



To: Finance and Resources Policy Board

On: 18 May 2016

Report by: Director of Finance and Resources

Heading: Finance & Resources Risk Management Plan, April 2016

1. Summary

- 1.1 In keeping with 'Risk Matters', the council's combined risk management policy and strategy, the service risk management plan is refreshed on an annual basis and presented to the Board for approval each year.
- 1.2 This paper presents the Finance & Resources Risk Management Plan from April 2016 (Appendix 1) to the Board for approval.
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2. Recommendations

- 2.1 It is recommended that the Board approves the service risk management plan, April 2016.
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3. Background

- 3.1 The business and social environment that the Finance and Resources service operates within and provides services to continues to be a challenging and dynamic one and the proposed service risk management plan going forward from April 2016 reflects the key operational risks to be managed in line with the services key priorities and challenges.
- 3.2 The service actively promotes good and sensible risk management practice. In doing so the service aims to deliver high quality services for all service users, achieve high standards of performance, make the most of opportunity, and provide a safe environment for those it employs, contracts or partners with in providing a wide range of services.

- 3.3 Good risk management is about seeking to prevent harm or loss, seeking to ensure the right things happen and that 'risk-aware' not 'risk-averse' decisions are made in all aspects of council services.
- 3.4 The process to identify key risks seeks to focus on the significant challenges and uncertainties that may impact on the service's ability to deliver its key priorities and the risks identified are aligned to the Finance and Resources Service Improvement Plan which reflects the council's priorities.
- 3.5 The resulting service risk management plan is used to record, monitor and review the management of the key risks.
- 3.6 Risks have been evaluated using the council's standard risk matrix (final appendix) and involves multiplying the likelihood of occurrence of a risk by its potential impact. This produces an evaluation of risk as either 'low', 'moderate', 'high' or 'very high.' High/ very high risks are viewed as significant. The profile of the service's operational risk going forward from April 2016 (in addition to the service's responsibilities within the corporate risk register) is shown in the table below:

Evaluation:	Low	Moderate	High	Very High	Total
No. of Risks:	0	05	08	01	14

- 3.7 In preparing this paper for the Board, the Senior Management Team considers that the proposed service risk management plan suitably reflects the service's risk management focus for the forthcoming year, and in appraising the risks the following are perceived to be the 'top five' for the service:

TOP 5 Risk/Opportunity Risk Areas	Likelihood	Impact	Score	Evaluation
1) Financial Sustainability	04	05	20	Very High
2) Enterprise Resource Planning	03	04	12	High
3) Delivery of OD Strategy	03	04	12	High
4) Delivery of new ICT model	03	04	12	High
5) Sustaining and improving Customer & Business Services	03	04	12	High

- 3.9 In relation to individual risks recorded, the Senior Management Team believes that appropriate control measures are in place to prevent and/ or mitigate adverse effects and that further planned action is appropriate to the level of risk. Where no new actions are defined for any particular risk, this is indicative of a level of confidence in the current control measures in place and a consequent decision to tolerate the risk at this time.
- 3.10 Robust monitoring arrangements are in place to track the progress of planned actions. It should be noted that actions prefixed by "FRR" exist only for the benefit of reducing or containing the service risks, whereas actions prefixed by FRSIP reflect improvement activities that lie within the service improvement plan that have been linked through to the risk management plan for completeness where they have a knock on benefit to the related risk.

Implications of the Report

1. Financial

Recurring costs associated with the measures in place for each risk are considered proportionate to the level of risk, and new planned actions are also considered to be cost effective.

The financial requirements to support the service risk management plan should be met within the budget of each risk owner, nevertheless, any unplanned and unbudgeted cost pressures that arise in relation to any of the risks identified will be subject to review in consultation with the Chief Executive and the Director of Finance and Resources.

2. HR & Organisational Development

Any risks relating to HR and Organisational Development issues are reflected within Appendix 1.

3. Community Planning

Children and Young People
Community Care, Health & Well-being
Empowering our Communities
Greener
Jobs and the Economy
Safer and Stronger

Any risks relating to the Community Planning themes are reflected within Appendix 1.

4. Legal

Any risks that may have legal implications are reflected within Appendix 1.

5. Property/Assets

Any property-related risks are reflected within Appendix 1.

6. Information Technology

Any risks relating to ICT are reflected within Appendix 1.

