	EXECUTIVE **16 JULY 2008**	**Agenda Item No. 7**
Title		Risk Management Progress Report
For further information about this report please contact		Richard Barr Tel: (01926) 456815 E Mail: richard.barr@warwickdc.gov.uk
Service Area		Finance
Wards of the District directly affected		Not applicable
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006		No
Date and meeting when issue was last considered and relevant minute number		Last Annual Report: Executive – 23rd July 2007 Last report for consideration of quarterly corporate and strategic risk register: 25th March 2008
Background Papers		Minutes of Risk Management Group meetings

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval

With regard to officer approval all reports _must_ be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).

Officer Approval	Date	Name
Relevant Director	26.06.08	Mary Hawkins
Chief Executive		
CMT	26.06.08	
Section 151 Officer	26.06.08	Mary Hawkins
Legal	N/A	
Finance	25.06.08	Mike Snow
Portfolio Holder(s)	27.06.08	Councillor Michael Doody

Consultation Undertaken

Not applicable

Final Decision?	Yes
Suggested next steps (if not final decision please set out below)	

1   **SUMMARY**

1.1   The report advises on progress in embedding risk management within the Authority.

1.2   As part of the ongoing objective to embed risk management within the organisation the report updates the Risk Management Strategy (Appendix A), details progress in implementing last year's action plan (Appendix B) and sets out the Corporate and Strategic Risk Register (Appendix C).

2   **RECOMMENDATIONS**

2.1   That members note the report and its contents, in particular that which sets out members' responsibility for risk management.

2.2   That members affirm the Council's risk strategy, including the action plan for 2008/09. (Appendix A.)

2.3   That members approve the roles and responsibilities for individuals and groups within the Council, in particular those for members and member committees which have been updated within the risk management strategy.

2.4   That members confirm they are satisfied with the progress being made in implementing a risk management framework, specifically noting the progress made in implementing actions for 2007/08. (Appendix B.)

2.5   That members approve the risk register for corporate and strategic risks. (Appendix C.)

3   **REASON FOR RECOMMENDATIONS**

3.1   To assist members fulfil their role in overseeing the organisation's risk management framework.

4   **ALTERNATIVE OPTION(S) CONSIDERED**

4.1   This report Is not concerned with recommending a particular option in preference to others so this section is not applicable.

5   **BUDGETARY FRAMEWORK**

5.1   Although there are no direct budgetary implications arising from this report, risk management performs a key role in corporate governance including that of the Budgetary Framework. An effective risk management framework helps to ensure that the Authority manages its resources and achieves its objectives economically, efficiently and effectively.

6   **POLICY FRAMEWORK**

6.1   Although there are no direct policy implications, risk management is an essential part of corporate governance and will be a major factor in shaping the Policy Framework, Community Plan and Council policies.

7 RESPONSIBILITY FOR RISK MANAGEMENT

7.1 In its management paper "Worth the risk: improving risk management in local government", the Audit Commission sets out clearly the responsibilities of members and officers:

> "Members need to determine within existing and new leadership structures how they will plan and monitor the council's risk management arrangements. They should:
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> - decide on the structure through which risk management will be led and monitored;
> - consider appointing a particular group or committee, such as an audit committee, to oversee risk management and to provide a focus for the process;
> - agree an implementation strategy;
> - approve the council's policy on risk (including the degree to which the council is willing to accept risk);
> - agree the list of most significant risks;
> - receive reports on risk management and internal control – officers should report at least annually, with possibly interim reporting on a quarterly basis;
> - commission and review an annual assessment of effectiveness: and
> - approve the public disclosure of the outcome of this annual assessment, including publishing it in an appropriate manner.
>
> The role of senior officers is to implement the risk management policy agreed by members.
>
> It is important that the chief executive is the clear figurehead for implementing the risk management process by making a clear and public personal commitment to making it work. However, it is unlikely that the chief executive will have the time to lead in practice and, as part of the planning process, the person best placed to lead the risk management implementation and improvement process should be identified and appointed to carry out this task. Other people throughout the organisation should also be tasked with taking clear responsibility for appropriate aspects of risk management in their area of responsibility."

