

DATE:	Jan-15	NAME: LEADERSHIP TEAM	WATFORD BC
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CORPORATE VISION: *To be a successful town in which people are proud to live, work, study and visit*
The corporate risk register seeks to ensure the achievement of the council's seven main objectives

Risk has been assessed in Four Blocks: Major Investment / Service Delivery/ Reputational/ Functional

RISK TYPE: ALL STRATEGIC

MAJOR INVESTMENT

SERVICE DELIVERY

Carol Chen
Lesley Palumbo

Update following LT
Updated control measures & reduced score on Cassiobury project. Updated further controls on Equalities. Scores reviewed and updated

17.2.15
18.2.15

DATE:	Jan-15	NAME: LEADERSHIP TEAM	WATFORD BC
CORPORATE RISK REGISTER: ASSESSMENT MATRIX			
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CODE	OBJECTIVE	Value of investment £	RISK	CAUSES	ASSESSMENT OF RISK (no controls in place for first assessment and controls in place thereafter)			ASSESSMENT OF RISK (With controls in place – Residual Risk Rating)			CONSEQUENCES	FURTHER CONTROLS REQUIRED	SEVERITY	LIKELIHOOD	MITIGATED RISK RATING	REVIEW FREQUENCY (A, Q, M)	DATE OF NEXT REVIEW	OWNER		
					Categories of risk (Please see appendix 1 for categories of risk)	SEVERITY	LIKELIHOOD	RISK RATING	Control measures in place?	SEVERITY									LIKELIHOOD	RESIDUAL RISK RATING
5	Homelessness Increases, placing pressures upon temporary accommodation & bed and breakfast	potentially circa £150k	homeless / vulnerable families and individuals have no accommodation or unsuitable accommodation creating health, wellbeing and safety issues	The negative impact of the downturn in the economy combined with policy changes impact upon statutory homelessness	customer/ citizen legislative/ reputational/ equalities/ financial	4	4	16	Plans for securing additional temporary accommodation are under review. Revenue related project discussions continuing.	4	4	16	Increasing numbers anticipated in Bed and Breakfast or equivalent accommodation. Pressure on staffing and welfare of clients. Statutory 6 week timeframe for families.	Review of resourcing in Housing on-going and clarity on direction regarding increasing supply will be part of Housing Strategy	4	3	12	M	ongoing	Alan Gough
6	Service Improvement Continues	£160m turnover	services deteriorate. Homelessness increases. The Town looks tired, dirty & neglected.	service efficiencies / staff rationalisation affect service standards. Budget reductions reduce allocation of resources.	Economic/ Financial Reputational	4	3	12	Performance Indicators/ officer management teams/ Leadership/ quarterly reviews/ scrutiny process/ community surveys all in place to monitor performance.	4	2	8	a deterioration in service standards will affect the council's vision and objectives. Complaints from the community will increase.	Targetted improvement/ resourcing to some services may be necessary eg Benefits Service/ Homelessness.	4	2	8	Q	ongoing	Leadership Team
