

Cabinet Agenda

Date: Monday, 31st October, 2011
Time: 2.00 pm
Venue: Council Chamber, Municipal Buildings, Earle Street, Crewe
CW1 2BJ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any personal and/or prejudicial interests in any item on the agenda.

3. **Public Speaking Time/Open Session**

In accordance with Procedure Rules Nos.11 and 35 a total period of 10 minutes is allocated for members of the public to address the Committee on any matter relevant to the work of the Committee.

Individual members of the public may speak for up to 5 minutes but the Chairman will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers.

In order for an informed answer to be given, where a member of the public wishes to ask a question of a Cabinet Member three clear working days notice must be given and the question must be submitted in writing at the time of notification. It is not required to give notice of the intention to make use of public speaking provision but, as a matter of courtesy, a period of 24 hours notice is encouraged.

Please contact Cherry Foreman on 01270 686463
E-Mail: cherry.foreman@cheshireeast.gov.uk with any apologies or requests for further information or to give notice of a question to be asked by a member of the public

4. **Minutes of Previous Meeting** (Pages 1 - 6)

To approve as a correct record the minutes of the meeting held on 3 October 2011.

5. **Risk Management Update** (Pages 7 - 20)

To note the key corporate risks.

6. **Outside Organisations Appointments - Amendments and Additions** (Pages 21 - 24)

To consider a number of changes and an addition to the appointments made for 2011 – 2015.

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

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 on the grounds that the matters may be determined with the press and public excluded.

The Committee may decide that the press and public be excluded from the meeting during consideration of the following items pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1, 2, 3, 4 or 5 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

PART 2 – MATTERS TO BE CONSIDERED WITHOUT THE PUBLIC AND PRESS PRESENT

8. **Connexions Cheshire and Warrington** (Pages 25 - 50)

To consider the report of the Strategic Director Children, Families and Adults.

9. **Managing Workforce Change** (Pages 51 - 56)

To consider the report of the Head of Human Resources and Organisational Development.

10. **Key Decision 16 Congleton Town Centre Bridgestones Extension Scheme** (Pages 57 - 64)

To consider the report of the Strategic Director Places and Organisational Capacity.

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cabinet**
held on Monday, 3rd October, 2011 in Committee Suite 1,2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor R Domleo (Vice-Chairman) *in the Chair*

Councillors Rachel Bailey, D Brown, H Gaddum, P Mason, R Menlove and M Jones.

Councillors in attendance:

G Baxendale, J Clowes, R Fletcher, P Groves, L Jeuda, S Jones, B Murphy, A Thwaite and S Wilkinson.

Officers in attendance:

Chief Executive, Borough Solicitor and Monitoring Officer, Director of Finance and Business Services, Head of Human Resources and Organisational Development, ICT Manager, Strategic Director (Children, Families and Adults) and Strategic Director (Places Organisational Capacity).

59 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors W Fitzgerald and J Macrae.

60 DECLARATIONS OF INTEREST

There were no declarations of interest.

61 PUBLIC SPEAKING TIME/OPEN SESSION

Charlotte Peters Rock spoke in respect of the changes in the provision of Adult Social Care Services currently taking place in Cheshire East and questioned why (1) the public had not been able to attend a recent meeting of the Health and Wellbeing Scrutiny Committee at which she had intended to ask a number of questions and (2) why, when it had been agreed that meetings of that Committee would be held bi-monthly had none been held since 28 July 2011.

Although the question had not been received in advance of the meeting the Chairman informed her that whilst meetings of that Committee were open to the public there were occasions when all Committees needed to meet informally for planning purposes. The meeting that had originally been set for July had been used for such a purpose, it was an error that it had been shown as being open to the public and he apologised for the confusion this had caused.

62 MINUTES OF PREVIOUS MEETING

RESOLVED

That the minutes of the meeting held on 5 September 2011 be approved as a correct record.

63 KEY DECISION 17 - CARERS STRATEGY AND IMPLEMENTATION PLAN

Consideration was given to the development and implementation of the Carers Strategy which had been created following a series of consultation events held across Cheshire East and incorporated national drivers for Carers and legislation.

The endorsement of the Strategy would demonstrate the commitment of the Council across all directorates for the support of Carers and their families, formally record the appreciation of the work they did, and recognize this contribution as a vital part of the overall approach of delivering better outcomes to the citizens of Cheshire East.