7. Equality & Human Rights

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety**
Any risks relating to health, safety and wellbeing are reflected within Appendix 1.
9. **Procurement**
Any risks relating to procurement are reflected within Appendix 1.
10. **Risk**
For member assurance, all Heads of Service have been consulted to ensure that the relevant risks have been identified.
- The risk scores are believed to be as realistic as possible taking account of the type of risks recorded and the effectiveness of the measures in place to manage them.
- The risk profile shows there are significant risks being managed by the service however for assurance, the senior management team believe that this risk can be managed and contained (in relation to the council's risk capacity and tolerance).
- Although the risks require close monitoring and scrutiny throughout the year, some are longer term risks that are likely to be a feature of the service risk management plan beyond this year.
11. **Privacy Impact**
Any risks relating to privacy matters are reflected within Appendix 1
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List of Background Papers

(a) Background Paper 1: Service risk management plan 2015/16

The foregoing background papers will be retained within Finance and Resources for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Risk Manager, Risk Manager, 0141 618 7019, Karen.Locke@renfrewshire.gov.uk

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Finance & Resources Risk Management Plan

April 2016

Document Title:	Finance & Resources Risk Management Plan 2016			1
Service:	N/A	Lead Author	Risk Manager on behalf of the Director of F&R	
Date Effective:	18/05/2016	Review Dates:	6-monthly by to 31/03/2017	

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1. Risk management arrangements within Finance and Resources

- 1.1 During 2015/16, the Service has continued to implement a range of standard procedures in keeping with the council's risk management strategy, "Risk Matters." This includes using the agreed risk management process and the standardised risk matrix for analysis and evaluation of risk within the service.
- 1.2 The service's nominated risk management representative on the Corporate Risk Management Group (CRMG) is the Senior Finance Manager, however it should also be noted that a number of other officers from within the service are members of the CRMG in their professional capacity as technical experts (Audit, Risk & Insurance, Health & Safety and Information Governance officers).
- 1.3 The Service Risk Management Plan is developed in consultation with the Heads of Service and agreed by the SMT. The Plan is submitted to the Finance and Resources Policy Board for approval and a mid year report on progress is provided around November each year.

2. Report on service's contribution to relevant strategic risk management objectives

- 2.1. The Service continues to support the council's strategic risk management objectives, these being:
 - (1) Leadership and management: We ensure our Director and Senior Managers fully support and promote risk management within their areas of responsibility
 - (2) Policy and strategy: We implement the policy and strategy within the service and through the CRMG provide feedback on any future revisions.
 - (3) People: We help ensure that our people are equipped and supported to manage risk well. Delegates from our service attend the Risk Management training days that are run by the council's Risk Manager every six months.
 - (4) Partnerships and resources: We help ensure that the organisation has effective arrangements in place for managing risks in partnerships. Our Risk Manager was very much involved in supporting the new Health and Social Care Partnership to establish its risk management arrangements.
 - (5) Processes: We help ensure that the risk management processes are effective in supporting the business activities of the service. We take account of risks during the budget planning processes and our service improvement plan links through to our risk register.
 - (6) Risk handling and assurance: We help ensure that risks are handled well and that the organisation has assurance that risk management is delivering successful outcomes and supporting innovation. Projects that we lead on always have risk registers to help us actively identify and monitor risk to the successful conclusion of the project.
 - (7) Outcomes and delivery: Ensuring that risk management does contribute to achieving positive outcomes for the organisation

3. Report on previous year's Risk Management Plan

- 3.1. In recent years the former Finance and Corporate services did not have a specific risk management plan since this had been seen as a duplication of reporting to the Board due to a very high volume of risks on the Corporate Risk Register being the responsibility of the service department to lead on.
- 3.2. Given the above, the service cannot therefore report on this particular section at this time, but will do so in future years. With substantial organisation change taking place over the past 18 months and with the appointment of new heads of service and the transfer of services between service departments there is not so much duplication with the Corporate Risk Register and so it is now important that Finance and Resources re-establishes the service risk management plan.

