REPORT FOR DECISION

Agenda Item	

MEETINGS:	**Audit Committee** **Executive** **Council**
DATE:	**21st June 2011** **13th July 2011** **14th September 2011**
SUBJECT:	**Risk Management Annual Report 2010/11**
REPORT FROM:	**Steve Kenyon, Assistant Director of Resources (Finance & Efficiency)**
CONTACT OFFICER:	**David Hipkiss, Risk Manager**

TYPE OF DECISION:	**COUNCIL - KEY DECISION**
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain

SUMMARY:	The Risk Management Annual Report provides Members with details of risk management activity that has taken place over the past 12 months. It outlines risk management policies and practices now in place and the key issues that will be addressed during the coming financial year.
OPTIONS & RECOMMENDED OPTION	Members are requested to re-affirm their support for the Council's approach to Risk Management, and note progress made throughout 2010/11 and actions planned for 2011/12.

IMPLICATIONS:

Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? **Yes**
Financial Implications and Risk Considerations:	See Executive Director for Resources comment below

Statement by Executive Director of Resources:

There are no direct resource implications arising from this report.

Risk management is an integral part of the Council's approach to Corporate Governance and service and financial planning and it is essential that robust risk management practices are put in place to safeguard the Council's assets and its reputation.

Corporate, departmental and operational risk assessments have been undertaken and key elements of the resultant Management Action Plans are incorporated into Departmental Service Plans.

Equality/Diversity implications: No

Considered by Monitoring Officer: Yes (Governance Panel)

Are there any legal implications? No

Staffing/ICT/Property: There are no direct HR, IT or property implications arising from this report.

Wards Affected: All

Scrutiny Interest: Internal Scrutiny

TRACKING/PROCESS   DIRECTOR:

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
16th May 2011	13th July 2011		
Scrutiny Committee	Committee	Council	
	Audit (21st June 2011)	14th September 2011	

1.0 BACKGROUND

1.1 The Executive approved the Council's Risk Management Policy and Strategy in March 2006 which is reviewed annually.

1.2 In 2010/11 risk management looked at strengthening the council's business continuity management across all service areas by ensuring a standard approach is undertaken and managed through a central database. 2010/11 also saw further work being undertaken to further raise awareness of the importance of risk and business continuity management in light of the economic recession and public service cuts and their impact upon service provision.

1.3 This report takes the form of an annual report on risk management activity that has taken place across the council and within each of the directorates.

2.0 IMPLEMENTING RISK MANAGEMENT

2.1 Risk management forms an integral part of strategic planning in the Council, ensuring early intervention and management of uncertainty in delivering key strategic priorities. The role of risk management in the Council's Financial and Forward Planning Cycle is at **Appendix A**.

2.2 Early intervention and assessment of risks ensures that departments are able to fully prepare for existing and emerging priorities, and manage their objectives effectively against financial, reputational and performance risks, whilst meeting the Council's Priorities and Team Bury's Ambitions.

2.3 This approach to risk management ensures a continuous and evolving process that runs throughout the council's core functional activities at all levels.

> *"Good risk management supports accountability, performance measurement and reward, thus promoting operational efficiency at all levels". A Risk Management Standard – Institute of Risk Management.*

2.4 Risk Assessment Action Plan Registers (RAAP's) are used across departments to record identified risks and opportunities, and actions being taken. RAAP Registers as they are referred to throughout this report are used at all levels throughout the Council to record information and help manage Corporate, Departmental, and Operational risks.

2.5 RAAP's are an effective tool to identify, evaluate and manage areas of uncertainty and exploit opportunities at corporate, departmental and operational levels and to ensure achievement of the Council's aims and objectives.

2.6 The Council's risk management framework is outlined in summary below;

- An approved Corporate Policy & Strategy for Risk Management that can be read online or downloaded
- Corporate Risk Management Group (Member level)

- Operational Risk Management Group (Officer level)
- Establishment of a "Governance Panel" comprising the Executive Director of Resources, Assistant Director for Legal & Democratic Services, Assistant Director of Resources & Head of Internal Audit.
- Comprehensive Intranet Risk Management Website and Toolkit
- Corporate Risk / Opportunity Assessment Action Plan Register
- Departmental Strategic Risk Assessment Action Plan Registers
- Operational Risk Assessment Action Plan Registers – held by service managers and maintained as part of the day to day management of service provision
- A Common Risk Register (General good practice guide)
- Dedicated Risk Management Section – Operating from Strategic Finance alongside but independent from Internal Audit
- "Team Bury" risk management framework Partnership Risk Assessment Model (PRAM)

2.7 Also in place is an effective communication and risk reporting network, with regular reports to:

- Full Council (annual report)
- Star Chambers
- Audit Committee
- Strategic Leadership Team
- Corporate Risk Management Group (Members)
- Operational Risk Management Group (Officers)
- Business Continuity Management representatives
- All departments and Service Heads

2.8 The diagram at **Appendix B** has been drawn up to help demonstrate Bury Council's risk management processes, illustrating strategic and operational planning across the authority, also the delivery of service and the movement and reporting of risks associated with these two key risk drivers within each of the departments.