RESOLVED

That the Strategy and Implementation Plan be endorsed.

64 ICT STRATEGY 2011-12

Consideration was given to the Information and Communications Technology (ICT) Strategy for 2011-12. The Strategy was reviewed and updated annually to ensure it remained in line with corporate objectives and improving technologies and summarised how this would be achieved by the ICT Strategy Team in conjunction with ICT Shared Services, partners and external providers.

RESOLVED

That the ICT Strategy for 2011-12 be endorsed.

65 NOTICE OF MOTION SUBMITTED BY COUNCILLORS S JONES AND R FLETCHER

At the meeting of the Council on 21 July 2011 Councillors R Fletcher and S Jones had submitted a Notice of Motion on the capacity of the Care Quality Commission (CQC) to carry out its functions effectively.

The report addressed how the Council might respond to the issues raised. In discussing the most appropriate body to investigate the position in Cheshire East, and in order to avoid any duplication of work by the Adult

Social Care Scrutiny Committee, an amendment was proposed to the decision requested whereby the matter be referred to the Safeguarding Adults Board *in conjunction with the Adult Scrutiny Committee*. The amendment was agreed.

RESOLVED

That the matter be referred to the Safeguarding Adults Board, in conjunction with the Adult Social Care Scrutiny Committee, with a view to them examining the matter and reporting back on

- The effectiveness of arrangements in Cheshire East between the Councils own a adult safeguarding function and that of the Care Quality Commission
- How well safeguarding provision has responded to personalisation
- The trends in safeguarding activity and the factors affecting it.
- Whether there are deficits in the arrangements such as to make the representations suggested in the motion necessary.

66 DRAFT NATIONAL PLANNING POLICY FRAMEWORK

Consideration was given to a report on the draft National Planning Policy Framework which would replace all current Planning Policy Statements; the report outlined some of the issues it raised for planning in Cheshire East and suggested a response to be made by the Council to the current consultation.

The proposed response, detailed in Appendix 1 of the report, had been considered by the Strategic Planning Board at its meeting on 28 September 2011; it was reported that Board had supported the draft response but made the following additional comments:

- That the response should say more about the importance of agriculture – as a producer of food and as an important business – and that the role of agricultural land should be given greater prominence in the debate over the development of land.
- That wherever possible officers will suggest new wording to accompany our comments of concern. It is considered that comments will carry more weight if positive wording is put forward in some cases.

Cabinet agreed that these comments should be incorporated into the response and, in addition, that the section in the covering response entitled 'The Favourable Presumption and Plans under preparation' should be expanded to include:

- That local plans remain protected until such time as the new National Planning Policy Framework is in place, and

- That information be included on the number of plans currently approved and in the pipeline awaiting implementation.

RESOLVED

That Council be recommended to approve the consultation response detailed in Appendix 1 of the report, subject to the inclusion of the following comments made by the Strategic Planning Board at its meeting on 28 September, and by the Cabinet.

- That the response should say more about the importance of agriculture – as a producer of food and as an important business – and that the role of agricultural land should be given greater prominence in the debate over the development of land.
- That wherever possible officers will suggest new wording to accompany our comments of concern. It is considered that comments will carry more weight if positive wording is put forward in some cases.
- That local plans remain protected until such time as the new National Planning Policy Framework is in place.
- That information be included on the number of plans currently approved and in the pipeline awaiting implementation.

67 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded from the meeting during consideration of the following item pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1 and 2 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

68 MANAGING WORKFORCE CHANGE

Consideration was given to the report of the Head of Human Resources and Organisational Development.

RESOLVED

That Cabinet supports the decision of the Chief Executive to release the employees whose roles are listed at 1 to 4 of Appendix A of the report

under the arrangements agreed in relation to voluntary severance provisions for employees in the Council.

That Cabinet notes the employee listed at 5 of Appendix A of the report, whose voluntary severance was approved by the Procurement, Assets and Shared Services Portfolio Holder under the terms of his delegated powers, in response to an urgent request from management.

