

Appendix A - Strategic Risk Register - March 2010



Ref.	Title and Description of risk The risk event, <i>leading to</i> consequence for service/ Aim(s)/ Action(s), <i>resulting in</i> possible outcome(s).	3 A's	Control measures in place	Risk score		Direction of travel	Risk owner / Review frequency	Additional control measures	Additional cost resources required	Adjusted risk score (where relevant)		Timeline to progress	
				Impact	Likelihood					Total	Impact		Likelihood
Str1	<b>Housing services budgeting and staffing</b> Significant efficiencies and savings not achieved in housing services and revenue/ capital budgets, <i>leading to</i> Housing Revenue Account (HRA) continuing to run at a deficit, <i>resulting in</i> HRA working balance insufficient to meet ongoing and potential one-off demands; vulnerability to Government annual subsidy determination; deterioration in services provided to tenants; possible staffing implications; adverse publicity or other reputational damage.	C.iii.	A plan has been agreed with the Housing Portfolio Holder to implement efficiencies and savings in order to address/mitigate the impact on services.	Impact	5	→	Corporate Manager (Affordable Homes) / Review frequency			Impact	Likelihood	Total	Ongoing during 2010/11
Str2	<b>Equalities</b> The Council is successfully challenged over not complying with general equalities legislation or legislation specific to public and local authority bodies, <i>leading to</i> possible Commission for Human Rights and Equalities inspection, <i>resulting in</i> reduction in reserves available to support balanced MTFS, adverse publicity and effect on reputation.	A.ii.3. B.iv.6. C.iv.3.	An action plan to achieve Level 3 ("Achieving") of the Local Government Equality Standard is in progress.	Impact	4	→	Corporate Manager (Community and Customer Services) / Review frequency	Gender Equality Scheme in preparation for adoption by Cabinet.		Impact	Likelihood	Total	May 2010
Str3	<b>Illegal Traveller encampments or developments</b> Failure to find required number of sites, or sites identified do not meet the needs of local Travellers, <i>leading to</i> illegal encampments or developments in the District, <i>resulting in</i> community tensions; cost and workload of enforcement action, including provision of alternative sites and/or housing; poor public perception and damage to reputation.	E.i. C.iv.3.	The draft Gipsy and Traveller Development Plan Document (GTDPD) has been out for public consultation.	Impact	3	→	Corporate Manager (Planning & Sustainable Communities) / Quarterly	GTDPD now in preparation for adoption by the New Communities Portfolio Holder.		Impact	Likelihood	Total	May 2010

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				Impact	Likelihood					Total	Impact	
Str4	<b>Climate change adaptation</b> The Council does not develop measures to safeguard its services against climate change, <i>leading to</i> unacceptable vulnerability to the impact of climate shifts and other weather-related events, <i>resulting in</i> a degradation or breakdown of service delivery and damage to property, increasing costs and impact on the Council's reputation.	C.vii.		Impact Likelihood Total	3 3 9 C3	→	Corporate Manager (New Communities) / Quarterly	Climate Change Action Plan in preparation for adoption by Cabinet.		Impact Likelihood Total		May 2010
Str5	<b>Lack of development progress</b> Lack of progress by developers at Cambridge East (Marshalls), <i>leading to</i> the authority being unable to deliver its housing targets, <i>resulting in</i> the Council having to meet the shortfall in the short term from developments in existing villages.	C.i. C.ii.2. E.iii. E.iv.		Impact Likelihood Total	3 3 9 C3	→	Corporate Manager (Planning & Sustainable Communities) / Quarterly			Impact Likelihood Total		N/a
Str6	<b>Productive employee time</b> Restructuring exercises and threat of redundancy cause staff uncertainty, anxiety or stress, <i>leading to</i> significant staff absence or reduced productivity, <i>resulting in</i> inability to provide full services.	All	Management of sickness absence policy  Employee Assistance Programme  Redeployment support  Redundancy and Reorganisation Policy and Procedure  Stress Management Policy  Monthly review of sickness absence by EMT	Impact Likelihood Total	3 3 9 C3	new	HR Manager / Review frequency	Employee Engagement Strategy  Staff Forum		Impact Likelihood Total		In line with timetables