3.0 DEPARTMENTAL PROGRESS 2010/11

3.1 The tables at **Appendix C** summarise what progress has been made against departmental risks during 2010/11. The risk reference numbers do not run numerically one after the other as each risk event is allocated its own unique reference and risks may have been removed from the register as a result of successful management or re-categorised during quarterly reviews. Key issues are summarised below;

3.2 Childrens Services

2010/11 high risks focused upon;

- Developing processes across Children's Trust
- Funding issues
- Vulnerable children
- Responding to the requirements of assessment & inspection regimes
- Retention and recruitment
- Organisational change programmes

Despite some success during 2010/11, the department is still highlighting a number of concerns reflected by the final quarter assessment results. The final quarter review period shows Children Services as having identified 5 high risk events based around funding, protection, looked after children, assessments and capacity.

3.3   Adult Care Services

2010/11 high risks focused upon;

- Market failure and capacity
- Change
- Partnerships
- Accommodation
- High cost packages
- Increasing demand
- The impact of the current economic climate

Despite some success during 2010/11, the department is still highlighting a number concerns reflected by the final quarter assessment results. The final quarter review period shows Adult Care Services as continuing to have a number of high risk events based around these same areas and medium risk events that focus on staffing issues, targets not being met and implementation of key strategies.

3.4   Environment & Development Services

2010/11 high risks focused upon;

- Budget pressures
- Reviews
- Capital resources
- Compliance

The final quarter review changed the number of high and medium level risks significantly, the review has removed them off the departmental risk register and onto respective service level risk registers where they are to be managed as operational risk events. Following the final quarter review, the department was indicating 2 high risks and 3 medium risk event based around budget, capital management, town centre developments, collaboration work and compliance.

3.5   Chief Executives

2010/11 high risks focused upon;

- The economic recession and its impact upon the property market
- Loss of opportunities to enhance capacity and performance
- Management and control of absenteeism
- Responding effectively to the financial challenges

A number of key successes during 2010/11 has seen a significant reduction in the number of high risks, this final quarter assessment results show the department having only 1 high risk based around the

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loss of opportunity with enhancing capacity and performance through alternative service delivery models.

4.0   CORPORATE RISKS

4.1   The Corporate RAAP records the council's most significant risks which are reviewed continually by Management Board – both through quarterly reviews, and as agenda items in their own right.   The Corporate Risk Register takes account of risk management activity taking place across departments allowing for the transfer of high risk and also of known future risk.

4.2   Member input is sought throughout the year via the Corporate Risk Management Group, and quarterly reports to the Audit Committee.

4.3   The table overleaf tracks the status of corporate risks throughout 2010/11.

4.4   The table at **Appendix D** aligns the Council's most significant risks as at 31st March 11 against the Councils' Priorities and Team Bury Ambitions.

Corporate Risks 2010/11

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/3/11
001	Locally, there is a risk that the budget is unsustainable.	12 High	12 High	12 High	8 High
003	Absenteeism levels are unacceptably high impacting upon performance, and incurring additional costs – overtime, agency staff etc..	8 High	8 High	8 High	8 High
004	In light of anticipated funding reductions the organisation needs to have an effective transformation process to ensure that services are delivered within available resources. It is likely this will impact on the range of services provided and levels of performance.	9 High	9 High	9 High	9 High
006	Demand led costs within Children Services are growing at a rate that cannot be contained within the current budget	12 High	12 High	12 High	12 High
007	Arrangements for workforce development / planning do not produce the staff mix (numbers, skills etc) required for future service delivery	6 Medium	6 Medium	6 Medium	6 Medium
008	Demands for Adult Social Care out-strip the available resources and capacity	6 Medium	6 Medium	6 Medium	6 Medium
010	There is an opportunity for the Council to review its Asset Base; maximising the performance / return on assets, and where necessary disposing of underperforming assets	6 Medium	6 Medium	6 Medium	6 Medium
013	Nationally, the review of public sector spending is likely to mean a reduction in funding, and a risk that Council Services can no longer be provided at their current level	16 High	16 High	16 High	16 High

5.0 **CHALLENGES FOR 2011/12**

5.1 The challenge for the coming year will be to ensure risk and business continuity management form an integral part of the council's response to continued spending reductions, ensuring threats and opportunities to service provision is managed effectively and service resilience is maintained throughout.