The meeting commenced at 2.00 pm and concluded at 2.55 pm

(none)

This page is intentionally left blank

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting: 31 October 2011
Report of: Strategic Director (Places and Organisational Capacity)
Subject/Title: Risk Management Update
Portfolio Holder: Councillor David Brown

1.0 Report Summary

- 1.1 Risk management is a part of the overall management responsibility of all managers but there is clear responsibility and accountability for Cabinet in the operation of the Council business which directly involves issues of risk management. The Audit and Governance Committee is responsible for providing an independent assurance on the effectiveness of risk management processes, and control arrangements. This report provides Cabinet with an oversight of the effectiveness of risk management processes and enables Cabinet Members to seek assurance about the effectiveness of control arrangements as Portfolio Holders. Attached within the report is a summary of the management of the key corporate risks so that Cabinet may satisfy itself that the risks are being adequately managed, is able to comment on mitigation, and ensure that risks are fully considered when making decisions.

2.0 Decision Requested

- 2.1 Cabinet is requested to note the Key Corporate Risks provided in **Appendix A**. Cabinet will receive an annual risk report providing progress on all identified key risks. In addition, Portfolio Holders will be updated regularly on the management of risks relating to their individual area via the Risk Owners.

3.0 Reasons for Recommendations

- 3.1 In order to seek assurance on the effectiveness of the Council's risk management arrangements, Cabinet needs to establish how key risks are identified, what the key risks are and how they are evaluated, managed and reviewed.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 N/A

**6.0 Policy Implications including – Carbon Reduction
- Health**

- 6.1 Risk Management is integral to the overall management of the authority and, therefore, considerations regarding key policy implications and their effective implementation are considered within departmental risk registers and as part of the risk management framework.

7.0 Financial Implications (Authorised by the Director of Finance and Business Services)

- 7.1 None

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 As well as the need to protect the Council's ability to achieve its strategic aims, and to operate its business, general principles of good governance require that it should also identify risks which threaten its ability to be legally compliant and operate within the confines of the legislative framework, and this report is aimed at addressing that requirement.

9.0 Risk Management

- 9.1 This report relates to overall risk management; Cabinet should know about the most significant risks facing the Council and be assured that the risk management process is working effectively.

10.0 Background and Options

- 10.1 It is considered good practice to include an update to Cabinet periodically on progress against key risks. This monitoring should summarise general direction of travel in order to clearly demonstrate progress being made on specific risk items. If all is well then no discussion may be required; if all is not well then it is easy to identify the issues to pursue.
- 10.2 As part of the Council's risk management framework, risks are reviewed by the Corporate Risk Management Group and the effectiveness of the risk management framework is reviewed by the Audit and Governance Committee. The Corporate Risk Register is reviewed and discussed in detail by the Corporate Risk Management Group.
- 10.3 Attached at **Appendix A** is a summary of the Council's Key Corporate Risks and the net risk rating for each risk, (showing where we are at now). This report provides tracking of the direction of travel of risks, with a commentary for any risks that change. This can then be utilised as a tool to ensure that any risks not being managed to an acceptable level are monitored, reported on and escalated as required.
- 10.4 The assessment methodology used to score the risks is attached at **Appendix B** to this report for information.

11.0 Other Work undertaken on Risk Management

11.1 Risk Tolerance / Appetite

The Corporate Management Team (CMT) agreed that the Council should articulate its risk appetite and define key risk area tolerance statements. The Risk and Business Continuity Team will work with Directors and Heads of Service to define key factors and then define limits. The ideal approach is to set the tolerance levels in line with the Council's strategic and operational plans as this will provide the advantage of clarity for risk taking and risk management reporting.

- 11.2 A number of workshops will be held with the Directors and their relevant Management Teams during the business planning process to review collated risk registers and get an overview of the risk exposure that the business areas face and to allocate a risk tolerance level using a scale of 1 to 5 (1 being Zero risk appetite and 5 being High risk appetite). For each business area a qualitative high level statement of risk preferences can then be defined. This is a shifting process that will become clearer after the initial meetings but an example of what this may look like is attached at **Appendix C** to this report.

11.3 Internal Audit Liaison

The Risk and Business Continuity Officer recently attended an Internal Audit Team meeting to give an update on the risk management process and to ensure that work on risk and audit is joined up.

11.4 Risk Management Briefing to Sustainable Communities Scrutiny Committee

The Risk and Business Continuity Officer recently gave a presentation on risk management to the Sustainable Communities Scrutiny Committee. The aim of the session was to provide the Committee with the core information required for a basic understanding of risk management within Cheshire East Council to assist the Committee in carrying out its responsibilities as a critical friend.

