

Corporate Risks Summary – September 2013

Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR1	Threat	Political Environment: That development and changes as a result of government policy and reviews compromise the Council's ability to deliver, preventing the achievement of all or some of our objectives and outcomes.	Chief Executive	Leader of the Council	12 High	↔	Review due now
CR2	Opportunity	Managing Expectations: Opportunity to ensure that there is a mutual understanding and recognition of responsibilities between the people of Cheshire East and the Council, preventing an expectations gap between expected and actual Council service delivery; such that we influence our Voluntary and Faith Groups and Communities, to become more self-reliant, reduce unnecessary demand, and improve public perception of the Council's effectiveness in its aim to best serve the people of Cheshire East and be a leading, commissioning and responsible Council.	Exec Director of Strategic Commissioning	Deputy Leader & Strategic Communities Portfolio Holder	TBD		Further work required on documenting actions taken and planned to exploit this opportunity before scoring. (This includes engagement / consultation, citizens panel work, engagement workshops with health partners and the appointment of the Head of Resilient Communities.)

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CR3	Threat	<p>Strategic Leadership and Management: Risk that a number of interlinked change factors result in ineffective strategic leadership and management arrangements in place meaning there is no clear and consistent understanding of our business for staff, members and partners. This reduces our ability to achieve all of our priorities, objectives and outcomes.</p> <p>These factors include:</p> <ul style="list-style-type: none"> ➤ new strategic commissioning operating model ➤ management restructure ➤ incoming new Chief Executive and other senior appointments ➤ scale of delivery on substantial change programmes 	Chief Executive	Leader of the Council	12 High	↔	Although there are significant existing controls some of these processes are perhaps not fully embedded yet, this risk is high on peoples' agenda and is being given priority. The likelihood of this risk occurring at present is 3 likely but it is envisaged that this risk will reduce as the restructure is completed and the new appointments settle into their new roles. The impact of this risk is critical to the achievement of the Council's objectives. Overall the current score is 12 high risk.

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CR4	Threat	Financial Control: Risk that the Council fails to manage expenditure within budget, due to inaccurate financial planning in both the short term and longer term and/or ineffective financial control leading to a failure to maintain an adequate level of reserves, thereby threatening financial stability and service continuity and preventing the achievement of Cheshire East's objectives and outcomes.	Chief Operating Officer	Finance Portfolio Holder	12 High	↔	The net risk rating is 12 High Risk. The likelihood of this risk is currently assessed at 3 (likely). We set a 3 year balanced budget and delivered an overall under spend against the 12/13 budget, service spending in year broadly on target but with some key identified risks. The ambition around the major change programme and ongoing structure changes present an inherent threat to financial control. The impact on the corporate objectives if this risk materialised will always be a 4 critical
CR5	Opportunity	External Funding: Opportunity that the Council identifies, bids for, or captures new alternative sources of external funding or income, or aligns other public sector local expenditure (such as by the NHS) to create added public value and increases its ability to achieve its objectives and outcomes.	Chief Operating Officer	Finance Portfolio Holder	TBD		Further work required on documenting actions taken and planned to exploit this opportunity before scoring.

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR6	Opportunity	Evidenced Decision Making: Opportunity to more effectively utilise information and business intelligence to properly and adequately take into account supplementary evidence and public need, resulting in a better ability to apply evidence based decision making, and strengthening our ability to effectively and efficiently reshape our commissioning approach to deliver services more innovatively to best serve the people of Cheshire East and achieve our intended outcomes.	Chief Operating Officer	Business Intelligence and JSNA Portfolio Holder	TBD		Further work required on documenting actions taken and planned to exploit this opportunity before scoring.
CR7	Threat	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 meet the corporate priorities.	Chief Executive	Leader of the Council	9 Medium	↔	Review due. Overall rating remains at 9 medium risk because likelihood is always prevalent and impact is dependent upon subject matter but the scoring uses worst case scenario for impact. High profile events have affected our reputation but the response to them has been transparent and incisive which has helped to mitigate to some extent.

