

**READING BOROUGH COUNCIL
DIRECTOR OF RESOURCES**

TO:	AUDIT & GOVERNANCE COMMITTEE		
DATE:	1st August 2018	AGENDA ITEM:	7
TITLE:	STRATEGIC RISK REGISTER Q1		
LEAD COUNCILLOR:	COUNCILLOR BROCK	PORTFOLIO:	CORPORATE AND CONSUMER SERVICES
SERVICE:	FINANCE	WARDS:	N/A
LEAD OFFICER:	PAUL HARRINGTON	TEL:	9372695
JOB TITLE:	CHIEF AUDITOR	E-MAIL:	Paul.Harrington@reading.gov.uk

1. PURPOSE OF REPORT

- 1.1 This report covers the update of the Strategic Risk Register, in a new format for 2018 and includes additional information on unmitigated risk and risk appetite scores.
- 1.2 The Register is presented to the Council's Audit & Governance Committee a minimum of six monthly or quarterly in the case of any risks where the position has worsened or for residual red risks where the Audit & Governance Committee shows a particular interest. It was last presented to the Committee in Jan 2018.
- 1.3 The following documents are appended:
- Appendix 1 - the Council's Corporate (Strategic) Risk Register.

2. RECOMMENDED ACTION

- 2.1 The committee are requested to consider the Council's strategic risks as at of Jun 18 (end of Q1).

