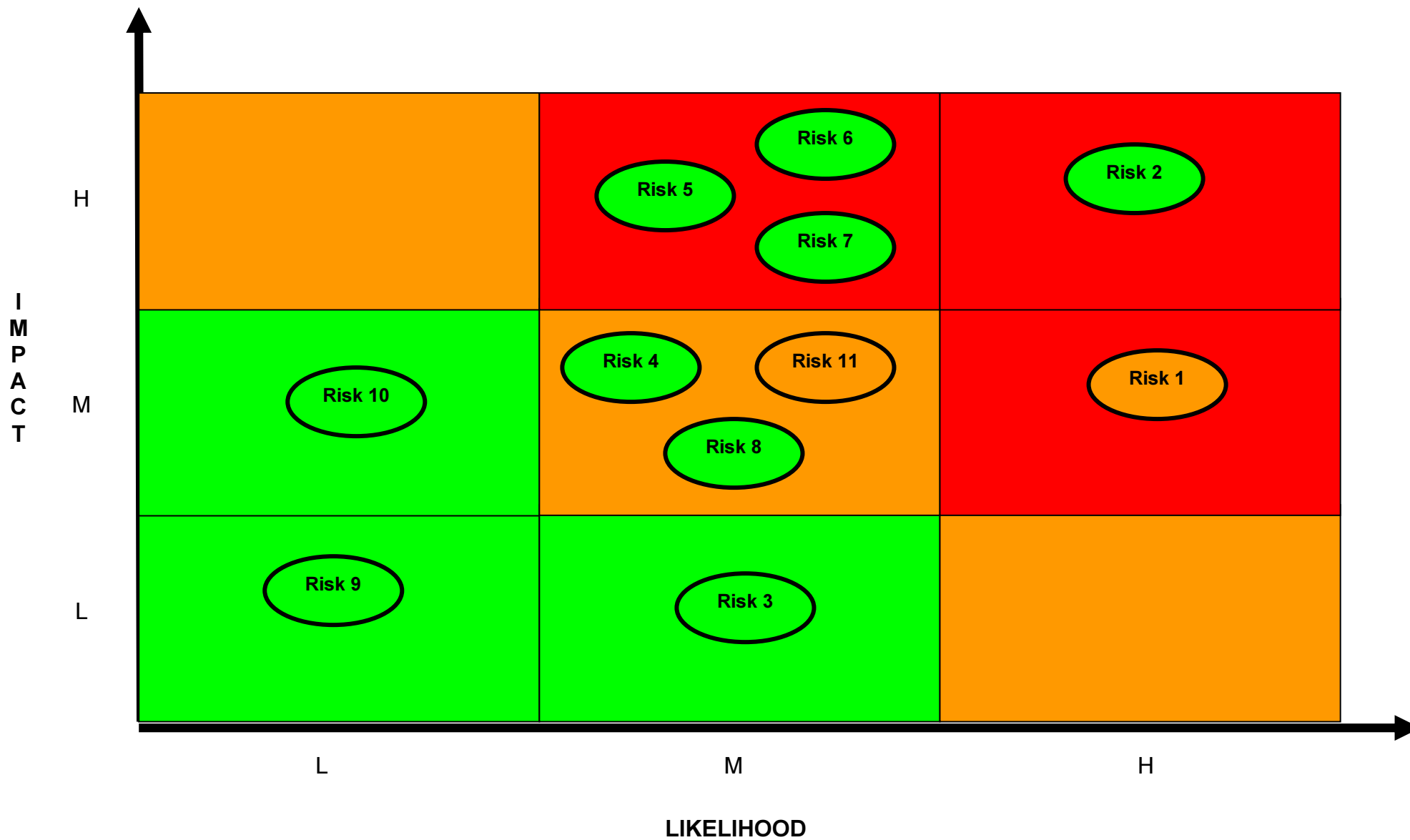







GEDLING BOROUGH COUNCIL
CORPORATE RISK SCORECARD – March 2008

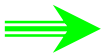




Supporting Comments & Explanations



1	<p>FAILURE TO MAXIMISE REVENUE</p> <p><u>Owner:</u> Mark Kimberley</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p><u>Audit Recommendations</u></p> <p>The number of outstanding medium risk audit recommendations has reduced from 13 to 10 over the quarter. This is predominantly due to the improved control environments highlighted within the 07-08 audit reviews of Council Tax, NDR and the Financial Management System (FMS).</p> <p>The remaining medium risk recommendations relate to:</p> <p>The Leisure Income review (IAR0708-06), which identified 5 medium risk recommendations. These relate to a lack of guidelines on customer discounts, prompt clearance of debtor accounts and the sharing of till log on facilities.</p> <p>In addition, 2 medium risk recommendations were made within the Trade Waste review (IAR0708-09). These relate to management controls in relation to debtor invoices, and 2 within the Housing benefits (IAR0708-13) review, relating to authorised signatories on debt write off.</p> <p>The 0708 review of cash receipting (IAR0708-05) also identified 1 medium risk recommendation relating to the establishment of Departmental cash holding limits prior to transfer to the civic centre cash.</p> <p>The timescales for implementation of these recommendations have not yet passed, however progress of management action will be followed by Internal Audit during 2008-09.</p> <p><u>Risk Register</u></p> <p>The strategic risk register highlights the risks associated with completion of the LSVT. Whilst funding has been secured and tenants have voted overwhelmingly for the transfer, ongoing risks remain with respect to managing the residual costs associated with corporate responsibilities.</p>
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2	<p>FAILURE TO MINIMISE COSTS</p> <p><u>Owner:</u> Mark Kimberley</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p>There is no change to this risk category.</p> <p><u>Audit Recommendations</u></p> <p>The number of outstanding medium risk audit recommendations against this corporate risk remains at 5.</p> <p>The remaining key issues relate to evidenced reviews of the bank reconciliations (IAR0708-18 – Bank Accounts) and authorisation of amendments to stock issue notes (IAR0708-11 – Stock Control – Direct Services).</p> <p>Progress against these recommendations will be reviewed in 2008-09.</p> <p><u>Risk Register</u></p> <p>The Housing Services operational risk register identifies a minor control gap with respect to meeting Homelessness requirements as part of the overall Housing Strategy. A shortage of suitable staff has been identified, and recruitment is in progress.</p>