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4. Current business context for Finance and Resources

4.1. This section closely reflects the council's service improvement plan and has been developed in consultation with Senior Officers within Finance and Resources in relation to the services we are responsible for:

- Supporting the delivery of Council Plan and Community Plan outcomes for Renfrewshire with other services and partners
- Engaging with Strategic Partners and Delivering Organisational Change
- Corporate Governance, Advice and Support
- Advising on Strategic Direction and Influencing National Policy Changes
- Providing Professional Transactional and Advisory Services to Customers
- Providing a range of services directly to the public and local businesses
- Administration and promotion of the election process

4.2. From the priorities set out in the Service Improvement Plan and an appraisal of our **external business environment** we would identify the following as key challenges:

▪ Political	▪ Administering the Scottish Parliamentary and Local Government Elections and the EU Referendum
▪ Economical	<ul style="list-style-type: none"> ▪ Maintaining the financial stability of the Council ▪ Enabling transformational investment through the Glasgow & Clyde Valley City Deal ▪ Progressing the Council's strategic capital investment programme
▪ Social	<ul style="list-style-type: none"> ▪ Targeting spend in ways which will have the greatest impact to tackle poverty ▪ Implementing and supporting our citizens through major welfare reform changes
▪ Technological	<ul style="list-style-type: none"> ▪ Delivery of the new ICT operating model ▪ Developing and delivering Customer Access strategies
▪ Legislative	<ul style="list-style-type: none"> ▪ Delivering Central and Scottish Government legislative change/ priorities that will impact on resources - Welfare Reform and increased Child Care hours are two examples ▪ Supporting the implementation of Children and Young People's Act ▪ Preparing for the enactment of the Limitation (Childhood Abuse) (Scotland) Bill, and potential financial implications
▪ Environmental	<ul style="list-style-type: none"> ▪ Strategically managing the Council's property portfolio ▪ Enabling opportunities to maximise energy and carbon management

4.3. From the information available to us within our **internal business environment**, (such as circumstances that may impact on our priorities, trends from customer feedback surveys, claims, complaints, accidents, or from audit feedback or feedback from technical specialists), we would identify the following as key challenges:

Service-wide	<ul style="list-style-type: none"> ▪ Introduction of the ERP system - project management and cultural change ▪ Procurement matters: ensuring compliance across all teams, meeting timescales and managing relationships with suppliers, particularly in the final year of contracts that will/ may not be renewed ▪ Corporate projects: maintaining service delivery as key staff focus on wider corporate projects
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	<ul style="list-style-type: none"> ▪ Fraud: the service is mindful of activities that could be open to potential fraud. If these activities are not sufficiently scrutinised there could be financial and reputational impacts to the council
Corporate Governance	<ul style="list-style-type: none"> ▪ Management of elections – also referred to in 4.2 above
Customer and Business Services	<ul style="list-style-type: none"> ▪ Sustaining and improving Customer & Business Services - requires all services to change how they work and move to less resource intensive processes. ▪ Digital transformation - being able to provide services online that our customers will use and in order to facilitate a move away from using telephone / face to face contact (as per corporate risk register)
Finance	<ul style="list-style-type: none"> ▪ Financial sustainability – also referred to in 4.2 above
HR and Organisational Development	<ul style="list-style-type: none"> ▪ Workforce development: The achievement of our main priorities is dependent on the enthusiasm, skill and commitment of our workforce. We will require to continue to develop our employees to ensure that we retain a skilled, motivated and confident workforce which is both equipped to tackle the challenges ahead and able to deliver improved outcomes for our citizens ▪ Recruitment and retention challenges where temporary contracts continue to be used employees perceive there is not longevity in their role ▪ Induction: a review of induction procedures (both corporate and local) is required to ensure people that are new to the organisation, or who are moving into new positions internally, are aware/ reminded of key messages, information and expectations
ICT services	<ul style="list-style-type: none"> ▪ New ICT operating model: The new model will quickly elicit demand from services. ICT will need to be in a position to meet these challenges if it is to establish credibility and meet expectations ▪ Costly decisions may be made in relation to investment in technology through lack of engagement with the new ICT operating model
Internal Audit Services	<ul style="list-style-type: none"> ▪ Counter fraud: we need to support all service departments to identify potential fraud and make appropriate referrals to the new Corporate Counter Fraud Team otherwise we may not maximise the desired outcomes of the counter fraud business plan
Property Services	<ul style="list-style-type: none"> ▪ Asset management: the asset management strategy must be comprehensive, prioritised and aligned to the council's objectives otherwise there could be increased maintenance costs and difficulty in demonstrating best value in the disposal or transfer of assets. (As per financial sustainability risk on corporate risk register) ▪ If quality information in relation to insurance reinstatement values is not regularly made available and reviewed there is a risk that assets will be underinsured with a shortfall in proceeds from insurance claims

- 4.4. On the basis of the above review of the business context for the Service, the Senior Management Team has identified where there are key risks (section 5), to be recorded within its risk register for 2016/17.