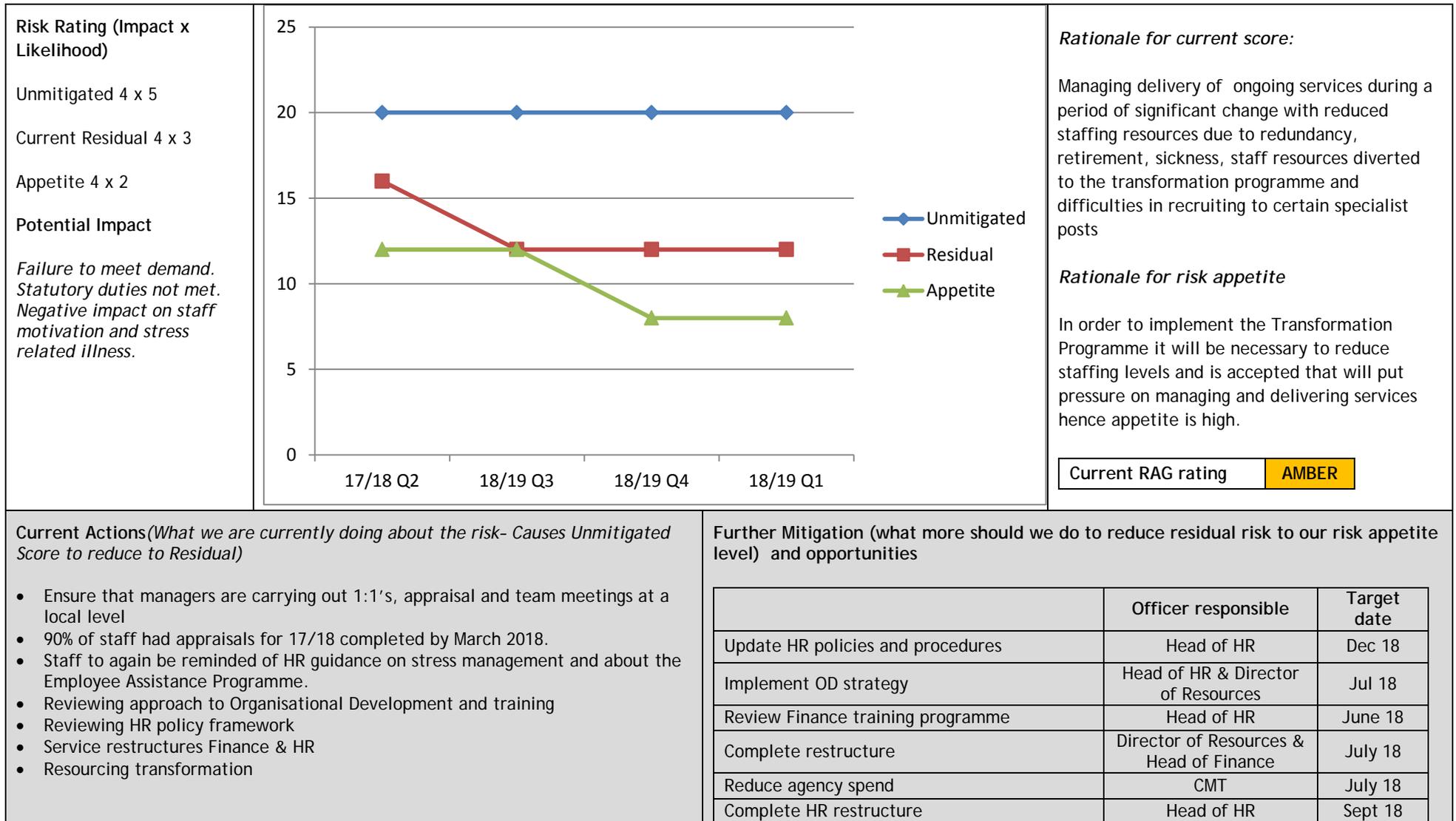
3. KEY ISSUES

- 3.1 Risk management is a key part of corporate governance. Good risk management will help identify and deal with key Strategic risks facing the Council in the pursuit of its goals and is a key part of good management, not simply a compliance exercise. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving the Council's outcomes.
- 3.2 The Strategic Risk Register has been developed to provide a concise, focused and high level overview of Strategic risks that can be easily communicated to all staff, councilors and stakeholders (e.g. Council's Insurers). It should, however, always be supplemented by the more detailed directorate/service/project risk registers.
- 3.3 Although guidance is provided in relation to the scoring of risks, with a view to providing as much consistency as possible, it still remains very much a subjective process. The primary aim of the Strategic Risk Register is to identify those key vulnerabilities that CMT consider need to be closely monitored in the forthcoming months and, in some instances, years ahead. In many cases this will be because the risk is relatively new and, whilst being effectively managed, the associated control framework is yet to be fully defined and embedded. In such circumstances it follows that not only will the potential impact be large, but the risk of likelihood of occurrence could also be increased. Furthermore, it is possible that the likelihood can be influenced by events outside of the Council's control e.g. the economic climate and its impact on financial planning, or severe weather etc.
- 3.4 The format of the Risk Register had not been updated for some time. Advice from an external risk management consultant concluded that our arrangements were fit for purpose, but could be improved by identifying risk appetite. This is consistent with the Institute of Risk Management which advises that risk appetite should be identified for each risk. *Risk appetite is the amount of risk that an organisation is willing to seek or accepts in order to meet its long term objectives.*
- 3.5 Whilst mindful of the need to ensure risk management arrangements are proportionate, it is now appropriate to enhance the Register to better inform those responsible for managing the risks. The environment in which the Council operates has changed considerably in recent times and the organisation now faces significant financial pressures. The Council's transformation programme encompasses the response to risk moving forward. Risk mitigation will be limited by how much we have to spend. Members' and officers' appetite for the level of risk the Council is prepared to accept will by necessity have to increase accordingly. Under this new approach it is important that we determine risk appetite.

- 3.6 In response to this the Register has been re-formatted to include unmitigated and risk appetite scores and track scoring over time. The revised format was reviewed and approved by the Corporate Management Team.
- 3.7 Given the revised format identifies risk appetite for each individual risk, the previous colour coding of red, amber and green based on a single assessment of risk tolerance would be confusing and hence the analysis of red, amber and green will now be based on the extent of the gap between the current residual risk and the risk appetite.
- 3.8 In order to focus senior management and Member attention on areas of greatest risk, the Register should include only the key current risks that have not been mitigated down to the risk appetite level. Hence it is proposed that where risks have been rated as green for 2 or more consecutive quarters they should be removed from the Register. These can be re-instated should the risk rise again.
- 4. CONTRIBUTION TO STRATEGIC AIMS**
- 4.1 Regular review of the Strategic Risk Register is an integral part of effective risk management arrangements and corporate governance. Identifying risk appetite enables the Council to clarify the extent of risk mitigation required in order to achieve its strategic aims.
- 5. COMMUNITY ENGAGEMENT AND INFORMATION**
- 5.1 N/A
- 6. LEGAL IMPLICATIONS**
- 6.1 There are no specific legal implications arising from the recommendations in this report"
- 7. FINANCIAL IMPLICATIONS**
- 7.1 N/A
- 8. BACKGROUND PAPERS**
- 8.1 Appendix 1 - the Council's Corporate (Strategic) Risk Register.