3	<p>HEALTH & SAFETY FAILINGS / PROTECTION OF STAFF</p> <p><u>Owner:</u> Mark Kimberley</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p>There is no change to this risk category.</p> <p><u>Audit Recommendations</u></p> <p>There are no outstanding high/medium audit recommendations relating to this corporate risk.</p> <p><u>Risk Register</u></p> <p>There are currently no outstanding control gaps in the strategic or operational risk registers relating to this corporate risk.</p>

4	<p>FAILURE TO RECRUIT & RETAIN SUITABLY SKILLED STAFF</p> <p><u>Owner:</u> Janet Brothwell</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p>There is no change to this risk category.</p> <p><u>Audit Recommendations</u></p> <p>There are no outstanding high/medium audit recommendations relating to this corporate risk.</p> <p><u>Risk Register</u></p> <p>There is currently one identified control gap in the operational risk register aligned to this corporate risk. This relates to the potential risk associated with insufficient skilled resources to deliver services via the Customer Service centre following completion of the Gedling Transformation Project. The control gap is classed as minor, with the Project Board continually reviewing needs and issues as they arise.</p>
5	<p>FAILURE TO PROTECT & UTILISE ASSETS (IT/IS)</p> <p><u>Owner:</u> Mark Kimberley</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p><u>Audit Recommendations</u></p> <p>The number of outstanding medium risk audit recommendations aligned to this corporate risk has reduced from 5 to 2. This is due predominantly to the improved control environment identified the within the 07-08 audit reviews of Council Tax, NDR and the Financial Management System (FMS).</p> <p><u>Risk Register</u></p> <p>The strategic risk register currently identifies 2 minor control gaps with respect to testing the Authorities Business Continuity Plan (BCP) and development of an ICT Disaster Recovery plan. The BCP has been reviewed and updated and testing will be undertaken prior to the end of the financial year. Development of an ICT Disaster Recovery Plan is at an advanced stage and is being developed in partnership with a number of neighbouring authorities.</p>

