

Brighton & Hove City Council

Appendix 1 Strategic Risk Focus

SR15

SR31

SR24

SR29

Audit & Standards Committee 27 March 2018

Print Date: 14-Mar-2018

Initial Rating

LIKELIHOOD	IMPACT				
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	0	0	0	0	0
Likely (4)	0	0	0	3	0
Possible (3)	0	0	0	1	0
Unlikely (2)	0	0	0	0	0
Almost Impossible (1)	0	0	0	0	0

Revised Rating

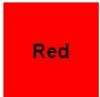

LIKELIHOOD	IMPACT				
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	0	0	0	0	0
Likely (4)	0	0	1	0	0
Possible (3)	0	0	0	2	0
Unlikely (2)	0	0	0	1	0
Almost Impossible (1)	0	0	0	0	0

1 - 3
Low
Monitor periodically

4 - 7
Moderate
Monitor if the risk levels increase

8 - 14
Significant
Review and ensure effective controls

15 - 25
High
Immediate action required & need to escalate to the management level above

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR15	Not keeping children safe from harm and abuse	Executive Director Families, Children & Learning Service Manager - Directorate Policy & Business Support Assistant Director - Children's Health, Safeguarding & Care	BHCC Strategic Risk, Legislative	07/02/18	Threat	Treat	 L4 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Priority Children & Young People: Safeguard children and young people and reduce the rate of re-referral
 Keeping vulnerable children safe from harm and abuse is a legal responsibility of the Council. Legislation requires all local authorities to act in accordance with national guidance (Working Together) to ensure robust safeguarding practice. This includes the responsibility to ensure an effective Local Safeguarding Children Board (LSCB) which oversees work locally and in partnership with Police, Health and social care providers. The numbers of children in care and those on Child Protection Plans are significantly higher than in similar authorities. The number of children and young people (CYP) who are sexually exploited is also of concern.

Potential Consequence(s)

The complexity of circumstances for many children presents a constant state of risk which demands informed and reflective professional judgement, and often urgent and decisive action, by all agencies using agreed thresholds and procedures. Such complexity inevitably presents a high degree of risk. Children subject to abuse, exploitation and/or neglect are unlikely to achieve and maintain a satisfactory level of health or development, or their health and development will be significantly impaired. In some circumstances, abuse and neglect may lead to a child's death.

Existing Controls

First Line of Defence: Management Controls

1. Robust quality assurance processes embedded and reported on annually
2. Single access point ('Front Door for Families') for support and safeguarding issues relating to children operated from May 2017. The service is managed by one manager with responsibility for and oversight of both the Multi-Agency Safeguarding Hub (MASH) which launched from Sept 14 and early help referrals to provide robust risk assessments and information sharing between partner agencies.
3. LSCB Work Plan established with strong leadership by the Independent Chair with aligned LSCB sub-group work plans
4. Serious Case, Local Management and Child Death Reviews identify learning and action for improvement
5. The directorate has full engagement with the LSCB
6. There is a strong focus on working with CYP at risk of being missing from care, home and education
7. The local Troubled Families programme targets support to the most vulnerable families
8. Continuous professional development and training opportunities offered by the LSCB and good multi agency take up of training
9. In line with the Government's Prevent Strategy, work with the Police, Statutory Partners, Third Sector Organisations and Communities to reduce radicalisation
10. Threshold document, agreed by all agencies and reviewed regularly
11. Relationship based model of practice operating from Oct 2015 for social work teams, with Pods in place to provide stability to service users
13. Performance management across children's social work enables a more informed view on current activity and planning for future service changes;



Second Line of Defence: Corporate Oversight

1. Early Help system redesigned in 2017 and new structure in place
2. Quality Assurance within the city and also across key agencies monitored by the LSCB sub group
3. The Child Review Board meets quarterly and is an opportunity for Lead Members to receive information, provide challenge and comments on children's social care issues with Heads of Service, Assistant Director and Director for Children's Services
4. Reports delivered to LSCB following robust auditing of multi-agency case files and safeguarding practice.