11.5 Working Group of the Health and Wellbeing Board Shadow Board

The Risk Officer has been assisting the Working Group for the Shadow Health and Wellbeing Board to identify significant risks and draft a risk register. It is intended that the Risk Officer will facilitate a risk workshop for the Health and Wellbeing Board once it is established.

12.0 Access to Information

- 12.1 The background papers relating to this report can be inspected by contacting the report writer. A copy of the Corporate Risk Register can be found on the Centranet under Departments, Compliance, [Cheshire East Risk Register](#).

Name: Vivienne Quayle
Designation: Head of Policy and Performance
Tel No: 01270 686859
Email: vivienne.quayle@cheshireeast.gov.uk

Appendix A

Risk Ref	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
KCR1	Service Delivery Prioritisation: Risk that poor management of service prioritisation causes ineffective and inefficient delivery of services such that we fail to achieve our key priorities and corporate objectives.	Erika Wenzel, Chief Executive	Cllr Wesley Fitzgerald	6 Medium	↓	The net score has decreased from a 12 high to 6 medium risk. The likelihood has decreased from a 3 (likely) to a 2 (unlikely) as the Council's service delivery planning and performance management arrangements are now further embedded and, because of this, the impact has also been spread, such that it has reduced from a 4 (critical impact) to a 3 which is a major impact on the corporate objectives.
KCR2	Financial Control: Risk that the Council fails to manage expenditure within budget and maintain an adequate level of reserves, thereby threatening financial stability and service continuity and preventing the achievement of corporate objectives.	Lisa Quinn, Director of Finance and Business Services	Cllr Michael Jones	12 High	↔	<i>To be reviewed by the CRMG.</i> Reviewed October the overall net risk rating remained 12 high but the mitigating action and controls have been updated to reflect activity.
KCR3	Community Safety: Risk that ineffective management of community safety causes poor perception and poor provision of safety, leading to an increase in crime and anti-social behaviour and impacting on our ability to enhance the Cheshire East environment and improve opportunities for all.	John Nicolson, Strategic Director (Places and Organisational Capacity)	Cllr Rachel Bailey	4 Low	↓	The risk description around Community Safety has been amended to include 'crime'. The net risk rating has been reduced from 6 Medium to 4 Low. Additional actions now in place especially around sub-regional working and mainstreamed activity reduce the impact to 2 as any adverse impact would be fairly local (affecting only 2 or 3 wards) and be short lived. This will be removed from Key Corporate Risk Register and monitored at Directorate Level.

Risk Ref	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
KCR4	Vulnerable Children: Failure to recognise and act accordingly to safeguard and mitigate the risks of significant harm to children, resulting in an inability to ensure better outcomes in life and possible death.	Lorraine Butcher, Strategic Director (Children, Families & Adults)	Cllr Hilda Gaddum	12 High	↔	No change to the risk rating but the mitigating action and controls have been updated to reflect activity.
KCR5	Vulnerable Adults: Failure to recognise and act accordingly to safeguard and mitigate the risks to vulnerable adults, resulting in an inability to ensure better outcomes in life for the most vulnerable , undermining the reputation of the Council and possibly resulting in significant legal and financial consequences.	Lorraine Butcher, Strategic Director (Children, Families & Adults)	Cllr Roland Domleo	12 High	↔	Reviewed September 2011, risk remains High.
KCR6	Equality Gap: Risk that we fail to accurately recognise community needs and/or address those needs by taking the most appropriate action to close the equality gap across Cheshire East, thus preventing us from improving life opportunities and health for all.	Lorraine Butcher, Strategic Director (Children, Families & Adults)	Cllr Roland Domleo / Cllr Hilda Gaddum / Cllr David Brown	12 High	↑	<i>To be reviewed by the CRMG.</i> Reviewed September 2011, change in net risk rating from 9 medium to 12 high risk. T he net likelihood rating has increased from a 3 to a 4 because the focus through specific resource has reduced and capacity through services generally to undertake Equality work is reduced (although confidence has increased).
KCR7	Partnerships: Risk that we fail to effectively engage with partners (third parties/private sector/voluntary sector) and/or lack the ability to fund partnerships, resulting in lack of service delivery affecting service users, poor reputation, and damage to future engagement opportunities and our ability	Vivienne Quayle, Head of Policy & Performance	Cllr David Brown	6 Medium	↔	Reviewed July 11 no change to net risk rating.

