

### Directorate Risk Register – Summary

The following risks form the Resources Directorate Risk Register. These will now be added to Covalent along with associated action plans. Risk actions will be allocated to officers and will be reported on a quarterly basis to the Resources Leadership Team.

Code	Risk Name	Overall Risk Score	Appetite	Action Plan
RES_RR001	<a href="#">Major disruption in continuity of IT operations</a>	12	10	Y
RES_RR002	<a href="#">Sound Resource Management</a>	12	10	Y
RES_RR003	<a href="#">Delivery of planned Budget Savings</a>	9	8	Y
RES_RR004	Budget Overspend	3	9	N

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**Identified Risk – Major disruption in continuity of IT operations**

**Risk Appetite: 10**

**Risk Description**

There is a risk with an increased dependency on IT systems that in the event of a major IT infrastructure failure the Council will be unable to deliver critical services.

**Actions/Controls already in place**

- BC plans in place for major system failures
- Annual support and maintenance contracts in place for major systems

**Likelihood**

**Potential Impact**

Low to High:

- Disruption to key services such as benefits administration
- Reputational damage
- Financial loss

**Likelihood Score:** 3  
**Potential Impact Score:** 4  
**Overall Risk Score:** 12

**Section B – Risk Action Plan**

**Action/controls to reduce Likelihood/Potential Impact**

<b>Action</b>	<b>Responsibility</b>	<b>Target Date</b>	<b>Success Criteria</b>	<b>Comment</b>
Ensure Business Continuity Plans in place for all key systems and tested annually	Heads of Service	31 December 2014	Business Continuity Plans in place for all key services	

**Identified Risk – Sound Resource Management**

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**Risk Appetite: 10**

**Risk Description**

There is a risk, with the proposed reductions in staffing resources available, that these may be used ineffectively and/or workloads become too great leading to a greater risk of services being unable to maintain or improve service delivery.

**Actions/Controls already in place**

- Staff briefings and general communication at budget savings proposals
- Gradual reductions in workforce planned
- Use of technology to lessen workload impacts.
- Review of resources ongoing
- Temporary staff employed to assist with major projects
- Individual workloads regularly monitored
- Work externalised, if required
- Leadership Development, Management Development, Personal Development
- Staff are encouraged to attend training which is designed to help them manage workloads and stress

**Likelihood**

**Potential Impact**

Low to High:

Staff are one of the most important assets of the Council and there is a greater likelihood that if this resource is not managed appropriately that the Council may not be able to deliver key services.

- Poor management decisions leading to employee relations problems/service disruption/ legal action
- Delays in provision of advice/support thus delaying progress on various projects
- Health and safety failures
- Reputational damage
- Service falls below expected standards
- Vulnerable service users put at risk
- Loss of staff goodwill and loss of our best staff

**Likelihood Score:** 3  
**Potential Impact Score:** 4  
**Overall Risk Score:** 12

**Section B – Risk Action Plan**

**Action/controls to reduce Likelihood/Potential Impact**

<b>Action</b>	<b>Responsibility</b>	<b>Target Date</b>	<b>Success Criteria</b>	<b>Comment</b>
Ensure resources are directed to delivering key outcomes and provide clarity on work which is to be ceased or deferred to allow this to happen in practice	Resources Director and Heads of Service	Ongoing	The Council avoids all the undesired impacts list above	If the gap between the required and actual resources is too great, even to deliver only key outcomes then this action will be insufficient
Develop and diversify the skills of existing staff	Heads of Service	Ongoing	Greater flexibility in deploying resources	If the gap between the required and actual resources is too great, even to deliver only key outcomes then this action will be insufficient

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**Identified Risk – Delivery of planned budget savings**

**Risk Appetite: 8**

**Risk Description**

There is a risk that services will be unable to deliver planned budget savings over next three financial years and potential efficiencies and cost savings not being realised from planned reviews.

**Actions/Controls already in place**

- Plans well advanced for most savings
- Gradual implementation intended
- Sound financial management and budget monitoring in place

**Likelihood**

**Potential Impact**

Low to High:

- Insufficient resources available to undertake all the reviews required to deliver savings proposals

- Inability to set balanced budget
- Failure to meet statutory obligations and business objectives
- Loss of reputation
- Pressure on budgets increase
- Cuts in service delivery
- Job losses

**Likelihood Score:** 3

**Potential Impact Score:** 3

**Overall Risk Score:** 9

## Section B – Risk Action Plan

### Action/controls to reduce Likelihood/Potential Impact

Action	Responsibility	Target Date	Success Criteria	Comment
Regularly review budget savings to ensure that alternative savings proposals are available in case planned budget savings cannot be delivered in full	Resources Director and Heads of Service	Ongoing	Key savings targets met	
We will update the Medium Term Financial Strategy in order to review the extent of the funding gap which the Council requires to address	Head of Corporate Improvement and Finance	04 July 2014	Medium Term Financial Strategy update presented to committee	Now complete for current year
We will put in place a monitoring regime for the Resources directorate's agreed budget savings which will be reported to the Policy and Budget Strategy Group	Resources Director and Heads of Service	05 October 2014	Savings monitoring reports submitted to the Policy & Budget Strategy Group	Head of Corporate Improvement & Finance will collate updates for PSBG from information provided by CMT

**IDENTIFIED RISKS/RISK ACTION PLAN:**

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**Identified Risk – Budget overspend**

**Risk Appetite: 9**

**Risk Description**

There is a risk that services' risks significant overspend in their budgets due to increased costs and a reduction in income levels.

**Actions/Controls already in place**

- Budget setting process
- Sound financial management and budget monitoring in place
- Any significant variances in budget reported to service Management Team

**Likelihood**

**Potential Impact**

Very Low

Significant

- Inability to set balanced budget
- Failure to meet statutory obligations and business objectives
- Loss of reputation
- Pressure on budgets increase
- Cuts in service delivery
- Job losses

**Likelihood Score:** 1

**Potential Impact Score:** 3

**Overall Risk Score:** 3