



CORPORATE RISK REGISTER APPENDIX 1


Key Risks (refer to note 1)

No.	Corporate Priorities	Risk	Consequence	Identified Control	Assurance	Likelihood (L)	Impact (I)	Exposure = L x I	Risk Rating	Responsible Officer – Group	Review
1.	Delivering high quality, value for money public services	<p>Business Resilience – Sub-risk</p> <p>IT resilience</p> <ul style="list-style-type: none"> • Systems not joined up and connected • Strategic Information technology framework not implemented effectively • Electronic information storage capacity • Lack of top tier response plans 	<p>If an event occurs</p> <ul style="list-style-type: none"> • Customers face delays in service provision • Time to recover power and IT Services could be between 6 & 8 weeks • Loss of information • Service interruption • Loss of productivity • Non compliance with statutory duties - indirectly • Increased cost of resurrecting services (only partially insurable) • Threat to life - indirectly • Wasted resources & staff duplication in recovery phase • Cost of additional data storage capacity • Impact on service delivery due to potential of a local outbreak affecting staff and the public 	<ul style="list-style-type: none"> • Corporate Incident Management Procedures incorporate Business Continuity • Training has been delivered to local service plan leaders • A corporate service resilience group has been formed and meet periodically • Assistant Directors of Resources have been appointed as Departmental contact leads • Local Service Plans have been compiled, reviewed and refreshed and quality checked by Emergency Services • H & F Bridge Partnership have submitted a Local Service Recovery Plan and has worked with the council to undertake a formal risk assessment • Data recovery is insured under the councils corporate insurance package (but limited) • A threat assessment has been compiled • Some ITC service has been moved to East London • The Business Continuity (BC) project involves provision of IT BC for approximately 30 First Order applications as 	<p>Business Continuity Audit report 2008/09 (Limited Assurance) in, ICT Disaster recovery provisions Audit report 2009/10 (Nil Assurance)</p> <p>Data storage & back up audit Audit report 2009/10 (Substantial assurance)</p> <p>EMT, Pension and Audit Committee</p>	3	4	12	<p>Medium</p> 	<p>Jane West (Insurance & H F Bridge Partnership contract monitoring)</p> <p>Lyn Carpenter (Corporate Business Continuity)</p>	<p>Review</p> <p>July 2010</p>


CORPORATE RISK REGISTER APPENDIX 1

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				<p>identified by H&F. The data will be replicated from the primary data centre at East London to the secondary site at HTH. Additionally, there will be local network switch resilience within HTH; resilience for the infrastructure elements such as profiles, home folders and printing; plus annual tests of parts of the BC solution.</p> <p>NOTE Please refer to BCP Risk Assessment for highlighted risks and controls</p>							
2.	Delivering high quality, value for money public services	<p>Managing projects</p> <p>Sub-risks</p> <ul style="list-style-type: none"> Projects do not consider enough time to mobilise in the event services are awarded to the private sector Project implementation is delayed due to protracted discussions regarding pensions transfer The risk of challenge to contract awards may increase during the harsher economic climate Large scale high risk high return projects are not led by a qualified or experienced project manager. Too many projects are undertaken with unrealistic or unachievable targets 	<ul style="list-style-type: none"> Customers needs and expectations are not fully met when projects are delivered Benefits of investment in creating toolkit not realised Threat of overspend on projects Benefits are not fully realised Delays in mobilisation of services through revised contracts 	<ul style="list-style-type: none"> Project Management toolkit Training of Officers has being delivered and is ongoing Programme Management Office in Finance & Corporate Services Department acts as a repository for project information and reports to EMT but does not ensure compliance with the toolkit Senior Managers have all been briefed about the Project Toolkit Toolkit is available on desktop PC's Monthly programme reporting to EMT (dashboard) Competition Board monitor aspects of project management compliance Procedures for TUPE transfer have been included in project management instructions Programme and Portfolio governance arrangements are being formalised 	<p>Corporate Programme & project management audited in 2009 draft report issued (Limited Assurance)</p> <p>Competition Board</p> <p>Audit Commission review of selected contract management scheduled 2010</p> <p>Internal Audit review of specific contracts under 2009/10 Audit Plan and of Use of Consultants (</p>	3	3	9	Low 	Jane West lead – All Directors	Review July 2010



