

## Managing Risk - Corporate Risks



Stage One					Stage Two				
Identified	Risk Reference Number	Assessment of Risk (Assume NO controls in place) using risk matrix			Risk Controls Measures	Responsible Directors	Assessment of Residual Risk (With control Measures implemented)		
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Improvements around managing the reputational impact of the 'Staying Safe' rating being 'inadequate' in the JAR assessment have been noted in the Annual Performance Assessment letter. Staying Safe is now good overall. The challenge is now to ensure the Council secures the completion of the formal engagement with DfES on Children and Young People's project and performance management arrangements.	CR1	4	3	High	There are agreed performance management action plans to be reviewed re progress in February 2007. Service Project Management improvement capacity has been secured.	SF	4	2	Medium
Corporate spending pressures outweigh the level of resources available to meet them. Particular pressures prevalent in Adult Social Care.	CR2	4	4	High	Medium Term Financial Strategy now adopted by Cabinet and highlights the need for corporate capacity to be created to meet future spending pressures. Social Care overspend has been highlighted at Cabinet and at Scrutiny Cttee. Budget Plan adopted to minimise pressures and needs analysis identifying future patterns of service with costed options. This will be reported by the end of August.	ALL/SR	4	3	High
Herefordshire Connects: Programme does not go through robust investment appraisal and subsequent savings not being realised leading to service cuts.	CR3	4	4	High	Robust appraisals are carried out based on hard data, comparative and sensitivity analyses and deliverability. Strong corporate governance arrangements are in place. Business Transformation Board created and the new governance arrangements approved. Procurement approach agreed and on track. Assessment framework in place. Benefits realisation framework in place and being managed through IPG.  The MTFS highlights both the investment required for Herefordshire Connects and the expected savings both in the short and long term. A key risk will continue to be the timing and identification of savings flowing from the programme whilst minimising the risk of service cuts needing to be made to balance the budget.	NP	4	3	High

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Failure to maintain CPA "3 star" rating and move from improving adequately to improving strongly	CR4	4	3	High	<p>Capacity created at a senior level and adherence to the Overall Improvement Plan agreed in March. OIP Board now progressing phased handover of remaining work elements to transformation project boards, subject to quality assurance of project board systems.</p> <p>Use of Resources Improvement Plan being implemented included VFM self assessment in August.</p> <p>Considerable work has taken place in embedding a strong performance management framework including structured meetings between Chief Executive and Directors. Improvement manager posts have been approved for all Directorates and, where necessary, posts will be advertised in early September.</p>	ALL/NP  SR  NP/JJ	3	3	Medium
Business continuity management	CR5	3	4	High	<p>Substantial capital investment made in ICT network and disaster recovery arrangements. Workshops held for all directorates and service continuity plans have been prepared and due for testing during the year in business critical systems and services. Monthly checks made to ensure amendments are made to all plans. Annual update of of Community Risk Register to inform the review process of Council emergency response plans in support of the emergency services and the Council's arrangements to assist recovery and return to normality of the community &amp; environment following an emergency. Bi-annual exercising of the Emergency Response Team. Annual exercising of emergency response plans.</p>	ALL/NP	3	3	Medium
Continuity of Herefordshire Jarvis Services and successful partnering arrangements	CR6	4	3	High	<p>Regular consultation held between senior management from both sides of the partnership.</p>	GD	3	3	Medium

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Corporate Capacity to deliver a range of changes the Council has embarked upon.	CR7	4	3	High	Programme Management, Clear Leadership and Senior Management Restructuring. Capacity issues identified within CPA inspection and were part of Improvement Plan. A minimum of 20% of corporate directors' time will be spent on corporate issues. Discussed by CMB as part of 2007 PIC and adjustments proposed for the budget. New CMB /SMT joint working has also been launched.	NP	4	2	Medium
Achievement of LPSA 2 targets and hence the Performance Reward Grant (PRG). Failure to manage future PRG will have a significant and detrimental impact on the Council's ability to invest in future performance gains in services.	CR8	3	3	Medium	LPSA. Partnership Manager and the Head of Policy & Performance now met regularly with the assigned project manager and have agreed responsibilities for chasing progress and ensuring action. In addition performance indicators are received every 2 months, in line with the Council's performance management arrangements, enabling proactive management through this management group.	SF/GH/GD	3	2	Medium
Delivery of Local Area Agreement	CR9	3	2	Medium	Financial Management & Review processes also in place.	JJ	3	2	Medium
Recruitment and retention of staff where there are national skills shortages and including the impact of Job Evaluation. Ensuring consistent treatment of Equal Pay Claims	CR11	3	3	Medium	Succession planning as part of management development provision	ALL/DJ	2	2	Low
		4	4	High	Utilise SRDs / implement career development posts and conclude job evaluation. 94% SRDs completed by the end of May. HR to support Directorates deliver to identified training needs, to work to Investor in People standard.  Focused recruitment activity to support identified shortages e.g. Social Work (Childrens), plus development of a workforce plan, and work to implement national data sets. Development of a recruitment strategy for ITC staff begun. Work to set an establishment for the Council has begun.				