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5. The service risk profile and top risks going forward from April 2016

- 5.1. The detailed service risk management plan from April 2016 (which includes corporate risks for which the service is lead or joint lead), is provided in the attached appendix. The risks are aligned to the themes of the council's business plan, "A Better Future, A Better Council" and the service improvement plan.
- 5.2. By way of summarising the information contained within the detailed service risk management plan, the remainder of this section provides:
- Table 5.2.1: the risk profile in terms of low, moderate, high and very high risks
 - Table 5.2.2: all risk areas ranked in descending order of significance;
 - Table 5.2.3: the TOP 5 risks with a brief narrative overview.
 - Table 5.2.4: an overview of how risks relate to the themes of the Council Plan.

Table 5.2.1: Service Risk Profile

Evaluation:	Low	Moderate	High	Very High	Total
No. of Risks:	0	05	08	1	14

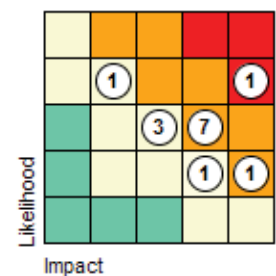


Table 5.2.2: Service risk areas in order of significance

Risk areas	Likelihood	Impact	Score	Evaluation
1) Financial Sustainability	04	05	20	Very High
2) Enterprise Resource Planning	03	04	12	High
3) Delivery of Organisational Development Strategy	03	04	12	High
4) Delivery of new ICT operating model	03	04	12	High
5) Sustaining and improving Customer & Business Services	03	04	12	High
6) Serious Organised Crime, Insider Threat and Corporate Fraud	03	04	12	High
7) Information and Records	03	04	12	High
8) Induction procedures	03	04	12	High
9) Management of elections	02	05	10	High
10) Service fraud prevention	03	03	9	Moderate
11) Insurance Cover	03	03	9	Moderate
12) Procurement compliance, timescales & supplier management	03	03	9	Moderate
13) Return on ICT investment	02	04	8	Moderate
14) Corporate projects - capacity	04	02	8	Moderate

For noting, in addition to the above, the following are other corporate risks where the service has input to how the risks are being managed, and these include:

- Organisational Resilience
- Climate change, sustainability and adaptability
- Tackling Poverty
- Facilities & Environmental Infrastructure
- Digital Inclusion

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Table 5.2.3: TOP 5 Service Risks

Title	Score	Risk	Overview
Financial Sustainability	20	If significant cost pressures and reducing available resources are not successfully planned for and managed effectively over the medium to longer term, there is a serious risk of unplanned/ reactive budget realignments that could jeopardise the financial stability of the council with significant impact on availability and quality of front-line services and capital resource	On 3 March 2016 the Council approved the 2016/17 Revenue Budget and Council Tax which confirmed a balanced budget position for 2016/17. The Council has continued to take a number of decisions as part of the ongoing Better Council Change Programme and Debt Smoothing Strategy which support the release of savings over the period 2016/17 – 2017/18 and there is an expectation of a budget gap of up to £6 million or beyond remaining over the two year period to 2017/18, subject to further decisions taken by members.
Enterprise Resource Planning	12	The introduction of the new ERP system will require the redesign of a number of key internal processes. If not carefully managed there is a risk of operational challenges during implementation, service disruption and an inability to maximise the full range of anticipated benefits.	Introducing a new Enterprise Resource Planning system will deliver more efficient strategic planning, service commissioning, financial management, property management, information technology, human resources and business support services for our internal customers. A change in culture will be a key success factor in maximising implementation of the system.
Delivery of OD Strategy	12	The delivery of the OD strategy is essential to ensuring that the workforce remains engaged, motivated, skilled, and supported during a period of significant change, otherwise there is a risk that the council and the service will not have the right skills mix with impact on service provision.	In December 2015, the Council approved a new Organisational Development Strategy (OD) 2016-19. The strategy focuses on 3 immediate priority areas to support the development of the workforce and deliver on key outcomes. Key priority 1 - Workforce Planning Strategy Key priority 2 - People Development Key priority 3 - Performance Appraisal A project implementation plan to deliver the key priorities of the Organisational Development strategy is in development.
Delivery of new ICT model	12	With challenges around capacity, there is a risk that ICT services may not be able to meet demand and customer expectations linked to the new ICT operating model	The establishment of the Partnering & Commissioning function creates an effective interface between the business and ICT provision keeping strategic decision making close to the organisation and always aligned with the Council's objectives whilst pushing out the day to day operational activities to 'world class' expert suppliers. The new ICT model will support the objective of adopting a commoditised approach to ICT.
Sustaining and improving Customer & Business Services	12	With challenges around capacity and demand for Customer & Business Services (CBS) there is a risk that Customer & Business Services may not be able to deliver improved services and agreed service standards	Key context here is the size and complexity of Customer & Business Services and that that all services will need to change how they work and move to less resource intensive processes.

