

## NORTH YORKSHIRE COUNTY COUNCIL

## AUDIT COMMITTEE

3 DECEMBER 2015

## INTERNAL CONTROL MATTERS FOR THE BUSINESS AND ENVIRONMENTAL SERVICES DIRECTORATE

## Report of the Corporate Director – Business &amp; Environmental Services

**1.0 PURPOSE OF THE REPORT**

- 1.1 To provide an update to members of progress against the areas for improvement identified in the Business & Environmental Services (BES) Directorate's Statement of Assurance.
- 1.2 To provide details of the latest Risk Register for the BES Directorate.

**2.0 BACKGROUND**

- 2.1 The Audit Committee is required to assess the quality and effectiveness of the corporate governance arrangements operating within the County Council. In relation to the BES Directorate, the Committee receives assurance through the work of internal audit (detailed in a separate report to the Committee), details of the Statement of Assurance provided by the Corporate Director, together with the Directorate Risk Register.
- 2.2 To ensure governance and internal control matters are monitored on an on-going basis the BES Management Team receives and considers a report on a quarterly basis. This covers performance, finance, Statement of Assurance, risk and internal audit.

**3.0 STATEMENT OF ASSURANCE**

- 3.1 Management Board, the Chief Executive and each Corporate Director produce a Statement of Assurance (SoA) at the end of each financial year. In this statement the Corporate Director identifies those items that may give rise to internal control or performance risk issues for the Directorate in the coming financial year. These issues feed into the process to produce the Annual Governance Statement prepared for the County Council.
- 3.2 The SoA for the BES Directorate identified a number of areas for improvement for 2015/16 together with proposed actions. The relevant part of the SoA is attached as **Appendix A** together with comments and updates on progress since that meeting.

## 4.0 **DIRECTORATE RISK REGISTER**

4.1 The Directorate Risk Register (DRR) is produced initially from a review of risks at Service Unit level, which are then aggregated via a sieving process to Directorate level. This end product similarly aggregates these Directorate level risks into the Corporate Risk Register.

4.2 The Risk Prioritisation System adopted to derive risk registers categorises risks as follows:

- Category 1 and 2 are high risk (RED)
- Category 3 and 4 are medium risk (AMBER)
- Category 5 is low risk (GREEN)

These categories are relative and not absolute assessments. The DRR represents the principal risks being managed in BES that may materially impact on the performance and financial outcomes of the Directorate.

4.3 The latest detailed DRR is shown at **Appendix B**. This shows a range of key risks and the risk reduction actions designed to minimise them together with a ranking of the risks both at the present time and after mitigating action.

4.4 A summary of the DRR is also attached at **Appendix C**. As well as providing a quick overview of the risks and their ranking, it also provides details of the change or movement in the ranking of the risk since the last review in the left hand column.

4.5 A review of the BES DRR took place at the end of September and was signed off by the Directorate Management Team. A further formal update review of the register will take place in Q4 of 2015/16.

4.6 The new risks that have been added to the risk register since December 2014 (date of last progress report to the Committee) are as follows:

- 7/22 - LEP Strategy and Growth Deal. This risk combines the implementation and delivery aspects of the old 'Interaction with the LEP' and 'Local Growth Fund Accountable Body Lead' risks.
- 7/174 - Opportunities for Devolution in North Yorkshire and Consideration of a Combined Authority. This is a significantly reworded risk replacing the Leeds City region and combined authorities' risk. This risk is constantly evolving with developments.

4.7 The risks that have been deleted from the Directorate risk register since December 2014 are as follows:

- 7/213 - Local Growth Fund Accountable Body Lead. Delivery aspects are now included in 7/22 as above in paragraph 4.6.
- 7/30 - Procurement and Contract Management.
- 7/201 - Tour de Yorkshire.

4.8 The following risk descriptions have been reworded to reflect changes in the risk, but around the original subject area and are therefore not classed as new risks:

- 7/173 - Minerals and Waste Development Framework
- 7/23 - Major Incident and Business Continuity
- 7/18 - Long Term Waste Service Strategy

## **5.0 RECOMMENDATIONS**

5.1 That the Committee:

- i) Note the position on the Business & Environmental Services Directorate Statement of Assurance;
- ii) Note the Directorate Risk Register for the Business & Environmental Services Directorate; and
- iii) Provide feedback and comments on the Statement of Assurance and Directorate Risk Register and any other related internal control issues.

