



Leicester
City Council

MEETING OF THE AUDIT AND RISK COMMITTEE

DATE: WEDNESDAY, 28 JUNE 2017

TIME: 5:30 pm

PLACE: Meeting Room G.03, Ground Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ

Members of the Committee

Councillor Dawood (Chair)

Councillor Westley (Vice-Chair)

Councillors Alfonso, Bajaj, Dr Chowdhury, Hunter and Dr. Moore

Two unallocated Non-Group Places

Members of the Committee are summoned to attend the above meeting to consider the items of business listed overleaf.

for Monitoring Officer

Officer contact: Angie Smith
Democratic Support, Democratic Services
Leicester City Council,
City Hall, 115 Charles Street, Leicester, LE1 1FZ
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Email. Angie.Smith@Leicester.gov.uk

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- ✓ where filming, to only focus on those people actively participating in the meeting;
- ✓ where filming, to (via the Chair of the meeting) ensure that those present are aware that they may be filmed and respect any requests to not be filmed.

Further information

If you have any queries about any of the above or the business to be discussed, please contact Angie Smith, **Democratic Support on (0116) 454 6354** or email Angie.Smith@leicester.gov.uk or call in at City Hall, 115 Charles Street.

For Press Enquiries - please phone the **Communications Unit on 0116 454 4151**

PUBLIC SESSION

AGENDA

FIRE / EMERGENCY EVACUATION

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1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

Members are asked to declare any interests they may have in the business to be discussed.

3. MINUTES OF THE PREVIOUS MEETING

Appendix A

The Minutes of the previous meeting of the Audit and Risk Committee held on 22nd March 2017 are attached, and Members will be asked to confirm them as a correct record.

4. MEMBERSHIP OF THE AUDIT & RISK COMMITTEE 2017/18

Members are asked to note the membership of the Committee for 2017/18:

Councillor Dawood (Chair)
Councillor Westley (Vice-Chair)
Councillor Alfonso
Councillor Bajaj
Councillor Chowdhury
Councillor Hunter
Councillor Moore
(2 non-grouped places currently unallocated)

5. DATES OF MEETINGS OF THE AUDIT & RISK COMMITTEE 2017/18

Members are asked to note that the meeting dates of the Committee for the 2017/18 municipal year are currently scheduled as follows, all to commence 5.30pm:

28 June 2017
26 September 2017
6 December 2017
21 March 2018

6. IMPACT ON ADULT SOCIAL CARE OF THE CHANGES TO FUNDING IMPOSED BY THE GOVERNMENT

The Strategic Director of Adult Social Care and Health will provide a verbal update to the Committee for noting, as requested at the Audit & Risk Committee on 22 March 2017.

7. EXTERNAL AUDITORS' ANNUAL AUDIT FEES LETTER 2017/18 **Appendix B**

The External Auditor submits an Annual Audit Letter which summarises the audit work and fee proposed for the 2017/18 financial year at Leicester City Council. The Committee are asked to note the report.

8. INVOICE PAYMENT PERFORMANCE **Appendix C**

The Director of Finance submits a report to provide the Audit & Risk Committee and update on the timeliness of invoice payments the authority makes to its suppliers of goods and services. The Committee is asked to note the content of the report, and the work undertaken to meet the Executive pledge to improve the payment terms for small local business, and note that future update reports will only be presented to the Committee should invoice payment performance fall below acceptable standards.

9. AGENCY STAFF **Appendix D**

The Director of Finance submits a report to the Committee for noting on the use of agency staff and the associated procedures as requested at the Audit & Risk Committee meeting held on 22nd March 2017.

10. REGULATION OF INVESTIGATORY POWERS ACT 2000 - BI-ANNUAL PERFORMANCE REPORT, JANUARY 2017- JUNE 2017 **Appendix E**

The City Barrister and Head of Standards submits a report advising the Committee on the performance of the Council in authorising Regulatory Investigatory Powers Act 2000 (RIPA) applications from 1st January 2017 to 30 June 2017.

The Committee is recommended to note its contents and to make any recommendations or comments it sees fit either to the Executive or to the City Barrister and Head of Standards.

11. ANNUAL REPORT ON THE NATIONAL FRAUD INITIATIVE (NFI) [Appendix F](#)

The Director of Finance submits a report which provides information to the Committee on the National Fraud Initiative (NFI) exercises currently underway. The Committee is asked to note the report.

12. COUNTER-FRAUD ANNUAL REPORT 2016-17 [Appendix G](#)

The Director of Finance submits a report to provide information on counter-fraud activities during 2016-17 to the Committee, and is confined to the City Council's Corporate Investigations Team within Financial Services. The Committee is recommended to note its contents and to make any recommendations or comments it sees fit either to the Executive or the Director of Finance or the Director of Local Services and Enforcement.

13. REVIEW OF THE ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY AND STRATEGY [Appendix H](#)

The Director of Finance submits a report to Committee on the annual review of the Anti-Fraud, Bribery and Corruption Policy and Strategy, as required under the Terms of Reference of the Audit & Risk Committee. The Committee is recommended to note the report and approve the Policy and Strategy, and make any recommendations to the City Mayor and Executive or the Director of Finance.

14. OPERATIONAL AND STRATEGIC RISK REGISTERS / INSURANCE CLAIMS DATA [Appendix I](#)

The Director of Finance submits a report for noting to the Committee which provides and update on the Strategic and Operational Risk Registers and the change to reporting.

15. ANNUAL APPROVAL OF THE POLICY FOR ENGAGEMENT OF THE EXTERNAL AUDITOR FOR NON-AUDIT WORK [Appendix J](#)

The Director of Finance submits a report to seek the Audit & Risk Committee's annual approval of the 'Policy for Engagement of External Auditors for Non-Audit Work'. The Committee is recommended to approve the policy.

16. ANNUAL TIMETABLE OF REPORTS FOR THE AUDIT & RISK COMMITTEE [Appendix K](#)

The Head of Finance provides a timetable of scheduled reports for the meetings of the Audit & Risk Committee for noting.

17. ANY OTHER URGENT BUSINESS



Leicester
City Council

Appendix A

Minutes of the Meeting of the
AUDIT AND RISK COMMITTEE

Held: WEDNESDAY, 22 MARCH 2017 at 5:30 pm

P R E S E N T:

Councillor Westley (Vice Chair in the Chair)

Councillor Alfonso
Councillor Dr Barton

Councillor Cank
Councillor Dr Chowdhury

Councillor Hunter

* * * * *

67. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Patel, and Alison Greenhill (Director of Finance).

The Chair mentioned that it was the last meeting of Audit and Risk Committee for the Municipal Year 2016/17, and thanked officers for their professionalism and work over the year, and Members for their contribution to the Committee.

68. DECLARATIONS OF INTEREST

There were no declarations of interest made.

69. STATEMENT FROM THE CHAIR

The Chair noted that at its meeting on 27 September 2016 the Committee had agreed to comply with the recommendation from the Council's auditor to publish annually the names of those Councillors who failed to submit their Related Party Transactions return. It was noted that Councillor Nigel Porter remained the only Councillor who had not completed his 2015/16 return.

It was proposed that in future the Director of Finance would seek returns every April, allowing ample time to complete, before publication of the names of Councillors who had not submitted their returns each Autumn.

RESOLVED:

That the Committee publish, every autumn, the names of all

those Councillors who fail to submit their Related Party Transactions disclosure for the relevant financial year and that Councillors are invited every April by the Director of Finance to complete their returns, so there is ample time, by the autumn, to have done so.

70. MINUTES OF THE PREVIOUS MEETING

Members were asked to confirm that the minutes of the meeting held on 8 February 2017 were a correct record.

RESOLVED:

That the minutes of the meeting of the Audit & Risk Committee held on 8 February 2017 be confirmed as a correct record.

71. EXTERNAL AUDIT PLAN FOR FINANCIAL YEAR 2016-17

The External Auditor submitted a report for noting, that set out how they would deliver their financial statements audit work (including the Annual Governance Statement) for Leicester City Council, and the approach for value for money work for 2016/17.

John Cornett, Director of KPMG, introduced the report. He drew Members' attention to the significant risks highlighted in the report, and other identified areas of audit focus. The following points were made:

- There had been a change of manager in the audit team at KPMG, but assurance was given there would be continuity of service;
- There was no proposed change to the scale audit fee, but there could be additional fee work required.

The Chair thanked the External Auditor for the work.

RESOLVED:

That the report be noted.

72. REPORT ON THE PROCUREMENT PLAN 2017-18

The Director of Finance submitted to Committee for noting, the Council's Procurement Plan 2017-18, as required by the Contract Procedure Rules. The Head of Procurement presented the report.

In response to questions from Members, the following points were made:

- European thresholds would remain in force until Brexit, and existing legislation was expected to be transferred into UK law until another Act of Parliament was introduced. The Authority would maintain a watching brief for those changes in legislation, and would maintain compliance with legislation;
- Changes in exchange rates were a risk, and it was noted that prices for

- some goods had been unstable, with higher than expected inflation, but to date it had not noticeably affected any contracts the Authority had;
- Contracts listed where the amount was 'To be confirmed' had not yet commenced and/or required further liaison with the relevant service department to gain an estimate of value;
 - The value of agency staff was an estimate based on predicted use across the whole authority. There were robust processes in place for approval of the use of agency staff, and the subsequent 'spend' in this area was also closely monitored.

Concerns were also raised regarding the impact of Government cuts to funding for care services and the risks for the authority in providing care, for example, providers terminating their contracts and the Council having sufficient funding to provide the services it needed to. It was requested that the Director of Adult Social Care be invited to the next meeting of the Audit and Risk Committee to discuss the financial side of provision.

The use of agency staff was also queried as this was considered to be a drain on budgets and not value for money. The Director of Finance was asked to provide a breakdown of the usage and cost of agency workers across departments, and explain internal procedures for the engagement of agency workers at the next Committee meeting.

Councillors Dr Chowdhury and Hunter left the meeting at this point to attend to other Council business.

A query was also raised as to why the authority procures adult social care services at Leicester Prison. It was noted that the £225k estimated contract value for the delivery of adult social care would not be paid to the Prison Service, but to a service provider who would deliver the service at Leicester Prison.

The Chair thanked the Head of Procurement for the report.

RESOLVED:

that:

1. The Procurement Plan for 2017/18 be noted;
2. The Director of Adult Social Care be invited to the next meeting of the Audit & Risk Committee to discuss the financial impacts in the provision of adult social care;
3. The Director of Finance be invited to the next meeting of the Audit & Risk Committee to provide a breakdown of the usage and cost of agency workers across departments, and explain internal procedures controlling the engagement of agency workers.

73. ANNUAL REVIEW OF THE COUNCIL'S ASSURANCE FRAMEWORK, LOCAL CODE OF CORPORATE GOVERNANCE AND THE AUDIT & RISK COMMITTEE'S TERMS OF REFERENCE

The Director of Finance and the City Barrister & Head of Standards submitted a joint report which sought the Committee's approval of updates to the assurance and corporate governance processes at the City Council and the Committee's own terms of reference. The Head of Internal Audit and Risk Management presented the report.

Members of the Committee were asked to consider the recommendations in the report.

Members were informed that there were minor changes to the Committee's own Terms of Reference, and the core principles in the Local Code of Corporate Governance had been completely re-written.

The Chair thanked the Head of Internal Audit & Risk Management for the report. The Chair noted that this would be his last meeting as he was leaving the authority and thanked him on behalf of the Committee for his dedication and hard work, and wished him the best of luck for the future.

RESOLVED:

That the Audit & Risk Committee:

1. Confirmed that no changes to the Assurance Framework were needed and agreed that it should form the basis on which the Council would compile its Annual Governance Statement for the financial year 2016-17;
2. Accepted the changes to the Local Code of Corporate Governance;
3. Confirmed that no material changes to the Committee's terms of reference were needed;
4. Approved the three documents appended to the report.

74. PROPOSED INTERNAL AUDIT PLAN 2017-18

The Director of Finance submitted to the Committee the draft Internal Audit Plan for the financial year 2017-18 to provide Members with the opportunity to review and the draft Plan. The Committee was recommended to note the report and approve the proposed plan content. The Head of Internal Audit and Risk Management presented the report.

Members had no questions or comments to make on the report.

The Chair thanked the Head of Internal Audit & Risk Management for the report.

RESOLVED:

That the draft Internal Audit Plan for the financial year 2017-18 be approved.

75. AUDIT & RISK COMMITTEE PLANNED AGENDAS AND MEETING DATES 2017-18 (DRAFT)

The Director of Finance submitted to the Committee a proposed schedule of meetings and suggested agendas for the Financial Year 2017-18. The Committee was recommended to note and accept the proposed plan content, and raise any issues or questions with the report author or the Director of Finance. The Head of Internal Audit and Risk Management presented the report, and the following points were made:

- There was a reduction in the number of Audit & Risk Committee meetings to four per annum, and papers would be balanced between the four meetings. Dates of the meetings would be agreed at Annual Council;
- It had been agreed with KPMG to add reports to the planned agenda if there was anything significant to report or discuss.

The Chair thanked the Head of Internal Audit & Risk Management for the report.

RESOLVED:

That

1. The proposed schedule of meetings and suggested agendas for the Financial year 2017-18 be approved;
2. Reports from the Head of Adult Social Care and the Director of Finance be included on the planned agenda for the first meeting of the Audit & Risk Committee (as previously discussed in Minute Item 72 above).

76. RISK MANAGEMENT AND INSURANCE SERVICES - UPDATE

The Director of Finance submitted a report for noting, that provided the Committee with the regular update on the work of the Council's Risk Management and Insurance Services team's activities. The Head of Internal Audit and Risk Management presented the report.

The Council's Operational and Strategic Risk Registers, as at 31 January, were presented and members were asked to note there was nothing of significance to bring to their attention. Several changes had been made to the Divisional risk registers (from which the Council's registers were produced) which suggested officers were reviewing and updating their registers regularly and properly.

Members were also told that since the writing of the report there had been some Business Continuity events that required intervention by the Business Continuity Team, such as the fire at an electricity sub-station on Ravensbridge Drive, an evacuation of a school, and Storm Doris. Fuller details on those incidents would be reported at the next meeting.

Attention was drawn to the reference in the report of changes to the 'discount' rate used in the process of payments to injured claimants, which could see compensation levels rise, which may lead to an increase in premiums and the levels of indemnity cover required from contractors and service providers delivering services for the Council increase.

The Chair queried the recent IT amnesty, and considered it a priority to remind staff about the dangers of cyber attacks. It was agreed the City Officer, ICT be invited to the next meeting of the Audit & Risk Committee to discuss the procedures in place for informing staff of issues affecting the authority's IT security.

RESOLVED:

That:

1. The report be noted;
2. The City Officer, ICT be invited to attend the next meeting to discuss procedures in place for informing staff and members of issues affecting the authority's IT security and the planned agenda for the first meeting of the Audit & Risk Committee be adjusted to reflect this (as previously discussed in Minute Item 72 above).

77. CLOSE OF MEETING

The meeting closed at 6.16pm.

Appendix B



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Private & confidential

Alison Greenhill
Director of Finance
Leicester City Council
City Hall
115 Charles Street
Leicester
Leicestershire
LE44FZ

Our ref JC/HB/AFL17-18

Contact Helen Brookes
0115 945 4476

21 April 2017

Dear Alison

Annual audit fee 2017/18

I am writing to confirm the audit work and fee that we propose for the 2017/18 financial year at Leicester City Council. Our proposals are based on the risk-based approach to audit planning as set out in the Code of Audit Practice and Public Sector Audit Appointments Ltd's (PSAA's) published work programme and fee scales.

Planned audit fee

The planned audit and certification fees for 2017/18 are shown below, along with a comparison to the prior year's fee. All fees are exclusive of VAT.

Audit area	Planned fee 2017/18	Planned fee 2016/17
Audit fee – Leicester City Council	£146,603	£146,603
Certification of housing benefit grant claim	Not yet available	£52,785

PSAA has set the 2017/18 scale fees at the same level as for 2015/16 and 2016/17, thereby preserving the 25 per cent reductions in cash terms that were applied to those years which in turn were in addition to the savings of up to 40 per cent in scale audit fees and certification fees in 2012/13. This equates to a real terms saving of 61 per cent over this period. The 2017/18 planned fee is in line with the scale fee.

As we have not yet completed our audit for 2016/17, the audit planning process for 2017/18, including the risk assessment, will continue as the year progresses and fees will be reviewed and updated as necessary. We will naturally keep you informed.

Redistribution of Audit Commission surplus

PSAA plans, during the course of 2017/18, to make a distribution of surplus funds to principal local government and police bodies. The distribution is made possible by the transfer of an element of the Audit Commission's retained earnings prior to its closure in March 2015 and by PSAA continuing to generate surplus funds and make further efficiencies since its establishment.

This distribution will be made directly by PSAA and not via KPMG. Based on current information, PSAA anticipates that the amount of the redistribution is likely to be in the order of 15% of the scale fee.

Factors affecting audit work for 2017/18

We plan and deliver our work to fulfil our responsibilities under the Code of Audit Practice (the Code) issued by the National Audit Office (NAO). Under the Code, we tailor our work to reflect local circumstances and our assessment of audit risk. We do this by assessing the significant financial and operational risks facing an audited body, and the arrangements it has put in place to manage those risks, as well as considering any changes affecting our audit responsibilities or financial reporting standards.

Under the Code, we have a responsibility to consider an audited body's arrangements to secure economy, efficiency and effectiveness in its use of resources and to do this we will undertake appropriate value for money (VFM) audit work. The 2017/18 fees have been set on the basis that the NAO's Code and supporting guidance does not change the level of work required on the VFM audit. Should this not be the case, or if new or increased significant VFM audit risks arise that require further audit work, additional fees will be necessary over and above the scale fee. Any such additional fees will be subject to approval through PSAA's fee variation process.

Certification work

As well as our work under the Code, we will certify the 2017/18 claim for housing benefit subsidy to the Department for Work & Pensions (DWP).

The 2017/18 subsidy claim will be the final year for which PSAA will make arrangements for auditors to undertake housing benefit subsidy certification work. After the end of the transitional arrangements and the current audit contracts, PSAA has no legal power or remit in relation to assurance on claims or returns. The DWP is developing its own assurance arrangements from 2018/19 and has issued further guidance directly to local authorities. We will liaise with the Council over the future approach to this work as details emerge.

There are no longer any other claims or returns that we are required to certify under the PSAA audit contract. Assurance arrangements for other schemes are a matter for the relevant grant-paying body, and may be the subject of separate fees and tri-partite arrangements between the grant-paying body, the audited body, and the auditor. We would be happy to discuss any such certification needs with you.

Assumptions

The indicative fees are based on a number of assumptions, including that you will provide us with complete and materially accurate financial statements with good quality supporting working papers, within agreed timeframes. It is imperative that you achieve this. If this is not the case and we have to complete more work than was envisaged, we will need to charge additional fees for this work. Our assumptions are set out in more detail in Appendix 1 to this letter.

In setting the fee at this level, we have assumed that the general level of risk in relation to the audit of the financial statements and certification work is not significantly different from that identified for the current year's audit. A more detailed audit plan will be issued early next year. This will detail the risks identified, planned audit procedures and (if required) any changes in fee. If we need to make any significant amendments to the audit fee during the course of the audit, we will first discuss this with you and then prepare a report for the Audit and Risk Committee, outlining the reasons why the fee needs to change.

We expect to issue a number of reports relating to our work over the course of the audit. These are listed at Appendix 2. A statement of our independence is included at Appendix 3.

The proposed fee excludes any additional work we may agree to undertake at the request of Leicester City Council. Any such piece of work will be separately discussed and a detailed project specification agreed with you.

Beyond 2017/18

The 2017/18 audit will be the last under the current transitional arrangements whereby PSAA is responsible for managing the audit contracts novated to it from the Audit Commission upon its closure in March 2015.

For audits of the accounts from 2018/19, the provisions of the Local Audit & Accountability Act 2014 in relation to local appointment of auditors take effect. The Secretary of State for Communities and Local Government has specified PSAA as the appointing person for principal local government and police bodies. PSAA will therefore appoint auditors and set scale audit fees for bodies that have opted into its national scheme.

Our team

The key members of our audit team for the 2017/18 audit are:

Name	Role	Contact details
John Cornett	Director	John.Cornett@kpmg.co.uk 0116 256 6064
Helen Brookes	Manager	Helen.Brookes@kpmg.co.uk 0115 945 4476
Vikash Patel	Assistant Manager	Vikash.Patel@kpmg.co.uk 0116 256 6069

Quality of service

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact me and I will try to resolve your complaint. If you are dissatisfied with your response please contact the national contact partner for all of KPMG's work under our contract with PSAA, Andy Sayers (andrew.sayers@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing generalenquiries@psaa.co.uk, by telephoning 020 7072 7445 or by writing to:

Public Sector Audit Appointments Limited
3rd Floor
Local Government House
Smith Square
London
SW1P 3HZ

Yours sincerely



John Cornett
Director, KPMG LLP

Appendix 1 – Audit fee assumptions

In setting the fee, we have assumed that:

- the level of risk in relation to the audit of the financial statements is not significantly different from that identified for 2016/17;
- you will inform us of significant developments impacting on our audit work;
- internal audit meets the appropriate professional standards;
- internal audit undertakes appropriate work on all systems that provide material figures in the financial statements sufficient that we can place reliance for the purposes of our audit;
- you will identify and implement any changes required under the CIPFA Code of Practice on Local Authority Accounting within your 2017/18 financial statements;
- your financial statements will be made available for audit in line with the timetable we agree with you (note that 2017/18 is the first year in which the 'faster close' timetable applies whereby the deadline for draft accounts moves to the end of May and the deadline for publishing audited accounts moves to the end of July);
- good quality working papers and records will be provided to support the financial statements in line with our *prepared by client* request and by the date we agree with you;
- requested information will be provided within agreed timescales;
- prompt responses will be provided to draft reports;
- complete and accurate claims and returns are provided for certification, with supporting working papers, within agreed timeframes; and
- additional work will not be required to address questions or objections raised by local government electors or for special investigations such as those arising from disclosures under the Public Interest Disclosure Act 1998.

Where these assumptions are not met, we will be required to undertake additional work and charge an increased audit fee. The fee for the audit will be re-visited when we issue the detailed audit plan.

Any changes to our audit plan and fee will be agreed with you. Changes may be required if:

- new residual audit risks emerge;
- additional work is required by KPMG, PSAA, the NAO or other regulators; or
- additional work is required as a result of changes in legislation, professional standards or as a result of changes in financial reporting.

Appendix 2: Planned outputs

Our reports will be discussed and agreed with the appropriate officers before being issued to the Audit and Risk Committee.

Planned output	Indicative date
External audit plan	January 2018
Interim audit report (if required)	April 2018
Report to those charged with governance (ISA260 report)	July 2018
Auditor's report giving the opinion on the financial statements, value for money conclusion and audit certificate	July 2018
Opinion on Whole of Government Accounts return	TBC
Annual audit letter	TBC
Certification of grant claims summary report	TBC

Appendix 3 – Independence & objectivity requirements

Professional standards require auditors to communicate to those charged with governance, at least annually, all relationships that may bear on the firm's independence and the objectivity of the audit engagement partner and audit staff. The standards also place requirements on auditors in relation to integrity, objectivity and independence.

The standards define 'those charged with governance' as 'those persons entrusted with the supervision, control and direction of an entity'. In your case this is the Audit and Risk Committee.

KPMG LLP is committed to being and being seen to be independent. The APBs Ethical Standard requires us to communicate to you in writing all significant facts and matters, including those related to the provision of non-audit services and the safeguards put in place, in our professional judgement, may reasonably be thought to bear on KPMG LLP's independence and the objectivity of the Engagement Lead and the audit team.

Further to this auditors are required by the NAO's Code of Audit Practice to:

- Carry out their work with integrity, independence and objectivity;
- Be transparent and report publicly as required;
- Be professional and proportional in conducting work;
- Be mindful of the activities of inspectorates to prevent duplication;
- Take a constructive and positive approach to their work;
- Comply with statutory and other relevant requirements relating to the security, transfer, holding, disclosure and disposal of information.

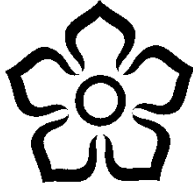
PSAA's Terms of Appointment includes several references to arrangements designed to support and reinforce the requirements relating to independence, which auditors must comply with. These are as follows:

- Auditors and senior members of their staff who are directly involved in the management, supervision or delivery of PSAA audit work should not take part in political activity.
- No member or employee of the firm should accept or hold an appointment as a member of an audited body whose auditor is, or is proposed to be, from the same firm. In addition, no member or employee of the firm should accept or hold such appointments at related bodies, such as those linked to the audited body through a strategic partnership.

- Audit staff are expected not to accept appointments as Governors at certain types of schools within a local authority area.
- Auditors and their staff should not be employed in any capacity (whether paid or unpaid) by an audited body or other organisation providing services to an audited body whilst being employed by the firm.
- Auditors appointed by the PSAA should not accept engagements which involve commenting on the performance of other PSAA auditors on PSAA work without first consulting PSAA.
- Auditors are expected to comply with the Terms of Appointment policy for the Engagement Lead to be changed on a periodic basis.
- Certain other staff changes or appointments require positive action to be taken by Firms as set out in the Terms of Appointment.

Confirmation statement

We confirm that as of April 2017 in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the Engagement Lead and audit team is not impaired.



Leicester
City Council

WARDS AFFECTED
All

Audit & Risk Committee

28 June 2017

Invoice Payment Performance

Report of the Director of Finance

1. Purpose of Report

The purpose of this report is to provide Audit and Risk Committee with an overview of the timeliness of invoices payments the authority makes to its suppliers of goods and services.

2. Recommendations

Members of Audit and Risk Committee are asked to:

- Note the content of the report and the work undertaken to meet the Executive pledge to improve the payment terms for small local businesses.
- Note that future update reports will only be presented to the committee should invoice payment performance fall below acceptable standards.

3. Report

3.1 Background Information

The corporate exchequer team, part of the business service centre, are responsible for processing payments to suppliers of goods and services in accordance with the payment terms agreed with the supplier. Before ordering goods and services it is the responsibility of the cost centre manager to raise a purchase order. A purchase order is a commercial document issued by the buyer of goods or services to the seller, indicating types, quantities, and agreed prices for products or services.

When the goods or services are supplied the cost centre manager acknowledges this by 'receipting' the goods or services via the corporate finance system. The goods receipting process is a means of accepting the goods or services are fit for purpose and suitable in the sense that goods are not damaged and the quantity ordered is delivered, or the service is delivered to a satisfactory standard.

The next step is for the supplier to send an invoice and once this is received by the payments team the payment process can commence.

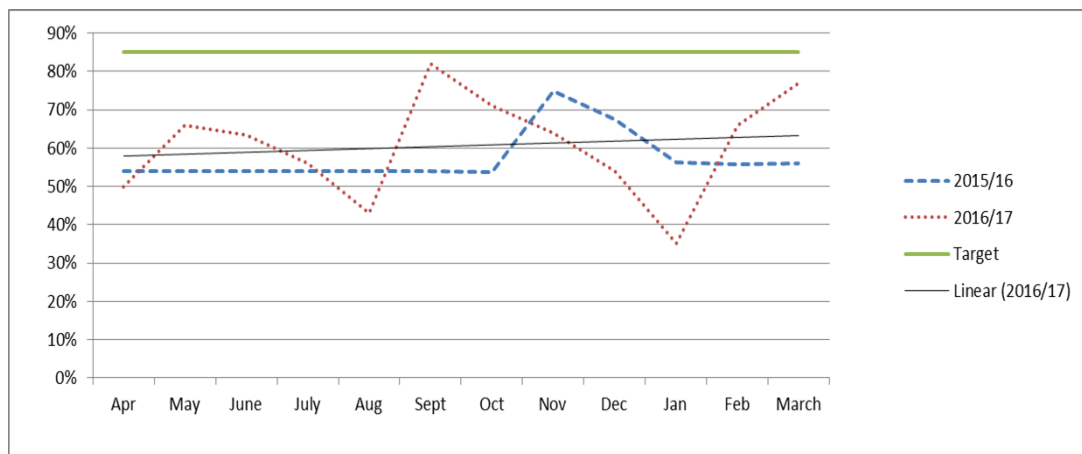
3.2 During the financial year 2016/2017 the authority made on average 8,400 payments per month which equates to a monthly spend of £43m.

4. Update since last report to Audit & Risk Committee in December 2016

4.1 Progress to meet the manifesto commitment to improve local small business payment terms continues to be monitored closely. The commitment reduced payment terms from 30 to 21 days meaning that those invoices get paid more quickly. The aim of this is to optimise cash flow for suppliers in our locality enhancing their financial stability.

4.2 The improved payment terms were introduced in October 2015 and affected some 765 suppliers at that time (identified by an “LE” postcode). The following table shows the percentage of payments made to small businesses within the new payment terms.

Payment Performance



4.3 As demonstrated above since payment terms were changed for small local businesses on average 61% of invoices are being paid on time. This has not increased since progress was reported back in November 2016 and is still below the overall target set for all supplier payments as detailed in **Appendix 1**. Although it should be noted that average payment terms are 30 days rather than 21 therefore we are not actually comparing like for like.

4.4 There was a drop in performance in January. This can be attributed in part to invoices being received late and past their due date over the Christmas period. However there was a marked improvement with 77% being paid within 21 days in April 2017, probably due at least in part to the focus on financial year end processes

4.5 **Why are invoices paid late?**

The reasons for late payments remain the same as reported back in December 2016.

- The delay in suppliers sending in their invoices for payment
- Invoices been sent to individual cost centre managers for payment then these having to be forwarded to the Business Service Centre (BSC) for the payment to be processed
- Some invoices being disputed and the need for resolution which in turn delays the payment
- The cost centre manager not raising a purchase order when ordering the goods or services from the supplier, again this delays payment
- The goods or services have not been signed off as 'receipted' by the cost centre manager.

4.6 **What are we doing to improve performance?**

Work continues to identify which invoices are paid late and challenging the relevant manager to establish why.

In March 2016 we wrote to all suppliers setting out how Leicester City Council is improving how it processes supplier invoices to meet its obligation to pay invoices within the agreed terms. The letter/email included how suppliers can assist in this.

We have escalated the reporting of invoices sent to the BSC late by providing all directors with a bi-monthly report identifying these and asking directors to ensure staff are reminded of their responsibility.

Cost centre managers are reminded on a regular basis of their responsibility in relation to ordering goods and services.

5. **Additional performance data**

Appendix 2 shows the total volume of all payments made each month over the past 4 financial years

Appendix 3 shows the total value of payments made each month over the past 4 financial years

6. **Finance Implications**

There are no significant financial implications arising for this report

Paresh Radia, Principal Accountant
Ext 37 4081

7. Legal Implications

There are no legal implications arising from this report but it should be noted that by making payment to local suppliers within 21 days the Council is meeting a higher standard than required under legislation.

