London Borough of Islington

RISK MANAGEMENT REPORT FOR AUDIT COMMITTEE

JANUARY 2015

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1. INTRODUCTION

This report, which has been prepared for the Audit Committee (AC), is based on a report that was considered and approved by the Corporate Management Board (CMB) in December 2014.

The terms of reference of the Audit Committee highlights specific duties to risk management as follows:

- *To consider the Council's arrangements for corporate governance and risk management and recommend necessary actions to ensure compliance with best practice.*

This report addresses the necessary steps undertaken to improve the risk maturity of the Council and the future planned activities to build on the existing arrangements for risk management and move towards a risk managed organisation where it will enable greater level of empowerment and ownership of risk and opportunities at levels within the organisation.

Audit Committee is therefore requested to:

a. Consider and be satisfied as to the adequacy of the risk management approach;

b. Note the progress made in embedding the new risk management framework and the planned risk management activities going forward;;

c. For major risk exposures, be satisfied with the proposed action.

2. EXECUTIVE SUMMARY

This section provides a summary of the key observations made in this report.

- **Risk management process:** We facilitated 1:1 risk discussions with senior officers, undertaken 24 divisional risk sessions and 5 directorate moderation sessions to arrive at the risks and ratings outlined in this document. A description of the process can be found in section 3.

- **Top-down principal risks:** 11 principal risks have been agreed and moderated by CMB as those risks which either: impact the ability to achieve Islington's key objectives and priorities, are cross-cutting throughout the Council or have the potential to cause severe reputational consequences if it was to materialise. The four highest scoring risks facing the Council at present include: Homelessness as a result of housing demands, the ability to provide an effective repairs service; information governance and our ability to optimise business transformation from future IT projects. This is reflected in the Principal risk heat map in section 5 with further detailed analysis of existing controls and future improvement actions found in appendix A.

- **Major departmental risks**: Certain departmental/divisional risks, not covered by the principal risks, have been identified as having current risk scores above the risk appetite. These are outlined in section 6 and are regularly reviewed by departments on a periodic basis. Details and further analysis for these risks sit with the department owning the risk.

- **Risks overview by numbers:** The table below provides an overview of the principal risks across the Council. The main focus of this report is on principal risks (*a risk profile, however, for each department can be found in section 6)*

	Principal Risks
Total *Risk Events* Identified	**11**
Risks above an acceptable level of tolerability (risk score > 15)	**4**

- **Risk management maturity:** In June 2014, Risk presented Islington's current risk management maturity which was assessed as being *risk aware/formalised* at best. CMB agreed that it would want the Council to be fully *risk enabled/embedded* organisation and approved the proposed next steps. A risk maturity diagram can be found be in section 7.
- **Embedding Risk Management:** A significant number of steps have been taken to embed risk management across the Council. These include increasing awareness through face to face workshops, integrating risk management within operational processes and for major programmes and projects.   Further details are provided in Section 8.

3. RISK MANAGEMENT FRAMEWORK AND PROCESS UNDERTAKEN SINCE JUNE 2014

Purpose of the risk management framework

The aim of the risk management framework is to support informed decision making about risks that affect performance, and ultimately achievement of objectives and goals, across the full range of the Council's activities; including (but not limited to) those related to reputation, strategy, finance, operations, processes, people and projects. The risk management comprises of a 5-stage process which is aligned to the international standard IS03100 for Risk Management. The framework is designed to provide a consistent, proportionate and effective approach to identifying, assessing and dealing with our risks and will assist CMB and AC in:

- Determining the level of risk contained within our processes and activities, both at inherent and current level;
- Recognising, reviewing and prioritising the treatment of significant risks to our strategy and operations;
- Identifying controls that need strengthening and taking appropriate action;
- Enhancing compliance and assurance;
- Optimising operational efficiency; and
- Ultimately, attaining the desired results in performance and achievement.

Risk Management process

Islington's improved risk management process provides a top-down and bottom-up approach:

- The top-down focus determines the overall principal risks that could have an adverse impact on the aims and objectives of the Council. This takes cognisance of input from the previously identified corporate risks and new proposed risks identified during risk discussions throughout the Council.

- The bottom-up departmental risk analysis is undertaken by line management to address the key risks pertinent to their operational activities and is considered by the respective Corporate Director.

The Risk function facilitates both top-down and bottom-up risk analysis and undertakes an important role to synthesise the principal risks and the departmental risks to reach the overall risk profile for Islington which is described in this report.

Divisional risk workshops and Departmental moderation

24 divisional risk workshops were held between August and October in order to identify and assess the major risks to Islington's objectives and overall performance. This was followed by departmental level moderation sessions. The following matters were discussed at each meeting:

- Identification of unintended events (i.e. risks) that could compromise the ability to achieve our objectives and purpose;
- Ascertain the causes and effects of each risk and discuss the effectiveness of existing controls in place for each risk;
- Assess risks for prioritisation and to understand where further improvement actions are required;
- Identify and agree future improvement actions and associated opportunities this presents.

Subsequent risk reviews

The divisional and departmental level risk reviews will continue to take place twice a year covering principal and operational risks.. Between August and September, this will take the form of a detailed risk workshop with division's management team. There will then be an interim review, usually between April and May which will take the form of a risk discussion with a key risk lead in each division and the Service Director. This will focus on major changes, newly identified or emerging risks, the progress of key actions and risk monitoring. Risks identified at the divisional level will be discussed with the respective Corporate Director following each review session

Risk Reporting

A risk report will be submitted to CMB twice a year; the next one is due June 2015. The next CMB report will form the basis of the report to AC in XXX 2015.