8 PROGRESS TO DATE

8.1 The overriding objective for risk management is to embed it within the organisation so that it is a seamless, but fundamental, part of the organisation's processes and not viewed as a separate bureaucratic activity with little value. However, as with all things of this nature, there is no specific picture of what a fully risk-embedded organisation looks like and the goal of embedding risk management is an ongoing process rather than one with a definite ending.

8.2   To achieve the objective of embedding risk management the Council has a Risk Management Strategy. In fact, the Council has had a Risk Management Policy and Risk Management Strategy since 2002. These documents are now merged in that policy statements previously contained within the Policy are now incorporated into the Strategy. The Strategy is set out as Appendix A.

8.3   Within the Strategy is an annual action plan which details the tasks necessary to develop risk management. Members are required each year to review the Strategy and approve the action plan.

8.4   Previous years' action plans contained tasks derived from the Risk Management Group's comparison of the Authority's arrangements against best practice set out in a CIPFA risk management checklist.[1] This year, having addressed the items in the CIPFA checklist, the priority is to maintain the Council's risk management score under the new harder test for Comprehensive Performance Assessment (CPA) Use of Resources. Thus, levels 2 and 3 of the Key Lines of Enquiry (KLOE) relating to risk management form the basis of the risk management action plan for 2008/09.

8.5   Progress in respect of implementing last year's action plan is reported in a table set out as Appendix B to this report.

8.6   The Risk Management Group meets during the year on a quarterly basis to review progress and share and promote best practice in the field of risk management.

8.7   Each quarter, the corporate management team reviews and updates the Corporate and Strategic Risk Register. Those items scoring over 12 are then submitted to the next meeting of the Executive for information and its approval. The complete Corporate and Strategic Risk Register updated by CMT on 24 June is set out as Appendix C.

8.8   During the year, risk management was assessed once again at level 3 by the Council's external auditors as part of the CPA Use of Resources evaluation. (see Paragraph 8.4.) This means that, according to the Audit Commission, the Authority is performing "consistently above minimum requirements - performing well".

9   **CONCLUSIONS**

9.1   The acknowledged key to effective risk management is having risk management arrangements which are embedded in the culture of the organisation and which are not separate 'bolt on' activities. Clearly, this is not an easy objective to achieve and with the accepted wisdom that "risk management is an ongoing journey rather than one with a fixed destination" the crucial factor is that we continue to make good progress in implementing risk management within the Authority. This report provides evidence of that being achieved.

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[1] CIPFA: How Far Down The Road Are You? – A self assessment checklist and audit

WARWICK DISTRICT COUNCIL RISK MANAGEMENT STRATEGY

Purpose of strategy

The purpose of the strategy is to embed risk management in the Authority by establishing a risk management framework which provides:

■ an efficient control environment

■ the overt allocation of accountability for risk management throughout the organisation

■ a well established risk assessment process

■ performance monitoring of risk management activity

■ communications process to support risk management

An action plan for 2008/09 to assist in embedding risk management is set out as Annexe 1.

Definition and scope of risk management

The Council has adopted the Audit Commission's definition of risk and risk management as contained in its Management Paper, 'Worth the risk: improving risk management in local government':

Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.

The overall process of managing risk can be divided into:

▪ Risk analysis, or assessment, which includes the identification, estimation and evaluation of the risks and

▪ Risk management which encompasses the planning, monitoring and controlling activities based on the information derived from risk analysis.

Aims and objectives

The risk management policy of Warwick District Council is to adopt best practices in the identification, evaluation, and cost-effective control of risks to ensure that they are eliminated or reduced to an acceptable level.

It is acknowledged that some risks will always exist and will never be eliminated. All employees must understand the nature of risk and accept responsibility for risks associated with their area of authority. The necessary support, assistance and commitment of senior

management will be provided.

The risk management objectives of the Council are to:

- integrate risk management into the culture of the Council

- manage risk in accordance with best practice

- consider legal compliance as a minimum standard

- anticipate and respond to changing social, environmental and legislative requirements

- prevent injury and damage and reduce the cost of risk

- raise awareness of the need for risk management.

