

Reporting Significant Business Risks.

Description of Risk:

1. Council Reputation Locally & Reputation of Luton.

Initial score: 9 - High likelihood of occurrence, critical impact

Residual score: 6 - Low likelihood of occurrence, critical impact

Existing Controls:

Use of PR. Use of Communications. Luton 2011 & corporate priorities promoted to the public. Service Plan. Complaints procedure. Council categorised as 'good' by the CPA report. Area Committees, public meetings, citizen's panel, community consultation & tenant groups. Customer surveys. Various forums (race, disability, access & womens) meet with Council officers. Change to customer focus of service provision via Customer Service Centre. Luton First project. Signed up for LGA/IdeA Reputation project.

How risks are monitored:

Service plan monitoring - exec summary

Complaints monitoring

Specific issue – the media treatment of events can portray Luton in a poor light. This requires significant communication management.

Description of risk:

2. Significant project failure

Initial score: 9 - High likelihood of occurrence, critical impact

Residual score: 7 - High likelihood of occurrence, significant impact

Existing Controls: Contingency Plan. Policy & Procedures. Flexible working. Rigorous approach to recruitment. Agency workers.

Documentation. Reciprocal arrangement with other agencies/local authorities. Communications Unit. Learnt from experience of responding to industrial action. Need for project resource identified and resources for transformation incorporated into 2007/08. Project tool kit developed - portal, which includes risk assessment for projects. Corporate projects monitored by CLMT

How risks are monitored: Progress reports on business continuity management and Project Management to CLMT, key issues raised by Directors at CLMT.

Specific Issue – Luton Gateway project and its potential risks and opportunities reported to Executive, and approved. East Luton Corridor project delays causing service & financial issues. Luton Excellence project key to balancing the medium term financial plan.

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Description of risk:

3. Staff performance - overload/stress

Initial score: 9 - High likelihood of occurrence, critical impact

Residual score: 8 - Medium likelihood of occurrence, critical impact

Existing Controls: Performance Appraisal & Management supervision/team briefing. Priorities defined within Luton 2011. Corporately adopted stress policy & stress assessment process. Free counselling service & support worker network. Sickness absence monitoring procedure. Occupational Health team available. Leadership & management development programme. Support worker scheme relaunched. Maximisation of communication methods.

How risks are monitored:

Progress on appraisals.

Health & Safety Forum minutes.

Employee survey results expected shortly

Specific Issue – Employee survey findings; restructure of the Childrens' Service.

Description of risk:

4. Major Luton Emergency including potential social unrest

Initial score: 8 - Medium likelihood of occurrence, critical impact

Residual score: 5 - Medium likelihood of occurrence, significant impact

Existing Controls: Emergency plan in place, held & communicated to key officers. Emergency officer in place within the Town Hall. Communications Unit deal with media. Other agencies eg: Police, Fire trained to deal with emergencies. Liaison with Town Centre Officer/Community Liaison Officer. Emergency plan office situated in Wardown. Training.

How risks are monitored: Monitoring emergency plan being kept up to date & feedback from practice runs.

Specific Issue – flooding risk being reviewed. Working group of officers set up to address the strategic issues arising from Nottingham Declaration of Climate Change.

Description of risk:

5. Failure to recruit/retain staff. Luton not preferred living area.

Initial score: 9 - High likelihood of occurrence, critical impact

Residual score: 6 - Low likelihood of occurrence, critical impact

Existing Controls: Recruitment & retention plans in place for some key posts considering incentive measures. Select list of approved agencies in place & Master Vendor agency arrangement negotiated. Staff appraisal & consultation mechanisms. Prospects & positive action schemes. Recruitment consultants for hard to fill posts. Career progression.

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Job redesign. Feedback from exit interviews. People Strategy includes Recruitment & Retention as key objective.

How risks are monitored:

Reporting on Pay & Reward Strategy

Reporting on HR Strategy.

Vacancy level reporting

Specific Issue – officer Pay & Reward Group continue to address hot spots. First tranche of the succession planning scheme “Ladders to Success” implemented.

Description of risk:

6. Failure to keep to approved budget, particularly re demand-led services, new requirements, savings targets, loss of income.