4. PRINCIPLES UNDERPINNING THE REPORTING OF RISK OUTCOMES

The key principle underpinning this report is that all principal risks regardless of their current risk exposure are highlighted in this paper. For each risk, an overview of existing controls and planned future actions can be found in the Appendix B to either maintain or reduce these risks to an acceptable level to contain these risks as much as possible (considering a cost-benefit analysis).

For the purposes of this report**, inherent risk** is the level of risk if all the measures and controls were either not in place or were failing. Often this is considered the worst case scenario for this risk. The **current risk** is the current level of risk with all existing controls working effectively. In some cases, further controls will be necessary to reduce risk further, particularly where the current position is above the appetite.

The risk score is calculated by placing a higher weighting and level of seniority on risks which can have a greater impact on the Council's objectives, therefore the risk scoring used is:

Risk Score = (Likelihood x Impact) + Impact
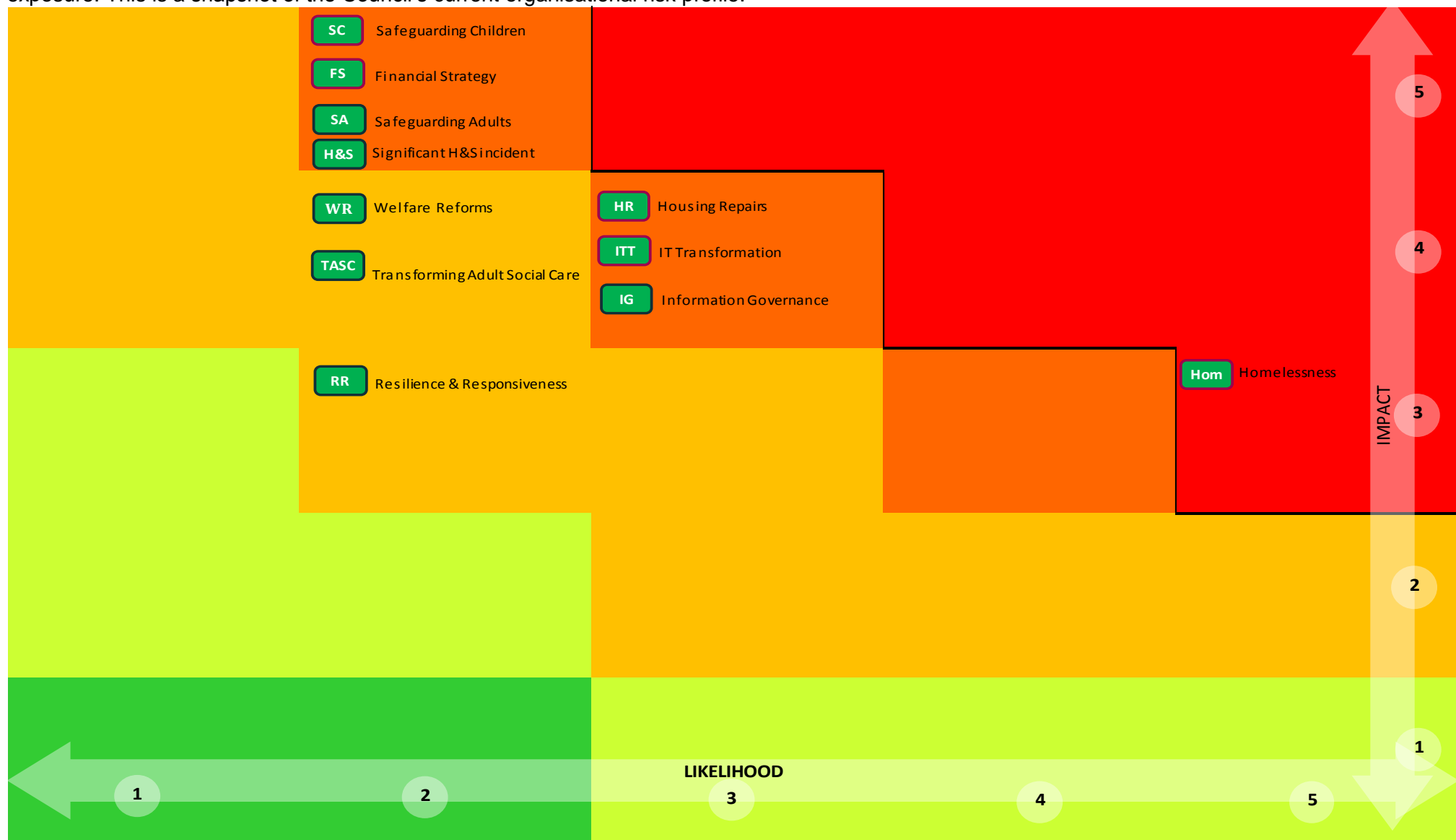
5. ISLINGTON'S PRINCIPAL RISKS

Principal risks (*formerly referred to as corporate risks*) are those risks which can have organisational-wide impacts, cross cutting or strategic in nature. These are identified and owned by CMB and reflect a *top-down* approach to risk management.

