

RISK LOG SUMMARY



PROJECT/PROGRAMME TITLE	BUILDING & PLANNING CONSULTANCY
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Completed by:	Project Board
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Original - 05/08/2014

Last Updated - 5/12/14

Risk ID	Risk Type	Scope of Risk (Detail)	Gross Score (without controls)			Existing Controls	Net Score			Risk Treatment and Control Measures to be introduced	Anticipated Score			Officer Responsible for Risk
			Likelihood	Impact	Total Score		Likelihood	Impact	Total Score		Likelihood	Impact	Total Score	
			L	I	LxI		L	I	LxI		L	I	LxI	
PR1	THREAT	There is a risk that the Client Function is not established quickly enough and/or lacks understanding and knowledge of B & P operations (including market demand, fluctuations and pricing) leading to ASDV contractual arrangements not being robustly specified leading to failure to deliver the effective service as planned.	4	4	16	Acceptance	4	4	16	Engagement and adequate resourcing of Client function	3	4	12	Caroline Simpson
PR2	THREAT	The council fails to recognise that some aspects of demand are without the company's control leading to unrealistic expectations of profitability and shareholder returns which ensure expected benefits are not delivered	4	4	16	Acceptance	4	4	16	Robust negotiation of contractual terms and governance arrangements to ensure due accountability and flexibility	3	3	9	Caroline Simpson
PR3	THREAT	Lack of understanding or awareness of the impact of commissioning decisions give rise to cost overruns for the WOC resulting in inefficient and ineffective delivery	4	4	16	Acceptance	4	4	16	Robust negotiation of contractual terms and governance arrangements to ensure due accountability and flexibility	3	3	9	Caroline Simpson
PR4	ISSUE	There is a risk that the challenging timescales under consideration do not allow for any contingency and assume resources will be readily available when needed. Should resources be overstretched then the project will fail to be completed on time resulting in a delay in delivering planned benefits and potential reputational damage for the council	4	4	16	Acceptance	4	4	16	Full briefing and involvement of all enabler services. Commission Oracle build to begin ASAP with additional resource to be employed. Contingency is to plan a fall-back go-live date of 1 April 2015	3	3	9	Caroline Simpson
PR6	THREAT	A change in local political perspectives reduces the appetite for alternative service delivery mechanisms leading either to delay, reduction or cancellation of the initial concept	2	4	8	Awareness of issue and current politics which are favourable	2	4	8	No further action possible	2	4	8	Caroline Simpson

PR6	ISSUE	There is a risk that the service does not have sufficient capacity to devote adequate time to its role in the development of the ASDV leading to it being poorly established and more likely to fail	4	4	16	Awareness	4	4	16	Realistic timescales are planned which acknowledge other service delivery pressures	3	4	12	Ian Bunn David Laycock
PR7	THREAT	There is a risk that continuing decline in market share means that the business case becomes severely weakened resulting in the project being abandoned at a late stage resulting in wasted effort, reputational; damage and increased costs to the council for remaining service delivery	3	4	12	Engaging staff in ASDV development Realistic figures included in DBC	2	4	8	Phase 3 restructuring improves staff motivation Implement as quickly as possible	2	3	6	Ian Bunn

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CR1	COUNCIL THREAT	There is a risk that the Client Function is not established quickly enough and/or lacks understanding and knowledge of B & P operations leading to ASDV contractual arrangements not being robustly specified leading to failure to deliver the full council objectives and benefits	4	4	16	Awareness only at this stage	4	4	16	Recruitment of external expertise into ICF function	3	4	12	Caroline Simpson
CR2	COUNCIL THREAT	Lack of understanding or awareness of the impact of commissioning decisions give rise to cost overruns for the company resulting in ineffective delivery of expected outcomes	4	4	16	Acceptance	4	4	16	Robust negotiation of contractual and governance arrangements plus developing the understanding of the ICF role. Council ownership permits renegotiation of contract if necessary	3	3	9	Caroline Simpson
CR3	COUNCIL THREAT	There is a risk that information sharing protocols between CEC and the new company are either not in existence, inadequate or are breached leading to legal challenge and possible financial penalties plus serious reputational damage. This will have a detrimental impact on the achievement of the council's priorities and may expose the Council and Cheshire East residents to other serious risks.	4	4	16	Contractors are currently required to agree to appropriate standards, obligations which will be transferred	3	3	9	Close monitoring of contract adherence and inclusion of relevant terms and conditions	3	3	9	Caroline Simpson
CR4	COUNCIL THREAT	There is a risk that continuing decline in market share means that the business case becomes severely weakened resulting in the project being abandoned at a late stage resulting in wasted effort, reputational; damage and increased costs to the council for remaining service delivery	3	4	12	Engaging staff in ASDV development Realistic figures included in DBC	2	4	8	Phase 3 restructuring improves staff motivation Implement as quickly as possible	2	3	6	Ian Bunn
CR5	COUNCIL THREAT	There is a risk that any reduced purchase of back office services will increase the pro-rata cost burden on the remaining core services which will become less viable and face increased budget pressure	4	4	16	Created the incubation period	3	4	12	Services need to plan for reductions and improved efficiencies	3	3	9	CoSocius
CO1	COUNCIL OPPORTUNITY	There is the potential for the SLE to become so successful that not only does it mitigate current council liabilities but actually delivers a substantial revenue income to shareholders which contributes positively to the Council's bottom line	1	2	2	Awareness	1	2	2	Avoid taking short term returns which have an adverse impact on the potential for future growth	2	2	4	Caroline Simpson