CORPORATE RISK REGISTER APPENDIX 1

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				<ul style="list-style-type: none"> Lessons learned report 	Nil Assurance) EMT, Pension and Audit Committee						
3.	Delivering high quality, value for money public services, Providing a top quality education for all, Tackling crime & anti-social behaviour, A cleaner greener borough, Promoting home ownership.	<p>Managing statutory duty</p> <p>Sub-risks Non-compliance with laws and regulations</p> <p>Breach of duty of care</p> <p>Departmental assurances</p>	<ul style="list-style-type: none"> Non compliance may result in prosecution or a Corporate Manslaughter charge Financial compensation may be claimed Injury or death to a member of the public or employee A breach of information security protocols may result in fines, harm to reputation and personal liability of Directors Inadequate level of service Poor satisfaction with statutory services Potential claims involving failures in Social Care (Stamford House) 	<ul style="list-style-type: none"> Nigel Pallace appointed lead Sponsor on EMT for Health & Safety Pro-active Health, Safety and Welfare culture across the council Contractors are managed within CHAS regime Insurance cover is in place in the event of a claim for breach of duty of care and in respect of financial claims Legislative changes are adopted and reflected in amendment to the council's constitution, budget allocation through MTFS (Now unified business & financial planning process) Training and guidance packages Corporate Safety Panel Briefings for Senior Managers on Corporate Manslaughter have been undertaken Health & Safety week promoted the theme of risk assessment Health & Safety guidelines have been reviewed, refreshed and communicated 	<p>Internal Audit undertook an Audit of this in 2008/09 and a follow up is planned</p> <p>Health & Safety Internal Audit undertaken 2009/10 demonstrated improvements and substantial assurance</p> <p>Annual Assurance process</p> <p>Assurance required that actions are being taken to ensure compliance with the law and regulations</p> <p>EMT, Pension and Audit Committee</p>	4	3	12	Medium 	Geoff Alltimes	Review July 2010



CORPORATE RISK REGISTER APPENDIX 1

5.	Delivering value for money	<p>Managing budgets</p> <p>Sub-risks</p> <ul style="list-style-type: none"> • Austere financial settlement from government is not favourable. The council is seen as a floor authority. • Impact of the recession and cascade effect on social budgets * link to revenue forecast • Demand led services may occur mid year resulting in unanticipated additional costs • HMRC VAT claims regarding partnering activities • Grant application is incorrectly calculated • Unplanned growth • Failure to achieve VFM • Accruals & reconciliations • Planned savings not implemented • Creditworthiness of some contractors may be downgraded as a result of the economic downturn • Increase in social welfare services as a result of the economic downturn may impact on projected spend. • Insufficient budgetary provision and/or budgetary under/overspend * • Incomplete/inaccurate accounting records * 	<ul style="list-style-type: none"> • Pressure on the authority to manage overspends • Departments have to manage cost pressures • Pressure to meet target savings and Administrations commitment to cut Council Tax • HMRC recover VAT from the council affecting cash flow • Repayment of Grants 	<ul style="list-style-type: none"> • Medium Term Financial Strategy and Business Planning Processes have been combined and is re-modelled • MTFS Officer & Member Challenge • Efficiency programme management in place identifying statutory v discretionary services • Leader's monthly monitoring reports • Financial Strategy Board (FSB) periodically evaluates the effectiveness of the financial management arrangements • Partnership activity now includes a VAT trace and has been raised at FSB • Grant Claims & returns record is tracked at FSB • Monthly corporate revenue & capital monitoring to cabinet • Reports to the Leader identify where spend levels exceed a tolerable level during the year • Credit check of contractors is being undertaken through the Competition Board • Disposal of Assets 	<p>Annual Audit Letter</p> <p>Select Committees are given the opportunity to fully scrutinise budgets during January.</p> <p>Assurance required that complete and accurate accounting records are being maintained *</p> <p>Participation in London Efficiency Challenge</p> <p>EMT, Pension and Audit Committee</p>	4	4	16	High		Jane West lead – All Directors	Review July 2010
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CORPORATE RISK REGISTER APPENDIX 1