Third Line of Defence: Independent Assurance

1. Ofsted inspected our social work arrangements in May 2015 and an action plan was developed to take forward recommendations, recently completed and final sign off agreed at CYPS committee in November 2017.
2. LGA (Local Government Association) Peer Review on Safeguarding completed in September 2016 which provided assurance (and helpful challenge) regarding progress against the Ofsted inspection report. The review confirmed our ongoing actions were well directed and work continues to implement
3. University of Sussex have completed an evaluation in 2017 of the relationship based Model of Practice setting out assurance on how it is working and useful recommendations for future focus
4. Meeting held with Ofsted in December 2017 to review an updated self evaluation with positive feedback. Detailed planning now underway to ensure readiness for new Ofsted inspection framework coming in early in 2018. Their comments in December included "Overall, you are bucking the national trend by seeing a steady decline in demand for specialist children's services. You continue to test your thresholds by seeking feedback from your partners and through your quality assurance processes."

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
High quality social work is provided to ensure that Children & Young People (CYP) are effectively safeguarded	Head of Service - Safeguarding & Quality Assurance	75	31/03/18	01/04/16	31/03/18
<p>Comments: Quality assurance activity continues to indicate and assure us that most children and families continue to be provided with appropriate social work services, with 69% of Q2 audited cases demonstrating positive outcomes for the child. In 2017 we had an independent review of our relationship based model of practice, which reported positively on progress, found our practice to be good and agrees with our planned direction of travel. Data (in reduction in numbers in the social care system) is moving in a positive direction. We engage in regional peer review processes to check quality of our arrangements. Performance management information isn't highlighting any areas of particular concern. Our social work workforce has stabilised and we have no agency workers.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR31	Greater liability on the council's budget due to budgetary pressures on schools	Executive Director Families, Children & Learning Service Manager - Directorate Policy & Business Support Assistant Director Education & Skills	BHCC Strategic Risk	07/02/18	Threat	Treat	 Red L4 x 14	 Amber L3 x 14		Revised: Adequate

Causes

Schools with Licensed Deficit agreements continuing into 2017/18 total £1.021m. These schools currently show a projected overspend of £0.938m, an improvement of £0.083m. Schools requiring new licensed deficits in 2017/18 total £1.143m. These schools currently show a projected overspend of £1.093m, an improvement of £0.050m . Other schools are overspending by £0.108m. This makes a total of projected deficits of £2.139m. Early indications are that the level of schools' surpluses will fall from £2.895m at 31/03/17 to £1.800m at 31/03/18. This projection would result in an overall overspend on schools of approximately £0.339m (£2.139m - £1.800m) at 31/03/18, which would need to be met from General Fund reserves in the short term.

Potential Consequence(s)

- *If the level of licensed deficits in 2017/8 is still required by schools which already have Licensed Deficit agreements continuing into 2017/18 then the council will not be able to license any new deficits under the current scheme
 - *Inequality between schools and impact on relationship between the majority of schools and the council
 - *Increased council support to assist schools to improve procurement options, work collaboratively and manage workforce better
 - *Stakeholder dissatisfaction due to changes in service location of provision
 - *External auditors may reduce their rating of the Council's ability to secure Value for Money
 - *If a school is unable to provide sustainable strategies in order to balance their budgets, Finance will have to apply tougher sanctions e.g. removal of a school's delegated financial powers
 - *If educational performance requires a school which has is already in deficit to transition to academy status, the DfE policy is that the council will fund the deficit from its core budget and recover the monies from the academy trust and the council will not receive monies until the DfE is satisfied that the amount is a true reflection of what is owed and both parties agree
 - *Schools may decide not to 'buy-back' services from existing council support services, reducing workforce.
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Existing Controls

First line of Defence - Management Controls

1. Annual meeting between Executive Director FCL and Executive Director F&R where budgets are scrutinised and challenged by the Directors to minimise the level of deficits required and ensure best use of public money. The scheme for financing schools, currently allows 40% of the carry forward balance to be used for licensed deficit agreements.
2. School budget plans for 2017/18 were finalised on 9 June 17.
3. Schools' finance team monitor the budget position for each school.
4. Schools' finance team hold regular finance meetings with schools in licensed deficit and a process for schools causing financial concern was introduced in spring 2017.