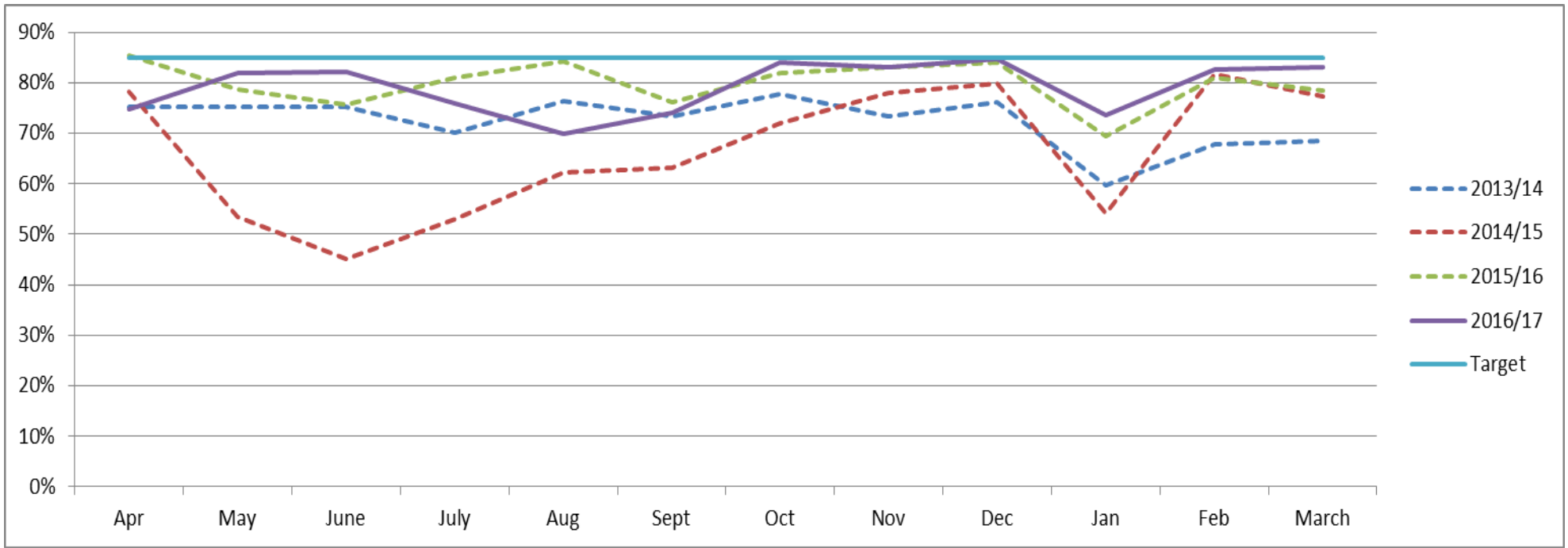
*Emma Horton Head of Law (Contract, Property & Planning)
Ext 37 1426*

8. Report Author/Officer to contact:

*Enid Grant
Head of Business Service Centre
Contact no: 4544401
Enid.grant@leicester.gov.uk*

Appendix 1

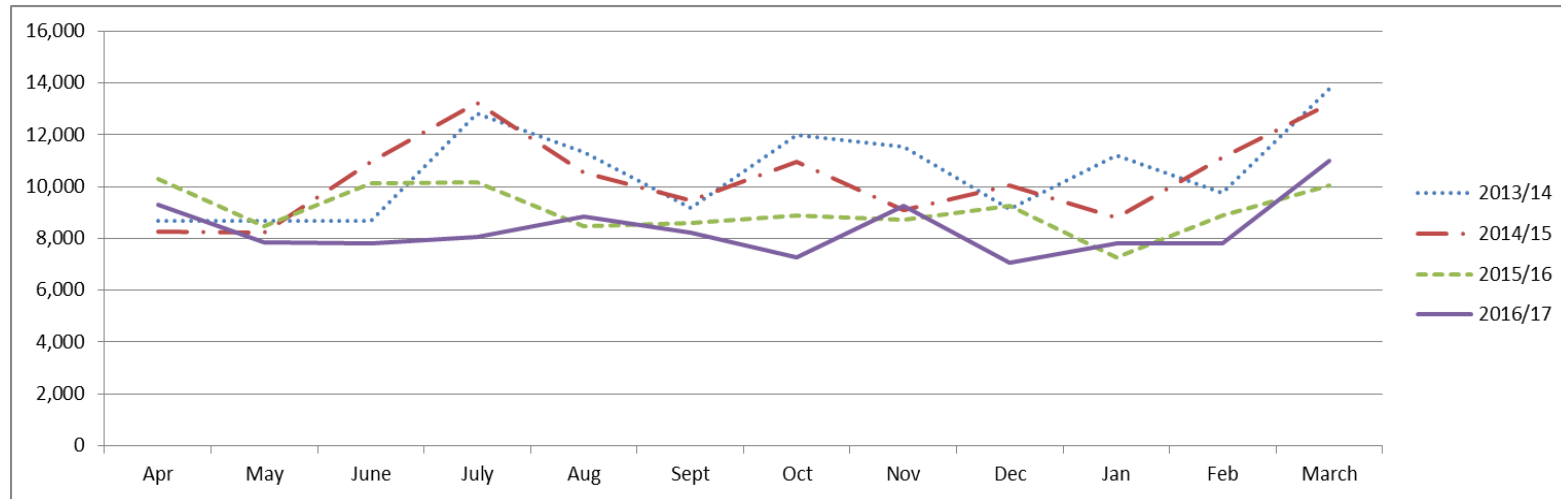
% of Invoices Paid on Time (all suppliers)



21

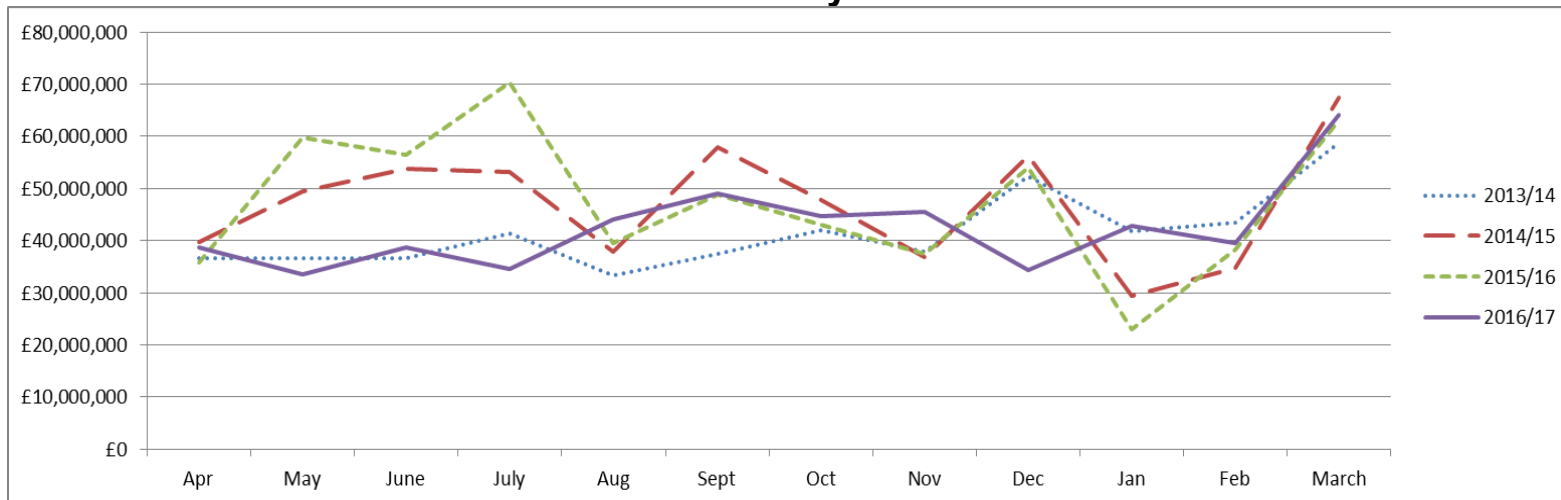
Appendix 2

Volume of Payment Requests



Appendix 3

Value of Payments





WARDS AFFECTED: ALL

Audit and Risk Committee

28 June 2017

AGENCY STAFF

Report of the Director of Finance

1. Purpose of Report

The purpose of this report is to brief the Audit and Risk Committee on the use of agency staff and the associated procedures as requested at the Audit and Risk Committee held on 22nd March 2017, following the presentation of the procurement plan advising of the contract value for agency staff.

2. Background

Due to the diverse nature of our temporary staffing requirements, working across a wide range of job roles to strict timescales, we require a provider who is present and takes proactive measures on resourcing issues. We require our provider to be based locally, to recruit local people and who are personally contactable to provide a “high touch” service. The service provider will be working with the Vacancy Management Team/Hiring Managers to provide temporary resources defined by existing Key Performance Indicators and (KPIs) and Service Level Agreements (SLA).

Agency staff spend accounted for only 5% of the council’s overall pay bill in 2016/17, with permanent salaries (excluding schools) accounting for 95% of our spend.

Resource Type	Total	% of overall salary costs
LCC Perm salaries incl on cost (excl. schools)	£203.1m	95%
Agency Workers	£10.9m	5%
Total	£214.0m	

Reviews and the management issues surrounding the categories of staff we currently use and forecast to continue to use over the next contracting period (Qualified Social Care/Management Professionals/Interims account for 67% of our usage) require a ‘high touch supplier’. In addition,

due to the high usage of qualified Social Care roles both now and ongoing, the supplier needs to be fully conversant with providing qualified social care staff into an authority with similar demographics to Leicester City Council.

The current breakdown of temporary staff by Job Category within the authority is as follows:

Job Category	Percentage
Admin & Clerical	4%
Professional & Management	28%
Care – Adults Non-Qualified	2%
Care – Children’s Non-Qualified	5%
Care – Adults Qualified	2%
Care – Children’s Qualified	37%
Manual Labour	10%
Trade Operatives	11%
Others	1%

Re-procurement is unlikely to achieve any contract savings on the current prices due to increased costs (Statutory), IR35 legislation, Apprenticeship Levy and voluntary costs i.e. Living wage. Savings on agency staff will continue to be made using effective demand management and governance measures currently in place.

3. Performance Management & Governance

Establishing and utilising a broader workforce including temporary agency workers is a cost effective option if used effectively when it comes to addressing skill / capability gaps when it does not make financial sense to retain within the substantive workforce, addressing surge requirements and offsetting future redundancy / outsourcing costs.

However, it is vital that the use of all resource groups is properly controlled and managed to ensure best value for money is achieved in the delivery of corporate objectives and that the strategic workforce plan is delivered within the set budget (both corporately and at service level).

Spend has been controlled via demand management and spend on agency workers reduced by **10%** compared with the previous year (2015/16). This cost reduction was achieved despite increases in Living wage costs (3%) and worker pay rates (1%).

Year	Total
2014/15	£11.0m
2015/16	£12.2m
2016/17	£10.9m
Variance 2015/16 & 2016/17	-£1.3m

More specifically, the following controls and governance are in place:

- All requests for temporary agency workers pass through the Vacancy Management Team via a Business case where a review is completed to ensure the temporary worker is the most appropriate and best value to the authority. The Vacancy Management Team work with the hiring manager to make arrangements that provide the best value for money. This process is also undertaken for any extensions to existing temporary staff requirements.
- Governance arrangements exist for length of original assignments to a maximum of 12 weeks
- Hiring managers work with the Vacancy Management team if extensions are required beyond this 12 week period. There is a business case required for extensions up to a maximum of 3 x 4 week periods.
- Benchmarking data is provided from the supplier to inform rates of pay and ensure these represent value for money and a fair, competitive market value.
- Monthly Management Information is shared with the authority regarding agency usage in terms of overall value and usage broken down by job category.

4. Business Requirements

There is an increasing requirement across the authority for a flexible workforce both in terms of capacity and capability in order to meet our internal and external demands, set against a complex budget and changing landscape. The authority has been charged with significantly reducing its revenue budget which has resulted in a series of organisational reviews, voluntary redundancy periods and recruitment freezes, all of which play a part in our temporary staffing requirements.

Temporary agency workers continue to provide valuable support as part of the authority's overall resourcing strategy in a number of ways:

- Covering roles pending permanent recruitment activity (**Vacancy Cover**)
- Covering posts that are required statutorily due to vacancies/shortage (**Statutory provision**)
- Covering posts where change will impact in the short to medium term, either via redundancy or TUPE processes, and therefore helping the authority offset future financial pressure. (**Review-Recruitment freeze**)
- Backfilling posts to allow the substantive post holder to be released for other activity on a temporary basis or accessing skills where it does not make financial sense to retain as part of the substantive workforce or where an independent status is required. (e.g. supporting other activity). (**Specialist short term**)
- Delivery 'surge' capacity to meet short-term demand. (**Additional capacity**)
- Part of resourcing model due to cost/service delivery requirements for front line services. (**Front line service**)
- Covering ad hoc shifts in front line services due to an urgent service shortfall (**Ad hoc shift cover**)

]

The reasons we use agency staff can be quickly summarised as follows:

Reason for Use of Agency	% of Spend
Ad Hoc Shift Cover	1%
Additional capacity 'surge'	11%
Front Line service	20%
Ofsted Improvement	5%
Review - Recruitment freeze	6%
Specialist short term	2%
Statutory Provision	44%
Vacancy Cover	11%

5. Legal Implications

There are no legal implications arising from this report

Paul Atreides, Head of Law, ext. 37 1428

6. Financial Implications

This report provides details about the usage of agency staff and the governance arrangements. The costs are charged to the service concerned.

Colin Sharpe, Head of Finance, ext. 37 4081.

7. Report Author/Officer to contact:

Caroline Deane, BSC Service Manager
Date 19 May 2017



WARDS AFFECTED: ALL

Audit and Risk Committee

28 June 2017

**Regulation of Investigatory Powers Act 2000
Bi-Annual Performance Report January 2017 – June 2017**

Report of the City Barrister and Head of Standards

1. Purpose of the Report

The report advises on the performance of The Council in authorising Regulatory Investigation Powers Act (RIPA) applications, from 1st January 2017 to 30th June 2017.

2. Summary

2.1 The Council applied for 2 Directed Surveillance Authorisations and 0 Communications Data Authorisations in the period above.

3. Recommendations

The Committee is recommended to:

3.1 Receive the Report and note its contents.

3.2 Make any recommendations or comments it sees fit either to the Executive or to the City Barrister and Head of Standards.

4 Report

4.1 The Council applied for 2 Directed Surveillance Authorisations and 0 Communications Data Authorisations in the first half of 2017.

4.2 Both authorisations (202207 and 203820) were undertaken by Corporate Investigations under The Fraud Act 2006. Blue disabled parking permits were allegedly being used fraudulently to avoid city centre parking charges. Evidence was successfully gathered on both cases.

4.3 One case has been authorised for prosecution and the Council is currently awaiting a hearing date at Leicester Magistrates Court (paper hearing).

4.4 The second case has seen the alleged perpetrator interviewed under caution and sanction action (caution or prosecution) is under consideration.

5. Financial, Legal Implications

5.1 Financial Implications

There are no financial implications arising directly from this report, although the Council could incur legal costs should procedures not be correctly followed – Colin Sharpe (Head of Finance) ext. 37 4081.

5.2 Legal Implications

There are no legal implications arising directly from this report, although the Council could incur legal costs should procedures not be correctly followed – Kamal Adatia (City Barrister and Head of Standards) ext. 37 1402.

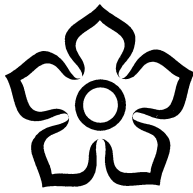
6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting Information
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Climate Change	No	
Crime and Disorder	No	
Human Rights Act	No	Yes. HRA Article 8 must be considered for all applications
Elderly/People on Low Income	No	
Risk Management	No	

7. Report Author / Officer to contact:

Lynn Wyeth, Head of Information Governance & Risk, Legal Services
- Ext 37 1291

2nd June 2017



Leicester
City Council

WARDS AFFECTED
All

Appendix F

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
Audit and Risk Committee

28 June 2017

Annual Report on the National Fraud Initiative (NFI)

Report of the Director of Finance

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide information to the Audit and Risk Committee on the National Fraud Initiative (NFI) exercises currently underway.

2. RECOMMENDATIONS

- 2.1 This report is for information only.

3. SUMMARY

- 3.1 There are two separate NFI exercises that the Authority participates in. One involves data matching with external organisations, including other Councils and the second involves matching data held within the Council.
- 3.2 Data for the 2016/17 external NFI exercise was submitted to the Cabinet Office in October 2016 and data was available for checking from 24th January 2017.

4. REPORT

- 4.1 The Council has participated in the National Fraud Initiative since it was introduced in 1996. The exercise has evolved over the years and is now web based. Since the abolition of the Audit Commission, the exercise is managed by the Cabinet Office. The project involves electronically matching data from a number of sources in order to identify possible fraud or irregularity.

The Cabinet Office identifies recommended matches and officers are expected to examine these first. There is no requirement to examine all of the remaining matches and officers are encouraged to select a sample where there are large volumes of data for checking.

- 4.2 Examples of the different matches include

- Housing Benefit Claimants who are not entitled to claim because they are in receipt of Student Loans
- Housing Benefit Claimants who are tenants at a different address
- Housing Benefit claimants who are also licensed taxi drivers or hold a personal alcohol licence
- Housing tenants who appear to be resident at two addresses
- Blue Badge Parking Permits, Concessionary Travel passes and Private Residential Care Home residents where the individual is recorded as deceased on the Disclosure of Death Registration Information (DDRI) or Department for Work and Pensions list of deceased persons
- Duplicate Creditors or duplicate payments to creditors
- Housing Benefit Claimants who also appear on a local authority payroll

4.3 With effect from 1st March 2016 all benefit fraud is investigated by the Department for Work and Pensions (DWP, however the Cabinet Office still require the authority to undertake an initial check of the Housing Benefit claims before passing the matches to the DWP to investigate.

4.4 Work on the 2016/17 matches has continued and the latest results are as follows

Matches undertaken by 1st June 2017

Total Matches Processed	Frauds Identified	Errors Identified	Cleared no Fraud/Error	Identified overpayments	Still under Investigation
3066	0	238	2828	Nil	152

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

There are no direct financial implications arising from this report. However, the initiatives described in this report are intended to detect fraud (which is an offence of a financial nature) and error, which can cause significant financial loss to the Council.

Colin Sharpe, Head of Finance

5.2 Legal Implications

From 1 April 2015, responsibility for NFI passed from the Audit Commission to the Cabinet Office. NFI exercises use the powers given to the Minister for the Cabinet Office by Part 6 of the Local Audit and Accountability Act 2014. The existing code of data matching practice will continue in effect until the Minister for the Cabinet Office issues a new code.

The code is subject to review following completion of each NFI exercise. Any changes proposed to the code will be consulted upon before a new code is finalised and laid before Parliament.

Kamal Adatia, City Barrister & Head of Standards

5.3 Climate Change Implications

This report does not contain any significant climate change implications.
Duncan Bell, Senior Environmental Consultant

6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph references within the report
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	Yes	Whole report
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	
Risk Management	Yes	This report is concerned with the prevention, detection and sanctioning of fraud. Fraud is one of the risks faced by the Council

7. BACKGROUND PAPERS

None – Information on the National Fraud Initiative is available at <https://www.gov.uk/government/collections/national-fraud-initiative>

8. CONSULTATIONS

None

9. REPORT AUTHOR

Stuart Limb
Corporate Investigations Manager
0116 4542615



Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
Audit & Risk Committee

28 June 2017

Counter-Fraud Annual Report 2016 - 17

Report of the Director of Finance.

1. Purpose of Report

- 1.1. The report, which is attached, provides information on counter-fraud activities during 2016 -17 and is confined to the City Council's Corporate Investigations Team within Financial Services.

2. Recommendations

The Committee is recommended to:

- 2.1. Receive the report
- 2.2. Make any recommendations it sees fit either to the Executive, the Director of Finance or the Director of Environmental Services.

3. Summary

- 3.1. The annual report includes information on the performance of the team during 2016-17 and the key priorities for counter-fraud work in 2017-18.
- 3.2. The key issues identified within the report are:
- 3.3. The continued emergence of new external fraud threats to the Authority, in particular relating to cheque frauds.
- 3.4. Future plans for the Counter-Fraud Teams.
- 3.5. To deliver effective counter-fraud activities requires significant investment both from managers and from staff generally. Professional development, which is a key component of our counter-fraud work and strategy, must be relevant and topical so requires constant refreshing. New and emerging threats by increasingly sophisticated fraudsters and the opportunities for online fraud require an equally sophisticated and vigilant response from the Authority. In addition, support from all parts of the Council is essential to ensuring the effectiveness of this work.

- 3.6. As part of its work, the Corporate Investigations Team investigates suspected financial irregularities and makes recommendations to reduce the risk of further losses and improve performance, efficiency, effectiveness and economy in the use of resources by the Council.
- 3.7. The Revenues & Benefits Investigation Team specifically investigated suspected Housing Benefit and Council Tax Fraud and when appropriate worked closely with the Department for Work and Pensions to sanction offenders through prosecution, financial penalties and cautions.

4. Report

- 4.1. See the Counter-Fraud Review of the Year 2016-17, attached.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

Fraud can cause the Council significant loss and activity to prevent and detect fraud is a clear financial investment. Whilst it is impossible to quantify in any reliable way the full implications across the Council the work of the Corporate Investigation Team helps to provide a deterrent and a function to tackle fraud once it is discovered.

Colin Sharpe, Head of Finance.

5.2. Legal Implications

Fraud is a criminal offence and therefore represents breach of the law. Other forms of financial irregularity, though not criminal, may be in breach of regulation. The conduct of counter-fraud work of all kinds is bound by law and regulation and the Council is careful to ensure that its activities in this area are properly discharged.

Kamal Adatia, City Barrister & Head of Standards

5.3. Climate Change Implications

There are no significant climate change implications arising from the attached report.

Duncan Bell, Senior Environmental Consultant.

6. Other Implications

OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within the Report
Equal Opportunities Policy	No	
Sustainable and Environmental Crime and Disorder	No	
	Yes	This report is concerned with fraud and corruption, both of which are criminal offences.
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

7. Background Papers – Local Government Act 1972

7.1. Files held by Revenues and Benefits and

Leicester City Council's Anti-Fraud and Corruption Policy and Strategy

Leicester City Council's Finance Procedure Rules

Leicester City Council's Constitution

Leicester City Council's Code of Conduct for Behaviour at Work

Leicester City Council's Information Security Policy Statement

Leicester City Council's Prosecutions Policy

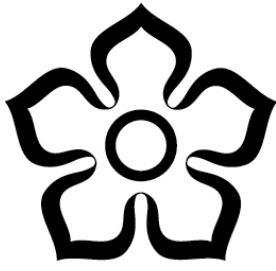
Leicester City Council's Investigators Code of Conduct

Public Bodies Corrupt Practices Act 1889

Chartered Institute of Public Finance & Accountancy (CIPFA) publication
Managing The Risk of Fraud

8. Report Author

8.1. Stuart Limb, Corporate Investigations Manager



Leicester
City Council

**COUNTER-FRAUD
REVIEW OF THE YEAR
2016-17**

COUNTER-FRAUD REVIEW OF THE YEAR 2016-17

1. Introduction

- 1.1 This is a report to the Audit & Risk Committee on the work delivered by Leicester City Council's Corporate Investigations Team, during the year 2016-17. It does not include any reference to the work of the Trading Standards Team as they were unable to provide any information for inclusion in this report.
- 1.2 The Corporate Investigations Team (CIT) is an independent appraisal function, established by the Council to investigate suspected financial irregularities, conduct proactive fraud-searching exercises and improve fraud awareness amongst employees.
- 1.3 To facilitate their work, Corporate Investigations Officers have access to any relevant City Council information, data and records they require in order to carry out their duties. These rights of access are contained in the City Council's Finance Procedure Rules and extend to relevant information held by partner organizations and direct service providers.

2 The Year in Summary

- 2.1 The Council continues to benefit from having teams of qualified and experienced Accredited Counter-Fraud Specialists whose skill and ability continues to help protect Leicester City Council and its residents from fraud and loss.

Corporate Investigations Team

- 2.2 The team have been investigating a wide range of types of cases including Business Rate, Council Tax Reduction, Thefts and Financial Investigations utilizing the Proceeds of Crime Act (POCA). The new case management system is now embedded into the working practices of the investigations team which is allowing the investigations to be fully compliant with the legislative requirements of recording criminal investigations.
- 2.3 The authority continues to lead of the regional intelligence hub for all local authorities in Leicester, Leicestershire and Rutland. This is funded by successful bids made to the Department for Communities and Local Government (DCLG). This project has been arduous and time consuming in terms of other Local Authority's delay in signing the Information Sharing Agreements and others not having provided their data in a timely manner. This has caused a slippage in the full utilization of the software and the manipulation of data.
- 2.4 It is anticipated that the project will extend for a further 2 years utilizing the remaining DCLG funding for the benefit of all LA's within the hub. Assurances have been received from the partners that they will ensure that the data is provided in a timely manner moving forward.
- 2.5 All members of the investigations team are trained and BTEC accredited in

criminal investigations. This helps to ensure that the investigations are carried out in line with current legislation with a view to maximize the prospects of preventing and detecting fraud and where appropriate securing a prosecution.

- 2.6 The Corporate Investigations Team receive allegations about and investigate a wide variety of suspected irregularities including cheque manipulation and counterfeiting, thefts, flexible working hours abuse, corruption, contract and procurement irregularities, third party fraud including care home irregularities misuse of disabled parking permits and grant aided organizations.
- 2.7 External threats continue to pose a risk to the Council, in particular counterfeit and forged cheques. As the authority is a member of the National Anti-Fraud Network (NAFN) we receive regular alerts to emerging fraud threats. These are then disseminated regularly to key personnel in the Finance division and placed on the intranet for all staff to be aware of.
- 2.8 Whilst it is sometimes possible to quantify losses incurred by the Council as a result of financial irregularities there are many instances where it is impossible to estimate the cost. For example, where the procurement of goods or services has not been made in accordance with Council procedures and best value cannot be demonstrated or where it is not possible to determine how long an irregularity has been going on for. The Corporate Investigations Team is working towards estimating a financial value on cases for future reports. These estimates will be based on industry standard estimates of fraud based on research and on research based on frauds within LCC.
- 2.9 The team makes unannounced visits to Council premises to secure evidence including data held on digital devices. Team members undertake surveillance and interview employees, members of the public and contractors. They liaise with the UK Border Agency, the Council's bank, the police and other external agencies involved in fraud prevention.
- 2.10 The CIM considers management requests for access to employees' emails, Internet access, computers and the building access system (which gives staff access to council buildings) information before they are authorized by the Director of Finance. During 2016-17, 29 such requests for information were processed compared to 55 in the previous year. The majority of requests were for information from more than one system and some requests were for information relating to a number of users.
- 2.11 The CIM is also the City Council's Key Contact for the Cabinet Office's National Fraud Initiative (NFI) data matching exercise.

3. Review of Performance

Corporate Investigations Team

- 3.1 The Corporate Investigations Team considers all cases of suspected fraud and irregularity referred to it. Referrals are scored according to the seriousness of the allegation. In some cases an investigation is undertaken, in others, managers are given advice and assistance to enable them to take

appropriate action, not only to deal with the matter of concern but also to help prevent recurrences.

- 3.2 The Financial Investigator also undertakes work on behalf of Leicestershire County Council under a trading contract which both recharges for his time and also identifies a percentage of the monies recovered through his work. This has also been conducted for Melton Borough Council and we have recently hosted a visit from Stoke City Council who are considering utilising our POCA capacity.

Table 1: Caseload statistics for the Corporate Investigations Team 2016-17

Performance Indicators

1	Cases brought forward at 01/04/2016	40
2	New cases in 2016- 2017	275
3	Cases open greater than 6 months at 01/04/2016	32
4	Total open cases at 31/03/2017	73
5	Total cases closed 2016 - 2017	206

- 3.3 The team continues to work closely with management and in many cases issues that have arisen as a result of the investigation are addressed before the investigation is concluded. This approach means that management is more actively involved and that the Corporate Investigations are able to deal with more cases.

4. The Year Ahead

4.1 Major objectives for the Corporate Investigations Team for 2017-18 are:

- To support the Council in its efforts to deal with fraud and irregularity whether internally focused or from customers or other third parties against the Council.
- To continue to investigate and prosecute, where appropriate, fraud offences and fully utilize the Proceeds of Crime Act to recover losses and ill-gotten gains.
- To support the Director of Finance by identifying high fraud risk areas and working with management to mitigate those risks.
- To utilize the DCLG intelligence hub to identify potential irregularities across different data sets and departments within the authority.
- To manage the 2016/17 National Fraud Initiative exercise, ensuring that all data sets are considered and appropriate action taken where irregularities have occurred.
- To continue to work in conjunction with Housing Services to review the

Authority's housing stock of approximately 22,000 properties in an effort to identify potential tenancy fraud.

5. Acknowledgment

- 5.1 The Director of Finance acknowledges the efforts of all members of the Corporate Investigations Team and the help, co-operation and support of Members and officers of the City Council.

Stuart Limb,
Corporate Investigations Manager



Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
Audit and Risk Committee

28 June 2017

Review of the Anti-Fraud, Bribery and Corruption Policy and Strategy

Report of the Director of Finance

1. PURPOSE OF REPORT

- 1.1 The Terms of Reference of the Audit and Risk Committee include the requirement “To review and approve, on an annual basis, the Council’s anti-fraud and corruption and whistle-blowing policies and procedures”.
- 1.2 The purpose of this report is to present to the Committee a review of the Anti-Fraud and Corruption Policy and Strategy. The aim is to ensure that Members and Officers consider the provisions of the Bribery Act 2010, which came into force on 1 July 2011.
- 1.3 The revised Anti-Fraud and Corruption policy is supported by guidance notes for officers.
- 1.4 The purpose of the policy is to ensure that Members and Officers take the necessary steps to prevent, deter, detect and investigate fraud and that the Council has in place proper procedures to prevent corruption including bribery.

2. RECOMMENDATIONS

- 2.1 The Audit and Risk Committee is recommended to:
- a) Receive the report;
 - b) Approve the Anti-Fraud, Bribery and Corruption Policy; and,
 - c) Make any recommendations to the City Mayor and Cabinet or the Director of Finance.

3. SUMMARY

- 3.1 The Council has had an Anti-Fraud and Corruption Policy for a number of years and demonstrates its commitment to addressing fraud and corruption. The policy is reviewed annually and this latest review includes consideration of the new Bribery Act, introduced onto the Statute Book on 1 July 2011.
- 3.2 The amendments to the current Anti-Fraud, Bribery and Corruption Policy are to update the references to the Corporate Investigations Team.
- 3.3 The revised Anti-Fraud, Bribery and Corruption Policy are included as Appendix 1 and recommendations for management action to prevent and deter bribery are included as Appendix 2.

4. REPORT

- 4.1 The prevention, detection and investigation of financial irregularities including fraud and corruption (which may involve bribery) are an important activity for local authorities.
- 4.2 The current economic climate may lead to an increase in fraud as some individuals struggle with increasing debt and lower incomes. Evidence of increased threat is reflected in the fact that in May 2011 the Secretary of State for Communities and Local Government identified Ten Ways to Tackle Fraud in the Public Sector and shortly after that the Cabinet Office published a further report entitled Eliminating Public Sector Fraud.
- 4.3 Business areas at risk of fraud are to be provided with mandatory awareness and refresher training, together with assistance in developing and pursuing preventative measures.

- 4.4 There have been a number of attempted frauds against the Council from external organisations. These include a number of invoices being received for goods neither ordered nor received, in some cases followed up by demands made by telephone. Fraud Warning Notices are posted on INTERFACE and the School's Extranet to alert employees of the danger.
- 4.5 The Anti-Fraud, Bribery and Corruption Policy, attached as Appendix 1 to this report, sets out the Council's stance on fraud and corruption, including bribery. Members and officers need to ensure that processes and procedures are in place to prevent, deter, detect and investigate fraud. Where the Council suffers loss, procedures for sanctions and recovery also need to be in place.
- 4.6 Any act of fraud by, on behalf of or against the Council, e.g. theft of monies, could fall within the ambit of this policy.
- 4.7 For the purposes of this report the terms fraud, bribery and corruption are defined as follows:
- a) Fraud – dishonestly making a false representation, failing to disclose information which there is a legal duty to disclose or abuse of position to make a gain for their self or another, or to cause loss to another or to expose another to a risk of loss.
 - b) Bribery - giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so.
 - c) Corruption - Forms of corruption vary, but include bribery, extortion, cronyism, nepotism, patronage and embezzlement. By its nature corruption can be difficult to detect as it usually involves two or more people entering into a secret agreement.