These objectives will be achieved by:

- establishing a risk management organisational structure to act in an advisory and guiding capacity which is accessible to all employees

- including risk management as an agenda item at meetings as appropriate

- continuing to demonstrate the application of risk management principles

- providing risk management awareness training

- maintaining documented procedures for the control of risk and the provision of suitable information, training and supervision

- maintaining an appropriate incident reporting and recording system, with investigation procedures to establish cause and prevent recurrence

- preparing contingency plans in areas where there is a potential for an occurrence having a catastrophic effect on the Council and its service delivery capability

- maintaining effective communication

- monitoring arrangements on an ongoing basis

Definition of the Council's risk appetite

An organisation's risk appetite is the amount of risk that it is prepared to take in order to achieve its objectives. Defining the organisation's risk appetite provides the strategic guidance necessary for decision-making. Local authorities have lower risk appetites than commercial organisations as the incentive to achieve (i.e. the rewards) is not so great. Risk appetites for local authorities will also be lower due to a high degree of regulation and due to the responsibility for financial stewardship of public resources. However, local authorities may be forced to take risks beyond their choosing to comply with central government directives or to satisfy public expectations of improved services.

Warwick District Council's risk appetite is determined by individual circumstances. In general terms, the Council's approach to providing services is to be innovative and to seek continuous improvement within a framework of robust corporate governance. This framework includes risk management which identifies and assesses risks appertaining to

actions being considered or proposed. Decisions on whether to proceed with such actions are only taken after the careful assessment of the identified risks and an analysis of the risks compared to the benefits.

However, in all circumstances:

- The Council would wish to manage its financial affairs such that no action will be taken which would jeopardise its ability to continue as a going concern; and

- The Council would wish to secure the legal integrity of its actions at all times.

Roles and responsibilities

The following groups and individuals have the following roles and responsibilities for risk management within the Council.

Executive

To oversee the effective management of risk throughout the Council; to hold the corporate management team accountable for the effective management of risk by officers of the Council.

Audit and Resources Overview and Scrutiny Committee

To scrutinise and review the management of risk on behalf of Executive.

Elected Members

To understand the importance of risk management in al that the Council does; to champion the cause of risk management as part of the fulfilment of the role of members.

Corporate Management Team

To ensure that the Council manages risk effectively through the development of a comprehensive risk management strategy; to monitor delivery by receiving reports from the risk management group.

Risk champion[2]

To champion the cause of risk management within the Council, particularly at the strategic level; to take personal responsibility for ensuring that the risk management objectives as set out in the policy are achieved.

Risk manager[3]

To support the Council and its departments and services in the effective development, implementation and review of the risk management strategy.

Risk management group

To determine, implement and review the Council's risk management policy and its risk management strategy. The risk management group is responsible for developing specific

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[2] This officer is the Responsible Financial Officer.
[3] This officer is the Audit and Risk Manager.

programmes and procedures for establishing and maintaining risk management activities. This group will ensure the dispersal of vital information and, where appropriate, provide guidance, interpretation and understanding of the systems involved.

The terms of reference of this group are set out as Annexe 2.

Departmental management teams

To ensure that risk is managed effectively in each service area within the agreed risk management strategy; to report to the Risk Management Group on how hazards and risks have been managed within their service area.

Service managers

To manage risk effectively in their particular service areas; to report on how hazards and risks have been managed to their Departmental Management Team or directly to the Risk Management Group.

Employees

To manage risk effectively in their jobs and report hazards and risks to their service managers

Insurance officer

To advise on practices which will minimise the likelihood of adverse events occurring and arrange insurance cover where necessary and appropriate.

The responsibilities of the various groups and individuals are summarised in the table included as Annexe 3.

Methodology for identifying and assessing risk

Risk is categorised between:

Strategic (i.e. those identified as potentially damaging to the achievement of the council's objectives):

Political
Social
Legislative
Competitive
Economic
Technological
Environmental
Customer/citizen

Operational (i.e. those which should be managed by departmental officers who will be responsible for operating and maintaining the services):

Professional
Legal
Contractual
Environmental
Financial
Physical

Information

The following definitions are applied for the measurement of risk in respect of probability and consequences:

Likelihood

Ratings based on likelihood of frequency of occurrence and apply to all factors

1 - Most unlikely to ever happen
2 - Could happen very occasionally e.g. every 30 years/generation
3 - Could happen within 5 - 30 years
4 - Likely to happen every 3 -5 years
5 - Almost certain to happen at least once a year