5.2 The following areas will be our main priority for 2011/12:

- Ensuring risk and business continuity management forms an integral part of service planning and delivery

- Building upon the work started by Management Board where key corporate risks are considered in depth alongside the quarterly review process.

- Continuing to raise Member involvement in risk management and business continuity.

- Continuing to strengthen risk management arrangements in key strategies such as the Medium Term Financial Strategy, the Workforce Development Strategy, the Asset Management Strategy, and the Transformation Strategy.

- Continuing the development of risk reporting and monitoring processes

- Strengthening risk management arrangements at operational level and with partnership arrangements.

- Ensure risk management focus is widened to better understand, manage and take advantage of opportunity risk as well as managing potential risk threats

- Benchmarking with other public and private sector organisations

- Strengthen service resilience against disruption through effective risk and business continuity management.

- Establishing a framework for Business Continuity Management across partnership activity

6.0 **CONCLUSIONS**

Considerable progress continues to be made in the area of risk management and in embedding the approach to risk management into the authority's processes and culture. However there is no room for complacency and this subject will continue to be given significant attention over the coming twelve months.
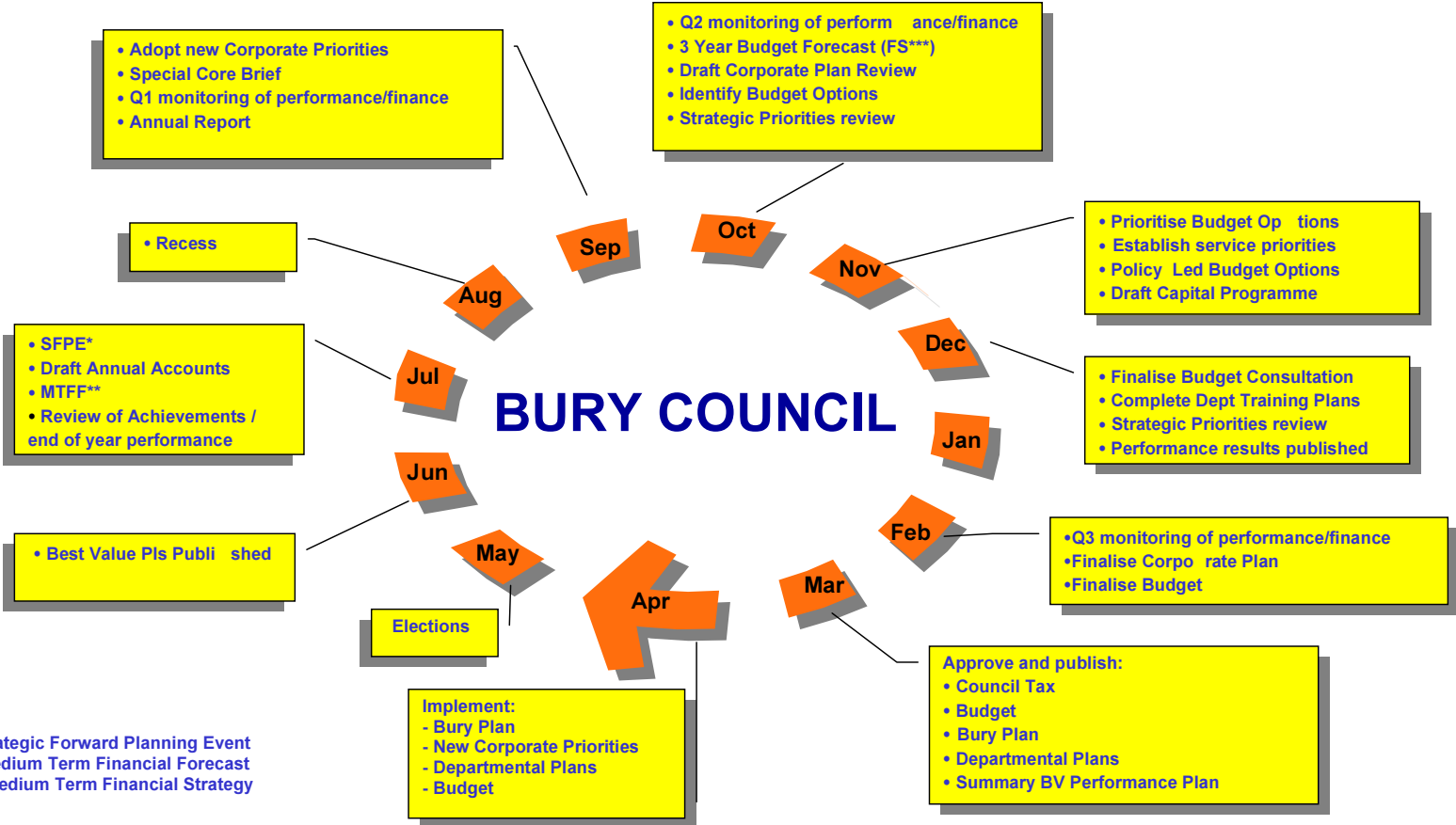
Background documents:

Risk Management Policy, toolkit & risk registers - maintained on Intranet.

