

**Appendix A
Strategic Risk Register
December 2010**



Risk Title and Description	Risk Owner	Current Risk Score		End of Year Risk Score		Risk Owner's Comments
		Target	Actual	Target	Estimate	
<p>STR08 - Medium Term Financial Strategy (MTFS) Risks concerning the financial projections include:</p> <ul style="list-style-type: none"> not achieving delivery of savings to meet targets; the local authority grant settlement is confirmed as tighter than previously provided for; pay and inflation exceed assumptions; employer's pension contributions increases exceed projections; impact of successful equal pay claims exceeds available reserves; changes in demand for some service areas could lead to pressures in the related budgets; unforeseen redundancy costs; New Homes Bonus - how much and when to be received? local government resource review - localisation of business rates, <p><i>leading to</i> the Council needing to take action to cut its budgets, <i>resulting in</i> cuts in services, public dissatisfaction, audit and inspection criticism.</p>	Alex Colyer	10	20	10	10	<p>IMPACT SCORE: 4. LIKELIHOOD SCORE: 5.</p> <p>CONTROL MEASURES: Revised MTFS incorporates updated assumptions. Implement plans to deliver Council's programme in line with latest GF/HRA savings targets. EMT/SMT review progress in achieving budget targets. Explore shared service opportunities. Treasury management reports to PFH. Monitor pay and inflation factors, pay and grading review, effect of current economic climate on demand led services and budgets. Integrated business monitoring process. Draft MTFS Forecast core assumptions agreed at Cabinet in September 2010, providing a preliminary framework for the 2011/12 estimates and service planning processes.</p> <p>TIMESCALE TO PROGRESS: MTFS due for review as part of revenue and capital estimates process, reporting to Cabinet and Council in February 2011.</p>
<p>STR15 - Welfare Reform Proposed radical changes to benefits, including possibility of localised council tax benefits and introduction of a universal credit system, <i>leading to</i> possible:</p> <ul style="list-style-type: none"> increased IT cost due to required system changes; implementation costs not fully reimbursed by Government grant; increased workload for Benefits and Homelessness teams, <p><i>resulting in</i> potential for:</p> <ul style="list-style-type: none"> adverse effect on service provision due to the number of changes; increased dissatisfaction with the service due to reduced amounts of benefit payable; and dislocation of private sector housing market. 	Alex Colyer		20		20	<p>IMPACT SCORE: 4. LIKELIHOOD SCORE: 5. [Note: These scores have been assessed on the basis of the scale and perceived impact of the announced changes, and the timescale to implement them (although it appears there may be some changes to this) - when more information and clarity is available, the scores will be reassessed and targets set.]</p> <p>CONTROL MEASURES: These will be identified and actioned once the details of the changes are confirmed.</p> <p>TIMESCALE TO PROGRESS: This will be determined in line with the timeframe required to implement the control measures.</p>

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<p>STR14 - Implementation of National Job Evaluation Scheme The Council and trade unions are not able to form a collective agreement for the implementation of a revised job evaluation scheme, <i>leading to</i> worsening industrial relations and equal pay challenges and poor publicity, <i>resulting in</i> public dissatisfaction with the Council's services.</p>	Alex Colyer	10	16	10	10	<p>IMPACT SCORE: 4. LIKELIHOOD SCORE: 4.</p> <p>CONTROL MEASURES: Exchange of information and discussions through the Job Evaluation Steering Group. Employment of specialist staff to manage the process. Implementation of an effective and timely communications plan.</p> <p>TIMESCALE TO PROGRESS: Aim to gain agreement in early 2011.</p>
<p>STR12 - Supported Housing Reduction in Supporting People (SP) funding, <i>leading to</i> loss of staff and changes to delivery structure, <i>resulting in</i> dissatisfaction amongst residents and concerns over well being of vulnerable people</p> <p>Note: Further potential risk: Loss of control over SP budget when informal ring fence removed within LAA, <i>leading to</i> further cuts in SP funding not currently anticipated <i>resulting in</i> service may not be sustainable leading to outsourcing of provision.</p>	Stephen Hills	10	15	10	15	<p>IMPACT SCORE: 3. LIKELIHOOD SCORE: 5.</p> <p>CONTROL MEASURES: Needs assessment of all tenants + member task & finish group to identify best ways to meet tenants' needs.</p> <p>TIMESCALE TO PROGRESS: Secured place on SP framework April 2010. Critical funding decisions to emerge during 2010 & 2011. Potential for 50% cut in funding by April 2012.</p>
<p>STR05 - Lack of Development Progress While there has been progress on Cambridge fringe sites, there is no progress yet at Northstowe and little likelihood of progress at Cambridge East in the immediate future, <i>leading to</i> the authority being unable to deliver its housing needs, <i>resulting in</i> the Council having to meet the shortfall in the short term from developments in existing villages and head off speculative major planning applications outside the strategy.</p>	Jo Mills	10	15	10	10	<p>IMPACT SCORE: 3. LIKELIHOOD SCORE: 5.</p> <p>CONTROL MEASURES: Cambridgeshire Horizons Board continuing to address these issues. Planning Policy produce an Annual Monitoring Report (forecasts housebuilding levels) and annually review the Local Development Scheme (can address any shortfall). Received delivery paper from Gallaghers in September 2010. Government decision received on 20th October to not proceed with A14 planned updates; as unaffordable in current financial climate. Study into alternative proposals being developed by Highways Agency, which impacts on NW Fringe and Northstowe.</p> <p>TIMESCALE TO PROGRESS: Government white paper issued but the authority is waiting to learn more about targets.</p>