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				Impact Likelihood Total						Impact Likelihood Total		
Str7	<p><b>Shared services</b></p> <p>(a) The Council enters into a shared services agreement with another authority/ provider/ agency, with diminished control over resources or governance, <i>leading to</i> reduced performance or increased cost to the Council, <i>resulting in</i> adverse publicity and damage to reputation.</p> <p>-----</p> <p>(b) The Council does not enter into shared services arrangements, <i>leading to</i> failure to take advantage of opportunities for service improvement and/or achieve savings, <i>resulting in</i> damage to reputation with peer authorities, inspection agencies and the public.</p>	All	<p>Business cases</p> <p>Agreed "Heads of Terms"</p> <p>Due diligence exercises</p> <p>Shared service agreements</p>	Impact Likelihood Total	3 3 9 C3	new	Chief Executive / Review frequency			Impact Likelihood Total		N/a
Str8	<p><b>Medium Term Financial Strategy (MTFS)</b></p> <p>Risks concerning the financial projections include:</p> <ul style="list-style-type: none"> <li>not achieving delivery of savings to meet targets;</li> <li>the RSG settlement is tighter than anticipated;</li> <li>pay and inflation exceed assumptions;</li> <li>employer's pension contributions increases exceed projections;</li> <li>impact of successful equal pay claims exceeds available reserves;</li> <li>changes in demand for some service areas could lead to pressures in the related budgets;</li> <li>unforeseen redundancy costs, <i>leading to</i> reserves going below the minimum acceptable level during the period of the MTFS, <i>resulting in</i> cuts in some services, public dissatisfaction, audit and inspection criticism.</li> </ul>	A.v.	<p>Revised MTFS incorporates updated assumptions.</p> <p>Implement plans to deliver the Council's programme in line with the latest GF and HRA savings targets.</p> <p>EMT/SMT review progress in achieving budget targets.</p> <p>Explore opportunities for shared services.</p> <p>Treasury management reports to portfolio holder</p> <p>Monitor pay and inflation factors, the pay and grading review, the effect of the current economic climate on demand led services and budgets.</p> <p>Integrated business monitoring process.</p>	Impact Likelihood Total	4 2 8 B4	↓ (from 15, A3)	Executive Director (Corporate Services) / Monthly  Monthly  Monthly  Monthly  Quarterly  Monthly			Impact Likelihood Total		Reports to Cabinet and Council in February 2010 on the robustness of the estimates and the adequacy of reserves.

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Str9	<b>LAA actions</b> Failure to meet LAA targets, <i>leading to</i> desired outcomes for residents of the District not being achieved, and/or poor CAA assessment, <i>resulting in</i> possible reduction in funding (e.g. Reward Grant) and low public satisfaction.	All		Impact Likelihood Total	3 2 6 C4	→	Chief Executive / Quarterly			Impact Likelihood Total		N/a
Str 10	<b>Embedding values</b> Values not effectively embedded within Council <i>leading to</i> no real change in culture and behaviour, <i>resulting in</i> adverse comment by the Audit Commission, poor public and partner perception of the Council, low morale.	A.i. A.ii. A.iii. A.iv.		Impact Likelihood Total	3 2 6 C5	→	Corporate Manager (Planning and Sustainable Communities) / Quarterly			Impact Likelihood Total		N/a

### 3 A's (Aims, Approaches, Actions)

Use this column to cross reference risks to:

- (a) the relevant Aims, Approaches and/or Actions adopted by Council on 27 November 2008 with effect from 1 April 2009 (e.g. A v, or E ii 2, etc); and  
(b) the twelve Council Actions for 2010/11 approved by Council on 26 November 2009.