Severity

Financial factors

Ratings based on budgetary impact

1 - No or very small budgetary effect
2 - Can be accommodated within budgets
3 - Relatively small (say £50,000 ish) which would require budget supplement
4 - Significant effect on budget: £100,000 - £200,000
5- Very significant effect on budget: greater than £200,000

Health and safety factors

Ratings based on level of injury sustained

1 - Incident with very limited consequences
2 - Minor injury
3 - Incapacitating injury
4 - Loss of limb
5 - Fatality

Legal ratings

Ratings based on prospect of litigation arising from Council error

1 - No or very small prospect of litigation
2 - Small prospect of litigation
3 - Reasonable prospect of litigation
4 - Very high prospect of litigation
5 - Certain prospect of litigation

Political sensitivity

Ratings based on level of embarrassment arising from Council error

1 - No or very limited embarrassment
2 - Small amount of embarrassment
3 - Medium but passing embarrassment
4 - Significant and sustained embarrassment
5 - Total loss of confidence by public

Service delivery – disruption ratings

Ratings based on level of disruption, whether service is statutory and level of effort required to recover

1 - No or very limited disruption
2 - Small amount of disruption of a non-statutory service easily recovered from
3 - Small amount of disruption to a statutory service or fair amount of disruption to a non-statutory service
4 - Large amount of disruption of a statutory service requiring significant effort to recover from
5 - Long term failure to deliver statutory service

Relationship between risk assessment and annual service planning process

Within annual service plans, improvements necessitating bids for funding are required to be risk assessed. Service plan performance indicators are also required to be risk assessed each quarter in terms of the likelihood of achieving them and the impact on the council should they not be achieved.

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The policy statement as a working document needs to be reviewed regularly and updated as necessary to meet changing demands within the Council. To ensure its acceptance within the Council, the document will be signed by the Chief Executive and brought to the attention of all members of the workforce and all who may be affected by it. Views of relevant stakeholders, including the trade unions, will be taken into account as appropriate.

Annexe 1: Risk Management Action Plan 2008/09

The action plan for 2008/09 will be based on addressing weaknesses identified from two types of self-assessment of the Council's arrangements:

- **CPA key lines of enquiry (KLOE 2.4 requires: "The organisation has a robust approach to managing its risks and a sound system of internal control")**

- **CIPFA Rough Guide to Annual Governance Statement**

The action points arising from each type of self-assessment (together with the requirements they relate to) are set out as follows:

Requirement	Action
1. CPA key lines of enquiry 2.4	
1.1 The organisation maintains and regularly reviews a register of its corporate and operational business risks, including the risk of fraud and corruption, which: • links risks to strategic objectives • assesses the risks for likelihood and impact • assigns named individuals to lead on actions identified to mitigate each risk	Develop risk registers in line with current best practice as new system is introduced *Richard Barr – March 2009*
1.2 The organisation can demonstrate that it has embedded risk management in its business processes, including: • strategic planning • financial planning • policy making and review • performance management • project management	Strategic planning – need to incorporate risk management into review of corporate strategy *Karen Pearce – as reviewed* Policy making and review – constant vigilance required by CMT to ensure Exec reports on major decisions have appropriate risk evaluation *CMT – during 08/09* Performance management – need to develop concept of 'key risk indicators' *Mary Hawkins / Karen Pearce – September '08*