7	Contract Management of Outsourced Services	not quantified	Failure of contracting partner to deliver required service to agreed specification.	Inadequate commissioning, procurement and contract monitoring arrangements in place. Poor monitoring of contractor performance.	Customer/ citizen legislative/ legal reputational / equalities	4	3	12	Robust procurement processes. External consultancy support used. Clear specifications and conditions. Contract monitoring officers and client teams and regular monitoring meetings in place. Legal conditions in contract. Full monitoring regime in place, and regular real time reporting procedures. Weekly / Monthly updates to review progress. First workshop and meeting of Contract Management Forum established in Nov 2013. Audits undertaken and action plans in place as part of 2014/15 Audit plan. Developing corporate wide "Centre of Excellence" approach in contract management incorporating a training audit and Toolkit development	4	2	8	Contract and service delivery failure	Training Plan to be developed and delivered from outcome of training audit. Toolkit to be developed / EU Directives to be complied with.	4	1	4	W	May-15	Lesley Palumbo/Howard Hughes
8	Ensure Housing Benefit Service is fit for purpose	£75m turnover per annum	Backlogs result in delays in making payments to client base. Quality controls on payments are insufficient and benefit grant subsidy from DWP is lost.	Use of technology is not maximised. Benefits assessors spend time dealing with routine client enquiries. Incomplete information provided by benefits clients/ recipients.	Financial / reputational/ customer/ citizen	4	4	16	Monitoring of workload being constantly reviewed. Quiet periods (no telephone calls) for skilled benefits assessors to clear backlogs. External resource engaged to process routine change of circumstances.	4	3	12	Backlogs are not fully cleared (partly due to increased volumes of applicants–due to economic recession). A danger that conveyor belt mentality will affect quality control processes.	The Customer Service Centre is screening initial applicants in order to ensure all paperwork has been provided and to relieve pressure on benefits assessors	4	2	8	M	ongoing	Robert Della- Sala
9	Failure of Uniform and other essential back office systems	not yet quantified	Failure of contracting partner to deliver required service to agreed specification.	System is currently unsupported	customer/citizen/rep utational	4	4	16	Business critical applications upgrade projects in progress Application discovery project in progress with reviews with key stakeholders and suppliers to identify options for upgrades on current platforms, hosted services	4	4	16	Unable to deliver planning, land charges and environmental health services & meet legislative deadlines	Regular MIT project reviews Review of supplier options to support / deliver upgrade projects in progress	4	3	12	M	ongoing	ITSG/ HoS
10	Failure of ICT Services Contract	not yet quantified	Failure of partner to deliver required service to agreed specification.	Inadequate resources, skill set gaps, inadequate contract management by contracting partner, poor process & lack of procedures, poor governance by contracting partner	Customer/ citizen legislative/ legal reputational / equalities	4	4	16	Revised governance structure in place with a minimum of a monthly risk review Account recovery programme of work Senior stakeholder engagement	4	4	16	Poor service delivery / service debasement Poor return on investment Inability for council to deliver service improvements / efficiencies / vision	Regular monitoring of ARP progress Regular reviews with senior supplier management Review of contract service threshold & action options	4	4	16	W	End Feb	Jo Wagstaffe