For further information on the contents of this report, please contact:

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FINANCIAL AND CORPORATE PLANNING CYCLE

BURY COUNCIL

• Adopt new Corporate Priorities
• Special Core Brief
• Q1 monitoring of performance/finance
• Annual Report

• Q2 monitoring of perform   ance/finance
• 3 Year Budget Forecast (FS***)
• Draft Corporate Plan Review
• Identify Budget Options
• Strategic Priorities review

• Recess

• Prioritise Budget Op   tions
• Establish service priorities
• Policy Led Budget Options
• Draft Capital Programme

• SFPE*
• Draft Annual Accounts
• MTFF**
• Review of Achievements /
end of year performance

• Finalise Budget Consultation
• Complete Dept Training Plans
• Strategic Priorities review
• Performance results published

• Best Value PIs Publi   shed

•Q3 monitoring of performance/finance
•Finalise Corpo rate Plan
•Finalise Budget

Elections

Implement:
- Bury Plan
- New Corporate Priorities
- Departmental Plans
- Budget

Approve and publish:
• Council Tax
• Budget
• Bury Plan
• Departmental Plans
• Summary BV Performance Plan

Sep
Oct
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Aug

* Strategic Forward Planning Event
** Medium Term Financial Forecast
*** Medium Term Financial Strategy

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APPENDIX B

Executive Committee

Strategic Leadership Team

Corporate Risk Management Group

Annual Forward Planning Events

Bury Council Strategic Objectives & Priorities
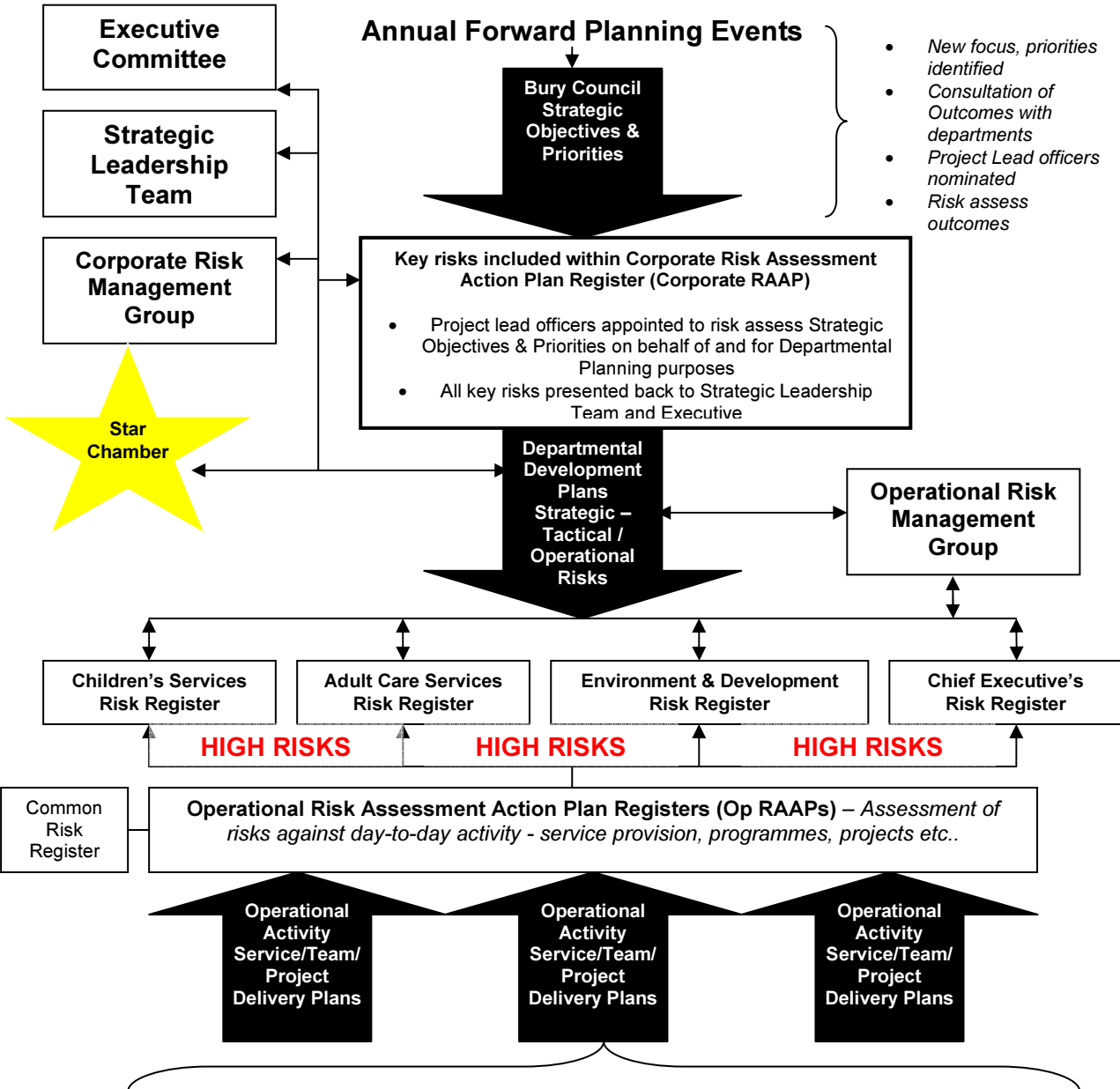
- New focus, priorities identified
- Consultation of Outcomes with departments
- Project Lead officers nominated
- Risk assess outcomes