Requirement	Action
1.3 Risk management considers risks in relation to significant partnerships, including the risk of fraud and corruption, and provides for assurances to be obtained about the management of those risks.	Develop a procedure to embed this within the organisation *Mary Hawkins / Richard Barr – Sept '08* Implement procedure *Richard Barr – December '08*
1.4 The organisation can demonstrate that partnerships embed risk management, as part of setting priorities, policy making, financial planning and performance management.	Include in above work (1.3)
1.5 Effective risk management supports the organisation in taking and managing significant risks to successfully deliver innovative and challenging projects.	CMT to identify the major projects that are due to be started in 2008/09 and need to use a Prince based approach *Alternative CMT – August '08*
1.6 All those involved in the organisation's risk management arrangements are given relevant training and guidance.	Senior officers need a session at a senior officers meeting to bring everyone up to speed *Richard Barr / Mary Hawkins – December '08*
1.7 The organisation obtains assurance on a risk basis of the viability of its significant contractors' and partners' business continuity plans.	Bring forward proposal – December '08 *Mary Hawkins / Roger Jewsbury*
1.8 Reports to support strategic policy decisions, and initiation documents for all major projects, require a risk assessment including a sustainability impact appraisal.	Ensure they require this for strategic policy decisions and initiation documents for major projects during 2008/9 *All CMT members – Ongoing*
1.9 The organisation has a business continuity plan in place which is reviewed and tested on a regular basis.	Policy to be developed: *Roger Jewsbury – Summer '08* Update of corporate plan: *Roger Jewsbury – September '08*

2. CIPFA Rough Guide to Annual Governance Statement	
Requirement	**Action**
2.1 The authority has well-established and clear arrangements for financing risk	Claims handling system being purchased which will help monitor this as Woolf timetable can be set against claims producing reminders *Head of Finance – September '08* (Claims handling system will enable reports to be run of claims including causes, settlements costs, breakdown of compensation v legal fees)
2.2 A corporate risk officer has been appointed with the necessary skills to analyse issues and offer options and advice and: • Support decision making and policy formulation • Provides support in the risk identification and analysis process • Provides support in prioritising risk mitigation action • Provides advice and support in determining risk treatments • Inspires confidence in managers	The Job description of the Audit and Risk Manager being updated to reflect risk management responsibilities *Head of Finance – September '08*
2.3 Managers are accountable for managing their risks	Risk Management to be incorporated in management competencies *Head of Performance and Improvement – March 2009*
2.4 Where employed, risk management information systems meet users' needs	Audit and Risk Manager to investigate software for managing risks, in particular possibility of in-house development of system *Audit and Risk Manager – December '08*

Annexe 2: Risk Management Group - Terms of Reference

The brief of the risk management group comprises:

Aims and objectives

- to identify, evaluate and quantify the risk exposure in relation to all functions (insurable and non-insurable) that threaten the achievement of the organisation's objectives.

Operational brief

- to develop integrated training programmes

- to keep key risk areas under regular review

- to act as a resource bank and influence for stimulating changes in working practices

- to follow best practice in asset protection and safety awareness training

- to engage with partner organisations to improve community safety and harness available targeted funding

- to influence the cultural attitude of management towards stewardship of resources and assets owned by the corporate body and the development of future services

- to allocate corporate funds to facilitate a realistic risk treatment programme being set in train and monitor results achieved

- to ensure that core information systems and infrastructure are protected and resilient

- to achieve service continuity plans for the organisation's own service and key suppliers are in place and are subject to regular review

- to develop the procedures needed to implement the policy and take corrective action

Annexe 3: Summary of Responsibilities

	Develop the corporate risk management strategy	Agree the corporate risk management strategy	Provide advice and support on strategy development and implementation	Implement the strategy	Share experience of risk and risk management issues	Review the effectiveness of the strategy
Elected members/ Executive		▪				▪
Corporate management team	▪	▪		▪		▪
Risk champion	▪		▪	▪	▪	▪
Risk manager	▪		▪	▪	▪	▪
Risk management group	▪		▪	▪	▪	▪
Departmental management teams				▪	▪	▪
Service managers				▪	▪	▪
Employees				▪	▪	
Insurance Officer				▪	▪	