All risks (previously identified and new) have now been aligned to the new approach through discussions with risk owners and respective departments considering their root causes and assessed with Islington new risk tolerability matrix

Principal Risks and their current risk assessments (*for further analysis, existing controls and improvement actions for each risk event can be found in Appendix A)*

PRINCIPAL RISKS HEAT MAP

This provides a graphical representation of the placement of principal risks on a heat map. This report provides a quick reference as to the Council's risk exposure. This is a snapshot of the Council's current organisational risk profile.

SC   Safeguarding Children

FS   Financial Strategy

SA   Safeguarding Adults

H&S   Significant H&S incident

WR   Welfare Reforms

TASC   Transforming Adult Social Care

HR   Housing Repairs

ITT   IT Transformation

IG   Information Governance

RR   Resilience & Responsiveness

Hom   Homelessness

IMPACT

LIKELIHOOD

6 DEPARTMENTAL RISK PROFILE (Bottom-up approach)

Major departmental risks (excluding principal risks stated above) are those current risks at either at a divisional level can impact on the ability to achieve departmental objectives negatively impacting service delivery. It is important to monitor these risks to ensure they are satisfactorily resolved with the desired improvement actions.

	Finance & Resources	Chief Exec's Office	HASS	E&R	Children's Services	Public Health	TOTAL
Number of divisional sessions held	7	6	4	3	2	1	23
Number of risks identified within each department	38	26	5	14	4	6	93
Risks above Tolerability (risk score > 15)	1	3	1	0	1	0	6

Of the 6 divisional risks assessed above Islington's risk tolerability, the Risk function will continue to have to have discussions with risk owners who will provide updates on the implementation of improvement actions in time for regular DMT/CMB risk reporting.

A brief summary of the 6 major departmental risks identified include:

Risk Description	Department	Future Improvement Actions (to be monitored at interim divisional risk reviews)
1) There is a risk that the Council's pension fund will become so underfunded that it materially impacts on the council's financial strategy	Finance and Resources (Treasury & Pensions)	• Stabliisation recovery plan in place to utilise over the next 22 years. • New investment managers are being bought in. A diversified growth fund manager allows for active and quicker response to mitigate time it takes to switch between asset allocations when market goes against you.
2) There is a risk that we cannot prevent or do not effectively respond to a major incident *e.g. serious injury/killing of young person with consequent escalation within the community*	Children's Services (Targeted and Specialist Children and Families Services)	• Implementation HMIP Improvement Plan; • Recruit additional staff to manage increased demand; • Ensure that QA systems are working and provide early alert to system problems.
3) There is a risk we do not provide early intervention measures in preventing crime	Chief Executive's Office (Community Safety)	• Development of an Integrated Offender Management system (provides a ranking on offenders based on the frequency and severity of offences)
4) There is a risk we receive a poor ACL Ofsted inspection	Chief Executive's Office (Partnerships & Employability)	• Reviews to be undertaken to identify areas of strengths and build on these as well as address areas for improvement, follow through with staff actions from quality improvement program.
5) Transformation Project to enable more people into sustainable employment does not generate the intended outcomes	Chief Executive's Office (Partnerships & Employability)	• Restructuring/merging of services consultation and implemented to be considered. • Chief Exec communications with regular communications with services and briefings
6) Major shortfall in the development of new council homes (by 2019)	HASS (Housing Strategy and Needs)	• Implementation of key actions identified through internal audit completed in summer 2014. • Undertake a review of resources to support delivery of the new build programme within the planning service.

7. EMBEDDING RISK MANAGEMENT

The key objective for the risk management function is to embed the improved risk management process by building on the enhanced level of information that is being captured, capitalising on the focus and clarity the revised scoring provides and building on the high level of engagement of line management with the risk framework.

A significant amount of progress has been achieved towards embedding the risk management framework as outlined below.

PROGRESS TO DATE

Since July 2014, we undertook or are progressing the following to embed the risk management process:

a) Engaged with senior management in developing a revised risk tolerability criteria for the Council allowing a greater focus on high-impact risks for prioritisation;

b) Development of a new risk framework encouraging the identification of upside risks and root cause analysis allowing staff to think more proactively about risks, provides prompts for identifying risks and outlines roles and responsibilities;

c) Providing Programme and project risk management training to Moving Forward Programme, Care Act work stream leads and the Transformation team;

d) Delivering risk workshops for 23 divisions raising the awareness of a refreshed and pragmatic approach to risk management;

e) Working with Internal Audit to focus audits and assurance activities on high risk areas identified by the organisation.

PLANNED ACTIVITIES

In June 2014, CMB discussed where it would want the Council to be in regards to risk management. Using benchmarking and maturity assessment tools, a series of interviews with senior officers and professional subject matter expertise coupled with internal audit results, Islington's risk maturity was assessed as being **risk aware**. In some specific areas, we observed teams becoming more risk managed.