Risk Ref	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
	to be an excellent council, working with others to deliver for Cheshire East.					
KCR8	Health Partnerships: Risk that we fail to integrate with Health partners, resulting in fewer opportunities to maximise health benefits and reduced efficiency gains, and affecting our ability to meet our corporate objectives to work with others to improve health.	Lorraine Butcher, Strategic Director (Children, Families & Adults) / Heather Grimbalderton, Director of Public Health	CLlr Roland Domleo	12 High	↔	Reviewed July 11 no change to net risk rating.
KCR9	Education: Risk that we fail to manage and maintain effective working relationships with all educational settings, resulting in potentially increasing an inability to maintain educational standards or to intervene where necessary. This will impact on our ability to improve life opportunities for children and young people in Cheshire East.	Lorraine Butcher, Strategic Director (Children, Families & Adults)	CLlr Hilda Gaddum	4 Low	↔	Newly articulated corporate risk for Education. Existing controls to manage this risk include strong relationships with Schools and Partners. To be removed from Key Corporate Risk Register and monitored at Directorate Level.
KCR10	Workforce: Risk that we fail to retain and motivate an effective and engaged workforce, such that the staffing infrastructure fails to support the Council in being excellent and achieving the corporate objectives.	Paul Bradshaw, Head of HR & Organisational Development	CLlr Peter Mason	12 High	↑	The net risk score has increased from 8 to 12 due to an increase in the likelihood of the risk occurring from a 3 to a 4. This increase in likelihood is due to the consultation with all staff about a review of terms and conditions of employment.

Risk Ref	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
KCR11	Opportunities: Risk that we fail to position the Authority to maximise opportunity, resulting in an inability to build up potential, capability and resource to respond to future needs and a sustainable Cheshire East.	Erika Wenzel, Chief Executive	Cllr Wesley Fitzgerald	4 Low	↓	The net score has reduced from a 9 medium risk to a 4 low risk. The likelihood of the net risk has decreased from a 3 (likely) to a 2 (unlikely) because the Council's business planning, performance management and reporting arrangements are further embedded such that we are more able to recognise and take opportunities. As a result the impact has also been spread such that it has reduced from a 3 (major impact) to a 2 which is a significant impact on the corporate objectives.
KCR12	Long-Term Planning: Risk that we fail to plan effectively for long term success, threatening the future viability and sustainability of Cheshire East.	Erika Wenzel, Chief Executive	Cllr Wesley Fitzgerald	6 Medium	↓	The net score has decreased from a 9 medium to 6 medium risk. The likelihood of the net risk has decreased from a 3 (likely) to a 2 (unlikely) because the Council's service delivery planning processes and performance management arrangements are further embedded making it easier to plan for the longer term.
KCR13	Transformation: Risk that we fail to manage the scale of change of transformation projects to effectively and efficiently shape our services, deliver essential benefits, resulting in a possible loss of continual improvement and a possible inability to deliver our key corporate objectives.	John Nicholson. Strategic Director (Places and Organisational Capacity)	Cllr Wesley Fitzgerald	12 High	↔	No change. To be reviewed with John Nicholson as new Risk Owner.

