewed to ensure Area Council governance and Ward Alliance governance issues are included. | SMT SMT | Council Constitution;<br>Local Code of Corporate Governance;<br>Information Management and Governance Policies;<br>ToR for Audit Committee;<br>ToR for Scrutiny Committees;<br>Internal Audit;<br>Risk Management Policy;<br>Performance Management Arrangements including revised Corporate Plan Performance Report and 'We Will Statements';<br>Terms of reference for all Overview and Scrutiny Committees reviewed;<br>Scrutiny Committee workplans are now aligned to Corporate Priorities;<br>Briefing for Elected Members relating to Performance Management of Area Council activity;<br>Revised AGR process for 14/15;<br>Analysis of Casey Rotherham Safeguarding Report undertaken - report to SMT in February 2015 including recommendations for Internal Audit activity;<br>**Improvements to the recording of officer delegated decisions to ensure this is in line with legislation completed via AGS Action Plan;** | 4 | 4 | 4 | 4 | Monitoring and reviewing of revised governance arrangements - further review 2014/15 identified positive activity regarding commissioning but at Ward Alliance level, some Members are still doing things in the 'old' way and monitor and reviewing for 16/17 in light of increased commissioning activity at Ward Alliance level in future years and the implementation and effectiveness of revised Contract Procedure Rules to deal with commissioning of internal services from Area Council budgets **(17/18)** | Director, Core Services | 0% Green | 30/09/2017 | Refer matter to Audit Committee / External Audit for consideration. |
| | | | | | | | | | | Monitoring of AGS Action Plan **(17/18)** | Director, Core Services | 0% Green | 30/09/2017 | |
| | 3033 | Failure to adapt the Authority into a sustainable organisation - 'Failure to maintain current services' | The need to balance the books, gain efficiencies and meet new demands could lead the Authority into drastic measures that could increase long-term risks and costs, both to the organisation as well as to the community.<br>The Authority runs the risk of moving away from addressing problems with long-term solutions, such as capital investment projects essential to meet social and area-based economic challenges. 'Short-termism' could potentially lead to decaying infrastructure and an inability to develop long-term economic vitality.<br><br>Need to ensure that the Authority has the right people to ensure sustainable opportunities are being exploited to their maximum.<br><br>Development of City Region Devolution Deal which while fiscally neutral, will provide more opportunities to strengthen the sustainability of the organisation by transferring a number of powers and policy levers from central Government to local leaders, including skills, employment, business support, transport and housing; | SMT SMT | Council Constitution;<br>Performance Management Framework;<br>Growing Barnsley's Economy (2012-2033) - Economic Strategy;<br>Customer Services Organisation project;<br>Integrating areas of work and consideration of new Service Delivery models such as traded services or social enterprise;<br>Consideration of joint commissioning opportunities;<br>Two year Medium Term Financial Strategy approved and agreed by Full Council in February 2016;<br>Contract for Leadership and Management training for all 4th tier and above officers agreed with IODA Training completed. Second wave of leadership training underway;<br>Corporate Plan 2015 - 2018 developed;<br>All Business Plans submitted prior to April 2016;<br>Director of Public Health recruited to post – all other Service Director posts are filled, or recruitment is underway;<br>**Talkabout sessions November 2016 with CX and Leader;**<br>**Future Council Strategy and Workforce development refreshed and approved by Cabinet in March 2017;**<br>**New Corporate Plan 2017-2020 developed and published;** | 4 | 4 | 4 | 4 | **Talkabout sessions being developed for May and June 2017 to be led by Executive Directors aiming to link new Corporate Plan to Busines Plan via 'golden thread' and focusing on:**<br>**• Accelerating Grwth**<br>**• Marshalling Resources**<br>**• Local Devolution and Area Council arrangements**<br>**• Support behavioural change within communities**<br>**• Dealing with the implications of Brexit**<br>**• Using technology to maximise impact**<br>**• Using Improvement and Growth fund to drive innovation**<br>**• Making decisions on what we will do more of, continue, do differently or stop altogether** | Director, Core Services | 15% Green | 31/03/2017 | |
| | | | | | | | | | | Consideration of organisational change requirements following the development of the Council's MTFS **(17/18) - MTFS is a three year plan rather than the statutory minimum of one year** | Chief Executive | 0% Green | 30/09/2017 | |
| | 3034 | Failure to deliver the MTFS and assocaited KloE / Budget savings - 'Failure of Future Council to achieve the required level of savings' | Risks relating to the MTFS fall into two main areas:<br>- Agreeing a three year plan with Directorates and Members; and,<br>- Ensuring delivery against the agreed plan, managing variances and areas of over / under spend to enable the budget to be balanced.<br><br>Adverse effect on the Council's reserves / prudential borrowing / Treasury Management activities;<br>Council's reserves falling below minimum working balance levels;<br>Impact on service delivery and council policies;<br>Adverse External Audit report / opinion;<br>Government intervention;<br>Inability to undertake robust planning in terms of Future Council activity;<br>Non-achievement of KLoE savings and consequences on future years programmed or planned savings;<br>Inability to develop and implement a 'Plan B' or contingency plan in the event of further savings being required; | SMT SMT | Budget Monitoring and Reporting;<br>Financial Regulations;<br>Corporate Debt Strategy;<br>SAP / EBP / Financial Systems Procedures;<br>Treasury Management Policy;<br>Forecasting of expenditure and resources;<br>Service Delivery Planning and Service and Financial Planning Processes;<br>Prudential Borrowing Strategy and Indicators;<br>Budgetary Control / Budget Monitoring Processes;<br>Annual Governance Review Framework;<br>Ongoing development of SAP;<br>Management of Assumptions and Constraints within MTFS;<br>Horizon Scanning in terms of changing legislation and policy that may affect MTFS;<br>A range of budget saving options (KLoEs) have been developed and agreed to enable Future Council scenarios for 13/14 and 14/15 to be reflected in 15/16 budget;<br>Asset Management Disposal Report approved by Cabinet;<br>Current MTFS has been considered and approved by Members and included a number of savings that will not be required;<br>Balanced Budget in place for 17/18; | 4 | 3 | 4 | 4 | Use of BPC Business Objects by Executive Directors and Service Directors **(17/18) - Internal Audit Report identified a low level of compliance with BPC** | Director, Core Services | 0% Red | 30/09/2017 | Re-negotiate with Cabinet to seek an agreed budget. |
| | | | | | | | | | | Monitoring of MTFS **(17/18)** - budget savings agreed, need to refer back to Members for final approval of 3 year framework | Director, Core Services | 0% Green | 30/09/2017 | |
| | | | | | | | | | | Financial Monitoring **(17/18)** to ensure delivery is in line with plan - overspends being identified and picked up with relevant SD | Director, Core Services | 0% Green | 30/09/2017 | |
| | | | | | | | | | | Review of MTFS to be undertaken - to ensure relevance, materiality and appropriateness, including assumptions regarding the Council's Financial and Capital Plan **(17/18) - 2018/19 and 2019/20 plans have been considered and approved by Full Council** | Director, Core Services | 0% Green | 30/09/2017 | |
| | | | | | | | | | | Monitoring of the situation regarding Business rates which links to the broader discussions regarding the regional devolution deal - BMBC well placed due to SIGOMA influence **(17/18)** | Director, Core Services | 0% Green | 30/09/2017 | |
| | 3035 | Loss of assets and resources as a result of a one-off incident of fraud / corruption / bribery or sustained or widespread occurrences. | Occurrence or incidents of sustained and / or widespread and / or one off / big bang occurrence of Fraud and Corruption leading to financial loss, loss of income, property and other assets;<br>Fraudulent transactions, contracts / payments and the like perpetrated by employees and / or third parties;<br>External Audit public interest report;<br>Loss of management time in undertaking investigations, be they 'real' incidents, or vexatious claims;<br>The consequences of this risk will greatly depend on the context of the individual incidents, and will be greatly influenced by both the scale of the incident, and the position of the perpetrator within the Organisation;<br>Negative impact on employee morale either through actual incidents, or suspicions of incidents being perpetrated;<br>Tensions and issues with morale within groups / teams as a result of changes within and to the organisation;<br>Increased opportunities to commit fraud due to management attention being distracted by change programmes and increased workloads;<br>Losses arising from officers not doing their jobs properly, or not expending the amount of effort that may have been normal previously, due to morale and motivation issues;<br>Increased risk of third party IT attacks on BMBC systems such as hacking for personal data, general mischief and disruption or to facilitate the transacting or processing of false documents;<br>Negative impact on BMBCs reputation through the actions of partners and the perception that BMBC could be guilty by association; | SMT SMT | Anti Fraud, Corruption and Bribery Policy which is developed and refined following analysis of the Annual Fraud Risk Self Assessment (FRSA);<br>Anti Money Laundering Policy which is developed and refined following analysis of the FRSA;<br>Whistleblowing Policy which is developed and refined following analysis of the FRSA;<br>Prosecutions Policy in place to ensure the Authority is open regarding censure relating to inappropriate behaviour;<br>Council Constitution;<br>Local Code of Corporate Governance;<br>Member and Officer Codes of Conduct;<br>Police involvement / criminal investigations;<br>NFI Data Matching;<br>Membership of NAFN;<br>IT usage policies and procedures;<br>IA for CA and other major organisations;<br>Corporate Fraud Team in place;<br>Fraud and Corruption included in AGR process;<br>BOLD Elearning modules in place; | 3 | 3 | 3 | 3 | A) Develop governance arrangements around Area Councils and Ward Alliances - Audit delivered which covered procurement arrangements in 16/17 **recommendations delivered - monitor arrangements to ensure they remain robust** | Director, Core Services | 90% Green | 30/09/2017 | Escalate matter to HR, Police etc.<br>Undertake full systems review of affected area(s). |
| | | | | | | | | | | B) Ensure there is an adequate and appropriate relationship between IA, HR, Legal and the Police to respond to any incident - to be refreshed as part of the establishment of the new BMBC Anti Fraud Team, led by the Corporate Anti-Fraud Team within IA - **Contacts recently renewed and Police protocol refreshed** | Director, Core Services | 25% Amber | 30/09/2017 | |
| | | | | | | | | | | C) Review corporate training programme utilising corporate PDR information and further development of BOLD training - **now awaiting advice from HR** | Director, Core Services | 75% Green | 30/09/2017 | |
| | | | | | | | | | | D) Fundamental review of all corporate anti-fraud and corruption policies, procedures and guidance as part of the work of the Corporate Fraud Team - **key policies going to Audit Committee March 2017 and subsequently Cabinet** | Director, Core Services | 75% Green | 30/09/2017 | |
| | | | | | | | | | | **E) Communication of arrangements via training and awareness sessions regarding anti fraud and corruption arrangements to publicise these throughout the Council** | Director, Core Services | 15% Green | 30/09/2017 | |
| | | | | | | | | | | **F) Reinstatement of annual Fraud Risk Self Assessment at Business Unit level** | Director, Core Services | 15% Green | 30/09/2017 | |