5. THE BRIBERY ACT 2010

- 5.1 The Bribery Act received Royal Assent on 8 April 2010 and came into force on 1 July 2011.
- 5.2 The Act contains two general offences
- a. The offering, promising or giving of a bribe (active bribery); and
 - b. The requesting, agreeing to receive or accepting of a bribe (passive bribery).
- 5.3 It also sets out two further offences which specifically address commercial bribery. Section 6 creates an offence relating to bribery of a foreign public official in order to obtain or retain business or an advantage in the conduct of business, and section 7 creates a new form of corporate liability for failing to prevent bribery on behalf of a commercial organisation.

- 5.4 Only a 'relevant commercial organisation' can commit an offence under section 7 of the Bribery Act. Whilst the Act does not specifically identify local authorities as commercial organisations, guidance from the Ministry of Justice would suggest that public authorities are included. The following paragraph from the Ministry of Justice Guidance sets out the Government's intention as regards the application of the phrase:
- 5.5 "As regards bodies incorporated, or partnerships formed, in the UK, despite the fact that there are many ways in which a body corporate or a partnership can pursue business objectives, the Government expects that whether such a body or partnership can be said to be carrying on a business will be answered by applying a common sense approach. So long as the organisation in question is incorporated (by whatever means), or is a partnership, it does not matter if it pursues primarily charitable or educational aims or purely public functions. It will be caught if it engages in commercial activities, irrespective of the purpose for which profits are made."
- 5.6 The Council already has in place some measures to prevent bribery. Failure to have measures in place, or widespread failure to follow procedures, may leave the Council liable to criminal proceedings.

6. REVIEW OF THE CURRENT ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY

- 6.1 The revisions to the Anti-Fraud & Corruption Policy and Strategy (Appendix 1 – changes are highlighted in italics) and the guidance on Managing the Risk of Fraud and Bribery (Appendix 2) are the starting point. However, the onus lies with Managers to ensure that they have in place processes that employees are aware of and follow, in order to ensure that the Council has in place sufficient measures to ensure compliance with the Bribery Act. Managers will need to carry out a fraud and bribery risk assessment to determine what steps they need to take.
- 6.2 The policy identifies the need to embed the risk of fraud and corruption, including bribery, into the culture of the organisation. Managers and employees are provided with advice and training to ensure that they consider ways to minimise the risks of fraud, bribery and corruption as part of their day-to-day duties. Guidance on this and further advice for managers is provided in documentation supporting the Policy as well as from the Corporate Investigations Team.
- 6.3 The Policy also identifies the need to provide adequate investigative resources to support managers in deterring, detecting and preventing fraud, bribery and corruption.

6.4 The Corporate Investigations Team considers cases of suspected fraud and irregularity other than Council Tax and Housing Benefit. There are no direct comparisons with staffing levels of other local authorities. In addition to undertaking specific investigations, the Corporate Investigations Team support managers by providing advice, fraud awareness training and carrying out proactive work. The team co-ordinates the National Fraud Initiative (NFI) data matching exercise and measures and assesses the risk of fraud and corruption and exception reporting using council systems, e.g. exception reporting of payroll data may identify individuals who regularly receive amounts in excess of their contracted salary, indicating potential excessive amounts of overtime. Such reports may also reveal excessive expense claims or processing errors.

7. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

7.1 Financial Implications

There are no direct financial implications arising from this report. However, theft, fraud and corruption, including bribery, are all offences of a financial nature and can cause significant financial loss to the Council.

Colin Sharpe, Head of Finance.

7.2 Legal Implications

The Bribery Act 2010 applies to the Council and/or senior Council personnel (Officers and/or Members) to the extent that it is covered by the offences of bribing another person, being bribed and bribing a foreign public official. Council Officers could be liable for offences committed with their 'consent or connivance'.

In addition, to the extent that it engages in commercial activities, the Council (and any company established by it) is also covered by an offence of failure to prevent bribery (subject to the defence that is available). A defence is available in respect of the offence of failing to prevent bribery if the Council (or company) can show that it had in place adequate procedures designed to prevent persons associated with the Council from undertaking such conduct (bribery).

Guidance about commercial organisations preventing bribery may be issued from time to time and there needs to be a mechanism in place for adopting such guidance as and when it is issued.

Kamal Adatia, City Barrister & Head of Standards.

7.3 Climate Change Implications

There are no significant climate change implications arising from the attached report.

Duncan Bell, Senior Environmental Consultant.

8. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph references within the report
Equal Opportunities	No	
Policy	Yes	
Sustainable and Environmental	No	
Crime and Disorder	Yes	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	
Risk Management	Yes	

9. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

10. CONSULTATIONS

Risk Management & Insurance Services,
 Legal Services, Revenues and Benefits,
 Regeneration, Highways & Transportation, Environment Section, Equality.

11. REPORT AUTHOR

Stuart Limb, Corporate Investigations Manager 0116 4542615

Leicester City Council **Anti-Fraud, Bribery and Corruption Policy**

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Policy statement

Preventing fraud is an integral part of ensuring that tax-payers money is used to protect resources for our services. The cost of fraud to local government is estimated at £2.2 billion a year. This is money that can be better used to support the delivery of our front line services and make savings for our tax payers.

Leicester City Council is totally committed to maintaining a zero tolerance towards fraud, bribery and corruption and to the prevention, deterrence, detection and the investigation of all forms of fraud, bribery and corruption affecting its activities.

Aims of the policy

This policy sets the standard and makes clear the council's zero tolerance against fraud, bribery and corruption and that ALL cases will be investigated thoroughly and dealt with in the appropriate manner.

Who this policy applies to

This policy applies equally to the City Mayor, Members and officers, agency staff, consultants, those contracted to deliver services for or on behalf of the Council and agents of the Council as well as to third parties including members of the public and third party organisations.

Introduction

Leicester City Council has a responsibility for the provision of effective and efficient services to clients and to ensure the protection of the public purse. The Council recognises that failure to implement effective anti-fraud measures can undermine the standards of our public services.

The council does not, and will not, engage indirectly in or otherwise encourage bribery, nor does it wish to be associated with any organisations that does or has done so. This extends to all third parties whether such conduct is associated with business on behalf of the Council or not.

The Council will not commit the offence of failing to prevent bribery, providing that we can show that we have adequate procedures in place to prevent bribery. We provide adequate investigative resources to support managers to deter detect and prevent fraud, bribery and corruption.

In an effort to establish and promote a culture of integrity, openness and honesty in the conduct of the Council's business, thereby reducing levels of fraud, bribery, corruption and financial irregularity, the council follows the key six principles as set out in the Bribery Act 2010.

Proportionality

Adequate bribery prevention procedures are proportionate to the bribery risks that the council faces.

The procedures & policies of the council are put in place to prevent bribery and are designed to mitigate identified risks as well as to prevent deliberate unethical conduct on the part of associated persons.

Top Level Commitment

Continued support from the Senior Managers fosters a culture of integrity where bribery is unacceptable. With this support from members and directors we can promote a zero tolerance culture and ensure that we make sure that our staff understand that bribery is not tolerated and to take the necessary action to address any risks.

Risk Assessment

Risk management is all about managing the council's threats and opportunities. By managing the council's threats effectively we will be in a stronger position to deliver the council's objectives. It is acknowledged that risk is a feature of all business activity and is a particular attribute of the more creative of its strategic developments. The council accepts the need to take proportionate risk to achieve its strategic obligations, but expects that these are properly identified and managed. By managing these opportunities in a structured process the council will be in a better position to provide improved services and better value for money.

The council will undertake to:--

1. Identify, manage and act on opportunities as well as risks to enable the council to achieve its objectives and integrate risk management into the culture and day to day working of the council.
2. Manage risks in accordance with best practices and comply with statutory requirements.
3. Ensure that a systematic approach to risk management is adopted as part of Service Planning and Performance Management.
4. Anticipate and respond to changing social, environmental and legislative requirements.
5. Keep up to date and develop our processes for the identification/management of risk.
6. Have in place a defined outline of individual roles and responsibilities.
7. Raise awareness of the need for risk management to those involved in developing the council's policies and delivering services.
8. Demonstrate the benefits of effective risk management by
 - Cohesive leadership and improved management controls;
 - Improved resource management – people, time, and assets;
 - Improved efficiency and effectiveness in service and project delivery;
 - Better protection of employees, residents and others from harm;

- Reduction in losses leading to lower insurance premiums; and,
 - Improved reputation for the council;
9. Ensure risk assessments (identification of, and plans to manage, risk) are an integral part of all plans and proposals to the Executive; Corporate Management Board and Strategic Directors.
10. Recognise that it is not always possible, nor desirable, to eliminate risk entirely, and so have a comprehensive insurance programme that protects the council from significant financial loss following damage or loss of its assets.

Due Diligence

We need to know exactly who we deal with in the council and to protect our organisation from taking on people who are less trustworthy.

The council conducts Due Diligence on all third parties that they form a partnership with. It is encouraged that if there are any material changes to the business or relationship, Due Diligence is re-evaluated to ascertain if the relationship and its risk level have changed.

Communication (including training)

The council seeks to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal, including training, that is proportionate to the risks it faces.

The council will ensure that all levels of employees are aware of this policy via the internal processes.

We ensure that fraud and bribery and awareness training is conducted with new staff, existing and members.

Monitor and Review

We face the risk of the effectiveness of our procedures and these may change over time. We will measure the level of fraud and corruption across the Council and introduce and maintain measures ensuring that policies and procedures are kept up to date with any changes in the bribery risk by utilising the full range of integrated actions available to prevent, detect, sanction and seek redress for fraud, bribery and corruption.

We ensure that policies and procedures designed to prevent and deter fraud; bribery and corruption are adopted and consistently implemented across the Council.

For the purposes of this policy fraud, bribery and corruption are defined as follows:

Fraud – dishonestly making a false representation, failing to disclose information which there is a legal duty to disclose or abuse of position to make a gain for their self or another, or to cause loss to another or to expose another to a risk of loss.

Bribery - giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so.

Corruption - Forms of corruption vary, but include bribery, extortion, patronage and embezzlement. By its nature corruption can be difficult to detect as it usually involves two or more people entering into a secret agreement.

The Fraud Act 2006

The act defines fraud as being committed in three main ways:

Fraud by false representation

A person commits an offence when they dishonestly make a false representation and intends by making:

- A gain for himself or another
- Cause loss to another person
- Expose another to a risk

Fraud by failing to disclose information

The offence is committed where a person is dishonestly fails to disclose information where there is a legal duty and intends to do this by making:

- A gain for himself or another person
- To cause a loss or expose another to the risk of a loss.

Fraud by abuse of position

This offence is intended to prevent the dishonest abuse of those in a position who are considered being in a role of trust and safeguarding and not acting against the council financial interests and intends to abuse the position by:

- Making a gain for himself or another
- To cause a loss or expose another to the risk of a loss.

The following actions could constitute a fraud or corruption may include and is not limited to

- Forging or altering council documents or accounts
- Forging or altering cheques, bank drafts or any other financial documents
- Misappropriation of funds or other assets
- Receiving a financial gain from releasing inside knowledge or council activities
- Disclosing confidential information to outside parties
- Failure to declare an interest
- Giving and receiving of high end Gifts and Hospitality in the course of tenders or new business ventures and contracts.

The Bribery Act 2010.

Criminal

The introduction of this new corporate criminal offence places a burden of proof on companies to show they have adequate procedures in place to prevent bribery. The Bribery Act also provides strict penalties for active and passive bribery by individuals as well as companies.

Individuals found guilty can face an unlimited fine and imprisonment up to ten years. Where Leicester City Council itself is found guilty of any of the key offence then the penalty is an unlimited fine.

An employee of the council who performs the function or activity and is in a position of trust, even if it has no connection with the United Kingdom, and is performed in a country or territory outside the United Kingdom can still be prosecuted under this legislation.

Basic Definitions of Bribery:

- In order to secure or keep a contract
- To secure an order
- Gain an advantage over a competitor
- Giving of facilitation payments to government officials.

Section 1 of Bribery Act 2010

General Offence of offering, promising and giving

Section 2 of Bribery Act 2010

Agreeing, Receiving and Accepting

Function or activity to which bribe relates

Any function of a public nature,

Any activity connected with a business,

Any activity performed in the course of a person's employment,

Any activity that is expected to perform in good faith.

Performing a function or activity that is expected to perform it impartially.

Section 6 creates an offence relating to the bribery of a *foreign public official*. The definition applies to individuals who hold a position or exercise a public function.

Common examples include:

- Government ministers and civil servants
- Local government members and officials
- Police
- Security agencies such as immigration and border controls

Facilitation Payment

The definition of a facilitation payment is one where a payment is made to a public official intended to secure an official action. These types of payments are a particular form of bribery that may also be referred to as 'kickbacks' and 'backhanders'

Section 7

This section creates the corporate liability for failing to prevent bribery on behalf of the organisation. The council will be liable to prosecution if a person associated with it bribes another person intending to obtain or retain business or an advantage in the conduct of business for that organisation. The council will have a full defence if it can show that despite a particular case of bribery it nevertheless had adequate procedures in place to prevent persons associated with it from bribing.

Please note: **The timing of gifts & hospitality is most relevant shortly before, after or during a tendering process and is inappropriate as this can be construed as a bribe, offered with the intention to ‘close a deal’. Therefore staff should not accept any during this process**

Summary of Gifts & Hospitality

All employees must not receive any reward or fee other than their proper remuneration. As a general rule, you should tactfully refuse offers of gifts, hospitality or services from organisations or persons who do, or might, provide work, goods or services to the City Council or who require a decision from the City Council and/or within the tender process.

The full guidance can be found at 7.7 in the Code of Conduct for council employees.

The giving and receiving of cash is prohibited.

It is of vital importance that the possibility of you being deemed by others to have been influenced in making a business decision, as a result of accepting such hospitality, should be avoided at all costs, for your own protection.

All interests you may have must be declared to your line manager by recording them on MyView. If you are unable to access My View a ‘Register of Interests form’ can be obtained from your line manager and returned to the Employment Services Centre.

Responsibilities

Human Resources

Whilst most individuals appointed into positions within the council are on their own merit and experience, HR are responsible for ensure that all staff are screened and made aware of their responsibility and contractual obligations in relation to anti-fraud, bribery and corruption policies and procedures.

The council has in place a Contra Indicator Risk Assessment Process – Criminal Record Information policy that must be adhered to.

All applicants are required to complete an application form and must declare any criminal convictions. It is a requirement that the council conducts a police check under the Disclosure and Barring Service (DBS).

Further information can be found on this policy under HR Policies.

All Staff

Failing to prevent bribery is an offence on its own, so ALL staff have a requirement to report any suspicious fraud, theft, bribery or corruption. The penalties for not reporting a bribe are of the same level of receiving and giving of a bribe.

It is important that employees do not try to handle the issue themselves.

Poorly managed investigations or improper interference could potentially disrupt prospective criminal investigations/prosecutions. There are a number of procedures which have to be followed.

The council encourages all staff to report any suspicious activities and will be treated seriously and in confidence and will protect those who have done so (even if the suspicion is unfounded and not made maliciously.) This is set out in the Whistleblowing policy.

Management

Managers are in the best position to promote and encourage the reporting of all suspicious activity and provide support to employees.

Managers are responsible for maintaining their own internal controls and identify risks that are exposed and conduct risk assessments where required and all controls are being complied with.

Internal Audit

Internal Audit is an independent and objective department is there to help the city council achieve its objectives by providing assurance on the management of its risks.

They see how well the procedures and controls in place within the system or process prevent the risk occurring or lessen its potential impact. They do this by testing to see whether the procedures are operating effectively. They report to managers and Members on whether risks have been identified and whether they are being well managed.

Corporate Investigation Team

The Corporate Investigation Team can and will conduct criminal investigations of any internal and external allegation when it is deemed applicable. This is achieved through criminal and/or civil courts. The council will also look to take the appropriate actions of the retrieval of any goods or money.

Avenues for reporting any suspicious activity.

You can report your concerns in a number of ways:

- Contacting Corporate Investigations directly by means of email to the

Investigation mailbox or contacting us directly on 454 6490

- Using the Whistleblowing line. This procedure is set out in the council policy.
- Reporting to their line manager or the most appropriate employee.

Detecting

The council has in place numerous measures in detecting and preventing fraud, bribery and corruption. The CIT coordinates the National Fraud Initiative (NFI) data matching exercise which is a mandatory exercise as required by the Cabinet Office. The NFI measures and assesses the risk of fraud and corruption using council systems, e.g. exception reporting of payroll data may identify individuals who regularly receive amounts in excess of their contracted salary, indicating potential excessive amounts of overtime and expenses.

The council is currently leading a group of 10 Local Authorities in a project funded by the Department for Communities and Local Government (DCLG) to identify, isolate multiple potential frauds being committed against members in other Local Authorities by verifying applications and also to identify potential irregularities. This project looks to share best practice and create a single intelligence hub which will hold hundreds of thousands of records which can be interrogated.

All other irregularities, including those reported via the Whistleblowing process will be investigated by the Corporate Investigation Team.

Whistleblowing

Leicester City Council is committed to conducting its business with honesty and integrity and it expects all staff to maintain high standards of conduct. All organisations, however, face the risk of things going wrong from time to time, or of unknowingly harboring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring or to address them when they do occur.

The whistleblowing policy sets out the parameters of reporting any illegal and unethical conduct

The staff is encouraged to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate and that their confidentiality will be respected.

Management are to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

The whistleblowing policy however is NOT to be used to raise concerns with personal circumstances, such as the way staff member is treated at work or if they have a grievance against another member of staff.

If a member of staff prefers not to approach their manager, staff can report their concerns directly with the Monitoring Officer.

- External disclosure – The law recognises that in some circumstances it may be appropriate for you to report your concerns to an external body such as a regulator. It will very rarely if ever appropriate to alert the media.

Courses of Action

Under their work section 7.4 of the City Council's Finance Procedure Rules, the Corporate Investigation Team have authority and access at all times to:

- Any City Council property
- Access to all data, records, documents and correspondence relating to any financial or any other activity of the City Council.
- Access to any assets of the City Council
- Require from any member, employee, agent, partner, contractor or persons engaged in City Council business any necessary information and explanation.

Disciplinary

The CIT will make recommendations of disciplinary action as and when it is required to do so.

Prosecution

The Corporate Investigation Team can and will conduct criminal investigations of any internal and external allegation when it is deemed applicable. This is achieved through criminal and/or civil courts

Consequences

Failing to comply and prevent under the Bribery Act 2010 could result in an unlimited fine or imprisonment for an individual and for the council, an unlimited fine.

Failure to adhere to the internal policies and procedures may lead to gross misconduct and the dismissal of the employee.

Desired outcomes of the policy

- A high profile and awareness of fraud, bribery and corruption throughout the Council.
- Greater management awareness of the risk of fraud, bribery and corruption.
- Improved management controls arising from better risk assessments.
- Improved compliance with Council policy, procedures and practices, for example Finance Procedure Rules and Contract Procedure Rules as

evidenced by on-going management monitoring, Internal Audit reviews and the level identified fraud and irregularity.

Measuring success

The following indicators will be used to monitor the effectiveness of the Anti- Fraud and Corruption Policy and Strategy:

- The number of suspicions of fraud identified by, or referred to, the Corporate Investigations Team.
- The number of cases investigated in which fraud or corruption is proven.
- The value of amounts misappropriated (of all kinds including employee time), both in absolute terms and as a proportion of the Council’s annual budget.
- Periodic surveys by the Corporate Investigations Team to ascertain the level of management’s awareness of fraud, bribery and corruption.
- The number of employees disciplined for offences involving fraud, bribery or corruption

Review & monitoring of the Policy

The revisions to the anti-fraud, bribery and corruption policy and the guidance on managing this policy are held with the Audit and Risk Committee.

However, the onus lies with Managers to ensure that they have in place processes that place sufficient measures to ensure compliance with the Bribery Act.

Conclusion

The council is committed to the high profile and awareness of fraud, bribery and corruption. Improved compliance within Council policies and practices, for example Finance Procedure Rules and Contract Procedure Rules, as evidenced by on-going management monitoring , Internal Audit reviews and the level of identified fraud and irregularity and promote its zero tolerance on fraud, bribery and corruption.

Appendix 1

Managing the Risk of Fraud and Bribery

Comprehensive advice on managing risk is available on INSITE. This guidance is intended to help Directors and managers manage the risk of fraud and bribery so avoiding the loss of public funds, the risk of prosecution and reputational damage.

1. Identify the risk

Do you or your team handle cash?

Do you or your team award contracts, procure goods or services, approve grants, deal with schools admissions, grant licenses, allocate tenancies, approve planning applications, have access to payroll, Housing Benefit and other payment systems?

Are there any areas within your work area that may face the risk of bribery?

2. Assess the risk

What is the likelihood of fraud or bribery occurring?

What would be the impact if it did happen – what losses would the Authority suffer and what consequences might the Authority face?

3. Manage the risk

There are four options available to you once you have completed the steps above.

- Tolerate the risk, in other words accept it
- Treat the risk, take steps to introduce controls to prevent or deter fraud or bribery, and measures to ensure that any fraud or bribery committed is swiftly identified, including those responsible
- Transfer the risk
- Terminate the risk

4. Monitor the Risk

Have you implemented the chosen control measures?

Are the controls working?

Are there any new problems?

5. Reviewing and Reporting

All information relating to the identified risk should be recorded on a risk assessment form or risk register and a named individual should be identified who will be responsible for introducing, implementing and managing the effectiveness of each control measure.

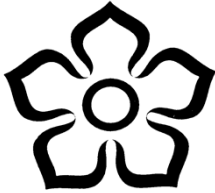
Appendix 2

<http://interface.lcc.local/our-organisation/corporate-resources-and-support/hr-employment-and-organisational-development/human-resources-employment/employee-policies-procedures-and-guidelines/all-policies/appendices/appendix-v/>

Disciplinary

<http://interface.lcc.local/our-organisation/corporate-resources-and-support/hr-employment-and-organisational-development/human-resources-employment/employee-policies-procedures-and-guidelines/all-policies/appendices/appendix-x/>

For further details on the initial assessment and investigation can be found at <http://interface.lcc.local/our-organisation/corporate-resources-and-support/hr-employment-and-organisational-development/human-resources-employment/employee-policies-procedures-and-guidelines/all-policies/appendices/appendix-v1/>



Leicester
City Council

WARDS AFFECTED:

Audit and Risk Committee

28th June 2017

Operational and Strategic Risk Registers/Insurance Claims Data

Report of the Director of Finance

1. Purpose of the Report

To present to the Audit and Risk Committee an update on the Strategic and Operational Risk Registers and the change to reporting:

- Appendix 1 providing a summary of the strategic risks facing the council;
- Appendix 2 supports appendix 1, which provides the detail in relation to the council's strategic risks;
- Appendix 3, the Operational Risk Register, are those risks affecting the day to day operations of the division. These risks are assessed by Divisional Directors with a risk score of 15 or above for consideration. This provides CMT with the opportunity to add, amend or delete risks to reflect any changes, actual or planned, in the business since submission of the registers as at the end of April 2017;
- Appendix 4 – Insurance Claims Data for 2016/17 as at 31st March 2017.

2. Recommendations

Audit and Risk Committee is asked to:

- Note the Strategic Risk Register (SRR) and Operational Risk Register (ORR) as at 30th April 2017.

3. Background

- 3.1 The Council's 2017 Risk Management Strategy requires the development, maintenance and monitoring of both the SRR and ORR.
- 3.2 Both the SRR and ORR process is owned and led by the Head of Paid Service. The Strategic Directors support the strategic risk register

process documenting the key strategic risks facing the council and helps to ensure these are managed. It complements the operational risk register process which is supported and managed by the Divisional Directors. Both registers are populated and maintained by the Manager, Risk Management for this group.

- 3.3. The insurance claims data is provided to the Audit and Risk Committee, and is a useful measure of performance and claims received for each department. Paragraph 4.11 provides more detail.

4. Report

- 4.1. The SRR has been compiled following a review by all Strategic Directors and has been updated. The summary of the strategic risks is attached as Appendix 1 and Appendix 2 provides the fuller detail of risks. 14 updates to risks were made comprising of changes to targets dates.

- 4.2 The risks in the ORR are presented by:

- Department (in alphabetical order);
- Division (again within alphabetical order);
- Then by 'risk score' with the highest first.

- 4.3 The ORR, Appendix 3, has been compiled using divisional risk registers submitted to RMS by each Divisional Director. The significant risks (scoring 15 and above) identified within these individual registers have been transferred to the Council's ORR.

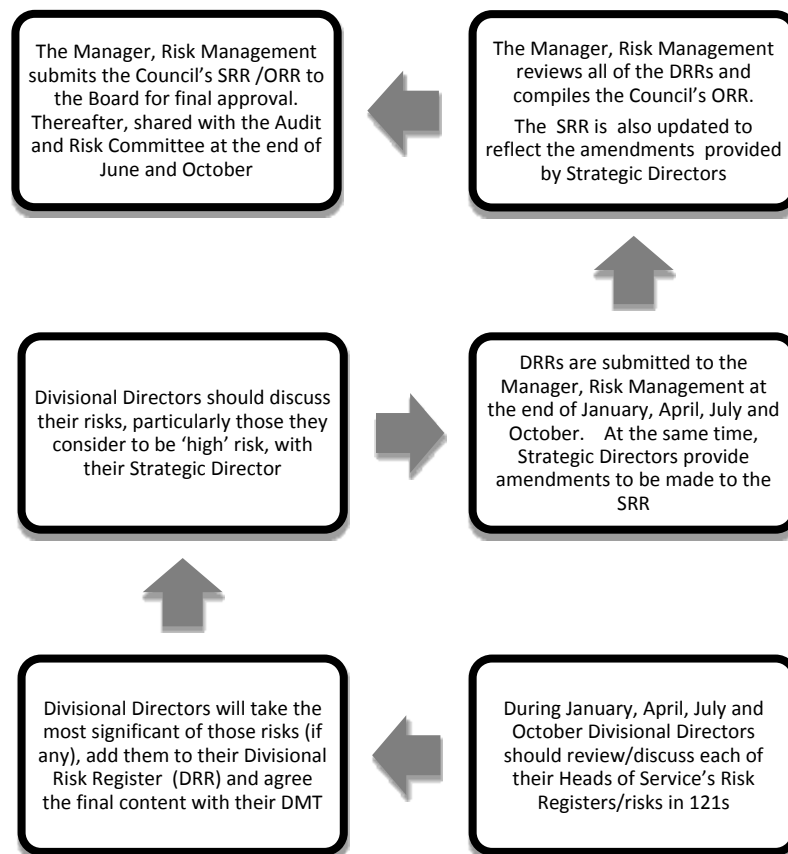
- 4.4 With regards to the ORR, 36 existing risks have been amended and 8 deleted. See Appendix 3, worksheet 2 showing where amendments and deletions have been made. As a reminder, where a risk is 'deleted' does not elude to the risk being eliminated. It refers to the risk score no longer being 'high' and it may well remain within the individual divisional register with a score below 15.

- 4.5 Both of the risk registers presented contain the most significant managed/mitigated risks. Whilst there are other key risks, it is the view of Directors that these are sufficiently managed/mitigated for them not to appear in these registers. More detailed registers of operational risks are owned and maintained by individual Divisional Directors and their Heads of Service (and where appropriate their managerial and supervisory staff) as detailed in the Risk Management Policy and Strategy.

- 4.6 CMT are reminded that the Council's Risk Management Strategy refers to the process of embedding risk management within business areas. The risk registers allow this to be evidenced, but if this process is to be demonstrated as a method by which the Council manages its risk profile, it has to be more than a quarterly exercise of submission of a register to RMS. The number of updates/changes to the risk registers each quarter is a positive indication of this, but the process of risk management must

become a daily activity throughout the authority to be truly embedded indicating the council is managing its risk exposure.

- 4.7 The risk registers will be submitted to the Audit and Risk Committee bi-annually.
- 4.8 Risk registers need to be working documents that can be sent to RMS or discussed with line management and/or members at any time.
- 4.9 For clarity, the process for reviewing and reporting operational risks, in line with the Council’s Strategy, should be as per the following flowchart:



- 4.10 A planned review of the Council’s ORR by Risk Management Services will take place this financial year and dates and timescales will be notified once the approach is decided. This will be a ‘sense check’ of risks being reported to ensure that descriptors allow the ‘uninitiated’ to understand alignment is taking across the division and to ensure risks are not over scored.
- 4.11 A summary report of claims against the Council received between 1 April 2016 to 31 March 2017 is attached as Appendix 4. These display the successful and repudiated claims, breaking these down into business areas and type of claim i.e. slips and trips, potholes etc. Directors should be aware that one claim may be reported in more than one policy category – for example a Motor claim may also have a Personal Injury or Public Liability claim too, and that for new claims a value may not have

been applied whilst initial investigations conclude. Further information is available regarding the background to this data upon request.

5. Financial, Legal Implications

There are no direct financial or additional legal implications arising from this report. Implications will rest within (and be reported by) the business areas that have day-to-day responsibility for managing risk.

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting Information
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Climate Change	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Risk Management	Yes	All of the paper.