REPUTATIONAL

11	Continue to Progress Equalities within the Council and across all service delivery	Not Quantifiable	Service efficiencies result in the pursuit of equalities being down graded.	staff rationalisation results in equalities being given a lower priority both within the Council and in the provision of services to all the community.	Customer / Citizen Legislative/Legal Reputational	4	2	8	Equalities champions at Head of Service/ Cabinet level are in place. Quarterly reviews are held. Legislative changes to equalities are being monitored. Corporate Equalities group relaunched Nov 2013 and reviewed Feb 2015. Leadership Team review equalities. (HR report received annually)	4	2	8	The Council will not be seen to support individuals and the community. It will not be recognised as a fair/ good employer.	EIA activity to be reviewed. Statistics relating to usage of facilities and complaints processes need to be closely monitored. Revised approach to Equalities training to be implemented	4	2	8	Q	ongoing	Lesley Palumbo
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12	PSN - Public Services Accreditation is not achieved	Not Quantifiable	Residents do not receive correct Housing benefit payments.	Revenues and Benefits services are unable to send and receive data from departments such as DWP.	Financial / reputational/ customer/ citizen	4	3	12	Annual project reviewed previous submission & issues arising & submission completed with known non-compliance items Capita lead on ICT technical & CESG CLAS consultant engaged for specialist support	4	2	8	This may result in temporary disadvantages for the Council e.g. remote access to government services are disabled.	Long term and annual PSN project is in place. Regular contact with Cabinet Office & key stakeholders over known no compliance and remediation workplan	3	3	9	Q	Ongoing	Jo Wagstaffe
FUNCTIONAL																				
14	ICT platform fit for purpose	Not Quantifiable	Unreliability of system affects corporate efficiency and results in considerable staff downtime and failure to deliver full service to the public.	Delays on MIT project - outdated hardware, systems and platform still in use. Inadequate project resources & management by contracting partner	Customer / Citizen Economic/ Financial Reputational	4	3	12	Revised MIT project governance arrangements in place with fortnightly reviews & phased delivery plans Revised project timeframe and improved project scope and outcomes defined with guide budgets approved	4	2	8	Service delivery and staff efficiency badly affected	Timeline for improvement delivery to be finalised and works initiated	4	3	12	M	Ongoing	Jo Wagstaffe
15	Ensure the Control Environment across the authority reflects the changing nature of fraudulent activity	Not Quantifiable	Increasing sophistication of fraud, particularly cyber fraud could result in significant financial losses	moral standards in society falling. Financial hardship encouraging innovative ways to obtain money.	Financial / reputational/	4	3	12	Regular fraud up dates distributed to all staff. E learning module on intranet	4	3	12	Risks of fraudulent access to council's accounts still remain	Annual Audit Plan includes resources to test the council's resilience against cyber crime	4	2	8	Q	ongoing	Garry Turner
16	Review Corporate/ Service Plans	Not Quantifiable	Corporate and Service Plans become stale and fail to engage with staff.	Other competing priorities has meant the CP/ SP process has been treading water.	Customer / Citizen Reputational	3	3	9	Service management teams/ quarterly reviews/Leadership Team give this a higher priority. Staff survey carried out. Appraisals in place. Workshops held with teams and sharing of service plan session in Feb 2015.	3	2	9	The Vision , values & key objectives are not recognised by all staff.	Learning and Development initiatives to encourage awareness.	3	1	3	Q	on going	Kathryn Robson
17	Assess impact of major changes to funding by Government through Business rates Retention and Local Council Tax Benefits schemes	£193,000	WBC may lose a significant amount of financial support from Central Governemnt	The localisation of business rates means that the Council carries risk in relation to it's overall funding from Central Government. Much of the causes for the fluctuations are outside of the Council's control.	Financial/ Reputational/ Citizen/ customer	4	4	16	Business Rates are monitored on a monthly basis and the budget has been set based on current performance. The Council can quantify the overall value of the risk and has taken this into account when setting the budget.	3	3		The council may be at risk of reduced income which it had not intended.	Continued monitoring of the performance of business rates is to be undertaken.	3	2	6	Q	on going	Nigel Pollard

The Categories of Risks Facing Watford Borough Council

Hazards and risks need to be taken into account in judgments about the medium to long-term goals and objectives of the organisation, as well as the day-to-day operations of the Council. These may be as follows: -

Category	Definition
Political:	those associated with failure to deliver either central Government policy or meet the administration's manifesto commitments
Economic/Financial:	those affecting our ability to meet financial commitments. For example, internal budgetary pressures, the failure to purchase adequate insurance cover, external economic changes or the consequences of proposed investment decisions. Monitoring of financial planning and control and internal funds.
Social:	those related to the effects of changes in demographic, residential or socio-economic trends on the organisation's ability to deliver its objectives.
Technological:	those associated with the capacity of the organisation to deal with the pace / scale of technological change or its ability to use technology to address changing demands. They may also include the consequences of internal technological failures affecting the organisation's ability to deliver its objectives. (e.g. IT systems, equipment or machinery).
Legislative/Legal:	those associated with current or potential changes in national or European Law (e.g., the appliance or non-appliance of TUPE Regulations, Human Rights Act, Data Protection Act, Disability Discrimination Act, etc.). Risk related to possible breaches of legislation.
Environmental:	those related to the environmental consequences of progressing the organisation's strategic objectives (e.g., in terms of energy efficiency, pollution, recycling, landfill requirements, emissions, etc.). Those related to pollution, noise or energy efficiency of ongoing service operations.
Reputational:	those related to the organisation's reputation and the public perception of the organisation's efficiency and effectiveness.
Competitive:	those affecting the competitiveness of the service (in terms of cost or quality) and / or its ability to deliver Value for Money.
Customer/Citizen:	those associated with failure to meet the current and changing needs and expectations of our customers and citizens.
Professional:	those associated with the particular nature of each profession
Physical:	those related to fire, security, accident prevention and health and safety (e.g., hazards / risks associated with buildings, vehicles, plant and equipment, etc.)
Contractual:	those associated with the failure of contractors to deliver services or products to the agreed cost and specification.