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Table 5.2.4: Relationship with the council's business plan

1: A Better Future: PLACE		
03 Protecting the Public	FR.RR16.03.01 Serious Organised Crime, Insider Threat and Corporate Fraud	<u>Context:</u> (1) Serious and Organised Crime is a threat to national security (2) It costs the UK more than £24 billion a year (3) The council needs to protect its citizens and its business resources (4) Council Integrity Group established to look at Serious and Organised Crime, Fraud and Insider Threat (5) Tenancy fraud pilot undertaken to test fraud and recoveries in one area of business (6) Proposal agreed to establish a counter fraud team
3: A Better Council		
09 Supporting our Employees	FR.RR16.09.02 Delivery of Organisational Development Strategy	<u>Context:</u> (1) The achievement of our main priorities is dependent on the enthusiasm, skill and commitment of our workforce (2) Where temporary contracts continue to be used employees may perceive there is no longevity in their role impacting on ability to recruit and retain key knowledge and skills
	FR.RR16.09.03 Induction procedures	<u>Context:</u> (1) Corporate and Local Induction is mandatory (2) A review is required to ascertain levels of compliance
10 Continuing to be a Well Run Council	FR.RR16.10.04 Financial Sustainability	<u>Context:</u> Due to effective financial planning, the council is well placed to address the financial challenges forecast over the shorter term, however there are significant and rising pressures forecast from 2016/17 onwards. Consequently the risk remains very high and continues to be subject to significant and regular scrutiny.
	FR.RR16.10.05 Enterprise Resource Planning (transition and implementation)	<u>Context:</u> (1) Introducing a new Enterprise Resource Planning system that will deliver more efficient strategic planning, service commissioning, financial management, property management, information technology, human resources and business support services for our internal customers (2) Cultural change is key to successful implementation and delivery of benefits
	FR.RR16.10.06 Delivery of new ICT operating model	<u>Context:</u> (1) Capacity to meet demand and expectations linked to new ICT operating model (2) Disaster Recovery arrangements
	FR.RR16.10.07 Sustaining and improving Customer & Business Services	<u>Context:</u> (1) All areas of the council are reliant on CBS (2) Capacity to meet demand linked to recruitment and retention of staff and structured review of work practices across all services (3) Culture change is key to the sustainability of provision (4) CBS restoration plans in place
	FR.RR16.10.08 Information and Records	<u>Context:</u> The council has well established and embedded information governance arrangements. There is scope however to further improve on aspects of how the council manages information. Additionally the council has a Records Management Plan, approved by the Keeper of Scotland and this will require full implementation within 5 years.
	FR.RR16.10.09 Management of elections	<u>Context:</u> (1) Scottish Parliamentary Elections and European Referendum (2) Being cognisant of changing legislation, processes and use of e-counting systems. (De-escalated from corporate risk register, April 2016)
	FR.RR16.10.10 Service fraud prevention	<u>Context:</u> (1) Council Integrity Group established to look at Serious and Organised Crime, Fraud and Insider Threat (2) All service departments have been tasked with scrutinising arrangements for fraud prevention within their areas of responsibility
	FR.RR16.10.11 Insurance Cover	<u>Context:</u> (1) Long tail industrial related disease (2) The Limitation (Childhood Abuse) (Scotland) Bill and the removal of the three year limitation period on abuse claims (3) Review of all property reinstatement valuations
	FR.RR16.10.12 Procurement – compliance, timescales & supplier management	<u>Context:</u> (1) Compliance with EU procurement rules and timescales, and Council Standing Orders (2) Risk of supplier challenge and subsequent delays impacting service provision (3) Managing relationships in final year, where contracts may not be renewed

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	FR.RR16.10.13 Return on ICT investment	<u>Context:</u> (1) Services making ICT related decisions in isolation.
	FR.RR16.10.14 Corporate projects - capacity	<u>Context:</u> (1) ERP (2) Better Council Programme, etc...

