

SECTION 6

Major Strategic Risks – what could stop us meeting the needs of local people

Based upon a risk matrix developed with our partners Zurich, the following risks represent those that have been identified as having the greatest potential to happen and the greatest impact should they occur. The following table also highlights what action will be taken to reduce the risk and what action will be taken should the risk become a reality. Other risks are managed through a combination of service business plans and the operational risk register process.

	Risk/Impact	Risk Profile	What action will be taken to reduce the risk?	Lead Responsibility	What action will be taken if the risk becomes a reality	Lead Responsibility
1	CPA target of '2 Star' may be impacted by the Audit Commissions decision to consult further with District Authorities regarding the new model for future CPA inspections. Potential for timescale for reassessment to be lengthened beyond 2006/07	A1	Consultation with both the Audit Commission and Office of the Deputy Prime Minister	Chief Executive	Report to Executive with recommendations for action	Chief Executive
2	Customer service P.I.'s not embedded across all services	A2	Set up staff engagement workshops in areas where non compliance greatest to establish reasons and improvement plans	Head of Customer Services & E Gov	Closely monitor achievement of customer P.I.'s and implement corrective actions where necessary	Head of Customer Services & E Gov
3	Council fails to find and manage, appropriately, a Revenues and Benefits strategic partner.	B1	Procedure plans in place to identify the best partner for the council including the creation of a dedicated client management team	Head of Customer Services and e-Government	Review alternative methods of service delivery.	Head of Customer Services and e-Government

4	Customer satisfaction levels do not increase	B1	Embedding customer service standards throughout the organisation, communications strategy being developed, significant capital investment into housing following the transfer of Council Housing to Green Vale Homes	Head of Customer Services and e-Government	Review the degree to which customer standards are adhered to throughout the Council. Plan and implement according to customer satisfaction surveys.	Head of Customer Services and e-Government
5	Council does not adhere to the key assumptions of the Medium Term Financial Strategy or identify a means of bridging the funding gap.	B1	06/07 Budget in line with MTFS principles. Funding gap sources currently under review (eg additional income generation)	Executive Director of Resources	Increased Member development and financial training	Executive Director of Resources
6	Council fails to deliver its improvement agenda through its various strategic partnerships (eg: Local Strategic Partnership, Lancashire County Council, Green Vale Homes, Revenues & Benefits, etc)	B1	Members training and organisational review to ensure that Members and Officers perform lead roles in the various partnership	Chief Executive	Review and revise strategy within the Corporate Improvement Plan	Chief Executive
7	Local Government White Paper distracts the Council (Members and Officers) from its improvement agenda and corporate priorities.	B1	Performance management framework (including the regular monitoring of all strategic, service business and personal plans) and	Chief Executive	Re-enforcement of the corporate and personal objectives	Chief Executive

			"The Golden Thread" continues to be embedded throughout the organisation.			
8	Sale of assets are not realised therefore the Council does not secure capital receipts to fund its capital programme	B2	Business Case Development	Property Services Manager	External funding increased	Property Services Manager
9	Bus station is not a viable project – i.e. project costs are above £4m	B2	Business Case Development	Head of Economic Regeneration	Uncommitted Schemes are delayed	Head of Economic Regeneration
10	Decline in industrial Relations and Staff Morale	B2	Implement Staff Survey Action Plan	Head of Human Resources	Increase all communication forums available	Head of Human Resources
11	The Council is dependent on the establishment of: OSS/shared contact centre/RBS partnership to embed a customer centric ethos, increase satisfaction and embed across authority	B2	Regular progress reports on OSS/Call centre/RB Partnership development to SMT	Head of Customer Service	Escalation of issues with appropriate recommendations to SMT	Management Team

12	The Rebuild of Whitworth Civic Hall Project overspent	B2	Design and Build fixed price contract, with professional project management	Head of Financial Services	Report to Executive with recommendations for action	Head of Financial Services
13	Performance Management is not embedded in the organisation resulting missed opportunities in terms of service improvement for local people	B2	Regular scrutiny of performance through O&S Committee, Leader & Chief Executives Forum together with the full implementation of appraisal for every employee and the introduction of the Covalent PM system	Head of Performance & Change Management / Head of Human Resources	Review performance management system and make recommendations to the Executive for action	Head of Performance & Change Management/Head of Human Resources
14	The level of staff absence does not reduce	B2	Absence management policy has now been implemented. Areas of significantly poor performance have since or are planned to transfer to partnering arrangements. Reward and recognition scheme planned.	Management Team	Further embed absence management procedures	Management Team

