

# OPERATIONAL RISK REGISTER

September 2014



**Chief Executive's Unit - Steve Baker**

**CE\_F01 Lack of resources to be able to spend the appropriate time analysing the Councils 3rd party expenditure**

<b>Category:</b> Financial	<b>Corporate Priority:</b> Dacorum Delivers	<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating
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Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	1 Very Unlikely	4 Severe	4 Green

Consequences	Current Controls	Assurance
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Continued delivery of a reactive service. Potential breach of the Public Contract Regs via non-aggregation. Off-contract spend. Reduced savings.	<ul style="list-style-type: none"> <li>- Spikes Cavell spend analysis undertaken</li> <li>- Realignment of the Service will increase resource capacity</li> <li>-Stradia procurement consultants have been appointed to provide additional support for the procurement of the Total Asset Mangement Contract, the affordable housing new build and the PSQ thereby releasing capacity within the in house procurement team to analyse 3rd party expenditure.</li> <li>- The Council have commissioned V4 Services to provide category management support which will increase capacity whilst delivering savings.</li> </ul>	
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**Sign Off and Comments**

Sign Off Complete

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CE_F02 Lack of resources to be able to design and implement a Category Management approach to the Councils 3rd party expenditure					
<b>Category:</b> Financial	<b>Corporate Priority:</b> Dacorum Delivers		<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
4 Very Likely	3 High	12 Red	1 Very Unlikely	3 High	3 Green
Consequences		Current Controls		Assurance	
Lack of strategic direction. Reduced savings. Procurement silos. Increased workload.		<ul style="list-style-type: none"> <li>- Realignment of Service will increase the resource capacity.</li> <li>- The appointment of Stradia procurement consultants to provide additional support for the major procurement contracts has increased the capacity of the in house team to deliver category management.</li> <li>- The Council have commissioned V4 Services to provide category management support which will increase capacity whilst delivering savings.</li> </ul>			
Sign Off and Comments					
Sign Off Complete					

CE_M02 Failure of Council staff and Members to understand and embrace localism					
<b>Category:</b> Marketplace	<b>Corporate Priority:</b> Building Community Capacity		<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score

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3 Likely	3 High	9 Amber	1 Very Unlikely	3 High	3 Green
<b>Consequences</b>		<b>Current Controls</b>		<b>Assurance</b>	
Poor service to communities, intervention from Government, Poor reputation.		- Officer training Localism policy and strategy being developed.			
<b>Sign Off and Comments</b>					
Sign Off Complete					

## CE\_M03 Failure to prepare policy and strategy around Localism

<b>Category:</b> Marketplace	<b>Corporate Priority:</b> Building Community Capacity	<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating	
<b>Inherent Probability</b>	<b>Inherent Impact</b>	<b>Inherent Risk Score</b>	<b>Residual Probability</b>	<b>Residual Impact</b>	<b>Residual Risk Score</b>
3 Likely	3 High	9 Amber	1 Very Unlikely	4 Severe	4 Green
<b>Consequences</b>		<b>Current Controls</b>		<b>Assurance</b>	
Poor service to communities, intervention from Government, Poor reputation.		- Officer/member training events. Localism policy and strategy being developed. Localism Working Group set up. Guidance and processes being produced			
<b>Sign Off and Comments</b>					
Sign Off Complete					

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## CE\_R01 Failure to deliver successful elections