REVIEW OF PROGRESS IN ACHIEVING ACTION PLAN 2007/08

ACTIONS	RESPONSIBILITY	TIMESCALE	REVIEW OF PROGRESS
OBJECTIVE ONE: Address CPA "gaps"			
Examine Use of Resources assessment under CPA to identify gaps and develop action plan. Priority: High	Risk Management Group – Audit and Risk Manager	September 2007	Completed. CPA Use of Resources will form basis of risk management action plan for 2008/09 – see Annexe 1 of Appendix A.
OBJECTIVE TWO: Develop use of key risk indicators			
Establish appropriate use of key risk indicators Priority: Medium	Risk Management Group – Audit and Risk Manager	December 2007	Difficulties encountered in defining key risk indicators. Current belief is that it refers to measures that will indicate if the business is in trouble. CMT to consider extent to which current system of quarterly reporting indicators matches to key risks. Item now included in Annual Governance Statement action plan as follows: "Consider the extent to which the current performance monitoring suite is highlighting key risk indicators" with Head of Development & Performance Improvement and Director of Community Resources being assigned responsibility for completion of this.
OBJECTIVE THREE: Develop risk management of projects			
Assess risk management role in major projects and need for training Priority: Medium	Risk Management Group – Audit and Risk Manager	March 2008	Proposals are underway to provide training to all project managers and project sponsors. Funding gas been obtained from Advantage West Midlands and a consultant appointed to deliver this training. This will include risk management principles.

ACTIONS	RESPONSIBILITY	TIMESCALE	REVIEW OF PROGRESS
OBJECTIVE FOUR: Establish use of software to assist in management of risk			
Examine feasibility of establishing an IT-based risk management system Priority: Low	Risk Management Group – Audit and Risk Manager	September 2007	Potential suppliers identified and visited. Intention is now to develop in-house system and PID to be produced to this effect.

CORPORATE AND STRATEGIC RISK REGISTER

Activity	Risk	Cause	Effect	Controls	Likeli-hood Low =1	Severity High = 5	Total Risk Score	What action is required?	Responsibility & timescale
1. CORPORATE PRIORITY – Clear community leadership & effective management of resources	Partnership working fails	Our LSP - Partners do not value the risk-reward output	Partners no longer willing to put effort in	Reviewing Sustainable Community Strategy and the LSP Board	3	2	6	No action required	CE
		The LAA - Cannot agree on realistic LAA targets	Don't increase resident satisfaction	Being clear in LAA process what we can achieve with our current resources	3	2	6	No action required	CE
		Don't deliver on agreed targets	CAA assessment is poor						
		Neighbourhood working fails	Lack of engagement with public	Use new Neighbourhood Team to enhance support	4	3	12	Make priority for new team and new Director - by December 2008	SD (CSI) Dec 08
	Communications not effective as it should be	Insufficiently pro-active

Do not make a priority | Don't reach satisfaction targets | Communications & marketing strategy being developed | 4 | 2 | 8 | No action required | SD (CSI) |
| | Do not maintain Use of Resources score | Do not continually improve as harder test criteria introduced | Score reduces

Credibility damaged | Analyse criteria (when confirmed) and plan to meet | 4 | 3 | 12 | Review target when criteria are published | SD(LLR)

June 08 |

Activity	Risk	Cause	Effect	Controls	Likeli-hood Low =1	Severity High = 5	Total Risk Score	What action is required?	Responsibility & timescale
	Planning Committee decision overturned on appeal/at high court challenge	Planning Committee have insufficient evidence to support their decision	Costs against the Council – can be high if an appeal Public confidence falls	Training programme	3	4	12	Group leaders to ensure all substitutes have training No substitutes accepted who don't have training	SD(HD) Following annual council '08
	Loss of assets, or resources, or accidental creation of new liabilities	Poor legal records Limited capacity	Legal documentation insufficient to enforce Council's rights	Lexel accreditation scheme being implemented	3	4	12	Complete implementation of Lexel accreditation Use additional resources agreed to properly document missing records	CE December '08 Summer '08
	Emergency stops basic Council operations	Act of God or vandalism/ terrorism Pandemic Flu Flood/fire	Cannot deliver statutory services	We have a business continuity plan Business continuity plan testing in March	4	4	16	Complete policy Update corporate business continuity plan	CE July '08 CE Sept '08
	In-year budget overspend	Poor economic climate affects income streams Unfavourable outcome of dispute on land charges	Call on balances	Budget monitoring & corrective action if necessary	3	4	12	Monthly budget monitoring by CMT	SD(LLR) ongoing