| Priority | Risk No | Risk Title | Risk Consequences | Risk Owner | Existing Control Measures | Oct-15 | Mar-16 | Oct-16 | Mar-17 | Risk Mitigation Action | Owner | % comp | Review Date | Recovery Plan |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| STRONG AND RESILIENT COMMUNITIES | 3514 | Failure to be able to deliver the ambitions and outcomes associated with the Customer Strategy Implementation Programme | Leading to...<br>Failure to ensure customers are at the heart of the organisation;<br>Lack of growth regarding our digital service which will be unable to encourage a channel shift in terms of customers interact with the Council resulting in customers not changing their behaviour and not undertaking greater levels of self-service;<br>Unable to resource certain elements of the programme such as ICT technical development to deliver smarter and more efficient processes;<br>Lack of efficient and effective services;<br>Services becoming unsustainable following the Council's journey to Future Council and future financial pressures facing local government;<br>Savings target of £450K to be delivered in 2016/17 (£400K delivered 2015/16 by BensTax service improvements);<br>Directorates / Business Units not embracing the objectives of the agreed Customer Services Design Principles and associated objectives;<br>No 'changing relationship' between the Council and its stakeholders;<br>Issues regarding the capacity and time frame to deliver and concern regarding over promising and under delivering leading to 'work-around' arrangements that are unsustainable;<br>Currently concerns raised regarding capacity with BU11 to provide required level of support to deliver programme; | SMT SMT | Responsibility for Programme delivery now aligned to SD Customer Services;<br>BU7 - new structure and resources;<br>Head of Customer Support and Development in place;<br>Business design, IT technical resources agreed;<br>Lessons Learnt from other significant change programmes such as SAP;<br>Phase One and Two completed;<br>Lessons learnt from previous Phases embedded;<br>Previous CSO Strategy approved by Cabinet;<br>Now transitioning to new stage with concept testing being undertaken with will include the consideration of dependencies and enablers, along with a period of redesign and testing;<br>Cabinet Report detailed 'what' can be done, papers being prepared for SMT and CSO Board to detail 'how' the agreed activities will be implemented;<br>New website in place;<br>Overview and Scrutiny Task and Finish Group considered the Customer Services Strategy during 2015/16;<br>New governance arrangements underpinning programme - Customer Strategy Implementation (CSI) Delivery Group reports to the Future Council Improvement and Growth Board;<br>SMT have agreed and approved the CSI programme of work in September 2016;<br>External Programme Manager in place;<br>Specific work request in place with IT to ensure this activity is 'outside' of their day to day IT workstreams, and therefore should be adequately resourced;<br>Co-produced plan with BU7 and BU11;<br>Funding agreed and allocated - £1.1M<br>More robust grip on programme delivery in place;<br>Robust working relationship with Information Services in place, and now part of the same Directorate;<br>Programme<br><br>Outcomes:<br>Customers can contact us easily and use more services online (GREEN) | 4 | 4 | 4 | 5 | Delivery of Customer Strategy Implementation Programme, including the appropriate consideration of risk at project level, and the escalation of significant risks to the CSI Delivery Group and subsequently the FC Improvement and Growth Board (17/18) | Executive Director Communities | 0% Green | 30/09/2017 | |
| | | | | | | | | | | Customer Care / Customer Contact training to be provided to employees who have a high level of contact with the public linking to organisational-wide OD training 16/17 - offer in place using elearning and face to face training - some employees booked into course - awaiting final sign off by CX. **Training now in place and those employees who require training are now booked in for 2017/18. BU15 to undertake some monitoring and analysius of take-up and feedback to ensure the offer continues to meet the business needs of the organisation** | Director, Core Services | 25% Green | 30/09/2017 | |
| | 3699 | Failure to ensure the Council's commercial / trading arm is effective in its operations, and is a well governed organisation | Reputational damage if the BMBC is not seen as a good business to trade with;<br>Lost time and wasted resource in setting up the organisation, completing tenders, submissions and other commercial activities;<br>Lost income which may have been used to avoid service cuts in future years resulting in lost jobs and employment opportunities;<br>Legal / compliance failures if commercial / trading arm is not well controlled and governed; | SMT SMT | Trading organisations to date:<br>- HR Services;<br>- ILAHS;<br>- Financial Services / Audit Services<br>BMBC Legal Services providing oversight and advice regarding company constitution;<br>In terms of the availability of commercial and trading skills, it is acknowledged the Council is working from a low starting point;<br>Consideration of new skills in terms of commerciality, trading and innovation within the Future Council structure;<br>Scheduled governance review to assist in determining the effectiveness of existing governance arrangements;<br>Elements of company being would up including Barnsley HR Services and Barnsley Financial Services; | 4 | 4 | 4 | 4 | Increase the availability of commercial skills and awareness within BMBC Workforce including the skills and organisational discipline to vet Business Cases - **Leadership Programme includes consideration of Commercial skills and the develment of a 'Commercial Acumen Toolkit' and some courses offered via BBIC** | Director, Core Services | 25% Green | 30/09/2017 | |
| | | | | | | | | | | Development of internal control mechanisms to ensure that the correct roles are filled by appropriate employees, that good quality company governance is in place, that information is able to properly flow throughout the organisation and that commercial and financial reporting structures are in place - **Director training deferred in light of reduced level of trading activitiy** | Board of Directors | 0% Green | 30/09/2017 | |
| | | | | | | | | | | **Development of ILAH Action Plan to identify lessons to be learnt** | Board of Directors | 0% Green | 30/09/2017 | |
| | | | | | | | | | | Development of shareholder role (SMT and Member / Cabinet level) to ensure the appropriate oversight of the trading / commercial activities is in place | Director, Core Services | 0% Red | 30/09/2017 | |
| | | Failure to influence the governance arrangements underpinning and controlling the emerging City Region Deal Devolution Deal enable an appropriate blend of risk and reward for the Council | Conflict of interest for a number of Council Services that provide support to internal functions within the Council, as well as external relationships such as Legal Services who provide legal support to the Council and the CA;<br>Increased officer time required to support both organisations;<br>Increased risks regarding project activities, where the CA may be unwilling to underwrite risk on behalf of constituent Councils;<br>Increased reliance of CA funding; | SMT SMT | Development of protocols for dealing with potential conflicts of interest;<br>Escalation of issues through Chief Executives; | N/A | 4 | 4 | 4 | Ensuring that the Authority is able to learn from its experiences in terms of conflicts that may have arisen and identifying areas of potential improvement in terms of how conflict are identified, handled and addressed **(17/18)** | Director, Core Services | 0% Green | 30/09/2017 | |
| | | | | | | | | | | Focused de-brief following significant interaction with CA i.e. J36 development (including BLT development sessions) **and other developments / opportunities (17/18)** | Director, Core Services | 0% Green | 30/09/2017 | |
| | ~~3842~~ | ~~Failure to ensure the transfer of 0-19 services that are coming back into Council control ensure customers remain safe; there is continuous service and that during and after the transition period customers remain safe~~ | ~~Poor quality of services affecting customers health;~~<br>~~Missed identification of issues and concerns by professional employees;~~<br>~~Lack of safeguarding arrangements affecting wellbeing of customers;~~<br>~~New activities for the Council to deliver and subsequent exposures including health related service specifications, new treatments, prescribing risks and medical activities;~~<br>~~Litigation and clinical risk;~~<br>~~Legacy issues regarding cost of estates - CCG are to transfer funding regarding estate liabilities to BMBC;~~<br>~~Financial issues making transfer unfeasible;~~<br>~~Employee issues resulting in a diminished workforce who may not have the capacity or skills to deliver the expected outcomes;~~<br>~~Information breaches resulting in censure by ICO and possible litigation;~~<br>~~Current general lack of engagement by SWYPFT regarding IT provision may affect ability to access necessary information;~~<br>~~Increased likelihood of HR disputes resulting in potential strike action;~~ | ~~SMT SMT~~ | ~~Governance arrangements developing - BMBC now commissioner and provider;~~<br>~~Liaison with Performance Improvement Officer to ensure performance and governance arrangements are being picked up;~~<br>~~Meetings and liaison with BMBC (BU 10 and 15) and SWYPFT - SWYPFT unwilling to share risk registers regarding activities that are transferring;~~<br>~~Likely to TUPE around 120 employees (2 managers, 118 operational employees);~~<br>~~BMBC are intending to procure the same IT system in use by SWYPFT;~~<br>~~Legal Services involved in TUPE discussions;~~<br>~~Legacy issues regarding estate liabilities - CCG to transfer funding to BMBC - leases to be changed and a number of disposals to be agreed and arranged (BMBC looked at 17 SWYPFT sites - reduced to 9);~~<br>~~Agreement regarding the transfer of contents and equipment from CCG to BMBC to be concluded - BMBC to assess whether market value is appropriate;~~<br>~~SWYPFT will be retaining IT and BMBC will have to buy back the equipment that is necessary to support 120 agile workers;~~<br>~~Working through the scanning of records and files - liaison with Principle Records & Information Manager (BMBC);~~<br>~~DBS / Safeguarding checks being undertaken by HR/PH for all 130 employees going through TUPE - there are no specific Safeguarding roles within the 120 employees TUPEing (there were a number of Safeguarding roles identified earlier);~~<br>~~BMBC Head of H&S met with SWYPFT H&S lead to ensure issues such as continuity planning, incident reporting and general safe systems of work are being picked up;~~<br>~~The service was given responsibility and specific funding for the provision of 0-5 services from October 2015, and the single service 0-19 Years Healthy Child Programme transferred from SWYPFT to BMBC on the 1st October 2016;~~<br>~~The transition of the service has unfortunately created a one off pressure of £0.442M which has been subsumed within the overall plan;~~ | ~~N/A~~ | ~~N/A~~ | 2 | ~~N/A~~ | ~~Refer to detailed risk mitigations within the Risk Register for BU 10 (Public Health) (16/17)~~ | ~~Director Public Health~~ | ~~25% Amber~~ | ~~31/03/2017~~ | |

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**Report of the Service Director (Financial Services)**

**Audit Committee – 19th April 2017**

**RISK MANAGEMENT FRAMEWORK REVIEW**

## 1. Purpose of Report

1.1 The purpose of this report is to provide assurance to the Audit Committee regarding the Risk Management Framework remaining fit for purpose, prior to the Framework being considered and approved by Cabinet.

1.2 It is important that the Risk Management Framework remains up to date in order to accurately reflect the effective and efficient management of risks to the achievement of objectives. This is of particular relevance given the Future Council programme.

## 2. Recommendations

**2.1 It is recommended that the Audit Committee:-**

**(i) Considers the revisions to the Risk Management Framework to ensure it remains fit for purpose; and,**

**(ii) Subject to changes emanating from the comments of the Committee, that the Risk Management Framework is referred to Cabinet for consideration and approval.**

## 3. Introduction

3.1 Risk Management is not about eliminating risk or being risk averse, it is about being aware of and managing acceptable risk in the pursuit of agreed objectives. The Risk Management Framework includes the Risk Management Policy Objective Statement and Risk Management Strategy, which sets out how the Council will seek to embed this approach to risk into its normal activities through the ongoing development of a risk management culture.

3.2 The Risk Management Framework, including the Risk Management Policy Objective Statement and Risk Management Strategy are also key elements in the implementation of good governance arrangements and form key elements of the Council's Annual Governance Review process.

## 4. Risk Management Framework

4.1 In terms of the update of the Risk Management Framework, the following table details each individual element of the Framework, and provides a brief comment as to whether the document in question has required an update:

| Risk Management Framework Element | To be Updated? | Comment |
|---|---|---|
| Risk Management Strategy | Yes | Director (Core Services) to add Forward (s.1), Update required to reflect Corporate Plan 2017-2020 (s.2.2), the cessation of MKI (s.9) and updates to the three year strategic plan (s.13) – ***included in report as Appendix One.*** |
| Risk Management Policy Objective Statement | No | Still reflects current activities and objectives – no material changes. |
| Risk Champion Role Description | Yes | Updated to reflect Corporate Assurance Group Terms of reference – ***included in report as Appendix Two.*** |
| Risk Acceptance Model | Yes | Updated Risk Appetite figures (s.2) – ***included in report as Appendix Three.*** |
| Risk Challenge Process | Yes | Updated to reflect cessation of MKI and new Business Unit structure – ***included in report as Appendix Four.*** |
| Cabinet Report Writing Guidelines | No | Still reflects current good practice – no material changes. |
| Project and Programme Risk Management Protocol | No | Superseded by the Council's 'Corporate Project Management Approach' – document removed from Risk Management Framework. |
| All Member Guidance Note | No | Still reflects current good practice – no material changes. |
| Risk Management Training Strategy | Yes | Updated to reflect cessation of MKI and new Business Unit structure – ***included in report as Appendix Five.*** |

## 5. Delivering Corporate Plan Priorities and Future Council Themes

5.1 The Risk Management Policy Objective Statement and Strategy seeks to ensure that those significant risks which could impact upon the delivery of the Authority's objectives, as set out in the Corporate Plan are appropriately managed in order to minimise the significant potential obstacles to the achievement of corporate objectives. Likewise, the Policy Objective Statement and Strategy is in place to support the consideration of innovative solutions relating to the Future Council Programme.