<b>Category:</b> Reputational	<b>Corporate Priority:</b> Dacorum Delivers	<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
4 Very Likely	4 Severe	16 Red	1 Very Unlikely	4 Severe	4 Green
Consequences		Current Controls		Assurance	
<p>Legal sanction and re-run of election at DBC expense. Loss of faith in elections process. Intense scrutiny on future referenda Potential 'Failed service' designation from Electoral Commission. Personal Financial liability for Returning Officer. Invalid or unsubstantiated election Results. Dissatisfaction of key stakeholders with the borough council elections and the process for future referenda.</p>		<ul style="list-style-type: none"> <li>- Election Preparation Plan and Risk Assessment</li> <li>- Establish Election Team, allocate resources, audit and prepare equipment</li> <li>- Oversee actual Election</li> <li>- Check Results</li> <li>- Conclude election paperwork</li> <li>- Clear and Store election equipment</li> <li>- Prepare Election Accounts</li> <li>- Consult Key stakeholders</li> <li>- Produce 'Mop-up' report for Autumn Overview &amp; Scrutiny</li> <li>- Implement recommendations from Overview &amp; Scrutiny in preparation for future elections</li> </ul>			
Sign Off and Comments					
Sign Off Complete					

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## CE\_R03 Failure to maintain Lexcel accreditation

<b>Category:</b> Reputational	<b>Corporate Priority:</b> Dacorum Delivers	<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
4 Very Likely	3 High	12 Red	1 Very Unlikely	3 High	3 Green
Consequences		Current Controls		Assurance	
Loss of confidence in the service, adverse effect on staff morale, processes not improved, waste of officer time and waste of consultant's costs and assessment fee.		<ul style="list-style-type: none"> <li>- IDP framework</li> <li>- Engaged specialist consultant</li> <li>- Support from Policy and Improvement Officer</li> <li>- Support and active participation of Legal Team members</li> </ul>			
Sign Off and Comments					
Sign Off Complete					

## CE\_R05 Failure to adopt a service specific best practice approach to managing Health and Safety

<b>Category:</b> Reputational	<b>Corporate Priority:</b> Dacorum Delivers	<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	1 Very Unlikely	4 Severe	4 Green
Consequences		Current Controls		Assurance	
Death or injury to staff; residents or contractors' staff;		- Service specific health and safety policies in respect of			

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reputation; litigation and charges of corporate manslaughter	Council buildings and commercial properties. - Ongoing training for staff in key areas.	
<b>Sign Off and Comments</b>		
Sign Off Complete		

<b>CE_R08 The CSGC contractor focuses attention on meeting speed of response targets and not quality of service</b>					
<b>Category:</b> Reputational	<b>Corporate Priority:</b> Dacorum Delivers		<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating
<b>Inherent Probability</b>	<b>Inherent Impact</b>	<b>Inherent Risk Score</b>	<b>Residual Probability</b>	<b>Residual Impact</b>	<b>Residual Risk Score</b>
2 Unlikely	3 High	6 Amber	3 Likely	3 High	9 Amber
<b>Consequences</b>		<b>Current Controls</b>		<b>Assurance</b>	
Calls are not resolved at first point of contact. Insufficient time is dedicated to callers to ensure that call has been fully resolved in a satisfactory manner. Reputational damage to the Council.		<ul style="list-style-type: none"> <li>- Govmetric surveys each month assess quality</li> <li>- Six monthly customer satisfaction survey</li> <li>- Quarterly quality assessment by Group Managers</li> <li>- Monthly meetings with back officers to assess service delivery and monthly operational Board meetings to escalate issues.</li> </ul>		<ul style="list-style-type: none"> <li>- Monthly performance reports</li> <li>- Minutes of Operational Board meetings</li> </ul>	
<b>Sign Off and Comments</b>					
Sign Off Complete					

<b>CE_R09 During the transformation of the CSGC there is a high level of requirement for DBC staff resource</b>				
<b>Category:</b>	<b>Corporate Priority:</b>	<b>Risk Owner:</b>	<b>Portfolio Holder:</b>	<b>Tolerance:</b>