Activity	Risk	Cause	Effect	Controls	Likeli-hood Low =1	Severity High = 5	Total Risk Score	What action is required?	Responsibility & timescale
	Health and Safety System not applied resulting in personal injury	Policy not updated, responsibilities: competencies not established, unregulated contractors access building	Litigation Poor staff morale Increased insurance claims Damage to reputation Compensation claims	Monthly DMT Quarterly CMT Risk registers contractor controls Management of resources Health & Safety training for staff	2	4	8	Strategic Director to chase all outstanding risk assessments with assistance of CMT colleagues Implementation of AssessNet Health and Safety Management System	SD(LLR) Dec '08
	We are not exercising appropriate duty of care to our employees	SIP list not effective because of change of system Staff not aware of procedures	Staff harmed by person who should have been on SIP list	CMT to monitor progress of working group	2	4	8		SD(HD) & SD (LLR)
2. CORPORATE PRIORITY – Improve housing services efficiency to meet housing need	Arrears do not reduce	Cannot implement planned initiatives or they fail Staff turnover too high	Do not make saving	Monitor on quarterly basis with Portfolio holder	4	2	8	No action required	SD (HD)

Activity	Risk	Cause	Effect	Controls	Likeli-hood	Severity	Total Risk Score	What action is required?	Responsibility & timescale
					Low =1	High = 5			
	Affordable homes cannot meet locally set political ambitions	Insufficient land and financial resources	Cannot house people in need of affordable housing locally	Raise profile of issue Housing & Planning work in partnership	5	1	5	No action required	SD (HD)
	Do not reduce void times	Cannot implement planned initiatives or they fail	Do not make saving	Monitor on quarterly basis with Portfolio holder	2	3	6	No action required	SD (HD)
3. CORPORATE PRIORITY- increase participation in cultural offering	Increased participation not achieved	People do not want to take advantage of offering Offering not appropriate	Wider community benefits not realised	Monitor on quarterly basis with Portfolio holder	1	1	1	No action required	SD (LLR)
4. CORPORATE PRIORITY – Provide quality environmental services & a sustainable quality environment	Cleanliness of environment doesn't improve	Contractor not up to standard Cannot change 'culture' of population Contractor has under priced contract	Unclean environment and satisfaction ratings decline	Enforcement activity	3	3	9	No action required	SD (LLR)
	Recycling misses targets	Behaviour doesn't change	Financial penalties	Monitor	0	3	0		SD(LLR)
	Do not meet CO2 reduction targets	Do not meet environmental duties	Savings not made	Develop plan and implement	2	3	6	No action required	SD(HD)

Activity	Risk	Cause	Effect	Controls	Likeli-hood Low =1	Severity High = 5	Total Risk Score	What action is required?	Responsibility & timescale
	We are adversely affected by climate change	Global warming	Drought /flooding affects operations Energy costs of operations becomes excessive	Develop services in line with best practice, and guidance implicit in new PI	4	2	8	Draw up action plan	SD(HD)
5. CORPORATE PRIORITY – create thriving town centres and retain pleasant villages	Lose vitality of town centre	District is relatively less attractive to businesses	Empty property Loss of parking income	Quarterly monitoring	3	3	9	No action required	SD (HD)
		Decriminalisation	Reduction in visitors Reduction in car parking income		2	4	8	Audit & Resources and monitoring car parking income	SD (LLR)
	Tourism declines	External regional effect	Tourism businesses decline		3	3	9	No action required	SD (HD)
		Reductions in financial support from Stratford to SWT	Company collapses and WDC has to take back TICs at increased cost – industry hit by closure of marketing body.		2	4	8	A strategic review has been undertaken, and a new 3 year business plan agreed.	SD (HD)
	Business growth not achieved	Not all CUP projects proceed			2	4	8		SD (HD)

Activity	Risk	Cause	Effect	Controls	Likeli-hood	Severity	Total Risk Score	What action is required?	Responsibility & timescale
					Low =1	High = 5			
	Poor design in new planning applications	Applicants not responding to our planned actions Planned actions do not happen	Dissatisfaction with service		2	2	4		SD (HD)
6. CORPORATE PRIORITY – safe vibrant and sustainable local communities	Local people do not feel safer	Initiatives to reduce anti-social behaviour fail Increase in offending Police have insufficient resources		Implement changes with WDC additional resources agreed in budget	2	3	6	No action required	SD(CSI)
	Parish plans not produced	Parishes do not want this We do not provide sufficient support	We know less about rural needs	Continue to monitor current programme and promote successes	3	2	6	No action required	SD (HD)
	Do not involve children and achieve Warwickshire award targets	Insufficient commitment from service	Poorer services		1	2	2	No action required	SD (CSI)
	Residents cannot access rural services easily	Cannot improve transport Hospital services moved to more remote locations	Dissatisfied residents		3	2	6	No action required	SD (CSI)