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Development of Children's and Adult's Workforce Strategy		3	3	High	<p>Promote professional development support through training agreements and payment of professional fees. Develop secondment opportunities internally and with partners. Implement Market Forces Supplement. Improving leadership and management through revised management development provision.</p> <p>Pride in Herefordshire approach to be implemented.</p> <p>Implement software to review new pay structure to ensure that it is equality proofed.</p> <p>Project Group Established. Draft Children's Workforce Strategy prepared and will be considered by Children's Improvement Board on 14/02/07.</p>	DJ	2	2	Medium
Approach to Diversity: Risk of not achieving level and not improving Standard	CR12	3	2	Medium	Long term development plan produced. EIA action plans to be incorporated into Service Plans and monitored through the performance management process.	JJ	3	2	Medium
Successful implementation of Accommodation Strategy.	CR13	4	4	High	Issues concerning the acquisition of the property following a meeting with Scottish & Newcastle where Council were notified of a property review of all production sites. Initial moves within property to continue.	SR	3	2	Medium
					An emerging risk is the move towards flexible working. An initial observation/data analysis study has been commissioned to identify potential flexible working solutions.	DJ/JH	3	3	High

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Herefordshire Connects: Management capacity and capabilities not sufficiently developed to plan in advance, and deliver, the service changes required for realisation of efficiency savings.	CR14	4	4	High	Continual ongoing reassessment of capacity and resourcing requirements, including re-prioritisation where appropriate.	NP	4	3	High
Timetable for the establishment of a Public Services Trust for Herefordshire	CR15	3	2	Medium	A Project Manager appointed. Steering group and workstreams established.	NP	3	2	Medium
Failure of Waste Management Contract leading to failure to meet diversion targets and the potential for the Authority to be paying £150 per tonne extra on our missed target tonnages. Failure of the contract would also lead to the loss of PFI credits	CR16	4	2	Medium	Ongoing commitment from Herefordshire and Worcestershire to retaining the existing contract. The incorporation of subcontractors into the existing contract as a variation should enable adequate waste to be diverted to ensure the authority does not become subject to penalties under the Landfill Allowance Trading Scheme (LATS). Herefordshire and Worcestershire have an agreement to Trade LATS between the two authorities at "no cost" to offset risks - this risk needs to be formalised. The failure of negotiations with ReEnergy means that the issue of MWM identifying and introducing a new sub-contractor will need to be monitored to ensure early warning can be given of likely timescales for the negotiations and implementation of a varied contract.	GD	4	2	Medium
Use of Resources Judgement	CR17	4	2	Medium	Managers have been allocated elements of the Key Lines of Enquiry so that all required actions have been completed. However audit commissions inspection has been completed and the formal feedback not yet received. Any action plan produced by the audit commission will be given priority.	SR	3	2	Medium

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BFI Inspection	CR18	2	2	Low	BFI report on interventions has made a number of recommendations and an action plan has been drawn up to deal with these. Monthly monitoring is in place by the Head of Service to ensure we deliver this plan which will enable us to meet both the performance measures and enablers aspects of the the benefit performance standards.	SR	2	2	Low
	CR19	4	3	High	Significant work has taken place over the last 18 months to produce effective service continuity plans to mitigate the effects of major incidents on the delivery of essential services. Service impact assessments and continuity plans require constant review and updating and the monthly 'second Tuesday' updates from Heads of Service and Key Managers are an integral part of that process.	ALL/NP	2	2	Low
Herefordshire Connects - selection of preferred supplier and technical platform	CR20	4	3	High	Contract third party to carry out independent evaluation of the process	NP	2	2	Low
Herefordshire Connects programme - not proceeding; Council's financial strategy at risk within two years	CR21	4	3	High	Ensure Herefordshire Connects programme in place, and delivers.	NP	3	2	Medium
Herefordshire Connects - Insufficient account taken of the PST in development of the Herefordshire Connects Programme	CR22	3	2	Medium	Establishment of workstreams mapping out interfaces. Discussions with potential suppliers throughout procurement process.	NP	3	2	Medium

Signed: \_\_\_\_\_

Position: \_\_\_\_\_

Date: January 2007 \_\_\_\_\_