<p>Risk 1: The council does not create and deliver a sustainable Medium Term Financial Plan and/or achieve a balanced budget.</p>		<p>Risk Owner: CMT</p>																				
<p>Risk Rating (Impact x Likelihood)</p> <p>Unmitigated 5 x 5</p> <p>Current Residual 4 x 4</p> <p>Appetite 4 x 1</p> <p>Potential Impact</p> <p><i>Strategic objectives and statutory duties not met. Council unable to set legal budget. Service or services failure</i></p>	<table border="1"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Period</th> <th>Unmitigated</th> <th>Residual</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>17/18 Q2</td> <td>25</td> <td>16</td> <td>8</td> </tr> <tr> <td>17/18 Q3</td> <td>25</td> <td>25</td> <td>8</td> </tr> <tr> <td>17/18 Q4</td> <td>25</td> <td>16</td> <td>4</td> </tr> <tr> <td>18/19 Q1</td> <td>25</td> <td>16</td> <td>4</td> </tr> </tbody> </table>	Period	Unmitigated	Residual	Appetite	17/18 Q2	25	16	8	17/18 Q3	25	25	8	17/18 Q4	25	16	4	18/19 Q1	25	16	4	<p>Rationale for current score:</p> <p>The 2018/19 budget and MTFs has now been agreed by the Council. The £40m of savings over 3 years will require robust management to deliver. Particularly there is a need to take early and robust action on longer term initiatives to ensure that the Council remains a going concern. The General Balances will be improved and a reserve is created to manage future years' volatility.</p> <p>Rationale for risk appetite</p> <p>Achieving a sustainable financial position is essential in order to be a going concern and deliver priorities. Careful planning is essential and the risk appetite is low.</p> <p>Current RAG rating RED</p>
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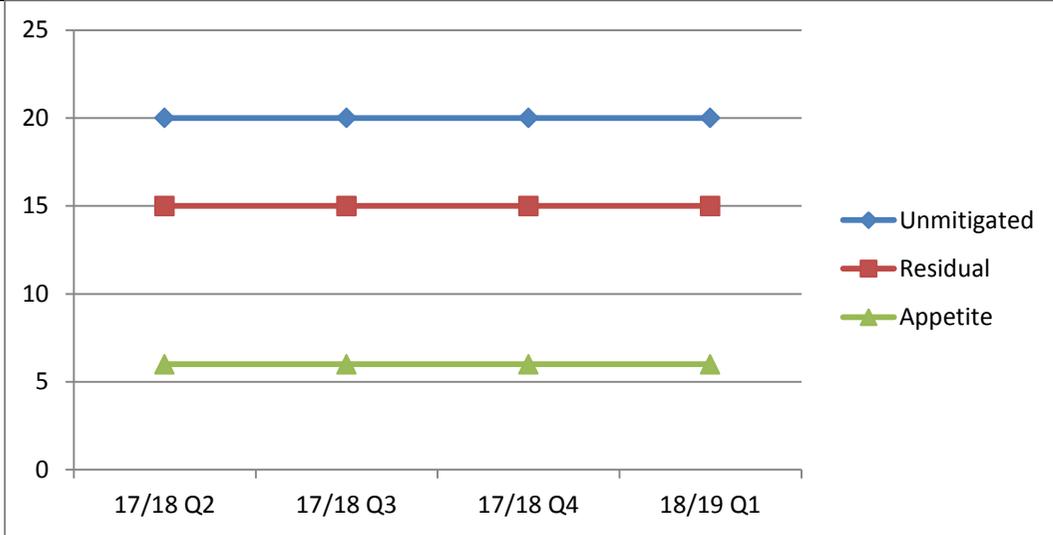
<p>Current Actions (<i>What we are currently doing about the risk - Causes Unmitigated Score to reduce to Residual</i>)</p> <ul style="list-style-type: none"> • MTFS for the period 2018-2021 has now been approved by Council • Robust monitoring arrangements are being put in place re delivery of savings and tracking of budget pressures • Savings being managed by 8 Corporate Programme Boards with CMT sponsor • Delivery Fund allocations are being aligned with Programme Boards on gateways to access funding will be managed via the Board structure. Spend will be agreed where appropriate • A revised strategy for use of Capital Receipts will be submitted to Policy Committee in June 	<p>Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities</p> <table border="1"> <thead> <tr> <th></th> <th>Officer (s) responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>Revision of 2018/19 budget and MTFS completed.</td> <td></td> <td></td> </tr> <tr> <td>It takes account of actual and emerging pressures with an appropriate contingency. Robust monitoring and early delivery of savings is now required to give confidence that the MTFS is deliverable.</td> <td>Head of Finance/ CMT</td> <td>Ongoing</td> </tr> <tr> <td>Implement Programme Boards with plan of savings targets</td> <td>CMT</td> <td>1st Qtr 2018/19</td> </tr> <tr> <td>Particular focus needed on those more complex proposals, such as market testing, due for delivery in the later years of the MTFS</td> <td>CMT</td> <td>1st Qtr 2018/19</td> </tr> </tbody> </table>		Officer (s) responsible	Target date	Revision of 2018/19 budget and MTFS completed.			It takes account of actual and emerging pressures with an appropriate contingency. Robust monitoring and early delivery of savings is now required to give confidence that the MTFS is deliverable.	Head of Finance/ CMT	Ongoing	Implement Programme Boards with plan of savings targets	CMT	1 st Qtr 2018/19	Particular focus needed on those more complex proposals, such as market testing, due for delivery in the later years of the MTFS	CMT	1 st Qtr 2018/19
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<p>Risk 2: <i>Insufficient or lack of capable staff resources to deliver our services in an effective and efficient manner</i></p>	<p>Risk Owner: Head of HR & Organisational Development</p>															



Risk 3: Information created, accessed, handled, stored, protected and destroyed by the Council and its service areas is not managed in compliance with legislation or local policies. Council services do not fully understand or manage the risks such non-compliance involves therefore not making informed, risk based decisions.

Risk Owners: Head of Legal/ Head of Customer Services

Risk Rating (Impact x Likelihood)
 Unmitigated 5 x 4
 Current Residual 5 x 3
 Appetite 3 x 2
Potential Impact
Fines/penalties, reputation damage, service failure.



Rationale for current score:
 The likelihood remains high as incidents tend to be due to human errors rather than weakness in control. Fines are increasing, hence potential impact remains high.

Rationale for risk appetite
 In addition to the financial risk, financial penalties are now very high, hence the Council will seek to minimise the risk of these being incurred.

Current RAG rating **RED**

Current Actions(What we are currently doing about the risk- Causes Unmitigated Score to reduce to Residual)

- Ongoing corporate training programme for data protection, raising awareness with staff groups of the need to handle personal data securely and properly. Data Protection Training is mandatory for all staff.
- GDPR Project team established and working towards GDPR compliance so as to avoid large penalties and fines.
- Due to a staff resignation, two new Information Governance Officers are to be appointed, one permanent and one fixed term for one year. This will bolster the team at a time when the demand from the organisation for advice and support is increasing.

Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities

	Officer responsible	Target date
Need to test application of training by officers and monitor both the effectiveness and that the right staff handling sensitive data is prioritised.	CMT	May 18
Need identified to update data protection suite of policies and to monitor awareness of the procedures and steps to take in response to breach.	CMT	May 18
GDPR introduces increased fines and data subjects' legal right to compensation. The latter is likely to create a spawn of litigation that will be very costly and labour intensive to manage, plus reputational damage	CMT	May 18