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR8	Opportunity	Public Sector Effort: Opportunity to ensure that a consensus approach and joint strategic planning by several Council partners reduces duplication of effort and ensures best use of resources in varying geographic areas, such that efforts are not contradictory and/or do not leave gaps and we maximise public resources such that the Council and its partners are better able to achieve intended outcomes.	Chief Executive	Leader of the Council	TBD		Further work required on documenting actions taken and planned to exploit this opportunity before scoring. (This includes sub-regional work, work with other public sector commissioners i.e. health / police)

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR9	Threat	<p>Workforce: Risk that the fast pace and scale of change in the Council results in a de-motivated, disengaged and poor performing workforce which prevents the Council from achieving all its outcomes and priorities and fails to be a leading Council.</p> <p>The fast pace and scale of change gives rise to:-</p> <ul style="list-style-type: none"> ➤ disconnect as roles and responsibilities change and settle ➤ increased pressure on staff to improve their skills and knowledge ➤ overstretched staff capacity ➤ increase in staff stress and sickness levels ➤ loss of productivity ➤ loss of key staff, skills and knowledge 	Chief Executive	Performance Portfolio Holder	12 High	↔	The likelihood of this risk occurring is a 3 likely, capacity as Officers move into the new management structure but continue to undertake their previous roles is a concern, as is clarity over accountability during this time. Managing change in culture and attitude is key to managing this risk. Taking account of the existing mitigation the impact should this risk occur would also be a 4 as the workforce has a major impact on the achievement of the corporate outcomes and performance (reduction in likelihood may result in less disengaged staff and would result in a less negative impact on performance and capacity). The overall rating for this risk is 12 high risk.

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR10	Threat	Contract, Project and Programme Management Skills: Risk that the Council does not have a sufficiently number of skilled and knowledgeable staff managing contracts, projects and programmes, such that they fail to deliver expected outcomes and/or within budgeted costs and/or within expected timescales and/or fail to comply with contract agreements. This will affect the Council's ability to achieve all of its priorities and outcomes, realise agreed savings to ensure better value for money, and may have a detrimental effect on the Council's reputation for failing to deliver on our promises.	Chief Operating Officer	Performance Portfolio Holder	8 <i>Medium</i>	↓	<i>Draft score, risk to be reviewed and moderated by the Corporate Risk Management Group.</i>

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR11	Threat	<p>Commissioning and Service Delivery Chains: Risk that as the Council moves into a more active “market making” role, it will progressively form complex and more fragmented supply chains for both back office and front line services (i.e. outsourcing, contracted suppliers and providers, shared service delivery, joint ventures, private finance initiatives and partnership working) increasing the materialisation of commissioning and service delivery chain risks which would prevent the Council from achieving its planned objectives, priorities and outcomes. Examples of these risks include:-</p> <ul style="list-style-type: none"> ➤ inappropriate, ineffective and inefficient provider commissioning ➤ failure to meet/deliver service expectations/standards ➤ supplier/partner financial failure ➤ increase in supplier incidents, non-compliance with contracts or agreements ➤ tension between profit motives and public sector ethos ➤ budget overruns ➤ increase in systematic risks in increasingly shared services ➤ disaffected voluntary sector ➤ inadequate supplier and contract management/relationship 	Chief Executive	Corporate Policy Portfolio Holder	12 High	↔	The likelihood of this risk at present is a 3 ‘likely’ and has a number of interdependencies with other corporate risks. We are working on strengthening our corporate infrastructure in order to become more strategic and commissioning and the staffing review plays an important role in this. The impact of this risk if it were to fully materialise would have a critical impact on the achievement of our corporate objectives and so is presently a 4, giving an overall risk rating of 12 ‘High Risk’.

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR12	Threat	Cheshire East Local Plan Examination: Risk that the Cheshire East Core Strategy is found to be unsound and does not pass examination by the Planning Inspectorate during 2014. This may result in delays to the planning framework, leaving Cheshire East vulnerable to unwanted development, budget pressures, loss of public and government confidence, and impacting upon our ability to provide the right type of housing and development sites in the right places and stimulate growth in the local economy.	Director of Economic Growth and Prosperity	Deputy Leader and Strategic Communities Portfolio Holder	8 Medium	↓	Draft score, risk to be reviewed and moderated by the Corporate Risk Management Group: Whilst we have made this a corporate priority, put in substantial additional resource and followed all the guidance we can, the examination of the Core Strategy itself is outside of our control and we are unable to mitigate this risk completely, as such the likelihood of this risk has been scored as 2 'Unlikely'. The impact of this risk on the Council's outcomes is critical and therefore is scored at 4. The net risk rating is an 8 Medium Risk.