6.	Putting residents first, Setting the framework for a healthy borough	<p>Successful partnerships (Local Area Agreement - Borough Partnership & Major Contracts)</p> <p>Sub-risks</p> <ul style="list-style-type: none"> • Area based grant has been clawed back • Partnering activity with other boroughs and the NHS may blur the lines of responsibility, accountability or liability in the event of service failure • Plans to remodel the PCT's and delivery of health services through GP's as per the White Paper – Liberating the NHS 	<ul style="list-style-type: none"> • Joint objectives are not met • Community expectations are not met • Relationship deteriorates • Threat of overspends and underspend 	<ul style="list-style-type: none"> • LAA partners are risk assessed and LAA refreshed • Community Strategy refreshed • Governance arrangements are in place • Borough Partnership Compact • Performance monitoring reports reported to Scrutiny Cttee's & Borough Partnership • Strategy Unit monitors Partnership progress • Area based grant exit strategy is funded short term through contingency / reserves • Review of Partnerships undertaken by Strategy Unit • Data Quality protocols agreed in Borough Partnership Handbook – Constitution • H & F Bridge Performance Monitoring 	<p>Audit Commission & Internal Audit have undertaken a review of partnerships in 08-09 (Satisfactory assurance)</p> <p>H & F Bridge Partnership Assurance process</p> <p>H & F Homes Assurance process</p> <p>PCT are Audited by the Audit Commission</p> <p>Audit of H & F Homes Contract Management undertaken in 2008/09</p> <p>EMT, Pension and Audit Committee</p>	4	3	12	<p>Medium</p> 	Geoff Alltimes	<p>Review</p> <p>July 2010</p>
7.	Delivering value for money	<p>Maintaining reputation and service standards</p> <p>Sub-risks</p> <p>Breach of Officer or Member code of conduct</p> <p>Data released</p> <p>Poor data quality internally or from third parties, breaches of information protocols, information</p>	<ul style="list-style-type: none"> • Threat to the status of the council • Potential adverse media reporting • Quality and integrity of data held in support of Performance Management & Financial systems leads to under or over estimation 	<ul style="list-style-type: none"> • Combined Business Planning & MTFS processes • Business Planning is part of the performance management competencies • Risk registers have been developed for all departments and divisions • Annual review of corporate governance arrangements conducted by Internal Audit • Performance statistics are 	<p>Ofsted, Care Quality Commission, Annual Audit letter</p> <p>EMT, Pension and Audit Committee</p>	4	3	12	<p>Medium</p> 	All Directors	<p>Review</p> <p>July 2010</p>

CORPORATE RISK REGISTER APPENDIX 1

		erroneously sent to third parties. Auto forwarding of information (Information control and threat of leakage)		scrutinised by Select Committee's, EMT & DMT's <ul style="list-style-type: none"> • Corvu Performance Management System is able to pick up anomalies • Data Quality Training 							
8.	Delivering value for money	Managing fraud (Internal & External) Sub-risks Misappropriation of assets *	<ul style="list-style-type: none"> • Loss of reputation • Financial loss • Adverse regulatory /audit report • Inadequately resourced fraud unit 	<ul style="list-style-type: none"> • Literature and training has been delivered to all levels of the authority • Information and guidance has been published on the corporate intranet • Awareness survey has been undertaken • A Corporate Fraud Service has been established • Level of fraud is being tracked through FSB • Close working relationship is established with the Police • Fraud risks being integrated into risk registers • CAFS team now use a risk assessment to assist in targeting and workload prioritisation 	<p>Audit Committee receive quarterly reports on Fraud</p> <p>Deloitte Fraud Survey 2008</p> <p>Assurance required that assets are safeguarded</p> <p>EMT, Pension and Audit Committee</p>	2	3	6	Low 	Jane West lead – All Directors	Review July 2010
9.	Delivering value for money	Successful cultural change	<ul style="list-style-type: none"> • Potential internal uncertainty re: staff morale • Change consumes more resource than VFM/efficiency gains realise 	<ul style="list-style-type: none"> • Effective communications programme • Staff Survey undertaken in 2009 and follow up action plans • Career development discussions • Revised sections in Business Planning document inc. Equalities & Diversity and • Smartworking 	<p>Staff survey, Corporate Workforce Group</p> <p>EMT, Pension and Audit Committee</p>	3	3	12	Low 	Ellen Lamparter	Review July 2010

CORPORATE RISK REGISTER APPENDIX 1

10.	Putting residents first	Managing the Business Objectives (publics needs and expectations)	<ul style="list-style-type: none"> The Public or section of the public may not receive the service that they need or to the quality they expect Reputation of the service may be affected Updating the Community Strategy will affect the direction of travel in some business areas 	<ul style="list-style-type: none"> Robust Business Planning regime revised for 10-12 incorporating fully the Medium Term Financial Strategy Performance monitoring and feedback through local media & H & F News Customer experience and satisfaction surveys 	Cabinet Members and Scrutiny Cttee review performance Ofsted, Care Quality Commission	3	3	9	Low 	All Directors	Review July 2010
11.	Delivering value for money	Market Testing of Services (refer to Competition Board Roadmap and Programme Dashboard)	<ul style="list-style-type: none"> Officers time away from other projects Timescale of project is tight Insufficient numbers of Officers designated to the project Benefits are not realised Data Quality (Accuracy, timeliness of information) results in variation to original contract spec 	<ul style="list-style-type: none"> Consultation with other boroughs Project managing the process Separation or joining of projects to maximise benefit potential Realistic timetables agreed and reviewed at Competition Board Market Testing reported on Programme dashboard to EMT Programme & Project Management – Risk Logs being maintained, periodic risk reviews 	Competition Board, Programme Management Board, EMT, Audit review conducted for Use of Contractors	3	3	9	Low 	All Directors	Review July 2010
OPPORTUNITY RISKS											
1.	Delivering high quality, value for money public services	Managing Human Resources Sub-risks Integration of services with NHS Hammersmith & Fulham	<ul style="list-style-type: none"> Key staff retention HR protocol has been agreed for officers who work with the PCT 	<ul style="list-style-type: none"> HR team has been centralised and self service is being rolled out Performance reports are provided on staffing to FSB, EMT and are reported to Scrutiny Committees 	Business Planning, Corporate Workforce Group	3	3	9	Low 	Geoff Alltimes lead – All Directors	Review July 2010
2.	Delivering high quality, value for money	Merging of education services with Westminster Council	Savings due to removal of duplication across the councils			2	4	8	Low 	Andrew Christie	Review July 2010

CORPORATE RISK REGISTER APPENDIX 1

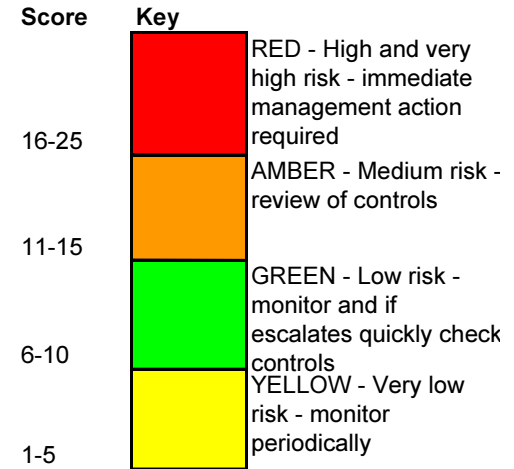
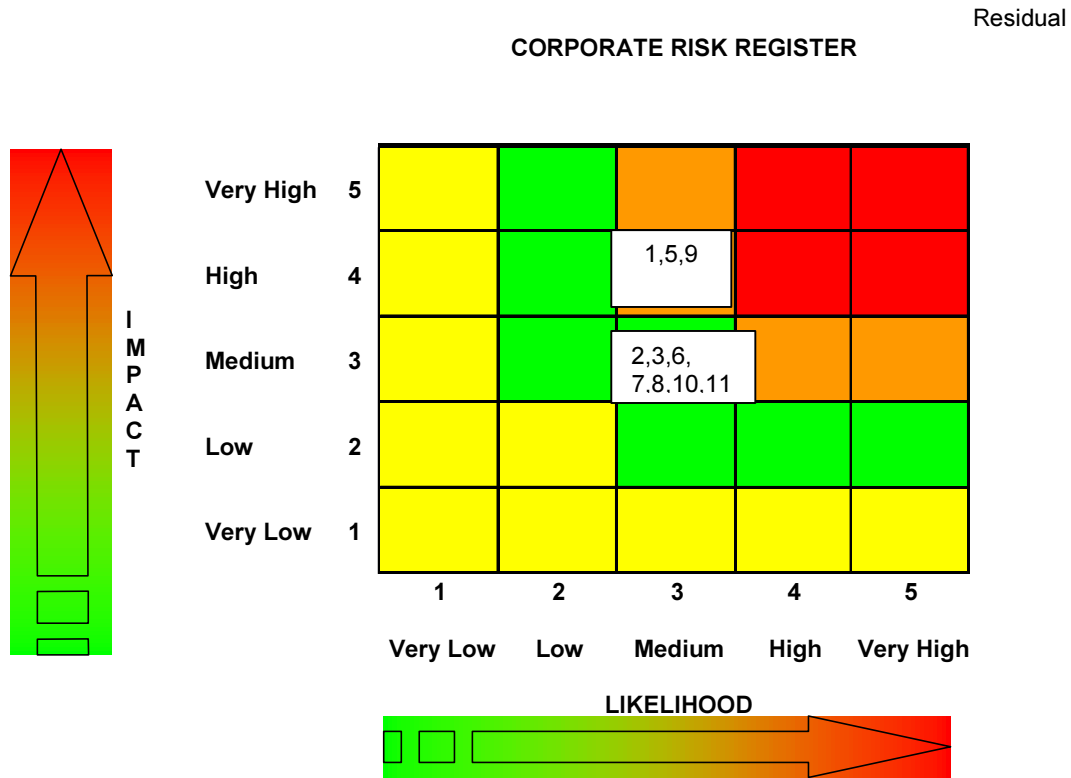
	public services									
3.										

Note 1. All key risks have been extracted from(but not limited to) a number of sources for analysis by the Corporate Management Team. The sources include;

- i. Previous Corporate Risk Register
- ii. Benchmarking with other Local Authorities on Identified Risks
- iii. Information identified from Departmental Risk Registers
- iv. Officers Knowledge and experience
- v. The Office of Government Commerce Project Risk Management Handbook
- vi. Procurement exercises
- vii. Significant Weaknesses established from the Annual Assurance process
- viii. Audit Reports
- ix. Knowledge and experience of public sector risks from the Principal Risk Consultant
- x. Data Quality and Integrity
- xi. Programme Management Office monthly report

Note 2. Categorised under the PESTLE methodology as published in the Hammersmith & Fulham Risk Standard. Compliant with Audit Commission/ ALARM/IRM/CIPFA best practice.

CORPORATE RISK REGISTER APPENDIX 1



* Derived from Deloitte's Assurance Framework 2007/2008

CORPORATE RISK REGISTER **APPENDIX 1**