Second Line of Defence - Corporate Oversight

1. For schools in deficit, a Strategy Board has been established with the prime focus upon the school's management of its budget.
 2. The position for schools will be reported to Families, Children and Learning Directorate Management Team (DMT) as part of the Targeted Budget Management (TBM) reporting process.
 3. Under the Scheme for Financing Schools, the Local Authority (LA) can issue a Notice of Concern where the school has failed to comply with any provisions of the scheme, or where actions need to be taken to safeguard the financial position of the local authority or the school.
 4. Report to Policy Resources & Growth (PR&G) Committee on 13 July 2017.
 5. Executive Leadership Team (ELT) report 21/6/17 outlined issues re. Schools Balances, including recommendation to suspend the governing body's right to a delegated budget for reasons of financial mismanagement after giving the governing body notice of the suspension and if appropriate corrective action is not taken.
- * Department for Education (DfE) policy on deficit balance.
* Joint letter from Executive Directors of Families, Children & Learning and Finance & Resources sent to all schools highlighting the level of school deficits this year and the wider implications for Council's budget's, with a notice that no further deficit budgets could be licensed.

Third Line of Defence - Independent Assurance

Internal Audit has a year by year plan for audits at schools prioritised by those where financial risks are higher, a programme is in place to ensure that all schools in the city are on the audit programme over the next few years. 29 audits have already been completed. Where limited assurance has been given (in 4 cases) more targeted support is given to that school to help implement recommendations.

Secretary of State will decide upon any dispute concerning a deficit balance owed between an Academy Trust and the council Academy Trust.

Section 151 Officer provides a scrutiny process.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Continue to work closely with schools to ensure that they manage the risk of an increasing deficit in order to limit the potential cost to the LA's budget.	Assistant Director Education & Skills	50	31/07/18	26/06/17	31/07/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Schools are contacting the finance team for advice on this. We've identified schools that need more targeted support and will be writing to them. We continue to monitor school budget positions. School budgets positions are shared with school improvement colleagues to ensure holistic support is given.</p>					
<p>Inform Members of the impact of DfE's calculation of notional individual budgets for schools in 2018/19 which will change as it will take regard of the locally agreed formula as agreed with the Schools Forum.</p>	Assistant Director Education & Skills	95	30/06/18	26/06/17	30/06/18
<p>Comments: In January 2018 the Schools Forum agreed the formula that will be applied in Brighton & Hove, subject to Department for Education (DfE) approval, information has been shared with Members. At the end of January 18 the DfE agreed and signed off council's formula. Schools have received their indicative budgets for 18/19 academic year. Next we will work with schools to balance the 18/19 budget with the 17/18 year end position, Schools are expected to finalise their budgets in June 18. Members will be advised where there are pressures and gaps.</p>					
<p>Monitor and inform schools of the new national funding formula for schools</p>	Assistant Director Education & Skills	100	28/02/18	26/06/17	28/02/18
<p>Comments: A session was held in November 17 with Primary Schools representatives to explain school funding arrangements and implications of potential decisions taken by Schools Forum. After confirmation from the DfE that our schools' formula had been agreed and was signed off at the end of January 2018 it enabled the Schools Forum to agree the formula that will be applied in Brighton & Hove, and by mid February 2018 schools received their budget allocation for 18/19.</p>					
<p>Work with schools re. number of spare school places available in the city and the impact these have on school budgets.</p>	Assistant Director Education & Skills	80	30/04/18	26/06/17	30/04/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Admissions arrangements for 19/20 have been agreed by Children, Young People and Skills committee in January 2018. A reduction of 90 primary school places has been agreed. There will need to be further discussions with primary headteachers about addressing the continued surplus supply of places. Decisions have been taken to increase the places available in existing secondary schools and we await the decision of the Department for Education about the opening of the proposed new secondary school. A school organisation plan will be taken to the Children, Young People and Skills committee in Autumn 2018.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR24	The impact of Welfare Reform increases need and demand for services	Executive Director of Finance & Resources Welfare Reform Programme Manager	BHCC Strategic Risk	07/02/18	Threat	Treat	Amber L4 x I4	Amber L4 x I3		Revised: Uncertain

Causes
Introduction of Universal Credit during 2015/16 with extended roll out during 2016 and thereafter. Implications for staffing levels within services; rent collection; council tax collection, and pressures on social services and homeless services.
Additionally further to the July 2015 national budget a new programme of welfare reform commenced from April 2016. In Brighton and Hove the full Universal Credit rollout takes place between October 2017 and January 2018.