GUIDANCE ON COMPLETING THE RISK ASSESSMENT MATRIX

DATE: <i>when evaluation completed</i>	NAME: <i>of person completing assessment; may vary from risk</i>	POST: <i>of person completing assessment</i>	DEPT/ UNIT: <i>Risk</i>											
RISK ASSESSMENT MATRIX v 1.6														
RISK ASSESSMENT NUMBER: <i>consecutively from 1 (the 1st assessment) this allows for accurate version control and provides an audit trail of treatment/controls etc</i>														
BUSINESS OBJECTIVE: <i>External Relations: Please state your departmental objective here - as risks to achieving this objective should be considered</i>														
RISK TYPE: <i>STRATEGIC, OPERATIONAL or BOTH (delete as necessary) strategic type would affect the 3-5 year planning process, operational type would affect day-to-day activities & both is an operational risk with a strategic impact</i>														
CODE	RISK	CAUSES	ASSESSMENT OF RISK (no controls in place for first assessment and controls in place thereafter)			ASSESSMENT OF RISK (With controls in place – Residual Risk Rating)				CONSEQUENCES	FURTHER CONTROLS REQUIRED	REVIEW FREQUENCY (A, Q, M) <i>annually, quarterly or monthly</i>	DATE OF NEXT REVIEW	OWNER
			Categories of risk	SEVERITY	LIKELIHOOD	RISK RATING	Control measures in place?	SEVERITY	LIKELIHOOD					
sequential numbering of risks - see appendix 2. If risk is no longer relevant number must NOT be reused.	A risk is the threat that an event or action will affect the Council's ability to achieve its objectives and to successfully execute strategies. To help identify risks one can think of political, environmental, social technological, economical and legal threats. In addition to this please consider the risks that can occur which may prevent your area from achieving objectives as set in the Corporate/Community Plan; impact on Use of Resources and also CPA/CAA etc	these are the events, circumstances and/or situations that give rise to the risk being created	see Appendix 1 - Categories, you can include 1 or more categories depending on the risk	scored on a scale of 1 - 4; 1 being the lowest and 4 the highest; <u>before controls</u> in place	automatically calculated and formatted	these are controls currently in place which have currently reduced the likelihood of the risk materialising; these are usually in the form of internal controls systems, policies and procedures, regular meetings etc	scored on a scale of 1 - 4; <u>with controls</u> in place	automatically calculated and formatted	this is the result of the risk if and when it occurs and can include loss of business, negative/bad reputation, breakdown or partnership working, financial loss (please state financial loss in monetary terms where possible)	further controls are needed where a residual risk rating is shown as amber or red i.e. medium or high. These risks will be shown on the treatment plan.	this will depend on the risk rating, how effective controls are, cost implications of controls etc	this should be a realistic date when the next review of the risk including adequacy if the controls should be completed, this must be matched to the review frequency	the person responsible for implementing and reviewing control measures	

Note

Severity can be viewed in four categories/ matched to scores

- | | | |
|----|-------------|--|
| 1. | Minor | Any annoyance that does not disrupt service provision or has only a localised impact contained within the council/service affected. No media or public knowledge of incident |
| 2. | Significant | Short -term partial failure, no media interest, limited financial losses or disruption to service provision. |
| 3. | Serious | Short-term total service failure or prolonged partial failure, possible local media interest, possible financial losses or injuries |
| 4. | Major | Total service failure, high financial losses, possible national media criticism, local media interest or possible fatalities/severe injuries |

Likelihood can be viewed in four categories/matched to scores:

- | | | |
|----|-------------|--------------------------------------|
| 1. | Remote | Little or no likelihood of occurring |
| 2. | Unlikely | Some likelihood of occurring |
| 3. | Likely | Significant likelihood of occurring |
| 4. | Very likely | Near certainty of occurring |