

		AGENDA ITEM NO.	
Report Cover Sheet			
Name of Meeting:		Executive	
Date of Meeting:		23 rd July 2007	
Report Title:		Risk Management Annual Report	
Summary of report:		Report advises on progress in embedding risk management within the organisation.	
For Further Information Please Contact (report author):		Richard Barr, Audit and Risk Manager	
Would the recommended decision be contrary to the Policy Framework:		No	
Would the recommended decision be contrary to the Budgetary framework:		No	
Wards of the District directly affected by this decision:		None	
Key Decision?		No	
Included within the Forward Plan?		No	
Is the report Private & Confidential		No	
Background Papers:		Minutes of Risk Management Group meetings	
Consultation Undertaken			
Consultees	Yes/ No	Who	
Other Committees	N/A		
Ward Councillors	N/A		
Portfolio Holders	N/A		
Other Councillors	N/A		
Warwick District Council recognised Trades Unions	N/A		
Other Warwick District Council Service Areas	N/A		
Project partners	N/A		
Parish/Town Council	N/A		
Highways Authority	N/A		
Residents	N/A		
Citizens Panel	N/A		
Other consultees	N/A		
Officer Approval			
Officer Approval	Date	Name	
Relevant Director(s)	26 June 2007	Mary Hawkins	
Chief Executive		Not applicable	
CMT	28 June 2008	Not applicable	
Section 151 Officer	26 June 2007	Mary Hawkins	

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

1 **RECOMMENDATIONS**

- 1.1 That members note the report and its contents, in particular that which sets out members' responsibility for risk management.
- 1.2 That members affirm the Council's risk strategy, including the action plan for 2006/07. (Appendix A.)
- 1.4 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 2006/07. (Appendix B.)
- 1.5 That members approve the risk register for corporate and strategic risks. (Appendix C.)

2 **REASON FOR RECOMMENDATIONS**

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

3 **RESPONSIBILITY FOR RISK MANAGEMENT**

- 3.1 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:

- 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.”

4 **PROGRESS TO DATE**

- 4.1 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.
- 4.2 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.
- 4.3 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.
- 4.4 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
- 4.5 Progress in respect of implementing last year's action plan is reported in a table set out as Appendix B to this report. Any tasks which were not completed by the year end have been included in the current action plan.
- 4.6 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.
- 4.7 Each quarter, the corporate management team reviews and updates the Corporate and Strategic Risk Register. This is then submitted to the next meeting of the Executive for information and its approval. This quarter's Corporate and Strategic Risk Register is set out as Appendix C.
- 4.8 During the year, risk management was assessed at level 3 by the Council's external auditors as part of the CPA Use of Resources assessment. This is generally regarded as being a good score to have achieved with very few authorities achieving the highest score of 4.

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

5 **CONCLUSIONS**

- 5.1 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.

6 **POLICY AND BUDGETARY FRAMEWORK**

- 6.1 Although risk management impacts on all the Council's operations the recommendations in this report do not have any direct impact on policy or budget.

7 **ALTERNATIVE OPTION(S) CONSIDERED**

- 7.1 Not applicable.

8 **BUDGETARY FRAMEWORK**

- 8.1 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.

9 **POLICY FRAMEWORK**

- 9.1 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.

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 2007/08 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.

Elected Members/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.

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 champion²

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 manager³

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 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

² This officer is the Responsible Financial Officer.

³ This officer is the Audit and Risk Manager.

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.

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 2007/08

An action plan to embed risk management within the Authority further is set out below.

ACTIONS	RESPONSIBILITY	TIMESCALE
OBJECTIVE ONE: Address CPA “gaps”		
Examine Use of Resources assessment under CPA to identify gaps and develop action Priority: High	Risk Management Group – Audit and Risk Manager	September 2007
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
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
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

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				■	■	

Appendix B

REVIEW OF PROGRESS IN ACHIEVING ACTION PLAN 2006/07

ACTIONS	RESPONSIBILITY	TIMESCALE	REVIEW OF PROGRESS
OBJECTIVE ONE: Develop use of key risk indicators			
Establish appropriate use of key risk indicators Priority: Low	Risk Management Group – Audit and Risk Manager	September 2006	Attempted, with little success arising, to find out how other authorities are dealing with this through benchmarking with Association of Local Authority Risk Managers.(ALARM). Will review further. Action to be carried forward.
OBJECTIVE TWO: Review risk management resources			
Review the need for dedicated risk management post Priority: Medium	Audit and Risk Manager	March 2007	Difficult to justify currently especially as district councils tend to combine post with head of insurance or, increasingly, head of internal audit.
OBJECTIVE THREE: Develop risk management of projects			
Assess risk management role in major projects Priority: Medium	Risk Management Group – Audit and Risk Manager	December 2006	CMT views on proposal for risk to be included as mandatory section within committee reporting sought. Action to be carried forward.
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	December 2006	Still being pursued: feasibility report expected by September 2007. Action to be carried forward.
OBJECTIVE FIVE: Develop risk registers			
Revise risk register to include dates by which risk mitigation action is to be taken and/or production of contingency plans is to be undertaken Priority: Medium	Risk Management Group – Audit and Risk Manager	September 2006	Will be addressed when service risk registers are next reviewed by Risk Management Group.