7. Report Authors

Sonal Devani – Manager, Risk Management – 37 1635
18th May 2017

Appendix 1

LCC Strategic Risk Exposure Summary as at 30th April 2017

Risk Index	Risk	I	L	Risk Score	Risk Owner
3.	Cyber Risk	5	5	25	A Keeling / A Greenhill
1.	Financial challenges	5	4	20	A Keeling / A Greenhill
12.	Asset Management	5	4	20	P Coyne / M Cannon
8.	School Improvement	4	4	16	Frances Craven
7.	Safeguarding	5	3	15	F Craven / Steven Forbes
2.	Stakeholder Engagement	4	3	12	M Cannon / All Strategic Directors
4.	Business / Service Continuity Management	4	3	12	A Greenhill / M Cannon
5.	Information Governance	4	3	12	A Keeling
6.	Compliance with Regulation, Policies, Procedures, Health & Safety etc.	4	3	12	K Adatia / M Cannon
9.	Civil Contingency Response / Incident Response	4	3	12	M Cannon / A Greenhill / R Tennant
10.	Resource: Capacity, Capability, Retention & Development	4	3	12	M Cannon
13.	National Agenda / Changes in Legislation / Government etc.	4	3	12	A Keeling
14.	Channel Shift	4	3	12	M Cannon / A Greenhill
15.	EU Referendum Leave Result	4	3	12	A Keeling / A Greenhill
11.	Contract Management & Procurement	3	3	9	A Greenhill

Key:

IMPACT (I)	SCORE
CRITICAL/ CATASTROPHIC	5
MAJOR	4
MODERATE	3
MINOR	2
INSIGNIFICANT/ NEGLIGIBLE	1

LIKELIHOOD (L)	SCORE
ALMOST CERTAIN	5
PROBABLE / LIKELY	4
POSSIBLE	3
UNLIKELY	2
VERY UNLIKELY / RARE	1

Risk scores:

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

Appendix 2 - LCC Strategic Risk Register

Risk Register Owner: Andy Keeling, COO

Date completed: 30/04/17

RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE WITH EXISTING MEASURES			FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE WITH FURTHER ACTIONS/CONTROLS REQUIRED			COST	RISK OWNER	TARGET DATE
			Impact	Probability	Risk		Impact	Probability	Risk			
1. FINANCIAL CHALLENGES The Council fails to respond adequately to the cuts in public sector funding over the coming 4 - 5 years.	- Council is placed in severe financial crisis. Reputational damage to the Council and substantial crisis job losses. If the process is not properly managed, the Council will have little money for anything but statutory 'demand led services'	-Budget balanced in 17/18. - Further work required to balance the medium term, particularly driving the spending review programme. - £8m service transformation fund.	5	4	20	-Heavy involvement of City Mayor in ensuring spending review programme delivers. - Appropriate change management/ project management arrangements to be put in place for major review areas	5	2	10		Andy Keeling Alison Greenhill	31/03/2019/ 2020 and On-going

Appendix 2 - LCC Strategic Risk Register

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<p>2. STAKEHOLDER ENGAGEMENT The Council fails to maintain effective relationships with stakeholders (partners, neighbouring Councils, NH etc.). Key partners and stakeholders fail to support the council in delivery of its strategy as a result of tensions and strained relationships due to financial and other pressures. Council fails to identify tensions arising in the city (particularly as the financial challenges impact on communities) leading to unrest in specific communities/areas of the city.</p>	<ul style="list-style-type: none"> - Failure of local agreements and stakeholder arrangements to deliver agreed levels of performance, the impacts of which may reflect negatively on the Council adversely affecting its reputation. - Potential litigation where it impacts on formal contractual relationships. - Financial risk if Integration Transformation Fund plans are inadequate or not agreed. - Partnership working will be an expensive bureaucracy and fail to add value to improving outcomes for the citizens of Leicester. - Reputational damage to the Council/City from the perspective of stakeholders. - Partnership working fails to take into account the needs of all communities. 	<ul style="list-style-type: none"> - Mechanisms in place for regular dialogue including formal partnerships e.g. Health and Wellbeing Board. - City Mayor Faith and Community Forum in place to engage specifically with faith and non-faith communities. - Arrangements for engagement of, and support to, the Voluntary Community Sector (VCS) have been commissioned and contracts are in place. - Cllr Sood has partnership working within her portfolio. - Close involvement of City Mayor and Members in key partnerships. 	4	3	12	<ul style="list-style-type: none"> - Regular review and evaluation of the current position by Strategic Management Board. - Review existing arrangements and contracts for VCS engagement and support - Key aspects of partnership working being reviewed and updated in the light of Ofsted findings eg LSCB 	4	2	8		Miranda Cannon / All Strategic Directors	31/07/17 and ongoing

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Date completed: 30/04/17

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2. STAKEHOLDER ENGAGEMENT (Continued) If stakeholder engagement is not robust and effective but is critical to the delivery of the Council's priorities, statutory duties etc., these may not be delivered. An example of such is the need to have a continuing, productive partnership relationship with Clinical Commissioning Group which is particularly important in light of the importance for Adult Social Care of the Better Care Together Fund.	-There is no common vision or consensus across key partners in the City and therefore the work of individual organisations pulls in different and potentially conflicting directions. - Places a strain on resources and services to manage. - Partners are present round the table but are not collectively owning the agenda or taking on board the responsibilities and actions that arise therefore undermining the approach - Public health and wellbeing may be impacted or the quality of the service delivered to the Public is insufficient, which could cause harm.	- The Council/ Police have a Community Gold meeting which meets approx. once a month and includes Local Policing Unit commanders, the Basic Command Unit commander and council officers from Leicester Anti-Social Behaviour Unit, youth services, community services. This tracks and agrees joint actions to address any known tensions in communities. This is supported by a shared system between front line officers from the police and the council to track community tension. Community joint management group now in place which creates a regular conduit for engagement with community leaders. - LLEP Review has been finalised which has strengthened governance and management of the Leicester, Leicestershire Enterprise Partnership and links with Further Education/Higher Education/ VCS and business sectors.										
3. CYBER RISK -Loss or compromise of IT systems and/or associated data through cyber security attacks	- Potential financial or reputational damage to Council. - Potential Data Protection breaches. - Fines - Service delivery affected	- Ensure close monitoring of existing perimeter and internal security protection.	5	5	25	- Currently out to market for a Security and Incident Event Management service. - IT Security Manager appointed and will be in post August 2016.	4	3	12		Andy Keeling / Alison Greenhill	31/07/17 and ongoing

Appendix 2 - LCC Strategic Risk Register

Risk Register Owner: Andy Keeling, COO

Date completed: 30/04/17

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<p>4. BUSINESS/SERVICE CONTINUITY MANAGEMENT Unforeseen unpredictable events such as flood, power/utility failure etc. could impact on the council's assets, communication channels or resources etc.</p>	<p>- Insufficiently prepared management leads to disorder in the rapid restoration of business critical activities and the control of the emergency plan. - The emerging risk environment increasingly makes 'resilience' a significant focus for all organisations. - Budget cuts and rationalisation may also challenge the ability of Category 1 responders (which LCC are) to fulfil their statutory duty. - Resource restraints means that there is limited staff to perform manual operations at the volume required in an event/incident. - Council is unable to communicate to stakeholders/deliver its services.</p>	<p>- All the Senior Management Team have roles in either the Corporate Business Continuity Management Team (CBCT) or are Emergency Controllers. - Head of Internal Audit and Risk Management Chairs the Multi- Agency Business Continuity Group - CBCT have formal refresher meetings three times a year - Training offered corporately - Directors involvement in CBCT Meetings held 3 times a year. - Risk Management and Insurance Services/Emergency Management Team provide updates and lessons learnt on incidents to CBCT/Audit & Risk Committee as appropriate - Self cert annually by Directors - Corporate Business Continuity Plan (BCP) which is reviewed annually but also updated as and when changes occur which should be reflected in the plan - Resilience Direct Secure Site (web based) holds BCP and all Business Critical Activities BCPs (alongside emergency planning documentation) and is securely accessed by members of the CBCT - Communications on-call arrangements working more effectively and recent training run for all staff involved - Annual review of critical service business continuity plans in progress and annual self-certification confirming completion of all service business continuity plans</p>	4	3	12	<p>- Further embedding of business continuity management approach. - Further completion of Business Continuity tests. - Further communication/training and awareness for staff on continuity arrangements.</p>	4	2	8		<p>Alison Greenhill/ Miranda Cannon</p>	<p>31/07/2017 and On-going</p>

Appendix 2 - LCC Strategic Risk Register

Risk Register Owner: Andy Keeling, COO

Date completed: 30/04/17

RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE WITH EXISTING MEASURES			FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE WITH FURTHER ACTIONS/CONTROLS REQUIRED			COST	RISK OWNER	TARGET DATE
			Impact	Probability	Risk		Impact	Probability	Risk			
5. INFORMATION GOVERNANCE Information Governance/Security/ Data Protection policies/procedures/ protocols are not followed by staff and members.	<ul style="list-style-type: none"> - Major loss of public confidence in the organisation. - Potential litigation and financial loss to the Council. - Reputational damage to the Council. - With data held in a vast array of places and being transferred between supply chain partners, data becomes susceptible to loss; protection and privacy risks. - Reduction in the capacity/capability to retain such data. This could also be costly. - Excessive retention of data can still be requested through a Freedom of Information Act if retained. - Council may not share data with the appropriate individuals/bodies accurately, securely and in a timely manner. - Council fails to adequately secure/protect confidential and sensitive data held. 	<ul style="list-style-type: none"> - Clear policies and protocols in place. - Staff have been trained and made aware of the Council's policies and procedures. - Secure storage solutions are now in place. - Paper retention has been reduced through the introduction of scanning etc. - Mandatory e-learning module for staff - Monthly reporting of incidents to Directors recently implemented 	4	3	12	<ul style="list-style-type: none"> - Clear and on-going communications to staff to reinforce policies and protocols. - Regular review and monitoring of arrangements across services by Service Managers supported by Information Security/Governance Teams. - Ensure that the policy in place around the management of electronic data and disposal of data is in the awareness of staff - Ongoing review and updating of appropriate information sharing agreements. 	4	2	8		Andy Keeling	31/07/17 and On-going

Appendix 2 - LCC Strategic Risk Register

Risk Register Owner: Andy Keeling, COO

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<p>6. COMPLIANCE WITH REGULATION, POLICIES, PROCEDURES HEALTH AND SAFETY ETC</p> <p>Local management use discretion to apply inconsistent processes and misinterpret Corporate policies & procedures, perpetuating varying standards across business units.</p> <p>The City Council fails to respond effectively to the requirements of Health and Safety Executive/Government proposals and/or legislation which places health and safety responsibilities on local authorities.</p>	<ul style="list-style-type: none"> - Places the organisation at risk e.g. fraud, data loss etc. Potential financial losses / inefficient use of resources. - Possibility of serious injury or death of member of staff or service user/members of the public. - Failure to meet statutory responsibilities. - Reputational damage to the Council. - Negative stakeholder relationships - Potential for increase in the number of insurance claims 	<ul style="list-style-type: none"> - Regular reporting from Internal Audit to Strategic Management Board. - Approach to the annual corporate governance review revised and a more effective process established. - Day to day management of Health and Safety responsibility rests with the Operational Directors and their Heads of Service. Corporate Health and Safety team available to assist. - Risk is reported and controlled through Divisional Directors Operational Risk Registers (presented to the CMT each quarter) and these are underpinned by registers at Heads of Service level reviewed and discussed at Divisional Management Teams quarterly. - Regular inspections and reports by the Health and Safety team with all actions being followed up within a reasonable time. - A process of more regular reporting to Corporate Management Team on health and safety matters has been established - Significant change to the absence management policy and procedure rolled out 	4	3	12	<ul style="list-style-type: none"> - Continue to review and reinforce key standards and policies via regular communication. - Ensure Managers are appropriately trained and requirements are clearly set out in Job Descriptions and reinforced via appraisals. - Ensure Internal Audit findings are acted on in a timely manner. - Continue to refine and improve strategic monitoring and reporting in relation to Health & Safety to ensure responsibilities are reinforced from the top. - New Head of HR to take a fresh look at sickness absence management including the policy and procedure 	4	2	8		Kamal Adatia / Miranda Cannon	31/07/2017 and On-going

Appendix 2 - LCC Strategic Risk Register

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7. SAFEGUARDING Weak Management oversight of safeguarding processes in place leads to the Council failing to adequately safeguard vulnerable groups e.g. children and young people, elderly, those with physical and learning disabilities.	- Death or serious injury. - Serious case reviews initiated. - Reputational damage to the Council. - Citizens lose confidence in the Council. - Negatively impacts on relationships with stakeholders. - Impacts severely on staff morale - Leads to high turnover of social workers and managers.	- Safeguarding Adults and Children's Boards in place. - Regular reviews of policies/procedures and close supervision of staff. - Range of quality assurance processes exist within the Divisions. - Range of developments, including corporate training, exist within the Divisions to manage, support recruit and retain staff. - Improvement Board established following the Ofsted inspection and other arrangements eg Performance Board set up - 24/7 Duty and Advice Service in place - Single assessment team in place which has resulted in a reduced caseload and more timely intervention	5	3	15	- Board performance and framework development. - Chair of Board has direct accountability through Chief Operating Officer. - Regular bi-annual meetings with Mayor and Adults and Children's Lead Members. - Full implementation of all necessary improvements identified via the Ofsted inspection of Children's Services - overseen by Improvement Board and independency Chair - Performance framework in place across Children's - positive progress highlighted in recent Ofsted reports - Version 11 of Liquid Logic implemented successfully	5	2	10		Frances Craven/Steven Forbes	31/07/2017 and On-going

Appendix 2 - LCC Strategic Risk Register

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8. SCHOOL IMPROVEMENT <div style="text-align: right; font-size: 2em; font-weight: bold;">74</div>	<ul style="list-style-type: none"> - Poor OFSTED outcome for schools - Increased risk of schools going into category of special measures - Poor outcome for Local Authority if inspected under the OFSTED framework for LA School Improvement effectiveness 	<ul style="list-style-type: none"> - Revised desk top analysis to identify potential underperformance in individual schools and settings - Revised School Improvement Framework - Regular reporting to DMT and LMB on schools causing concern and targeted work - Self evaluation against OFSTED framework for inspection completed - At risk schools discussed and warning notices considered - Inspection file being collated to evidence effective and good practice in targeted work with schools 	4	4	16	<ul style="list-style-type: none"> - Targeted visits by Director of Learning - Revised support packages - Single plan implementation for RI schools - Local Authority Reviews of individual schools to be negotiated - Preparation for inspection to include briefing to all schools 	4	2	8		Frances Craven	31/07/2017 and On-going

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<p>9. CIVIL CONTINGENCY RESPONSE/INCIDENT RESPONSE</p> <p>Council resources may not be adequate or sufficient to respond should an external incident/disaster occur (for example, the impact of climate change leading to floods placing responsibility to the Council to house evacuees from other counties/areas) .</p>	<p>- An increase in inclement weather (flood, heat, waves, drought, windstorm, increased snow fall etc.) building the right infrastructure and new statutory flood and water risk management duties.</p> <p>- Having sufficient financial resources and flexibility to address these challenges becomes increasingly difficult.</p> <p>- Having sufficient assets/contingency arrangements.</p> <p>- Lack of resources could lead to inadequate response .</p> <p>- Impact on the publics health and wellbeing, safety/housing needs etc.</p> <p>- Adverse impact on budget</p> <p>- Reputational impact</p> <p>- Death/injury</p> <p>- Potential for increase in the number of insurance claims</p> <p>- Negative relationships with stakeholders</p>	<p>- Corporate Management of this is outlined in the Leicester Sustainable Action Plan action plan which covers all areas of management activity across the Council and its partners to reduce carbon.</p> <p>- Implementation is monitored through a carbon management board.</p> <p>- Day to day management of climate change responsibility rests with the Operational Directors and their Heads of Service.</p> <p>- Risk is reported and controlled through the Divisional Directors Operational Risk Registers (presented to Corporate Management Team each quarter) and these are underpinned through regular reviews as part of the revised Eco-Management Audit Scheme (EMAS) system.</p> <p>- Local Resilience Forum (LRF) county wide partnering arrangement.</p> <p>- Leicester City Council (LCC) is part of the Resilience Partnership of local authorities in LLR LLR Health Protection Committee coordinates health protection response across LA/PHE/NHS</p> <p>- Recent LRF multi-agency flooding TCG exercise held at City Hall to test facilities here. Lessons learnt being compiled for action</p>	4	3	12	<p>- Public engagement and city wide flood defence programmes are being developed jointly with the Environment Agency. This provides a two-pronged approach to manage the risk of severe flooding arising from climate change.</p> <p>- LRF and Resilience Partnership arrangements continue to be reviewed.</p> <p>- Robust schedule of plan reviews and training in place and agreed via the LRF</p> <p>- LLR-wide Health Protection Committee arrangements under review to provide assurance around management of health protection risks/ incidents and outbreaks</p>	4	2	8		<p>Miranda Cannon / Alison Greenhill/ Ruth Tennant</p>	31/07/2017 and ongoing

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9. CIVIL CONTINGENCY RESPONSE/INCIDENT RESPONSE (Continued) <div style="text-align: center; font-size: 2em; font-weight: bold; margin-top: 20px;">76</div>	- Fail to meet statutory requirements - City Council fails to respond effectively to the requirements of Government proposals and/or legislation	- City Council major incident plan reviewed and signed off. - Emergency control room fully equipped and operational at City Hall and provides a facility for both local management of emergencies and use by the LRF as a SCG venue. Tested on a number of large scale events eg LCFC victory parade and KR3 reinternment and recently specifically for LRF multi-agency TCG flooding exercise										

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<p>10. RESOURCE: CAPACITY, CAPABILITY, RETENTION & DEVELOPMENT</p> <p>Lack of workforce planning and appropriate development of managers and employees leaves the Council exposed to service failure. The Council does not have the capacity/resilience in resources, should an event/incident occur, may significantly increase the demand on front line services. Changing market conditions gives rise to the council not being seen as first choice for employment as private sector may be perceived as offering better reward.</p>	<ul style="list-style-type: none"> - The Council does not have the right skills, behaviours and competencies in terms of the workforce to deliver the city's vision and priorities. - The Council fails to maximise the potential of its key resource. - Staff become demotivated/are under pressure which has an impact on productivity and delivery across the Council. - Disruption to service delivery. - Impacts on continuity of services. Creates risks in delivery because information on processes/procedures etc is lost - Service demands may not be met. - Reputational damage. - Financial impacts. - Drain on resources 	<ul style="list-style-type: none"> - Organisational Development Team (OD) working to develop their role and remit and engagement with the organisation - Organisational vision and values continued roll out - Active programme of work to support young people into employment and to utilise graduates, apprenticeships, work placements etc across the Council - Transformation and Service Improvement Team (TSI) actively supporting a range of areas around business change, process re-engineering etc and supporting skills transfer in the process - Recruitment and retention being linked more closely with wider place marketing - New Head of HR started and will review the OD function and progress work to embed the OD approach - Specific OD interventions underway with key service areas eg Adult Social Care, Housing to support work such as leadership and performance management. 	4	3	12	<ul style="list-style-type: none"> - Continue to develop the Council's OD and TSI approaches and embed these teams - Consider retention mechanisms and succession planning. - Continue the embedding of the vision and values across the organisation - New Head of HR to develop a new HR work-plan and review OD Team management and structure. - Continue to work closely with service areas to identify and action critical OD requirements - Continue initial work to review and priorities corporate L&D needs and to review areas such as induction and staff/management competencies 	3	3	9		Miranda Cannon	31/07/2017 and ongoing

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<p>11. CONTRACT MANAGEMENT & PROCUREMENT</p> <p>Contract management protocols/procedures are not robust and there is lack of understanding/awareness within the Council.</p> <p>Service areas may exercise partnership arrangements/collaborative agreements where formalised/legal contracts are not in place and possibly these may not be legally binding.</p>	<ul style="list-style-type: none"> - Reputational damage. - Financial impacts; valuable funding is used for rectification of issues. - Increase in staff resources to defend a challenge. - Potential for litigation and fines being incurred. - Contract service level agreements may not be adhered to. - The Council does not receive value for money for the services it procures. - The Council is challenged in the reduction of contracts when re-tendered. - Discouraged providers may not tender for the contract in the future, potentially reducing the portfolio of providers and even reducing the availability of high quality providers. 	<ul style="list-style-type: none"> - Revised and improved Contract Procedure Rules in place along with associated guidance. - Policy that all procurement over a de minimis threshold must be carried out by one of the specialist procurement teams. - Professional procurement staff recruited and in post - Contract Risk Management training available from RMIS - Engagement with local supplier groups - Professional training for procurement staff (MCIPS) - Implementation of new electronic tendering system 	3	3	9	<ul style="list-style-type: none"> - Development of new procurement template documentation - Implementation of new electronic tendering system - Professional training for procurement staff (MCIPS) - Training in procurement and contract management for staff across the Council - Enhanced engagement with local business to widen portfolio of potential suppliers - Development of communications plan to ensure all staff are informed of above as appropriate to their role. - Undertake recruitment to address vacancies in the Procurement Services Team - Development of new Service Analysis Team 	3	3	9		Alison Greenhill	31/07/17

Appendix 2 - LCC Strategic Risk Register

Risk Register Owner: Andy Keeling, COO

Date completed: 30/04/17

RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE WITH EXISTING MEASURES			FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE WITH FURTHER ACTIONS/CONTROLS REQUIRED			COST	RISK OWNER	TARGET DATE
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12. ASSET MANAGEMENT Absence of an asset management strategy will affect the future conditions/status of buildings.	<ul style="list-style-type: none"> - Reputational damage. - Increase in costs. - Loss of predicted revenue. - Deterioration of assets. - Potential harm to the public. - New business are not attracted to Leicester. - The council's assets may fall into disrepair losing income and increasing maintenance costs. In a worse case scenario assets may be totally lost and community engagement too. 	<ul style="list-style-type: none"> - A single corporate asset management system is now in place. - Central Maintenance Fund is available to address urgent repair items and Health and Safety items in the estate. - Building Schools for the Future (BSF) programme now complete and a planned maintenance programme for schools has been established - Condition surveys have now been completed for all schools, neighbourhood and leisure assets - Using Buildings Better (UBB) programme now provides a corporate overview of the estate with a focus on rationalising operational assets and improving as appropriate the condition of retained assets, as well as disposal of assets for economic and/or other benefits. The programme encompasses the existing TNS project and accommodation strategy programme, plus work-streams on depots, stores and workshops, Early Help (CYP&F centres primarily), channel shift and surplus assets. It has a strategic focus on assets to be retained and those to be disposed of. 	5	4	20	<ul style="list-style-type: none"> - Continued development of effective planned maintenance programme across the estate-performance measurement in place to provide assurance regarding compliance- concerto being established and populated to work as the single corporate asset management system - Continue delivery of the UBB programme including disposal of assets - Recruit additional resources to support disposals. Review process around disposals 	5	3	15		Phil Coyne/Miranda Cannon	31/07/17

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Risk Register Owner: Andy Keeling, COO

Date completed: 30/04/17

RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE WITH EXISTING MEASURES			FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE WITH FURTHER ACTIONS/CONTROLS REQUIRED			COST	RISK OWNER	TARGET DATE
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13. NATIONAL AGENDA/CHANGES IN LEGISLATION/ GOVERNMENT ETC On-going changes in government, legislation etc. gives rise to new demands and responsibilities with insufficient time for implementation and insufficient budget.	- Loss of income. - Services may not be delivered. - Reputational damage. - The budget may not be sufficient to deliver the expected service demand. - Statutory services. such as public health may be reduced and or the Council is unable to protect and safeguard the public, vulnerable individuals etc. - Implementation of unpopular fees for services required by the Public of the Council. - The health and wellbeing of the City may be impacted. -Causing service failure or significant cost over runs.	- Directors keep abreast of policy change and development in their portfolios. - The implications of change described and discussed - including political briefings if required. - Budgeting takes account of national changes. - Staff are trained in new requirements.	4	3	12	- Examine options for service integration; improved leadership development; manage demand better; have honest conversations with the public about what can be expected from us - Improve commissioning activity across the Council.	3	2	6		Andy Keeling	31/07/17

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14. CHANNEL SHIFT The Council may be unsuccessful in channel shifting customers to less resource intensive forms of contact than face to face or telephone contact. The infrastructure may not be in place to enable the shift and the culture change is not enabled among staff and customers to support it.	<ul style="list-style-type: none"> - Service delivery not met. - Adverse affect on budget. - Reputational damage. - Impact on resource provision. - Process and improvements do not materialise. - Lack of access to data. - Customer access channels may not be improved. - Services will become unaffordable 	<ul style="list-style-type: none"> - A Channel Shift programme is in place and a channel shift vision developed and communicated to senior managers, Executive and scrutiny. An underpinning programme of work has been put together and a current set of priorities agreed. Channel Shift Board in place to drive the development and delivery of the programme. - The Transforming Neighbourhood Services programme has supported development of a digital hub approach which continues through the UBB programme - New corporate website launched in March 2015 and is helping drive increased on-line transactions. New CRM system procured and implementation includes recent launch of a 'My Account' functionality on the website which currently offers around 40 on-line transactions. - Major redevelopment of Visit Leicester website underway. - Continued strategic focus on the use and role of digital media in the organisation - Audit of printed publications helped identify issues related to channel shift and quality of communications which have been shared and lessons learnt are being used to embed principles around ways of working in the Comms and Marketing Team particularly 	4	3	12	<ul style="list-style-type: none"> - Continue to deliver the channel shift programme - Review the first 12 months operation of the new corporate website in light of the channel shift agenda - All services to continue to review their comms to ensure that online options are promoted ahead of traditional access channels. - Ongoing communications to support channel shift amongst staff and customers. - Continue the Visit Leicester website redevelopment to include transactional capability eg multi-venue ticket purchasing 	3	3	9		Miranda Cannon / Alison Greenhill	31/07/17

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15. EU REFERENDUM LEAVE RESULT. There may be significant implications relating to requirements for further public sector cuts, reductions in other funding streams particularly for infrastructure projects, as well as longer-term legislative changes in areas such as procurement. Also creating a level of instability and uncertainty in financial markets	- Further budget reductions. Impacts on major infrastructure schemes and vision around future city development. - Implications in terms of treasury management. - Need in future to revisit key policies and procedures	- Monitor situation closely.	4	3	12	- Consider implications alongside future budget strategy	3	3	9		Andy Keeling / Alison Greenhill	31/07/2017 and ongoing

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AMENDMENTS

<p>1. FINANCIAL CHALLENGES The Council fails to respond adequately to the cuts in public sector funding over the coming 4 - 5 years.</p>	<p>- Council is placed in severe financial crisis. Reputational damage to the Council and substantial crisis job losses. If the process is not properly managed, the Council will have little money for anything but statutory 'demand led services'</p>	<p>-Budget balanced in 17/18. - Further work required to balance the medium term, particularly driving the spending review programme. - £8m service transformation fund.</p>	5	4	20	<p>-Heavy involvement of City Mayor in ensuring spending review programme delivers. - Appropriate change management/ project management arrangements to be put in place for major review areas</p>	5	2	10		<p>Andy Keeling Alison Greenhill</p>	<p>31/03/2019/ 2020 and On-going</p>
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<p>2. STAKEHOLDER ENGAGEMENT The Council fails to maintain effective relationships with stakeholders (partners, neighbouring Councils, NHS etc.). Key partners and stakeholders fail to support the council in delivery of its strategy as a result of tensions and strained relationships due to financial and other pressures. Council fails to identify tensions arising in the city (particularly as the financial challenges impact on communities) leading to unrest in specific communities/areas of the city.</p>	<ul style="list-style-type: none"> - Failure of local agreements and stakeholder arrangements to deliver agreed levels of performance, the impacts of which may reflect negatively on the Council adversely affecting its reputation. - Potential litigation where it impacts on formal contractual relationships. - Financial risk if Integration Transformation Fund plans are inadequate or not agreed. - Partnership working will be an expensive bureaucracy and fail to add value to improving outcomes for the citizens of Leicester. - Reputational damage to the Council/City from the perspective of stakeholders. - Partnership working fails to take into account the needs of all communities. 	<ul style="list-style-type: none"> - Mechanisms in place for regular dialogue including formal partnerships e.g. Health and Wellbeing Board. - City Mayor Faith and Community Forum in place to engage specifically with faith and non-faith communities. - Arrangements for engagement of, and support to, the Voluntary Community Sector (VCS) have been commissioned and contracts are in place. - Cllr Sood has partnership working within her portfolio. - Close involvement of City Mayor and Members in key partnerships. 	4	3	12	<ul style="list-style-type: none"> - Regular review and evaluation of the current position by Strategic Management Board. - Review existing arrangements and contracts for VCS engagement and support - Key aspects of partnership working being reviewed and updated in the light of Ofsted findings eg LSCB 	4	2	8		<p>Miranda Cannon / All Strategic Directors</p>	<p>31/07/17 and ongoing</p>
<p>2. STAKEHOLDER ENGAGEMENT (Continued) If stakeholder engagement is not robust and effective but is critical to the delivery of the Council's priorities, statutory duties etc., these may not be delivered. An example of such is the need to have a continuing, productive partnership relationship with Clinical Commissioning Group which is particularly important in light of the importance for Adult Social Care of the Better Care Together Fund.</p>	<ul style="list-style-type: none"> - There is no common vision or consensus across key partners in the City and therefore the work of individual organisations pulls in different and potentially conflicting directions. - Places a strain on resources and services to manage. - Partners are present round the table but are not collectively owning the agenda or taking on board the responsibilities and actions that arise therefore undermining the approach - Public health and wellbeing may be impacted or the quality of the service delivered to the Public is insufficient, which could cause harm. 	<ul style="list-style-type: none"> - The Council/ Police have a Community Gold meeting which meets approx. once a month and includes Local Policing Unit commanders, the Basic Command Unit commander and council officers from Leicester Anti-Social Behaviour Unit, youth services, community services. This tracks and agrees joint actions to address any known tensions in communities. This is supported by a shared system between front line officers from the police and the council to track community tension. Community joint management group now in place which creates a regular conduit for engagement with community leaders. - LLEP Review has been finalised which has strengthened governance and management of the Leicester, Leicestershire Enterprise Partnership and links with Further Education/Higher Education/ VCS and business sectors. 										<p>31/07/17 and ongoing</p>

<p>3. CYBER RISK -Loss or compromise of IT systems and/or associated data through cyber security attacks</p>	<ul style="list-style-type: none"> - Potential financial or reputational damage to Council. - Potential Data Protection breaches. - Fines - Service delivery affected 	<p>- Ensure close monitoring of existing perimeter and internal security protection.</p>	5	5	25	<ul style="list-style-type: none"> - Currently out to market for a Security and Incident Event Management service. - IT Security Manager appointed and will be in post August 2016. 	4	3	12		<p>Andy Keeling / Alison Greenhill</p>	<p>31/07/2017 and On-going</p>
<p>4. BUSINESS/SERVICE CONTINUITY MANAGEMENT Unforeseen unpredictable events such as flood, power/utility failure etc. could impact on the council's assets, communication channels or resources etc.</p>	<ul style="list-style-type: none"> - Insufficiently prepared management leads to disorder in the rapid restoration of business critical activities and the control of the emergency plan. - The emerging risk environment increasingly makes 'resilience' a significant focus for all organisations. - Budget cuts and rationalisation may also challenge the ability of Category 1 responders (which LCC are) to fulfil their statutory duty. - Resource restraints means that there is limited staff to perform manual operations at the volume required in an event/incident. - Council is unable to communicate to stakeholders/deliver its services. 	<ul style="list-style-type: none"> - All the Senior Management Team have roles in either the Corporate Business Continuity Management Team (CBCT) or are Emergency Controllers. - Head of Internal Audit and Risk Management Chairs the Multi- Agency Business Continuity Group - CBCT have formal refresher meetings three times a year - Training offered corporately - Directors involvement in CBCT Meetings held 3 times a year. - Risk Management and Insurance Services/Emergency Management Team provide updates and lessons learnt on incidents to CBCT/Audit & Risk Committee as appropriate - Self cert annually by Directors - Corporate Business Continuity Plan (BCP) which is reviewed annually but also updated as and when changes occur which should be reflected in the plan - Resilience Direct Secure Site (web based) holds BCP and all Business Critical Activities BCPs (alongside emergency planning documentation) and is securely accessed by members of the CBCT - Communications on-call arrangements working more effectively and recent training run for all staff involved - Annual review of critical service business continuity plans in progress and annual self-certification confirming completion of all service business continuity plans 	4	3	12	<ul style="list-style-type: none"> - Further embedding of business continuity management approach. - Further completion of Business Continuity tests. - Further communication/training and awareness for staff on continuity arrangements. 	4	2	8		<p>Alison Greenhill/ Miranda Cannon</p>	<p>31/07/17 and On-going</p>