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<p>STR03 - Illegal Traveller encampments or developments 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.</p>	Jo Mills	10	12	10	10	<p>IMPACT SCORE: 4. LIKELIHOOD SCORE: 3.</p> <p>CONTROL MEASURES: The draft Gypsy and Traveller Development Plan Document (GTDPD) has been out for public consultation. Ongoing routine monitoring of all District development. SOG developing action plan of potential measures to take, pending clarity from the Government, whose guidance is due in the Autumn 2010.</p> <p>TIMESCALE TO PROGRESS: Report to PFH December 2010.</p>
<p>STR01 - HRA financial position HRA not brought into balance by 2011/12, <i>leading to</i> drawdown on working balance and risk of an illegal deficit budget if cuts are not implemented in full, <i>resulting in</i> reputational damage to the Council and possible Government intervention if not resolved.</p> <p>Note: Potential risk if savings achieved, <i>leading to</i> risk of deterioration of overall housing service if not carefully managed, <i>resulting in</i> declining tenant satisfaction and inability to meet statutory obligations.</p>	Stephen Hills	10	10	10	10	<p>IMPACT SCORE: 5. LIKELIHOOD SCORE: 2.</p> <p>CONTROL MEASURES: Standard budget setting and financial controls.</p> <p>TIMESCALE TO PROGRESS: Medium term position now under control based on current assumptions. Main risk is for period 2014/15 on.</p>
<p>STR02 – Equalities 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.</p>	Paul Howes	10	10	10	10	<p>IMPACT SCORE: 5. LIKELIHOOD SCORE: 2.</p> <p>CONTROL MEASURES: The Local Government Equality Framework level of 'Achieving' has been achieved. The IDEa peer review took place on 13/14 October 2010.</p> <p>TIMESCALE TO PROGRESS: Cllr Howell agreed to endorse and adopt the updated version of the Disability Equality Scheme (DES) on 17 November 2010.</p>
<p>STR13 - Potential risk once HRA reform is implemented. Council fails to prepare for taking on £200M debt, <i>leading to</i> significant shortfall in funds or mismanagement of finances, <i>resulting in</i> potential of regulatory intervention.</p>	Stephen Hills	8	10	8	8	<p>IMPACT SCORE: 5. LIKELIHOOD SCORE: 2.</p> <p>CONTROL MEASURES: Standard budget setting and financial controls. Additional Control Measures: Consultation response made to CLG.</p> <p>TIMESCALE TO PROGRESS: Outcome of initial consultation expected January 2011. Anticipate new regime from April 2012.</p>

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<p>STR04 - Climate change</p> <p>1. The Council fails to develop measures to safeguard its services against climate change, leading to unacceptable vulnerability to the impact of climate shifts and other weather-related events; failure to achieve Level 2 of NI 188 and LAA target, resulting in a degradation or breakdown of service delivery and damage to property, increasing costs and impact on the Council's reputation; possible loss of reward grant.</p> <p>2. The Council fails to achieve 10% reductions in the emission of CO₂ from its operations, leading to continued level of emissions, resulting in loss of reputation, reduced ability to require developers and businesses to reduce CO₂ emissions.</p>	Jo Mills	9	9	9	9	<p>IMPACT SCORE: 3. LIKELIHOOD SCORE: 3.</p> <p>CONTROL MEASURES: Draft Climate Change Action Plan (CCAP) approved for consultation by New Communities PFH. Specific actions in place within CCAP and New Communities SP. New co-ordination body (Internal Sustainability Delivery Group - ISDG) will assist with implementation and monitoring. Action plan being developed by ISDG chaired by Team Leader (Communities). Regular EMT reporting and quarterly performance reports to PFH meetings.</p> <p>TIMESCALE TO PROGRESS: March 2011.</p>
<p>STR06 - Productive employee time</p> <p>Restructuring exercises and threat of redundancy cause staff uncertainty, anxiety or stress, leading to significant staff absence or reduced productivity, resulting in inability to provide full services.</p>	Susan Gardner-Craig	9	9	9	9	<p>IMPACT SCORE: 3. LIKELIHOOD SCORE: 3.</p> <p>CONTROL MEASURES: Management of Sickness Absence Policy (refreshed following audit review). Employee Assistance Programme. Redeployment support. Redundancy and Reorganisation Policy and Procedure. Stress Management Policy. EMT monthly review of sickness absence. Employee Engagement Strategy. Staff Forum.</p> <p>TIMESCALE TO PROGRESS: In line with timetables.</p>

Key

Impact

- 5 Extreme
- 4 High
- 3 Medium
- 2 Low
- 1 Insignificant

Likelihood

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

Notes

1. Criteria and guidelines for assessing Impact and Likelihood are shown on the next page.
2. The "Actual" risk score is obtained by multiplying the Impact score by the Likelihood score.
3. The dotted line (-----) shows the Council's risk tolerance line.
4. 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"> Central government intervention; or Multiple civil or criminal suits 	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"> Strong regulatory sanctions; or Litigation 	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"> Regulatory sanctions, interventions, public interest reports; or Litigation 	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"> Minor regulatory consequences; or Litigation 	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"> No regulatory consequences; or Litigation 	Informal HR procedure invoked	No reputational damage	1

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