## 6. Risk Management Issues

6.1 The report focuses upon the development of the Risk Management Policy Objective Statement and Strategy and the contribution this will make to the embedding of a risk management culture throughout the Council.

## 7. Financial Implications

7.1 There are no specific financial implications arising directly from this report although there is often a cost in taking (or not taking) specific action identified through the risk management process. Most individual Cabinet reports have financial implications and so the application of good risk management principles as set out in the Policy and Strategy are vital to ensure the most effective use of resources.

## 8. Background Papers

8.1 Various paper and electronic files which are available for inspection at the Westgate Plaza One offices of the Authority.

## 9. Appendices

**Appendix One:** **Risk Management Strategy 2017/18**
**Appendix Two:** **Corporate Assurance Group Terms of Reference 2017/18**
**Appendix Three:** **Risk Acceptance Model 2017/18**
**Appendix Four:** **Risk 'Challenge' Process 2017/18**
**Appendix Five:** **Risk Management Training Strategy 2017/18**

**Contact Officers:** **Risk and Governance Manager**
**Telephone:** **01226 773119**
**Date:** **3rd April 2017**

**Barnsley Metropolitan Borough Council**
**Risk Management Strategy March 2017**

## 1. Foreword

**** (To be developed by Director, Core Services)****

## 2. Introduction

### 2.1 What is Risk?

Risk can be defined as the threat that an event or action will adversely affect an organisations ability to achieve its own objectives.

A 'risk' is made up of an **event**, which if it manifests will have a **negative impact** on the Council's **objectives**.

Risk is considered in terms of the probability of an occurrence, together with the possible impact, usually expressed by the potential financial loss, and damage to reputation.

However, Risk should also be considered and thought of more positively in terms of the context of both missed opportunities, and opportunities that have not been maximised or properly exploited.

### 2.2 What is Risk Management?

Risk Management is the structure, process and culture that is employed to assist in maximising opportunity, whilst minimising any associated uncertainty.

Risk Management assists in the delivery of the Council's own agenda, including the three main corporate priorities for the Borough, as described in the Corporate Plan for Barnsley (2017 - 2020), which are as follows:

- Thriving and vibrant Economy;
- People achieving their Potential; and,
- Strong and Resilient Communities.

The Council is changing and is concentrating on providing services where they are most needed and will have the most impact whilst helping people to do more for each other and their community. There are a number of things the Council has focused on when changing the way it works. These include:

- Clear vision and values;
- Customer focus;

- Commercial business acumen;
- Efficient delivery of projects and programmes;
- Innovative and managed risk taking;
- Learning organisation;
- Leaders at every level;
- Flexible workforce;
- Working with our partners communities and residents; and,
- An enabling organisation.

All of these ambitions will require the careful consideration of risk to ensure the Council is able to achieve these outcomes in a robust and cost effective manner.

**2.3 Why manage Risk?**

Managing the risks that could influence the achievement of policy objectives is an essential part of the Council's corporate governance arrangements and internal control framework. This is recognised in the Accounts and Audit Regulations 2015, Part 2, Section 3, which requires Councils to have:

*'… effective arrangements for the management of risk.'*

2.2 The aim of the risk management policy and strategy is to manage risks that threaten the successful delivery of corporate objectives and, where possible, reduce these to an acceptable level. However, it is not the intention to be risk averse, and it is recognised that risks taken in pursuit of objectives will not always be capable of mitigation to the agreed, acceptable levels.

2.3 Considerable progress has been made throughout the Council in the last few years in the introduction of risk management policies and procedures which contribute to the development of a risk management culture. However, in light of unprecedented changes to Local Government in more recent years, it is envisaged that robust and embedded risk management systems are needed more than ever to facilitate and support change in terms of new models of service delivery, to assist in the identification of risks (and opportunities) therein, and to ultimately contribute to the provision of assurance regarding the Council's compliance, performance and overall robustness of its internal control and governance framework.

2.4 This strategy document sets out how a culture of risk management will be further developed in the next few years. The essential elements required to encourage the further development of a risk management culture are an agreed policy, process and framework which assists in the achievement of corporate objectives and priorities (incorporating linkages to service delivery / business unit plans, the future Council) without imposing undue regulation.

2.5 Risk management should be seen to be an essential enabler to the delivery of services, the achievement of objectives and the effective performance management of the Council.

**3. Risk Management Policy**

3.1 The policy sets out the overall vision and purpose of risk management within the Council, defines the objectives necessary to the successful delivery of that vision, and details how those objectives will be supported.

3.2 The policy is subject to regular review and any proposed amendments are then agreed and accepted by the senior management team (SMT) and Cabinet.

## 4. Risk Management Strategy

4.1 The purpose of the Strategy is to provide the components for delivering the policy and ensuring that risk management arrangements are maintained throughout the Council. The components of the strategy are:

- Roles and responsibilities;
- Risk management process;
- Risk review;
- Risk acceptance;
- Risk recording;
- Guidance, training and facilitation;
- Assurance;
- Performance management; and,
- A three year Strategic Plan.

These components are further detailed later in this document.

4.2 Whilst the principles and mechanics of risk management remain fairly constant, the environment in which the Council operates is changing fast. Where there is change, there is risk and it is therefore critical that across the Council, managers and Elected Members are clear about the risk management framework and its intended benefits to minimise the chance of something going wrong, or missing an opportunity.

## 5. Roles and responsibilities

5.1 In order to ensure that the Council's risk management arrangements are implemented and delivered successfully, it is essential that corporate and individual roles and responsibilities are clearly defined.

5.2 It is therefore important to ensure that everyone within the organisation understands how their responsibilities fit into the risk management framework. The following tables sets out a summary of the individual roles and responsibilities of Elected Members, specific officers, managers and employees. It also sets out the support available to discharge those responsibilities and how assurance on the overall effectiveness of the risk management framework is established:

The following roles are designed to assist in the ***delivery*** of effective Risk Management:

| Role: | Outcome(s): |
|---|---|
| Elected Members | *Cabinet Spokesperson (Corporate Services) is the Risk Management Champion at Member level.*<br>▪ To oversee the effective management of risk by officers; and,<br>▪ Be involved in the identification of high level, strategic risks. |
| Cabinet | ▪ To approve the Risk Management Policy and Strategy;<br>▪ To ensure risk is considered as part of the decision making process; and,<br>▪ Ownership of the Strategic Risk Register. |
| Chief Executive | ▪ To lead in the embedding of a Risk Management culture within the Authority; and,<br>▪ To endorse the Risk Management Policy Objective Statement. |
| Senior Management Team | *Director Finance, Property and Information Services is the SMT Risk Champion for the delivery of the Risk Management Framework.*<br>▪ To ensure that the organisation manages risk effectively;<br>▪ Ensuring the Strategic Risk Register remain relevant and vibrant; and,<br>▪ Approval of levels of risk appetite; |
| Directorate Management Teams | ▪ To ensure risks are managed in each service area, projects and relationships for which they are responsible. |
| Service Managers / Project Managers / Partnership Lead Officers | ▪ To manage risk effectively in their service area, project or relationship for which they are responsible; and,<br>▪ Adherence to relevant controls such as the Councils Corporate Project Management Approach for project managers, and / or the Partnership Governance Framework for partnerships. |
| Employees | ▪ Be aware of and consider risks in the fulfilment of operational duties and contribute to Business Unit and Directorate Risk Management arrangements as appropriate. |

These roles are further ***supported*** by:

| Role | Outcomes(s): |
|---|---|
| Risk and Governance Manager | ▪ To support the Council and its Services in the effective development, implementation and review of the Risk Management Framework; and,<br>▪ To manage the delivery of the Policy Objectives and monitor the progress towards the achievement of Risk Management Performance Indicators. |
| Corporate Assurance Group Members | ▪ To promote and facilitate Risk Management arrangements within their Directorate. |

All of the above roles are designed to provide ***assurances*** to:

| Role: | Outcome(s): |
|---|---|
| Audit Committee | ▪ To provide assurances to the Council on the adequacy and effectiveness of the Risk Management Framework and challenge, through the consideration of periodic reports, how the Risk Management Framework is being implemented, and its overall impact. |
| Internal Audit | ▪ To provide assurance to management on the effectiveness of Internal Controls, including the Risk Management Framework through an annual audit. |

5.3 In the event of any conflicting interests, the Service Director Financial Services will arbitrate and adjudicate between the conflicting parties in order to identify a suitable resolution for all parties.

5.4 The Roles and Responsibilities regarding the successful implementation and delivery of the Risk Management framework are also detailed in the Authority's Competency Framework.

## 6. Risk Management Process

6.1 The Risk Management Process provides a systematic and effective method of managing risks at different levels within the Authority. The process requires every significant risk to be:

- Identified, described and owned / allocated to a named manager;
- Assessed for likelihood and impact;
- Mitigated; and,
- Reviewed.

6.2 Risks are contained within a series of Risk Registers, at strategic, business unit and project levels. Each register is reviewed on a regular basis and new and emerging risks are considered at that time.

## 7. Risk Review

7.1 Each Risk Register is subject to a formal periodic review by register owners both in relation to current risks, and the consideration of new and emerging risks. Following each review, those risks falling outside of defined acceptance levels should be escalated and reported to management in accordance with the Risk Acceptance Model.

7.2 Business Unit Risk Registers are also subject to periodic detailed and facilitated reviews, or 'Challenges' undertaken by the Risk Management Section in conjunction with register owners. This process includes a review of the alignment of risks to Service Delivery Plan / business plan objectives, the consideration of generic risks, and the reporting and escalation arrangements for 'out of acceptance' risks.

## 8. Risk Acceptance

8.1 It is recognised that at times, risks which exceed agreed acceptance levels will be accepted in the pursuit of an objective. Procedures are in place to ensure that these risks are appropriately recognised and reported. Equally, risks which fall within agreed acceptance levels can be reviewed to ascertain whether resources can be safely channelled to other areas that require further mitigation.

8.2 Risk Appetite is the overall level of exposure to risk which is deemed acceptable within the organisation. It is a series of boundaries, authorised by Senior Management in order to give clear guidance on acceptable limits of risk, whether a threat or opportunity. The Public Sector Internal Audit Standards (PSIAS) makes direct reference to the risk appetite of the organisation in the context of determining priorities for internal audit activity. This is also underpinned by the Institute of Risk Management's publication on Risk Appetite and Acceptance.

8.3 Risk Appetite is translated into Risk Acceptance levels, which are defined through the Risk Category Score (both 'current' and 'target'), allocated to each risk. Risks which fall outside of agreed Risk Acceptance levels are escalated for further consideration.

8.4 All reports to Cabinet are required to provide details of any potential significant risks in proposed policy changes, Programmes or Projects. The report must include a specific section on Risk Management implications, where an articulation of the significant risks associated with the proposal, along with assurances that appropriate mitigations actions are (or will be) in place should be detailed. This activity will ensure that report authors are able to provide accurate and appropriate information on the management of risk.

## 9. Risk Recording

9.1 The recording, control and monitoring of corporate risks is facilitated through the use of a series of excel spreadsheets. Risks are recorded in a series of Risk Registers which incorporate specific information about individual risks, the existing controls in place, and action plans intended to further mitigate those risks.

9.2 These Risk Registers will be transferred to the Council's new Document Management System (SharePoint) is due course to enable an appropriate level of information sharing and collaboration throughout and within the Council.

9.3 The Council has developed a 'Corporate Project Management Approach', which includes a specific project or programme risk register template which aligns to the existing Business Unit risk register template.

9.4 Similarly, some Partnership related risk registers are contained within other applications and systems, outside of Council's own Risk Management Framework. The provision of assurance is embedded within the Risk Management reporting arrangements, to ensure that the Authority is satisfied that relevant partnership and relationship risks are managed appropriately.

9.5 A standalone Risk Register has been designed as part of the Schools Risk Management Framework.

## 10. Guidance, Training and Facilitation

10.1 Comprehensive information contained within the Risk Management Framework can be found on the Risk Management Intranet site.