DAVID BOWE

Corporate Director – Business & Environmental Services

December 2015

Report prepared by Michael Leah, Assistant Director Strategic Resources

## STATEMENT OF ASSURANCE

<b>AREAS FOR FURTHER DEVELOPMENT IDENTIFIED BUSINESS AND ENVIRONMENTAL SERVICES DIRECTORATE</b>		
<b>Areas for Development as Identified in 2014/15</b>	<b>Action Proposed</b>	<b>Progress To November 2015</b>
<p><b>A</b></p> <p><b>2020 North Yorkshire</b></p> <p>As part of the transformational approach within the 2020 NY programme, BES has a savings target £10.5m. Behind this figure is a programme of work which is in place to deliver this saving. With some key projects within this programme, namely Grass Cutting and Gully Emptying, there are some delivery risks that need to be monitored and where appropriate mitigated.</p>	<p>a) Through robust service assessment, a series of business cases will be drafted, reviewed and then signed off in order for BES to plan to achieve the £10.5m savings target over the four years.</p> <p>b) Throughout the implementation process of the business cases, there is a need for close monitoring of the risks and associated mitigation actions. This will be maintained by the Project &amp; Programme Managers, the Programme Team and BES Management Team.</p> <p>c) Key actions areas are:  - public consultation (e.g. re Bus Service, to ensure delivery of service within cash-limited sum of £1.5m)  - promoting &amp; managing the use of volunteers (e.g. insurance flowchart)  - ensuring compliance with statutory obligations in delivering those services set out in legislation.</p>	<p>a) Business cases have been signed off for 6 (of 9) major changes to be implemented by 2016/17. The business cases for the HWRC Review and the Highways and Transportation Review are due to be signed off by 2020 North Yorkshire Programme Board on 24th November. Projects have identified approx. £10.5m of savings with just over £10m to be delivered by 2016/17. The remaining £0.5m is due to be delivered by 2017/18.</p> <p>b) Active risk management has been on-going with the most recent review of programme risks carried out in November 2015 by the 2020 BES Programme Manager, 2020 BES project managers and the AD for Strategic Resources. Key risks for projects are highlighted in business case documents.</p> <p>c) Public consultation on bus service changes completed as planned in August 2015. IPT have actively involved Parish Councils in reviewing tenders for routes.</p> <p>Use of volunteers, in particular to support community transport and PROW (public rights of way), is still part of project plans. Project teams are working closely with the Stronger Communities team to maximise community</p>

## STATEMENT OF ASSURANCE

AREAS FOR FURTHER DEVELOPMENT IDENTIFIED BUSINESS AND ENVIRONMENTAL SERVICES DIRECTORATE		
Areas for Development as Identified in 2014/15	Action Proposed	Progress To November 2015
		<p>based provision of services and work continues to attract more volunteers.</p> <p>Grass cutting changes for 2015/16 have been successfully implemented with minimal impact.</p> <p>The Gully emptying proposals will reduce overall gully emptying from 2 times every 3 years for all gullies to a more risk-based approach e.g. post 1974 developments have a well-designed drainage infrastructure, are less likely to be at risk of blocking and can therefore be emptied less often. Improvements are also being made to the asset data to help support the risk-based approach.</p>
<p><b>B Capacity and Resilience</b></p> <p>Ensuring appropriate levels of capacity and resilience within BES to meet required service levels remains a key action given the size of the current savings programme.</p> <p>This includes any necessary re-skilling of staff to meet new ways of working and the aims of the Council. Within this is continuing to take a more commercial approach to build income</p>	<p>a) As part of the 2020 NY programme, BES will continue to review the statutory &amp; policy obligations for each service. Alongside that, we will set in place a rigorous performance management framework to ensure delivery for those services is maintained. Any potential failures will be identified early and action plans set in place to rectify.</p> <p>b) Where funding has been secured for the team to deliver joint outcomes (e.g. from Public Health) it is essential to</p>	<p>a) In conjunction with the work on the BES ambition, the directorate performance team are currently reviewing each service and how it aligns against the ambition as well as statutory obligations. This framework will help ensure intra-directorate working to achieve the overall objectives.</p> <p>b) Working closely with the Public Health team, BES are producing outline service level agreements (SLAs) which will help ensure outcomes are achieved and therefore funding retained.</p>

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AREAS FOR FURTHER DEVELOPMENT IDENTIFIED BUSINESS AND ENVIRONMENTAL SERVICES DIRECTORATE		
Areas for Development as Identified in 2014/15	Action Proposed	Progress To November 2015
<p>generation that in turn can help maintain a more resilient workforce.</p> <p>This is considered in all reviews of priorities, staffing levels and associated restructures.</p>	<p>manage performance in order to maintain the funding streams.</p>	
<p><b>C Strategic Economic Development</b></p> <p>The development of a Spatial Plan for the sub-region is critical to promote ambition and growth, including through feeding in to the development of a Strategic Transport Plan and Local Transport Plan 4 (LTP4).</p> <p>LEP funding streams continue to support the economic development of the county, including the Local Growth Deal funding of £123m</p>	<p>a) LTP4 sets the County Councils transport strategies and plans for the next 30 years (to 2045) which aims to maximise utilisation of resources through long term planning. The County Council is also committed to producing a comprehensive Strategic Transport Plan to cover the period 2016-2045, which will be adopted in early 2016/17.</p> <p>b) Continue to manage the LEP funding streams whilst ensuring the Council, as Accountable Body, is protected from any undue risk through the operation of sound assurance and due diligence practices.</p>	<p>a) The Council has produced a Strategic Transport Prospectus for North Yorkshire (which can be found <a href="#">here</a>). This outlines strategic priorities for the geography of North Yorkshire and beyond. For example linking Yorkshire into the proposed HS2 rail network.</p> <p>b) The Economic Partnership Unit continues to have a close working relationship with the County Council and report back through the Capital Programme Board on expenditure.</p>