Initial score: 9 - High likelihood of occurrence, critical impact

Residual score: 6 - Low likelihood of occurrence, critical impact

Existing Controls: Monthly budget monitoring procedures including reporting risky budgets to the Finance, Performance & Procurement Group, and budget summary to CLMT & Executive. Introduction of moratoria as and when necessary. For certain specific areas, forecasts and management info to predict patterns (eg children's, homelessness). Cash Limited Budgets Scheme. Medium term financial plan compiled. Service plans compiled with reference to the budget. Financial training provided to managers. Included in Budget Risk Management Strategy. Action plans required for any predicted overspend. Contingency in budget.

How risks are monitored: Budget monitoring - regular reporting to CLMT & Executive.

Specific Issue – budget pressures within some services.

Description of risk:

7. Decrease in volume of airport traffic or closure resulting in reduction of key income stream

Initial score: 8 - Medium likelihood of occurrence, critical impact

Residual score: 6 - Low likelihood of occurrence, critical impact

Existing Controls: Contract with Airport company including controls over appropriate operators. Regular monitoring by LBC Airport Client Manager over local issues - macro environment outside of LBC's influence.

How risks are monitored: Regular reporting by Corporate Directors on key service issues.

Description of risk:

8. Loss or failure of key supplier, provider or partner

Initial score: 8 - Medium likelihood of occurrence, critical impact

Residual score: 6 - Low likelihood of occurrence, critical impact

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Existing Controls: Tender/procurement process. Contingency planning. Financial credibility check undertaken. Regular meeting & monitoring of contract. Care standards/legislative controls may be applicable including independent inspection. Complaints monitored. Insurance cover. Bond clause within contract. Risk Assessment procedure in place for partnership working. Longstanding partnerships in place with established contacts and pattern of joint working. Leadership & management development programme to include module on partnership working. Good practice models utilised. External Audit. Register of agreements. Finance manager and/or Executive approval for agreements.

How risks are monitored: Reports on business continuity planning and Corporate Director reports on key issues

Specific Issue – contract difficulties being experienced with suppliers of health care equipment and adaptations.

Description of risk:

9. Failure of Joint arrangements, pooled budgets & third party agreements, or partnership working.

Initial score: 9 - High likelihood of occurrence, critical impact

Residual score: 6 - Low likelihood of occurrence, critical impact

Existing Controls: Officer resources. Risk Assessment procedure in place for partnership working. Insurance cover. Longstanding partnerships in place with established contacts and pattern of joint working. Leadership & management development programme to include module on partnership working. Good practice models utilised. External Audit. Training in financial regulations. Register of agreements. Finance manager and/or Executive approval for agreements.

How risks are monitored:

Service plan monitoring - exec summary

Departmental risk registers contain details of significant partnerships

Separate risk registers created for Luton PCT and LBC partnership arrangements/issues.

Specific Issue

Risks need regular review, to ensure that all partners are achieving their aims from partnerships, otherwise there are dangers of partners giving notice.

Description of risk:

10. Loss or collapse of key IT application/hardware or data corruption or unauthorised access to personal data on Council systems

Initial score: 8 - Medium likelihood of occurrence, critical impact

Residual score: 6 - Low likelihood of occurrence, critical impact

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Existing Controls: IT contingency officer & contingency plan, including off site support. Backups, lightning conductors. Paper systems. Insurance cover. Major application penetration testing. IM's external accreditations ISO2001 and ISO9001.

How risks are monitored: Reports on business continuity planning IM's security recording and reporting mechanisms.

Specific Issue – following national incidents, IM together with the business areas have reviewed the transfer & encryption of data.

Description of risk:

11. Major Change in Government Policy that directly affects Council Services.

Initial score: 7 - High likelihood of occurrence, significant impact

Residual score: 7 - High likelihood of occurrence, significant impact

Existing Controls: Influencing and lobbying Government to make changes in a way that will benefit Luton in the long-term. Authority experienced in handling policy changes, major change programmes & re-organisations required as a result.

How risks are monitored: Regular reporting by Corporate Directors on key service issues.

Specific Issue – Local Government White paper will generate new demands and requirements.