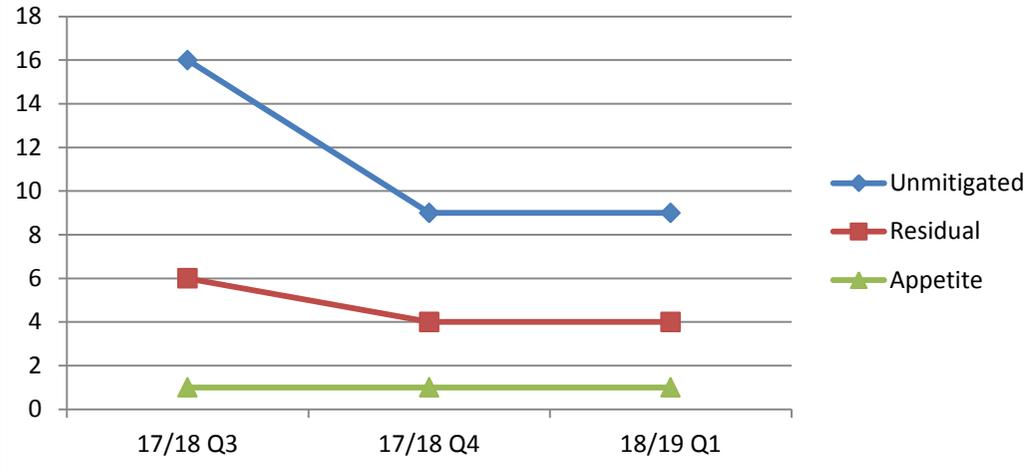
<p>Risk 4: The Council does not follow its own governance procedures leading to failure to deliver services and/or value for money and/or it can be challenged through a legal process</p>		<p>Risk Owners: Head of Legal/ Director of Resources</p>																					
<p>Risk Rating (Impact x Likelihood)</p> <p>Unmitigated 5 x 4</p> <p>Current Residual 4 x 3</p> <p>Appetite 3 x 2</p> <p>Potential Impact</p> <p><i>Breach of Officer or Member code of conduct. - Breach of Information Security or Governance or Confidentiality leading to Information Commissioner review. - Ombudsman, Ofsted, External Audit, Care Quality Commission. Legal challenge from those who interact with the Council</i></p>	<table border="1"> <caption>Risk Register Data</caption> <thead> <tr> <th>Quarter</th> <th>Unmitigated</th> <th>Residual</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>17/18 Q2</td> <td>16</td> <td>12</td> <td>6</td> </tr> <tr> <td>17/18 Q3</td> <td>20</td> <td>12</td> <td>6</td> </tr> <tr> <td>17/18 Q4</td> <td>20</td> <td>12</td> <td>6</td> </tr> <tr> <td>18/19 Q1</td> <td>20</td> <td>12</td> <td>6</td> </tr> </tbody> </table>	Quarter	Unmitigated	Residual	Appetite	17/18 Q2	16	12	6	17/18 Q3	20	12	6	17/18 Q4	20	12	6	18/19 Q1	20	12	6	<p>Rationale for current score:</p> <p>While controls are in place, they are not always being followed. Processes are improving as are training and policies, but the impact of this is not yet proven. Early review of the draft AGS suggests that not enough progress has yet been made to reduce the residual risk.</p> <p>Rationale for risk appetite</p> <p>A Council should be a model of propriety and control to ensure confidence in its handling of public assets. Hence the likelihood of non-compliance should be at a minimal level. Good governance underpins all work to achieve the Council's targets</p> <p>Current RAG rating RED</p>	
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<p>Current Actions (What we are currently doing about the risk- Causes Unmitigated Score to reduce to Residual)</p> <ul style="list-style-type: none"> Follow up on Audit Recommendations to ensure that they are all dealt with fully so that systems, processes and compliance are improved. The current induction programme for new members of staff to include guidance to certain key governance policies (including the Code of Conduct); Staff code of conduct to be issued with contracts of employment Strategic risk register to be kept up to date and reviewed promptly. Roll out of net consent for policy management; recently used for GDPR training. Risk management training completed or planned for Heads of Service & Directors Full review of Strategic Risk Register undertaken Nov 17. Code of Conduct relaunched. Budget managers trained in Nov 17 		<p>Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities</p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>Further budget management training to take place in July 2018</td> <td>Head of Finance</td> <td>Jul 18</td> </tr> <tr> <td>Local Code of Corporate Governance for RBC to be updated to conform to CIPFA/SOLACE guidelines.</td> <td>Policy Officer</td> <td>July 18</td> </tr> <tr> <td>Continue to use the Directorate Performance Steering Groups to drive compliance</td> <td>Head of Finance</td> <td>1st Qtr 2018/19</td> </tr> <tr> <td>Review reporting format to A&G recommendation tracker and limited assurance reports to be received in full. Service Managers to attend to explain plans</td> <td>Chief Auditor</td> <td>Q2</td> </tr> <tr> <td>Financial Regulations and Financial Procedures to be updated and communicated across the Council</td> <td>Head of Finance/ Director of</td> <td>Q2</td> </tr> </tbody> </table>			Officer responsible	Target date	Further budget management training to take place in July 2018	Head of Finance	Jul 18	Local Code of Corporate Governance for RBC to be updated to conform to CIPFA/SOLACE guidelines.	Policy Officer	July 18	Continue to use the Directorate Performance Steering Groups to drive compliance	Head of Finance	1 st Qtr 2018/19	Review reporting format to A&G recommendation tracker and limited assurance reports to be received in full. Service Managers to attend to explain plans	Chief Auditor	Q2	Financial Regulations and Financial Procedures to be updated and communicated across the Council	Head of Finance/ Director of	Q2		
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<ul style="list-style-type: none"> Refreshed anti-fraud & corruption and anti-money laundering policy approved by policy committee in April 2018. 	<table border="1"> <tr> <td data-bbox="1055 132 1693 165"></td> <td data-bbox="1693 132 1921 165">Resources</td> <td data-bbox="1921 132 2098 165"></td> </tr> </table>		Resources	
	Resources			