Risk Ref	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
KCR14	Information, Research & Business Intelligence: Risk that we fail to invest in / make effective use of information / business intelligence, which leads to poor decision making, and undermines our ability to effectively and efficiently deliver the corporate objectives.	Vivienne Quayle, Head of Policy & Performance	Cllr David Brown	12 High	↔	No change to the net risk rating but the mitigating action and controls have been updated to reflect activity.
KCR15	Reputation: Risk that consideration is not given and management action is not taken, to effectively maintain the reputation of the Council, leading to a loss of public confidence, threatening the stability of the Council and our ability to deliver the corporate objectives.	Vivienne Quayle, Head of Policy & Performance	Cllr David Brown	9 Medium	↓	<i>To be reviewed by the CRMG.</i> The overall net score of this risk has reduced from a 12 high risk to a 9 medium risk. This is because the impact of this risk has reduced from a 4 to a 3 because the Comms Team have been able to demonstrate mitigation of issues which could have had have a severe impact on the reputation of the Council.
KCR16	External Environment: That development and changes as a result of government policy and reviews compromise the Council's ability to deliver its key strategic aims.	Erika Wenzel, Chief Executive	Cllr Wesley Fitzgerald	12 High	↔	No change to net risk rating. Reviewed by CRMG and agreed that this risk should remain as high risk until several new legislative bills had been properly digested and emerging issues fully understood.
KCR17	Industrial Action: The risk that due to changes in work and pension terms and conditions, industrial action is taken by key staff, or action has a knock-on affect on the availability of key staff, in priority areas which may affect critical services delivered by the Council, curtail operations and affect the Council's ability to deliver its corporate objectives. This may also have adverse financial and	Paul Bradshaw, Head of HR & Organisational Development	Cllr Peter Mason	12 High	↑	Emerging risk. This has been rated as a 3 for likelihood (Likely) and a 4 for impact (critical impact). This is a risk that we have to tolerate rather than treat directly. We have positive relations with trade unions and there are contingency arrangements in place and being considered.

Risk Ref	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
	reputational impact on the Council.					

	Factor	Score	Effect on Corporate Objectives	Effect on Service/Project	Reputation	Personal Safety	Financial Implications
THREATS	Critical	4	Critical impact on corporate objectives and performance and could seriously affect reputation. Long term damage that may be difficult to restore with high costs.	Service - Major loss of several important areas. Disruption 5+ Days Project - Complete failure or extreme delay (3 months or more)	Adverse and persistent national media coverage Adverse central government response	Death	> £1m Or >£5m for corporate risks
	Major	3	Major impact on corporate objectives and performance, could be expensive to recover from and would adversely affect reputation in the medium to long term.	Service - Complete loss of an important area. Major effect to services in one or more areas for a period of weeks Disruption 3-5 Days Project - Significant impact on project or expected benefits fail/ major delay (2-3 months)	Adverse local publicity of a major and persistent nature Adverse publicity in professional/municipal press arena	Major injury	Between £1m and £500,000
	Significant	2	Significant impact on corporate objectives, performance and quality, could have medium term effect and be potentially expensive to recover from.	Service - Major effect on an important area or adverse effect on one or more areas for a period of weeks Disruption 2-3 Days Project - Adverse effect on project/ significant slippage (3 weeks–2 months)	Adverse local publicity /local public opinion aware	Severe injury	Between £500,000 and £100,000
	Minor	1	Minor impact on the corporate objectives and performance, could cause slight delays in achievement. However if action is not taken, then such risks may have a more significant cumulative effect.	Service - Brief disruption of important area Significant effect to non-crucial service area Disruption 1Day Project - Minimal impact to project/ slight delay less than 2 weeks	Complaint from individual/small group	Minor injury or discomfort	Less than £100,000
OPPORTUNITIES	Exceptional	4	Result in major increase in ability to achieve one or more strategic objectives	Major improvement to service, generally or across a broad range	Positive national press National award or recognition by national government	Major improvement in health, welfare & safety	Producing more than £50,000
	Significant	3	Impact on some aspects of the achievement of one or more strategic objectives	Major improvement to service or significant improvement to critical service area	Recognition of successful initiative Sustained recognition and support from local press	Significant improvement in health, welfare & safety	Producing up to £50,000

Scoring Chart for LIKELIHOOD

Factor	Score	THREATS - Description	Indicators	OPPORTUNITIES (Favourable Outcome) - Description	Indicators
Very likely	4	>75% chance of occurrence	Regular occurrence Frequently encountered - daily/weekly/monthly	>75% chance of occurrence or achieved in one year.	Clear opportunity, can be relied on with reasonable certainty to be achieved in the short term.
Likely	3	40% - 75% chance of occurrence	Within next 1-2 yrs Occasionally encountered (few times a year)	40% to 75% chance of occurrence. Reasonable prospects of favourable results in one year.	May be achievable but requires careful management. Opportunities that arise over and above the plan.
Unlikely	2	10% - 40% chance of occurrence	Only likely to happen 3 or more years	<40% chance of occurrence or some chance of favourable outcome in the medium term.	Possible opportunity which has yet to be fully investigated by management.
Very unlikely	1	<10% chance of occurrence	Rarely/never before	<10% chance of occurrence	Has happened rarely/never before