15	Recruitment and retention of key staff and skills	B2	A workforce development plan will be delivered which focuses on existing skills of staff and the skills required for the future.	Head of Human Resources	Accelerate workforce plan arrangements. Develop formal Partnering arrangements to acquire key skills	Head of Human Resources
16	Strategic Partnership for Street Scene & Livability fails business case	B2	£100k budget investment to manage the project and develop the business case	Head of Street Scene & Livability	Alternative options investigated eg scaled down option as to service provision required,	Head of Street Scene & Livability
17	Waste transfer station arrangements are not developed for Rossendale	B2	Resources identified to develop the business case for release of funding by Lancashire CC.	Head of Street Scene & Livability	Investigate alternative resources and options	Head of Street Scene & Livability
18	Council fails to improve its performance in relation to processing of major planning applications and therefore fails to maintain its status as a planning standards authority	B2	Interim Head of Planning appointed. Recruitment for a permanent Head has commenced	Chief Executive	Improvement plan developed, implemented and impact reviewed	Chief Executive

19	Valley Centre project does not go ahead	C I	Effective client side support. Development of alternative options.	Head of Economic Regeneration	Alternative options are developed and brought forward	Head of Economic Regeneration
20	The Council has not sufficiently developed & progressed to achieve a '2 Star' CPA rating	C1	CPA Project Plan produced with 'SMART' criteria with monthly progress reports for SMT	Head of PCM & Management Team	The Council will review its arrangements for continual improvement in the context of the findings of the CPA and other Audit Commission inspections	Management Team
21	The Council is not able to work within the financial resources as set out in the 06/07 Budget	C1	Regular monitoring of Council finances, increased training, awareness and embedding of the principles of Financial management. Risk assessment made as part of budget consultation and approval. Audit commission assessment of "adequate performance" in Use of Resources score.	Head of Financial Services	Risk assessment made as to adequacy of Council General Reserves ability to absorb any material and unforeseen expenditure outside the budget	Head of Financial Services

22	Technical problems incurred in the integration of various ICT systems within the One Stop Shop and the Shared Contact Centre	C1	ICT Manager now appointed.	ICT Manager	Fundamental review of all Council ICT operations	ICT Manager
23	The Council is not able to evidence a robust Statement of Internal Control	C1	Strategic partnership in place with Lancashire CC's Lancashire Internal Audit Services (LIAS). Corporate Governance, management disciplines (finance, risk, performance) embedding in the across service areas and the organisation	Chief Executive	Further training and support from LIAS, Audit Commission, IDeA, etc	Chief Executive
24	Local Development Framework: - is not delivered according to the target milestones - is contravened by Members so that decisions are not in line with policy	C2	Agreed action plan and resources are in place. Member training, pre-application meetings, Scheme of Delegation.	Head of Spatial Development	Resources reallocated, increase in Member development programme	Head of Spatial Development
25	Job Evaluation: - preferred method GLEA meets staff and Trade Union resistance - significant financial impact	C2	Staff consultation on methodologies and financial contingences identified	Head of Human Resources / Executive Director of Resources	Council has final choice of schemes. Use of earmarked reserves.	Head of Human Resources / Executive Director of Resources

26	The Council fails to achieve the Equalities level 3 status	C2	Action plan and Equalities Action Team in place. Equalities training mandatory for all Staff	Head of Human Resources	Revision of action plan and training programme	Head of Human Resources
27	The partnership agreement between Rossendale Leisure Trust and the Council fails to deliver the agreed outputs. Business cases for investment are not robust. Partners fail to continue to operate.	C2	New client arrangements in place to cover finance and performance. 2 Members on the RLT board taking on the role of community leadership. Council scrutiny and due diligence of all material investment proposals. Council reviewing its strategy on the provision of leisure.	Head of Community and Partnerships	Implement the finding of the leisure strategy review.	Head of Community and Partnerships
28	Loss of focus on priorities and relevant decisions not being taken in a timely manner	C2	Member training and development and recognition of Council priorities are enabling Members to maintain focus on key issues and take strategic and community leadership roles.	Chief Executive	Member development plan is reassessed and implemented	Chief Executive

29	Investors In People (IIP) is not achieved by the Council as a whole across all areas of service.	C3	All relevant personnel policies are now in place. The Human Resources department has achieved IIP in its own right	Management Team	Further training and embedding of personnel policies	Head of Human Resources
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