Potential Consequence(s)
Increased service pressures on housing and social services.
Decreased rent and Council Tax collection.

Existing Controls

First Line of Defence: Management Actions

1. A welfare reform team is in place to monitor welfare changes and to coordinate a corporate response to them
2. Ongoing meetings have been held with Department for Works Pensions (DWP) about change to Universal Credit. Budgeting and digital support has been commissioned from the third sector to support Universal Credit claimants. Full rollout has commenced from 4th October
3. Information is provided to inform housing and children's services colleagues re. changes to benefit cap policy and impact on funding of temporary accommodation. Analysis of impact of the changes to the benefit cap in 2016 has been done and strategy to minimise the impact of these changes has been in place from November 2016
4. Council Tax Reduction (CTR) policy options provided to members to give the option to partially mitigate impact of Tax Credit changes on local CTR costs as part of CTR yearly process. Reports will continue to be authored for committee and council and consultation undertaken as appropriate.
5. Provide caseworking support directly to customers most significantly affected by the changes (specifically the benefit cap)
6. Regular links maintained with advice and voluntary sector so impacts on citizens can be judged
7. Modelling of specific policies being undertaken to assess the impact on customers in terms of numbers and change
8. Feeding into other relevant council work streams, eg library service leading digital inclusion including for Universal Credit claimants, actions around the City Employment Support Plan and the communities prospectus from 2017
9. Detailed risk register for Welfare Reform reviewed quarterly and logged with Senior Responsible Officer .

Second Line of Defence Corporate Oversight:

Corporate oversight at cross service Universal Credit programme board and six monthly scheduled to Corporate Management Team.

Regular reports to Leadership Board.

Executive Leadership Team (ELT) Full Council, Policy, Resource & Growth (PRG) and the NICE Committee are all focused on this risk.

Third Line of Defence Independent Assurance:

Internal Audit - Audit has taken place over the end of 2017/beginning of 2018. Final report issued Feb 2018 Substantial Assurance.

Reason for Uncertainty of Effectiveness of Controls: It is not possible to project accurately the number of families who may require extra assistance from the council, either in terms of housing need or increased demand for other services. Previous experience suggests that some claimants find a way to close income gaps, but the position is not fully understood.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Benefit cap - casework support programme to support people affected by the benefit cap	Welfare Reform Programme Manager	75	31/03/19	01/06/15	31/03/19

Comments: updates prior to January 17 archived

January 2017

A Job Centre Plus work coach has been embedded with the Benefit Cap team for a period of six months.

Existing benefit cap cases had the new amount of cap applied from 7th November, new cases were notified to the council in January and the deductions are being applied to their Housing Benefit claim. So far approximately 450 cases have the cap applied which is lower than the DWP estimate of 680 cases however the value of the cap per cases is greater. The DWP have indicated they are still checking the details of some cases which may be potentially capped so we may be notified of more capped cases over time. The benefit cap team are working with the customers affected by the cap as expected.

April 17 - Discretionary Housing Payment funding for 17/18 has been confirmed by government and set at £1.13m. This is an increase of £354,000 from 16/17 and does provide some certainty around our capacity to support cases which have been affected by the increase in the benefit cap in the short term.

87 cases have been removed from the cap due to changes in rates of rent in temporary accommodation. The team continues to work with the remaining cases. Local Job Centre Plus funding under the Flexible Support Grant will end on 31st May 2017 and a review of the programme relating to the funding is scheduled with JCP colleagues in June. Funding has been identified to continue intervention work for the remainder of 17/18.

June 2017 - caseload is being managed within DHP budget, there are a number of households we are finding it difficult to get engagement with so outreach work is underway. JCP funding has now stopped and the reserves which have been used to support this work are unlikely to be sufficient to enable the work of the team in its current form to continue into 2018/19. In response to this a business case is being developed to explore a spend to save case for mainstreaming this work. End date for this risk extended until 31/03/18 aligning with current support provision.

Oct 2017 - The team continues to engage with customers affected by the benefit cap. Cases where threats to housing have started to occur have been supported by the team and evictions prevented. A key focus is now on building links with local Jobcentres so that cases which are on Universal Credit and capped can be referred to the team for support. A decision on the resourcing for this team from April 2018 will be required as a part of the budget process and this work is underway.