Existing Islington Risk Maturity

Risk Naive	Risk Aware	Risk Defined	Risk Managed	Risk Enabled
No formal approach developed for risk management	Scattered silo approach to risk management	Strategies and policies in place, communicated and utilised. Risk appetite defined	Enterprise wide approach developed and integrated	Risk Management and internal controls fully embedded into the operations

CMB agreed that it would want the Council to be **fully risk managed** and approved the following steps:

To further embed the improved risk management process, we will continue to undertake the activities outlined above and the following activities over the next 12-months:

- Continue to facilitate, moderate and provide an independent challenge through detailed risk discussions management teams and provide progress updates to CMB biannually.
- Deliver a risk management training session for Audit Committee members;
- Communications for staff to raise awareness of risk and opportunity management and its application;
- Develop early warning indicators (EWI) for principal risks. EWIs are metrics which act as an early warning signal and will be used to monitor identified exposures over time.
- Development of an online training tool/workshop package for day-today managers across the Council to heighten level of risk based thinking.
- Encourage risk discussions and joint collaboration/interdependencies with various risk streams across the Council e.g. Health & Safety, Insurance, Business Continuity, Information Security.
- Agreed to help Strategic Procurement to develop a supplier risk assessment tool to help minimise the possibilities of supply chains risks and build the Council's resilience.
- Align risk management requirements within projects with the overall risk management framework

Appendix A: Risk Management tolerability criteria: The 5-stages of the risk management process consist of understanding objectives and priorities, identifying the risk, analysing risks, evaluating risks and implementing responses. The process is supported by regular consultation, communication, monitoring and review and underpinned for CMB approved impact criteria, likelihood criteria, risk tolerability matrix and a risk response strategy. The criteria, as provided below, were reviewed in June 2014. We will continue to review the criteria with CMB and subject matter experts on an annual basis.

Impact Criteria

NEGATIVE IMPACT	FINANCIAL	ORGANISATIONAL PRIORITIES & STRATEGIC OBJECTIVES	SERVICE DELIVERY	SAFETY & WELLBEING	REPUTATION	LEGISLATIVE/COMPLIANCE	PEOPLE
INSIGNIFICANT (1)	Minimal financial loss which can be accommodated at Divisional level Financial loss less than £100k	Inability/failure to achieve team/individual targets that is not key outcomes or other organisational priorities	Minimal/brief impact on a non-crucial service	No obvious harm/injury/safeguarding risk or obvious impact on safety and wellbeing	Unlikely to cause any adverse publicity, internal only	Non-compliance with industry best practice / local procedures or guidance (no regulatory impact)	Loss of staff/fail to recruit in non-key areas
MINOR (2)	Moderate financial loss which can be accommodated at Directorate Level Financial loss £100k-1million	Failure to achieve a service objective that is not key to outcomes or other organisational priorities	Brief disruption on an important service Moderate disruption on a non-crucial service	Minimal effect on safety and wellbeing. First aid treatment/non-permanent harm up to 1 month / Some potential for safeguarding risk	Some public embarrassment, no damage to reputation	Non-compliance with contracts, standards or legislation with minor consequences	Small number of staff made redundant - and/or affected - loss of staff confidence
MODERATE (3)	Significant financial loss which will have a major impact on the Council's financial plan Financial loss £1m - £5million	Failure to achieve a Islington Plan outcome	Moderate disruption on an important service Major disruption on a non-crucial service	Noticeable effect on safety and wellbeing. Medical treatment required, semi-permanent harm up to 1 year / Noticeable safeguarding risks	Some adverse publicity needs careful press relations, short term damage (<30% of opinion formers)	Non-compliance with contracts / standards or legislation with possible legal or regulatory	Loss of staff/fail to recruit in key areas Damaging to staff morale / negative impact on employee relations
MAJOR (4)	Major financial loss which will have a major impact on the Council's financial plan Financial loss £5m - £10million	Failure to achieve a major Islington Plan outcome or organisational priority	Major disruption to an important service	Multiple casualties with recoverable injuries. Extensive injuries, major permanent harm, long term sickness / Major safeguarding concerns potentially affecting multiple people	Major adverse publicity, major loss of confidence, medium term damage (30-60% of opinion formers)	Major/widespread non-compliance with contracts / standards / legislation with possible legal proceedings leading to major reputational or cost damage. Breaches of law punishable by fines or possible imprisonment	Large number of staff made redundant and/or affected/loss of key skills Significant damage to staff morale and employee relations, threats of industrial action
EXTREME (5)	Severe financial loss which will have a catastrophic impact on the Council's financial plan and resources are unlikely to be available - Financial loss > £10million	Failure to deliver a number of Islington Plan outcomes or other organisational priorities	Major disruption to a number of important services	Multiple death(s) or serious / life-changing non –recoverable injury(s) / extreme safeguarding alerts likely	Adverse national publicity, highly damaging, severe loss of public confidence, long term damage (>60% of opinion formers)	Major/widespread non-compliance with legislation with legal proceedings leading criminal proceedings and long term reputational damage (inc. loss of public confidence). Breaches of law punishable by imprisonment	Large number of staff made redundant and/or affected including Senior Leadership/ substantial loss of irreplaceable skill sets Significant damage to staff morale, industrial action by trade unions

Likelihood Criteria

SCORE	DESCRIPTION	EXAMPLES	PROBABILITY
1	Rare	Very unlikely that this will ever happen	<5%
2	Unlikely	Expected to occur in only exceptional circumstances	6-25%
3	Possible	Expect to occur in some circumstances Has happened elsewhere	26-50%
4	Likely	Expected to occur in many circumstances Has happened in the past	51-75%
5	Almost Certain	Expected to occur most frequently and in most circumstances Imminent	>75%

Risk evaluation matrix

Impact					
5	10	15	20	25	30
4	8	12	16	20	24
3	6	9	12	15	18
2	4	6	8	10	12
1	2	3	4	5	6
	1	2	3	4	5
	Likelihood				

Appendix B: Principal Risk Registers

Key Definitions

Risk: A description of the area of uncertainty. This is sometimes referred to as the undesirable/desirable event that could impact the ability to achieve our objectives.