- 1.1 The risk treatment activity planned for 2016 and beyond is shown within the service risk management plan in the appendix that follows. This activity (proportionate to the level of each risk) will further contribute to either the prevention of the risk occurring, where possible, or mitigating their potential effects. Where there are no actions linked to a risk this indicates that the risk is being managed as 'business as usual' taking account of the control measures currently in place.
- 1.2 The service risk management plan continues to underpin the key priorities of the council's Annual Strategic Audit Plan. Actions relating to planned audits for 2016/17 have been aligned to the relevant corporate or service risks in the appendix. Any improvement actions arising from 2015/16 internal audit work will continue to be integrated into the risk register as audit reports are finalised.
- 1.3 A midyear progress report on the service risk management plan will be reported in due course to the Finance and Resources Policy Board. Information on specific significant risks will be reported by the Senior Management Team to the Corporate Risk Management Group on an exceptional basis and where also appropriate to the Corporate Management Team.






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Service risk management plan Appendix


Priority 1: A Better Future - PLACE Objective 03 Protecting the Public						
Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.03.01 Serious Organised Crime, Insider Threat and Corporate Fraud Context: (1) Serious and Organised Crime is a threat to national security (2) It costs the UK more than £24 billion a year (3) The council needs to protect its citizens and its business resources (4) Council Integrity Group established to look at Serious and Organised Crime, Fraud and Insider Threat (5) Tenancy fraud pilot undertaken to test fraud and recoveries in one area of business (6) Proposal agreed to establish a counter fraud team	The council implements a range of measures to prevent and detect serious organised crime and corporate fraud. Should measures not implemented and monitored effectively there would be increased threat to resources and security of information.	Director of Community Resources; Director of Finance & Resources	Top 5 controls * Council Integrity Group established to look at the arrangements for managing this risk * New Corporate Counter Fraud Team (CCFT) established within Finance & Resources * Corporate Counter Fraud Business Plan developed 2016-18 * Process in place for all service departments to report any potential misuse of council resources to the CCFT * Other fraud specific controls are not detailed within the public domain	03	04	12 High
Action Codes	Linked Actions	Assigned To				
CRR16.03.05a	New cyber security role to be integrated into the work of the Integrity Group	Head of Public Protection	30-Sep-2016	Status		
CRR16.03.05b	Insurer audit of cyber security arrangements to be integrated into the work of the Integrity Group	Head of Public Protection	30-Nov-2016			
CRR16.03.05c	Internal Audit to review recruitment vetting arrangements	Chief Auditor	30-Jun-2017			
CRR16.03.05d	Internal Audit to review counter fraud and corruption policies and procedures	Chief Auditor	30-Jun-2017			
CRR16.03.05e	Internal Audit to review prevention and detection of fraud and corruption across all services	Chief Auditor	30-Jun-2017			

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**Priority 3: A Better Council
Objective 09 Supporting our Employees**


Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.09.02 Delivery of Organisational Development Strategy	The delivery of the OD strategy is essential to ensuring that the workforce remains engaged, motivated, skilled, and supported during a period of significant change, otherwise there is a risk that the council and the service will not have the right skills mix with impact on service provision.	Director of Finance & Resources	Top 5 controls: *A Workforce Planning Manager and Organisational Development Manager have been appointed on a temporary contract of employment for two years to implement the Organisational Development Strategy. *Regular progress reports for the Organisational Development Strategy are scheduled to be submitted to the CMT and Council *The HR & OD service is currently under review with the aim of creating a core service model that supports the direction of travel for the Council's workforce and is streamlined and aligned to the key priorities in OD strategy. *Regular one to one meetings take place between the Head of HR and Directors to embed a more effective Council wide approach and understanding of workforce planning. *A project implementation plan to deliver the key priorities of the Organisational Development strategy is in development. *The implementation of ERP in 2017 will provide services with real time reliable data to support the priorities of the Organisational Development Strategy.	03	04	12 High
	Context: (1) The achievement of our main priorities is dependent on the enthusiasm, skill and commitment of our workforce (2) Where temporary contracts continue to be used employees may perceive there is no longevity in their role impacting on ability to recruit and retain key knowledge and skills					
Action Codes	Linked Actions	Assigned To			Due Date	Status
F&R SIP Action Plan 2016-19.	Implement the Organisational Development Strategy, with a focus on three key priorities. Key Priority 1 – Workforce planning strategy Key Priority 2 – People development Key Priority 3 – Performance appraisal	Head of HR, OD and Workforce Strategy, HR Manager, Principal HR & OD Advisers			31-Mar-2019	
	Review HR policy & guidance to support our people going through future workplace change	Head of HR, OD and Workforce Strategy, HR Manager, Principal HR & OD Advisers			31-Mar-2017	
	Undertaking targeted people surveys to inform and support the direction of travel with OD interventions and cultural change.	Head of HR, OD and Workforce Strategy, HR Manager, Principal HR & OD Advisers			31-Mar-2017	
	Designing and implementing an approach to succession planning.	Head of HR, OD and Workforce Strategy, HR Manager, Principal HR & OD Advisers			31-Mar-2018	
	Designing and implementing an approach to talent management.	Head of HR, OD and Workforce Strategy, HR Manager, Principal HR & OD Advisers			31-Mar-2019	