<p>Risk 5: Failure of major contract causes financial, service delivery, legal and H&S issues which directly impact the Council - (Care Homes, Home Care, ICT, OOH Call Handling, EDS etc)</p>	<p>Risk Owners: Head of Strategic Commissioning</p>
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<p>Risk Rating (Impact x Likelihood)</p> <p>Unmitigated 5 x 4</p> <p>Current Residual 4 x 3</p> <p>Appetite 3 x 2</p> <p>Potential Impact</p> <p><i>Disruption to services. Failure to meet statutory duties</i></p>	<table border="1"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Quarter</th> <th>Unmitigated</th> <th>Residual</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>17/18 Q3</td> <td>20</td> <td>12</td> <td>9</td> </tr> <tr> <td>17/18 Q4</td> <td>20</td> <td>12</td> <td>6</td> </tr> <tr> <td>18/19 Q1</td> <td>20</td> <td>12</td> <td>6</td> </tr> </tbody> </table>	Quarter	Unmitigated	Residual	Appetite	17/18 Q3	20	12	9	17/18 Q4	20	12	6	18/19 Q1	20	12	6	<p>Rationale for current score:</p> <p>Increasing pressure on children's/adults social care due to changing demographics.</p> <p>Rationale for risk appetite</p> <p>Tolerance is relatively low due to knock on effect on service delivery</p> <table border="1"> <tr> <td data-bbox="1563 1027 1839 1082">Current RAG rating</td> <td data-bbox="1839 1027 1960 1082">RED</td> </tr> </table>	Current RAG rating	RED
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<p>Current Actions (What we are currently doing about the risk- Causes Unmitigated Score to reduce to Residual)</p> <ul style="list-style-type: none"> • Providers are required to have a business continuity plan in addition where the provider is not an RBC run service the plans of each independent provider are checked as part of the ASC contract monitoring procedures. • Currently retendering for contracts with the voluntary sector. • Agreed a Section 75 for the Better Care Fund • Business Continuity Plans reflect critical functions. • Key contracts are monitored on a regular basis as part of the contract performance mechanisms in place for all contractors. This should address any capacity or performance issues that might indicate that there may be issues with financial/general viability • Financial assessments of tenderers undertaken for all major contracts let by the Council and annual financial assessment checks where appropriate for major contractors • To raise profile of having effective contract management in place • The ASC provider failure protocol has recently been updated and approved 	<p>Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities</p> <table border="1" data-bbox="1070 236 2060 391"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>Continue to develop the Reading Integration Board with all partners to secure opportunities to support vulnerable people in the community</td> <td>Head of ASC</td> <td>Ongoing</td> </tr> </tbody> </table>		Officer responsible	Target date	Continue to develop the Reading Integration Board with all partners to secure opportunities to support vulnerable people in the community	Head of ASC	Ongoing
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<p>Risk 6: Insufficient vision and strategy for regeneration and economic growth leading to a lack of long-term investment in strategic infrastructure and consequential decline in economic growth and prosperity in Reading and the wider sub-region.</p>		<p>Risk Owners: Director of Environment & Neighbourhood Services</p>																		
<p>Risk Rating (Impact x Likelihood)</p> <p>Unmitigated 3 x 3</p> <p>Current Residual 2 x 2</p> <p>Appetite 1 x 1</p> <p>Potential Impact Declining growth in Reading will present less job opportunities and a likely decline or stagnating incomes/living standards.</p>	 <table border="1" data-bbox="488 917 1523 1388"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Period</th> <th>Unmitigated</th> <th>Residual</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>17/18 Q3</td> <td>16</td> <td>6</td> <td>1</td> </tr> <tr> <td>17/18 Q4</td> <td>9</td> <td>4</td> <td>1</td> </tr> <tr> <td>18/19 Q1</td> <td>9</td> <td>4</td> <td>1</td> </tr> </tbody> </table>	Period	Unmitigated	Residual	Appetite	17/18 Q3	16	6	1	17/18 Q4	9	4	1	18/19 Q1	9	4	1	<p>Rationale for current score:</p> <p>Reading's (and the wider Thames Valley) economy remains relatively buoyant but will potentially be negatively affected by wider economic trends, including the impact of Brexit. The Council's role in creating the right conditions for growth is however significant.</p> <p>Rationale for risk appetite:</p> <p>the economic success of the town is critical to quality of life and also has an inherent link to demands on Council services as well as income.</p> <table border="1" data-bbox="1556 1348 1960 1396"> <tr> <td>Current RAG rating</td> <td style="background-color: red; color: white;">RED</td> </tr> </table>	Current RAG rating	RED
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<p>Current Actions<i>(What we are currently doing about the risk- Causes Unmitigated Score to reduce to Residual)</i></p> <ul style="list-style-type: none"> • A33 MRT schemes underway - phases 1 & 2 delivered, phases 3 & 4 due for completion end 2019. (Future phases subject to funding). • Green Park station project - works due to commence in March 2018 with station opening in Summer 2019 • Cow Lane Bridges widening - Work underway, scheduled to be re-open to 2 way traffic Summer 2019. • East MRT - Scheme development ongoing with planning application due to be decided in Summer 2018. Subject to planning the scheme is due to be completed in 2021. • Smart City Cluster Project - A 1.73million grant has been obtained to create an Internet of Things communication platform to gather and distribute data such as an environmental and traffic information. • The Council is preparing a new Local Plan in order to set out how Reading will develop up to 2036 ensuring housing, economic, environmental and social needs are met. • The full housing needs required up to 2036 cannot be delivered within the Borough. RBC is working with Councils within the Western Berkshire Housing Market Area through an agreed MoU to ensure that the full housing needs are accommodated. • Joint work with Reading UK CIC to market and promote the town and proposals to expand the Business Improvement District to continue investment in a high quality town centre offer and explore opportunities to improve the public realm. • Joint work with the TV Berkshire LEP to produce Local Industrial Strategy • Delivery of a comprehensive cultural programme to raise Reading's profile, including for inward investors, with this being a key shared endeavour with the Council, Reading UK and the University as key partners, including: <ul style="list-style-type: none"> - Re-opening the Abbey Ruins to the public and as a venue for a range of events and activities; - Further development of the Abbey Quarter, including significant investment in the Town hall & Museum; - Delivery of the three year 'Great Places' scheme, including a new annual Reading-on-Thames Festival. 	