### Impact

- 5 Extreme  
4 High  
3 Medium  
2 Low  
1 Insignificant

### Likelihood

- 5 Almost certain  
4 Likely  
3 Possible  
2 Unlikely  
1 Rare

### Direction of Travel

- ↓ Score reduced from last review (give the previous Total score in the brackets)  
→ Score equal to last review  
↑ Score increased from last review (give the previous Total score in the brackets)  
new Risk included in the risk register for the first time

Notes: 1. The "Ref." will be a unique risk reference, retained by the risk throughout the period of its inclusion in the risk register.

2. Criteria and guidelines for assessing Impact and Likelihood are available on In-Site under Corporate Information > Risk Management and are provided on the following page for information.

3. The "Total" risk score is obtained by multiplying the Impact score by the Likelihood score.

4. The "Adjusted risk score" would result from re-evaluation of the Impact and Likelihood, taking the additional control measures into account.

5. The dotted line (- - - - -) shows the Council's risk tolerance line.

6. The "Timeline to progress" is the date (Month Year) by which it is planned that the risk will be mitigated to below the line.

Criteria and guidelines for assessing Impact and likelihood

Impact	Giving rise to one or more of the following:							Score
	Service disruption	People	Financial loss (including claim or fine)	Environment	Statutory service/legal obligations	Management	Reputation	
Extreme	Serious disruption to services (loss of services for more than 7 days)	Loss of life	Financial loss over £500k	Major regional / national environmental damage	<ul style="list-style-type: none"> <li>Central government intervention; or</li> <li>Multiple civil or criminal suits</li> </ul>	Could lead to resignation of Leader or Chief Executive	Extensive adverse coverage in national press and/or television	5
High	Major disruption to services (loss of services for up to 7 days)	Extensive multiple injuries	Financial loss between £251k - £500k	Major local environmental damage	<ul style="list-style-type: none"> <li>Strong regulatory sanctions; or</li> <li>Litigation</li> </ul>	Could lead to resignation of Member or Executive Director	Adverse coverage in national press and/or television	4
Medium	Noticeable disruption to services (loss of services for up to 48 hours)	Serious injury (medical treatment required)	Financial loss between £51k - £250k	Moderate environmental damage	<ul style="list-style-type: none"> <li>Regulatory sanctions, interventions, public interest reports; or</li> <li>Litigation</li> </ul>	Disciplinary / capability procedures invoked	Extensive adverse front page local press coverage	3
Low	Some disruption to internal services; no impact on customers	Minor injury (first aid)	Financial loss of between £6k - £50k	Minor environmental damage	<ul style="list-style-type: none"> <li>Minor regulatory consequences; or</li> <li>Litigation</li> </ul>	Formal HR procedure invoked	Some local press coverage; or, adverse internal comment	2
Insignificant	Insignificant disruption to internal services; no impact on customers	No injuries	Financial loss of up to £5k	Insignificant environmental damage	<ul style="list-style-type: none"> <li>No regulatory consequences; or</li> <li>Litigation</li> </ul>	Informal HR procedure invoked	No reputational damage	1

Likelihood	Guidelines	Score
Likely	<ul style="list-style-type: none"> <li>Will probably occur at some time, or in some circumstances (66% - 90%), or</li> <li>66% to 90% likely to occur in the next 12 months</li> </ul>	4
Possible	<ul style="list-style-type: none"> <li>Fairly likely to occur at some time, or in some circumstances (36% - 65%), or</li> <li>36% to 65% likely to occur in the next 12 months</li> </ul>	3
Unlikely	<ul style="list-style-type: none"> <li>Is unlikely to occur, but could, at some time (11% - 35%), or</li> <li>11% to 35% likely to occur in the next 12 months</li> </ul>	2
Rare	<ul style="list-style-type: none"> <li>May only occur in exceptional circumstances (up to 10%), or</li> <li>Up to 10% likely to occur in the next 12 months</li> </ul>	1