Potential Cause: This describes the source of the risk that causes the event to happen. They are often referred to as the root cause and risk drivers and can be internally or externally driven. This helps us proactively identify the reasons behind any uncertainty and improves our chances of preventing the risk from materialising.

Effects: Description of the impact and consequences that the risk event will have on the aims and objectives should it materialise.

Inherent Risk Score: Risk score before consideration of existing controls

Current Risk Score: Risk score after consideration and evaluating the effectiveness of existing controls

Existing Controls: Current measures or activities that are currently in place that modifies the likelihood or impact of a risk

Improvement Actions: A planned activity designed to further increase the likelihood that established aims and objectives will be achieved, over and above current or existing controls

Risk Ref: Financial Strategy	Accountable Officer: Corporate Director - Finance & Resources
Risk	***The Council fails to optimise it's financial position required to balance the Council's budget over the medium term***
Potential Causes	a) Uncertainty within the sector due to restrictions of local government grants and funding b) Key decisions not being made at the right-time / ability to implement timely decisions
Effects	• Immediate consequences could mean that reserves are dipped into reducing our financial reserves overall. This could lead to reactive decision-making. • Increases the possibility of critical services being cut and therefore the inability to deliver services to an optimal standard • Longer term consequences include poorer outcomes for residents and an adverse impact on the LBI's reputation.

Inherent risk score: 20 Likelihood: 3 (Possible) Impact: 5 (Extreme)	Current risk score: 15 Likehood:2 (Unlikely) Impact: 5 (Extreme) *Impact Category Assessed: Financial*

Existing Controls	Early identification of proposals by CMB and then engagement with Members leading to engagement with all majority members. As part of a risk based approach to the savings officers willl risk rate proposals from an operational/deliverability point of view and seperately members will risk rate from a political deliverability point of view. On this basis only deliverable proposals should be taken forward. Timetabled re-organisations plans are in place to ensure necessary savings do not impair the council. The Council operates an annual voluntary redundancy scheme to mitigate compulsory redundancies and help with savings deliverability. Head of Finances/Business Partnering relationship with each department to provide guidance/financial advice where required Maintaining strong financial reserves both general and earmarked protect the Council's resilience Regular financial reports produced for the Corporate Management Board and the Executive thoughout the year.

Risk Ref: Information Governance	Accountable Officer: Corporate Director - Finance & Resources (SIRO)
Risk	*There is a risk that the Council does not keep sensitive and/or person identifiable information secure resulting in a major breach of Data Protection legislation*
Potential Causes	a) Theft, hacking or accidental release of a sensitive dataset b) Existing devolved approach to information management, governance and system ownership c) Poor management of third party data processors d) Misunderstanding expectation of new EU data protection regulations e) Lack of suitable awareness, training and guidance
Effects	• Regulatory scrutiny (ICO) compromising our credibility and a loss of public/partner confidence in sharing data with the Council • Sizeable monetary penalty of up to £500k (increasing to £2 million) • Worst case scenario, confidential sensitive data about being lost can have safeguarding consequences for individuals

Inherent risk score: 20 Likelihood: 4 (Likely) Impact: 4 (Major)	**Current risk score: 16** Likehood:3 (Possible) Impact: 4 (Major) *Impact Category Assessed: Legislative & Reputational*

Existing Controls	Mandatory training has been in place for all staff along with staff being trained to report incidents All security incidents are logged and learning shared with cross-directorate leads via DSWG. Incident causes are reviewed and further training is identified and implemented; Network security controls are in place. Documented and approved governance approach, with representatives from each directorate attending routine meetings of CGG, DSWG and IGO meeting
Improvement Actions:	Each directorate is producing a contract register of contracts that include data processing but which are not addressed on the corporate procurement contract register; Information Roadmap to be produced and Information Asset Register and trained Info Asset Owners in place; Engagement with external regulations (ICO) will provide impartial review of council's approach and will suggest improvements; Further reviews of existing training plans and requirements. *Action Owner: Data Security Manager*

Risk Ref: FR4 Welfare Reforms	Accountable Officer: Corporate Director - Finance & Resources
Risk	*Welfare reforms have an adverse impact on our communities and adversely impact the reputation of the Council*
Potential Causes	a) The Council fails to take appropriate action when considering needs of the community
Effects	• Perceived inequalities across the borough with social impacts such an increase in housing and potential hardship/homelessness • Increase in debt levels/Council tax collection difficulties • Criticism of the council

Inherent risk score: 24 Likelihood: 4 (Likely) Impact: 5 (Extreme)	Current risk score: 12 Likehood:2 (Unlikely) Impact: 4 (Major) *Impact Category Assessed: Reputational*