10.2 Periodic training for Elected Members and Managers is available from the Risk Management Section on all aspects of Risk Management. All forms of training and facilitation offered by the Risk Management Section are detailed in the Risk Management Training Strategy, which forms part of the Risk Management Framework.

10.3 Furthermore, a Risk Management awareness module is now included in the Authority's electronic learning resources, BOLD.

## 11. Assurance

11.1 The provision of assurance that risks are understood and managed appropriately is an essential measure of the adequacy and effectiveness of the Authority's Risk Management Framework. This assurance is provided in the following ways.

11.2 The Risk and Governance Manager ensures the presentation of an annual Risk Management report to the Audit Committee. This will be supplemented by further update reports throughout the year, and specific reports on the development of the Strategic Risk Register. Where possible, these reports are initially circulated to the Corporate Assurance Group for comment, prior to being presented at the Audit Committee.

11.3 Reports on the development of the Strategic Risk Register will also be presented to the Senior Management Team, Audit Committee and Cabinet.

11.4 An annual, independent review of the Risk Management arrangements is undertaken by the Authority's Internal Audit Section.

11.5 The Risk Management arrangements of each Service are subject to review as part of the process for the compilation of the Annual Governance Statement.

## 12. Performance Management

12.1 It is essential that the success of the Risk Management Strategy can be measured. The measurement of performance corporately is however difficult and somewhat subjective. An indicative list of performance indicators (PIs) have been developed, and are attached as appendix one.

12.3 A number of proposed PIs make reference to the maintenance or improvement of scores relating to the ALARM / CIPFA Benchmarking exercise. The results of this exercise are described in terms of an overall percentage, which is then compared to national averages, as well as summarised in terms of overall maturity. It is proposed to focus on the overall maturity levels, rather than focus on the detailed percentage scores.

12.4 The PI relating to 'deviance from previous average risk category score' provides a snapshot of the overall risk category score for all risks that have been logged. This is intended to provide assurances regarding the overall level of risk for the Authority.

## 13. Strategic Plan

13.1 The consideration of longer term objectives for the Risk Management within the Council are detailed below:

| Year | Activity | Comment |
|---|---|---|
| **16/17** | Review and refresh of Future Council Risk Management arrangements | Cessation of use of MKI in 2016 / 17 (Completed); |
| | Full review and refresh of Strategic Risk Register to reflect Future Council arrangements | Increased reflection of Future Council in Strategic Risk Register (Completed); |
| **17/18** | Consideration of risks and opportunities in terms of city regional devolution in terms of skills, employment, business support, transport and housing | Links to transport arrangements, insurance arrangements and new Highway Code of Practice; |
| | Developing links to Insurance arrangements within the Council | Development of joint Insurance and Risk Strategy; |
| | Full review of Risk Management Arrangements and support to recognise the increased embeddedness of Risk Management within the Councils business processes | Likely to reflect a decrease in Risk Management support, and an expectation that Service Directors and will become more self-sufficient; |
| **18/19** | Reviewing the impact of changes to the support available to facilitate Risk Management activities within the Council | Reviewing the outcomes of the above activity, and providing assurances that arrangements are still fit for purpose; |

## 14. Opportunity Management

14.1 The development of the Future Council model and the creation of a Local Authority trading company structure has provided the framework for the Authority to move towards a new approach to service delivery in terms of trading services or Business Units.

14.3 This new approach has provided significant commercial opportunities which must be carefully managed via robust and realistic Business Cases, and this is where by applying

risk management principles and techniques, the chances of lost or missed opportunities can be minimised, and the risks to the viability and overall success of the business units can be identified and addressed at an early course.

## 15. Risk Management Arrangements for Other Bodies

15.1 The Risk and Governance Manager continues to support a number of other organisations with regard to their risk management, governance and insurance arrangements including South Yorkshire Fire Authority, South Yorkshire Pensions Authority and the Sheffield City Region.

## 16. Advice and Guidance

16.1 Guidance documents relating to the matters detailed in the Risk Management Strategy are available on the Authority's Risk Management Intranet site. Further advice and guidance can be provided by the Risk Management Section. Contact details are as follows:

| Name / Designation | Contact Details |
|---|---|
| Adrian Hunt – Risk and Governance Manager | adrianhunt@barnsley.gov.uk<br>01226 77 **3119** |

## 17. Appendices

17.1 Appendix One: Risk Management Performance Indicators 2017/18

## Appendix One: Risk Management Performance Indicators 2016/17 (as at 03/04/2017)

| Indicator | Quarter One: 01/04/2016 – 30/06/2016 | Quarter Two: 01/07/2016 – 30/09/2016 | Quarter Three: 01/10/2016 – 31/12/2016 | Quarter Four: 01/01/2017 – 31/03/2017 |
|---|---|---|---|---|
| **PROCESS:** | | | | |
| % of Business Units completing **Operational Risk Register Reviews on time** | **82% (9/11) Completed within timescale**<br><br>**18% (2/11) Completed outside of timescale**<br><br>**0% (0/11) Incomplete** | **45% (4/9) Completed within Timescale**<br><br>**22.5% (2/9) Completed outside of Timescale**<br><br>**22.5% (2/9) Incomplete** | **36% (4/11) Completed within Timescale**<br><br>**64% (7/11) Completed outside of timescale**<br><br>**0% (0/11) Incomplete** | **56% (5/9) Completed within Timescale**<br><br>**0% (0/9) Completed outside of timescale**<br><br>**44% (4/9) Incomplete** |
| Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to **Leadership and Management** | 2015 / 16: Assessed Level – '5 – Driving' (Actual Score 85)<br><br>**2016 / 17: Assessed Level – '5 Driving' (Actual Score 86)** | | | |
| Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to **Policy and Strategy** | 2015 / 16: Assessed Level – '5 – Driving' (Actual Score 82)<br><br>**2016 / 17: Assessed Level – '5 – Driving' (Actual Score 91)** | | | |
| Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to **People** | 2015 / 16: Assessed Level – '4 – Embedded and Integrated' (Actual Score 79)<br><br>**2016 17: Assessed Level – '4 – Embedded and Integrated' (Actual Score 79)** | | | |
| Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to **Partnerships and Resources** | 2015 / 16: Assessed Level – '3 – Working' (Actual Score 64)<br><br>**2016 / 17: Assessed Level – '3 – Working' (Actual Score 65)** | | | |
| Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to **Processes** | 2015 / 16: Assessed Level – '4 – Embedded and Integrated' (Actual Score 71)<br><br>**2016 / 17: Assessed Level – '4 – Embedded and Integrated' (Actual Score 79)** | | | |
| **CHANGES TO RISK PROFILE:** | | | | |
| Deviance from previous **Average Risk Category Score (ALL REGISTERS)** | **3.50 (*no deviance*)** | **3.60 (*.05 improvement)*** | **-** | **-** |
| **OUTCOMES:** | | | | |
| Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to **Risk Handling** | 2015 / 16: Assessed Level – '3 – Working' (Actual Score 68)<br><br>**2016 / 17: Assessed Level – '3 – Working' (Actual Score 68)** | | | |
| Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to **Outcomes and Delivery** | 2015 / 16: Assessed Level – '4 – Embedded and Integrated' (Actual Score 71)<br><br>**2016 / 17: Assessed Level – 'Embedded and Integrated' (Actual Score 72)** | | | |

**Corporate Assurance Group 2017**
**Terms of Reference**

Governance and Assurance:

To provide oversight regarding the development, implementation and maintenance of the Council's corporate governance and control framework, by providing:

- A consultative role in respect of changes to the Council's corporate governance and control framework, including contributing towards the development of the Councils Corporate Assurance Framework
- A consultative role regarding the Annual Governance Review (AGR) process, including contributing towards the development of the AGR

For members of the group to act as governance and assurance 'champions' to ensure high levels of awareness and compliance

To examine other opportunities to adopt a strategic challenge and assurance role for other specific areas of the Council's corporate governance that requires improvement through the Annual Governance Review Action Plan

To assist in the management of the Annual Governance Review Action Plan, and to assist in the identification and development of improvements and efficiencies as to how the Council is governed

Risk Management:

To provide a strategic challenge as to the Council's Risk Management arrangements, including consideration of, and input into the periodic review of the Council's Strategic Risk Register (SRR)

Assist in the implementation and delivery of the Councils Risk Management Policy, Strategy and Framework by:

- Encouraging and participating in the identification, development and communication of new and emerging risks, ensuring they are considered, discussed and where appropriate logged and included in risk registers
- Encouraging, facilitating and contributing towards the review of operational risk registers (ORR) in accordance with the ORR review timeline
- Supporting the development and review of project and partnership risk registers

Contribute towards the development of a culture where innovation and managed risk taking is encouraged within the overall tolerances and boundaries in which the Council operates, by:

- Ensuring significant risks are appropriately escalated and communicated
- Being a champion for, and encouraging the use and development of the corporate risk register templates

Ensuring risk management good practice is disseminated throughout the Council, by:

- Providing a conduit for risk management issues to be cascaded to all areas of the Council
- Act as a resource to assist, support and develop good risk management practices

**Risk Acceptance Policy**
**March 2017**

## 1. Background and Context

1.1 In order to help mitigate against the impacts of the current austerity measures and to drive forward the changes that will assist in delivering the vision for the Council, it is necessary to ensure the organisation is able to maximise and exploit important opportunities and innovative solutions.

1.2 In the context of changing public services, relating to how services will be delivered, to what level and by whom, it is essential to ensure the Council is able to:

- Respond positively to challenges;
- Make the most of limited, and reducing resources;
- Ensure plans, projects and programmes are appropriately resourced to maximise success and deliver the intended priorities and outcomes; and,
- Implement robust arrangements to performance manage progress.

1.3 In order to enable the changes required to maintain the 'Future Council' model, and continue to challenge and change the way the Council and its stakeholders thinks and acts, it is important to provide a framework in which innovation and managed risk taking is encouraged, within the overall tolerances and boundaries in which the Council operates. Within this framework it is also important to ensure the Council's stakeholders are provided with robust assurances that ultimately, the organisation remains safe and well governed.

1.4 Whilst risk management within the Council is embedded and working, issues regarding tolerance, risk taking / opportunity taking and the overall level of risk the Council is willing to accept when dealing with cultural, economic, social and demographic challenges requires review. This will help ensure these issues contribute, and enable the changing culture from traditional risk aversion to one of managed, informed risk taking and acceptance.

## 2. Risk Appetite – What can we accept?

2.1 Risk appetite or risk acceptance is the overall level of risk the Authority is prepared to tolerate or accept in order to deliver objectives and services. This is defined in BS ISO: 31000 (the International Standard for Risk Management), as:

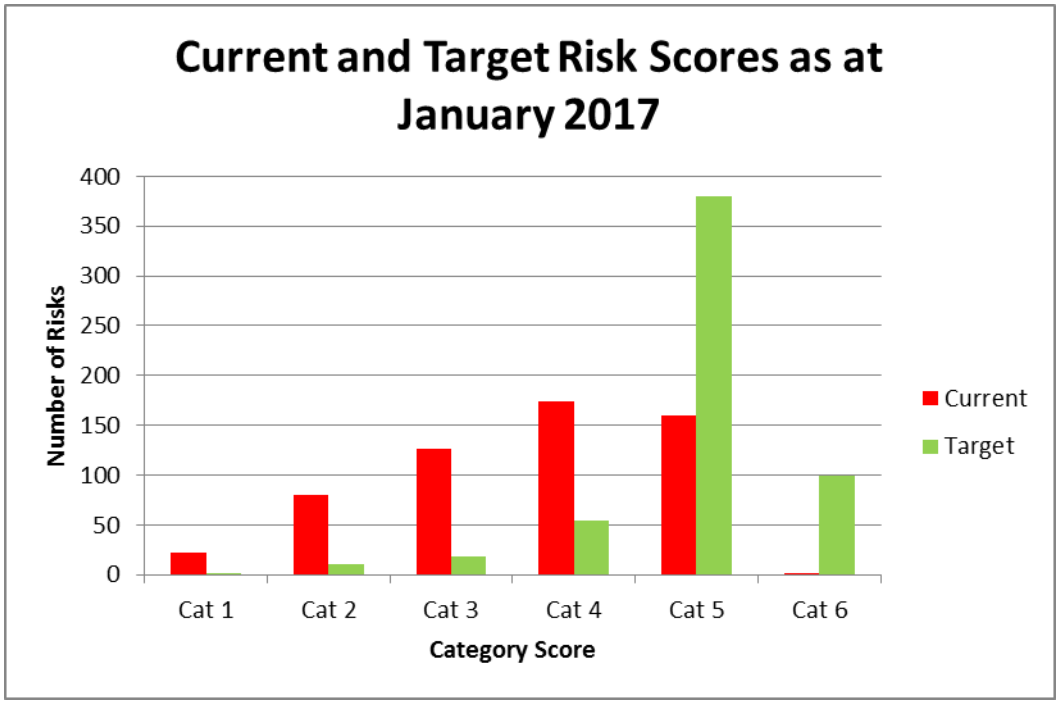
*'The amount of risk that an organisation is prepared to seek, accept, tolerate'*

2.2 This consists of all risks which fall within accepted risk tolerance levels, aggregated with those additional higher rated risks which the Council has agreed to accept.