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CoR1	COMPANY THREAT	There is a risk that the best form of company is not created resulting in either legal challenge or a restricted ability to trade leading to failure to deliver against the key objectives	4	4	16	Learning from other ASDVs Internal legal advice	3	4	12	Incorporating external legal advice and learning from other LAs	2	4	8	Ian Bunn
CoR2	COMPANY THREAT	There is a risk that governance, management or contractual arrangements do not allow for decisions to be taken at the appropriate levels or by appropriate people resulting in detrimental impact to service delivery and failure to deliver against the Council's ability to achieve its key community outcomes	4	4	16	Awareness only at this stage	4	4	16	Robust negotiation of contractual and governance arrangements plus developing the understanding of the ICF role	3	4	12	Ian Bunn
CoR3	COMPANY THREAT	There is a risk that the Client Function is not established quickly enough and/or lacks understanding and knowledge of B & P operations leading to ASDV contractual arrangements not being robustly specified leading to failure to achieve its business plan (e.g. lack of freedom)	4	4	16	Awareness only at this stage	4	4	16	Recruitment of external expertise into ICF function	3	4	12	Ian Bunn
CoR4	COMPANY THREAT	Lack of understanding or awareness of the impact of commissioning decisions give rise to cost overruns for the WOC resulting in inefficient delivery and loss of profitability and ineffective delivery	4	4	16	Awareness only at this stage	4	4	16	Robust negotiation of contractual and governance arrangements plus developing the understanding of the ICF role	3	3	9	Ian Bunn
CoR5	COMPANY THREAT	There is a risk that information sharing protocols between CEC and the new company are either not in existence, inadequate or are breached leading to legal challenge and possible financial penalties which negatively impact to ongoing commercial viability of the company	4	4	16	Contractors are currently required to agree to appropriate standards, obligations which will be transferred	3	3	9	Close monitoring of contract adherence and inclusion of relevant terms and conditions	3	3	9	Ian Bunn
CoR6	COMPANY THREAT	Short term contractual arrangements (e.g. overpricing of CEC back office services provided during the incubation period) overburden the formative company and/or impacts its long term future resulting in financial failure	4	4	16	Awareness and inclusion of assumptions in business case	3	4	12	Robust contract negotiation on support costs and freedoms	2	4	8	Ian Bunn
CoR7	COMPANY THREAT	There is a risk that reduced staff numbers and commitment inhibit the development of new service offerings resulting in poorer service quality and inability to innovate	4	4	16	Engaging staff in ASDV development	3	4	12	Phase 3 restructuring improves staff motivation pre implementation Post implementation review of T&Cs and structures including PRP	2	3	6	Ian Bunn

CoR8	COMPANY THREAT	There is a risk that continuing decline in market share means that the business case becomes severely weakened resulting in the project being abandoned at a late stage resulting in wasted effort, reputational damage and increased costs to the council for remaining service delivery	3	4	12	Engaging staff in ASDV development Realistic figures included in DBC	2	4	8	Phase 3 restructuring improves staff motivation Implement as quickly as possible	2	3	6	Ian Bunn
CoR9	COMPANY THREAT	There is a risk that unpredicted changes in government policies negatively impact the future revenue generation ability of the company	2	4	8	Awareness	2	4	8	Close monitoring and preparation of contingency plans if/when more is known	2	3	6	Ian Bunn
CoO1	COMPANY OPPORTUNITY	The potential for offering staff rewards and greater involvement has a positive impact on performance and staff retention allowing over-delivery against the business plan and higher returns for shareholder	2	3	6	Recognise but don't over-estimate impact at an early stage	3	3	9	Ensure longer terms plans accommodate this option and that staff are fully engaged by the potential	4	3	12	Ian Bunn
CoO2	COMPANY OPPORTUNITY	The increased freedom of operations means that profits can be re-invested in service development, decisions made faster and a better image presented to customers. All of these allow over-delivery against original business plans and higher shareholder returns	2	2	4	Recognise but don't over-estimate impact at an early stage	2	3	6	Exploit such options and ensure that the long-term benefits are prioritised over short term gains	3	4	12	Ian Bunn
CoO3	COMPANY OPPORTUNITY	There is an opportunity for the new company to reduce its back office cost base in the longer term so allowing it to become more competitive and profitable	1	2	2	Close awareness of shared service costs included in business plans	2	2	4	Renegotiate costs or seek alternatives post-incubation period	3	3	9	Ian Bunn
CoO4	COMPANY OPPORTUNITY	There is an opportunity to offer new package deals and other contractual terms that are more attractive to customers thereby improving turnover and market share which allows the SLE to outperform its business plan and deliver higher returns to shareholders	2	2	4	Awareness	2	2	4	Ensure beneficial contracts are developed and that the new company has a focus on market development	3	3	9	Ian Bunn