Key risks included within Corporate Risk Assessment Action Plan Register (Corporate RAAP)

- Project lead officers appointed to risk assess Strategic Objectives & Priorities on behalf of and for Departmental Planning purposes
- All key risks presented back to Strategic Leadership Team and Executive

Star Chamber

Departmental Development Plans Strategic – Tactical / Operational Risks

Operational Risk Management Group

Children's Services Risk Register

Adult Care Services Risk Register

Environment & Development Risk Register

Chief Executive's Risk Register

HIGH RISKS   **HIGH RISKS**   **HIGH RISKS**

Common Risk Register

Operational Risk Assessment Action Plan Registers (Op RAAPs) – *Assessment of risks against day-to-day activity - service provision, programmes, projects etc..*

Operational Activity Service/Team/ Project Delivery Plans

Operational Activity Service/Team/ Project Delivery Plans

Operational Activity Service/Team/ Project Delivery Plans

Risks Internal & External Environment

External Drivers

Financial	Strategic	Operational	Hazards
Interest Rates	Competition	Regulations	Contracts
Credit	Customer Change	Culture	Natural events
	Industry change		Suppliers
	Customer Demand		Environment
	Political Change		

Internal Drivers

Financial	Strategic	Operational	Hazards
Liquidity	Research	Accounting	Employees
Cash Flow	Development	Information	Public Access
		Systems	Properties
			Products/Services

CHILDREN SERVICES

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/11	RISK STATUS AS AT 30/09/11	RISK STATUS AS AT 31/12/11	RISK STATUS AS AT 31/03/12	PROGRESS & KEY ACHIEVEMENTS
CS1/B	Development, implementation and embedding of common processes across the Children's Trust	9 High	9 High	9 High	Risk Removed	Robust Children's Trust performance management system in place. Contact-Point cancelled and changes in NHS Commissioning structures render this risk redundant in current form.
CS2	Poor levels of funding	12 High	12 High	12 High	12 High	Medium term financial strategy in place to address saving requirements. Transformation Strategy, focusing on Early Intervention and Prevention being developed to address structural deficit.
CS5	Human Resource & Workforce Development	9 High	9 High	6 Medium	6 Medium	Workforce strategy being revised in line with transformation strategy for the department. Control measures are being implemented but given scope of the work required there has not yet been an impact on the risk status.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/11	RISK STATUS AS AT 30/09/11	RISK STATUS AS AT 31/12/11	RISK STATUS AS AT 31/03/12	PROGRESS & KEY ACHIEVEMENTS
CS5/A	Single Status / Equal Pay	6 Medium	6 Medium	6 Medium	6 Medium	Roll out of Single Status within School staff and the ongoing legacy of it's implementation within the Department continue to present a high risk status.
CS12	Child Protection	12 High	12 High	12 High	12 High	Impact of the Baby P case continues to be reflected in an increase in workload and referrals. Impact of this risk event will always be 4.
CS12/A	Prevention and Reduction of looked after children	9 High	9 High	9 High	9 High	Impact of the Baby P case continues to be reflected in an increase in workload and referrals.
CS13	Assessment & Inspection	12 High	12 High	12 High	9 High	Multi-agency inspection preparation group in place. Responses to JAR Action Plan implemented and documented.
CS16	Management Capacity	12 High	12 High	12 High	9 High	Retention and recruitment problems continue. Restructure of senior management to reflect changing priorities of department.
CS18	Transfer of Post 16 duties	8 High	8 High	8 High	Risk Removed	Former LSC staff successfully transferred into CS.