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Financial	Dacorum Delivers	Steve Baker	CLlr Neil Harden	Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
4 Very Likely	3 High	12 Red	3 Likely	3 High	9 Amber
Consequences		Current Controls		Assurance	
The Customer Relationship Management and Channel Shift projects cannot be implemented in the timescales resulting in reduced value from the contract or increased resource impact on DBC to maintain the pace.		<ul style="list-style-type: none"> <li>- Service Improvement Plan includes key milestones for engagement</li> <li>- SIP reviewed to identify resource implications for DBC</li> <li>- Joint Customer Insight and channel Shift working group established</li> </ul>		<ul style="list-style-type: none"> <li>- Terms of Reference of Channel Shift and Citizen Insight operational Board.</li> <li>- Project plans for CRM and channel shift implementation.</li> <li>- September 2011 Cabinet report: Web and Customer Access Strategy (currently being revised)</li> </ul>	
Sign Off and Comments					
Sign Off Complete					

CE_R10 The introduction of inform 360 and automated self-service options via telephone reduces access and/or satisfaction with contact					
Category: Reputational	Corporate Priority: Dacorum Delivers	Risk Owner: Steve Baker	Portfolio Holder: CLlr Neil Harden	Tolerance: Treating	
Inherent Probability	Inherent Impact	Inherent Risk Score	Residual Probability	Residual Impact	Residual Risk Score
3 Likely	4 Severe	12 Red	3 Likely	3 High	9 Amber
Consequences		Current Controls		Assurance	
Increase in customer dissatisfaction with the Council. Potential reduction in contact with customers and missed opportunities for citizen insight		<ul style="list-style-type: none"> <li>- Service Improvement Plan includes key milestones for engagement and tasks to be completed, including communications</li> </ul>		<ul style="list-style-type: none"> <li>- Minutes of Operational and Partnership Board meetings</li> </ul>	

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	- Customer Insight and Channel Shift working group established to review progress - Monthly meetings and quarterly audits with GMs to assess quality of customer contacts	
<b>Sign Off and Comments</b>		
Sign Off Complete		

<b>CE_R11 Integration of CRM systems cannot be accomplished due to technical difficulties or high cost</b>					
<b>Category:</b> Infrastructure	<b>Corporate Priority:</b> Dacorum Delivers		<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Treating
<b>Inherent Probability</b>	<b>Inherent Impact</b>	<b>Inherent Risk Score</b>	<b>Residual Probability</b>	<b>Residual Impact</b>	<b>Residual Risk Score</b>
3 Likely	4 Severe	12 Red	3 Likely	3 High	9 Amber
<b>Consequences</b>		<b>Current Controls</b>		<b>Assurance</b>	
The CRM project cannot be completed resulting in failure of the CSCG project and reduced impact of Citizen Insight and Evidence Based Decision Making initiatives. Resource intensive manual operations introduced as work around solutions		- Integration requirements included in Service Improvement Plan - Alternative options clause included in contract in the event that integration is untenable - Customer Insight and Channel Shift working group set up to manage progress			
<b>Sign Off and Comments</b>					
Sign Off Complete					



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## CE\_R12 Redundancy costs of transferred staff borne by DBC in first year of contract

<b>Category:</b> Financial	<b>Corporate Priority:</b> Dacorum Delivers	<b>Risk Owner:</b> Steve Baker	<b>Portfolio Holder:</b> Cllr Neil Harden	<b>Tolerance:</b> Terminating	
<b>Inherent Probability</b>	<b>Inherent Impact</b>	<b>Inherent Risk Score</b>	<b>Residual Probability</b>	<b>Residual Impact</b>	<b>Residual Risk Score</b>
4 Very Likely	2 Medium	8 Amber	4 Very Likely	1 Low	4 Green
<b>Consequences</b>		<b>Current Controls</b>		<b>Assurance</b>	
Unrecognised costs have an impact on Council reserves and reduce the value of the contract		<ul style="list-style-type: none"> <li>- Earmarked Redundancy Reserve available to meet impact</li> <li>- Potential redundancy costs factored in to Value for Money assessment at tender stage</li> </ul>			
<b>Sign Off and Comments</b>					
Sign Off Complete					