<p>5. INFORMATION GOVERNANCE Information Governance/Security/ Data Protection policies/procedures/ protocols are not followed by staff and members.</p>	<ul style="list-style-type: none"> - Major loss of public confidence in the organisation. - Potential litigation and financial loss to the Council. - Reputational damage to the Council. - With data held in a vast array of places and being transferred between supply chain partners, data becomes susceptible to loss; protection and privacy risks. - Reduction in the capacity/capability to retain such data. This could also be costly. - Excessive retention of data can still be requested through a Freedom of Information Act if retained. - Council may not share data with the appropriate individuals/bodies accurately, securely and in a timely manner. - Council fails to adequately secure/protect confidential and sensitive data held 	<ul style="list-style-type: none"> - Clear policies and protocols in place. - Staff have been trained and made aware of the Council's policies and procedures. - Secure storage solutions are now in place. - Paper retention has been reduced through the introduction of scanning etc. - Mandatory e-learning module for staff - Monthly reporting of incidents to Directors recently implemented 	4	3	12	<ul style="list-style-type: none"> - Clear and on-going communications to staff to reinforce policies and protocols. - Regular review and monitoring of arrangements across services by Service Managers supported by Information Security/Governance Teams. - Ensure that the policy in place around the management of electronic data and disposal of data is in the awareness of staff - Ongoing review and updating of appropriate information sharing agreements. 	4	2	8		<p>Andy Keeling</p>	<p>31/07/2017 and On-going</p>
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<p>6. COMPLIANCE WITH REGULATION, POLICIES, PROCEDURES HEALTH AND SAFETY ETC</p> <p>Local management use discretion to apply inconsistent processes and misinterpret Corporate policies & procedures, perpetuating varying standards across business units.</p> <p>The City Council fails to respond effectively to the requirements of Health and Safety Executive/Government proposals and/or legislation which places health and safety responsibilities on local authorities.</p>	<ul style="list-style-type: none"> - Places the organisation at risk e.g. fraud, data loss etc. Potential financial losses / inefficient use of resources. - Possibility of serious injury or death of member of staff or service user/members of the public. - Failure to meet statutory responsibilities. - Reputational damage to the Council. - Negative stakeholder relationships - Potential for increase in the number of insurance claims 	<ul style="list-style-type: none"> - Regular reporting from Internal Audit to Strategic Management Board. - Approach to the annual corporate governance review revised and a more effective process established. - Day to day management of Health and Safety responsibility rests with the Operational Directors and their Heads of Service. Corporate Health and Safety team available to assist. - Risk is reported and controlled through Divisional Directors Operational Risk Registers (presented to the CMT each quarter) and these are underpinned by registers at Heads of Service level reviewed and discussed at Divisional Management Teams quarterly. - Regular inspections and reports by the Health and Safety team with all actions being followed up within a reasonable time. - A process of more regular reporting to Corporate Management Team on health and safety matters has been established - Significant change to the absence management policy and procedure rolled out 	4	3	12	<ul style="list-style-type: none"> - Continue to review and reinforce key standards and policies via regular communication. - Ensure Managers are appropriately trained and requirements are clearly set out in Job Descriptions and reinforced via appraisals. - Ensure Internal Audit findings are acted on in a timely manner. - Continue to refine and improve strategic monitoring and reporting in relation to Health & Safety to ensure responsibilities are reinforced from the top. - New Head of HR to take a fresh look at sickness absence management including the policy and procedure 	4	2	8		<p>Kamal Adatia / Miranda Cannon</p>	<p>31/07/2017 and On-going</p>
<p>7. SAFEGUARDING</p> <p>Weak Management oversight of safeguarding processes in place leads to the Council failing to adequately safeguard vulnerable groups e.g. children and young people, elderly, those with physical and learning disabilities.</p>	<ul style="list-style-type: none"> - Death or serious injury. - Serious case reviews initiated. - Reputational damage to the Council. - Citizens lose confidence in the Council. - Negatively impacts on relationships with stakeholders. - Impacts severely on staff morale - Leads to high turnover of social workers and managers. 	<ul style="list-style-type: none"> - Safeguarding Adults and Children's Boards in place. - Regular reviews of policies/procedures and close supervision of staff. - Range of quality assurance processes exist within the Divisions. - Range of developments, including corporate training, exist within the Divisions to manage, support recruit and retain staff. - Improvement Board established following the Ofsted inspection and other arrangements eg Performance Board set up - 24/7 Duty and Advice Service in place - Single assessment team in place which has resulted in a reduced caseload and more timely intervention 	5	3	15	<ul style="list-style-type: none"> - Board performance and framework development. - Chair of Board has direct accountability through Chief Operating Officer. - Regular bi-annual meetings with Mayor and Adults and Children's Lead Members. - Full implementation of all necessary improvements identified via the Ofsted inspection of Children's Services - overseen by Improvement Board and independency Chair - Performance framework in place across Children's - positive progress highlighted in recent Ofsted reports - Version 11 of Liquid Logic implemented successfully 	5	2	10		<p>Frances Craven/Steven Forbes</p>	<p>31/07/2017 and On-going</p>

8. SCHOOL IMPROVEMENT	<ul style="list-style-type: none"> - Poor OFSTED outcome for schools - Increased risk of schools going into category of special measures - Poor outcome for Local Authority if inspected under the OFSTED framework for LA School Improvement effectiveness 	<ul style="list-style-type: none"> - Revised desk top analysis to identify potential underperformance in individual schools and settings - Revised School Improvement Framework - Regular reporting to DMT and LMB on schools causing concern and targeted work - Self evaluation against OFSTED framework for inspection completed - At risk schools discussed and warning notices considered - Inspection file being collated to evidence effective and good practice in targeted work with schools 	4	4	16	<ul style="list-style-type: none"> - Targeted visits by Director of Learning - Revised support packages - Single plan implementation for RI schools - Local Authority Reviews of individual schools to be negotiated - Preparation for inspection to include briefing to all schools 	4	2	8		Frances Craven	31/07/2017 and ongoing
9. CIVIL CONTINGENCY RESPONSE/INCIDENT RESPONSE Council resources may not be adequate or sufficient to respond should an external incident/disaster occur (for example, the impact of climate change leading to floods placing responsibility to the Council to house evacuees from other counties/areas) .	<ul style="list-style-type: none"> - An increase in inclement weather (flood, heat, waves, drought, windstorm, increased snow fall etc.) building the right infrastructure and new statutory flood and water risk management duties. - Having sufficient financial resources and flexibility to address these challenges becomes increasingly difficult. - Having sufficient assets/contingency arrangements. - Lack of resources could lead to inadequate response . - Impact on the publics health and wellbeing, safety/housing needs etc. - Adverse impact on budget - Reputational impact - Death/injury - Potential for increase in the number of insurance claims - Negative relationships with stakeholders 	<ul style="list-style-type: none"> - Corporate Management of this is outlined in the Leicester Sustainable Action Plan action plan which covers all areas of management activity across the Council and its partners to reduce carbon. - Implementation is monitored through a carbon management board. - Day to day management of climate change responsibility rests with the Operational Directors and their Heads of Service. - Risk is reported and controlled through the Divisional Directors Operational Risk Registers (presented to Corporate Management Team each quarter) and these are underpinned through regular reviews as part of the revised Eco-Management Audit Scheme (EMAS) system. - Local Resilience Forum (LRF) county wide partnering arrangement. - Leicester City Council (LCC) is part of the Resilience Partnership of local authorities in LLR - LLR Health Protection Committee coordinates health protection response across LA/PHE/NHS - Recent LRF multi-agency flooding TCG exercise held at City Hall to test facilities here. Lessons learnt being compiled for action 	4	3	12	<ul style="list-style-type: none"> - Public engagement and city wide flood defence programmes are being developed jointly with the Environment Agency. This provides a two-pronged approach to manage the risk of severe flooding arising from climate change. - LRF and Resilience Partnership arrangements continue to be reviewed. - Robust schedule of plan reviews and training in place and agreed via the LRF - LLR-wide Health Protection Committee arrangements under review to provide assurance around management of health protection risks/ incidents and outbreaks 	4	2	8		Miranda Cannon / Alison Greenhill/ Ruth Tennant	31/07/2017 and ongoing
9. CIVIL CONTINGENCY RESPONSE/INCIDENT RESPONSE (Continued)	<ul style="list-style-type: none"> - Fail to meet statutory requirements - City Council fails to respond effectively to the requirements of Government proposals and/or legislation 	<ul style="list-style-type: none"> - City Council major incident plan reviewed and signed off. - Emergency control room fully equipped and operational at City Hall and provides a facility for both local management of emergencies and use by the LRF as a SCG venue. Tested on a number of large scale events eg LCFC victory parade and KR3 reinternment and recently specifically for LRF multi-agency TCG flooding exercise 										

<p>10. RESOURCE: CAPACITY, CAPABILITY, RETENTION & DEVELOPMENT</p> <p>Lack of workforce planning and appropriate development of managers and employees leaves the Council exposed to service failure.</p> <p>The Council does not have the capacity/resilience in resources, should an event/incident occur, may significantly increase the demand on front line services.</p> <p>Changing market conditions gives rise to the council not being seen as first choice for employment as private sector may be perceived as offering better reward.</p>	<ul style="list-style-type: none"> - The Council does not have the right skills, behaviours and competencies in terms of the workforce to deliver the city's vision and priorities. - The Council fails to maximise the potential of its key resource. - Staff become demotivated/are under pressure which has an impact on productivity and delivery across the Council. - Disruption to service delivery. - Impacts on continuity of services. Creates risks in delivery because information on processes/procedures etc is lost - Service demands may not be met. - Reputational damage. - Financial impacts. - Drain on resources 	<ul style="list-style-type: none"> - Organisational Development Team (OD) working to develop their role and remit and engagement with the organisation - Organisational vision and values continued roll out - Active programme of work to support young people into employment and to utilise graduates, apprenticeships, work placements etc across the Council - Transformation and Service Improvement Team (TSI) actively supporting a range of areas around business change, process re-engineering etc and supporting skills transfer in the process - Recruitment and retention being linked more closely with wider place marketing - New Head of HR started and will review the OD function and progress work to embed the OD approach - Specific OD interventions underway with key service areas eg Adult Social Care, Housing to support work such as leadership and performance management. 	4	3	12	<ul style="list-style-type: none"> - Continue to develop the Council's OD and TSI approaches and embed these teams - Consider retention mechanisms and succession planning. - Continue the embedding of the vision and values across the organisation - New Head of HR to develop a new HR work-plan and review OD Team management and structure. - Continue to work closely with service areas to identify and action critical OD requirements - Continue initial work to review and priorities corporate L&D needs and to review areas such as induction and staff/management competencies 	3	3	9		<p>Miranda Cannon</p>	<p>31/07/2017 and ongoing</p>
<p>10. RESOURCE: CAPACITY, CAPABILITY, RETENTION & DEVELOPMENT (Continued)</p>	<ul style="list-style-type: none"> - Potential reduction in controls being exercised and as a result, the business control environment is reduced. - Potential exposure for fraud/irregularity. - Impact on the Health and Wellbeing of the City. - Council loses knowledge, experience and skills - Posts not filled with the right skills set/qualification/experience - changing market conditions may result in the Council being unable to recruit to specific posts or attract candidates of the right skill mix 											<p>31/07/17</p>

<p>11. CONTRACT MANAGEMENT & PROCUREMENT Contract management protocols/procedures are not robust and there is lack of understanding/ awareness within the Council. Service areas may exercise partnership arrangements/ collaborative agreements where formalised/legal contracts are not in place and possibly these may not be legally binding.</p>	<ul style="list-style-type: none"> - Reputational damage. - Financial impacts; valuable funding is used for rectification of issues. - Increase in staff resources to defend a challenge. - Potential for litigation and fines being incurred. - Contract service level agreements may not be adhered to. - The Council does not receive value for money for the services it procures. - The Council is challenged in the reduction of contracts when re-tendered. - Discouraged providers may not tender for the contract in the future, potentially reducing the portfolio of providers and even reducing the availability of high quality providers. 	<ul style="list-style-type: none"> - Revised and improved Contract Procedure Rules in place along with associated guidance. - Policy that all procurement over a de minimis threshold must be carried out by one of the specialist procurement teams. - Professional procurement staff recruited and in post - Contract Risk Management training available from RMIS - Engagement with local supplier groups - Professional training for procurement staff (MCIPS) - Implementation of new electronic tendering system 	3	3	9	<ul style="list-style-type: none"> - Development of new procurement template documentation - Implementation of new electronic tendering system - Professional training for procurement staff (MCIPS) - Training in procurement and contract management for staff across the Council - Enhanced engagement with local business to widen portfolio of potential suppliers - Development of communications plan to ensure all staff are informed of above as appropriate to their role. - Undertake recruitment to address vacancies in the Procurement Services Team - Development of new Service Analysis Team 	3	3	9		<p>Alison Greenhill</p>	<p>31/07/2017 and ongoing</p>
<p>11. CONTRACT MANAGEMENT & PROCUREMENT (Continued).</p>	<ul style="list-style-type: none"> - Council pay higher fees for services contracted or are unable to exit contracts when service delivery is not inline with the expected quality/contractual requirements. - The Council may not procure goods and services from sustainable providers. 											<p>31/07/17</p>

<p>12. ASSET MANAGEMENT Absence of an asset management strategy will affect the future conditions/status of buildings.</p>	<ul style="list-style-type: none"> - Reputational damage. - Increase in costs. - Loss of predicted revenue. - Deterioration of assets. - Potential harm to the public. - New business are not attracted to Leicester. - The council's assets may fall into disrepair losing income and increasing maintenance costs. In a worse case scenario assets may be totally lost and community engagement too. 	<ul style="list-style-type: none"> - A single corporate asset management system is now in place. - Central Maintenance Fund is available to address urgent repair items and Health and Safety items in the estate. - Building Schools for the Future (BSF) programme now complete and a planned maintenance programme for schools has been established - Condition surveys have now been completed for all schools, neighbourhood and leisure assets - Using Buildings Better (UBB) programme now provides a corporate overview of the estate with a focus on rationalising operational assets and improving as appropriate the condition of retained assets, as well as disposal of assets for economic and/or other benefits. The programme encompasses the existing TNS project and accommodation strategy programme, plus work-streams on depots, stores and workshops, Early Help (CYP&F centres primarily), channel shift and surplus assets. It has a strategic focus on assets to be retained and those to be disposed of. 	5	4	20	<ul style="list-style-type: none"> - Continued development of effective planned maintenance programme across the estate-performance measurement in place to provide assurance regarding compliance- concerto being established and populated to work as the single corporate asset management system - Continue delivery of the UBB programme including disposal of assets - Recruit additional resources to support disposals. Review process around disposals 	5	3	15		<p>Phil Coyne/Miranda Cannon</p>	<p>31/07/17</p>
<p>13. NATIONAL AGENDA/CHANGES IN LEGISLATION/ GOVERNMENT ETC On-going changes in government, legislation etc. gives rise to new demands and responsibilities with insufficient time for implementation and insufficient budget.</p>	<ul style="list-style-type: none"> - Loss of income. - Services may not be delivered. - Reputational damage. - The budget may not be sufficient to deliver the expected service demand. - Statutory services. such as public health may be reduced and or the Council is unable to protect and safeguard the public, vulnerable individuals etc. - Implementation of unpopular fees for services required by the Public of the Council. - The health and wellbeing of the City may be impacted. -Causing service failure or significant cost over runs. 	<ul style="list-style-type: none"> - Directors keep abreast of policy change and development in their portfolios. - The implications of change described and discussed - including political briefings if required. - Budgeting takes account of national changes. - Staff are trained in new requirements. 	4	3	12	<ul style="list-style-type: none"> - Examine options for service integration; improved leadership development; manage demand better; have honest conversations with the public about what can be expected from us - Improve commissioning activity across the Council. 	3	2	6		<p>Andy Keeling</p>	<p>31/07/17</p>

<p>14. CHANNEL SHIFT The Council may be unsuccessful in channel shifting customers to less resource intensive forms of contact than face to face or telephone contact. The infrastructure may not be in place to enable the shift and the culture change is not enabled among staff and customers to support it.</p>	<ul style="list-style-type: none"> - Service delivery not met. - Adverse affect on budget. - Reputational damage. - Impact on resource provision. - Process and improvements do not materialise. - Lack of access to data. - Customer access channels may not be improved. - Services will become unaffordable 	<p>- A Channel Shift programme is in place and a channel shift vision developed and communicated to senior managers, Executive and scrutiny. An underpinning programme of work has been put together and a current set of priorities agreed. Channel Shift Board in place to drive the development and delivery of the programme.</p> <ul style="list-style-type: none"> - The Transforming Neighbourhood Services programme has supported development of a digital hub approach which continues through the UBB programme - New corporate website launched in March 2015 and is helping drive increased on-line transactions. New CRM system procured and implementation includes recent launch of a 'My Account' functionality on the website which currently offers around 40 on-line transactions. - Major redevelopment of Visit Leicester website underway. - Continued strategic focus on the use and role of digital media in the organisation - Audit of printed publications helped identify issues related to channel shift and quality of communications which have been shared and lessons learnt are being used to embed principles around ways of working in the Comms and Marketing Team particularly 	4	3	12	<ul style="list-style-type: none"> - Continue to deliver the channel shift programme - Review the first 12 months operation of the new corporate website in light of the channel shift agenda - All services to continue to review their comms to ensure that online options are promoted ahead of traditional access channels. - Ongoing communications to support channel shift amongst staff and customers. - Continue the Visit Leicester website redevelopment to include transactional capability eg multi-venue ticket purchasing 	3	3	9		<p>Miranda Cannon / Alison Greenhill</p>	<p>31/07/2017 and ongoing</p>
<p>15. EU REFERENDUM LEAVE RESULT. There may be significant implications relating to requirements for further public sector cuts, reductions in other funding streams particularly for infrastructure projects, as well as longer-term legislative changes in areas such as procurement. Also creating a level of instability and uncertainty in financial markets</p>	<ul style="list-style-type: none"> - Further budget reductions. Impacts on major infrastructure schemes and vision around future city development. - Implications in terms of treasury management. - Need in future to revisit key policies and procedures 	<ul style="list-style-type: none"> - Monitor situation closely. 	4	3	12	<ul style="list-style-type: none"> - Consider implications alongside future budget strategy 	3	3	9		<p>Andy Keeling / Alison Greenhill</p>	<p>31/07/2017 and ongoing</p>

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Andy Keeling, COO

Risks as at: 30/04/17

Risk What is the issue: <i>what is the root cause/ problem – what could go wrong</i>	Consequence /effect: <i>what would occur as a result, how much of a problem would it be ?, to whom and why</i>	Existing actions/controls	Risk Score with existing measures (See Scoring Table)			Further management actions/controls required	Target Score with further controls (See Scoring Table)			Cost	Risk Owner	Review Date
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STRATEGIC AREA - Adult Social Care												
1. Adult Social Care & Safeguarding - Integration agenda. Risks associated with large programme of change in challenging financial context.	- Failure against national commitments on integration - Services are not aligned - Financial risk - Conflict between priorities of organisations - Transformation programme targets are not met	- High visibility at partnership forums - Support to frontline staff to maintain operational relationship management - Communication strategy for transformation in context of integration includes partners.	4	4	16	- Establish clear partnership arrangement to agree and deliver Integrated Care in Leicester - Maximise Better Care Fund (BCF) opportunity.	3	3	9		Ruth Lake	31.07.2017 ongoing
2. Adult Social Care & Safeguarding - Failure to meeting statutory need; keeping people safe - Difficult financial climate; complexities with funding arrangement; integration and pooled budgets - risk of inadequate resources to meet need	- ASC overspends - Insufficient resources to meet need - Vulnerable people not receiving sufficient care packages resulting in legal challenge and increase in complaints.	- Robust mechanisms (such as Resource Allocation System) to ensure resources matched to eligible needs to protect funding - Budget monitoring - Demand monitoring - Use of Better Care Fund (BCF) programme to plan for new funding arrangements and requirements.	3	5	15	- Further work on BCF to protect social care services and promote efficiencies across the Health & Social Care system - Work to review packages of care to maximise resources for those at greatest need - Delivery plan now in place - to be progressed over 16/17. - Maximise income and debt recovery through work with operational finance / legal	3	3	9		Ruth Lake	31.07.2017 Ongoing

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3. Care Services & Commissioning (ASC) - Failure to carry out effective statutory consultation will result in financial and reputational damage to the council.	- Council could face legal challenge through judicial review.	- Consultations being run as a dedicated project overseen by a senior manager with some temporary additional resource - Ensure time is built into each review, development of all strategies etc. to allow for consultation.	5	4	20	- Stakeholder engagement strategy in place and we always seek advice from legal services and corporate consultation team - Legal services sign off all consultation materials and agree the approach and methodology - Officers to seek guidance from the corporate consultation team when	4	3	12	Pot Multi £M On going Judicial review found in favour of Leicester City Council.	Tracie Rees	31.07.2017 ongoing
4. Care Services & Commissioning (ASC) Quality of care in the Independent regulated services including; residential homes, domiciliary care and supported living providers falls below standards	- Detriment (harm) to individuals, groups or the Council (financial or reputational)	- High level Audit processes in places via Adult Social Care contracts and assurance team (This is in addition to Care Quality Commission inspections)	5	4	20	- Quality Assurance Framework to be used to support identified failing providers. - Risk Management process in place to identify appropriate action to be taken in the event of failing providers. -Risks have been reduced due to introduction of the MAIPP process and the weekly internal information sharing with the Providers.	5	3	15		Tracie Rees	31.07.2017 Ongoing
5. Care Services & Commissioning (ASC) - Implementation of the Sustainability and Transformation Plan (STP)	- Financial impact/legal challenge	- An LLR Programme Board has been established that includes health and social care chief officers	5	4	20	- An LLR Programme Board has been established that includes health and social care chief officers	3	3	9		Tracie Rees	01.01.2019

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6. Care Services & Commissioning (ASC) - Review of Residential Care; Financial risk - largest area of spend and danger of inappropriate models of care.	- Continued escalation of spend - Inappropriate placements	- The project is overseen by the ASC Programme Board	4	4	16	- Robust governance through project board, Commissioning Board and Lead Member Briefing	3	3	9	Current spend £44M gross/£286k 17/18	Tracie Rees	31.07.2017 Ongoing
7. Care Services & Commissioning (ASC) - Extra Care and Supported Living Developments; Impact of the loss of exemption from the Local Housing Allowance (LHA) for this type of provision.	- Inability to develop extra care and supported housing as the market unable to make sure developments viable as a result of this exemption.	- Awaiting government announcement. - Discussion with the market	4	4	16	- To explore options to develop options not reliant on the LHA cap	4	3	12	Loss of capital funds for ASC developments	Tracie Rees	31.07.2017
8. Care Services & Commissioning (ASC) Non compliance with our duties under the Equalities Act; Failure to adequately identify and address (where possible) equality impacts of proposed actions.	- Council could face legal challenge through judicial review	- Equality impact assessments (EIA) are built into service reviews, strategy developments and decision making which help to identify equality impacts and actions to be taken.	5	3	15	- Ensure all staff are fully aware of when to use EIA's and build this into their routine work (when necessary) - Training to be offered through Better Care Together.	5	2	10	Pot Multi £M	Tracie Rees	31.07.2017 ongoing

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9. Care Services & Commissioning (ASC) Provision of statutory service Deprivation of Liberty Safeguards (DOLS)	Assessments not completed within statutory timescales.~ Vulnerable people are placed at risk of abuse ~ People are deprived of liberty unlawfully ~ Court criticism or action ~ Fines ~ Risk of legal challenge ~ Reputation damage	~ Agreed with Leadership to change the prioritisation system with a view to reducing the number of people not seen at least once ~ BIAs are fully staffed ~ Employing services of a barrister	4	5	20	~ Adhere to prioritisation system ~ Monitor and review	4	5	20		Tracie Rees	31.07.2017 ongoing
STRATEGIC AREA - City Development and Neighbourhoods												

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10. Tourism Culture and Arts and Investment - Museums - Loss, damage or destruction of council assets. 2016 : Specifically I) general security measures and ii) specifically the problem of mould at Euston St Store damaging precious collections. Both have major scope to cause reputational damage.	- Cost of repairs/replacement costs - Major reputational damage - Risk of litigation Distress to lenders/donors/owners/staff/public . - Impact on stakeholders and potential funders - possible effect on council's insurance premiums.	Strategy for dealing with Euston St store immediate issues now being implemented. Independent review pf security measures - been undertaken	4	4	16	Longer term solution for Euston St still required once urgent actions have been carried out. Implementation of security review recommendations needs to be done including embedding new behaviours throughout staff teams.	4	4	16	Some costs yet to be established but immediate actions require £0.5m	Mike Dalzell	31.07.2017 ongoing

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<p>11. Housing - Impact of Welfare Reform on Housing Rents Account (HRA) rental income collection and supported housing. Universal Credit (UC) is to be fully implemented in 2022. Implications of the Housing and Planning Act - Pay to stay, flexible tenancies, sale of high value assets</p>	<p>- Under UC, claimants will receive all their benefits, including housing costs element directly themselves, monthly in arrears. They will have to pay their FULL rent out of this. The biggest challenge to the HRA will be to collect the full rent from those working age claimants whose housing costs are no longer paid directly to the Landlord (LCC) as they are now.</p> <p>- Higher numbers of tenants in rent arrears leading to loss of rental income will adversely affect the HRA income.</p> <p>- Could lead to greater number of evictions.</p> <p>- Further welfare cuts in 2015/16.</p> <p>- Extra income generated from increased rent will returned to Government</p>	<p>- On-going promotion of Clockwise accounts with tenants.</p> <p>- Focus STAR team support on those affected.</p> <p>- Maximise the number of tenants claiming DHP for bedroom tax affected cases.</p> <p>- Identify tenants who are over-occupying in order to help with down-sizing.</p> <p>- Promotion/awareness to tenants of Discretionary Housing Payments (DHP).</p> <p>- Mandatory direct debits or Clockwise accounts for New tenants has been implemented.</p> <p>- Income Management team strengthened.</p> <p>- Amended Allocations policy to assist downsizing</p> <p>- Introduced pre-tenancy determinations interviews to collate financial information prior to tenancy sign up. This is a risk mitigation exercise to help identify tenants that require extra help to manage their finances /budget</p>	4	4	16	<p>- Development of Northgate's IT system to support paperless direct debits.</p> <p>- Smarter ways of working being developed including self serve, use of QR scanning and mobile technology to help mitigate risk to reduction in rent collection due to welfare cuts.</p> <p>- Project Planned and resourced approach to communications, effective policy and procedure review and update to meet the needs of the Welfare reform changes and those subject to them.</p> <p>Further work required at 19.01.17 After all service improvements mentioned above in place to maximise rent collection for</p>	4	3	12	Additional cost of Northgate is a combined divisional cost and not identifiable singularly	Chris Burgin	31.07.2017 ongoing

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12. Housing - Risk of Legal challenge, liability and reputational consequence if properties are not adequately maintained. Greater financial investment needed in the future. Rent reduction of 1% per annum for next 4 years will threaten budget for maintenance.	<ul style="list-style-type: none"> - Poor living conditions - H&S risks to tenants - properties falling into disrepair - Reputational risk 	<ul style="list-style-type: none"> - On-going capital investment (25 year strategy and planned maintenance programmes) - On-going day to day responsive repairs service. - Minimum standard for property re-letting. - In house Quality Control team. - Policies and procedures in place to ensure we continue to be compliant with legislation e.g. for fire safety, water hygiene, asbestos removal - Continue to review more effective ways of maintaining the stock. 	5	3	15	- Identification of fixed costs required to ensure compliance with legislation and to ensure these funding is available for these is future budgets	5	2	10	At current rates we need a minimum spend of £13m to ensure ongoing compliance with legislation.	Chris Burgin	31.07.2017

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13. Housing -Providing thriving, safe communities - Impact of welfare reform on supported housing will mean less income to the general fund. Also affects adults social care support to sheltered housing. Received notification that the 1% rent reduction will be applied to hostels and supported housing.	Reduced income to the general fund. Will affect all new tenancies after 2016 Less income to provide services at hostels and supported housing	Housing Transformation Programme Phase 3 set up to deliver HRA and Housing GF savings required this includes the agreed action to decommission internal Supported Housing provision and to service review Hostels landlord and support functions next year. This work will run alongside a full review of the Homelessness strategy that will also feed in to meeting this risk	4	4	16	Executive decision agreed to reduce accommodation based support by the 60 supported housing units.	4	3	12	With the uncertainty of the Supported Housing Model and 1% rent reduction further savings will need to be considered as part of HTP3. Additional costs to mitigate this risk further are not known at this stage as the guidance for the new model is still not available. The closure of supported housing is estimated to be completed by end of June and this will reduce staffing costs to mitigate against the reduced income to the general fund going	Chris Burgin	31.07.2017
14. Estates & Building Services - Lift Condition Assessment - Asset Capture, Lack of forward planning in terms of planned maintenance and programming change of assets	- Continued failure of assets - run to failure - ad hoc capital required to make good - less reliable assets and more entrapments. - Lift users may be compromised in terms of access/egress/mobility as per the Beatty Ave experience	- Formatting a proposed capital programme of works, based on engineers submissions (Zurich and LES) will be ready in December 2015 - Lack of internal staffing resource and excessive external consultative cost are prohibiting progress	3	5	15	Lift surveys to be undertaken prior to March 2017	2	5	10	50K to undertake surveys by framework consultant	Matt Wallace	31.07.2017

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15. Estates & Building Services - Delay and compensation event claims are received leading to extensive costs.	- Contingency held to address unforeseen issues may be overspent	- All claims are monitored and are challenged using internal and external resources - Continued dialogue with the Finance Team to monitor the financial position.	5	4	20	- Claims have to date been contained within budget with 1 final claim to resolve	4	3	12	Contingency provision is over subscribed	Matt Wallace	31.07.2017
16. Estates & Building Services Schools Capital - Raising educational achievement. Reduction in capital investment in schools with ageing school stock and deteriorating condition	- Potential to not meet statutory building requirements. - Reputational damage to the council	- Develop long term strategy across both the Primary and retained Secondary School estate	4	4	16	- Condition surveys undertaken and a 1 year programme of planned capital maintenance has been formulated, CMB final approval received Sept 2016. The next phases of the proposed capital maintenance programme will be reviewed on an annual basis in accordance with priority/need allowing for flexibility within the programme. - CCMP2 to be submitted to CM in summer 2017	3	4	12	Staff time	Matt Wallace	31.07.2017 review monthly
17. Estates & Building Services - Loss of use of Asset Unsafe asbestos particles found	Closure of buildings	- Findings of asbestos action plan being implemented. - Asbestos monitoring returns to be reported to DivMT and Heads of Property quarterly and to CMT if cause for concern. - All buildings constructed before 2000 have an asbestos register	5	3	15	1. The centralisation of property management functions will enable EBS to mitigate risk identified on management plans - Ensure all buildings have an asbestos register	3	2	6	Staff time	Matt Wallace	31.07.2017

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Fail to maintain Water Hygiene	Closure of buildings	<ul style="list-style-type: none"> - Implementation of control regime comprising ongoing regular monitoring, reports, risk assessment reviews and maintenance with allocated budgets - Water hygiene monitoring returns to be reported to DivMT and Heads of Property Quarterly and to CMT if cause for concern - Spend of allocated capital budget for water hygiene and production of ongoing prioritised schedule of risk reduction/removal works ongoing - Water hygiene responsibilities in non-op estate (apart from communal areas) have been confirmed in the terms and conditions of the lease and necessary action taken. 				<ul style="list-style-type: none"> - Seek 100% compliance with water hygiene returns with accurate data. - Further budget for 17/18 works to be in next Capital Bid report - More rigorous audit of Building Responsible Officer monitoring to be undertaken 	3	2	6		Matt Wallace	31.07.2017
18. Estates & Building Services -BSFSnag / Defect Programme - Schools currently have outstanding construction matters which prohibit the issuing of completion certificates	<ul style="list-style-type: none"> - LCC exposed to risk of system failure or litigation - Delay in programme delivery 	Construction phase complete. The programme is now dealing with closure of outstanding contractual snag, defects and claims. Internal team established split in three workstreams managed by SA. 1 - Contractual engagement on snags and defects 2 - Delivery of LCC step in actions 3 - EOT contractual claims. External resource provided by MACE to enable delivery of the programme	5	4	20	- Additional external support being sought via Arcadis to enable the close of contracts	4	2	8	Delay in delivery	Matt Wallace	31.07.2017

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<p>19. Neighbourhood and Environmental Services - LACK OF ADEQUATE RESOURCE CAPACITY</p> <p>Increase in the demand led services, along with the reduction in head count could mean that there are insufficient resources to deliver the required service levels.</p> <p>During times of change, staff are not always aware of the changes being made, such as the recent relocation requirements, needs</p>	<ul style="list-style-type: none"> - Teams already at a minimum and extra workloads are unsustainable. - As demand-led services increase, workload and public expectations increase. - Likelihood of key person dependency as teams reduce further (fewer people in key roles). - Potential risk of non-compliance or breaches/lack of a substantial control environment. - Service delivery requirements not met. - Staff wellbeing may be harmed. 	<ul style="list-style-type: none"> - Existing prioritisation arrangements are in place. - Policies and procedures are in place. - Processes are in place. - Regular briefings and PDRs 	4	4	16	<ul style="list-style-type: none"> - Review of succession planning is to be conducted. - Need to assess the service demand against the resource availability to understand impacts and generate action plans. - Develop further prioritisation arrangements. - Continually assess through performance appraisals and individuals one-to-ones. 	3	4	12		John Leach	31.07.2017
<p>20. Neighbourhood and Environmental Services REDUCTION IN INCOME GENERATION PROGRAMMES</p> <p>With reductions in public demand in building, parking, licencing, income generated by the Council may be significantly reduced and income generation/revenue targets may not be met. Also, 'one off' income programmes are set as recurring within the budgets/accounts; impacting further on future</p>	<ul style="list-style-type: none"> - Budgets are not adhered to. - Income streams continue to reduce (e.g. Building Regs) due to the economic climate. - Targets remain the same or increase, against income sources and staff reductions. - One off income is disclosed as recurring, increasing the savings gap. 	<ul style="list-style-type: none"> - Budgets are in place and alternative savings option appraisals are performed and saving plans are implemented. - Policies and procedures are in place. - Adhoc business development arrangements are in place. 	3	5	15	<ul style="list-style-type: none"> - Need to review income targets for recurring and 'one off' income with finance to resolve on-going issues. - Enhance the business development resources/opportunity. - Budget strategy review. - Service review/impacts. - Further marketing and promotional projects. 	3	4	12	N/A	John Leach	31.07.2017 Ongoing