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
	Threat	New Responsibilities for Public Health and Wellbeing: Risk that there is a lack of understanding of the Council's statutory and other new responsibilities for Public Health services, activity and wider responsibilities for health improvement and protection. This may result in the Council being unable to successfully embed public health or place public health at the centre of its activities, leading to the ineffective planning or commissioning to improve the public's health. In turn this threatens our ability to protect or improve the health of the population, the consequences of which would be that the Council would be unable to achieve its intended outcome that local people live well and for longer.	Director of Public Health	Health and Adult Social Care Portfolio Holder	Defer		Risk scoring deferred by Corporate Risk Management Group decision to undertake further discussion on the accuracy of the risk definition.
CR14	Threat	Business Planning –Resource: Risk that we have not planned the resource required to deliver both business as usual and our significant projects, to be delivered over a relatively short period of time, causing overreliance on internal support services (e.g. Assets, Insurance, Legal, Procurement, ICT) and insufficient resource and capacity to deliver, resulting in increased costs, failure to deliver priority projects, business operational issues and an inability to achieve the Council's intended objectives and outcomes.	Chief Operating Officer	Performance Portfolio Holder	TBD		Further work required on documenting actions taken and planned to mitigate this threat before scoring.

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR15	Threat	Protection of Children and Young People: Risk that social workers do not always consider cases of children possibly at risk of harm carefully enough, such that there is poor recognition of risk, and decisions and actions to find out more about their situations are either not taken at all, or not taken quickly enough. This may result in children and young people being unprotected and at potential risk of harm thus impacting upon our ability to deliver the outcome of local people living well and for longer.	Executive Director of Strategic Commissioning	Children and Family Services Portfolio Holder	TBD		Further work required on documenting actions taken and planned to mitigate this threat before scoring.
CR16	Opportunity	Intervention: Opportunity to take co-ordinated intervention between internal and external partners resulting in fewer young people and families being escalated up the levels of need, fewer children and young people ending up in the criminal justice system and care, resulting in a decrease in exponential spend. This will have a positive impact on financial resources, public safety, health & wellbeing, positive contributions to society and successful transition to adulthood such that it will aid the achievement of the corporate outcomes for 2013-16.	Executive Director of Strategic Commissioning	Children and Family Services Portfolio Holder	TBD		Further work required on documenting actions taken and planned to exploit this opportunity before scoring. (Including the Improvement Plan)

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR17	Threat	Vulnerable Care: The risk of sufficient, quality placements/care packages not being available leaving vulnerable children and adults without safe and stable accommodation such that some may not be effectively safeguarded impacting upon our ability to deliver the outcome of local people living well and for longer, as well as to Government intervention continuing beyond the reasonable period to show good progress with required service improvements.	Executive Director of Strategic Commissioning	Health and Adult Social Care Portfolio Holder	TBD		Further work required on documenting actions taken and planned to exploit this opportunity before scoring. (This includes the commissioning review of care, review of individual care needs, continuous drive via LSCB / LSAB to ensure strong partnership interventions and capabilities on all matters relating to safeguarding)
CR18	Threat	Legal: The rate of change and different delivery models may mean doing things quickly without recognising and/or acting accordingly to prevent a significant challenge to a decision, or a compensation trend emerges diverting significant financial and non financial resources into possibly lengthy legal disputes and impacting upon the Council's ability to achieve its key outcomes. Examples include: <ul style="list-style-type: none"> ➤ inappropriate procurement of goods and services ➤ no proper consultation undertaken or findings acted upon ➤ no equality impact assessment undertaken or findings acted upon 	Chief Operating Officer	Leader of the Council	12 High	↔	There are a number of causes and interdependencies with other corporate risks that make this risk more likely at present, including legal capacity and resource to meet the change agenda, the impact is dependent upon the type or extent of legal challenge but to be prudent could cause a critical impact on corporate objectives, performance, reputation and financial consequences so is also a score of 4. The overall net risk rating is a 12 High Risk.

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Risk Ref	Type	Risk Description	Agreed Risk Owner	Cabinet Member Strategic Lead	Net Risk Rating	Direction of Travel	Comments
CR19	Threat	Fraud Risk: Risk that the Council fails to have proper, adequate, effective and efficient management arrangements, policies and procedures in place to mitigate the risk of fraud, particularly at a time of financial hardship, such that public money is misappropriated. This would result in a loss of funds to the Council, have a detrimental effect on services users, a negative impact on the Council's ability to achieve all of its priorities, value for money, and may have a negative impact on the Council's reputation.	Chief Operating Officer	Finance Portfolio Holder	TBD		Further work required on documenting actions taken and planned to mitigate this threat before scoring.