Activity	Risk	Cause	Effect	Controls	Likeli-hood	Severity	Total Risk Score	What action is required?	Responsibility & timescale
					Low =1	High = 5			
7. CORPORATE PRIORITY – improve efficiency of service for customers	Citizens don't perceive key services have improved	Series haven't improved WE haven't communicated improvement	Dissatisfied residents	Take action as a result of quarterly monitoring	4	2	8	No action required	SD (CSI)
	Customers don't find services easy to access and use	Technology inappropriate Unexpected consequences of call centre relocation	Dissatisfied residents		2	3	6	No action required	SD (CSI)
	Multi-agency working not implemented	Joint working issues with the Libraries service Insufficient finance	Cannot carry through other changes at Riverside House Financial impact	Regular joint project team and programme meetings	4	3	12	Bring forward proposals on one stop shop	Plans to July CMT SD(CSI)
8. STRATEGIC PROJECT – New initiatives	Insufficient corporate capacity to fulfil legal requirement	Not enough capacity	Statutory duties not fulfilled or targets missed Projects fail because insufficient support service capacity	CMT to do annual review of all new projects 1:1 reviews between Heads and Directors to monitor	4	3	8	**Finalise draft projects list and circulate**	CE July '08

Activity	Risk	Cause	Effect	Controls	Likeli-hood Low =1	Severity High = 5	Total Risk Score	What action is required?	Responsibility & timescale
9. STRATEGIC PROJECTS – Capacity	Insufficient capacity to complete projects to timescale	Vacancies & sickness or too many issues arise in current projects	Delay or non-completion of projects and possible budgetary implications	Keep under review as part of risk monitoring	4	2	8	No action required	CE & CMT
10. STRATEGIC PROJECT – Coventry airport & planning enquiries	Costs in excess of current budget provision	Airport is successful in high court challenge to Ministers decision	Need to make additional budgetary provision	Sufficient additional monies for what is known in budget Contingency in budget	1	5	5		SD (HD)/CE/ SD (LLR)
11 STRATEGIC PROJECT - . EDRMS	Project vision not fully implemented	Initial programme aspirational Poor business case Contract with partner insufficiently tight	Loss of reputation Some investment does not generate returns Workflow in services will require funds in excess of remaining budget	Project stopped and no further work until full review completed	4	3	12	Fully understand options and agree a way forward	SD (CRI) Sept '08 Exec

Activity	Risk	Cause	Effect	Controls	Likeli-hood Low =1	Severity High = 5	Total Risk Score	What action is required?	Responsibility & timescale
12. STRATEGIC PROJECT - Building on Excellence	Unable to find tenant for space at Riverside	Marketing is unsuccessful	Unable to achieve savings as planned	Budget review	4	3	12	Marketing to begin early	CE By Oct '08
13. STRATEGIC PROJECT – Spencer's Yard (has its own register)	Doesn't proceed	No AWM funding Private sector funding gap Legal documentation not agreed	Continued liability for church Legal costs not recovered No return on investment to date	AWM bid Work through alternatives to address funding gap Consider church purchase	3	4	12	Report to Executive each cycle	CE ongoing
14 STRATEGIC PROJECT – addressing the medium term financial strategy	Cannot develop sustainable budget	Budget proposals not politically acceptable	Financial & political crises Intervention	working groups to develop proposals with officers	2	5	10	Set up further groups	SD (LLR) Sept '08
15 STRATEGIC PROJECT - Chandos Street	Cannot agree to Heads of terms at stage 3	Scheme no longer viable Wider economic downturn effects scheme	Overspend as our costs are not covered	Monitor through review of this register	2	4	8		SD (HD)

NOTE: Responsibilities are for the Chief Executive (CE) and the three Strategic Directors (SD); Living, Lifestyles & Resources (CR), Customer Services Improvement (CSI) and Housing & Development (HD)