Existing Controls	Joint-up approaches of working across the Council (e.g. Employment and poverty groups); Clear definitions around poverty and collection; Local welfare provision funds are in place; Measuring and identifying complaints and our responsiveness to them *There is an opportunity for the Council to highlight some of the good work undertaken in this area, as the Council have been selected as one of eleven councils for a year long trial. This will help to raise the profile of our efforts to the community and demonstrate positive impacts of managing this risk. A Communications plan is currently being developed to enable this opportunity*

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Risk Ref: Significant H&S Incident	Accountable Officer: Corporate Director of Finance & Resources
Risk	*There is a risk of a significant H&S incident (life changing/fatality) compromising the safety an wellbeing of service users, public or the workforce*
Potential Causes	a) Poorly maintained buildings/equipment; b) Lack of effective implementation/complacency; c) Unclear lines of accountability and responsibility; d) Lack of dedicated monitoring resources available; e) Poor performance of contractors; f) People behaviours which cannot be anticipated.
Effects	• Civil action/criminal prosecution from not meeting statutory requirements • Loss of potential revenue/incurred operational costs/unlimited fines • Potential loss of public confidence and long-term reputational damage

Inherent risk score: 24 Likelihood: 4 (Likely) Impact: 5 (Extreme)	**Current risk score: 15** Likehood:2 (Unlikely) Impact: 5 (Extreme) *Impact Category Assessed: Safety & Wellbeing, Legislative, Reputational.*

Existing Controls	Health and Safety Management System (based on British Standard OHSAS 18001) in place. Programme of training courses covering all aspects of H&S offered to all staff. H&S audits undertaken to identify any working practices needing improvement. On line reporting tool enables all staff to immediately report incidents, and enables corporate H&S staff to monitor reported incidents and thus implementation of immediate actions/changes where needed.
Improvement Actions:	Development of partnership policy outlining clearer roles and responsibilities for Schools. Process of developing certification to ISO18001 in high-risk areas *Action Owner: Service Director, Property Services*

Risk Ref: Safeguarding Children	Accountable Officer: Corporate Director – Children's Services

Risk	***There is a risk we are unable to either prevent, identify and/or respond to children who may be at risk of significant harm or repeated significant harm***
Potential Causes	a) Failure to update and implement the required safeguarding policies and procedures b) Inability to deal effectively with an allegation c) Lack of effective safeguarding skills d) Inability to predict future behaviour
Effects	• Potential harm/loss of life that could have been avoided • Potential litigation/prosecution • Confidence in the council is undermined and significant long-term reputational damage

Inherent risk score: 24 Likelihood: 4 (Likely) Impact: 5 (Extreme)	**Current risk score: 15** Likehood:2 (Unlikely) Impact: 5 (Extreme) *Impact Category Assessed: Safety & Wellbeing, Reputational*

Existing Controls	Robust monitoring arrangements in place though Supervision of staff monthly; Openess and transparent culture of learning QA programme with regular audits of case files and observation of practice quarterly / Safeguarding audits are regularly undertaken within the team Robust legislation/guidelines adhered to be staff members (advice sought from specialist CS lawyers to intepret new pieces of legislation where required) Quarterly safeguarding accountability meetings with the Chief Executive and Leader of the Council DFE external scrunity regulalry undertaken to compare against other local authorities
Improvement Actions:	Keeping abreast of changes in key legislation & provision of regular training to staff members Ensure that QA systems are working effectively and provide an early alert to system problems *Action Owner: Service Director, Targeted and Specialist Children and Family Services*

Risk Ref: **Transforming Adult Social Care** Accountable Officer: Corporate Director – Housing Adult & Social Services	
Risk	***There is a risk we do not realise the benefits of transforming Adult Social Care (i.e. financial savings, transformation, integration, Care Act, quality and choices for service users)***
Potential Causes	a) Incorrect analysis and on savings we can safely make b) Capacity of providers to take on requests c) Ability of the market to deliver new models d) Unforeseen serious incident e) Genuine inefficiencies are non-existent and are therefore difficult to clearly identify f) New duties and powers under the Care Act 2014 g) Lack of existing case law on the Care Act 2014 h) Challenges in anticipating changes ahead (e.g. demands on market, workforce capacity, no. of self-funders) i) Variations in demands and influences throughout the year j) Greater awareness to new legislative acts k) Breakdown in relationships with NHS Trusts preventing the development of integrating core services
Effects	• Inability to successfully transform services / difficulties in personalising services • Loss of public confidence in our ability to deliver • Knock on effects adversely impacting service users • Potential further adverse financial implications • Potential serious injuries and fatalities • Legal implications and fines *Opportunity to enhance service delivery through better experiences where service users become in greater control, reduce duplication of effort thus leading to becoming leaner with savings benefits* *This can also present an opportunity to enhance existing skill sets of our staff and morale from learning from partnership arrangements. Additional learning can be sought from pilots to continuously improve success of projects.*

Inherent risk score: 20 Likelihood: 4 (Likely) Impact: 4 (Major)	**Current risk score: 12** Likehood:2 (Unlikely) Impact: 4 (Major)
	Impact Category Assessed: Service Delivery, Legislative, Financial