Dec 2018 - Discussions on budget to resource the team has been included within the budget process. Caseworking support is continuing.

Mar 2018 - Budget support and confirmation of DWP new burdens funding will mean casework support will continue for 2018/19.

14-Mar-2018

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Keep relevant staff and stakeholders up to date with information as it becomes available	Welfare Reform Programme Manager	75	31/12/18	01/06/15	31/12/18
<p>Comments: Programme governance in place (Senior level, operational level, City Wide Partners level) and meetings happening as planned. Members briefed as appropriate through various channels.</p> <p>updates prior to Jan 2017 archived</p> <p>January 2017 - Internal operations group and city wide are now focussed on issues surrounding the full roll out of universal credit. A separate meeting will be organised with Registered Social Landlords who operate in the city. Briefings are being held with relevant services and organisations across the city to brief them of the changes, for example children's centres, health visiting teams and private landlords groups.</p> <p>This action has now been extended until December 2017 to reflect the fact that the full roll out of Universal Credit is due to start in the city in October and November 2017.</p> <p>April 2017 - All actions around communicating information about welfare reforms to stakeholders continue. It is anticipated the main focus will be on Universal Credit and related issues for the rest of the year which is captured in a separate specific risk heading under SR24.</p> <p>October 2017 - All actions around communicating information about welfare reforms to stakeholders continue with a focus around the rollout of Universal Credit including several bespoke meetings and the production of a booklet providing advice and local resources to support people claiming Universal Credit.</p> <p>Dec 2017 - Meetings with City wide stakeholders and internal services to be set up for 2018.</p>					
Prepare for Universal Credit (UC)	Welfare Reform Programme Manager	90	31/03/18	04/05/15	31/03/18
<p>Comments: Updates prior to Jan 2017 archived</p>					

14-Mar-2018

January 2017 - The Government have now published a detailed timetable for the roll out of Universal Credit. From October and November 2017 all new claims for working age people in Brighton and Hove will be made for Universal Credit (UC). This will include families, people with young children, and people with issues relating to health and disability.

Work is required to prepare services for this change and the scoping phase of this project is underway which largely involves gathering information from services about the impact of this. There will also be a need to recommission budgeting and online support for Universal Credit claimants. This will be funded by the DWP but commissioned by the Council. A report is due to go to ELT setting out the main risks around the introduction of UC and the organisations readiness to deal with it.

The end date of this action has been extended to 01/12/17 to reflect full roll out dates of Universal Credit.

February 2017

Scoping has been undertaken with different service areas including Rev and Bens, Housing, Children's Safeguarding and Care, Adult Social Care. Meetings of operational managers are underway to plan mitigations for the identified risks.

Additionally information has been requested of colleagues and stakeholders in the city who are not part of the Council. This has been done via the welfare reform city wide meeting which contains representatives of social and private landlords, the advice sector and CVS.

Indicative but not final figures have been provided by DWP for funding of local budgeting and online support requirements.

A report is due to ELT on 8th March 17 setting out the main risk areas and the proposed approach to mitigations. Further to this a meeting will be held with senior colleagues from relevant services on 25th April 17. Meetings with operational managers will continue and form the core delivery group for the actions attached to this work.

April 2017

Scoping work has been completed and an initial Risk Register and Programme plan of work has been completed and actions are underway. The briefing to ELT and Leadership board went ahead and senior officers and members are sighted on the key issues, the Administration have expressed increasing concern about the potential impact of the rollout of UC in the city. Staff have visited Croydon who have been live with full service UC for over a year to learn lessons. Project meetings will commence in the first week in May 17.

June 2017 - project meetings underway and project actions are being delivered, even with these actions there are still a number of Red rated risks on the Risk Register which have been agreed by the project board and will be escalated.

14-Mar-2018

July 2017 - report on cross service readiness for Universal Credit has been requested for the October NICE committee

Oct 2017 - Report on Universal Credit readiness will be presented to the NICE committee on 9th October. UC full service will roll out in the City between Oct 2017 and Jan 2018. A cross service programme of work is in place to prepare for this which holds a separate project plan and risk register.

Dec 2018 - UC has rolled out in two of the four of the City's high level postcode areas. Co-location between JCP and Housing staff has been agreed. CAB are providing Assisted Digital Support and Personal Budgetting Support in the JCP. Training has been rolled out to council staff and across the voluntary and advice sector.