2.3 Recent guidance, issued by the Institute of Risk Management 'IRM Guidance Paper – Risk Appetite and Risk Tolerance', and CIPFA / CIIA 'Public Sector Internal Audit Standards' both highlight the benefits in developing a proportionate risk appetite or acceptance model that will enable decision makers to be better aware of the risks being taken to achieve the Authority's goals and objectives.

2.4 The Council's Risk Registers contain a wealth of information which helps to determine risk appetite. This requires all risks to be assessed for the actual or 'Current' risk score, and the residual or 'Target' risk score, once all mitigation actions have been completed and delivered successfully.

2.5 The following table shows the council's risk profile derived from the strategic and operational risk registers as at January 2017. The 'Target' risk data is a strong indicator of risk appetite as it equates to the overall level of anticipated residual risk. Within this there are 12 risks that are logged as being either Category 1 or 2, showing that these risks, regardless of mitigations and resource, will always remain outside of the Council's tolerance level:




2.6 This compares to some 102 risks that are currently logged as being Category 1 or 2, in terms of the Current risk score. Continued work in terms of risk management and mitigation will be required to reduce the overall risk profile to a level that 'fits' the principle of acceptable risks (or risks within the Authority's appetite), including the reduction in the number of red risks from 102 to 12.

2.7 Essentially, the concept of risk acceptance relies on the consideration of both the Current and Target risk category score. This will enable:

- <u>Significant risks being escalated to DMT's, and where appropriate, SMT:</u>
  Some risks that are traditionally 'out of tolerance' may not require immediate escalation, if it felt that the Target Score is achievable with the current level of resources being applied to the risk / mitigation action(s). Both Business Unit Management Team Meetings and Senior Management Team Meetings will be able to focus their attention on only the significant, unacceptable risks; and,

- <u>Risk Owners and Risk Managers to be encouraged to manage the risk themselves:</u>
  It is likely Risk Owners and Risk Managers will be able to deploy more innovative solutions to the management of significant risk.

2.9 The following sections provide a narrative for Risk Owners or Risk Managers to consider when applying the concept of risk appetite and tolerance to their own risks.

## 3. What is the Current and Target Risk Category Score?

### 3.1 Category 5 or 6 (Green):

Monitor and Review:
These risks are well within tolerance and can be considered 'acceptable' risks. Generally, they do not require explicit mitigation, and the level of probability and impact will suggest any further action or resource that could be applied would not necessarily be cost effective.

- It is likely that these risks have both a Current and Target category score that have been assessed as being either category 5 or 6 (Green).

*A risk mitigation can be logged to acknowledge this monitoring position – 'Monitor and Review 2017/18' with a 'Review Date' set for the next Operational Risk Register review closedown date. This mitigation action can be managed by the named risk mitigation owner.*

*Although the risk has been assessed as being 'acceptable' it does not mean the risk can be closed; an appropriate period of monitoring the risk will be required, to ensure the result of the assessment remains acceptable.*

### 3.2 Category 3 or 4 (Amber):

Manage and Monitor:
These risks are within tolerance, but have the potential to become more significant if not carefully managed. These risks therefore require robust mitigations to ensure the probability and / or impact assessments do not increase – monitoring these risks is simply not enough.

- Those risks that have a Current category score of 3 or 4 (Amber), but a Target category score of 5 or 6 (Green) clearly can be mitigated to acceptable levels; or,

- Those Risks that have a Current category score of 3 or 4 (Amber), but a Target category score of 3 or 4 (Amber) also are identified as being concerns that are perhaps more difficult to mitigate to acceptable levels.

*Risk mitigations therefore need to be specific and aimed at either reducing or maintaining the current risk assessment. These mitigation actions will be monitored and updated as part of the Operational Risk Register review process. These mitigation actions will require management by the named Risk Manager.*

### 3.3 Category 1 or 2 (Red):

Mange and Mitigate:
These risks are outside of the Authority's risk tolerance, and therefore, these risks should be considered as significant, and unacceptable.

A full understanding of the risk assessment should be undertaken in order to properly understand the dynamics of the individual risk, in terms of:

- Those risks with a significant level of probability, by their nature are more likely to occur, and therefore require attention before other risks – a 'worst first' approach;

- Those risks with a significant level of probability, but a less significant level of impact, should have mitigations in place to address both the likelihood and impacts. The priority for these risks will generally be to reduce the level of probability to a more acceptable level; and,

- Those risks with a high or very high impact, but a low or very low probability assessment should be addressed by considering the effect of the risk, and ensuring that robust responses to the *impact* are considered. Attempts to reduce the impact should be considered, along with robust methods of dealing with the manifestation of the impact, perhaps using Business Continuity or Emergency Planning responses.

*Risk mitigations must be focussed on both reducing the probability of the risk occurring, and reducing the impact of the risk, should it manifest. These mitigation actions should be regularly monitored and managed by the Risk Owner or the relevant Business Unit Management Team. It is expected that evidence of the monitoring by the Risk Owner or Business Unit Management Team can be made available to the Risk and Governance Manager on request, in order to provide assurances to interested parties such as the Authority's Audit Committee.*

## 4. Application

4.1 The following table identifies the Current and Target scoring, the Statement of Acceptance and whether the risk is within the Authority's Risk Tolerance. The table then identifies the appropriate action for each risk, based on the combination of these factors:

| Current Category Score | Target Category Score | Comment |
|---|---|---|
| 5 – 6 (Green) | 5 – 6 (Green) | Monitored and Reviewed via ORR's. |
| 3 – 4 (Amber) | 5 – 6 (Green) | Managed and Monitored via ORR's. |
| 3 – 4 (Amber) | 3 – 4 (Amber) | Managed and Monitored via ORR's. |
| 1 – 2 (Red) | 5 – 6 (Green) | Managed and Mitigated via ORR's. |
| 1 – 2 (Red) | 3 – 4 (Amber) | Managed and Mitigated via ORR's. |
| 1 – 2 (Red) | 1 – 2 (Red) | Escalated. |

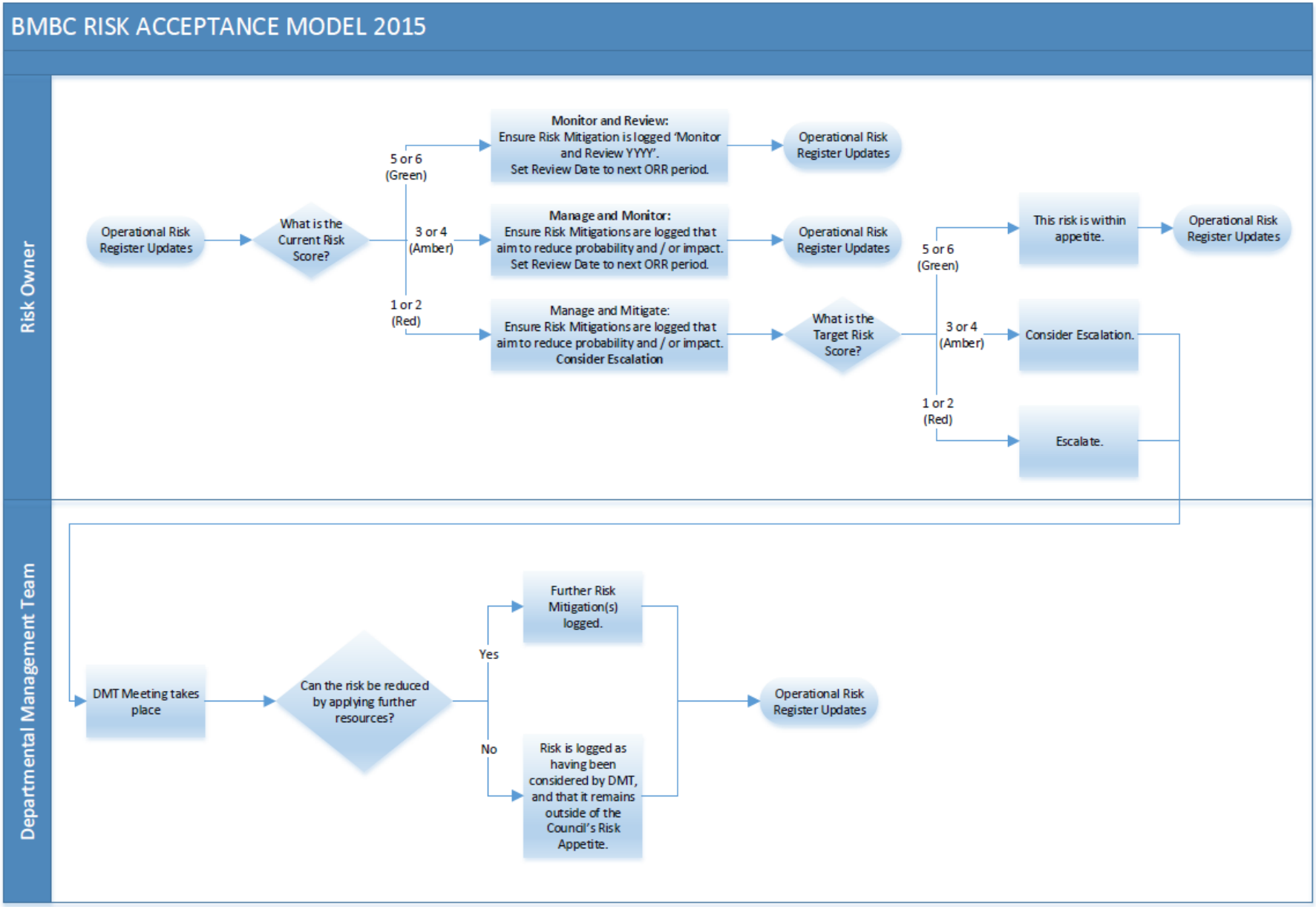
4.2 Appendix One details a process map, which has been designed to assist Risk Owners or Risk Managers in applying the principles of Risk Acceptance to their own risks, following Operational Risk Register reviews.

## 5. Assurance

5.1 The Risk and Governance Manager will prepare regular reports to the Council's Senior Management Team summarising the overall risk profile of the SRR, alongside those significant out of tolerance and acceptance risks.

5.2 As part of this reporting and assurance process, the management of significant strategic, operational and project risks are reported to the Audit Committee and Cabinet within existing reporting processes.

## Appendix One: Risk Acceptance Process Map 2018 (first developed in 2015)



**Risk Management Challenge Process**
**March 2017**

**Part One - Full Challenge**

## 1. Introduction

1.1 The Council recognises that risk will be inherent in the pursuit of corporate objectives. In order to achieve those objectives the Council needs to be aware of:

- The risks it faces, including those arising from Partnerships and Projects or Programmes;
- The risks that it is prepared to accept;
- The action necessary to manage those risks it is not prepared to accept.