Existing Controls	Clear presentations of proposals and communications of transformation approach
	Regular engagement and dialogue with key parties/partnerships with health bodies (i.e. CCG)
	Evidence based findings to support the case for the Programme
	Specialist and experienced external staff in place to undertake accurate projections
	Understanding our current demands and sharing with providers to verify capabilities to provide
	Programme approach to oversee progress, risks, issues, actions and a dedicated programme manager and support team are in place with sufficient governance in place through Moving Forward Programme Board.
	Finance representatives heavily involved in the programme and in monitoring progress / Corporate support infrastructure in place (i.e. Strategy, Legal, HR)
	Lessons learnt for previous incidents and knowledge sharing
	Care Act Implementation developed as a Programme
	Regular legal advice provided to raise awareness of legislative and regulatory changes
	Prudent predictions made for setting targets to accommodate for changes ahead
	Links to regional groups and activities which enables regular updates/policy changes for implementation and a stock take on where any gaps may exist
	Contingency plans as part of implementation
	An integrated board with CCG (section 75 agreements)
Improvement Actions:	PMO to review current governance arrangements of the Moving Forward programme to ensure the programme board have clear oversight of all project timescales and savings.
	PMO to implement new risk management system within Moving Forward programme to ensure there is a more thorough approach to risk management including the early identification, escalation & mitigation of risks.
	PMO to work with Integrated Care Programme to ensure better communication between programmes so that dependencies, risks and opportunities can be identified and addressed early.
	Commissioning service and PMO is setting up project to develop a more effective approach to the market to review our approach to market management and develop a

	robust improvement plan
	Care Act implementation group with the support of dedicated legal resource to analyse new Care Act regulations and RAG rate the areas which may leave the council most open to legal challenge and identify corrective action to ensure we are compliant with new legislation.
	PMO to work with project leads to review approaches taken to identifying potential future demand and highlight any further actions or models that can be used to further clarify demand.
	Care Act implementation group to develop a plan for monitoring how the Care Act requirements are embedded from April 15 to ensure compliance and identify and address issues early on and identify further work needed to support implementation.
	Action Owner: Service Director, Adult Social Services

Risk Ref: Safeguarding Adults Accountable Officer: Corporate Director – Housing Adult & Social Services	
Risk	***There is a risk we do not identify or effectively respond to preventable harm to vulnerable adults***
Potential Causes	a) Not picking up on triggers, identifying trends and patterns at an early stage b) Fast pace of change resulting in staff turnover and lack of quality control over agency staff workers c) Different perceptions from inside the council and with external partners causing varying degrees of effective engagement d) Increase in specialist requirements for staff
Effects	• Safety and wellbeing of adults is compromised, becoming victims of abuse • Significant reputational damage to the council as public lose confidence in our abilities to protect the most vulnerable • Potential cases of litigation against the Council, legal challenges and fines.

Inherent risk score: 24 Likelihood: 4 (Likely) Impact: 5 (Extreme)	Current risk score: 15 Likehood:2 (Unlikely) Impact: 5 (Extreme) *Impact Category Assessed: Safety & Wellbeing, Reputational*

Existing Controls	Safeguarding audits are reguarly undertaken as part of an annual cycle Safeguarding Adults Board with an independent chair Coordinated team in place to work with Care Homes Regular monitoring over safeguarding alerts & using intelligence and data to praoctively identify trends, themes and emerging patterns Partnership working with Hospitals (and safeguarding leads) Extternal training for staff to attend Leaders in Safeguarding events to keep aware of best practice, share knowledge and changes in law Specialist agencies are selected for recruitment of Social Workers
Improvement Actions:	Keeping safe group to have oversight of developmental work undertaken including Making Safeguarding Personal project. New safeguarding guidance for staff will be produced to reflect changes brought by Care Act and Making Safeguarding Personal, this will reduce risks of variable engagement due to different perceptions about abuse and response to concerns. Attendance at specialist meetings which further promote the safety and wellbeing of residents in Islington (i.e. MARAC, Community Risk MARAC, PREVENT meetings).

Risk Ref: Housing Repairs Accountable Officer: Corporate Director – Housing Adult & Social Services	
Risk	***There is a risk we do not deliver an effective repairs service***
Potential Causes	a) Not having the right staff in the right place / capabilities and capacity (both at management and operational level) b) Lack of knowledge on what we need c) Lack of the required financial resource to enable optimal transition d) Uncertainty/external dynamics that we cannot predict or anticipate f) High expectations from residents
Effects	• Immediate consequences would include an increase in the number of complaints from disgruntled residents • Potential legal cases and court fines • Overall loss of resident confidence and faith in the council's ability to deliver • Worst case scenario can result in potential fatalities

Inherent risk score: 24 Likelihood: 4 (Likely) Impact: 5 (Extreme)	**Current risk score: 16** Likehood:3 (Possible) Impact: 4 (Major) *Impact Category Assessed: Service Delivery*

Existing Controls	Organisational reviews carried out from subject matter experts advising on a range of matters from structural processes, whole life integration, procurement etc Utilising external resource and subject matter expertise (as above) Early planning and provision for budgets to ensure lack of resources doesn't become an issue Regular engagement with politicians, providing updates to build stronger relationships with same messages Open and honest communications with residents
Improvement Actions:	Programme board in place to manage integration and service improvement – to continue for 24 months post-transfer. Treated as a change management initiative. Work streams reviewed post-transfer, working to an overall project plan. *Action Owner: Service Director, Housing Property Services*

Risk Ref: **Homelessness** Accountable Officer: Corporate Director – Housing Adult & Social Services

