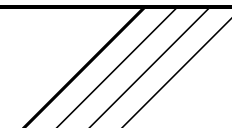


## Risk Assessment

Objective	Risk No	Risk / Opportunity	Gross (without any controls)			Existing Risk Control Measures	Net (as it is now)			Risk Owner	Future Actions	Target (When all Actions in Place)				KEY FOR RISK SCORES				
			Likelihood	Impact	Total Risk Score		Likelihood	Impact	Total Risk Score			Likelihood	Impact	Total Risk Score						
	1	Divergence of the two councils priorities / culture <b>leading to</b> misalignment of resources and lack of commitment to shared goals <b>resulting in</b> failure of arrangements and breakdown of shared services.	3	4	12	Legal agreements in place, strong approach to governance operating through Joint Committee and Joint Officer Board	2	4	8		Further Joint Management Team events to be scheduled. Options appraisal to be developed to take forward key shared services into a separate legal entity	1	4	4		<div>Impact</div> <div> <div>Likelihood</div> <div> <div>Minor</div> <div>Significant</div> <div>Serious</div> <div>Major</div> </div> </div>				
	2	Lack of shared strategic direction <b>leading to</b> a lack of clarity around shared goals <b>resulting in</b> confusion and a breakdown in trust and shared arrangements.	1	4	4	Joint Committee Visioning events supported by regular discussion at JOB	1	4	4		Further Joint Management Team events to be scheduled. Options appraisal to be developed to take forward key shared services into a separate legal entity	1	4	4						
	3	Lack of effectiveness of governance arrangements <b>leading to</b> failure to monitor / poor financial and performance management information / lack of challenge, <b>resulting in</b> poorly informed decision making.	4	3	12	JC and JOB operational and cross service support in place. Regular service liaison undertaken in most shared services. Governance Audit undertaken by CE and learning points being acted on.	1	3	3		Improve provision of regular performance and financial information to Joint Committee via JOB and SLGs - 2010-11 Outturn due to report June 2011	1	3	3		Very Likely				
	4	External / National Budget cuts <b>leading to</b> Shared Services needing to make further budget cuts <b>resulting in</b> reduction in service delivery.	4	4	16	Regular monitoring of developments. CSR as anticipated and cuts accommodated within budgets. Shared Service budget challenge 13.12.10 identified savings which will guide Business Plan Review 2011-12	4	1	4		2010-13 Business Plans under review to assess impact of cuts on service delivery. Pursuing development of SLE to deliver greater efficiencies and ability to trade.	4	1	4		Likely				
	5	Failure to deliver projected savings from Shared Services <b>leading to</b> an overspend against budget <b>resulting in</b> an inability to deliver key services.	4	3	12	Service planning and monitoring in place. Periodic financial reporting in place. ICT Base budget review underway. 2010-11 outturn position and 2011-12 Business Plan review suggests high level of concern about ability to deliver planned efficiency savings.	4	3	12		Round table discussions on budget issues to be convened asap.	4	3	12		Unlikely				
																Very Unlikely				

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	6	Reliance on small no. of key individuals and lack of succession planning <b>leading to</b> poor staff retention <b>resulting in</b> an inability to deliver key services.	3	3	9	Consideration of workforce requirements built into service planning approach	2	3	6		Provide a more robust approach to workforce planning which integrates with the needs of the partner Councils	2	2	4
	7	Failure to communicate / consult with staff regarding harmonisation of HR policies <b>leading to</b> a divergence and different terms / conditions in shared services <b>resulting in</b> low morale, equal pay claims and staff retention issues.	4	3	12	Harmonisation projects initiated and outcomes to be finalised by Sept 11. Staff briefing undertaken but highlighting concerns about differing terms and conditions within SS	3	2	6		Need to assess potential impact of T & C outcomes in SS. Development of SLE provides potential to harmonise to a single set of T & Cs but if not achieved likely to cause issues across host and non-host employees.	2	4	8
	8	Inadequate consultation with Trade Unions <b>leading to</b> poor working relationship and increased employee relations issues <b>resulting in</b> low staff morale and a negative impact on the reputation of shared services.	3	3	9	Regular attendance of unions at JOB. Consultation with Unions built into transitional processes	2	3	6		Improve and increase communication with union representatives via other means than meetings.	1	3	4
	9	Lack of dedicated resource <b>leading to</b> reduced capacity to drive change <b>resulting in</b> poor service delivery.	3	4	12	1.2 FTE working on shared services but some temporary additional resource brought in to deliver SLE business case.	3	4	12		Outcome of SLE discussions will guide resource allocation	2	4	8
	10	Lack of capacity in communications team <b>leading to</b> an inability to deliver consistent and co-ordinated messages to all parties <b>resulting in</b> confusion, poor staff engagement and a breakdown in service delivery.	4	2	8	Shared arrangement with East and West Communications Team and Protocols developed but no dedicated resource yet identified on basis of SLE bid. Difficulties in sustaining momentum.	4	3	12		Ensure greater effort put into this activity until such times as additional resources secured via options appraisal for separate legal entity	3	2	6
	11	Lack of integrated business continuity plans <b>leading to</b> an inability to provide a cohesive and effective response to unforeseen events <b>resulting in</b> inability to deliver key services and affecting the reputation of both councils.	3	3	9	Requirement to produce Plans in 2009-10 and re-emphasised in 2010-11 guidance. Evidence in ICT that business continuity plans tested.	2	3	6		Audit of Shared Service Business Continuity Plans to be undertaken via 2011-12 Business Plan review. Further action to be determined on outcomes	2	3	6
	12	Failure to assure transition of service delivery to each Council following agreed disaggregation of shared service <b>leading to</b> imbalance in service provision and resource allocation	3	3	9	Requirement to complete transition log subject to regular review at JOB	2	2	4		Involve Internal audit in transition process	1	2	2

#### KEY FOR RISK SCORES



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	13	<b>Opportunity</b> to develop a separate legal entity for shared services thereby removing confusion for staff and service users and providing options for further collaboration and trading leading to increased efficiencies and income generation	2	2	4	General principal agreed by Joint Committee.	3	2	6		Detailed business case under development. Joint management team to consider 20.05.11 and JC 29.07.11	3	4	12	