ADULT CARE SERVICES

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	PROGRESS & KEY ACHIEVEMENTS
ACS1	Market failure and/or lack of market capacity	8 High	8 High	8 High	8 High	Remains on the risk register because of the changing nature of care services, re: DS & increasingly the development of Social Enterprises. Measures are continually being developed to minimise the impact this risk may have in the future.
ACS02	Resistance to new ways of working	8 High	8 High	8 High	4 Low	Extensive training has taken place around the implications of self directed support in terms of changed ways of working, especially with social workers but also with our 'provider' services. The restructure of Assessment & Care Management is now underway. The transformation of the in-house 'home care' service to a 're-enablement' service has also been completed. As such, this risk will be removed for 2011/12.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	PROGRESS & KEY ACHIEVEMENTS
ACS03	Lack of effective partnership working across agencies	9 High	9 High	9 High	9 High	Much work has been undertaken in the year, such as building in flexibilities with the PCT, developing integrated management structures and jointly funded posts. However, this must remain a high risk because of the fundamental changes occurring in the NHS – especially the abolition of PCT's, the new Wellbeing Board, new GP Consortium & the transfer of public health responsibilities.
ACS04	Delays in updating local needs assessment	Risk Removed				JSNA now completed satisfactorily.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	PROGRESS & KEY ACHIEVEMENTS
ACS05	Process is incapable of delivering self directed support	8 High	8 High	8 High	8 High	Measures to embed SDS into the culture of the department have taken place, & the evaluation of the SDS pilot was positive. 2011/12 will be a key year, as SDS will become the 'norm' for service provision, so SDS numbers will increase, all existing service users will be 'transferred', & systems will need to accommodate significantly larger volumes. Will also need to develop further outcome measures.
ACS06	Target number of assessment and reviews are not met	6 Medium	6 Medium	6 Medium	6 Medium	Whilst a range of planned measures to address performance targets have successfully been introduced the risk 'score' should remain unchanged, because of the changes to Assessment & Care Management Structures, SDS expansion & the transition during 2011 to a new social care database.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	PROGRESS & KEY ACHIEVEMENTS
ACS07	High Number of Residential Care Vacancies	9 High	9 High	9 High	4 Low	Successful closure of Redbank & Hazelhurst EPH's has reduced the number of vacant beds. Note: for future years the emphasis will be on reducing residential care placements (rather than vacancies)
ACS08	Target number of housing units not delivered	12 High	12 High	12 High	12 High	Strategy developed to ensure sufficient and suitable accommodation is provided which includes the modernisation projects for EPH's, LD day centres/hostels, sheltered housing & homelessness provision. Potential £3 million secured for redevelopment of Redbank site.
ACS09	Ability of ACS to meet existing demand and future demographic pressures from existing budget	16 High	16 High	12 High	16 High	Whilst 2010/11 projected overspend is much reduced, this continues to be due to one-off underspends, which will not re-occur. Demographic pressures will increase, esp. re: an ageing population & Autism. A MTFS is in place, but it is expected that the risk will remain as almost certain to happen.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	PROGRESS & KEY ACHIEVEMENTS
ACS10	Performance Levels are not maintained	**Risk Removed**				Last CQC inspection raised few points of concern. External reporting regime rationalised (less info required). Range of 'in-house' performance measures in force.
ACS11	Lack of information and advice available to the public	**8 High**	**8 High**	**8 High**	**4 Low**	A communications team & strategy are in place. ACS customer contact centre – 'connect & direct' – operational at Textile Hall. New ACS Website launched. Extensive SDS information available. Customer pathways reviewed as part of ACM review. No longer considered a significant risk area.
ACS12	High cost packages coming through from CS	**16 High**	**16 High**	**16 High**	**16 High**	Significant work continues transitions planning to help minimise the impact. Star Review has addressed this area & made series of recommendations. However, high cost packages will still remain largely unavoidable.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	PROGRESS & KEY ACHIEVEMENTS
ACS13	Failure to reach employment targets due to economic situation	12 High	12 High	12 High	6 Medium	Measures planned to help improve performance such as developing greater links with the chamber of Commerce and other key employers, holding conferences and seminars aimed at local businesses to promote the benefits of recruiting people with disabilities.
ACS14	Staff recruitment and retention	9 High	6 Medium	6 Medium	6 Medium	Risk has lowered as a result of the successful re-launch of Adult Care Training Partnership with external care providers, and the development of Bury ACES. The general economic climate has also had an impact. Risk likely to be removed in 2011/12.
ACS15	A loss of Carers Grant to support Carers Strategy & Development	12 High	12 High	12 High	3 Low	Government did not cut the carers grant, & Council decided to fully passport the grant. Risk will be removed 2011/12.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	PROGRESS & KEY ACHIEVEMENTS
ACS16	Failure to implement the 201/15 Adult Care Financial Strategy	12 High	12 High	8 High	6 Medium	Strategy developed & agreed by ACSMT in 2010. Document directly influences Departmental Plan. Will be updated in 2011 & annually thereafter. Specific issues will be separately risk assessed & will appear elsewhere in the register. Therefore risk will be removed in 2011/12.
ACS17	Failure to implement the 2010/15 Adult Care Workforce Strategy	12 High	12 High	12 High	6 Medium	Strategy developed & agreed by ACSMT in 2010. Document directly influences Departmental Plan. Will be updated in 2011 & annually thereafter. Specific issues will be separately risk assessed & will appear elsewhere in the register. Therefore risk will be removed in 2011/12.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	PROGRESS & KEY ACHIEVEMENTS
ACS18	Failure to implement the 2010/15 Adult Care Transformation Strategy	12 High	12 High	12 High	6 Medium	Strategy developed & agreed by ACSMT in 2010. Document directly influences Departmental Plan. Has been updated early in 2011 & annually thereafter. Specific issues will be separately risk assessed & will appear elsewhere in the register. Therefore risk will be removed in 2011/12.