<p>Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities</p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>A project to install a 3rd Thames Bridge at East Reading at the base of the A329 is being worked up with neighbouring local Authorities. This would ease traditional bottlenecks at Reading and Caversham Bridges, also reducing Town centre congestion as traffic would no longer be required to travel from the A329 through the Town Centre to the current bridges</td> <td>Strategic Transport Programme Manager</td> <td>TBC - subject to funding</td> </tr> <tr> <td>Continue to develop a comprehensive network of sustainable travel choices, such as Park and Ride, enhanced public transport cycling and walking routes.</td> <td>Strategic Transport Programme Manager</td> <td>TBC - subject to funding</td> </tr> <tr> <td>Further develop delivery plans to achieve the 2050 vision and to secure additional resources linked to these plans building on 'Smart City' investment already secured.</td> <td>Head of Economic & Cultural Dev.</td> <td>Ongoing</td> </tr> <tr> <td>Secure appropriate and high quality development / re-development of the Reading Prison site to enhance the attractiveness of the town centre / Abbey Quarter as a destination.</td> <td>Head of Planning, Dev. & Regulatory Services</td> <td>TBC - subject to MoJ timing and plans</td> </tr> </tbody> </table>		Officer responsible	Target date	A project to install a 3 rd Thames Bridge at East Reading at the base of the A329 is being worked up with neighbouring local Authorities. This would ease traditional bottlenecks at Reading and Caversham Bridges, also reducing Town centre congestion as traffic would no longer be required to travel from the A329 through the Town Centre to the current bridges	Strategic Transport Programme Manager	TBC - subject to funding	Continue to develop a comprehensive network of sustainable travel choices, such as Park and Ride, enhanced public transport cycling and walking routes.	Strategic Transport Programme Manager	TBC - subject to funding	Further develop delivery plans to achieve the 2050 vision and to secure additional resources linked to these plans building on 'Smart City' investment already secured.	Head of Economic & Cultural Dev.	Ongoing	Secure appropriate and high quality development / re-development of the Reading Prison site to enhance the attractiveness of the town centre / Abbey Quarter as a destination.	Head of Planning, Dev. & Regulatory Services	TBC - subject to MoJ timing and plans
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Risk 7: <i>The Council doesn't take adequate mitigation to reduce the risk of injury or death from incidents within Council residential accommodation and private high rise within the borough</i>	Risk Owners: Director of Environment & Neighbourhood Services
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<p>Risk Rating (Impact x Likelihood)</p> <p>Unmitigated 5 x 4</p> <p>Current Residual 5 x 2</p> <p>Appetite 4 x 1</p> <p>Potential Impact</p> <p><i>Death/Injury to individuals and/or non-compliance with relevant legislation</i></p>	<table border="1"> <caption>Risk Register Data</caption> <thead> <tr> <th>Period</th> <th>Unmitigated</th> <th>Residual</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>17/18 Q2</td> <td>16</td> <td>10</td> <td>5</td> </tr> <tr> <td>17/18 Q3</td> <td>20</td> <td>10</td> <td>4</td> </tr> <tr> <td>17/18 Q4</td> <td>20</td> <td>10</td> <td>4</td> </tr> <tr> <td>18/19 Q1</td> <td>20</td> <td>10</td> <td>4</td> </tr> </tbody> </table>	Period	Unmitigated	Residual	Appetite	17/18 Q2	16	10	5	17/18 Q3	20	10	4	17/18 Q4	20	10	4	18/19 Q1	20	10	4	<p>Rationale for current score: A significant amount of work has been undertaken and is underway (across the Council and Fire Service) following Grenfell Tower to address the issues raised by that incident. This has reduced the likelihood of a significant fire related incident but the impact remains high.</p> <p>Rationale for risk appetite The Council has a low appetite for injury or death to its residents /tenants. Considering that the impact of an incident is potentially death, the Councils residual risk score may never reach our appetite.</p> <p>Current RAG rating RED</p>
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<p>Current Actions (What we are currently doing about the risk- Causes Unmitigated Score to reduce to Residual)</p> <ul style="list-style-type: none"> Detailed Housing Service action plan in place to track and monitor actions in respect of fire safety post Grenfell Tower. H&S compliance monitoring being reviewed and strengthened. Council 7x high rise housing blocks: post Grenfell Tower new 'intrusive' Fire Risk Assessments (FRAs) have been completed by a qualified external assessor - covering communal areas and sample of flats; RBFRS have visited all blocks; fire safety information sent to all tenants - visits to all over 65s completed Oct 350 flatted blocks all have an FRA completed as of end December 2017. A block inspector regularly checks all blocks and housing officers are on site most days to ensure frequent monitoring. From this year every flat within the blocks will have their smoke alarm tested every year and tenants are encouraged to check them weekly. Across housing tenures, a total of 86 residential buildings over 18 meters in height have been identified within the Reading Borough Council administrative area including the 7 local authority blocks. The Royal Berkshire Fire and Rescue Service (RBFRS) have visited each one of these premises in order to review fire safety including an assessment of the external materials used on each block Regular liaison between RBFRS and RBC to ensure that interim measures are in place to manage properties where cladding is of a concern. Regular reporting to DHCLG. Corporate working group set up to review, agree and implement actions arising. 		<p>Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities</p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>An independent external review of Council Housing fire safety measures and systems in high rise blocks and wider management practice was commissioned and has now reported. This included Type 4 intrusive Fire Risk Assessments of sample high rise and other higher risk blocks. Overall findings were positive - the advice in respect of additional fire safety measures proposed to proactively improve safety in flatted blocks are being costed and scheduled - this is resulting in a capital requirement over 5 years of circa £6-7m in the Housing Revenue Account. Report to HNL (14 March 2018) updates on the current position with works commencing in 18/19. Works to commence in Autumn 2018.</td> <td>Head of Housing/ N'hoods</td> <td>Autumn 2018</td> </tr> <tr> <td>Additional private sector housing resource to be appointed following the agreement to sign to the MoU. Implementation of the MoU.