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AREAS FOR FURTHER DEVELOPMENT IDENTIFIED BUSINESS AND ENVIRONMENTAL SERVICES DIRECTORATE		
Areas for Development as Identified in 2014/15	Action Proposed	Progress To November 2015
<p>D</p> <p><b>Waste Management Strategy</b></p> <p>Moving to Teckal arrangements for Yorwaste is a key factor in achieving the best value from the Waste Project at Allerton Park.</p>	<p>a) In consultation with our internal and external legal advisors, set in place a robust framework for the Teckal arrangements with clear guidance of the policy.</p> <p><i>Teckal arrangement will allow NYCC to award Yorwaste contracted work without requiring a full, open competitive procurement process. There is an established EU principle which permits this as long as the parties can demonstrate the control test (which in this case is greater than 80% of activity is through public sector bodies).</i></p> <p>b) Work closely with Yorwaste to monitor levels of waste throughput to ensure that these optimise the Allerton Park plant operation in 2018.</p> <p>c) Prior to Allerton Park becoming operational, put in place a contract management system to enable close observation of risks and to assist with the pricing mechanism with Amey Cespa.</p>	<p>a) The Teckal project has been completed with the Service Contract being awarded to Yorwaste on 18<sup>th</sup> September 2015.</p> <p>b) Discussions progressing with Yorwaste and NYCC to ensure optimal amounts of waste are delivered to Allerton Park. AmeyCespa are developing their commissioning plan detailing amounts of waste needed to effectively commission the facility.</p> <p>c) Contract management systems developed to track delivery of obligations for both parties. Construction risks reviewed on a monthly basis with AmeyCespa. Internal Project Board meets quarterly to discuss project progress, risks and issues. In the process of arranging knowledge transfer for Payment Mechanism and Financial Model from external consultants (EY) to NYCC team.</p>

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<b>Areas for Development as Identified in 2014/15</b>	<b>Action Proposed</b>	<b>Progress To November 2015</b>
<p><b>E Contract Management</b></p> <p>Additional work is focused on ensuring we maximize the value from our contracts which represents over 70% of gross expenditure in BES, including changing the remit of the Commercial Services Unit to focus on the management of Highways contracts.</p> <p>Resource is being utilized to review our key contracts to identify opportunities for savings, improving contractor/client relationships and effective performance management.</p>	<p>a) Review contract arrangements across key activities in BES to identify savings, improved contract performance arrangements, and client/contractor relationships.</p> <p>b) Focus on key contracts such as the Highways Maintenance Contract (as delivered by Ringway), Highways design contract, waste and passenger transport – which are high value and/or high risk.</p>	<p>The Council's internal auditor, Veriatu, have been approached to perform a contract "health check" to review the three broad stages of contract lifecycle:</p> <ul style="list-style-type: none"> <li>• Procurement</li> <li>• Mobilisation</li> <li>• Service operation</li> </ul> <p>This will help inform any weaknesses within BES around approach to managing large contracts.</p>
<p><b>F Highways Maintenance - Capital Funding</b></p> <p>In future years up to £5m of the Council's DfT Highways capital funding will be dependent on meeting the requirements of "Incentive element" which are around efficiency and asset management. Authorities are</p>	<p>a) Take steps to ensure that the County Council is awarded the maximum allocation possible through the 'incentive elements' of grant funding. This will be closely monitored over the next two years and will include the development of a robust asset management plan.</p>	<p>The BES directorate have completed a self-assessment which has demonstrated H&amp;T are on track to ensure maximum DfT funding.</p> <p>In addition to this, the LGA have conducted a peer review of the service to help inform any improvement areas.</p> <p>Both of these tasks are feeding into an action plan to improve the service and achieve the maximum possible DfT rating.</p>



## STATEMENT OF ASSURANCE

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<p>required to carry out a self-assessment against a set of national criteria and can be placed in either Band 1, Band 2 or Band 3 with the latter being the most efficient. The Department for Transport recognises the need for all authorities to go through their own improvement journey and therefore the requirement to achieve a certain banding to retain the full 'incentive element' increases over time.</p>		

## BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 1 - Identification											
<b>Risk Number</b>	7/24	<b>Risk Title</b>	7/24 - Capital Programme				<b>Risk Owner</b>	CD BES		<b>Manager</b>	AD SR (BES/CS) & Perf
<b>Description</b>	Ineffective management of capital programme including BALB, LEP, LTP, LSTF, RFA, LTB, Waste Management and projects resulting in significant overspend/underspend, weak use of resources, loss of reputation and performance.					<b>Risk Group</b>	Financial		<b>Risk Type</b>	H&T 9/195	
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Project mgrs/sponsors for each project; regular financial & project monitoring and reporting of the programme; project planning; Gateway training carried out; Capital Projects Board in operation; sub group of Capital Projects Board in place when required, risk assessment carried out in Capital Plan reports feed into MTFs; Finance Officer support to Capital; risk register for major schemes; project board for major schemes; IDSG; appropriate actions and contingencies dependent on risks established & reported to BESMT on a regular basis; risk assessment for major schemes; additional and effective highways capital programme resource / manager to drive delivery of the programme implemented; Specific and ongoing training in financial and project management for key BES staff; PIR of major projects; Schemes portal, assurance framework for LEP in place, contract management health measurement and reporting in place; 2 year LTP works programme with realistic targets and alignment of internal and external delivery resources; assurance framework for LEP in place;					<b>Effectiveness</b>			
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	2
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>		
<b>Reduction</b>	7/175 - Ensure high quality, timely reports to Capital Projects Board and Exec members covering key service and financial risk items (ongoing)						AD SR (BES/CS) & Perf	Fri-30-Sep-16			
<b>Reduction</b>	7/258 - Operate 2 year LTP works programme ensuring realistic delivery targets and alignment of internal and external delivery resources.						BES AD H&T	Tue-30-Jun-15	Wed-31-Dec-14		
<b>Reduction</b>	7/259 - Continue to introduce efficiency measures for capital projects and programmes where relevant – focus on highways capital works programme for structural maintenance taking into account HMEP self assessment outcomes to achieve optimal use of funding (ongoing)						AD SR (BES/CS) & Perf BES AD H&T	Fri-30-Sep-16			
<b>Reduction</b>	7/439 - Provide advice and support on the development and delivery of investments programmes						AD SR (BES/CS) & Perf BES AD H&T	Thu-31-Mar-16			
<b>Reduction</b>	9/450 - Seek to integrate Oracle/Planning Tool/Symology and Project Vision						BES AD H&T BES PIO	Sun-31-Jul-16			
<b>Reduction</b>	11/180 - Ongoing advice and support for the LEP on financial and partnership governance						AD SR (BES/CS) & Perf	Fri-30-Sep-16			
<b>Reduction</b>	11/182 - Continue to assess current capabilities and put in place any requirements necessary to enable effective delivery of capital projects (ongoing)						AD SR (BES/CS) & Perf	Fri-30-Sep-16			
<b>Reduction</b>	11/268 - Explore the introduction of moving to single portfolio management for existing and future capital projects to ensure best practice						AD SR (BES/CS) & Perf BES AD H&T	Fri-30-Sep-16			
Phase 4 - Post Risk Reduction Assessment											

BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**

Report Date: 5<sup>th</sup> October 2015 (pw)

<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	3
<b>Phase 5 - Fallback Plan</b>											
										<b>Action Manager</b>	
<b>Fallback Plan</b>	7/72 - Review of all resources and procedures; media management; member engagement; intervention by Capital Projects Board										CD BES



## BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 1 - Identification											
<b>Risk Number</b>	7/189	<b>Risk Title</b>	7/189 - Delivery of transport schemes within the LEP's Strategic Economic Plan					<b>Risk Owner</b>	CD BES	<b>Manager</b>	BES AD H&T
<b>Description</b>	Failure to deliver the programme of transport schemes within the LEP's Strategic Economic Plan results in reputational damage to the County Council and impacts upon the potential to secure funding for transport schemes in future rounds of the Local Growth Fund. There is a direct role for H&T to deliver the schemes promoted by the County Council and support the LEP in the Transport role, but also a supporting role to assist third party scheme promoters specifically the district councils.						<b>Risk Group</b>	Performance	<b>Risk Type</b>	Dir Only	
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Programme in place for delivery of County Council promoted schemes; support being provided to the third party scheme promoters; risk analysis for each scheme undertaken; effective engagement with LEP; Senior Transport Planning Officer (Transport projects) now in post to support the LEP and NYCC in delivery of SEP funded schemes;					<b>Effectiveness</b>			
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	H	<b>Category</b>	2
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>		
<b>Reduction</b>	7/318 - Continue to engage with the LEP and support them to manage risks associated with specific scheme programmes						CD BES	Fri-30-Sep-16			
<b>Reduction</b>	7/436 - Continue to ensure sufficient resource in H&T to effectively promote County Council schemes						BES AD H&T	Fri-30-Sep-16			
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	H	<b>Category</b>	3
Phase 5 - Fallback Plan											
									<b>Action Manager</b>		
<b>Fallback Plan</b>	7/537 - LEP to consider re-profiling Local Growth Fund programme									CD BES	

## BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 1 - Identification											
<b>Risk Number</b>	7/7	<b>Risk Title</b>	7/7 - Statutory Duties				<b>Risk Owner</b>	CD BES	<b>Manager</b>	CD BES	
<b>Description</b>	Failure to carry out statutory duties or meet statutory deadlines (e.g. Health and Safety, safe guarding, information governance, prevention of waste pollution, planning responsibilities, statutory property related issues, driver/vehicle guidance) resulting in Corporate Manslaughter, increased cost/claims, fines/prosecution and criticism.					<b>Risk Group</b>	Performance	<b>Risk Type</b>	Dir Only		
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Service plans; service unit risk registers; allocation of responsibility training for key staff; prof. bodies incl. HSE; CPD; CDM; RMWGs; routine inspecs; contractor selection proc; NYCC legal and safety advisers; annual contractor training; Designated Directorate H&S Manager and support; regular item on BESMT; SMTs; Partnership and contract managers group; Directorate H&S working group; risk assessment; incident feedback; previous risk assessment on most sites; landfill gas perimeter controls; annual review of all sites (monitoring results); regular monitoring; use of consultants; agency staff; documented proc; record of dec. actions; audit and review of proc/compliance, inspecs, actions and training; corporate policies, procedures and champions; services to employ sufficient numbers of professionally trained/qualified officers; prioritisation matrix for resources in place in Trad Stds;					<b>Effectiveness</b>			
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	M	<b>Reputation</b>	H	<b>Category</b>	2
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>		
<b>Reduction</b>	7/458 - Ensure that the current H&S procedures are audited to ensure compliance (ongoing)					CD BES		Fri-30-Sep-16			
<b>Reduction</b>	7/459 - Review the H&S arrangements of Contractors and Partner organisations (ongoing)					BES AD H&T		Fri-30-Sep-16			
<b>Reduction</b>	7/461 - To monitor all service plans and risk registers and ensure they are checked on a regular basis (ongoing)					BES MT		Fri-30-Sep-16			
<b>Reduction</b>	7/462 - Review incidents and claims statistics including large losses and develop action plans (ongoing)					BES MT		Fri-30-Sep-16			
<b>Reduction</b>	7/480 - Review the Prioritisation matrix for Trading Standards resources					BES AD TS&P		Fri-1-Apr-16			
<b>Reduction</b>	7/483 - Source and deliver relevant contracts to TS work to mitigate against budget cuts and maintain service resilience					BES AD TS&P		Thu-31-Mar-16			
<b>Reduction</b>	7/500 - Complete training relating to new CDM Regulations for construction work					BES AD H&T		Thu-31-Dec-15			
<b>Reduction</b>	14/788 - Develop incident plan for incidents relating to former landfill sites					BES W&CS D&O Tm Ldr		Tue-31-Mar-15		Tue-31-Mar-15	
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	M	<b>Reputation</b>	H	<b>Category</b>	3

BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**

Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 5 - Fallback Plan		
		Action Manager
<b>Fallback Plan</b>	7/78 - Implement appropriate management and contingency plans; review priorities and reprioritise service delivery; media management	CD BES



## BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 1 - Identification											
<b>Risk Number</b>	7/22	<b>Risk Title</b>	7/22 - LEP Strategy & Growth Deal					<b>Risk Owner</b>	CD BES	<b>Manager</b>	BES AD EPU
<b>Description</b>	Failure to implement LEP Strategy and Growth Deal by 2020 resulting in significant financial clawback, reputational damage and failure to attract future investment.						<b>Risk Group</b>	Strategic	<b>Risk Type</b>	EPU 176/212	
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			LEP strategy in place; Growth Deal implementation plan; local partners (mainly Councils); legal and financial supporting due diligence assurance and evaluation frame work in place;						<b>Effectiveness</b>		
<b>Probability</b>	M	<b>Objectives</b>	H	<b>Financial</b>	H	<b>Services</b>	M	<b>Reputation</b>	H	<b>Category</b>	2
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>		
<b>Reduction</b>	176/288 - Continue to delivery of annual business plan						BES AD EPU	Wed-31-Mar-21			
<b>Reduction</b>	176/289 - On going engagement of Partnership with LAs						BES AD EPU	Wed-31-Mar-21			
<b>Reduction</b>	176/290 - Negotiate with Government for further funding and powers (ongoing)						BES AD EPU	Wed-31-Mar-21			
<b>Reduction</b>	176/301 - Review Secretariat to ensure fit for purpose						BES AD EPU	Thu-31-Mar-16			
<b>Reduction</b>	176/470 - Ensure first year profile achieved						BES AD EPU	Thu-31-Mar-16			
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	4
Phase 5 - Fallback Plan											
<b>Fallback Plan</b>									<b>Action Manager</b>		

## BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 1 - Identification											
<b>Risk Number</b>	7/174	<b>Risk Title</b>	7/174 - Opportunities for Devolution in North Yorkshire and Consideration of a Combined Authority				<b>Risk Owner</b>	CD BES		<b>Manager</b>	CD BES
<b>Description</b>	Failure to take advantage of Devolution opportunities in North Yorkshire resulting in reduced investment and impact on the growth and jobs across North Yorkshire.					<b>Risk Group</b>	Strategic		<b>Risk Type</b>	EPU 176/211	
Phase 2 - Current Assessment											
<b>Current Control Measures</b>		Devolution proposals submitted to Govt., LEP strategic economic plan in place; NYCC retains the Infrastructure Delivery Steering Group; NYCC wide co-ordination of development needs linked to District plans; local authorities are moving towards a joint committee & considering a combined authority; LA Director group in place;						<b>Effectiveness</b>			
<b>Probability</b>	M	<b>Objectives</b>	H	<b>Financial</b>	H	<b>Services</b>	M	<b>Reputation</b>	H	<b>Category</b>	2
Phase 3 - Risk Reduction Actions											
						<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>			
<b>Reduction</b>	176/280 - Gain political support both locally and nationally (ongoing)					Chief Exec	Thu-31-Mar-16				
<b>Reduction</b>	176/285 - Develop a plan detailing what powers and funding we would like devolved and the added value that we can deliver					CD BES	Wed-30-Sep-15	Sat-5-Sep-15			
<b>Reduction</b>	176/286 - Directors of Development Group to support the Devolution deal					CD BES	Wed-25-Nov-15				
<b>Reduction</b>	176/320 - Identify the economic barriers and opportunities which Devolution can take advantage of UPDATE					CD BES	Wed-25-Nov-15				
<b>Reduction</b>	176/460 - Establish the geography on which to secure Devolution					Chief Exec	Wed-25-Nov-15				
<b>Reduction</b>	176/469 - Develop detailed business cases for all requirements					Chief Exec	Wed-25-Nov-15				
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	L	<b>Financial</b>	M	<b>Services</b>	L	<b>Reputation</b>	M	<b>Category</b>	5
Phase 5 - Fallback Plan											
<b>Fallback Plan</b>	176/544 - Consider a North Yorkshire deal								<b>Action Manager</b>		CD BES



## BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 1 - Identification											
<b>Risk Number</b>	7/175	<b>Risk Title</b>	7/175 - 2020 North Yorkshire Programme within BES				<b>Risk Owner</b>	CD BES		<b>Manager</b>	BES MT
<b>Description</b>	Failure to effectively deliver the BES 2020 Programme including the required cultural change resulting in adverse impact on service delivery, inability to fully meet current and future financial requirements, internal and external criticism.					<b>Risk Group</b>	Change Mgt		<b>Risk Type</b>		
Phase 2 - Current Assessment											
<b>Current Control Measures</b>		CD BES Staff Updates; reps on 2020NY workstreams; key messages; cascade of 2020NY vision and approach; monitoring of impacts on performance; monitoring of impacts on savings target; 2020 North Yorkshire plans submitted; Savings programme developed; political agreement and acknowledgement of risks; Performance Management framework development; BES Transformation Steering Group; Performance Management Review in BES; BES MT engagement on budget and 2020NY approach; Transformation and VFM; 4 year programme; ICT Strategy;							<b>Effectiveness</b>		
<b>Probability</b>	L	<b>Objectives</b>	H	<b>Financial</b>	M	<b>Services</b>	H	<b>Reputation</b>	L	<b>Category</b>	3
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>		
<b>Reduction</b>	7/793 - Continue communication/engagement arrangements with staff on 2020 North Yorkshire programme (ongoing)						BES MT	Fri-30-Sep-16			
<b>Reduction</b>	7/260 - Continue to monitor impacts of BES 2020 Programme (ongoing)						BES MT	Fri-30-Sep-16			
<b>Reduction</b>	7/265 - Promote and embed cultural change through key messages, KITs, manager and non-manager objectives, regular reporting on progress of change projects and impacts of daily operations on delivery of aims (ongoing)						BES MT	Fri-30-Sep-16			
<b>Reduction</b>	7/426 - Carry out staff survey and review results						AD SR (BES/CS) & Perf	Thu-31-Dec-15			
<b>Reduction</b>	7/450 - Continue to deliver savings plan as agreed in MTFS / Budget (review each year)						AD SR (BES/CS) & Perf	Thu-31-Mar-16			
<b>Reduction</b>	7/451 - Ensure appropriate allocation of resources						AD SR (BES/CS) & Perf	Thu-31-Dec-15			
<b>Reduction</b>	7/1502 - Support the new ways of working (Modern Council) project as a catalyst for change						BES MT	Sat-30-Apr-16			
<b>Reduction</b>	7/1503 - Develop an approach to portfolio management with BES to position programme as transformational rather than savings focussed						BES MT	Thu-31-Dec-15			
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	H	<b>Financial</b>	M	<b>Services</b>	H	<b>Reputation</b>	L	<b>Category</b>	3

BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**  
Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 5 - Fallback Plan		Action Manager
<b>Fallback Plan</b>	7/539 - Review approach to 2020 NY Change Programme and cultural change management within BES	CD BES



## BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 1 - Identification											
<b>Risk Number</b>	7/23	<b>Risk Title</b>	7/23 - Major Incident and Business Continuity				<b>Risk Owner</b>	CD BES	<b>Manager</b>	CD BES	
<b>Description</b>	Failure to plan and respond effectively to a major incident without major impact upon routine service performance or longer term impact on service delivery. Such incidents may include animal health disease, flooding and other severe weather, Service breakdown including critical resources (eg property, people and ICT) resulting in the need to deliver additional service in order to ensure effective enforcement/containment and minimal disruption to critical services.					<b>Risk Group</b>	Performance	<b>Risk Type</b>			
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Leadership of BES Management Team and appropriate lead manager; work with other appropriate partners; appropriate major incident and emergency plans; inspection monitoring programmes; systems resilience & back up arrangements in place; business impact analyses and incident management plans are in place; disaster recovery plan; NYCC silver command exercises carried out; implementation of solutions based upon lessons learned from previous major incidents; BES RMG; biannual multi-agency training events;					<b>Effectiveness</b>			
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	H	<b>Reputation</b>	M	<b>Category</b>	3
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>		
<b>Reduction</b>	7/98 - Review, standardisation and update of business impact analyses and incident management						AD SR (BES/CS) & Perf	Thu-31-Dec-15			
<b>Reduction</b>	7/374 - Ensure that resources are flexible enough to manage unexpected major and business continuity incidents						BES MT	Wed-31-Aug-16			
<b>Reduction</b>	7/444 - Continually review procedures plans and training in relation to major incidents						BES MT	Wed-31-Aug-16			
<b>Reduction</b>	7/446 - Annual live or desk top exercises to test plans (ongoing)						BES MT	Wed-31-Aug-16			
<b>Reduction</b>	7/447 - Finalise command structure / information flow for business continuity incidents						BES MT	Thu-31-Dec-15			
<b>Reduction</b>	7/448 - Carry out silver command exercise including BES representatives						BES MT	Sat-31-Oct-15			
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	H	<b>Reputation</b>	M	<b>Category</b>	3
Phase 5 - Fallback Plan											
								<b>Action Manager</b>			
<b>Fallback Plan</b>	7/75 - Review the plans, media management, advise Members								CD BES		