Mar 2018 - All areas of the city are now live for full service universal credit claims. The project timescales have been extended until the end of March in the first instance to take account of the extended timetable(full rollout was due to complete in November 17 but was extended to January 2018). The project board will review the outcomes of the project at the end of March or beginning of April, identify any outstanding acitons and consider what review/oversight arrangements need to be in place as the rollout continues in the city through to 2022.

Provide policy options and author reports to give members options on policy issues e.g. Council Tax Reduction	Welfare Reform Programme Manager	80	31/03/19	01/04/15	31/03/19
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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: updates prior to Jan 2017 archived</p> <p>January 2017- Report has gone through PR&G and Full Council and changes agreed for the scheme from April 2017. Systems testing on year end software is underway. Letters are scheduled to be sent to customers affected giving them advance notice of the changes and inviting them to apply for discretionary funds in Mid-Feb. Technical changes to scheme documents will be made before the end of the financial year.</p> <p>April 2017 - End date rolled forward to 31/03/18 to capture potential impact on Council Tax Reduction (CTR) from UC and the potential needs for changes to the scheme this may create. Actions have been captured in the UC programme plan.</p> <p>June 2017 - Early work done around impact to CTR, direction expected from finance colleagues shortly around required approach to CTR this year.</p> <p>Oct 2017 - Council Tax Reduction review is on track to be reported to Council in December.</p> <p>Dec 2018 - Council Tax Reduction review has progressed through PR&G and Full Council.</p> <p>Mar 2018 - End date extended to March 2019 to continue to monitor and plan for the impact of Universal Credit on the Council Tax Reduction scheme.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR29	Ineffective contract management leads to sub-optimal service outcomes, financial losses, and reputational damage	Executive Director of Finance & Resources Procurement Strategy Manager	BHCC Strategic Risk, Contractual / Competitive	07/02/18	Threat	Treat	Amber L3 x 14	Amber L2 x 14		Revised: Adequate

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'

Historical sub-optimal contract specification due to:

- Initial failure to identify options for delivery, including reverting to 'what we've always done.'
- Lack of willingness to test existing suppliers against the market.
- Failure to prioritise contract management and lack of available resources to perform this task.
- Lack of commercial skills and failure by management to recognise their importance.
- Lack of willingness to hold 'difficult conversations' with suppliers.
- Low levels of senior engagement with suppliers.
- Poor understanding of markets and delivery models.
- Under-resourcing of the Procurement team.
- Lack of corporate oversight of contracting and commissioning.

Although unlikely to happen now, ongoing resource pressures in Procurement means this risk still exists.

Potential Consequence(s)

- Poor Value for Money (VfM)
- Financial losses
- Legal challenge from suppliers / service users
- Reputational damage for the council - both the administration and officers
- Poor outcomes or failure of services and associated impact on service users
- Diversion of scarce resources to resolve issues
- Loss of morale and stress for officers

Existing Controls

First Line of Defence: Management Controls

Utilise procurement function to ensure that appropriate and legally robust commercial delivery options are chosen and robust contracts are in place. Robust contract Key Performance Indicators (KPIs) in place so that contract performance and risk are understood.

Second Line of Defence: Corporate Oversight

Well-resourced corporate contract performance management oversight function to train and challenge contract managers and commissioners. Progress reviewed by Corporate Modernisation Delivery Board (CMDB), Members Oversight Group and Members Procurement Advisory Board.

Third Line of Defence: Independent Assurance

Internal Audit and periodic review by Audit & Standards Committee.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Full Council approval for £1.2m investment in Contract Management resources approved on 23 Feb 2017 at Budget Council. This has provided 9.5 fte resources including legal support to ensure the set up of a Contract Management 'Centre of Expertise'.	Executive Director of Finance & Resources	50	29/03/19	07/04/17	29/03/19
Comments: Recruitment and training for new staff complete. Material contracts have been risk-assessed in order to target resources in the most appropriate way. This process is under way and stated 'first cut' savings targets of £0.5m in 2017/18 with further savings in 2018/19. Some of this however is cost containment, e.g. the fragility of the care market limits the extent to which cash savings can be achieved. The Procurement Advisory Board is focused on this work. Potential for Deep Dive by Audit & Standards Committee.					