ACTIONS	RESPONSIBILITY	TIMESCALE	REVIEW OF PROGRESS
OBJECTIVE SIX: Respond adequately to the Council's duties under Civil Contingencies Act			
<ul style="list-style-type: none"> • Identify duties • Develop action plan • Make recommendations • Develop strategic and corporate business continuity plan which is predominantly IT-based and involves identification of alternative central administrative site in the event of a major problem • Develop generic continuity plan for event which utilises the Council's (and other partner's) workforces <p>Priority: High</p>	Chief Executive	March 2007	Ongoing action led by CMT.

Appendix C

CORPORATE AND STRATEGIC RISK REGISTER

Activity	Risk	Cause	Effect	Controls	Likeli-hood	Impact	Total Risk Score	Action required	Responsibility
					Low = 1 High = 5				
1. CORPORATE PRIORITY – Manage our services openly, effectively & efficiently	Partnership working fails	Partners do not value the risk-reward output	* Partners no longer willing to support our LSP	Review as this risk assessment is regularly reviewed	3	2	6	No action required	CE
		Risks not being managed							
		Cannot agree on realistic LAA targets	Poor external assessment in the future	Being clear in LAA process what we can achieve with our current resources	3	2	6	No action required	CE
	Partners failing, especially funding impacts on Council	Partners lack of resources	* Shared goals not achieved * Pressure to give funding	Review as this risk assessment is regularly reviewed	4	1	4	No action required	CE
	Do not meet targets	Insufficient staff to deal with current volume of calls	* Dissatisfaction with Council		5	3	15	Recruit and retain additional staff agreed through budget process	SD (CIA)
	Planning Committee decision successfully challenged	Planning Committee have insufficient evidence to support a decision	*Litigation for damages *Public confidence falls	Training programme	3	4	12	New members to complete induction training	SD(E)
	Loss of assets, or resources, or accidental	* Poor legal records	Legal documentation insufficient to	Lexel accreditation scheme being	3	4	12	* Monitor implementation of	SD(E)

Activity	Risk	Cause	Effect	Controls	Likeli- hood	Impact	Total Risk Score	Action required	Responsibility
					Low = 1 High = 5				
	creation of new liabilities	* Limited capacity	enforce Council's rights	implemented				Lexel accreditation * Agree additional resources to properly document missing records	
	Two tier working fails	Bad planning or implementation	* Loss of legitimate 'District' control *Costs increase	Pilot working Clear strategic leadership	2	3	6	None at present	CE
2. CORPORATE PRIORITY – Improve our services to provide a cleaner and greener environment	Cleanliness of environment doesn't improve	* Contractor not up to standard * Cannot change 'culture' of population * Grounds maintenance contract has lower standards	* Unclean environment and satisfaction ratings decline * Do not achieve top quartile cleanliness standard	Quarterly monitoring of the appropriate 3 top level indicators and quarterly meeting between SD (E) and contractors	3	3	9	No action required	SD (E)
3. CORPORATE PRIORITY – Promote and contribute to a safer healthier community	Emergency stops basic Council operations	*Act of God or vandalism/ terrorism * Pandemic Flu *Flood/fire	Cannot deliver statutory services	Develop business continuity plan	4	4	16	Services manager to complete their plans	CE
	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	Monthly DMT Quarterly CMT Risk registers contractor controls	2	4	8	Complete training for all staff.	SD(E)

Activity	Risk	Cause	Effect	Controls	Likeli-hood	Impact	Total Risk Score	Action required	Responsibility
					Low = 1 High = 5				
	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	Embed new system	SD(E) & SD (CR)
	We are adversely affected by climate change	Global warming	Drought affects parks/gardens activities Energy costs of operations becomes excessive	Develop services in line with best practice	4	2	8	Draw up action plan	SD(E)
	We are held responsible for the significant increase in local crime – through our leadership of the crime reduction partnership	Local crime levels, and in particular criminal damage have shown a significant increase in the last year	Confidence in the Council lost	Monitor and agree changed working practice amongst crime reduction partnership members	4	3	12	*Agree new ways of working for WDC staff involved *Take leadership role in changing priorities of partners	SD(E)
4. CORPORATE PRIORITY – Support a prosperous mixed economy	Lose vitality of town centre	District is relatively less attractive to businesses	* Higher unemployment * Loss of parking income	Quarterly monitoring of the appropriate 3 top level indicators	3	3	9	No action required	SD (CIA)
		Relocation due to skills shortages and labour costs	Empty business properties		3	2	6	No action required	SD (CIA)