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Phase 1 - Identification											
<b>Risk Number</b>	7/173	<b>Risk Title</b>	7/173 - Minerals and Waste Development Framework					<b>Risk Owner</b>	CD BES	<b>Manager</b>	BES AD TS&P
<b>Description</b>	Failure to develop a Minerals and Waste Development Framework by end of March 2017 as the basis for development control decision-making resulting in risk of legal challenge through judicial review, appeals with resulting financial and workload implications, adverse implications for the local economy, risk of National Government passing on European fines						<b>Risk Group</b>	Performance	<b>Risk Type</b>	TS&P 13/31	
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Performance monitoring; awareness of new developments; resource monitoring; briefing of BESMT; delivery of inhouse sustainability appraisal work; memorandum of understanding to govern principles of joint working; Exec approval to move date					<b>Effectiveness</b>			
<b>Probability</b>	L	<b>Objectives</b>	H	<b>Financial</b>	M	<b>Services</b>	M	<b>Reputation</b>	H	<b>Category</b>	3
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>		
<b>Reduction</b>	7/267 - Work closely with City of York Council and the North Yorks Moors National Park Authority on joint Minerals and Waste Development Strategy						BES AD TS&P	Fri-31-Mar-17			
<b>Reduction</b>	13/54 - Continue to review progress against LDF milestones, review and update milestones as necessary, particularly in light of Duty to Co-operate						BES AD TS&P	Fri-31-Mar-17			
<b>Reduction</b>	13/519 - Continue to keep budget priorities under review						BES AD TS&P	Fri-31-Mar-17			
<b>Reduction</b>	13/523 - Continue to monitor new developments eg fracking, using planning officers society and peer groups in particular the Duty to Co-operate						BES AD TS&P	Fri-31-Mar-17			
<b>Reduction</b>	13/753 - Launch preferred options consultation						BES AD TS&P	Sat-31-Oct-15			
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	H	<b>Financial</b>	M	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	3
Phase 5 - Fallback Plan											
									<b>Action Manager</b>		
<b>Fallback Plan</b>											

## BES Directorate

Risk Register: **Month 0 (Sept 2015) - detailed**Report Date: 5<sup>th</sup> October 2015 (pw)

Phase 1 - Identification											
Risk Number	7/18	Risk Title	7/18 - Long Term Waste Service Strategy				Risk Owner	CD BES	Manager	CD BES	
Description	Failure to deliver the long term waste service strategy including: overseeing and managing AmeyCespa in their delivery of AWRP, resulting in programme slippage, delays to Service Commencement Date, increased costs potential from involvement in claims, additional procurement costs, reputational damage, potential failure of Project Agreement, impact on partnering arrangements with CoYC, impact on Harrogate BC collection systems, and development of the waste transfer station infrastructure required for effective service delivery results in reduced efficiency, impact on collections and increased costs, criticism from districts and media					Risk Group	Performance	Risk Type	W&CS 14/168		
Phase 2 - Current Assessment											
Current Control Measures		AWRP: Signed Project Agreement; property secured; planning permission in place; robust governance through SPV; integrated document management system in use (4projects); Infrastructure Development Manager in post and carrying out weekly site visits/meetings; Independent Tester joint appointment between AmeyCespa NYCC and the funders; access to external advisors; Contract Management Manual/Register of Obligations; suite of monitoring documents in place; Project Board in place; monthly project team meetings; Amey Cespa control of Sub-Contractors; S106 and S278 delivery arrangements in place; Interim framework contract procured; Teckal compliant company; network of Amey Cespa clients; Waste Transfer: Five of seven built (but not controlled); planning application gained for one and being prepared for one other; site secured for two; internal environmental advice obtained; agreed approach with districts; existing contracts in place; Yorwaste cooperating; extensive modelling; new procurements beginning in 13/14 for successor contracts; project board and team including CoYC; agreement for Teckal					Effectiveness				
Probability	L	Objectives	L	Financial	H	Services	L	Reputation	H	Category	3
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	7/373 - Seek to formalise joint contract management arrangements with CoY Council including development of devolved plans					BES AD W&CS	Sun-31-Dec-17				
Reduction	7/375 - AWRP – Monitor the AWRP project risk register					BES AD W&CS	Sat-31-Mar-18				
Reduction	7/376 - AWRP – Work with the independent tester to enable Certification of the readiness (July 2017) and takeover (Jan 2018)					BES AD W&CS	Wed-31-Jan-18				
Reduction	14/214 - WT – Develop implementation plan					BES AD W&CS	Sun-31-Jul-16				
Reduction	14/221 - WT – Explore opportunities for sharing with districts					BES AD W&CS	Sun-31-Jul-16				
Reduction	14/222 - WT – Secure planning consent for Ryedale and Selby; Ryedale done, Selby on hold re site search					BES AD W&CS	Sun-31-Jul-16				
Reduction	14/448 - AWRP - Completion of Certification Matrices to ensure the contractor has delivered their obligations where they go beyond the requirements of the independent tester					BES AD W&CS	Thu-31-Mar-16				

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<b>Reduction</b>	14/482 - AWRP - Regular review of key dates schedules / programme & register of obligations	BES AD W&CS	Thu-31-Mar-16								
<b>Reduction</b>	14/483 - AWRP - Develop contingency plan for procurement of alternatives	BES W&CS WSM	Sun-31-Jul-16								
<b>Reduction</b>	14/484 - AWRP - Continually monitor delivery of planning requirements and conditions, including S106 and S278 agreements	BES W&CS WCM	Thu-31-Mar-16								
<b>Reduction</b>	14/793 - AWRP - Monitor the Amey Cespa PPP project risk register	BES W&CS WSM	Sat-31-Mar-18								
<b>Reduction</b>	14/795 - WT – Procure construction of Kirby Misperton	BES AD W&CS	Thu-31-Mar-16								
<b>Phase 4 - Post Risk Reduction Assessment</b>											
<b>Probability</b>	L	<b>Objectives</b>	L	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	H	<b>Category</b>	3
<b>Phase 5 - Fallback Plan</b>											
										<b>Action Manager</b>	
<b>Fallback Plan</b>	7/73 - Rely short term on recently procured arrangements, review strategy, media management										CD BES