6	<p>FAILURE TO PROTECT & UTILISE ASSETS (PHYSICAL)</p> <p><u>Owner:</u> Peter Murdock</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p>There is no change to this risk category.</p> <p><u>Audit Recommendations</u></p> <p>The number of outstanding medium risk audit recommendations has reduced from slightly from 5 to 6.</p> <p>The key issues relate to the Housing Repairs review (IAR0607-18), progress of which is currently being reviewed as part of the 2007-08 audit review. The majority of the issues raised are likely to have been addressed via the implementation of the Partnership Contracts for responsive repairs. This will be confirmed upon completion of the current review.</p> <p><u>Risk Register</u></p> <p>The Direct Services operational risk register identifies a minor control gap with respect to Budgetary Monitoring. These issues are highlighted above in corporate risk 2 (outstanding audit recommendations).</p>
7	<p>FAILURE TO DEVELOP & DELIVER STRATEGIC PARTNERSHIPS</p> <p><u>Owner:</u> Peter Murdock</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p>There is no change to this risk category.</p> <p><u>Audit Recommendations</u></p> <p>There are no outstanding high/medium audit recommendations relating to this corporate risk.</p> <p><u>Risk Register</u></p> <p>The strategic risk register identifies a minor control gap with respect to failure to deliver efficiencies from the shared services agenda. The Transformational programme has been developed and a project team established along with staff briefings and newsletters. Ongoing time</p>

	<p>pressures and varying degrees of support from neighbouring authorities remain the main risks.</p> <p>In addition the Direct Services operational risk register identifies a minor control gap with respect to failure to implement agreed joint working arrangements regarding waste collection. Joint working arrangements are now in place, however, a residual risk remains with respect to potential failure of a partner authority.</p>
8	<p>LEGAL / REGULATORY / CONTRACTUAL BREACH</p> <p><u>Owner:</u> Sue Sale</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p>There is no change to this risk category.</p> <p><u>Audit Recommendations</u></p> <p>There is no change in the overall number of outstanding medium risk audit recommendations. However, whilst the audit recommendation relating to the timely submission of the compliance certification declaration in Housing Benefits (IAR0607-17) has been reclassified as low risk, the audit review of Trade Waste procedures in Direct services required all current Trade waste agreements to be reviewed to ensure contractual compliance</p> <p><u>Risk Register</u></p> <p>The Direct Services operational risk register identifies a minor control gap with respect to compliance with excess weights within the operators licence requirements. Three vehicles have been fitted with weighing equipment and capital bids have been submitted to fit the remainder.</p> <p>In addition the Housing Services operational risk register identifies a minor control gaps. The first is with respect to the need to develop a supported housing code of practice.</p>

9	<p>ENVIRONMENTAL POLLUTION / DISASTER</p> <p><u>Owner:</u> Dave Parton</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p>There is no change to this risk category.</p> <p><u>Audit Recommendations</u></p> <p>There are no outstanding high/medium audit recommendations relating to this corporate risk.</p> <p><u>Risk Register</u></p> <p>There are currently no outstanding control gaps in the strategic or operational risk registers relating to this corporate risk.</p>
10	<p>ADVERSE EVENTS IN THE EXTERNAL ENVIRONMENT</p> <p><u>Owner:</u> Peter Murdock</p> <p><u>Residual Risk Direction:</u> </p> <p><u>Summary of Control Weaknesses:</u></p> <p>There is no change to this risk category.</p> <p><u>Audit Recommendations</u></p> <p>There are no outstanding high/medium audit recommendations relating to this corporate risk.</p> <p><u>Risk Register</u></p> <p>There are currently no outstanding control gaps in the strategic or operational risk registers relating to this corporate risk.</p>

11

DAMAGE TO REPUTATION

Owner: Peter Murdock

Residual Risk Direction:



Summary of Control Weaknesses:

There is no change to this risk category.

Audit Recommendations

There has been a slight improvement in the number of outstanding medium risk audit recommendations against this corporate risk from 7 to 5.

A key issue relates to the development and review of an effective employee register of interest (IAR0708-03). This is due for completion at the end of April 2008, and will be subject to confirmation by Internal Audit.

The remaining key issues relate to the Housing Repairs review (IAR0607-18), progress of which is currently being reviewed as part of the 2007-08 audit review. The majority of the issues raised are likely to have been addressed via the implementation of the Partnership Contracts for responsive repairs and the introduction of the new telephony system. This will be confirmed upon completion of the current review.

Risk Register

The Direct Services operational risk register identifies a minor control gap with respect to the Car Parking Strategy, which is subject to ongoing review and development. In addition, a further minor control gap has been identified with respect to maintaining playground fencing. Capital bids have been submitted and a planned programme developed.

The Housing Services risk register identifies 2 minor control gaps. The first relates to the need to develop an Adaptations policy, which is being developed. The second relates to the ineffective implementation of the NROSH data collection system, for which an action plan is to be developed and monitored.