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Service:	N/A	Lead Author Risk Manager on behalf of the Director of F&R
Date Effective:	18/05/2016	Review Dates: 6-monthly by to 31/03/2017





Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.09.03 Induction procedures	If people who are new to the service, or who are moving into new positions internally, are not aware/ reminded of key messages, information and expectations, then there is a risk of harm to individuals and breach of council policies and procedures	Director of Finance & Resources	Top 5 controls: * A Corporate Induction Programme is available for all new and existing Council employees on I'learn. A review of the programme content and accessibility will take place throughout 2016. * Local induction processes are in place across services; however these will be reviewed in line with the Corporate Induction Programme review and Recruitment procedures. * Implementation of ERP in 2017 will allow services to record both corporate and local inductions have been carried out. * Communications will be more frequent to the workforce reminding them of the importance of undertaking inductions. * Audits on the process and participation will be planned in following the reviews.	03	04	12 High
Action Codes	Linked Actions					
FR.RR16.nna	Review induction procedures (both corporate and local) to check compliance and take forward any improvements required			Assigned To Head of HR & Organisational Development	Due Date 31-Mar-2017	Status 





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Priority 3: A Better Council
Objective 10 Continuing to be a Well Run Council

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.10.04 Financial Sustainability	If significant cost pressures and reducing available resources are not successfully planned for and managed effectively over the medium to longer term, there is a serious risk of unplanned/ reactive budget realignments that could jeopardise the financial stability of the council with significant impact on availability and quality of front-line services and capital resource	Director of Finance & Resources	Top 5 controls: <ul style="list-style-type: none">• Council approved Medium Term Financial Strategy including key planning principles with regards use of reserves, addressing costs growth, investment in early intervention and preventative spend areas and the use of capital receipts.• Well developed budget planning, budget setting and budget monitoring arrangements at both officer and member level; clear decision making and escalation process in place with regards budget management; improving budget reporting to both officer groups and Policy Boards• As part of medium term financial planning arrangements there is continuous development of saving workstreams to ensure that the Council has an appropriate range of projects underway which will provide a sufficient scope and depth of saving options for elected members as part of delivering a balanced budget year on year. There is also close monitoring of agreed savings to ensure risk of double counting is minimised• Regular updates provided to CMT and Council with regards the national fiscal position, likely developments and the impact on the council through close liaison with national groups and the Scottish Government• Well developed debt strategy which ensures over the medium term the Council's current and future debt levels are prudent and sustainable in the context of reducing resources and also that maximum opportunity for recurring savings are taken advantage of as part of examining the profile of debt payments over the long term. Other controls: <ul style="list-style-type: none">• Areas of improvement with regards financial management, efficiency and competitiveness identified from undertaking the BV2 toolkit self-assessments with actions agreed.• Well developed forecasts for energy consumption and related costs based on national contract prices; role as a partner in the development of a waste management shared service allows the council to influence key decisions and be clear on related costs.• Improving asset management planning has clarified priority areas for investment in the council's estate, supported by dedicated sources in both the capital plan and revenue budget.	04	05	20 V.High
<p><u>Context:</u></p> <p>Due to effective financial planning, the council is well placed to address the financial challenges forecast over the shorter term, however there are significant and rising pressures forecast from 2016/17 onwards. Consequently the risk remains very high and continues to be subject to significant and regular scrutiny.</p> <p>Ongoing challenges include:</p> <p>(1) Demand/ changing demographics</p> <p>(2) Reduction in resources available to deliver services</p> <p>(3) New 'Self Directed Support' agenda requires the council to make funds available to clients with no guarantee that they will use council services</p> <p>(4) Financial/ efficiency savings, inflation rates and reduced income from asset sales</p> <p>(5) Workforce/ Rising employee and pension costs, meeting increased demand with reduced workforce</p> <p>(6) Investment/ for roads, schools, housing stock to support existing services and economic growth.</p> <p>(7) Maintaining assets/ backlog maintenance and repair for the estate</p> <p>(8) Environmental/ uncertain energy and fuel costs, emission reduction targets</p> <p>(9) Potential financial impact of the extension of Universal Credit</p> <p>(10) Potential financial impact of the fiscal frame work underpinning the Scotland Bill</p> <p>(11) Potential financial impact arising from the Integration of Health and Social Care Services in Renfrewshire</p>						
Action Codes	Linked Actions	Assigned	Due Date	Status		
CRR15.02.09b	Internal Audit to review the council's arrangements for Debt Management	Chief Auditor	30-Jun-2016			