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Andy Keeling, COO

Risks as at: 30/04/17

Risk What is the issue: <i>what is the root cause/ problem – what could go wrong</i>	Consequence /effect: <i>what would occur as a result, how much of a problem would it be ?, to whom and why</i>	Existing actions/controls	Risk Score with existing measures			Further management actions/controls required	Target Score with further controls			Cost	Risk Owner	Review Date
			(See Scoring Table)				(See Scoring Table)					
			Impact	Likelihood	Risk		Impact	Likelihood	Risk			
21. Neighbourhood and Environmental Services RESOURCE & CAPACITY - INCREASED WORKFORCE AGE PROFILE Specialist skills and knowledge within the team may be lost due to future retirement programmes. Furthermore, national surveys have identified a lack of aspiration in individuals (younger generation, female workforce and some ethnicities) wishing to join the Council within these roles.	- Teams already at a minimum number and extra workloads may be unsustainable. - Likelihood of key person dependency as teams reduce further (fewer people in key roles). - Potential non-compliance with legislation/regulation. - Potential stress-related absence/claims. - Quality of service delivery may be affected.	- "Step up" - work experience utilise. - Graduate project officers. - Training & Mentoring - Knowledge sharing - Apprenticeship Levy	3	5	15	- Succession planning review is required. - Continue to enhance and develop the apprenticeship scheme. - Commence positive promotion of the work/career in this area. - Seek funding for apprenticeship. - Ensure knowledge sharing takes place. - Training/ Mentoring/ Structuring.	3	4	12	N/A	John Leach	31.07.2017 Ongoing
22. Neighbourhood and Environmental Services ASSET CONDITION Condition of buildings creating risks to service delivery and individuals (in certain circumstances)	- Building/service closures - Insurance claims against the council - Reputational damage to LCC	- On going review and inspection of building in-house and is liaison with Property services - Building conditional surveys reviewed under the Transforming Neighbourhood Services Programme (TNS)	5	3	15	- Building reviewed under TNS - Condition surveys commissioned and review to address key issues	3	3	9		John Leach	31.07.2017 Ongoing
STRATEGIC AREA - Corporate Resources and Support												

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23. Delivery, Communications and Political Governance - UNPLANNED ELECTION EVENT The service may struggle to manage a number of unplanned, additional elections, as well as a number of different type of elections e.g. House of Lords, Referendums etc.	<ul style="list-style-type: none"> - Elections not performed appropriately/challenges received. - Reputational damage. - Adverse effect on finances. - Media coverage. - Public complaints. - Increase in resource requirements. - Could lead to increased expectations on the existing trained core team, who hold relevant and detailed knowledge. - The potential repetition of impacts and pressures that arose during 2011 elections. 	<ul style="list-style-type: none"> - Returning officer and nominated deputies are in place. - Insurance is in place. - Many elections can be planned and have set dates. - May 2015 elections enabled newer members of the core team to develop further skills and experience in specific aspects of the elections process - Electoral Commission guidance gives detailed support in the planning and management of each specific type of elections 	4	4	16	<ul style="list-style-type: none"> - Develop skills and expertise across the wider electoral services team. - Ensure that there is a robust planning support structure in place. Develop a potential 'business continuity plan' to build resilience and stability. - Use external or peer support where feasible e.g. from other local authorities. - Consider training/up-skilling a pool of contingency staff. - Review further as a management team. <p>(Actions required to maintain risk score).</p>	4	4	16		Miranda Cannon	31.07.2017 Ongoing

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<p>24. Delivery, Communications and Political Governance - LEGAL CHALLENGE Increased legal challenges may heighten the need to ensure that processes are effective, efficient, communicated in a uniform manner and that managers and staff follow explicit guidance.</p> <p>Consultation approach and EIAs are increasingly targeted areas for legal challenge.</p>	<ul style="list-style-type: none"> - Communications are not appropriate (present the right information, performed in a uniform manner, not consistently worded, communicated or the tone are appropriate), leading to legal challenge. - Equalities Impact Assessments cannot address all potential areas of legal challenge on Public Sector Equality Duty grounds. - Lack of legal expertise/appropriate resources. - Potential for legal challenge/judicial review by providers, staff, service users, etc. - Reputational damage/media exposure. - Unplanned adverse effect on budget/finance - Resource intensive to defend legal challenges/judicial reviews. 	<ul style="list-style-type: none"> - Equality Impact Assessments (EIAs) are performed to help ensure the Council meets the Public Sector Equality Duty (PSED). - On-going reviews of outcomes of other PSED challenges inform our approach to demonstrating compliance with our PSED, and lessons from these shared / communicated and used to revise our approach where appropriate. - Presentation on Judicial Reviews/legal challenges posted on EIA Interface page. - Processes and procedures in place. - Staff are aware of duties, responsibilities and relevant considerations required to demonstrate compliance with PSED. - Expert support e.g. HR, equalities, consultation, CPMO in place with supporting guidance. Equalities e-learning module developed and being rolled out. - EIA process (what needs to be considered when) and EIA templates regularly reviewed and revised 	4	4	16	<ul style="list-style-type: none"> - Continue to review external practice e.g. from other Local Authorities and partners, which have been deemed as best practice and implement locally as appropriate. - Ensure the correct resources, with the relevant skills and experience are allocated to roles. - Ensure HR support is available. - Complete current Equality and Diversity Strategy and refresh - Review current consultation guidance for staff 	4	3	12		Miranda Cannon	31.07.2017 Ongoing

Appendix 3 - Leicester City Council Operational Risk Register

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			Impact	Likelihood	Risk		Impact	Likelihood	Risk			
24. Delivery, Communications and Political Governance - LEGAL CHALLENGE - Continued	<ul style="list-style-type: none"> - Unrealistic public/political expectations. - Procurement process may be challenged. - Legal challenges focus on process rather than content. 	<ul style="list-style-type: none"> - Equality checklist for different stages of capital projects being developed so that equalities considerations at each stage are recorded and signed off - Council EIA template being used for Health & Well Being Board reports and also for Better Care Together reports, standardising our approach with partners particularly in Health sector. - Community engagement fund developed to support work with the VCS in support of meeting our PSED - Consultation training with a focus on the legal risks recently undertaken by the Comms and Equalities Teams - Work underway to refresh the Equality Strategy 										
25. Finance - Financial challenges - the Council fails to respond adequately to the cuts in public sector funding over the coming 4 - 5 years.	<ul style="list-style-type: none"> - Council is placed in severe financial crisis - Reputational damage to the Council and substantial crisis job losses - If the process is not properly managed, the Council will have little money for anything but statutory 'demand led services'. 	<ul style="list-style-type: none"> -Budget balanced in 17/18. -Further work required to balance the medium term, particularly driving the spending review programme. - £8m service transformation fund. 	5	4	20	Heavy involvement of City Mayor in ensuring spending review programme delivers.	5	2	10		Alison Greenhill	31.03.2018 and every year end.

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26. Finance - Information and Customer Access The Council is at constant threat from malicious hacking or human error.	~ Loss of data or information ~ Loss of access to systems and services ~ Council-wide impact ~ Potential fines, litigation, penalties etc. ~ Impact on data subjects if sensitive information misused ~ Reputation damage	~ Ensure adequate technology is in place to protect the authority -AlienVault Logging procured. ~ Raise staff awareness ~ Testing procedures ~ Applications kept up to date ~ Processes in place ~ Likelihood of critical systems being affected is low ~ IT security manager post filled ~ PCI scans ~ Penetration testing etc. ~ PSN compliance	5	3	15	• Targeted Phishing • Promote Human Firewall awareness • Implement further defences • Consider draconian response to threats	2	5	10		Alison Greenhill	30.06.2017 Ongoing

Appendix 3 - Leicester City Council Operational Risk Register

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<p>27. Legal - Key areas of risk are: flexible working practices which expose data to new risks, inappropriate disclosure of personal data, insecure and excessive information sharing externally and internally, lack of universal participation in Information Governance training, lack of awareness of the compliance and enabling role of Information Governance and failure to comply with the Regulation of Investigatory Powers Act 2000. (Also see corresponding risks around Data Protection and Freedom of Information compliance.)</p>	<p>- Data may be lost or shared inappropriately. - Potential legal challenge. - Breaches in regulation/legislation, which may incur fines, reputational damage and negative media coverage. - Local breaches are not reported to the Information Governance Team until a complaint arises. There may be a number of unreported information governance breaches which are unreported and being managed at a local level. - Subject Access Requests: this area has failed in compliance in 2013, and could fail again in the future.</p>	<p>- Policies and procedures in place e.g. security, retention and disposal. - Devices are encrypted. - Staff briefed on Information Governance (IG) compliance and asset mgmnt. - Improvement plan identifies necessary procedural updates etc. - Good liaison with Information Commissioners Office (ICO) and increased visibility and compliance. - Regular reports to Directors on the importance of IG compliance. - Staff are required to complete IG training on induction and all staff were asked to complete training in 2013. - Leicester City Council submissions to the NHS Information Governance Toolkit provide a health check on IG policies and systems.</p>	4	5	20	<p>- Requirement for all to complete annual IG awareness training should be enforced. - Introduce a self-service IG health check for Managers to check their team's compliance and identify their own improvement actions. - IG issues to be addressed more consistently in contracts outside IT Procurement (where this is systematic). - Need for services facing high staff turnover to prioritise Data Protection and security training to maintain capability levels. NB: in a changing context, controls need to evolve and be constantly refreshed to maintain the risk exposure at the current level and prevent it from increasing. Therefore, no reduction in risk exposure</p>	4	3	12		Kamal Adata	31.06.2017
<p>27. Legal - Continued</p>		<p>- Self service Information Governance Healthcheck tool for managers has been drafted. Next stage is testing. (NB staff turnover and high rates of change are increasing the Council's exposure to risk here)</p>										

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STRATEGIC AREA - Education and Children's Services												
28. Children's Social Care and Early Help- Improvement - Changing for the better LCCIB Improvement Plan -Budget Pressures on the divisional budget	- Services to vulnerable children, young people and families would be reduced and affect safeguarding of children, and potentially have an adverse impact on delivering the Leicester City Council Improvement Plan	- Deliver savings as part of the reviews taking place across LCC, including Education & Children's with clear explanations of the potential risks and impact - Deliver savings to meet the budget pressure within the CYPF Division	5	4	20	- Identify further projects to ensure delivery of savings, assess impact and agree any further mitigating factors	4	4	16		Caroline Tote	30.06.2017
Requirements to reduce public sector funding affect the Council's ability to fund key areas of improvement work	- Workforce continues to be in flux and subject to high turnover, which impairs consistent service and increases risks for vulnerable children and young people. - Insufficient funding in local authority and partner services to deliver improvement work and maintain level of Early Help and statutory services.	- Priorities for short and long term funding of improvement work are being considered by senior managers and elected members. - Proposed savings in Early Help services are currently being developed in consideration of Leicester City Council 2017-2018 budget. - Impact on services to Children young people and families is being assessed as part of savings proposals. Pressures on the Out of Authority placement and increase in LAC numbers beyond allocated budget. - Advanced Practitioners appointed. - Single Assessment Team implemented June 2016.	5	4	20	- Further consideration of other identified improvement areas to be discussed. - Further areas of the Resource Plan under consideration	4	4	16		Caroline Tote	30.06.2017
Increase in number of children looked after results in overspend, compensatory savings have to be made in other services	- Reduced Early Help Services, resulting in less early intervention and higher numbers of children and families escalating to higher levels of need, putting additional strain on Children's Social Care budget.	- Targeted work to safely and appropriately reduce the numbers of children in care and monitor the numbers of children requiring high cost externally commissioned placements - Further work to be carried out to consider future commissioning arrangements for young people who are victims of CSE.	5	4	20	- Examination of existing controls, including social work practice, decision making, work to address young people on the 'edge of care', placement commissioning and exits from care.	4	4	16		Caroline Tote	30.06.2017

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Cost of agency social workers, including staffing over capacity, and interim staff working on improvements results in overspend, compensatory savings have to be made in other services	- Increase in overspend, due to the higher costs of agency workers; and additional staff to carry out improvement work, reduce caseloads and ensure capacity to carry out key jobs is in place	- Workforce Strategy sets out plans to attract permanent staff to Leicester and retain incoming and existing staff. Strategy includes progression and workforce development - Regular monitoring of staff appointments to agency posts.	5	4	20	- Continued work on recruitment, retention and induction - Focus on recruitment of permanent Team Managers. -WFD Strategy work has slowed down, needs to be picked up	4	4	16		Caroline Tote	30.06.2017
Permanent staff absence (sick leave, maternity leave, disciplinary action) results in higher costs because of the need to pay agency worker	- Regular monitoring of staff performance, and absence.	- Continuing to take a robust approach to managing staff absence and reduce the amount of time that is lost due to sickness.	4	4	16	- Children in Need (CIN) Attendance management-briefings for all CIN managers at induction and dedicated HR support put in place to support management of absence management	4	4	16		Caroline Tote	30.06.2017
Staff leave, resulting in the need to fill posts with agency workers	- Additional expenditure on agency staff - Loss of experience and continuity.	- Workforce Strategy developed and being implemented - Use of agency staff to fill vacant positions while permanent recruitment takes place - National and regional problem of availability of experienced social workers and Team Managers is impacting on LCC.	4	4	16	- Ensure progression in place for experienced workers following appointment of new Team Managers - Individual discussions with staff wanting to progress, or dissuade them from leaving.	4	4	16		Caroline Tote	30.06.2017

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29. Children's Social Care and Early Help - Safeguarding Publication of Serious Case Reviews for cases that occurred in 2013/14	- Impact on staff morale, engagement with vulnerable families, partner confidence and public reputation	- Two Serious Case Reviews have now been published with clear arrangements in relation to media engagement about the messages to be released. Themes and actions arising from pre-publication messages already included in - Improvement Plan, or being communicated separately to staff. Composite review in relation to three babies has not yet been published due to ongoing police investigations, media planning meeting taking place at the end of August. A further SCR has also been commissioned and agency Independent Management Review's	4	5	20	- Work through Local Safeguarding Children's Board groups to disseminate messages from the Serious Case Reviews.	5	4	20		Caroline Tote	30.09.2017
Abuse or injury to children in a range of care placements	- Children would be unsafe and have experienced significant harm while in the Council's care.	- Ensure maintenance of robust safer recruitment processes and Local Authority Designated Officer arrangements.	5	4	20	- No further controls identified. - Compile and monitor critical Young people identified as being at risk of CSE	5	4	20		Caroline Tote	30.09.2017

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Staff fail to recognise and act to safeguard and mitigate the risks of significant harm to children	<ul style="list-style-type: none"> - No interventions where action needs to be taken, interventions that do not make enough difference to children's lives - An increased risk of significant harm, and/or an avoidable child death. 	<ul style="list-style-type: none"> - Agreed improvement plan in place, being implemented and monitored, including all Ofsted recommendations - Early Help Offer re-launched with training for staff and partners - Thresholds documents re-launch - Weekly CIN Performance meetings to look at key performance areas and carry out spot checks on identified areas of work - Team Manager training to reinforce management oversight - Distribution of agreed Service Standards across the Children's Workforce - External audit of Ofsted cases - Workforce Development Programme with aim of attracting workers to Leicester City, retention programme, growing own social workers and stabilising workforce - Revised supervision and case recording policies - External auditors feedback on cases with recommendations for improvement - Feedback to CIN Service about outcomes of Ofsted support visit with actions to address. - Case progression manager appointed to track outcomes of legal planning meetings. This will ensure that there is a timely response to decision making and to ensure drift and delay in care planning is prevented. - Principal Social Worker appointed April 2016 	3	5	15	Further implementation of the Leicester City Children's improvement plan including: <ul style="list-style-type: none"> - Quality Assurance work by external auditors used to drive up practice and management standards, and enable managers to carry out realistic, robust audits - Outcomes of, and learning from, Serious Case Reviews to be communicated to staff, including recommendations on practice and management work with partner organisations to ensure application of the LLR thresholds, reduce inappropriate contacts and referrals and ensure sufficient detail is given to enable robust decision making. 	3	4	12		Caroline Tote	30.09.2017

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Practitioners and managers do not work to required standards	<ul style="list-style-type: none"> - Poor quality, inconsistent service to children, young people and their families - Increased risk of significant harm 	<ul style="list-style-type: none"> - Weekly performance meetings in CIN - Quality Assurance work by external auditors in conjunction with social workers and team managers, with immediate corrective action for cases identified. - Reports produced on 'Practice Analysis with results of the Quality Assurance work. - Workforce Development Programme in place - Briefings and rollout implementation of the Service Standards, Supervision Policy and Guidance and the Performance and Quality Assurance Framework - External auditors feedback on cases with recs for improvement - Induction programme in place 	3	5	15	<ul style="list-style-type: none"> - Implementation of the improvement plan including: - Use established frontline (practitioner) Group as 'Champions' - Practice and performance quarterly workshops for all staff - Continued implementation of the Workforce Improvement Plan including recruitment, retention and induction of agency and permanent staff and action to reduce imbalance of agency Team Managers to permanent Team Managers - Equipping social workers with appropriate mobile 	3	4	12		Caroline Tote	30.09.2017 ongoing
Abuse or injury to children and young people in the City.	<ul style="list-style-type: none"> - Children would be unsafe living with their parents. Where known to Children's Social Care or Early Help, services would not have protected them. - Where a child suffered significant harm or death, there could be a Serious Case Review, with outcomes published nationally. 	<ul style="list-style-type: none"> - Implementation of Improvement Plans at Operational and Strategic Level - Recruitment of staff. Staff training - Supervision and management oversight. 	3	5	15		3	4	12		Caroline Tote	30.09.2017 and ongoing

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Child Sexual Exploitation: Non-recent cases of CSE where police investigation and/or victims statements demonstrate local authority involvement or culpability in failing to protect victims. Current work on CSE where local authority/partnership working have failed to protect young people from perpetrators	For non-recent and current Reputational risk in a high profile area: - Allegations against staff or former staff - Media coverage - Claims against the Council	For non recent cases - Local authority engagement with police in non-recent investigations. For current work - CSE Strategy and Action Plan in place across Leicester, Leicestershire and Rutland Leicester Safeguarding Children Board (LSCB). - Training for local authority and partner agency staff provided through the LSCB and single agency training. - Communications Planning. - Liquid Logic workspace in place from July 2015. - Problem profile (perpetrator information) being put into place by the police - Performance Framework being established. - Developing CSE / Missing / Trafficked Hub with Police, LCC and Health	3	5	15	- Plans for a multi-agency team across Leicester, - Leicestershire and Rutland to work on CSE , Missing and Trafficked to be in place Oct 2016 - Work to ensure more robust approach	3	5	15		Caroline Tote	30.09.2017
Increased demand for service following the publication of the Ofsted report; or due to increasing population of the City	- Higher numbers of contacts and referrals diverts core role of social workers from increased time pressures to potentially affect quality of work with children at higher risks of neglect and/or abuse.	- Regular checks on demands for Early Help and Children's Social Care through performance information	3	5	15	- Continue to monitor, raise with partners through LSCB - Examine through Children's Trust and consider multi-agency solutions - Encouraging schools to buy in Family Support work	3	5	15		Caroline Tote	30.09.2017

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30. Children's Social Care and Early Help - Workforce - Staff fail to recognise and act to safeguard and mitigate the risks of significant harm to children - Insufficient high quality workforce at practitioner and manager levels including: • Turnover/retention of agency staff • Poor quality agency staff • Current Permanent staff leaving • Difficulty in recruiting permanent staff to Service Manager, Team Manager and Social Worker posts due to pressure to perform to required standards • Practical problems that affect day to day work • Leicester not able to attract staff while 'inadequate'	- De-stabilisation of workforce and a ripple effect from CIN Teams to other teams in social care. - New agency staff struggle to pick up cases that have been through several interim social workers causes stress to new staff	- Retention package has been approved - Workforce Improvement Plan in place - Implementation of recruitment and retention aspects of the Workforce Strategy and Improvement Plan - Health check by Liquid Logic Original Suppliers - Contact with Other LAs successfully using Liquid Logic - Non-compliant or poor quality agency staff asked to leave - Capability/disciplinary action in relation to permanent staff - Exit interviews with departing staff - SAT implemented June 2016. - Principal Social Worker in post April 2016.	5	4	20	- Continued work to implement Service Standards, address key areas of staff performance through management action, follow up findings from - Performance and Quality Assurance reports	4	4	16		Caroline Tote	30.06.2017
Insufficient high quality workforce in support services resulting in key support functions not being carried out including Business Support, Liquid Logic report writing, Liquid Logic training and floor walking	- Key tasks underpinning Improvement Plan not carried out, or delayed due to lack of staff	- Continued recruitment of key staff including consideration of secondments - Business Analysis of the critical area (CIN teams) - Roll out of mobile technology to staff	5	4	20	- Recruitment of an additional trainer for Liquid Logic, and further work to recruit report writers - Consideration of Business Support functions in business analysis work	4	4	16		Caroline Tote	30.09.2017

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Risk Register Owner: Andy Keeling, COO

Risks as at: 30/04/17

Risk What is the issue: <i>what is the root cause/ problem – what could go wrong</i>	Consequence /effect: <i>what would occur as a result, how much of a problem would it be ?, to whom and why</i>	Existing actions/controls	Risk Score with existing measures (See Scoring Table)			Further management actions/controls required	Target Score with further controls (See Scoring Table)			Cost	Risk Owner	Review Date
			Impact	Likelihood	Risk		Impact	Likelihood	Risk			
31. Children's Social Care and Early Help - Liquid Logic - Liquid Logic's children's recording system does not work effectively to ensure business processes, support good practice or evidencing children are appropriately safeguarded	<ul style="list-style-type: none"> - Practitioner/manager training does not enhance system use - Resistance among some staff hampers the use of the system - Due to increased demand for social care requirements from the Business Application Support Team (ICT for Liquid Logic), the early help reporting roll out in September is at risk. - Change is not embedded and the system is unable to discover where things are going wrong and progress is not being maintained - Turnover of staff prevents effective use of the system - Shortage of training not enabling effective use of system - ICT support for use of system is hampered by insufficient report writers and trainers - Inconsistent use of system leads to errors in recording and performance of system 	<ul style="list-style-type: none"> - Training and helpline in place - Priority list in place for LL reports - Contact with Other LAs successfully using Liquid Logic - New staff undergo induction programme including Liquid Logic training. - Implementation of V11 July 2016 - Liquid Logic User Group meet monthly 	5	4	20	Actions taken with provider: <ul style="list-style-type: none"> - Prioritisation and implementation identified through the Health check and for V11. - High level project plan to be developed. - Recruitment of Liquid Logic report builders and training of others in Performance team to undertake query and report building in Liquid Logic - Training Programme being developed to include CP, CIN and LAC. - Champion group being developed linked to the role of the AP (Advanced Practitioner) 	4	4	16		Caroline Tote	30.09.2017

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Andy Keeling, COO

Risks as at: 30/04/17

Risk What is the issue: what is the root cause/ problem – what could go wrong	Consequence /effect: what would occur as a result, how much of a problem would it be ?, to whom and why	Existing actions/controls	Risk Score with existing measures			Further management actions/controls required	Target Score with further controls			Cost	Risk Owner	Review Date
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Early Help module system - partners not participating and taking on role of Lead Practitioner.	<ul style="list-style-type: none"> - Lack of confidence in Early Help Assessment (EHA) - Partners not engaging in Liquid Logic training or using the system - Partners not signing Information Sharing Agreement therefore information cannot be shared or partners do not take on the LP role. - Many social workers are still not trained on EHM due to turnover of staff or not attending compulsory briefings, This has led to a lack of information in quality assurance processes and duplication of work. - EHM report are still not accurate with no fixes due to prioritisation of social care requirements. This has led to inaccurate reporting and lack of reports to inform work e.g.) re-referrals. -V12 upgrade still has many problems, one of them major re: step up to social care when it should be EHA, decision required 28.10.16 re: whether we should upgrade or delay but this will have implications for Professional Portal and DCS pathway, if delayed it will be Mar 17 before we can go live 	<ul style="list-style-type: none"> - LL User group now in place to deal with business as usual with one external partner represented on this group. - ISA almost complete, one partner still to provide information. - LL user group meeting on 27.10.16 to discuss issues from testing with decision made for sign off, this will be discussed with CT. 12 week plan underway working with key partners to review front door arrangements, EH pathway and Police contacts, good progress seeing made. 	5	4	20	<ul style="list-style-type: none"> - Allocation of trainers and BAS report writers to the Early Help system through deployment of existing resources and temporary recruitment of additional staff. - Discussion at the LCCIB and the Early Help Group of the Children's Trust Board about how to increase the allocation of Lead Practitioners in partner agencies - EHM briefings to be put on again for SW staff. - Mtg set up with County to look at external EHA processes. 	4	4	16		Caroline Tote	30.09.2017

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			(See Scoring Table)	Impact	Likelihood		Risk	(See Scoring Table)	Impact			
32. Children's Social Care and Early Help - Inspections - Impact of poor outcomes from Ofsted Inspections.	<ul style="list-style-type: none"> - Poor quality, inconsistent service to children, young people and families - Additional expenditure for improvement work - External scrutiny from Ofsted and DfE - Potential difficulty in attracting staff - Reputational damage to the Council. 	<ul style="list-style-type: none"> - Ofsted inspection of Children's Social Care under the Single Inspection Framework took place in January/February 2015, report published March 2015, judgement of 'inadequate' - Inspections and monitoring visits of Children's Residential Homes are carried out regularly and tracked through the 'Residential Improvement Plan'. - Preparation work in place for inspection of Children's Centres. - Ongoing monitoring visits by Ofsted in key areas of identified improvement 	4	5	20	<ul style="list-style-type: none"> - Performance and Quality Framework in place - Regular monitoring of performance and quality of service - Meet key targets set by the Improvement board 	4	2	8		Caroline Tote	30.09.2017
33. Children's Social Care and Early Help - Early Help - Failure of services and processes to identify and meet the needs of vulnerable young people. Extent and gearing of department budget cuts from April 17 onwards compromises operations and generates a higher safeguarding failure.	<ul style="list-style-type: none"> - The number of children and young people vulnerable to poor outcomes increases resulting in reduced life chances, subsequent high reliance on specialist high cost services and potentially death. - Poorer outcomes overall, children's plans priorities compromised, loss of education, reliance on higher cost services, death etc. - Reduced management and admin cover will reduce the capacity of existing staff to complete the data analysis required to identify and track families/children at risk of poor outcomes. - Partners are not engaged with Early Help or contribute to the 	<ul style="list-style-type: none"> - Project board in place chaired by Strategic Director, comprehensive project plan in place with communications plan. - Planning group in place to develop draft implementation plan to deliver against proposal if approved. - Risks are managed via a risk log which is subject to scrutiny by the project board. - Refer to separate risk management plan for Early Help Remodelling and summary pasted below 	5	4	20	Analyse consultation findings as they come in to assess impact and risk and report to DCS.	4	4	16		Caroline Tote	30.09.2017

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Risks as at: 30/04/17

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34. Children's Social Care and Early Help - Placements for children and young people who are looked after Inability to recruit and retain foster carers	- Insufficient internal foster care placements leading to greater use of Independent Fostering Agencies and greater cost to the Council.	- Targeting resources to focus on mainstream foster carers - Foster carer allowances report to be considered by DMT to review payment - Foster carer scheme for teenagers to be considered as part of an 'invest to save' bid.	4	4	16	- Consideration of raising foster care allowances to national requirement - Consideration of teenage fostering scheme.	3	4	12		Caroline Tote	30.09.2017
Inability to find sufficient suitable residential placements for children and young people with complex needs	- Insufficient/unsuitable residential care that does not meet children and young people's needs and leads to higher costs for the council and poor outcomes for children and young people. - Council's statutory responsibilities as a Corporate Parent are not fulfilled	- Management decision making. Placement Commissioning service. -Implementation of a placement planning process for sibling groups and complex cases.	4	4	16	- Proposals for invest to save for young people 'on the edge of care' - Increased use of Wigston Lane for young people moving into independence.	3	4	12		Caroline Tote	30.09.2017 and ongoing
35. Learning Services - Funding reduction leading to inadequate school improvement capacity From 2018/19 funding to support monitoring and intervention in maintained schools will reduce from £1.3m to around £300k.	Significant increases in schools rated RI and Inadequate Reputational damage for the council	Seeking to develop school-led capacity Leicester Education Strategic Partnership (LESP) engaged and have funded a senior consultant post to help develop capacity	5	4	20	Develop traded capacity Further support for school-led system	5	4	20		Ian Bailey	31.07.2017

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36. Learning Services - Insufficient school places for 2017/18 and 2018/19 Increased demand due to demographic changes Academisation and legislation changes affecting statutory powers to create new capacity Loss of commitment by schools to expansions Failure of new free schools to open when needed	~ Statutory duty to allocate places is not met ~ Potential for safeguarding issue ~ Reputational damage	Development of robust data for pupil place planning, review forecasting methodology, verification of data by Education Funding Agency Schools Capacity Survey team	5	4	20	Decision report to Mayor early May 17 to agree to temporary accommodation at seven secondary schools. Other schools will be required to take on some overfill across most year groups.	4	3	12		Ian Bailey	31.07.2017
37. Learning Services - Insufficient SEND specialist places	Impact on mainstream school "holding onto" pupils who have agreed special places. Potential increase costs of Out Of City places (vastly more expensive than in-city places).	Development of strategy for provision, building on trend analysis, numbers of Early Health Care Plan, pupils, identified primary needs, review of existing provision	5	5	25	Paper detailing proposed increase in special school places is scheduled for discussion by DMTEarly in Summer Term. Detailed work with special schools has identified capacity for 2017/18	3	3	9		Ian Bailey	31.07.2017
38. Strategic Commissioning and Business Development - Safeguarding/ teaching and learning workforce programmes are ineffective and Local Authority has insufficiently trained staff to deliver and manage the range.	- Stress management failings, lacks capacity and competency - Potential adverse impact on inspection outcomes.	- Work Life Balance policies, and supporting wellbeing website www.childrensworkforce/ supporting wellbeing Learning Training & Development Plan refreshed - new Department priority and focus on qualification and safeguarding training.	4	4	16	- Management to implement health and safety and wellbeing policies and seek advice and support to mitigate risk of undue stress in the workforce - New corporate team to actively engage in implementing workforce strategy and limited	4	3	12		Frances Craven	31.07.2017
STRATEGIC AREA - Public Health												

Appendix 3 - Leicester City Council Operational Risk Register

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39. Public Health-Claiming Process for GP Providers- The clinical systems used by GP providers to claim payment for public health commissioned services are insufficiently robust to ensure payment accuracy	- Loss of confidence of GP Providers in payment structure - Risk of overpayment or underpayment by Public Health which would need to be rectified at a later date	- Alternative spread sheet based payment claim system has been introduced - Working with contracts team and CCG to provide a verification system for claims - External audit of clinical services delivered by GP practices underway for the NHS Health Check Programme	4	5	20	- Audit of Health Checks Programme complete by 360 Assurance - The use of a bespoke audit and payment module to be placed within GP systems is being pursued. UPDATE: 24.01.17: - Procurement of above noted audit and payment module is being progressed and will be in place by early spring 2017.	4	4	16		Ruth Tennant	30.06.2017

