

Joint Officer Board - Shared Services Strategic Risk Register - Reviewed November 2015

Objective	Risk No	Risk / Opportunity	Gross (without any controls)			Mitigation	Net (as it is now)			Direction	Future Actions	Forecast			Comments
			Likelihood	Impact	Total Risk Score		Likelihood	Impact	Total Risk Score			Likelihood	Impact	Total Risk Score	
Maintain and develop long term sharing arrangements between CE and CWAC Councils to ensure that quality of services is maintained to the required standards	1	Divergence of the two councils priorities / culture leading to misalignment of resources and lack of commitment to shared goals resulting in failure of arrangements and breakdown of shared services.	3	4	12	<ul style="list-style-type: none"> Legal agreements in place, strong approach to governance operating through Joint Committee and Joint Officer Board. Governance regularly reviewed to ensure that it remains fit for purpose. Strong approach to business planning linked to clients' objectives and allocation of resources. Greater stability around remaining long term shared services - Management teams in both authorities have reviewed and agreed direction of travel for the remaining shared services in July 2015 Joint budget challenge embedded and completed in October 2015 Joint agreement on reverting CoSocius service to shared arrangement 	2	4	8	↔	<ul style="list-style-type: none"> To monitor alternative service delivery developments by both Councils to assess potential impact on remaining shared services e.g. ASDVs, JVs etc. Review of DOT for remaining shared services October 2016 	1	4	4	
	2	Lack of effectiveness of governance arrangements leading to failure to monitor / poor financial and performance management information / lack of challenge, resulting in poorly informed decision making and failure of shared service arrangements	4	4	16	<ul style="list-style-type: none"> Governance audit undertaken and learning points implemented. JOB and SSJC both operational providing regular monitoring of performance and risks and providing direction and guidance. Long term Service planning and periodic monitoring and regular performance reporting embedded. All business plans fundamentally reviewed for 2013-16 Joint budget challenge embedded and undertaken in October 2015 Joint Agreement to revert CoSocius services to shared arrangements CoSocius Transition Programme Board operational and workstream activity underway for 01.04.16 implementation 	1	3	3	↔	<ul style="list-style-type: none"> Joint Committee due to consider Mid Year Performance Report 2015-16 on 27.11.15 New medium term business plans to be produced for period 2016-2020 by April 2016 	1	3	3	

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	3	Failure to assure transition of service delivery to each Council following agreed disaggregation of shared service leading to imbalance in service provision, resource allocation and disruption to continuing service delivery	3	3	9	<ul style="list-style-type: none"> Requirement to complete transition log subject to regular review at JOB prior to final sign off by SSJC. This requires management, HR, ICT, Comms, Legal issues etc. to be resolved in consultation with each authority prior to the dissolution of the sharing arrangement. The Internal Audit Health Check is implemented in transition process to ensure process is robust and that risks to councils are mitigated 	3	3	9	↔	- Programme Board operational to oversee CoSocius operation reverting to shared arrangements by 01.04.16	1	3	3	A review of the remaining shared services suggest that none are likely to disaggregate in the short term however the decision to bring back in services currently delivered by CoSocius (JC 02.10.15) into shared service arrangements requires robust reverse engineering
	4	Inadequate consultation and poor working relationship with Trade Unions leads to low staff morale and increase employee relation issues resulting in barriers to development of shared services,	3	3	12	<ul style="list-style-type: none"> Good working relationships in place. When key projects are live (e.g. SLE) there is regular attendance of union reps at JOB. Formal communication with staff is now on an "as and when required" basis given that there are fewer shared services and more staff transfer arrangements in place. 	2	3	6	↔	<ul style="list-style-type: none"> Need to capture learning and develop an appropriate Communication Strategy based on the experience of the SLE (CoSocius) Staff and Stakeholder Engagement workstream. Union Representatives will be involved in bringing CoSocius back into Shared Service arrangements Need to strengthen communications with CoSocius staff for the duration of project 	1	3	3	
	5	Lack of proven shared service business continuity plans leading to an inability to provide a cohesive and effective response to unforeseen events resulting in inability to deliver sharing arrangements impaction on the operational delivery of both councils.	3	4	12	Audit of Shared Service Business Continuity Plans undertaken on annual basis as part of Business Plan review. Evidence provided that up to date plans in place in all long term shared services	2	2	4	↔	A fundamental review of Business Continuity Plans will be required as part of the medium term business planning process 2016-20	2	2	4	
	6	Insufficient dedicated "operational" management oversight of shared service arrangements and overstretched capacity of existing resource leading to reduced capacity to drive change resulting in inability to promote existing arrangements and facilitate developments.	3	4	12	Capacity to support the Shared Service operation has been reduced considerably owing to the reassignment of the Shared Service Manager from CE. Whilst that day to day activity has reduced commensurate to the remaining number of shared services (6) and the frequency of JOB and JC meetings have been reduced governance requirements still need to be serviced.	3	4	12	↑	Additional resources have been identified to deliver the CoSocius transition project which will also increase capacity to focus on shared service activity up until the implementation date i.e. 01.04.16. Formalisation of these arrangements will help mitigate this risk.	1	4	4	

