

Appendix 4 - Risk Management

Analysis of High Priority (Red) Risks

The key issues related to Red risks within EDS this quarter are:

Ref: EDE0005	Risk Title: Streetpride Capital Funding	Risk Owner: David Burton
Ref: EDE0007	Risk Title: Highway Condition	Risk Owner: David Burton
<p>Current Position:</p> <p>As a result of increasing concerns over both the availability of capital funding and the ongoing deterioration of the highway condition these two EDS risks have been combined and escalated to the SLT Risk Register – SLT0029 and will be monitored corporately.</p> <p>The funding shortfall has been exacerbated by a second consecutive severe winter and a backlog of repairs related to winter damage. This has resulted in:</p> <ul style="list-style-type: none">- worsening public perception of the Council- a measurable deterioration in highway condition (estimate 1 - 1½% per annum)- inability to fulfil primary duty to maintain the highway in a safe condition- significantly increased risk of inability to defend claims for damage <p>Mitigating actions being put in place are as follows:</p> <ol style="list-style-type: none">1. Approval is being sought to utilise increased Revenue funding to finance prudential borrowing over 3 years to generate Capital investment of £3 - 4½ m.2. A review of operational and working arrangements for highway teams leading to a reduction in overtime and reduced unit costs is targeting a 5% increase in efficiency.3. A review of work packaging to include “super patching” as a replacement to major schemes is under way.		

It remains probable that the number of Red risks within EDS will increase considerably as Departments review their Risk Registers in response to the

outcome of the Government's Spending Review and any subsequent review of the Capital Programme which is currently underway. However the full impact of this will only be realised next quarter when it is proposed that Risk Registers are realigned to new 2011/14 Service Plans.

*If you have any comments or questions regarding Risk Management please contact **Richard Garrad, EDS Operational Risk Management Champion** by phone on **743886** or by e-mail at Richard.garrad@rotherham.gov.uk*