Appendix 3 - Leicester City Council Operational Risk Register

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40. Public Health - Data Access and Sharing - Insufficient and inadequate data for PH function 1. Unresolved issues in national guidance on this matter. 2. Pseudominised Hospital Episode Statistics (HES) data for 10 years has not yet been released to us. 3. No current access to GEM (SUS Impatient Data) - Access to SUS planned for Jan 2017. HES data not yet released - unresolved issues in data processing by ArdenGEM. 4. Data from GP (SystemOne)	- If unresolved only able to offer a limited services in terms of core offer and other analyses required	- Division of Public Health is at Information Governance Toolkit Level 2. - Audit Information Governance within Division to support move to IG Toolkit Level 3. - Application made and authorisation received from HSCIC for access to HES (liaising with GEMCSU on details). - Data agreement has been signed to make data available via the Risk Stratification project (Adjusted Clinical Groups). - ONS have requested further information into special uses of individual level mortality data prior to authorising release of data. Info supplied and awaiting outcome on mortality data. (Risk left at 16 due to this item). - The Public Health Team has recently been made aware that no data can be received from the CCG, as the current agreement between the CCG and Leicester City GPs has lapsed, as of 31.03.17. As such, no monthly data is being received for any of the Community Based Services (CBS) that the Public health team commission.	4	4	16	More timely data being released nationally on line (aggregated - and does not support analysis at lower level). Maintain IG Toolkit Level 2 and work towards Level 3. HES data has been authorised - awaiting national decisions from HSOC re warehousing through GEM CSU. Can now make HES data required through PHE N3 issues followed up with IT. Partially resolved for access to ArdenGEM CSU (SUS data) Access to HIS data warehouse from City Council PC not yet resolved Awaiting national decisions. - Information agreements being drawn up for specific projects (for primary care	4	3	12		Ruth Tennant	30.06.2017

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41. Public Health- Capability and Capacity- Maintaining sufficient specialist capacity to deliver on objectives whilst undergoing organisational review e.g. loss of specialist staff with local knowledge.	<ul style="list-style-type: none"> - Insufficient capacity to deliver on current and future plans - Inability to to recruit the required specialist staff - Less effective commissioning of specialist programmes which could lead to increased health inequalities - Incurring additional cost pressures through a need for agency and temporary staff to provide cover for key work areas - Lack of the requisite expertise/knowledge in key areas could result in sub-standard services and the unintended consequences that can result from this e.g. poorer health outcomes or an increased risk of legal challenge. 	<ul style="list-style-type: none"> - Close monitoring and review of current PH budget - Planning for the announced future reductions in the PH budget - Adherence to Local Government Association/Public Health England Guidance relating to recruitment of staff - Pay scales broadly similar to NHS/ market forces - Engaged with HR colleagues to understand and put in place steps to shape our recruitment offering to entice high calibre, relevant etc. candidates in future recruitment and enable successful succession planning. - Capability interviews conducted for staff moving into new roles 	4	4	16	- Divisional and staffing review	4	4	16		Ruth Tennant	30.06.2017

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42. Public Health - Healthy Child Programming Commissioning - The failure to commission adequate capacity from the Healthy Child Programme may escalate safeguarding issues and increase health inequalities for children and young people in Leicester.	- Possible reputational risk through the LA being forced to reduce service levels to meet budget cuts	<ul style="list-style-type: none"> - Procurement options considered and taken to Executive Briefing for decision. - Final service specification for the new Integrated Healthy Child Programme was sent to partners for comments to assure that gaps in service provision were not inadvertently opened. - Healthy Child Programme Assurance and Development Group established. - Service specification includes a requirement for the provider to be responsible for any costs to the Child Health Information System. - Appropriate budget and core-offer determined. - TUPE questionnaire undertaken. - Healthy Child Programme Review undertaken. - Procurement exercise commenced for an initial 2 year contract with the option to extend to a maximum of 2 years. - Healthy Child Programme Procurement Group established. - Extended review with Early Help commenced. 	4	4	16	Negotiation stage was successful and a final 0-19HCP submission has been received from LPT that reflects all the issues discussed and negotiated on. LCC are awaiting final information and a Section 256 from LCCCG regarding the Care Of Next Infant (CONI) subcontracting. Once this has been received and reviewed the contract can be awarded. Timescales for award are 16th Dec-9Th January depending on when the paperwork arrive from LCCCG. According to initial timetable contract was due to be awarded 17th January so we are still ahead of planned timescales.	4	3	12		Ruth Tennant	30.06.2017

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43. Public Health - Substance Misuse Commissioning and contract management As a consequence of the ASC review there is potential for reduction in capacity and capability in commissioning and contract management relating to substance misuse treatment services. There has been a reduction in the number of staff and currently there is no identified commissioner for these services (Note total contract value of these services is in excess of £4 million). In addition there will be a significant loss of organisational memory as staff previously employed in this area have	- Insufficient performance and contract management of contract to assure the DPH that the services provided are clinically safe -Inpatient specialist detox services are due to be recommissioned and currently there is not a commissioner identified to lead this - loss of specialist expertise in substance misuse poses a risk to future commissioning, quality assurance and clinical governance	- Clarify with ASC Head of commissioning arrangements, immediate mitigation and long term plans to manage commissioning, contract management and performance management of substance misuse contracts	4	4	16	Situation is ongoing with some new staff due to start in post in the summer. Risk remains pending their appointment JO'B 26/04/17	3	3	9		Ruth Tennant	30.06.2017
44. Public Health - Fitness and Health - Continued decline in health and fitness membership results in increased income budget pressures	Increased budget pressure, reduced customer satisfaction	Servicing to maintain and monitor on a constant basis	4	4	16	Health & Fitness business case being developed based on lease options and within option appraisal. Marketing Partner	4	3	12		Ruth Tennant	30.06.2017 Ongoing
45. Public Health - Pressure on Sports Services expenditure due to future service reductions	Loss of income creating budget pressure Loss of customers	Budget profiling and budget monitoring Sports Services Review	4	4	16	Leisure Facilities Review including PPS Options Appraisal approved	3	3	9		Ruth Tennant	30.06.2017 Ongoing

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AMENDMENTS												
STRATEGIC AREA - Adult Social Care												
2. Adult Social Care & Safeguarding - Failure to meeting statutory need; keeping people safe - difficult financial climate; complexities with funding arrangement; integration and pooled budgets - risk of inadequate resources to meet need	- ASC overspends - Insufficient resources to meet need - Vulnerable people not receiving sufficient care packages resulting in legal challenge and increase in complaints.	- Robust mechanisms (such as Resource Allocation System) to ensure resources matched to eligible needs to protect funding - Budget monitoring - Demand monitoring - Use of Better Care Fund (BCF) programme to plan for new funding arrangements and requirements.	3	5	15	- Further work on BCF to protect social care services and promote efficiencies across the Health & Social Care system - Work to review packages of care to maximise resources for those at greatest need - Delivery plan now in place - to be progressed over 16/17. Maximise income and debt recovery through work with operational finance / legal	3	3	9		Ruth Lake	31.07.2017 Ongoing

NO

4. Care Services & Commissioning (ASC) Quality of care in the Independent regulated services including; residential homes, domiciliary care and supported living providers falls below standards	- Detriment (harm) to individuals, groups or the Council (financial or reputational)	- High level Audit processes in places via Adult Social Care contracts and assurance team (This is in addition to Care Quality Commission inspections)	5	4	20	- Quality Assurance Framework to be used to support identified failing providers. - Risk Management process in place to identify appropriate action to be taken in the event of failing providers. -Risks have been reduced due to introduction of the MAIPP process and the weekly internal information sharing with the Providers.	5	3	15		Tracie Rees	31.07.2017 Ongoing
5. Care Services & Commissioning (ASC) - Implementation of the Sustainability and Transformation Plan (STP)	- Financial impact/legal challenge	- An LLR Programme Board has been established that includes health and social care chief officers	5	4	20	- An LLR Programme Board has been established that includes health and social care chief officers	3	3	9		Tracie Rees	01.01.2019
6. Care Services & Commissioning (ASC) - Review of Residential Care; Financial risk - largest area of spend and danger of inappropriate models of	- Continued escalation of spend - Inappropriate placements	- The project is overseen by the ASC Programme Board	4	4	16	- Robust governance through project board, Commissioning Board and Lead Member Briefing	3	3	9	Current spend £44M gross/£286k 17/18	Tracie Rees	31.07.2017 Ongoing
STRATEGIC AREA - City Development and Neighbourhoods												

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<p>10. Tourism Culture and Arts and Investment - Museums - Loss, damage or destruction of council assets. 2016 : damage to Highcross by Ferris wheel. Break in at New Walk Museum. 2015 : theft of print at New Walk Museum. Failure to manage environmental conditions causes mould damage to collections. Root problem: Insufficient security measures / lack of planning / budget pressures. Loss, damage or destruction of council assets. 2016 : Specifically i) general security measures and ii) specifically the problem of mould at Euston St Store damaging precious collections. Both have major scope to cause reputational damage.</p>	<ul style="list-style-type: none"> - Cost of repairs/replacement costs - Major reputational damage - Risk of litigation - Distress to lenders/donors/owners/staff/public. - Impact on stakeholders and potential funders - possible effect on council's insurance premiums. 	<p>-Risk assessments in place.</p> <p>-Seek specialist advice (don't assume anything).</p> <p>-Effective collections management plan in place and disaster/emergency plan specific to museums as well as overall council disaster plans.</p> <p>-Processes and procedures developed including normal operating procedures</p> <p>Strategy for dealing with Euston St store immediate issues now being implemented. Independent review of security measures been undertaken</p>	4	4	16	<p>Security review of high value items in collections about to be undertaken.</p> <p>Options for dealing with environmental issues have not developed further (this now constitutes a serious risk)</p> <p>'Longer term solution for Euston St still required once urgent actions have been carried out. Implementation of security review recommendations needs to be done including embedding new behaviours throughout staff teams.</p>	4	4	16	<p>Potential storage and security costs being established</p> <p>Some costs yet to be established but immediate actions require £0.5m</p>	Mike Dalzell	31.07.2017 ongoing
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<p>11. Housing - Impact of Welfare Reform on Housing Rents Account (HRA) rental income collection and supported housing. Universal Credit (UC) is to be fully implemented in 2022. Implications of the Housing and Planning Act - Pay to stay, flexible tenancies, sale of high value assets</p>	<ul style="list-style-type: none"> - Under UC, claimants will receive all their benefits, including housing costs element directly themselves, monthly in arrears. They will have to pay their FULL rent out of this. The biggest challenge to the HRA will be to collect the full rent from those working age claimants whose housing costs are no longer paid directly to the Landlord (LCC) as they are now. - Higher numbers of tenants in rent arrears leading to loss of rental income will adversely affect the HRA income. - Could lead to greater number of evictions. - Further welfare cuts in 2015/16. - Extra income generated from increased rent will returned to Government 	<ul style="list-style-type: none"> - On-going promotion of Clockwise accounts with tenants. - Focus STAR team support on those affected. - Maximise the number of tenants claiming DHP for bedroom tax affected cases. - Identify tenants who are over-occupying in order to help with down-sizing. - Promotion/awareness to tenants of Discretionary Housing Payments (DHP). - Mandatory direct debits or Clockwise accounts for New tenants has been implemented. - Income Management team strengthened. - Amended Allocations policy to assist downsizing - Introduced pre-tenancy determinations interviews to collate financial information prior to tenancy sign up. This is a risk mitigation exercise to help identify tenants that require extra help to manage their finances /budget 	4	4	16	<ul style="list-style-type: none"> - Development of Northgate's IT system to support paperless direct debits. - Smarter ways of working being developed including self serve, use of QR scanning and mobile technology to help mitigate risk to reduction in rent collection due to welfare cuts. - Project Planned and resourced approach to communications, effective policy and procedure review and update to meet the needs of the Welfare reform changes and those subject to them. Further work required at 19.01.17 After all service improvements mentioned above in place to maximise rent collection for households affected by UC. Further consideration to be given to recruit 	4	3	12	<p>Additional cost of Northgate is a combined divisional cost and not identifiable singularly</p> <p>Potential additional cost of staffing to mitigate and identified increase in rent arrears but this is not defined.</p>	Chris Burgin	31.07.2017 ongoing
<p>12. Housing - Risk of Legal challenge, liability and reputational consequence if properties are not adequately maintained. Greater financial investment needed in the future. Rent reduction of 1% per annum for next 4 years will threaten budget for maintenance.</p>	<ul style="list-style-type: none"> - Poor living conditions - H&S risks to tenants - properties falling into disrepair - Reputational risk 	<ul style="list-style-type: none"> - On-going capital investment (25 year strategy and planned maintenance programmes) - On-going day to day responsive repairs service. - Minimum standard for property re-letting. - In house Quality Control team. - Policies and procedures in place to ensure we continue to be compliant with legislation e.g. for fire safety, water hygiene, asbestos removal - Continue to review more effective ways of maintaining the stock. 	5	3	15	<ul style="list-style-type: none"> - Identification of fixed costs required to ensure compliance with legislation and to ensure these funding is available for these is future budgets 	5	2	10	<p>At current rates we need a minimum spend of £13m to ensure ongoing compliance with legislation.</p>	Chris Burgin	31.07.2017

<p>13. Housing -Providing thriving, safe communities - Impact of welfare reform on supported housing will mean less income to the general fund. Also affects adults social care support to sheltered housing.</p> <p>Received notification that the 1% rent reduction will be applied to hostels and supported housing.</p>	<p>Reduced income to the general fund. Will affect all new tenancies after 2016</p> <p>Less income to provide services at hostels and supported housing</p>	<p>Housing Transformation Programme Phase 3 set up to deliver HRA and Housing GF savings required this includes the agreed action to decommission internal Supported Housing provision and to service review Hostels landlord and support functions next year. This work will run alongside a full review of the Homelessness strategy that will also feed in to meeting this risk</p>	4	4	16	<p>Executive decision agreed to reduce accommodation based support by the 60 supported housing units.</p>	4	3	12	<p>With the uncertainty of the Supported Housing Model and 1% rent reduction further savings will need to be considered as part of HTP3. Additional costs to mitigate this risk further are not known at this stage as the guidance for the new model is still not available. The closure of supported housing is estimated to be completed by end of June and this will reduce staffing costs</p>	Chris Burgin	31.03.2017
<p>14. Estates & Building Services - Lift Condition Assessment - Asset Capture, Lack of forward planning in terms of planned maintenance and programming change of assets</p>	<ul style="list-style-type: none"> - Continued failure of assets - run to failure - ad hoc capital required to make good - less reliable assets and more entrapments. - Lift users may be compromised in terms of access/egress/mobility - as per the Beatty Ave experience 	<ul style="list-style-type: none"> - Formatting a proposed capital programme of works, based on engineers submissions (Zurich and LES) will be ready in December 2015 - Lack of internal staffing resource and excessive external consultative cost are prohibiting progress 	3	5	15	<p>Lift surveys to be undertaken prior to March 2017</p>	2	5	10	<p>50K to undertake surveys by framework consultant</p>	Matt Wallace	31.03.2017

<p>16. Estates & Building Services Schools Capital - Raising educational achievement. Reduction in capital investment in schools with ageing school stock and deteriorating condition</p>	<p>- Potential to not meet statutory building requirements. - Reputational damage to the council</p>	<p>- Develop long term strategy across both the Primary and retained Secondary School estate</p>	4	4	16	<p>- Condition surveys undertaken and a 1 year programme of planned capital maintenance has been formulated, CMB final approval received Sept 2016. The next phases of the proposed capital maintenance programme will be reviewed on an annual basis in accordance with priority/need allowing for flexibility within the programme. - CCMP2 to be submitted to CM in summer 2017</p>	3	4	12	Staff time	Matt Wallace	31.07.2017 review monthly
<p>17. Estates & Building Services - Loss of use of Asset Unsafe asbestos particles found</p>	<p>Closure of buildings</p>	<p>- Findings of asbestos action plan being implemented. - Asbestos monitoring returns to be reported to DivMT and Heads of Property quarterly and to CMT if cause for concern. - All buildings constructed before 2000 have an asbestos register -Asbestos removal works at De Montfort Hall planned and being actioned in phases.- Temporary containment measures carried out and monitoring ongoing-</p>	5	3	15	<p>1. The centralisation of property management functions will enable EBS to mitigate risk identified on management plans - Ensure all buildings have an asbestos register</p>	3	2	6	Staff time	Matt Wallace	31.07.2017

Fail to maintain Water Hygiene	Closure of buildings	<ul style="list-style-type: none"> - Implementation of control regime comprising ongoing regular monitoring, reports, risk assessment reviews and maintenance with allocated budgets - Water hygiene monitoring returns to be reported to DivMT and Heads of Property Quarterly and to CMT if cause for concern - Spend of allocated capital budget for water hygiene and production of ongoing prioritised schedule of risk reduction/removal works ongoing - Water hygiene responsibilities in non-op estate (apart from communal areas) have been confirmed in the terms and conditions of the lease and necessary action taken. 	5	3	15	<ul style="list-style-type: none"> - Seek 100% compliance with water hygiene returns with accurate data. - Further budget for 17/18 works to be in next Capital Bid report - More rigorous audit of Building Responsible Officer monitoring to be undertaken 	3	2	6		Matt Wallace	31.03.2017
STRATEGIC AREA - Corporate Resources and Support												

<p>24. Delivery, Communications and Political Governance - LEGAL CHALLENGE</p> <p>Increased legal challenges may heighten the need to ensure that processes are effective, efficient, communicated in a uniform manner and that managers and staff follow explicit guidance.</p> <p>Consultation approach and EIAs are increasingly targeted areas for legal challenge.</p>	<ul style="list-style-type: none"> - Communications are not appropriate (present the right information, performed in a uniform manner, not consistently worded, communicated or the tone are appropriate), leading to legal challenge. - Equalities Impact Assessments cannot address all potential areas of legal challenge on Public Sector Equality Duty grounds. - Lack of legal expertise/appropriate resources. - Potential for legal challenge/judicial review by providers, staff, service users, etc. - Reputational damage/media exposure. - Unplanned adverse effect on budget/finance - Resource intensive to defend legal challenges/judicial reviews. 	<ul style="list-style-type: none"> - Equality Impact Assessments (EIAs) are performed to help ensure the Council meets the Public Sector Equality Duty (PSED). - On-going reviews of outcomes of other PSED challenges inform our approach to demonstrating compliance with our PSED, and lessons from these shared / communicated and used to revise our approach where appropriate. - Presentation on Judicial Reviews/legal challenges posted on EIA Interface page. - Processes and procedures in place. - Staff are aware of duties, responsibilities and relevant considerations required to demonstrate compliance with PSED. - Expert support e.g. HR, equalities, consultation, CPMO in place with supporting guidance. Equalities e-learning module developed and being rolled out. - EIA process (what needs to be considered when) and EIA templates regularly reviewed and revised 	4	4	16	<ul style="list-style-type: none"> - Continue to review external practice e.g. from other Local Authorities and partners, which have been deemed as best practice and implement locally as appropriate. - Ensure the correct resources, with the relevant skills and experience are allocated to roles. - Ensure HR support is available. - Complete current Equality and Diversity Strategy and refresh - Review current consultation guidance for staff 	4	3	12		Miranda Cannon	31.07.2017 Ongoing
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<p>24. Delivery, Communications and Political Governance - LEGAL CHALLENGE - Continued</p>	<ul style="list-style-type: none"> - Unrealistic public/political expectations. - Procurement process may be challenged. - Legal challenges focus on process rather than content. 	<ul style="list-style-type: none"> - Equality checklist for different stages of capital projects being developed so that equalities considerations at each stage are recorded and signed off - Council EIA template being used for Health & Well Being Board reports and also for Better Care Together reports, standardising our approach with partners particularly in Health sector. - Community engagement fund developed to support work with the VCS in support of meeting our PSED - Consultation training with a focus on the legal risks recently undertaken by the Comms and Equalities Teams - Work underway to refresh the Equality Strategy 										
<p>25. Finance - Financial challenges - the Council fails to respond adequately to the cuts in public sector funding over the coming 4 - 5 years.</p>	<ul style="list-style-type: none"> - Council is placed in severe financial crisis - Reputational damage to the Council and substantial crisis job losses - If the process is not properly managed, the Council will have little money for anything but statutory 'demand led services'. 	<ul style="list-style-type: none"> -Budget balanced in 17/18. -Further work required to balance the medium term, particularly driving the spending review programme. - £8m service transformation fund. 	5	4	20	Heavy involvement of City Mayor in ensuring spending review programme delivers.	5	2	10		Alison Greenhill	31.03.2018 and every year end.

<p>26. Finance - Information and Customer Access The Council is at constant threat from malicious hacking or human error.</p>	<p>~ Loss of data or information ~ Loss of access to systems and services ~ Council-wide impact ~ Potential fines, litigation, penalties etc. ~ Impact on data subjects if sensitive information misused ~ Reputation damage</p>	<p>~ Ensure adequate technology is in place to protect the authority -AlienVault Logging procured. ~ Raise staff awareness ~ Testing procedures ~ Applications kept up to date ~ Processes in place ~ Likelihood of critical systems being affected is low ~ IT security manager post filled ~ PCI scans ~ Penetration testing etc. ~ PSN compliance ~ Data loss prevention activities and mitigations ~ IG team deliver monthly reporting ~ Lessons learnt e.g. from Lincolnshire</p>	5	3	15	<ul style="list-style-type: none"> • Targeted Phishing • Promote Human Firewall awareness • Implement further defences • Consider draconian response to threats 	2	5	10		Alison Greenhill	30.06.2017 Ongoing
STRATEGIC AREA - Education and Children's Services												
<p>28. Children's Social Care and Early Help-Improvement - Changing for the better LCCIB Improvement Plan - Budget Cost of agency social workers, including staffing over capacity, and interim staff working on improvements results in overspend, compensatory savings have to be made in other services</p>	<p>- Increase in overspend, due to the higher costs of agency workers; and additional staff to carry out improvement work, reduce caseloads and ensure capacity to carry out key jobs is in place</p>	<p>- Workforce Strategy sets out plans to attract permanent staff to Leicester and retain incoming and existing staff. Strategy includes progression and workforce development - Regular monitoring of staff appointments to agency posts.</p>	5	4	20	<p>- Continued work on recruitment, retention and induction - Focus on recruitment of permanent Team Managers. -WFD Strategy work has slowed down, needs to be picked up again.</p>	4	4	16		Caroline Tote	30.06.2017

<p>29. Children's Social Care and Early Help - Safeguarding Publication of Serious Case Reviews for cases that occurred in 2013/14</p>	<p>- Impact on staff morale, engagement with vulnerable families, partner confidence and public reputation</p>	<p>- Two Serious Case Reviews have now been published with clear arrangements in relation to media engagement about the messages to be released. Themes and actions arising from pre-publication messages already included in - Improvement Plan, or being communicated separately to staff. Composite review in relation to three babies has not yet been published due to ongoing police investigations, media planning meeting taking place at the end of August. A further SCR has also been commissioned and agency Independent Management Review's are being progressed.</p>	4	5	20	<p>- Work through Local Safeguarding Children's Board groups to disseminate messages from the Serious Case Reviews.</p>	5	4	20		Caroline Tote	30.09.2017
<p>Abuse or injury to children in a range of care placements</p>	<p>- Children would be unsafe and have experienced significant harm while in the Council's care.</p>	<p>- Ensure maintenance of robust safer recruitment processes and Local Authority Designated Officer arrangements.</p>	5	4	20	<p>- No further controls identified. - Compile and monitor critical Young people identified as being at risk of CSE</p>	5	4	20		Caroline Tote	30.06.2017

Staff fail to recognise and act to safeguard and mitigate the risks of significant harm to children	<ul style="list-style-type: none"> - No interventions where action needs to be taken, interventions that do not make enough difference to children's lives - An increased risk of significant harm, and/or an avoidable child death. 	<ul style="list-style-type: none"> - Agreed improvement plan in place, being implemented and monitored, including all Ofsted recommendations - Early Help Offer re-launched with training for staff and partners - Thresholds documents re-launch - Weekly CIN Performance meetings to look at key performance areas and carry out spot checks on identified areas of work - Team Manager training to reinforce management oversight - Distribution of agreed Service Standards across the Children's Workforce - External audit of Ofsted cases - Workforce Development Programme with aim of attracting workers to Leicester City, retention programme, growing own social workers and stabilising workforce - Revised supervision and case recording policies - External auditors feedback on cases with recommendations for improvement - Feedback to CIN Service about outcomes of Ofsted support visit with actions to address. - Case progression manager appointed to track outcomes of legal planning meetings. This will ensure that there is a timely response to decision making and to ensure drift and delay in care planning is prevented. - Principal Social Worker appointed April 2016. - Advanced Practitioners appointed July 2016. 	3	5	15	Further implementation of the Leicester City Children's improvement plan including: <ul style="list-style-type: none"> - Quality Assurance work by external auditors used to drive up practice and management standards, and enable managers to carry out realistic, robust audits - Outcomes of, and learning from, Serious Case Reviews to be communicated to staff, including recommendations on practice and management work with partner organisations to ensure application of the LLR thresholds, reduce inappropriate contacts and referrals and ensure sufficient detail is given to enable robust decision making. 	3	4	12		Caroline Tote	30.09.2017
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Practitioners and managers do not work to required standards	<ul style="list-style-type: none"> - Poor quality, inconsistent service to children, young people and their families - Increased risk of significant harm 	<ul style="list-style-type: none"> - Weekly performance meetings in CIN - Quality Assurance work by external auditors in conjunction with social workers and team managers, with immediate corrective action for cases identified. - Reports produced on 'Practice Analysis with results of the Quality Assurance work. - Workforce Development Programme in place - Briefings and rollout implementation of the Service Standards, Supervision Policy and Guidance and the Performance and Quality Assurance Framework - External auditors feedback on cases with recs for improvement - Induction programme in place 	3	5	15	<ul style="list-style-type: none"> - Implementation of the improvement plan including: <ul style="list-style-type: none"> - Use established frontline (practitioner) Group as 'Champions' - Practice and performance quarterly workshops for all staff - Continued implementation of the Workforce Improvement Plan including recruitment, retention and induction of agency and permanent staff and action to reduce imbalance of agency Team Managers to permanent Team Managers - Equipping social workers with appropriate mobile technology 	3	4	12		Caroline Tote	30.09.2017 ongoing
Abuse or injury to children and young people in the City.	<ul style="list-style-type: none"> - Children would be unsafe living with their parents. Where known to Children's Social Care or Early Help, services would not have protected them. - Where a child suffered significant harm or death, there could be a Serious Case Review, with outcomes published nationally. 	<ul style="list-style-type: none"> - Implementation of Improvement Plans at Operational and Strategic Level - Recruitment of staff. Staff training - Supervision and management oversight. 	3	5	15		3	4	12		Caroline Tote	30.09.2017 and ongoing

<p>Child Sexual Exploitation: Non-recent cases of CSE where police investigation and/or victims statements demonstrate local authority involvement or culpability in failing to protect victims. Current work on CSE where local authority/partnership working have failed to protect young people from perpetrators</p>	<p>For non-recent and current Reputational risk in a high profile area: - Allegations against staff or former staff - Media coverage - Claims against the Council</p>	<p>For non recent cases - Local authority engagement with police in non-recent investigations. For current work - CSE Strategy and Action Plan in place across Leicester, Leicestershire and Rutland Leicester Safeguarding Children Board (LSCB). - Training for local authority and partner agency staff provided through the LSCB and single agency training. - Communications Planning. - Liquid Logic workspace in place from July 2015. - Problem profile (perpetrator information) being put into place by the police - Performance Framework being established. - Developing CSE / Missing / Trafficked Hub with Police, LCC, and Health</p>	3	5	15	- Plans for a multi-agency team across Leicester, - Leicestershire and Rutland to work on CSE , Missing and Trafficked to be in place Oct 2016 - Work to ensure more robust approach	3	5	15		Caroline Tote	30.09.2017
<p>Increased demand for service following the publication of the Ofsted report; or due to increasing population of the City</p>	<p>- Higher numbers of contacts and referrals diverts core role of social workers from increased time pressures to potentially affect quality of work with children at higher risks of neglect and/or abuse.</p>	<p>- Regular checks on demands for Early Help and Children's Social Care through performance information</p>	3	5	15	- Continue to monitor, raise with partners through LSCB - Examine through Children's Trust and consider multi-agency solutions - Encouraging schools to buy in Family Support work	3	5	15		Caroline Tote	30.09.2017

<p>30. Children's Social Care and Early Help - Workforce - Staff fail to recognise and act to safeguard and mitigate the risks of significant harm to children - Insufficient high quality workforce at practitioner and manager levels including: • Turnover/retention of agency staff • Poor quality agency staff • Current Permanent staff leaving • Difficulty in recruiting permanent staff to Service Manager, Team Manager and Social Worker posts due to pressure to perform to required standards • Practical problems that affect day to day work • Leicester not able to attract staff while 'inadequate'</p>	<p>- De-stabilisation of workforce and a ripple effect from CIN Teams to other teams in social care. - New agency staff struggle to pick up cases that have been through several interim social workers causes stress to new staff</p>	<p>- Retention package has been approved - Workforce Improvement Plan in place - Implementation of recruitment and retention aspects of the Workforce Strategy and Improvement Plan - Health check by Liquid Logic Original Suppliers - Contact with Other LAs successfully using Liquid Logic - Non-compliant or poor quality agency staff asked to leave - Capability/disciplinary action in relation to permanent staff - Exit interviews with departing staff - SAT implemented June 2016. - Principal Social Worker in post April 2016.</p>	5	4	20	<p>- Continued work to implement Service Standards, address key areas of staff performance through management action, follow up findings from - Performance and Quality Assurance reports</p>	4	4	16		Caroline Tote	30.06.2017
<p>Insufficient high quality workforce in support services resulting in key support functions not being carried out including Business Support, Liquid Logic report writing, Liquid Logic training and floor walking</p>	<p>- Key tasks underpinning Improvement Plan not carried out, or delayed due to lack of staff</p>	<p>- Continued recruitment of key staff including consideration of secondments - Business Analysis of the critical area (CIN teams) - Roll out of mobile technology to staff</p>	5	4	20	<p>- Recruitment of an additional trainer for Liquid Logic, and further work to recruit report writers - Consideration of Business Support functions in business analysis work</p>	4	4	16		Caroline Tote	30.09.2017