This is encapsulated in following extract form the Risk Management Policy 2017:

**'To manage risks (and benefits or opportunities arising) in accordance with best practice through a culture where responsible, informed and controlled risk taking is encouraged within agreed risk tolerance parameters'**

## 2. Purpose

2.1 The purpose of the Challenge process is to gain assurance that risk management arrangements and risk registers comply with the above principles.

2.2 The Challenge process will use the following core criteria to evaluate the effectiveness of Risk Management within Directorates and Business Units by assessing:

- Whether the processes and methods used by management to identify all significant risks to the achievement of objectives are effective;
- Whether risks are correctly described, assessed and scored by management within the appropriate Business Unit risk register;
- Whether risk controls are appropriate, effective and conform to the Councils own Internal Control Framework and governance policies;
- Whether risk mitigations conform with the Authority's policies, and that they are being implemented appropriately;
- Whether risks are regularly reviewed and monitored;
- Whether risks falling outside the agreed Tolerance levels are escalated, and reported to appropriate bodies;
- Whether any Risks to Directorates and Business Units arising from their involvement with Partnerships / Relationships and Projects / Programmes are be included within the risk register.

## 3. Methodology

3.1 The following table sets out the core criteria used to evaluate the effectiveness of arrangements and the evidence required to demonstrate compliance:

| Criteria: | Evidence: |
|---|---|
| The processes used by management to identify all significant risks to the achievement of objectives are effective. | Risks are aligned to Corporate Plans/Vision/Priorities;<br>Where appropriate, Operational risks are aligned to Strategic Risks.<br>Risks arising from Business Planning / Service Delivery Planning are considered;<br>Risks arising from Partnerships and Relationships are considered;<br>Risks arising from Projects and Programmes are considered;<br>New and emerging risks (such as risks arising from Future Council / KLoE activity) are considered; |
| Risks are correctly described, assessed and scored by management. | Risks are properly described and potential consequences are understood;<br>Appropriate assessments are made regarding the Probability and Impact are made, both after the application of Controls, and after the application of Mitigations; |
| Risk controls are appropriate, effective and confirm to the Council's own Internal Control Framework and governance policies. | The controls in place to manage the risk can include elements of Authority's own Internal Control Framework and policies, or legislative or regulatory requirements, or specific Directorate / Business Unit procedures;<br>Where appropriate, fully implemented Mitigation plans should become controls; |
| Risk mitigations conform to the Council's policies, and that they are being implemented appropriately. | Mitigation Actions are developed within agreed timescales;<br>Mitigation Actions are owned by appropriate Managers; |
| Risks are regularly reviewed and monitored. | Directorate and Business Unit risks are reviewed in accordance with the Operational risk Register review timetable;<br>Directorates and Business Units have competent employees who are able to record updates; |
| Risks falling outside the agreed Tolerance levels are escalated, and reported to appropriate bodies. | There is an understanding that the Council's approach to risk is one of awareness and not risk aversion;<br>Evidence of risks being escalated, using the Risk Acceptance Model such as minutes or records of meetings; |

### 3.2 Partnerships / Relationships

3.2.1 There is a need to understand the (shared) risks which partnering organisations face and to gain assurances that appropriate Risk Management arrangements are in place, including confirmation that Partnership Risk Registers are regularly reviewed, and the results of these reviews are reported to the appropriate Partnership Board.

3.2.2 The Council's Partnership Governance Arrangements detail requirements in terms of the need to be able to evidence how the partnership is capable of managing risks to the successful delivery of the intended partnership outcomes.

### 3.3 Projects / Programmes

3.3.1 Risk Management arrangements must be in place, in accordance with the Council's Project Management Approach. It is essential that Project Risks are reviewed regularly, and where appropriate, out of tolerance risks are escalated to the appropriate Project Board.

## 4. Training

4.1 There may be a requirement to consider further training for Officers and / or Managers as part of the Challenge process. This may entail engaging with the Councils online learning and development tool, BOLD, and locating the appropriate Risk Management training package, or approaching the Risk and Governance Manager for a specific, tailored awareness or training session.

## 5. Added Value

5.1 The benefits of the Challenge Process include:

- Better Service Delivery;
- Stronger Corporate Governance;
- More efficient use of resources;
- Fewer surprises;
- More robust Project / Programme Management;
- Improved Partnership / Relationship working;
- Effective Change Management; and,
- Resilience Management;

5.2 The satisfactory completion of the Challenge Process will assist in overall Corporate Governance compliance, compilation of the Annual Governance Statement (AGS) and provide evidence as to the overall embedment of Risk Management within the Council.

5.3 Stronger and consistent Risk Registers will assist in the establishment of the Authority's overall Risk Profile and Risk Appetite and also aid in the development of effective risk informed auditing.

## 6. Reporting

6.1 Following the Challenge Process the Risk and Governance Manager is committed to:

- The preparation and discussion of a draft report with the client lead officer, within an agreed timescale, following completion of any specific examination of risk register and risk management arrangements;
- The preparation of a final report within an agreed timescale of the draft report being discussed.

6.2 This report will include details of agreed actions to improve the risk register or overall arrangements. The Risk and Governance Manager further commits to assisting (where appropriate) in the implementation of these actions.

6.3 In the case of Business Unit / Directorate Risk Registers, a copy report will also be submitted to the relevant Executive Director.

**7. Follow Up**

7.1 The Risk and Governance Manager will contact the Business Unit six months after the presentation of the report in order to ensure that the agreed actions have been progressed or implemented.

7.2 A follow-up report will also be issued to the relevant Executive Director.

**Risk Management**
**Training Strategy 2017 / 18**

## 1. Introduction / Drivers

1.1 An essential element of embedding Risk Management within the Council is to ensure that an appropriate programme of training and awareness is developed and implemented to enable employees to receive appropriate and clear messages regarding the benefits of being aware of and managing Risk. This is reflected in the following Future Council characteristic:

**'Innovative and managed risk taking – we will remove barriers to change, encourage, support and empower our employees to develop great new ideas and implement improvements.'**

1.2 The Risk Management Workplan contains the following activity:

'The development and delivery of training schemes in risk awareness for all appropriate staff and Elected Members.'

1.4 In order to successfully deliver against the Future Council characteristic and the Risk Management Workplan activity, this strategy is designed to signpost:

- *Who within the Council requires training / risk awareness*? E.g. Elected Members / Executive Directors / Service Directors / Senior Managers and Officers;
- *When will training / awareness be required?* E.g. Regular corporate events, Induction training, one off workshop training;
- *What level of expertise is required and at what level?* E.g. risk management awareness, detailed practitioner training, in depth expert training; and,
- *Types of training / methods of training / media?* E.g. Presentations, Workshops, E-Learning.

1.6 Appendix One details all training courses on offer from the Risk and Governance Manager, with details of suggested audiences, scope, outcomes, duration etc.

## 2. Training Programme

### 2.1 Workshop Training

2.1.1 Workshop Risk Training is normally delivered on a needs basis, to Project Teams who are in the initial stages of Project Planning. The Workshop setting is used to assist in:

- Risk Identification;
- Risk Assessment;
- Risk Mitigation; and,
- Risk Review, Communication and Governance.

2.1.2 The Workshop will normally begin with a basic précis of the Risk Management Process, and then begin to facilitate Risk Identification using information / documents such as:

- Business Cases;
- Project Initiation Documents; and,
- Proposed Objectives / Outcomes.

2.1.3 Post Workshop, the aim is to provide the Project Manager or Project Team with a Risk Register that can be used as an initial starting point to further carry forward and embed Risk Management within the Project environment.

2.1.4 The ongoing review and updating of the Risk Register is normally undertaken by a trained member of the Project or Business Support Teams. If necessary, the Risk and Governance Manager can liaise with named officers within the Risk Register and facilitate updates.

2.1.5 The Council's Corporate Project Management Approach details the framework in which BMBC projects are now managed, controlled and maintained.

**2.2 Operational Risk Register / Business Unit Risk Register Training**

2.2.1 Ensuring that operational / Business Unit risk registers remain vibrant and up to date, and that these registers are embedded into the governance arrangements of Business Unit activities is an essential element of the drive to continually improve the growing positive Risk Management culture within the Council.

2.2.2 The training of employees in the reviewing and updating of risk registers is delivered on a needs basis to individuals or small groups. Training will normally comprise the following elements:

- Locating and understanding the risk register framework;
- Understanding each element of the risk register;
- Updating and amending the Risk, the Assessment and the Mitigation Actions; and,
- Creating a new Risk, Assessment and Mitigation Actions.

**2.3 Corporate Training**

2.3.1 Corporate Training is normally delivered at programmed times on an annual basis. The training is delivered in a seminar / presentation setting.

2.3.2 The training material used in these sessions is reviewed throughout the course of the programme of training to ensure that feedback and evaluation comments are considered, and if appropriate, reflected in future presentations. The Training material is thoroughly refreshed on an annual basis to reflect the current risk environment, context, maturity etc

2.3.3. Corporate Training is targeted at all employees within the Council and its partnering organisations. With this in mind, the training does not focus on theory or process, but on the application and context of Risk Management within the relevant organisation.

## 2.4 Introduction to RM Training

2.4.1 It is intended to offer a bi-annual Introduction to Risk Management Training Programme, which would be held on specific, pre-planned (and publicised dates). This training would be delivered in a presentation setting.

2.4.2 It is intended this programme of training will include:

- Explanation of Risk / Risk Management;
- Drivers for Risk Management;
- Overview of the Risk Management Process;
- Basic overview of the Council's Risk Register structure;
- Risk Reporting and Communication; and,
- A short test or self-assessment to ensure that the fundamental elements of the training have been understood.

2.4.3 This training could be offered to new starters and / or those wishing to improve upon their own skills in the subject.

## 2.5 Schools Training

2.5.1 Seminar based training for Schools has been previously delivered which resulted in the majority of BMBC maintained schools endorsing the Risk Management Policy and Strategy. Since then further work has been undertaken with individual Schools, in a workshop setting to undertake a process wherein:

- Risk are identified and discussed;
- Assessments are undertaken;
- Mitigation Plans are identified; and,
- A risk register is created, logging the above for submission to the school's Governing Body.

2.5.2 This training is complemented by a series of standard / off the shelf documents including:

- Schools Risk Management Policy and Strategy;
- Terms of reference for Risk Management Committee / additions to existing terms of reference for Finance or Health and Safety Committee;
- List of indicative risks; and,
- Risk Register template and complementary user guide.

## 2.6 Elected Member Training

2.6.1 Elected Members must have an appropriate understanding of Risk Management, as well as the requisite skills and competencies to ensure robust challenge and consideration of risk issues within the decision making process of the Council.

2.6.2 Elected Member Training has been previously delivered on a needs basis. Requests for training normally manifest via the Council Governance Unit or the Member Support / Scrutiny Office, as part of the overarching Corporate Member Training Programme.

2.6.3 Training is delivered in a seminar setting, and incorporates elements of the Corporate Training package, as well as specific elements directed at the role / duties / responsibilities of Members. Specific training has previously been delivered to Cabinet regarding risks around decision making and governance.

2.6.4 Risk Management now forms part of the standard Corporate Member Training Programme, and a regular, annual session is now planned as part of this programme.

**2.7 E-Learning**

2.7.1 Two 'Introduction to Risk Management' E-learning courses are now available via the Barnsley On-Line Development (BOLD) intranet site, which can be located here. One course is focused on the Risk Management competencies expected of Elected Members, the other course is designed specifically for officers.

**2.8 Scenario Planning / Lessons Learnt**

2.8.1 A number of Lessons Learnt workshops have been facilitated by the Risk and Governance Manager including the Civic Hall and Mandela Garden redevelopment, the 2014 Tour de France event, and the 2015 Tour de Yorkshire event.

2.8.2 A Lessons Learnt report has been developed which collates the individual 'lessons learnt' from previous workshops into a succinct document that seeks to identify and promote the best practices prompts from previous workshops.