Risk Matrix – Likelihood and Impact

Likelihood						THE RISK MATRIX (With Scores)			
Very Likely	4	LOW	MEDIUM	HIGH	HIGH	4	8	12	16
Likely	3	LOW	MEDIUM	MEDIUM	HIGH	3	6	9	12
Unlikely	2	LOW	LOW	MEDIUM	MEDIUM	2	4	6	8
Very Unlikely	1	LOW	LOW	LOW	LOW	1	2	3	4
Impact		Minor 1	Significant 2	Serious 3	Major 4				

EXAMPLE ONLYService Area Risk Appetite and Tolerance Matrix for **POLICY & PERFORMANCE**

Service Area	Risk Appetite Statement	Risk Tolerance Level
Communications and Marketing <ul style="list-style-type: none"> • Strategic communications advice • Media Relations and evaluation • Creative Services procurement • Photography procurement • Communications project management • Delivery of marketing campaigns • Crisis communications • Online & social media communications • Cheshire East News • Internal Communications • Reputation management 	Modest risk appetite as we try to seek a positive balance in external media coverage and messages	3 – Modest Risk Appetite: The Council is willing to accept some risks in certain circumstances that may result in reputation damage, financial loss or exposure, if it is considered that the overall balance of the risk and associated reward to the Council is acceptable.
Customer Services <ul style="list-style-type: none"> • Customer Service Contact • Web Team • Customer Service Delivery 	Low risk appetite to take the lead in developing and embedding a culture of customer service excellence but may accept some risk as early adopters of solutions or developments that meet the needs of our customers.	2 – Low Risk Tolerance: The Council is not willing to accept risks in most circumstances that may result in reputation damage, financial loss or exposure; even if it is considered that the overall balance of the risk and associated reward to the Council is acceptable.
Compliance <ul style="list-style-type: none"> • Freedom of Information / RIPA / Data Protection • Corporate Compliments, Suggestions & Complaints • Risk Management • Business Continuity 	Zero risk appetite as compromise in these areas would not be acceptable	1 – Zero Risk Tolerance: The Council is not willing to accept risks under any circumstances that may result in reputation damage, financial loss or exposure; even if it is considered that the overall balance of the risk and associated reward to the Council is acceptable.
Performance & Partnerships <ul style="list-style-type: none"> • Planning and Performance • Partnerships 	Moderate risk appetite as the Council plans to achieve its objectives and priorities through service delivery and partnerships for the people of Cheshire East	4 – Moderate Risk Tolerance: The Council is willing to accept risks that may result in reputation damage, financial loss or exposure, if it is considered that the overall balance of the risk and associated reward to the Council is acceptable.

Risk Tolerance Scale				
High Risk Tolerance 5	Moderate Risk Tolerance 4	Modest Risk Tolerance 3	Low Risk Tolerance 2	Zero Risk Tolerance 1

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting:	31 October 2011
Report of:	Borough Solicitor
Subject/Title:	Outside Organisations Appointments 2011-2015 Amendments and Additions to list of Organisations
Portfolio Holder	Leader of the Council

1.0 Report Summary

- 1.1 At its meeting on 6 June 2011 Cabinet appointed representatives to a range of outside organisations in accordance with the procedure for appointing to Category 1 outside organisations (Cabinet appointments).
- 1.2 At that meeting the Cabinet also adopted a casual vacancies procedure in order to facilitate amendments and changes that arise during the normal course of events. Not all changes, however, can be dealt with under this procedure; three such are now detailed for consideration.

2.0 Decision Requested

- 2.1 That Councillor Barry Moran be confirmed as the Council's representative on the Board of Governors for Sandbach School.
- 2.2 That the Federation of Burial and Cremation Authorities be added to the Council's approved list of outside organisations as a Category 1 (Cabinet appointed) organisation and that Councillor David Marren be its nominee for a position on its Executive Committee.
- 2.3 That the change in the make-up of the Board of Plus Dane (Cheshire) Housing Ltd to include an additional tenant Board member and an additional independent Board Member, previously approved by the Chief Executive, be noted.

3.0 Reasons for Recommendation

- 3.1 It is important for the Council to appoint to outside organisations to ensure that it continues to represent the interests of both the Authority and the wider community.