<p>31. Children's Social Care and Early Help - Liquid Logic - Liquid Logic's children's recording system does not work effectively to ensure business processes, support good practice or evidencing children are appropriately safeguarded</p>	<ul style="list-style-type: none"> - Practitioner/manager training does not enhance system use - Resistance among some staff hampers the use of the system - Due to increased demand for social care requirements from the Business Application Support Team (ICT for Liquid Logic), the early help reporting roll out in September is at risk. - Change is not embedded and the system is unable to discover where things are going wrong and progress is not being maintained - Turnover of staff prevents effective use of the system - Shortage of training not enabling effective use of system - ICT support for use of system is hampered by insufficient report writers and trainers - Inconsistent use of system leads to errors in recording and performance of system 	<ul style="list-style-type: none"> - Training and helpline in place - Priority list in place for LL reports - Contact with Other LAs successfully using Liquid Logic - New staff undergo induction programme including Liquid Logic training. - Implementation of V11 July 2016 - Liquid Logic User Group meet monthly 	5	4	20	<p>Actions taken with provider:</p> <ul style="list-style-type: none"> - Prioritisation and implementation identified through the Health check and for V11. - High level project plan to be developed. - Recruitment of Liquid Logic report builders and training of others in Performance team to undertake query and report building in Liquid Logic - Training Programme being developed to include CP, CIN and LAC. - Champion group being developed linked to the role of the AP (Advanced Practitioner) 	4	4	16		Caroline Tote	30.09.2017
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<p>Early Help module system partners not participating and taking on role of Lead Practitioner.</p>	<ul style="list-style-type: none"> - Lack of confidence in Early Help Assessment (EHA) - Partners not engaging in Liquid Logic training or using the system - Partners not signing Information Sharing Agreement therefore information cannot be shared or partners do not take on the LP role. - Many social workers are still not trained on EHM due to turnover of staff or not attending compulsory briefings, This has led to a lack of information in quality assurance processes and duplication of work. - EHM report are still not accurate with no fixes due to prioritisation of social care requirements. This has led to inaccurate reporting and lack of reports to inform work eg) re-referrals. -V12 upgrade still has many problems, one of them major re: step up to social care when it should be EHA, decision required 28.10.16 re: whether we should upgrade or delay but this will have implications for Professional Portal and DCS pathway, if delayed it will be Mar 17 before we can go live with V12 and DCS pathway 	<ul style="list-style-type: none"> - LL User group now in place to deal with business as usual with one external partner represented on this group. - ISA almost complete, one partner still to provide information. - LL user group meeting on 27.10.16 to discuss issues from testing with decision made for sign off, this will be discussed with CT. 12 week plan underway working with key partners to review front door arrangements, EH pathway and Police contacts, good progress seeing made. 	5	4	20	<ul style="list-style-type: none"> - Allocation of trainers and BAS report writers to the Early Help system through deployment of existing resources and temporary recruitment of additional staff. - Discussion at the LCCIB and the Early Help Group of the Children's Trust Board about how to increase the allocation of Lead Practitioners in partner agencies - EHM briefings to be put on again for SW staff. - Mtg set up with County to look at external EHA processes. 	4	4	16		Caroline Tote	30.09.2017
<p>32. Children's Social Care and Early Help - Inspections - Impact of poor outcomes from Ofsted Inspections.</p>	<ul style="list-style-type: none"> - Poor quality, inconsistent service to children, young people and families - Additional expenditure for improvement work - External scrutiny from Ofsted and DfE - Potential difficulty in attracting staff - Reputational damage to the Council. 	<ul style="list-style-type: none"> - Ofsted inspection of Children's Social Care under the Single Inspection Framework took place in January/February 2015, report published March 2015, judgement of 'inadequate' - Inspections and monitoring visits of Children's Residential Homes are carried out regularly and tracked through the 'Residential Improvement Plan'. - Preparation work in place for inspection of Children's Centres. - Ongoing monitoring visits by Ofsted in key 	4	5	20	<ul style="list-style-type: none"> - Performance and Quality Framework in place - Regular monitoring of performance and quality of service - Meet key targets set by the Improvement board 	4	2	8		Caroline Tote	30.09.2017

<p>33. Children's Social Care and Early Help - Early Help - Failure of services and processes to identify and meet the needs of vulnerable young people. Extent and gearing of department budget cuts from April 17 onwards compromises operations and generates a higher safeguarding failure.</p>	<ul style="list-style-type: none"> - The number of children and young people vulnerable to poor outcomes increases resulting in reduced life chances, subsequent high reliance on specialist high cost services and potentially death. - Poorer outcomes overall, children's plans priorities compromised, loss of education, reliance on higher cost services, death etc. - Reduced management and admin cover will reduce the capacity of existing staff to complete the data analysis required to identify and track families/children at risk of poor outcomes. - Partners are not engaged with Early Help or contribute to the offer - EH staff start to look for alternative employment leaving a gap in service to meet demand. 	<p>Project board in place chaired by Strategic Director, comprehensive project plan in place with communications plan.</p> <ul style="list-style-type: none"> - Planning group in place to develop draft implementation plan to deliver against proposal if approved. - Risks are managed via a risk log which is subject to scrutiny by the project board. - Refer to separate risk management plan for Early Help Remodelling and summary pasted below 	5	4	20	<p>Analyse consultation findings as they come in to assess impact and risk and report to DCS.</p>	4	4	16		Caroline Tote	30.09.2017
<p>34. Children's Social Care and Early Help - Placements for children and young people who are looked after - Inability to recruit and retain foster carers</p>	<ul style="list-style-type: none"> - Insufficient internal foster care placements leading to greater use of Independent Fostering Agencies and greater cost to the Council. 	<ul style="list-style-type: none"> - Targeting resources to focus on mainstream foster carers - Foster carer allowances report to be considered by DMT to review payment - Foster carer scheme for teenagers to be considered as part of an 'invest to save' bid. 	4	4	16	<ul style="list-style-type: none"> - Consideration of raising foster care allowances to national requirement - Consideration of teenage fostering scheme. 	3	4	12		Caroline Tote	30.09.2017
<p>Inability to find sufficient suitable residential placements for children and young people with complex needs</p>	<ul style="list-style-type: none"> - Insufficient/unsuitable residential care that does not meet children and young people's needs and leads to higher costs for the council and poor outcomes for children and young people. - Council's statutory responsibilities as a Corporate Parent are not fulfilled 	<ul style="list-style-type: none"> - Management decision making. Placement Commissioning service. - Implementation of a placement planning process for sibling groups and complex cases. 	4	4	16	<ul style="list-style-type: none"> - Proposals for invest to save for young people 'on the edge of care' - Increased use of Wigston Lane for young people moving into independence. 	3	4	12		Caroline Tote	30.09.2017 and ongoing
<p>35. Learning Services - Funding reduction leading to inadequate school improvement capacity</p> <p>From 2018/19 funding to support monitoring and intervention in maintained schools will reduce from £1.3m to around £300k.</p>	<p>Significant increases in schools rated RI and Inadequate Reputational damage for the council</p>	<p>Seeking to develop school-led capacity Leicester Education Strategic Partnership (LESP) engaged and have funded a senior consultant post to help develop capacity</p>	5	4	20	<p>Develop traded capacity Further support for school-led system</p>	5	4	20		Ian Bailey	31.07.2017

<p>36. Learning Services - Insufficient school places for 2017/18 and 2018/19</p> <p>Increased demand due to demographic changes Academisation and legislation changes affecting statutory powers to create new capacity Loss of commitment by schools to expansions Failure of new free schools to open when needed</p>	<p>~ Statutory duty to allocate places is not met ~ Potential for safeguarding issue ~ Reputational damage</p>	<p>Development of robust data for pupil place planning, review forecasting methodology, verification of data by EFA SCAP team</p>	5	4	20	<p>Decision report to Mayor early May 17 to agree to temporary accommodation at seven secondary schools. Other schools will be required to take on some overfill across most year groups.</p>	4	3	12	Ilan Bailey	31.07.2017
<p>37. Learning Services - Insufficient SEND specialist places</p>	<p>Impact on mainstream school "holding onto" pupils who have agreed special places. Potential increase costs of OOC places (vastly more expensive than in-city places).</p>	<p>Development of strategy for provision, building on trend analysis, numbers of EHCP pupils, identified primary needs, review of existing provision</p>	5	5	25	<p>Paper detailing proposed increase in special school places is scheduled for discussion by DMT early in Summer Term. Detailed work with special schools has identified capacity for 2017/18</p>	3	3	9	Ilan Bailey	31.07.2017
<p>STRATEGIC AREA - Public Health</p>											

<p>40. Public Health - Data Access and Sharing - Insufficient and inadequate data for PH function</p> <p>1. Unresolved issues in national guidance on this matter.</p> <p>2. Pseudominised Hospital Episode Statistics (HES) data for 10 years has not yet been released to us.</p> <p>3. No current access to GEM (SUS Inpatient Data) - Access to SUS planned for Jan 2017. HES data not yet released - unresolved issues in data processing by ArdenGEM.</p> <p>4. Data from GP (SystemOne)</p>	<p>- If unresolved only able to offer a limited services in terms of core offer and other analyses required</p>	<p>- Division of Public Health is at Information Governance Toolkit Level 2.</p> <p>- Audit Information Governance within Division to support move to IG Toolkit Level 3.</p> <p>- Application made and authorisation received from HSCIC for access to HES (liaising with GEMCSU on details).</p> <p>- Data agreement has been signed to make data available via the Risk Stratification project (Adjusted Clinical Groups).</p> <p>- ONS have requested further information into special uses of individual level mortality data prior to authorising release of data. Info supplied and awaiting outcome on mortality data. (Risk left at 16 due to this item).</p> <p>- The Public Health Team has recently been made aware that no data can be received from the CCG, as the current agreement between the CCG and Leicester City GPs has lapsed, as of 31.03.17. As such, no monthly data is being received for any of the Community Based Services (CBS) that the Public health team commission.</p>	4	4	16	<p>More timely data being released nationally on line (aggregated - and does not support analysis at lower level). Maintain IG Toolkit Level 2 and work towards Level 3. HES data has been authorised - awaiting national decisions from HSOC re warehousing through GEM CSU. Can now make HES data required through PHE</p> <p>N3 issues followed up with IT. Partially resolved for access to ArdenGEM CSU (SUS data)</p> <p>Access to HIS data warehouse from City Council PC not yet resolved</p> <p>Awaiting national decisions. - Information agreements being drawn up for specific projects (for primary care data).</p>	4	3	12		Ruth Tennant	30.06.2017
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<p>43. Public Health - Substance Misuse Commissioning and contract management As a consequence of the ASC review there is potential for reduction in capacity and capability in commissioning and contract management relating to substance misuse treatment services. There has been a reduction in the number of staff and currently there is no identified commissioner for these services (Note total contract value of these services is in excess of £4 million). In addition there will be a significant loss of organisational memory as staff previously</p>	<p>- Insufficient performance and contract management of contract to assure the DPH that the services provided are clinically safe</p> <p>-Inpatient specialist detox services are due to be recommissioned and currently there is not a commissioner identified to lead this</p> <p>- loss of specialist expertise in substance misuse poses a risk to future commissioning, quality assurance and clinical governance</p>	<p>- Clarify with ASC Head of commissioning arrangements, immediate mitigation and long term plans to manage commissioning, contract management and performance management of substance misuse contracts</p>	4	4	16	<p>Service level agreement developed to clarify arrangements and requirements of ASC in terms of commissioning contract management and performance monitoring of contracts</p> <p>- Situation is ongoing with some new staff due to start in post in the summer. Risk remains pending their appointment JO'B 26/04/17</p>	3	3	9		Ruth Tennant	30.06.2017
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DELETIONS

STRATEGIC AREA - Adult Social Care

<p>BUILDING CLOSED 1ST APRIL 2017 Adult Social Care & Safeguarding - Meet Health & Safety (H&S) expectations in regulated provision. Fail to maintain safe water systems in all units; Failure to maintain essential health and safety in intermediate care</p>	<p>- Ill health or death to residents and/or staff or visitors from water borne infections or poor H&S practices.</p>	<p>- Water hygiene monitoring practice in place</p>	5	3	15	<p>- Ensure all registered managers go on required training and fully understand the requirements for temperature checking, flushing regimes, tap cleaning etc. and can closely monitor those carrying out these tasks.</p>	5	2	10		Ruth Lake	31.03.2017 Ongoing
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RISK No. 09 COVERS THIS Care Services & Commissioning (ASC - Operational Capacity. Risk of legal challenge / fines from being unable to meet the additional demands arising from Cheshire West judgement on Deprivation of Liberty Safeguards (DOLS). Risk re capacity to effectively scope the new DOLS cases; challenge from practice in care homes in applying DOLS via urgent applications in inappropriate circumstances	- Breach of legislation - Financial liability re ICO - Breach of confidence in the Council	- Manager briefings to ensure legal requirements understood - Scoping of high risk cases to understand new DOLS cases - Prioritisation of action on cases - Monitoring of incoming pressures for DOLS team and use of independent Best Interest Assessor capacity - Engagement with legal services re Court Of Protection applications and pressures - Additional resources agreed for recruitment via budget setting	4	4	16	- Tracking of anticipated legal guidance on application of case law in practice; consideration of additional resources to support scoping exercise as this has not been completed due to lack of resources / competing priorities - Meeting with legal services to assess position / agree actions to mitigate risk 24 March. Issue to be escalated to Leadership Team. - Further work via NHS England Mental Capacity Act project and HOS to address care home practice which is exacerbating the volume and timescales risks	4	3	12		Tracie Rees	31.03.2017 Ongoing
STRATEGIC AREA - City Development and Neighbourhoods												
SCORE BELOW THRESHOLD IN DRR FOR ORR NOW SCORED 3(I) AND 3(L) = 9 Estates & Building Services - Maintaining	- Reduction on Capital & Revenue funding as schools receive monies directly from central government.	- Help manage and support the schools through this process.	4	4	16	- Look to provide traded services for schools to opt into as a long term strategy.	4	4	16	Staff time	Matt Wallace	31.07.2017 Ongoing
STRATEGIC AREA - Corporate Resources and Support												
NONE												
STRATEGIC AREA - Education and Children's Services												

COVERED UNDER ESTATES Learning Services - Leicester City Council reputation / relationships with schools are hindered by the delay in resolving snags and defects items with schools.	- Low school engagement in sharing and / or celebrating impact of Building Schools For Future (BSF) - Complaints from schools are likely to increase - High project staff turn over impact on schools confidence in LCC resolving snags and defects.	- BSF School's in phase 3 to 6 identified as high risks are indicated on internal CPMO report with mitigating actions.	5	5	25	Resource management between property and education to be agreed. Children's Capital Governance has been reviewed and a new programme manager is working to ensure that this and other aspects of our programme are better planned and delivered. Clarity to schools provided on escalation route for snags and defects concerns.	4	5	20	staff time	Ian Bailey	31.03.2017
HISTORICAL Learning Services - Leicester could be subject to a targeted Ofsted inspection with multiple inspections across schools followed by Local Authority (LA) inspection.	- LA can provide evidence to support positive outcome but resource demands would be significant - Major issue about credibility of service which could increase the number of schools changing to academy status	- School improvement reserve budget	4	4	16	- Positive response to recommendations identified in peer review completion of a detailed Self Evaluation Form (SEF) leading to a revised school improvement Framework - Close work between LA Officers, Department of Education & Ofsted representation to manage RI/SM schools - Action plans in place for new teams in the raising achievement service linked to SEF	3	4	12		Ian Bailey	31.03.2017
COVERED UNDER ESTATES Learning Services - Children's Capital Investment Delayed capital projects disrupts educational improvements in schools	- The schools overall time and capacity to focus on educational improvements is reduced and/or compromised by building issues and disruption.	- LQP services to be targeted where necessary to provide additional educational support and guidance in build delay works. Resolution to relationship and reputational management with BSF schools yet to be finalised.	4	4	16	- Children's Capital Governance has been reviewed and a new programme manager is working to ensure that this and other aspects of our programme are better planned and delivered.	3	2	6	Staff time	Ian Bailey	31.03.2017

COVERED UNDER ESTATES Learning Services School closure required due to significant health and safety snags and defects works incomplete in capital projects. i.e. heating, ventilation, water and fire system failures	- Statutory education days in schools for Children and Young People not met	- Building Review Groups (BRG) have now ended with BSF schools - further clarity on contract management to be discussed with property.	4	4	16	- Children's Capital Governance has been reviewed and a new programme manager is working to ensure that this and other aspects of our programme are better planned and delivered.	4	4	16	Staff time	Ian Bailey	31.03.2017
COVERED UNDER ESTATES Learning Services - Loss of contractual BSF knowledge and Intelligence through high staff turnover in project teams leading to poor decisions and non contractual compliance	- Resolution to issues delayed - Reactive handover with no record of change, agreement or clarity for schools - BSF staff now in redundancy process and to be brought to an end by March 16.	- School have been asked to request BRG reports from BSF project team so that they can take ownership in prioritising issues / actions against education needs. - Awaiting final list of issues and snags from property.	4	4	16	- Children's Capital Governance has been reviewed and a new programme manager is working to ensure that this and other aspects of our programme are better planned and delivered.	4	5	20	staff time	Ian Bailey	31.03.2017
STRATEGIC AREA - Public Health												
NONE												

Appendix 4 -Insurance Claims Data

LEICESTER CITY COUNCIL - Insurance Claims Received 1 April 2016 - 31 March 2017

Claims received 2016/2017 and being dealt with

Incidents	Total Claims	Repudiated	In Progress	Paid	Amount Paid
59	532	370	82	80	£111,962.00

Breakdown by Area and Type of Claim

Division		Responsible Director			Claim Type					Total Number	£ Value	
					Employers Liability	Public Liability	Prof/Officials Indemnity	Personal Injury	Motor			
Neighbourhood and Environmental Services		John Leach				1	48		14	43	106	27185
Plan, Trsport & Economic Dev.		Andrew L Smith				1	122		53	25	201	24420
Children, Young People and Families		Caroline Tote				1	1		1		3	
Housing		Chris Burgin				4	87		24	72	187	37620
Adult Soc Care & Safeguarding		Ruth Lake									0	
Del, Comms & Pol Governance		Miranda Cannon									0	
Information & Cust Access		Alison Greenhill									0	
Estates and Building Services		Matt Wallace					2		1	1	4	2737
Comm and Business Dev		Sue Welford/Frances Craven									0	
Learning Services (incl Schools)		Ian Bailey				3	8		10	2	23	20000
Finance		Alison Greenhill									0	
Legal Services		Kamal Adatia									0	
Tourism, Culture & Investment		Mike Dalzell					2		2		4	
City Public Health & Health Imp		Ivan Browne									0	
Care Svcs & Commissioning		Tracie Rees					1		1		2	
		Total				10	271	0	106	143	530	111962

Last 12 months rolling repudiation rate - 76%

8 PL claims as a result of Storm Doris



Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Audit & Risk Committee

28 June 2017

Annual Approval of the Policy for Engagement of the External Auditor for Non-Audit Work

Report of the Director of Finance

1. Purpose of Report

- 1.1. To seek the Audit and Risk Committee's approval of the *Policy for Engagement of External Auditors for Non-Audit Work*.

2. Recommendations

- 2.1. The Committee is recommended to approve the attached *Policy for Engagement of External Auditors for Non-Audit Work*.

3. Summary

- 3.1. At its meeting, on 15 June 2016, the Audit and Risk Committee approved the *Policy for Engagement of External Auditors for Non-Audit Work*. This was the fourth occasion this policy had been presented to this Committee.
- 3.2. The Audit and Risk Committee's Terms of Reference (and this policy itself) require this policy to be reviewed and approved annually.

4. Report

- 4.1 The policy for Engagement of External Auditors for Non-Audit Work is attached at **Appendix 1**. The purpose of this is to protect the:
 - Council's interests by ensuring that any such work is properly arranged and approved
 - External Auditor's independence and objectivity.
- 4.2 This policy does not replace the Council's existing Procurement processes, but adds an extra layer of security into that process where the external auditors are concerned. The Policy outlines the approval processes and corporate reporting mechanisms that

will be put in place for any non-audit work that the external auditors are asked to perform.

- 4.3 The role of the Committee in the approval process for non-audit work by the external auditor is included in the Terms of Reference for the Committee. These are also reviewed and approved annually.
- 4.4 The policy has been reviewed and one substantive change is proposed, namely to reduce the de-minimis fee after which statutory and audit related work has to be approved by / reported to the Committee to £20,000 (from £97,200), as appears to be generally recommended by KPMG. Minor wording changes have also been applied.
- 4.5 The Committee is advised that no work was undertaken by KPMG in the past Financial Year (2016-17) that was not directly linked to their audit. However for clarity, it should be noted that KPMG undertakes audit work for which an additional fee is levied, such as auditing / certifying the pooling of housing capital receipts return, the Housing Benefit Grant Claim and the Teachers Pensions Agency return. Similar audit work will be undertaken for the 2017/18 accounts.
- 4.6 As the arrangements for procuring external audit from the 2018/19 financial year will once again change, the policy will require further review in a year's time. In particular, the external auditor will not undertake the Housing Benefits Grant Claim audit as part of the new Public Sector Audit Appointments Ltd external audit contract from 2018/19.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

There are no significant financial implications arising directly from this report – Colin Sharpe, Head of Finance, ext. 37 4081

5.2. Legal Implications

As the Council's external auditors, KPMG's statutory responsibilities and powers are set out in the Local Audit and Accountability Act 2014 and the National Audit Office's Code of Audit Practice. The Council's requirements for preparing and publishing its financial statements and annual governance statement, which are subject to external audit, are set out in the Accounts and Audit Regulations 2015.

Emma Horton, Head of Law (Commercial, Property & Planning) ext .37 1426

6. Other Implications

Other Implications	Yes/No	Paragraph or references within the report
Equal Opportunities	No	
Climate Change	No	

Other Implications	Yes/No	Paragraph or references within the report
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	
Risk Management	Yes	The report concerns the Council's governance and assurance processes, a purpose of which is to give assurance that risks are being managed appropriately by the business.

7. Report Author

Colin Sharpe, Head of Finance, ext. 37 4081

Policy for Engagement of External Auditors for Non-audit Work

1. Introduction and purpose of this policy

It is important that the independence of our external auditors in reporting to those charged with governance and to management of Leicester City Council (the Council), does not appear to be compromised but equally the Council should not be deprived of expertise where it is needed and can be leveraged from KPMG as a whole.

This policy therefore seeks to set out what threats to audit independence theoretically exist and thus provides a definition of non-audit work which can be shared by the Council and KPMG. It then seeks to establish the approval processes and corporate reporting mechanisms that will be put in place for any non-audit work that KPMG is asked to perform.

2. Threats to independence

The Institute of Chartered Accountants in England and Wales sets out threats to independence as:

Self interest	Where an interest in the outcome of their work or in a depth of relationship with the Council may conflict with the auditors' objectivity
Self-Audit	Where the auditors may be checking their own colleagues' work and might feel constrained from identifying risks and shortcomings
Advocacy	May be present in an engagement but could become a threat if an auditor becomes an advocate for an extreme position in an adversarial matter
Familiarity	Where the level of constructive challenge provided by the auditor is diminished as a result of assumed knowledge or relationships that exist

3. Defining types of non-audit work and the associated approval process

In order to provide the Council with a transparent mechanism by which non-audit work can be reviewed and progressed without too great an administrative burden falling on the Council, the following three categories of work have been agreed as applying to the professional services available from KPMG:

Policy for Engagement of External Auditors for Non-audit Work

3.1. Statutory and audit related work not requiring Audit and Risk Committee approval

There are certain projects where the work is clearly audit related and the external auditor is best placed to do the work, e.g. for grant certification work.

It is proposed that such assignments do not require Audit and Risk Committee approval. However, recognising that the level of non-audit fees may also be a threat to independence, a limit on individual fees of £20,000 is set, above which prior Audit and Risk Committee approval should be sought for such work.

It should however be noted that the arrangements for procuring external audit from the 2018/19 financial year will once again change, so this aspect of the policy will require further review in a year's time. In particular, the external auditor will not audit major grant claims such as the Housing Benefits Grant Claim audit as part of the new Public Sector Audit Appointments Ltd external audit contract from 2018/19. The Council will need to separately procure an auditor, which should be considered by the Audit and Risk Committee.

3.2 Audit related and advisory services requiring prior Audit and Risk committee approval

There are projects and engagements where the auditors are best placed to perform the work:

- Due to their network within and knowledge of the business (e.g. taxation advice, due diligence and accounting advice);
- Due to their previous experience or market leadership.

It is proposed that prior Audit and Risk Committee approval is sought for projects of this nature, with no de-minimus.

See also the note at 3.1 above regards the appointment of an auditor for major grant claims from 2018/19.

3.3 Projects that are not permitted

Some projects are not to be performed by the external auditors. These projects represent a real threat to the independence of the audit team, such as where the external auditors would be in a position where they are auditing their own work (for example, systems implementation).

Policy for Engagement of External Auditors for Non-audit Work

More detail on each type of work is set out in Appendix A.

The Audit and Risk Committee is responsible for approving any instances of non-audit work by the external auditors in accordance with this policy and to report any such instances to the Council.

For the avoidance of doubt, seeking approval from the Audit and Risk Committee involves the business sponsor of the proposed work obtaining a proposed scope and fee estimate from KPMG before the work commences. If the fee exceeds the proposed limits or falls into a category of work that requires approval, details of the scope and fee proposal should be submitted to the Director of Finance and then to the Audit and Risk Committee Chair. If approved, the project should be logged by Democratic Services to be noted at the next Audit and Risk Committee meeting in order that a schedule of non-audit fees can be maintained and Council updated.

In cases where it is undecided which category services fall into, they will default to the category that requires Audit and Risk Committee approval and be expected to take that route until such as time as this policy is reviewed and updated by the Audit and Risk Committee.

4. Reviewing and updating this policy

KPMG will include within our annual ISA 260 report (report to those charged with governance), an appendix that summarises any additional work performed for the Council and a review of the effectiveness of this policy.

The Audit and Risk Committee will formally agree on an annual basis that it is content with the structure, content and operation of this policy.

Examples of Work Types

The table below sets out examples of the different work types that could be requested from KPMG. As it would not be practical to consider all the services provided by KPMG we have documented the characteristics that drive the classification of services into the different work steams. This table is intended to provide illustrative examples of how the implementation of this policy would be approached should the Council request assistance from KPMG.

	Statutory and audit related (Not requiring Audit and Risk Committee approval, unless fee is in excess of £20,000)	Audit and assurance related and non-audit advisory services (Sensitive projects requiring referral without de minimis)	Projects that are not permitted
Characteristics	<ul style="list-style-type: none"> Advice on areas core to the financial statements audit 	<ul style="list-style-type: none"> Requiring independent objective assessment of information or procedures Staff secondments Other advisory services 	<ul style="list-style-type: none"> Participation in management
Acquisitions / Disposals	<ul style="list-style-type: none"> Accountants reports Reporting on financial assistance Audit of carve out financial statements 	<ul style="list-style-type: none"> Due diligence and related advice Completion accounts audit Agreement of price adjustment as a result of completion accounts Advice on integration activities Preparation of forecast of investment proposals 	
Internal Audit and Risk Management Services	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Provision of specialist skills / training Advice on methodology and systems Co-sourcing Advice and design of policies, systems or procedures. 	<ul style="list-style-type: none"> Full outsourcing Systems implementation
Taxation	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Preparation of draft returns Submission of returns and correspondence with tax authorities Advice on tax matters Transfer pricing Valuation for the purposes of taxation 	<ul style="list-style-type: none"> Preparation of accounting entries for tax Handling taxation payments

Examples of Work Types

	Statutory and audit related (Not requiring Audit and Risk Committee approval, unless fee is in excess of £20,000)	Audit and assurance related and non-audit advisory services (Sensitive projects requiring referral without de minimis)	Projects that are not permitted
General Accounting	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Advice on accounts preparation and application of accounting standards • Training for accounting and risk management projects • Booking keeping services 	<ul style="list-style-type: none"> • Preparation of accounting entries • Preparation of financial information

AUDIT & RISK COMMITTEE 2017-18 - ANNUAL TIMETABLE (OUTLINE) This version 16/06/2017

Grey shaded = meeting passed			
	Author	Notes, frequency	Purpose
28 June 2017			
<i>Training Session Prior to Main Meeting: ICT re updates of equipment and how staff are made aware of Policy (as requested at March meeting)</i>	<i>City Information Officer</i>		<i>Training</i>
Verbal Update - Impact on ASC of the changes to funding imposed by the Government (as requested at the March meeting)	Strategic Director of ASC and Health	One Off	Committee to Note
External Auditor's Annual Audit Fees Letter 2017/18	KPMG, External Auditor	Annual	Committee to Note
Invoice Payment Performance	Head of Business Service Centre	Update	Committee to note
Agency Staff (as requested at the March meeting)	BSC Service Manager	One Off	Committee to Note
Regulation of Investigatory Powers Act 2000 - Bi-Annual Performance Report January 2017 – June 2017	Head of Information Governance and Risk	Bi-Annual	Committee to Note
Annual Report on the National Fraud Initiative	Corporate Investigations Manager	Annual	Committee to note
Counter Fraud Annual Report 2016/17	Corporate Investigations Manager	Bi-Annual	Committee to Note
Review of the Anti-Fraud, Bribery and Corruption Policy and Strategy	Corporate Investigations Manager	Annual	Committee to Note
Risk Management Update report	Manager, Risk Management	Bi-Annual	Committee to note
Annual Approval of the Policy for Engagement of External Auditors for Non-Audit Work	Head of Finance	Annual	Approval
Schedule of meetings for 2017/18	Head of Finance	Annual	Committee to note

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Appendix K

AUDIT & RISK COMMITTEE 2017-18 - ANNUAL TIMETABLE (OUTLINE) This version 16/06/2017

Grey shaded = meeting passed

26 September 2017

Papers - 7/9. Agenda date - 12/9. Agenda papers by 14/9

<i>Training Session Prior to Main Meeting: The Council's Statutory Statement of Accounts Process</i>	Chief Accountant		Training
Annual Governance Report - ' <i>Report to Those Charged with Governance</i> ', including audit opinion on the Financial Statements and VFM conclusion	KPMG, External Auditor	Annual	Approval
The Council's Annual Governance Statement 2016-17	Director of Finance/Monitoring Officer	Annual	Approval
The Statement of Accounts and Letter of Representation	Director of Finance Chief Accountant	Annual	Approval
Audit & Risk Committee Terms of Reference	Head of Internal Audit City Barrister (Monitoring Officer)	Annual	Approval
Head of Internal Audit Annual Report and Opinion 2016-17	Head of Internal Audit	Annual	Committee to note
Draft of the Committee's Annual Report to Council 2016-17	Head of Finance	Annual	Approval
Procurement of External Audit of Grant Claims 2018/19	Chief Accountant	One-off	Approval

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AUDIT & RISK COMMITTEE 2017-18 - ANNUAL TIMETABLE (OUTLINE) This version 16/06/2017

Grey shaded = meeting passed

6 December 2017			
<i>Training session prior to main meeting: Update on DCLG Fraud Funding work .</i>	<i>Head of Revenues and Customer Support</i>		<i>Training</i>
External Auditor's Annual Audit Letter 2016/17	KPMG, External Auditor	Annual	Committee to note
Counter Fraud mid-year Update Report	Corporate Investigations Manager	Bi-Annual	Committee to note
Complaints Process Annual Update	Head of Business Service Centre	Annual	Committee to note
Procurement Plan Half Yearly Update Report	Head of Procurement	Bi-Annual	Committee to note
Appointment of External Auditors for 2018/19	Director of Finance	One-off	Approval
Risk Management Update report	Manager, Risk Management	Bi-Annual	Committee to note

Papers - 16/11. Agenda date - 21/11. Agenda papers by 24/11

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AUDIT & RISK COMMITTEE 2017-18 - ANNUAL TIMETABLE (OUTLINE) This version 16/06/2017

Grey shaded = meeting passed

21 March 2018

Papers - 1/1. Agenda date - 6/3. Agenda papers by 9/3

<i>Training session prior to main meeting: Public Health Update .</i>	<i>Director of Public Health</i>		<i>Training</i>
External Audit Plan 2017-18	KPMG, External Auditor	Annual	Committee to note
Annual Report - Certification of Claims and Returns (Grants)	KPMG, External Auditor	Annual	Committee to note
Report on the Procurement Plan 2018/19	Head of Procurement	Annual	Committee to note
The Assurance Framework on which we will base the Annual Governance Statement, including annual review of Local Code of Corporate Governance and the annual review of the Committee's Terms of Reference	Head of Internal Audit City Barrister (Monitoring Officer)	Annual	Approval
Internal Audit Update, including: - 2017-18 progress update - Internal Audit Plan 2018-19 - for approval - Annual Review of Internal Audit Charter	Head of Internal Audit	Annual	Approval
Head of Internal Audit Annual Report and Opinion 2017-18 (<i>to be confirmed</i>)	Head of Internal Audit	Annual	Committee to note
2018/19 A&RC Planned Agendas and Meeting Dates - draft	Head of Finance	Annual	Committee to note and comment

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