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	7	Difficulties in aligning different terms and conditions reducing management capacity to focus on the delivery of shared services.	4	3	12	<ul style="list-style-type: none"> • HR scenarios developed to assist with emerging staffing issues but require continual review in response to latest developments in consultation with CE and CWAC HR Services • Formal Staff Transfer Variations for Libraries SS, APAS and Archives. - RTA all CWaC staff 	3	3	9	↓	<ul style="list-style-type: none"> • A review of Terms and Conditions across CE, CWaC and CoSocius is required to inform the HR aspects of the transition project • Agreement to seek OHU services via alternative delivery arrangements will reduce this risk • No issues evident in remaining shared services subject to Secondment Agreement (Farms & Emergency Planning) 	1	3	3	
	9	Lack of shared strategic direction leading to a lack of clarity around shared goals resulting in confusion and a breakdown in trust and shared arrangements.	3	4	12	<ul style="list-style-type: none"> • Arrangements underpinned by Administrative and Financial Agreements including clear objectives for sharing. • Regular discussion at JOB and Joint Committee concerning development of shared services e.g. Alternate delivery models, capital projects etc. • Governance reviewed for remaining shared service arrangements and reported to joint Committee in January 2014. • Joint shareholding of CoSocius • Incubation period agreed for continued service delivery to ASDV in both Councils with CoSocius to enable company to develop its commercial potential • CWAC's Joint Venture for CRM and other services evident. • 	3	4	12	↔	<ul style="list-style-type: none"> • Implement Joint Committee decision to revert services provided by CoSocius to shared Service arrangements - Joint Programme Board in place - Opportunities for further shared activity being explored 	2	4	8	
	10	External / National Budget cuts leading to Shared Services needing to make further budget cuts resulting in reduction in service delivery and reducing viability of sharing arrangements .	4	4	16	Continued uncertainty about government funding beyond 2015. Annual Budget challenge process introduced to inform future plans but some difficulties in delivering identified savings due to changing priorities. Opportunities for efficiencies diminishing increasing the risk of service cut.	4	4	16	↔	<ul style="list-style-type: none"> • Ongoing quarterly monitoring of shared service budgets. • Potential to explore further sharing opportunities between CE and CWaC • Benchmarking of ICT and Transactional services underway • Service Catalogues being developed to establish affordability 	2	4	8	Latest CSR due November 15

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	11	Failure to deliver projected savings from Shared Services leading to an overspend against budget resulting in an inability to deliver key services and undermining confidence in sharing arrangements.	4	3	12	<ul style="list-style-type: none"> Service planning and regular financial performance monitoring in place. Financial review undertaken and realignments implemented (e.g. Archives, Farms Est) 2014-15 outturn position had an aggregated underspend against budget (£449k). Ongoing Budget challenge process in place and completed in Oct 15 Incubation Strategy produced to retain existing clients moving to alternative delivery models 	3	3	9	↓	Continue to monitor budgets and impact of budget proposals and savings generated	3	3	9	Mid Year performance report 2014-15 forecasts £44k overspend across the shared service operation
	12	Lack of capacity in communications team leading to an inability to deliver consistent and co-ordinated messages to all parties resulting in confusion, poor staff engagement and a breakdown in service delivery and shared service arrangements	4	3	12	Shared arrangement with East and West Communications Team and Protocols developed but they lack the capacity to support operational requirement. However the reduction in the number of shared services, the transfer of ICT and HR and Finance to CoSocius and the move to transfer arrangements in Libraries and Archives has significantly reduced the requirement to communicate on a regular basis.	1	3	3	↓	<ul style="list-style-type: none"> To produce communications as and when required. Communications workstream embedded in CoSocius transition project (HR workstream) 	1	3	3	the need for ongoing communication activity has significantly reduced however any future communication activity will be dependent on resolving capacity issues as identified in Risk 6.