</td> <td>Head of Planning Development and Regulatory Services.</td> <td>End of March 2018</td> </tr> </tbody> </table>		Officer responsible	Target date	An independent external review of Council Housing fire safety measures and systems in high rise blocks and wider management practice was commissioned and has now reported. This included Type 4 intrusive Fire Risk Assessments of sample high rise and other higher risk blocks. Overall findings were positive - the advice in respect of additional fire safety measures proposed to proactively improve safety in flatted blocks are being costed and scheduled - this is resulting in a capital requirement over 5 years of circa £6-7m in the Housing Revenue Account. Report to HNL (14 March 2018) updates on the current position with works commencing in 18/19. Works to commence in Autumn 2018.	Head of Housing/ N'hoods	Autumn 2018	Additional private sector housing resource to be appointed following the agreement to sign to the MoU. Implementation of the MoU.	Head of Planning Development and Regulatory Services.	End of March 2018											
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<p>Risk 8: Partnerships - Failure to develop and maintain key partner relationships results in failure to deliver key shared outcomes</p>		<p>Risk Owners: Head of Customer Care and Transformation</p>																	
<p>Risk Rating (Impact x Likelihood)</p> <p>Unmitigated 4 x 4</p> <p>Current Residual 3 x 3</p> <p>Appetite 2 x 2</p> <p>Potential Impact</p> <p><i>Community needs not met Negative impact on community cohesion which could lead to extremism. Increased risk of failure of voluntary sector umbrella support</i></p>	<table border="1"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Period</th> <th>Unmitigated</th> <th>Residual</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>17/18 Q3</td> <td>16</td> <td>12</td> <td>9</td> </tr> <tr> <td>17/18 Q4</td> <td>16</td> <td>9</td> <td>4</td> </tr> <tr> <td>18/19 Q1</td> <td>16</td> <td>9</td> <td>4</td> </tr> </tbody> </table>		Period	Unmitigated	Residual	Appetite	17/18 Q3	16	12	9	17/18 Q4	16	9	4	18/19 Q1	16	9	4	<p><i>Rationale for current score:</i></p> <p>A number of partnerships are embedded to secure strategic and operational outcomes.</p> <p><i>Rationale for risk appetite</i></p> <p>Appetite fairly low as the Council seeks to meet the needs of the community and maximise effectiveness and compliance with statutory requirements though working closely with key partners.</p> <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>Current RAG rating RED</p> </div>
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<p>Current Actions (What we are currently doing about the risk- Causes Unmitigated Score to reduce to Residual)</p> <ul style="list-style-type: none"> Reading 2050 vision document was launched in October. This sets out a shared view of key priorities for the future of Reading. We will be working with partners across the town to identify the actions needed to deliver this vision a Reading Futures Commission group made up of key partners is being set up to steer this. Community Safety Partnership - brings together the Council, Police and a wider range of partners and agrees clear joint strategic priorities with activity monitored through a number of delivery groups reporting to the partnership; regular and structured liaison is in place between RBC/Police at a range of tiers. Local Enterprise Partnership and joint working to influence investment in infrastructure, skills and private sector to support economic growth. Cultural Partnership and Cultural Education Partnership to drive delivery of a cultural renaissance and contribute to achieving priority social outcomes, including educational attainment, employment and employability, health and well-being (targeting more vulnerable groups / communities). One Public Estate Partnership - to oversee and implement shared property ambitions across the public estate. CSC - participation in statutory and strategic partnerships to include Local Safeguarding Board, Children's Trust Board, Children's Services Improvement Board, Health & Wellbeing Board. Strategic Management Group (TVP) 		<p>Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities</p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>The Reading Integration Board to work with all partners to secure opportunities to support vulnerable people in the community.</td> <td>Director of Adult Care & Health</td> <td>September 2018</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Officer responsible	Target date	The Reading Integration Board to work with all partners to secure opportunities to support vulnerable people in the community.	Director of Adult Care & Health	September 2018										
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<p>Risk 9 : Children’s Company - Failure to make the successful transition to a viable independent local authority trading company to provide children’s services</p>		<p>Risk Owners: Chief Executive</p>																		
<p>Risk Rating (Impact x Likelihood)</p> <p>Unmitigated 5 x 4</p> <p>Current Residual 5 x 2</p> <p>Appetite 5 x 1</p> <p>Potential Impact</p> <p><i>Death/Injury to individuals and/or non-compliance with relevant legislation</i></p>	<table border="1"> <caption>Risk Levels Data</caption> <thead> <tr> <th>Period</th> <th>Unmitigated</th> <th>Residual</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>17/18 Q3</td> <td>20</td> <td>10</td> <td>4</td> </tr> <tr> <td>17/18 Q4</td> <td>20</td> <td>10</td> <td>4</td> </tr> <tr> <td>18/19 Q1</td> <td>20</td> <td>10</td> <td>4</td> </tr> </tbody> </table>		Period	Unmitigated	Residual	Appetite	17/18 Q3	20	10	4	17/18 Q4	20	10	4	18/19 Q1	20	10	4	<p>Rationale for current score: The impact of not setting up the company given the direction from the DfE would be significant, potentially leading to the service moving to another Council. The risk is being mitigated via a robust governance process, engagement of specialist suppliers with a strong track record in this area and clearly identified internal work stream leads.</p> <p>Rationale for risk appetite: Given the nature of the task, it would be difficult to reduce the risk appetite. We will expect as the programme progresses that the risk would remain moderate.</p> <p>Current RAG rating AMBER</p>	
Period	Unmitigated	Residual	Appetite																	
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17/18 Q4	20	10	4																	