2.8.3 Further Lessons Learnt workshops will be undertaken, on a needs basis.

**3. Training Evaluation**

3.1. All attendees on training sessions delivered by the Risk and Governance Manager are asked to complete an evaluation of the training delivered. This evaluation form is based on a corporate training evaluation form.

3.2 Feedback is collated post training, and is examined and where appropriate amendments are made to the training or further contact is made with the officer concerned.

**4. Outcomes / Conclusions**

4.1 The full suite of training offered by the Risk and Governance Manager is detailed in Appendix One of this report.

**Appendix One – Full Suite of Training Courses Available from Risk Management.**

## 5. Appendices

5.1 Appendix One – Breakdown of Training Courses Available from Risk Management.

| Title of Training: | Audience: | Scope: | Outcomes: | Content: | Duration: |
|---|---|---|---|---|---|
| Workshop Training (Projects / Partnerships) | Project Managers.<br>Project Team Members.<br>Workstream Lead Officers.<br>Partnership officers (internal and external) | Assistance in Risk Identification, Assessment, Mitigation and Review.<br>Advice on Project / partnership Governance / Structures | A Project / Partnership Risk Register that has risks relevant to the project Business Case, Assumptions / Constraints/ MoU.<br>A mechanism for escalating risk | Dependant on particular Project / Partnership, but could include:<br>▪ Analysis of Project BC / PID or Partnership MoU or equivalent;<br>▪ Initial Risk Identification and analysis using 'Bow Tie' methodology;<br>▪ Implementing a robust Project / Partnership Governance Structure. | Dependant on Project / Partnership.<br><br>Workshop itself no more then 3 – 4 hours plus post workshop with attendees as required. |
| Operational Risk Register Business Unit Risk Register Training | Named Risk Managers / Owners.<br>Named Mitigation Owners.<br>Officers involved in the updating of Risks. | Guidance and support using the Councils Risk Register structures | Users will be issued their own user credentials and will be able to:<br>▪ Locate risk register(s);<br>▪ Amend Risks;<br>▪ Add new Risks;<br>▪ Review and Update Risks; | The content depends on the requirements of the person being trained – are they supporting others who own / manage risk or are they directly involved in managing / owning risk. | 1 – 2 hours direct / one to one support.<br><br>Extra support / refresher training as required. |
| Corporate Training e.g. 'Think Risk' or 'What could Possibly go Wrong?' | Executive Directors.<br>Service Directors<br>Heads of Service. | Application and context of Risk Management within the Authority. | Understand the importance of:<br>▪ Managing the right Risks;<br>▪ Managing Risks in the right way;<br>▪ Application of Risk Tolerance;<br>▪ Building on a developing culture of Risk Awareness. | What Could Possibly go Wrong?<br>▪ What is Risk?<br>▪ Are we managing the risk Risks?<br>▪ Are we managing risks in the right way?<br>▪ KLoE risk;<br>▪ Project / Programme Risk;<br>▪ Impact of attitudes / behaviour;<br>▪ 'People' related risk and controls;<br>▪ Risk Based Decision Making;<br>▪ Risk Tolerance and Escalation;<br>▪ Risk Culture;<br>▪ Benchmarking. | 1.5 – 2 hours. |

| Title of Training: | Audience: | Scope: | Outcomes: | Content: | Duration: |
|---|---|---|---|---|---|
| Introduction to Risk Management (Induction training)<br><br>**See 'E-Learning – Introduction to Risk Management' Section** | New starters / new members of staff.<br>Newly Elected Members. | An understanding of key principles:<br>▪ What is Risk?<br>▪ What is a Risk Register?<br>▪ What is Assurance?<br>▪ Roles and Responsibilities.<br>▪ General benefits of Risk Management. | Understanding the major benefits of Risk Management, including:<br>▪ Better Service Delivery;<br>▪ Stronger Corporate Governance;<br>▪ Prevents surprises;<br>▪ Good Management;<br>▪ Resilience;<br>▪ Compliance / Regulatory benefits. | ▪ What is Risk / What is Risk Management?<br>▪ Drivers / Benefits;<br>▪ BMBC Risk Management<br>▪ Risk Management Process;<br>▪ Risk Management Database;<br>▪ Risk Tolerance and Escalation;<br>▪ Risk Management and Assurance. | 45 minutes |
| Schools Training – Seminar (general) and Workshop (1-2-1) environments | Headteachers, Principals, Leadership Teams, Governing Bodies, School Business Managers / Bursars / Finance Officers and other interested parties | Understanding of the following:<br>▪ Risk Identification (what are the significant risks we are facing?)<br>▪ Risk Assessment (how will these risks affect us?)<br>▪ Risk Mitigation (what can we do to respond to these risks?)<br>▪ Risk Review and Escalation (how risk management can provide assurances to management?) | Raising awareness of risk and opportunity, and begin the embedding of a risk aware culture in schools.<br>Providing schools with the skills and tools to record and respond to risk and provide assurances to governors, senior management and wider stakeholders.<br>Enabling schools to provide a complete Annual Governance Statement, within which Risk Management forms an essential part; | Using prepared documentation, attendees are asked to consider:<br>▪ Risk Identification – either scenario based, or specific to individual school;<br>▪ Risk Assessment;<br>▪ Risk Mitigation;<br>▪ Risk Review<br>The seminar / workshop also deals with the Risk Management Framework, including a model Policy and Strategy, Governance Structures (model committee ToR's) and Reporting and Communication. | 1.5 – 2.5 hours for both Workshop and Seminar based training. |
| Member Training | Elected Members<br>Co-opted Members | Application and context of Risk Management within the Authority.<br><br>These sessions will normally take salient points from the Corporate Training | These sessions will normally take salient points from the Corporate Training package. | These sessions will normally take salient points from the Corporate Training package. | 'Awareness' Sessions: 3 – 10 minutes.<br><br>'Training' Sessions: 1 – 1.5 hrs. |

| Title of Training: | Audience: | Scope: | Outcomes: | Content: | Duration: |
|---|---|---|---|---|---|
| | | package. | | | |
| E-Learning Introduction to Risk Management | All Employees | Basic Risk Management training. It is envisaged this may form part of New Starter / Induction training, or act as an initial course to raise awareness of Risk Management matters. | The main objective of the course is to impress the role individuals play for Risk Management to be effective. These include:<br>▪ Understand why Risk Management matters to the Authority;<br>▪ Be aware of potential key risks;<br>▪ Understand how risk can be effectively managed;<br>▪ Understand the Authority's Risk Management process. | Online training.<br><br>Around 50 screens and a short test at the end (15 questions). | 45 minutes. |
| Lessons Learnt / Scenario Planning | Those involved in large projects / programmes. | Consideration of the following:<br>▪ Were the objectives of the Project BC adhered to?<br>▪ Were issues regarding Time, Costs and Scope suitably managed?<br>▪ Were appropriate Governance structures in place?<br>▪ Can we learn from any mistakes? | The objective of any Lessons Learnt workshop would be to ensure any mistakes made are identified, analysed and any lessons to be learnt are disseminated across the Authority.<br><br>Normally, a report detailing the key risks and mitigations, survey outputs and workshop outputs will be submitted to the Project Sponsor / SMT for consideration. | Review of project time line, using survey to assist in reminding attendees of key issues / events to consider.<br><br>Identification of risks that were known, that manifested. Did the mitigations make a difference?<br><br>Identification of risks that were unknown, that manifested. Should we have known?<br><br>Analysis of key risk using 'Bow Tie' Methodology. | 2 – 3 hours for workshop itself; more time may be required in terms of preparation / interviews prior to workshop setting. |

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**Report of the Director of Core Services
to the Audit Committee to be
held on 19th April, 2017**

**AUDIT COMMITTEE TERMS OF REFERENCE**

## 1. Purpose of Report

1.1 To consider amending the Terms of Reference of the Committee to take account of Future Council developments and the establishment of the Core Services Directorate.

## 2. RECOMMENDED TO ANNUAL COUNCIL

2.1 That the revised Terms of Reference as detailed within the appendix to the report be approved

## 3. Background

3.1 The Audit Committee is a well-established part of the Council's governance structure and although this is a non-statutory requirement, the existence of a member body with responsibility for oversight of the Authority's framework for overall assurance and internal control has become recognised as best practice. This first emerged as an essential requirement of the former CPA Use of Resources Assessment.

3.2 The Committee provides additional challenge and independence and it is generally considered to have been a successful addition to the Council's Governance arrangements.

## 4. Work Programme

4.1 As Members will be aware, the Work Programme for the Committee has remained relatively static for some years and its focus has largely been confined to internal audit and financial matters. Other aspects of corporate governance such as Information Governance, Partnership Governance, Workforce Management Performance Management and Health and Safety and Resilience are not covered by the Committee or included within the Terms of Reference.

4.2 Members will recall that at the Workshop Meeting held in November, 2016 and at several meetings since, the advantages of re-energising the Committee and widening the Work Programme were discussed particularly within the context of the establishment of the establishment of the Core Services

Directorate which will bring together most of the areas of the Council's Framework for overall assurance and internal control. The responsibility for reporting on the various areas of activity will fall to the Service Directors or equivalent within the new Directorate.

## 5. Strategic Risk, Information Governance and Internal Audit Recommendations

5.1 Members have, in the past, asked for Senior Management Team (SMT) members to have a greater dialogue with the Committee particularly in relation to ongoing assurance issues identified within reports relating to various Directorate activities and, in particular, those which are subject to Internal Audit recommendations.

5.2 One way of fostering greater engagement with the work of the Committee could be, for example, by taking an item from the Strategic Risk Register (at least at some of the meetings). Those SMT members could be invited to provide background and reassurance to the issue under consideration and this could be organised as part of the management of the agenda for meetings. In addition one additional member of SMT could attend each meeting of the Committee.

5.3 Members have, at times, raised the issue of the timely compliance with Internal Audit recommendations. There are often good reasons why the timescales agreed between a Business Unit and internal audit cannot be complied with such timescales being revised by mutual agreement. The attendance of SMT members at meetings of the Committee could assist in highlighting the importance of setting realistic timescales relative to overall workload commitments.

5.4 Information Governance is not part of the Core Services Directorate and neither is it included within the Work Programme, however, it is suggested that this be incorporated as part of the wider revision of the Terms of Reference. This would, amongst other things, enable incidents of information security breaches and cyber-attacks to be reported and for the Committee to take a view on the action taken and implications thereof.

## 6. Terms of Reference

6.1 The above proposals will, of course, require an amendment to the Committee's Terms of Reference which, if approved will take effect from the next municipal year.

6.2 A copy of the proposed revised Terms of Reference are attached as an Appendix to the report.

## 7. Employee Implications

7.1 There are no employee implications arising from this report

## 8. Financial Implications

8.1 There are no financial implications arising directly from this report.

## 9. Background Papers

Workshop meeting held on the 2nd November, 2016

**Officer Contact:** Executive Director Core Services
**Telephone Number:** 01226 773006
**Date:** 3rd April, 2017

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**APPENDIX A**

## Audit Committee

A. General Remit

1. To provide independent assurance of the adequacy of the risk management framework and the associated control environment.

2. To provide independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment.

3. To oversee the financial reporting process.

4. To promote the application of and compliance with effective governance arrangements across the Authority and its partner organisations.

B. Internal Control incorporating Risk Management, Financial Probity and Stewardship

(a) To consider the overall adequacy and effectiveness of the system of internal control and the arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness (value for money).

(b) To ensure that the highest standards of financial probity and stewardship are maintained throughout the Authority, within policies set by the Council from time to time.

(c) To develop such policies for consideration and approval by the Council.

(d) To promote effective internal control by the systematic appraisal of the Authority's internal control mechanisms and by the development of an anti-fraud culture.

(e) To promote effective risk management throughout the Council in accordance with the Council's Risk Management Policy Objectives Statement.

(f) To periodically review the Authority's strategic risk register and to invite, when appropriate, a Member of the Senior Management Team to meetings to discuss strategic risks within their specific service area.

(g) To consider, challenge and comment on the Annual Governance Statement.