New Risks

To maximise efficiencies through greater collaboration and partnership working and the exploration of alternative delivery models e.g. bringing services backed into shared arrangements	15	Opportunity to revert to Shared Service arrangements for services currently delivered by CoSocius to enable efficiencies to be maximised and commercial offerings to be refined	4	4	16	<ul style="list-style-type: none"> Joint Committee decision to bring CoSocius services back into shared service arrangements 02.10.15 Transition Programme Board set up and workstreams operational 01.04.16 Go Live date agreed Hosting arrangements agreed 	3	4	12	<ul style="list-style-type: none"> Transition Programme Risk Log active TOMs to be agreed and put in place Ascertain impact on business continuity and delivery Pre implementation Day 1 testing undertaken by 01.03.16 Formalise process for Go / No Go decision – March 16 	2	4	8	Work currently underway to agree how this project will be delivered
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Closed Risks

To maximise efficiencies through greater collaboration and partnership working and the exploration of alternative delivery models e.g. separate legal entity	8	Opportunity 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 and long term sharing arrangements.	2	2	4	The business case for the set up of an SLE for ICT and HR and Finance was agreed by CWAC (Jan 13) and CE (April 13). A detailed Project Plan was developed to deliver the SLE in shadow mode by 01.10.13 to go live from 01.04.14. CoSocius (the new company) went live on 01.05.14. Incubation and Commercialisation strategies have been developed to ensure that existing business is retained as both councils explore alternative delivery models for services and new customers are secured.	4	3	12	↑	Although the company went live on 01.05.14 a Transition Board has been put in place to oversee the delivery of a plan to ensure that all benefits of the company set up are captured and that CoSocius is in the best possible shape going forward. This activity will be overseen by the CoSocius Shareholder Board. It is anticipated that a decision on committing to a longer term contract will be forthcoming in January 2015.	3	3	9	The successful completion of the SLE delivery project means that this risk is not longer relevant to the shared services operation and therefore it should be removed from the Strategic Risk Register. However moving forward this risk needs to be picked up by the Transition Board and CoSocius. AGREED AT JOINT COMMITTEE 27.11.14
	13	Failure to implement the new ICT SS Target Operating Model leading an adverse impact on service delivery to clients, reputational damage and reduced staff morale within the shared service	3	4	12	<ul style="list-style-type: none"> CoSocius - the company formed from the ICT and HR and Finance shared services went live on 01.05.14. Incubation Agreements are in place with CE and CWaC ASDV's to preserve customer base for the immediate future. 	1	2	2	↓	To ensure that the Transitional Plan is executed to enable CoSocius to become a fully commercial operation capable of attracting additional partners.	0	0	0	The successful completion of the SLE delivery project means that this risk is not longer relevant to the shared services operation and therefore it should be removed from the Strategic Risk Register. AGREED AT JOINT COMMITTEE 27.11.14
	14	Failure to gain Joint Committee approval for the SLE leading to reduced opportunities to increase efficiencies and trading, wasted effort, continued difficulties with application of the Secondment Agreement and lower staff morale and hindering / preventing the development of long-term sharing arrangements	3	4	12	Joint committee approved the "go live" of CoSocius at a meeting on 21.03.14 with it coming into effect from 01.05.14	0	0	0	↓		0	0	0	The successful completion of the SLE delivery project means that this risk is not longer relevant to the shared services operation and therefore it should be removed from the Strategic Risk Register. AGREED AT JOINT COMMITTEE 27.11.14

Impact		Minor	Significant	Serious	Major
Likelihood	Very Likely	4	8	12	16
	Likely	3	6	9	12
	Unlikely	2	4	6	8
	Very Unlikely	1	2	3	4