Sandbach School

- 3.2 Sandbach School became an Academy with effect from 1 September 2011 and their new Articles of Association require one elected Member representative rather than the two appointed to it previously.

- 3.3 In June 2011 Councillors Gillian Merry and Barry Moran were appointed as this Council's Representatives and it is now proposed that Councillor Merry stands down and that Councillor Moran remains as the Council's representative; Councillor Merry will, however, remain on the governing body, but in a personal capacity, at the invitation of governors.

The Federation of Burial and Cremation Authorities Executive Committee

- 3.4 At its meeting on 27 June 2011 the Constitution Committee considered a request from Councillor David Marren, an existing (in a non Councillor capacity) member of the Federation of Burial and Cremation Authorities Executive Committee (FBCA) that this organisation be added to the Council's list of approved outside organisations and that it seeks to be appointed to its Executive Committee.
- 3.5 The Constitution Committee was of the view that as this was an organisation that could influence policy at a national level it should be added to the Category 1 (Cabinet appointed) list of outside organisations; the Council's nomination will need to be submitted to the National Executive for approval at such time as a vacancy becomes available.
- 3.6 It proposed that the FBCA be added to the Council's approved list of outside organisations as a Category 1 (Cabinet appointed) organisation and that Councillor David Marren be put forward as the Council's nominee for a position on its Executive Committee.

Plus Dane (Cheshire) Housing Association Limited

- 3.7 Plus Dane sought the approval of the Council, through the Chief Executive, to an increase in its current number of Board Members from seven to nine, so as to allow the recruitment of an additional tenant Board member and an additional independent Board member to strengthen their skill base. This followed the merger of three Merseyside Housing Associations under the Plus Dane umbrella.
- 3.8 The Chief Executive has approved the changes and Councillor J Macrae as Portfolio Holder for Prosperity was also consulted. Councillors A Barratt and D Brown are currently the Council's representatives on the Plus Dane Board. The change in the make-up of the Board is submitted to Cabinet for information; the Council has been kept fully apprised of changes since the initial merger of Dane Housing with Plus, to create Plus Dane Housing Group in 2008.

4.0 Wards Affected

- 4.1 Not applicable.

5.0 Local Ward Members

5.1 Not applicable.

6.0 Policy Implications

6.1 None identified.

7.0 Financial Implications

7.1 None identified.

8.0 Legal Implications

8.1 Whilst membership of outside bodies carries with it the potential for personal liability for elected Members undertaking such roles as ancillary to their status as a Councillor, particularly in respect of trusteeships, Cheshire East Borough Council has already resolved to put in place for elected Members the maximum indemnity which is allowed by law.

9.0 Risk Management

Risk	Mitigation
Failure to appoint Members to outside organisations could have a direct or indirect impact on the outside organisations.	The operation of a procedure for making timely appointments to outside organisations.
Cheshire East Council is unable to influence key stakeholders.	Operation of a satisfactory scheme of appointment to ensure Council representation.

10.0 Background and Options

10.1 On 6 June 2011, Cabinet made appointments to the list of Category 1 outside organisations. Members were appointed to serve until the end of the Municipal Year 2015. Changes since that time, however, now require the decisions requested.

10.2 As with the original appointments these will run until the end of the municipal year 2015.

10.3 When making appointments to outside organisations, there is no requirement to adopt the rules of proportionality.

10.4 For information the casual vacancy procedure adopted at the June meeting is that:

- (i) When a place becomes vacant, the Democratic Services Manager, as the appropriate Officer, would be notified.
- (ii) The appropriate Portfolio Holder, in consultation with the Group Whip(s) would be invited to nominate a replacement.
- (iii) The replacement Councillor would take up the vacancy; the outside organisation would be notified of the change; the outside bodies list would be updated on the website; and Cabinet would be notified, for information, at the next available meeting.
- (iv) In cases where a place is offered to a political group other than the ruling group, and that group is unable to make a nomination (or chooses not to appoint, for whatever reason), the Portfolio Holder will choose to offer the place to one of the other political groups or to retain it as a Conservative appointment.

10.5 The matters under consideration in this report have not been dealt with under the casual vacancies procedure as they do not fulfil the necessary criteria for it to be used.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer.

Name: Cherry Foreman
Designation: Democratic Services Officer
Tel No: 01270 686463
E-mail: cherry.foreman@cheshireeast.gov.uk

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank