

# Leadership risk register as at 21 February 2014

Owner: David McNulty

Ref	Directorate register ref	Description of the risk	Inherent risk level (no controls)	Controls	Risk owner – Officer	Risk owner – Member	Residual risk level (after existing controls)
L14	ASC5 BUS17,21, 22,23 CAC1 CSF4,16,22 EAI1,13	<p><b>Future Funding</b></p> <p>- Erosion of the council's main sources of funding:</p> <ul style="list-style-type: none"> <li>• council tax – through legislative controls on levels of increase</li> <li>• central government grants – through further austerity cuts, policy changes, top slicing and diversion of grants to Local Enterprise Partnerships</li> </ul> <p>and failure to generate new income streams as planned e.g. trading</p> <p>lead to lack of financial resilience and failure to deliver statutory and essential services.</p>	<b>High</b>	<p>- Robust quarterly monitoring to Continual Improvement Board, Corporate Leadership Team and Cabinet of actual funding (eg council tax and business rate collection levels) achieved through close working with district and borough colleagues.</p> <p>- Continued horizon scanning of the financial implications of existing and future government policy changes.</p> <p>- Development of alternative / new sources of funding (e.g. bidding for grants).</p> <p>- Review how systems and processes can lead to greater efficiencies.</p> <p>Not withstanding actions above, there is a high risk of central government policy changes /austerity measures impacting on the council's long term financial resilience.</p>	Corporate Leadership Team / Sheila Little	Cabinet / David Hodge	<b>High</b>
L1	ASC2,5 BUS9 CAC8,19 CSF4,16,22 EAI1	<p><b>Medium Term Financial Plan (MTFP) 2014-19</b></p> <p>- Failure to achieve the MTFP which could be as a result of:</p> <ul style="list-style-type: none"> <li>• not achieving savings</li> <li>• additional service demand and/or</li> <li>• over optimistic funding levels</li> </ul> <p>lead to lack of financial resilience and failure to deliver statutory and essential services.</p>	<b>High</b>	<p>- Monthly reporting to Continual Improvement Board, Corporate Leadership Team (CLT) and Cabinet on the forecast outturn position is clear on the impacts on future years and enable prompt management action (that will be discussed with informal Cabinet / CLT).</p> <p>- As recommended in the Chief Finance Officers statutory budget report (Sec25) to full County Council on 11 February 2014, a mechanism whereby the Chief Executive and Chief Finance Officer will check the robustness of efficiencies delivery plans and report back to Cabinet as necessary.</p> <p>- Clear management action reported promptly detailing alternative savings / income if original plans become non deliverable or funding levels alter in year</p> <p>- Reduced risk contingency for 2014/15, from £8m (base) to £5m, takes pressure off services to find more efficiencies.</p>	Corporate Leadership Team / Sheila Little	Cabinet / David Hodge	<b>High</b>

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				<p>- Monthly tracking of actual demand compared to budget reported and reviewed by the Productivity and Efficiency Panel.</p> <p>- Monthly formal budget reports focus on funding levels comparing actuals to forecasts. Finance to sustain pro-active horizon scanning for insight into potential funding change.</p>			
L7	BUS12 EAI2	<p><b>Waste</b></p> <p>- Failure to deliver key waste targets (including key waste infrastructure) leads to increased cost to residents and tax payers and impacts on the environment.</p>	<b>High</b>	<p>- Strong resourcing and project planning monitored by the Waste Board</p> <p>- Further work with the Districts and Boroughs continue, to review waste plans to achieve the targeted increase in recycling.</p> <p>- Contract variation signed with SITA to deliver the Eco-park.</p> <p>- Notwithstanding the controls above, there is still a risk that delivery could be delayed by external challenge and levels of recycling are strongly influenced by district and borough collection arrangements which are not within SCC's direct control. Although the council continues to work in partnership to achieve the desired outcome.</p>	Trevor Pugh	John Furey	<b>High</b>
L15	ASC5 CSF4,16	<p><b>Welfare Reform</b></p> <p>- Multiple central government welfare reform changes impact adversely on Surrey residents and put additional pressure on all public services.</p>	<b>High</b>	<p>- Effective horizon scanning to ensure thorough understanding of intended changes</p> <p>- Implementation of a welfare reform programme including districts and boroughs covering:</p> <ul style="list-style-type: none"> <li>• Advice and information</li> <li>• Financial resilience</li> <li>• Emergency assistance</li> <li>• Localisation of council tax support</li> <li>• Housing and homelessness</li> <li>• Employment training and support</li> </ul> <p>- Taking opportunities to influence central government e.g. via the Local Government Association.</p>	Nick Wilson and Dave Sargeant	Cabinet / Mary Angell and Mel Few	<b>High</b>
L16	ASC9 BUS22,23,24 CEO13 CSF8,20,23 EAI3	<p><b>Partnership working</b></p> <p>Failure or breakdown of:</p> <p>(a) a significant partnership (where the council has entered into a formal partnership)</p>	<b>High</b>	<p>- Health and wellbeing strategy and action plan owned by partners.</p> <p>a) Leadership and managers recognise the importance of building and sustaining good working relationships and having early discussions if these</p>	Corporate Leadership Team / Susie Kemp	Cabinet	<b>High</b>

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		<p>or</p> <p>(b) a partner (other public bodies eg NHS)</p> <p>leads to service failure and delivery of savings due to increased reliance on partners to deliver services.</p> <p>(c) A breakdown in partnership working, or the failure of a key partner, results in our inability to co-ordinate and integrate health and social care services, reducing our collective impact on improving health outcomes, failing to develop a sustainable financial model across health and social care, and damaging the reputation of all partners.</p>		<p>falter.</p> <p>(b) Contracts are managed effectively through strong governance and early warning mechanisms are put in place.</p> <ul style="list-style-type: none"> <li>- Intelligence on partners is shared and areas of risk identified as a consequence.</li> </ul> <p>(c) The council will maintain a regular ongoing dialogue with partners to ensure collective delivery of health outcomes with regular meetings.</p> <ul style="list-style-type: none"> <li>- Additional support will be provided where possible/appropriate to ensure development of sustainable financial model.</li> <li>- Regular discussions at Health and Wellbeing Board around priorities focusing on resources required to deliver.</li> <li>- Assistant Chief Executive chairing SCC-wide Strategic Health Board.</li> </ul>			
L11	ASC12 BUS26 CEO7 CSF18	<p><b>Information Governance</b></p> <ul style="list-style-type: none"> <li>- Failure to effectively act upon and embed standards and procedures by the council leads to financial penalties, reputational damage and loss of public trust.</li> <li>- Cabinet Office zero tolerance policy in relation to accessing data, will impede progress towards smarter working across the organisation and may limit improvements to service delivery</li> </ul>	<b>High</b>	<ul style="list-style-type: none"> <li>- Encrypted laptops</li> <li>- Secure environment through the Egress encrypted email system</li> <li>- Internal Audit Management Action Plans in place that are monitored by Audit &amp; Governance Committee and Select Committees</li> <li>- Twice-yearly communications campaign linked to known peaks for breaches, and a refreshed and re-launched information security e-learning package.</li> <li>- SCC has received GCSx accreditation certificate (while many authorities have so far failed)</li> <li>- introduction of the Information Governance Board and the launch of the data classification project, both of which will start in the first quarter of 2014, will help to manage this risk.</li> </ul> <p>Despite the actions above, there is a continued risk of human error that is out of the council's control.</p>	Corporate Leadership Team	Denise Le Gal	<b>High</b>
L4	ASC19, 22 BUS20,26	<p><b>IT systems</b></p> <ul style="list-style-type: none"> <li>- Major breakdown and disruption of systems leads to an inability to</li> </ul>	<b>High</b>	<ul style="list-style-type: none"> <li>- Additional resilience has been brought about by the go-live of the Primary and Secondary Data Centres.</li> <li>- Design and implementation of a new 64 bit Citrix</li> </ul>	Julie Fisher	Denise Le Gal	<b>High</b>

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		deliver key services		<p>farm is in progress that will bring resilience and performance enhancements.</p> <ul style="list-style-type: none"> <li>- Work in progress to increase the performance of login/logout times.</li> <li>- There are also some teething issues with the new UNICORN network in the areas of voice delivery to smaller sites and Contact Centre resilience. Special improvement projects have been established with BT to increase the efficiency of dealing with network issues to reduce the impact on service delivery.</li> </ul>			
L3	ASC18 CAC8, 18, 19 CEO3 EAI4,5,7	<p><b>Business Continuity, Emergency Planning</b></p> <ul style="list-style-type: none"> <li>- Failure to plan, prepare and effectively respond to a known event or major incident results in an inability to deliver key services</li> </ul>	<b>High</b>	<ul style="list-style-type: none"> <li>- The Council Risk and Resilience Forum reviews, moderates, implements and tests operational plans.</li> <li>- Close working between key services and the Emergency Management Team to update plans and share learning</li> <li>- Continued consultation with Unions and regular communication to staff.</li> <li>- External risks are assessed through the Local Resilience Forum.</li> </ul>	Corporate Leadership Team	Denise le Gal / Helyn Clack	<b>Medium</b>
L2	ASC4,9,20 BUS2 CEO8 CSF4,20 EAI2,3,10	<p><b>Staff resilience to major change</b></p> <p>Preparing for and managing the significant challenges faced over the next 4 years may result in change fatigue and lack of resilience for any future change.</p>	<b>High</b>	<ul style="list-style-type: none"> <li>- Communication, consultation and engagement is a priority for the Council with an emphasis placed on thoroughly addressing the concerns of staff and their representatives</li> <li>- Currently eight training courses available that address various aspects of change. Also over 40 trained coaches who are available to support staff.</li> <li>- Questions in the Staff Survey provide a measure of the staff satisfaction with the council and its management of change.</li> <li>- The smarter working framework and flexible working policy are in place to support managers and their teams to work differently.</li> <li>- Promotion of support mechanisms for staff.</li> <li>- Staff are encouraged to get involved in finding innovative solutions to redesign services.</li> </ul>	Corporate Leadership Team	Cabinet	<b>Medium</b>
L5	ASC7 CSF6,16	<p><b>Safeguarding</b></p> <ul style="list-style-type: none"> <li>- Avoidable failure in Children's and/or Adults care leads to serious harm or death</li> </ul>	<b>High</b>	<ul style="list-style-type: none"> <li>- Appropriate and timely interventions by well recruited, trained, supervised and managed professionals, with robust quality assurance and prompt action to address any identified failings.</li> </ul>	Caroline Budden/ Dave Sargeant	Mel Few/ Mary Angell	<b>Medium</b>

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L17	ASC21 BUS27	<b>Supply chain / contractor resilience</b> - Poor understanding, monitoring or management of the councils supply chain leads to service failure.	<b>High</b>	- Supply chain business continuity plans for strategic/critical contracts to meet required standards. - Consistent management of supply chain risks across all key suppliers through common reporting. - Regular supplier intelligence reporting in place to track industry and supplier news.	Corporate Leadership Team	Cabinet	<b>Medium</b>
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Key to references:

ASC = Adult Social Care

BUS = Business Services

CAC = Customers and Communities

CEO = Chief Executive's Office

CSF = Children, Schools and Families

EAI = Environment and Infrastructure

## Movement of risks

Ref	Risk	Date added	Residual risk level when added	Movement		Current residual risk level
L1	Medium Term Financial Plan	Aug 12	High	-	-	High
L2	Major change programmes	May 10	High	Jan 12	↓	Medium
L3	Business Continuity and Emergency Management	May 10	Medium	Aug 12	↓	Medium
L4	IT systems	May 10	Medium	June 13	↑	High
L5	Safeguarding	May 10	Medium	-	-	Medium
L6	<i>Resource Allocation System in adults personalisation</i>	<i>May 10</i>	-	<i>Aug 12</i>	*	-
L7	Waste	May 10	High	-	-	High
L8	<i>Integrated Childrens System</i>	<i>May 10</i>	-	<i>Feb 11</i>	*	-
L9	<i>NHS reorganisation</i>	<i>Sep 10</i>	<i>High</i>	<i>May 13</i>	*	-
L10	<i>2012 project management</i>	<i>Sep 10</i>	-	<i>Aug 12</i>	*	-
L11	Information governance	Dec 10	High	-	-	High
L12	<i>LLDD budget transfer</i>	<i>May 11</i>	-	<i>Mar 12</i>	*	-
L13	<i>2012 command, control, coordination and communication</i>	<i>Dec 11</i>	-	<i>Sep 12</i>	*	-
L14	Future funding	Aug 12	High	-	-	High
L15	Welfare reform	Feb 13	High	-	-	High
L16	Partnership working	June 13	High	-	-	High
L17	Supply chain / contractor resilience	Jan 14	High	-	-	Medium

\* Removed from the risk register