Risk	*There is a risk that Housing demand causes us to use unaffordable temporary accomodation that is in poor condition*
Potential Causes	a) Increases in demands for temporary accommodation b) Failure to effectively manage the demands for temporary accommodation which may be due to: (i) Homelessness due to domestic violence, welfare reforms, housing market factors etc (ii) Lack of affordable supply (iii) Slow processes and turnaround in decision-making (iv) Failure to secure alternatives
Effects	Residents will stay in temporary accommodation longer than needed This can result in further financial deficits/overspend for the council

Inherent risk score: 24 Likelihood: 5 (Almost Certain) Impact: 4 (Major)	**Inherent risk score: 18** Likelihood: 5 (Almost Certain) Impact: 3 (Moderate) *Impact Category Assessed: Service Delivery, Financial*

Existing Controls	Prevention Homelessness Strategy to find innovative and practical ways to resolve and prevent homelessness through the provision of accessible services to members of the borough's community who need assistance. Weekly performance reporting that is reviewed on a regular basis where data are submitted to service- and corporate director, comprising numbers of households moving in and out of TA, reasons for leaving, costs of placements, and length of time of decision making Procurement of cheaper temporary accommodation outside of Islington; Re-negotiation of lower TA rates by removing utilities costs Using vacant council stock earmarked for redevelopment. Increase in percentage of permanent offers made to households in TA. Tighter admission processes & targets set for faster decision making.

	Reviewing intelligence and data to forecast and project demands at an early stage
Improvement Actions:	Help implement London wide TA caps Procure cheaper accommodation, outside of Islington Make better use of the council's three reception centres through re-modelling Re-tender of TA contracts to achieve competitive rates *Action Owner: Service Director, Housing Strategy and Needs*

Risk Ref: Resilience & Responsiveness Accountable Officer: Corporate Director – Environment & Regeneration	
Risk	***There is a risk we are not able to recover critical internal processes/effectively respond to an emergency following a disruptive event within a suitable timeframe***
Potential Causes	a) Key processes not fully adhered to with robust recovery plans not completed or enacted b) Staff not fully understanding the risk and impact of disruptive events c) Inadequate Business continuity management system due to lack of appropriate resources to complete and maintain the system
Effects	• This can result in the loss of buildings, services, key systems, supply and resources • Potential losses of corporate knowledge, reduced ability to run services and failures in the supply chain • Non-compliance with CCA 2004 • Civil and/or criminal prosecution through the high court (as we are a category 1 responder)

Inherent risk score: 20 Likelihood: 4 (Likely) Impact: 4 (Major)	Current risk score: 9 Likehood:2 (Unlikely) Impact: 3 (Moderate)
	Impact Category Assessed: Service Delivery, Legislative

Existing Controls	*Business Continuity-related* Implementation of a BSI standard industry-wide framework for Business Continuity Management Recovery Plans implemented for services across the Council with dedicated support for specialist staff Learning from previous incidents (internally and externally) for critical services *Emergency Planning-related* Publicity drives in place to raise awareness of the function and their remit Local authority liaison officer provides briefings to the EP team CMB support setting the tone at the top and cultural buy-in/regular management engagement Statutory resilience borough forum in place chaired by the Metropolitan police Maintenance of a structured, trained and resilient Crisis Response capability within the Council at Strategic, Tactical and Operational level

Improvement Actions	*In specific regard to ICT business continuity:*
	Disaster recovery plan being developed and testing of individual systems;
	Working without walls project is scoped to deliver replacement remote access solution;
	Services business continuity plans need to include response to loss of remote access.
	Action Owner: Service Director, Digital Services

Risk Ref: IT Transformation	Accountable Officer: Corporate Director – Finance & Resources
Risk	***There is a risk we do not deliver IT projects which will enable/optimise business transformation across the Council***
Potential Causes	a) Insufficient/inappropriate skills within Digital Services to meet deliverables – capability and capacity. b) Insufficient business readiness within the organisation to implement successful business and cultural change c) Third party supplier readiness to introduce change at pace requested by Council; d) Lack of effective governance and oversight arrangements in place e) Scope creep as a result of poor planning and ill-defined requirements from the outset f) Insufficient level of investment/budget allocations made available to optimise transformation
Effects	• Immediate consequences may include: Timescale delays, increase in the number of errors, changes to the cost profile of each project; *Medium to longer-term consequences include:* • Unable to deliver corporate transformation programme therefore impacting our ability to achieve the desired savings • Credibility of Council is questioned due to ineffective use of resources/missed deliverables

Inherent risk score: 20 Likelihood: 4 (Likely) Impact: 4 (Major)	Current risk score: 16 Likehood:3 (Possible) Impact: 4 (Major)
	Impact Category Assessed: Service Delivery, Financial, Organisational Priorities.

Existing Controls	Regular CMB reporting (providing red-flags and indicator for specific projects); Financial profiles are reviewed on a monthly basis; Project Delivery Manager in place to provide assurance for ICT projects. Portfolio Management Board to review ratings across entire portfolio to present to CMB.
Improvement Actions	Review of skills by developing a CPD framework for project managers to replicate across other functional areas; Implementation of project governance process, gating methodology, prioritisation model; Demand management process developed to consider and explore options prior to delivery; Development of technical roadmap to provide a clear outline of future technical standards. *Action Owner: Service Director – Digital Services*