ENVIRONMENT & DEVELOPMENT SERVICES

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	(How is the risk being managed?) PROGRESS & KEY ACHIEVEMENTS
EDS012	Failure to keep pace with deteriorating stock capital resource and investments	3 Low	3 Low	Risk transferred to CE's register		
EDS024	Ongoing budget pressures also impact of economic recession on income streams	9 High	9 High	9 High	9 High	Ongoing measures in place to ensure financial control and management of budget, resulting in projected under-spend in 2010/11. Risk remains high for 2011/12 and future years as a result of current economic climate, restrictions on local authority funding, supply problems and demand for services.
EDS025a	Transactional Services Review HR	9 High	6 Medium	3 Low	3 Low	Review completed and shared service now in place. Continue to review performance but risk can be removed.
EDS025b	Transactional Services Review Finance	6 Medium	3 Low	3 Low	Risk Removed	Identifying the changes required at an early stage enabled effective plans to be put into place to manage the transition and control risks.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	(How is the risk being managed?) PROGRESS & KEY ACHIEVEMENTS
EDS026	Collaboration shared services Bolton/Bury Alliance and closer working with NHS	6 Medium	6 Medium	6 Medium	6 Medium	Progress in delivering collaborative working practices through the Bolton Alliance has been disappointingly limited. The only actual example is that of Winter Maintenance and the fact it worked effectively through a very cold early winter was a testament to the detailed preparations and planning undertaken by both organisations in the lead up to the winter period. There is the potential to develop the collaboration on winter maintenance further. It is also evident however there is a wider piece of work happening across GM which we must remain mindful of in order to ensure we do not sacrifice potential efficiencies. Opportunities for collaboration exist in Highways Maintenance (live discussions ongoing with Bolton) and on some aspects of the Transformation process in service areas previously not considered.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	(How is the risk being managed?) PROGRESS & KEY ACHIEVEMENTS
EDS027	Insufficient capital resources to maintain assets or to meet council objectives for new development, including working in partnership and new legislative requirements	6 Medium	6 Medium	9 High	9 High	Effective arrangements in place to monitor approved schemes in 2010/11. Risk remains high for 2011/12 and future years as a result of current restrictions on capital funding and potential demand. Focus in the future will be on Invest to Save schemes and asset reviews
EDS028	Workforce issues – delayering and downsizing	4 Low	4 Low	4 Low	4 Low	Restructuring of services continuing to take place. Engaged in full consultation with both Trade Unions and employees. Impact upon workforce in terms of compulsory redundancies kept well below expectations.
EDS029	Capacity issues in relation to Service Improvement Reviews	6 Medium	6 Medium	Risk Removed		SIRs will no longer be taking place as the focus is now on Transformation Reviews - in line with the Council's need to balance the budget over the next four years.
EDS030	Environment protection. Carbon Management not embedded into all aspects of the Council's business	4 Low	4 Low	4 Low	4 Low	The Council's Carbon Management Plan is now adopted but there are still issues to ensure a coordinated and embedded approach.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	(How is the risk being managed?) PROGRESS & KEY ACHIEVEMENTS
EDS031	Monitoring of town centre developments	6 Medium	6 Medium	6 Medium	6 Medium	We are continuing to monitor and support activity in the district centres.
EDS032	Reducing flood risk and the impact of flooding by effective management and prevention action	4 Low	4 Low	4 Low	4 Low	We are now working collaboratively with AGMA to produce Flood Risk Assessments and SWMP, and create an organisation to respond to the new duties in the Flood and Water Act.
EDS033	Compliance with new Contract Procedure Rules	9 High	9 High	6 Medium	6 Medium	Understanding of the issues around the CPR has increased and work towards compliance across the range of services has progressed well resulting in the risk status reducing during the year. Use of The Chest, development of our own frameworks, and linking to other frameworks where possible has contributed to the reduction of risk.