## BES Directorate

Risk Register: **Month 0 (Sept 2015) - summary**Report Date: 5<sup>th</sup> October 2015 (pw)

Identity			Person		Classification											Fallback Plan				
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre					RR		Post					FBPlan	Action Manager		
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv			Rep	Cat
◀▶	7/24 - Capital Programme	Ineffective management of capital programme including BALB, LEP, LTP, LSTF, RFA, LTB, Waste Management and projects resulting in significant overspend/underspend, weak use of resources, loss of reputation and performance.	CD BES	AD SR (BES/CS) & Perf	M	M	H	M	M	2	8	30/06/2015	L	M	H	M	M	3	Y	CD BES
◀▶	7/189 - Delivery of transport schemes within the LEP's Strategic Economic Plan	Failure to deliver the programme of transport schemes within the LEP's Strategic Economic Plan results in reputational damage to the County Council and impacts upon the potential to secure funding for transport schemes in future rounds of the Local Growth Fund. There is a direct role for H&T to deliver the schemes promoted by the County Council and support the LEP in the Transport role, but also a supporting role to assist third party scheme promoters specifically the district councils.	CD BES	BES AD H&T	M	M	H	L	H	2	2	31/07/2016	L	M	H	L	H	3	Y	CD BES
◀▶	7/7 - Statutory Duties	Failure to carry out statutory duties or meet statutory deadlines (e.g. Health and Safety, safe guarding, information governance, prevention of waste pollution, planning responsibilities, statutory property related issues, driver/vehicle guidance) resulting in Corporate Manslaughter, increased cost/claims, fines/prosecution and criticism.	CD BES	CD BES	M	M	M	M	H	2	8	1/04/2016	L	M	M	M	H	3	Y	CD BES
- new -	7/22 - LEP Strategy & Growth Deal	Failure to implement LEP Strategy and Growth Deal by 2020 resulting in significant financial clawback, reputational damage and failure to attract future investment.	CD BES	BES AD EPU	M	H	H	M	H	2	5	31/03/2016	M	M	M	M	M	4	N	
- new -	7/174 - Opportunities for Devolution in North Yorkshire and Consideration of a Combined Authority	Failure to take advantage of Devolution opportunities in North Yorkshire resulting in reduced investment and impact on the growth and jobs across North Yorkshire.	CD BES	CD BES	M	H	H	M	H	2	6	30/09/2015	L	L	M	L	M	5	Y	CD BES

## BES Directorate




Risk Register: **Month 0 (Sept 2015) - summary**Report Date: 5<sup>th</sup> October 2015 (pw)

Identity			Person		Classification											Fallback Plan				
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre					RR		Post					FBPlan	Action Manager		
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv			Rep	Cat
◀▶	7/175 - 2020 North Yorkshire Programme within BES	Failure to effectively deliver the BES 2020 Programme including the required cultural change resulting in adverse impact on service delivery, inability to fully meet current and future financial requirements, internal and external criticism.	CD BES	BES MT	L	H	M	H	L	3	8	31/12/2015	L	H	M	H	L	3	Y	CD BES
◀▶	7/23 - Major Incident and Business Continuity	Failure to plan and respond effectively to a major incident without major impact upon routine service performance or longer term impact on service delivery. Such incidents may include animal health disease, flooding and other severe weather, Service breakdown including critical resources (eg property, people and ICT) resulting in the need to deliver additional service in order to ensure effective enforcement/containment and minimal disruption to critical services.	CD BES	CD BES	L	M	H	H	M	3	6	31/10/2015	L	M	H	H	M	3	Y	CD BES
▼	7/173 - Minerals and Waste Development Framework	Failure to develop a Minerals and Waste Development Framework by end of March 2017 as the basis for development control decision-making resulting in risk of legal challenge through judicial review, appeals with resulting financial and workload implications, adverse implications for the local economy, risk of National Government passing on European fines	CD BES	BES AD TS&P	L	H	M	M	H	3	5	31/10/2015	L	H	M	M	M	3	N	
◀▶	7/18 - Long Term Waste Service Strategy	Failure to deliver the long term waste service strategy including: overseeing and managing AmeyCespa in their delivery of AWRP, resulting in programme slippage, delays to Service Commencement Date, increased costs potential from involvement in claims, additional procurement costs, reputational damage, potential failure of Project Agreement, impact on partnering arrangements with CoYC, impact on Harrogate BC collection systems, and development of the waste transfer station infrastructure required for effective service delivery results in reduced efficiency, impact on collections and increased costs, criticism from districts and media	CD BES	CD BES	L	L	H	L	H	3	12	31/03/2016	L	L	H	L	H	3	Y	CD BES



## BES Directorate

Risk Register: **Month 0 (Sept 2015) - summary**Report Date: 5<sup>th</sup> October 2015 (pw)

Key	
	Risk Ranking has worsened since last review.
	Risk Ranking has improved since last review
	Risk Ranking is same as last review
- new -	New or significantly altered risk