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<p>Current Actions(What we are currently doing about the risk- Causes Unmitigated Score to reduce to Residual)</p> <ul style="list-style-type: none"> A robust governance structure has been put in place with the support of specialist support from Mutual Ventures who have been engaged to provide programme management and specific expertise and track record in setting up a Children’s Company. The Council has reviewed its own capacity to set up the company and has engaged specific additional resources where identified to ensure operational capacity. Following detailed a robust review of transition costs, a S31 grant has been awarded by government to support to the work required to implement the company A detailed and comprehensive programme plan has been developed to ensure that all the requirements of the new company are met and delivered to timescale. This is supported by detailed work stream plans which are updated regularly. A risk register for the project has been developed to capture and assess all project risks by work stream. This document will be regularly reviewed and maintained as the project progresses. Identified mitigation activities will be added to the project plan. A Key Decisions document has been developed for the project. The purpose of this document is to act as a ‘blue print’ for all decisions required to set-up the company - capturing assumptions and in principle decisions to ensure project direction. An MOU is in place between RBC and the DfE which provides a framework for the 		<p>Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities</p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>A chair with excellent experience has been appointed and the appointment of other non- executive directors is in process to complete the board A director of children’s services has been appointed and starts with the Council 1 July 2018</td> <td>Head of HR Chief Executive</td> <td>1 July 2018</td> </tr> <tr> <td>Further work is being done with the new chair to establish the appropriate structure for the senior management of the Company Further recruitment into senior posts to follow</td> <td>Chief Executive</td> <td></td> </tr> <tr> <td>Regularly maintain the programme plan, detailed work stream plans, risk register, and Key Decisions document to identify and progress all required tasks, timelines and required resources - escalating sustained issues and risks to senior project stakeholders for mitigation decision-making</td> <td>Children’s Company Project Lead</td> <td>Ongoing to end of project</td> </tr> <tr> <td>Establishing service contract between the Council and the company- approval of first draft</td> <td>Children’s Company Project Lead</td> <td>6 August 2018</td> </tr> </tbody> </table>			Officer responsible	Target date	A chair with excellent experience has been appointed and the appointment of other non- executive directors is in process to complete the board A director of children’s services has been appointed and starts with the Council 1 July 2018	Head of HR Chief Executive	1 July 2018	Further work is being done with the new chair to establish the appropriate structure for the senior management of the Company Further recruitment into senior posts to follow	Chief Executive		Regularly maintain the programme plan, detailed work stream plans, risk register, and Key Decisions document to identify and progress all required tasks, timelines and required resources - escalating sustained issues and risks to senior project stakeholders for mitigation decision-making	Children’s Company Project Lead	Ongoing to end of project	Establishing service contract between the Council and the company- approval of first draft	Children’s Company Project Lead	6 August 2018		
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<p>establishment of the company.</p>	
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Risk 10: Safeguarding (incl Criminal Exploitation & CSE) - Risk of death harm or injury to vulnerable persons for whom we have a responsibility		Risk Owners: Director of Adult & Director of Children's																
<p>Risk Rating (Impact x Likelihood)</p> <p>Unmitigated 5 x 5</p> <p>Current Residual 5 x 3</p> <p>Appetite 4 x 2</p> <p>Potential Impact</p> <p><i>Death or injury. Loss or reputation. Fines/penalties. Insurance claims</i></p>	<table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Period</th> <th>Unmitigated</th> <th>Residual</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>17/18 Q3</td> <td>20</td> <td>15</td> <td>8</td> </tr> <tr> <td>17/18 Q4</td> <td>25</td> <td>15</td> <td>8</td> </tr> <tr> <td>18/19 Q1</td> <td>25</td> <td>15</td> <td>8</td> </tr> </tbody> </table>	Period	Unmitigated	Residual	Appetite	17/18 Q3	20	15	8	17/18 Q4	25	15	8	18/19 Q1	25	15	8	<p>Rationale for current score:</p> <p>Risk of death or serious injury</p> <p>Rationale for risk appetite</p> <p><i>Given the risk relates to the safeguarding of vulnerable individuals the risk appetite is low.</i></p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Current RAG rating RED</p> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> <p><small>NOTE: This risk is now an amalgamation of 3 previous risks and the Appetite has been reviewed in light of this for Q4</small></p> </div>
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Current Actions <i>(What we are currently doing about the risk- Causes Unmitigated Score to reduce to Residual)</i>	Further Mitigation (what more should we do to reduce residual risk to our risk appetite level) and opportunities		
<ul style="list-style-type: none"> • 20% of Safeguarding cases are audited each month using an audit tool agreed by the Safeguarding Adults Board. • The Safeguarding Adults Board has a Safeguarding Adults Review group that reviews information submitted from the Local Authorities and Health Agencies to consider whether a Safeguarding Adult Review is required. Once a review is completed the learning is shared to prevent further incidents • Service Improvement Plan in place to deliver service improvements across the whole of Children's Services reporting to an independently chaired Improvement Board • Regular 3 monthly Ofsted visits to ascertain quality of service delivery to vulnerable children • Traditional and Beyond Audit approach to promote improvements in quality of practice • Child Sexual Exploitation hub in place providing a centralised case management system to ensure timely response to children being exploited or at risk of. • Strategy meetings are held for all Criminal Exploitation referrals • Bid being submitted to Home Office for Trusted Relationships Fund • Maintaining dedicated exploitation social workers and co-ordinator 		Officer responsible	Target date
	Submission of Transformation Plan to Chief Executive. DCEEHS to reduce volume/demand and accelerate improvements	Head of Quality & Improvement	Completed
	Delivery Early Intervention Strategy in DCEEHS to reduce demands on statutory services	Strategic Early Help Lead	July 18
	Quality Assurance of Independent sector for Homecare, residential and supported living	Director of Adult Care & Health	April 18
	Develop Council wide response to Modern Slavery	DACHS	June 18
	Align partners to focus resources and processes on high risk adolescents rather than just CSE	Strategic Early Help Lead	July 18