Where it has not been possible to utilise any of the above solutions, an open tender process has been the chosen route in order to avoid subsequent challenge. |

CHIEF EXECUTIVE'S

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	(How is the risk being managed?) PROGRESS & KEY ACHIEVEMENTS
CE001	To maximise opportunities to develop back office systems and realise efficiencies /control enhancements: EDRM, CRM, AGRESSO, TRENT	6 Medium	6 Medium	6 Medium	6 Medium	Good progress has been made in respect of IT; P2P and the upgraded version of AGRESSO are now fully operational. Focus now needs to be on working practices to extract maximum benefit from new technology.
CE005	To effectively manage the period of pay protection, mindful of potential impact upon employee relations and absence levels	6 Medium	6 Medium	Risk Removed		Pay protection for pay and grading ended for the majority of staff on 31st August 10. A small number of staff have continued onto a second year of protection. In terms of protection for Part 3 payments, again the majority of those ended 31st March 11.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	(How is the risk being managed?) PROGRESS & KEY ACHIEVEMENTS
CE008	Failure to reduce Sickness and Absenteeism levels within the department	9 High	9 High	Risk Removed		The success of maintaining low absenteeism rates within the department has allowed for this risk to be downgraded and removed from the register
CE014	Opportunity to develop alternative service delivery models in respect of transactional HR, Finance, Procurement & Asset Management to enhance capacity, performance and secure efficiencies/cost and value for money	9 High	9 High	9 High	9 High	Good progress is being made in these areas, around the alliance between Bury and Bolton having agreed memo of understanding, governing structures and a work plan being produced.
CE015	To establish an effective framework for transformation / efficiency (e.g. Service Improvement Reviews) to respond to the financial challenges facing Local Government	9 High	6 Medium	6 Medium	6 Medium	Transformation Strategy in place and reviews being undertaken.

RISK REF.	RISK EVENT	RISK STATUS AS AT 30/06/10	RISK STATUS AS AT 30/09/10	RISK STATUS AS AT 31/12/10	RISK STATUS AS AT 31/03/11	(How is the risk being managed?) PROGRESS & KEY ACHIEVEMENTS
CE016	Failure to keep pace with deteriorating stock capital resource and investments. Non compliance with statutory inspections. Delivery of building and facilities management			3 Low	3 Low	£600,000 of capital resources allocated in 2010/11 Capital Programme to address backlog maintenance priorities. No further allocation of backlog funding for 2011/12. Therefore priorities, delivery, slippage and allocation of 2010/11 schemes are being reassessed to ensure that all outstanding schemes can be delivered within the current budget.
CE017	Monitoring of town centre developments			6 Medium	Risk Removed	All the schemes are now complete. Current town centre schemes are now monitored via the PIMMS system to inform and update members who have responsibility for Communities, Resource and Environment & Transport Portfolios.

The Council's Corporate Risks if not managed effectively will impact upon key strategic objectives of Team Bury and the Council. The table below provides a summary of where corporate risk threats and opportunities are currently impacting:

Corporate Risk	Corporate Risk Level	Council Priorities							Team Bury Ambitions								
		Cleaner, Safer, Greener	Choice of Quality Housing	Improved Culteral & Sporting Opportunities	Strengthened Communities	Fit for the Future	Improved Town Centres & Neighbourhoods	Promoting Healthier Living	The Place to Live in Greater Manchester	Area where People feel Safe & Secure	Healthiest Borough in the North West	Popular Visitor Destination	Premier Retail Town	Centre of Excellence for Education & Training	Each Township Thriving	Area with First Class Services	Quality Jobs for Bury People
Locally, there is a risk that the budget is unsustainable - there is a forecast overspend at current activity and performance	8																
Absenteeism levels are unacceptably high impacting upon performance and incurring additional costs - overtime, agency staff etc.	8																
In light of anticipated funding reductions the organisation needs to have an effective transformation process to ensure that services are delivered within available resources. It is likely this will impact on the range of services provided and levels of performance.	9																
Demand led costs within Children Services are growing at a rate that cannot be contained within the current budget.	12																
Arrangements for workforce development / planning do not produce the staff mix (numbers, skills etc) required for future service delivery.	6																

Demands for Adult Care out-strip the available resources and capacity.	**6**	
There is an opportunity for the Council to review its Asset Base; maximising the performance / return on assets, and where necessary disposing of underperforming assets.	**6**	
Nationally, the review of public serctor spending is likely to mean a reduction in funding, and a risk that Council Services can no longer be provided at their current level.	**16**	