**(h) To receive periodic reports on the performance on the work of the Core Services Directorate against the corporate priorities and specifically in relation to:**

- **Human Resources**

- **Business Improvement and Communications**
- **Health & Safety & Resilience**
- **Governance and Member Support**

**(i) To receive periodic reports on the performance of the Information Governance Service against corporate priorities.**

**(j) To encourage wider dialogue with members of the Senior Management Team by inviting them to meetings on a periodic basis to give assurance about issues identified within reports relating to various Directorate activities and, in particular, those which are subject to Internal Audit recommendation**

C. Internal Audit

(h) To oversee, in consultation with internal auditors, the preparation and approval of an annual audit plan for the Authority and to receive periodic reports from the internal auditor on performance against the plan.

(i) To monitor compliance with internal audit reports following their consideration by management.

(j) To examine reports previously submitted to the Cabinet in respect of ongoing activities and investigations conducted by internal auditors and to make appropriate comments and recommendations.

(k) To review the performance of the internal audit function by way of quarterly performance management reports.

(l) To consider the Head of Internal Audit's annual audit report and opinion, and a summary of internal audit activity (actual and planned) and the level of assurance it can give over the Council's corporate governance arrangements.

(m) To enhance the profile, status and authority of the internal audit function and demonstrate its independence.

(n) To approve and periodically review the Internal Audit Strategy and Audit Charter

D. External Audit and other Inspectorates or Regulatory Bodies

(o) To oversee, in consultation with external auditors, the preparation of the annual audit plan for the Authority and to receive periodic reports from the external auditor on performance against the plan.

(p) To consider and report to Cabinet and the Council the annual audit and inspection letter.

(q) To consider the appointment of the Council's external auditor.

(r) To monitor compliance with external audit, external inspectorate and Ombudsman reports following their consideration and resolution by the Cabinet and/or Council.

(s) To determine any payments or provide other benefits in cases of maladministration by the Authority within the scope of section 92 of the Local Government Act 2000.

E. Other

(t) To consider general issues and statistics in relation to the Council's Corporate "Whistleblowing" Policy.

(u) To review the Authority's arrangements for establishing appropriate anti-fraud policies and procedures.

(v) To monitor compliance with and the effectiveness of anti-fraud and corruption policies and procedures.

(w) To monitor compliance with the Authority's Partnership Governance Framework.

(x) To consider and review compliance with the Authority's Treasury Management policy.

F. Accounts

(y) To review the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by External Audit.

(z) To contribute to the annual review, consideration and challenge of the financial statements.

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# Technical update

**Incorporating the External Audit Progress Report**

**Barnsley Metropolitan Borough Council**

**April 2017**

# Contents

**The contacts at KPMG in connection with this report are:**

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This report provides the audit committee with an overview on progress in delivering our responsibilities as your external auditors.

The report also highlights the main technical issues which are currently having an impact in local government.

If you require any additional information regarding the issues included within this report, please contact a member of the audit team.

We have flagged the articles that we believe will have an impact at the Authority and given our perspective on the issue:

High impact | Medium impact | Low impact | For information

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# External audit progress report

**January 2017**

# External audit progress report

This document provides the audit committee with a high level overview on progress in delivering our responsibilities as your external auditors.

At the end of each stage of the audit we issue certain deliverables, including reports and opinions. A summary of progress against these deliverable is provided in Appendix 1 of this report.

| Area of responsibility | Commentary |
|---|---|
| **Financial statements** | *We have completed our audit planning, and presented our Audit Plan to you in March 2017.*<br>*Our interim audit is substantially complete and we will bring our interim audit report to the June audit committee.* |
| **Value for Money** | *We continue our work on value for money throughout the audit. We will include any findings from our interim audit visit as part of our interim audit report.* |
| **Certification of claims and returns** | *Planning is currently underway for our certification of your claims and returns. We will be undertaking work on the 2016/17 Housing Benefit & Council Tax Benefit Claim in line with Public Sector Audit Appointments (PSAA) guidance. We also anticipate certifying the following grant claims and returns which fall outside of the PSAA regime:*<br>- *Teachers Pension Agency Return, and*<br>- *Pooling of Housing Capital Receipts.* |
| **Other work** | *We have no additional work to bring to your attention.* |



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# KPMG resources

**KPMG resources**

# Publication 'Value of Audit - Perspectives for Government'

**What does this report address?**

This report builds on the Global Audit campaign – *Value of Audit: Shaping the future of Corporate Reporting* – to look more closely at the issue of public trust in national governments and how the audit profession needs to adapt to rebuild this trust. Our objective is to articulate a clear opinion on the challenges and concepts critical to the value of audit in government today and in the future and how governments must respond in order to succeed.

Through interviews with KPMG partners from nine countries (Australia, Canada, France, Germany, Japan, the Netherlands, South Africa, the UK and the US) as well as some of our senior government audit clients from Canada, the Netherlands and the US, we have identified a number of challenges and concepts that are critical to the value of audit in government today and in the future.

**What are the key issues?**

— The lack of consistent accounting standards around the world and the impacts on the usefulness of government financial statements.

— The importance of trust and independence of government across different markets.

— How government audits can provide accountability thereby enhancing the government's controls and instigating decision-making.

— The importance of technology integration and the issues that need to be addressed for successful implementation

— The degree of reliance on government financial reports as a result of differing approaches to conducting government audits

The *Value of Audit: Perspectives for Government* report can be found on the KPMG website at https://home.kpmg.com/xx/en/home/insights.html

The *Value of Audit: Shaping the Future of Corporate Reporting* can be found on the KPMG website at www.kpmg.com/sg/en/topics/value-of-audit/Pages/default.aspx



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**KPMG resources**

# Publication 'Reimagine – Local Government'

KPMG have published a number of reports under the headline of *Reimagine – Local Government*. These are summarised below:

**Council cash crunch: New approach needed to find fresh income**
— By 2020, councils must generate all revenue locally.
— More and more are looking towards diversifying income streams as an integral part of this.
— Councils have significant advantages in becoming a trusted, independent supplier.
— To succeed, they must invest in developing commercial capability and capacity.

**Councils can save more than cash by sharing data**
— Better data sharing in the public sector can save lives and money.
— The duty to share information can be as important as the duty to protect it.
— Local authorities are yet to realise the full value of their data and are wary of sharing information.
— Cross-sector structures and the right leadership is the first step to combating the problem.

**English devolution: Chancellor aims for faster and more radical change**
— Experience of Greater Manchester has shown importance of strong leadership.
— Devolution in areas like criminal justice will help address complex social problems.
— Making councils responsible for raising budgets locally shows the radical nature of these changes.
— Cuts to business rates will stiffen the funding challenge, even for the most dynamic councils.

**Senior public sector pensions**
— Recent changes to pensions taxation have particularly affected the public sector, with fears senior staff may quit as pension allowances bite.
— 'Analyse, control, engage' is the bedrock of an effective strategy.

**Time for the *Care Act* to deliver**
— Momentum behind last year's *Care Act* risks stalling.
— Councils are struggling to create an accessible care market with well-informed consumers.
— Local authorities must improve digital presence and engage providers.
— Austerity need not be an impediment to progress. It could be an enabler.

The publications can be found on the KPMG website https://home.kpmg.com/uk/en/home/insights/2016/04/reimagine-local-government.html



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**KPMG resources**

# Publication 'The future of cities'

We are delighted to share *The future of cities*, a report that helps local government leaders build and evaluate sustainable cities for their current and future generations.

**What is *The future of cities*?**

*The future of cities* is a global report that follows from the UK firm's thought leadership partnership with the City of Bristol and the work surrounding its European Green Capital 2015 designation. The report is broken into two modules that draw on the expertise of KPMG practitioners around the world and includes a range of case studies to ensure you find approaches relevant to your context.

The first module, *The future of cities: creating a vision*, explains the central role of vision in the success of second cities, identifying seven guiding principles to make cities more attractive. Examples are provided of various cities around the globe that are putting some of these principles into action.

The second, *The future of cities: measuring sustainability*, discusses some of the ways in which cities are being measured and how these metrics could evolve. More important, it provides practical examples of what leading cities are doing, the lessons to be learned and how these can be applied to other cities.

This content is now featured on kpmg.com/futurecities where readers can access a broader collection of reports and shorter opinion pieces from KPMG's leading thinkers on different aspects on how to create better, more sustainable places to live and work.



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# Technical developments

# Consultation on 2017/18 work programme and scales of fees

**Level of impact: ○ (For Information)**

Public Sector Audit Appointments Ltd (PSAA) has published its consultation on the 2017/18 work programme and scales of fees.

The consultation sets out the work that auditors will undertake at principal local government and police bodies for 2017/18, with the associated scales of fees. The consultation document, and the lists of individual scale fees, are available on the 2017/18 work programme and scales of fees consultation page of the PSAA website: www.psaa.co.uk/audit-and-certification-fees/201718-work-programme-and-scales-of-fees

There are no planned changes to the overall work programme for 2017/18. It is therefore proposed that scale fees are set at the same level as the scale fees applicable for 2016/17.

The work that auditors will carry out on the 2017/18 accounts will be completed based on the requirements set out in the *Local Audit and Accountability Act 2014* and under the *Code of Audit Practice*.

The consultation closed on Thursday 12 January 2017. PSAA will publish the final work programme and scales of fees for 2017/18 in March 2017.

This is the final year for which PSAA will set fees under the current transitional arrangements. The Secretary of State for Communities and Local Government has specified PSAA as an appointing person for principal local government and police bodies, under the provisions of the *Local Audit and Accountability Act 2014* and the requirements of the *Local Audit (Appointing Person) Regulations 2015*.

This means that PSAA will make auditor appointments under new audit contracts to bodies that choose to opt into the national scheme the company is developing, for audits of the accounts from 2018/19.

Further information is available on the appointing person page of the PSAA website: www.psaa.co.uk/supporting-the-transition/appointing-person



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# Overview of Local Government

**Level of impact: ○ (For Information)**

The NAO has recently published an Overview of Local Government

The overview looks at the local government landscape and summarises both matters of likely interest to Parliament and the National Audit Office's (NAO's) work with local authorities. These include Local Government Responsibilities, Funding and Service Spending and the findings from the NAOs work on Local Government.

The overview is available from the NAO website at www.nao.org.uk/report/overview-local-government



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# Appendix

**Appendix 1**

# 2016/17 audit deliverables

| Deliverable | Purpose | Timing | Status |
|---|---|---|---|
| **Planning** | | | |
| Fee letter | Communicate indicative fee for the audit year | April 2016 | Complete |
| External audit plan | Outline our audit strategy and planned approach<br>Identify areas of audit focus and planned procedures | March 2017 | Complete |
| **Interim** | | | |
| Interim report | Details and resolution of control and process issues.<br>Identify improvements required prior to the issue of the draft financial statements and the year-end audit.<br>Initial VFM assessment on the Council's arrangements for securing value for money in the use of its resources. | June 2017 | TBC |
| **Substantive procedures** | | | |
| Report to those charged with governance (ISA 260 report) | Details the resolution of key audit issues.<br>Communication of adjusted and unadjusted audit differences.<br>Performance improvement recommendations identified during our audit.<br>Commentary on the Council's value for money arrangements. | September 2017 | TBC |



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**Appendix 1**

# 2016/17 audit deliverables (cont.)

| Deliverable | Purpose | Timing | Status |
|---|---|---|---|
| **Completion** | | | |
| Auditor's report | Providing an opinion on your accounts (including the Annual Governance Statement).<br><br>Concluding on the arrangements in place for securing economy, efficiency and effectiveness in your use of resources (the VFM conclusion). | September 2017 | TBC |
| WGA | Concluding on the Whole of Government Accounts consolidation pack in accordance with guidance issued by the National Audit Office. | September 2017 | TBC |
| Annual audit letter | Summarise the outcomes and the key issues arising from our audit work for the year. | November 2017 | TBC |
| **Certification of claims and returns** | | | |
| Certification of claims and returns report | Summarise the outcomes of certification work on your claims and returns for Government departments. | December 2017 | TBC |



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