Activity	Risk	Cause	Effect	Controls	Likeli- hood	Impact	Total Risk Score	Action required	Responsibility
					Low = 1 High = 5				
		Decriminalisation	Reduction in visitors Reduction in car parking income		2	4	8	Audit & Resources and monitoring car parking income	SD (CR)
	Tourism declines	* External regional effect	* Tourism businesses decline		3	3	9	No action required	SD (CIA)
			Reductions in financial support from Stratford to TIC	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.
5. CORPORATE PRIORITY – Enhance the culture of the area	Volunteer input to culture ceases	* One man bands * Later retirement	Community groups are not sustainable	None at present	3	3	9	No action required	SD (CR)
6. CORPORATE PRIORITY – Meet the housing need	Circumstances change to mean decent homes no longer attainable	Changes circumstances adversely affect underlying assumptions	* Re-do Housing Options or part thereof		3	2	6	No action required	SD (CR)
	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 (CR)

Activity	Risk	Cause	Effect	Controls	Likeli- hood	Impact	Total Risk Score	Action required	Responsibility
					Low = 1 High = 5				
7. CORPORATE PRIORITY – target resources to area of greatest need	Do not achieve equalities targets	* Loss of key staff * Insufficient priority given to this	Failure on top 21 target	* Reviewed by SD (CR) on regular basis, and as part of performance monitoring	3	2	6	No action required	SD (CR)
8. STRATEGIC PROJECT – New initiatives	Insufficient corporate capacity to fulfil legal requirement	Not enough capacity	Statutory duties not fulfilled or targets missed	* CMT to keep new projects under review * Ask Audit to build into annual plan * CMT away day	4	2	8		CE
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 – Performance management	Performance falls	* Performance management not effective	Poor future assessments	* Quarterly monitoring of targets	2	3	6	No action required	CE
11. STRATEGIC PROJECT – Coventry airport & planning enquiries	Costs in excess of current budget provision	Action taken in pursuit of Council policies	Need to make additional budgetary provision	* Sufficient additional monies for what is known in budget * Contingency in budget	2	3	6	Keep under review – current risk is to sec of state	SD (E)/CE/ SD (CR)

Activity	Risk	Cause	Effect	Controls	Likeli-hood	Impact	Total Risk Score	Action required	Responsibility
					Low = 1 High = 5				
				* Plan to make further contribution to planning reserve in 2007/08 *Keep under review as part of budget monitoring					
12. STRATEGIC PROJECTS – Procurement	Failure to progress work affects external assessment score (s)	* Lack of priority * Lack of funds * Lack of knowledge/unable to recruit to new post	Loss of reputation	* Review project and priorities at Executive in June * Take all offers of external help	5	2	10	Recruit to post created in admin review and progress	SD (CR)
13. STRATEGIC PROJECTS – Gershon and efficiency	Do not hit 3.0% efficiency ‘savings’ per year for three years	Cannot identify savings, or they are not achieved, or auditors do not agree	Poor ‘use of resources score’ Increased audit costs	High level finance support Communication and training	4	2	8	None	SD (CR)
14. STRATEGIC PROJECTS – Old Town Regeneration (Waterside)	Knowledge of others leads to adverse actions which could affect overall viability of scheme in development	Concern by non-Council bodies Ability for other to make windfall gains by acting quickly	Viable scheme cannot be brought forward	Careful and sensitive early management	3	3	9	Working Party expanded to include partners plus agreed approach	

Activity	Risk	Cause	Effect	Controls	Likeli-hood	Impact	Total Risk Score	Action required	Responsibility
					Low = 1 High = 5				
	Major industrial use relocation cannot be progressed within the District	Suitable Industrial relocations site cannot be identified	Scheme becomes impractical	Examine feasibility Study and alternative sites	3	3	9	Obtain Appraisal and review planning prospects	SD (E)
15. STRATEGIC PROJECTS – The big 2008 major contracts re-tendering project	Cost of contract significantly exceeds additional budget provision	Poor tender process Inability to re-group contracts to be within budget	* Other services disrupted by need to make changes to balance budget	* Use of consultants * PRINCE2 project controls *CMT reviewing progress monthly	3	4	9	Nothing further in addition to controls	SD (CIA)
	New contract fails to provide adequate service	Successful contractor has made unrealistic assumptions	Default notice and service disruption possibly leading to termination	Effective tender evaluation	3	3	9		SD (E)

NOTE: Responsibilities are for the Chief Executive (CE) and the three Strategic Directors (SD); Community Resources (CR) , Customer Information and Advice (CIA) and Environment (E)