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Service:	N/A
Date Effective:	18/05/2016
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	Review Dates: 6-monthly by to 31/03/2017

CRR16.10.11a	Internal Audit to review programme management arrangements, focusing on options appraisal processes	Chief Auditor	30-Jun-2017	
CRR16.10.11b	Internal Audit to review the revised ICT operating model	Chief Auditor	30-Jun-2017	
CRR16.10.11c	Internal Audit to review rental income	Chief Auditor	30-Jun-2017	
CRR16.10.11d	Internal Audit to participate in internal project work which supports the better council change programme, as required	Chief Auditor	30-Jun-2017	







Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	
FR.RR16.10.05 Enterprise Resource Planning (transition and implementation)	The introduction of the new ERP system will require the redesign of a number of key internal processes. If not carefully managed there is a risk of operational challenges during implementation, service disruption and an inability to maximise the full range of anticipated benefits.	Director of Finance & Resources	Top 5 controls: Key controls relating to the introduction of ERP are aligned with good project management principles: -clear milestones -project manager appointed -strong project board -stakeholder buy in -appropriate raining -effective communications	03	04	12 High	
Context: (1) Introducing a new Enterprise Resource Planning system that will deliver more efficient strategic planning, service commissioning, financial management, property management, information technology, human resources and business support services for our internal customers (2) Cultural change is key to successful implementation and delivery of benefits							
Action Codes	Linked Actions				Assigned To	Due Date	Status
CRR16.10.13a	Ensure roles and responsibilities with the ERP supplier are clearly defined and ensure understanding of the balance of who is responsible for delivering what (ie in-house or supplier)				Head of Finance	30-Jun-2017	
CRR16.10.13b	Consult with other appropriate sites to learn lessons from their experience of introducing ERP				Head of Finance	30-Jun-2017	
CRR16.10.13c	Internal Audit to provide consultancy support in relation to process redesign during the implementation stage				Chief Auditor	30-Jun-2017	
CRR16.10.13d	Internal Audit to review key financial controls in order to provide an opinion on the financial internal control environment in place for those systems included within the roll out of ERP				Chief Auditor	30-Jun-2017	

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Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.10.06 Delivery of new ICT operating model Context: (1) Capacity to meet demand and expectations linked to new ICT operating model (2) Disaster Recovery arrangements	With challenges around capacity, there is a risk that ICT services may not be able to meet demand and customer expectations linked to the new ICT operating model	Director of Finance & Resources	Top 5 controls: * The establishment of the Partnering & Commissioning function creates an effective interface between the business and ICT provision keeping strategic decision making close to the organisation and always aligned with the Council's objectives whilst pushing out the day to day operational activities to 'world class' expert suppliers. * The new ICT model will support the objective of adopting a commoditised approach to ICT.	03	04	12 High
Action Codes	Linked Actions			Assigned To	Due Date	Status


Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.10.07 Sustaining and improving Customer & Business Services Context: (1) All areas of the council are reliant on CBS (2) Capacity to meet demand linked to recruitment and retention of staff and structured review of work practices across all services (3) Culture change is key to the sustainability of provision (4) CBS restoration plans in place	With challenges around capacity and demand for Customer & Business Services (CBS) there is a risk that Customer & Business Services may not be able to deliver improved services and agreed service standards	Director of Finance & Resources	Top 5 controls: * Development of CBS People Plan * Roles and responsibilities of CBS and Service staff are defined and established for revised business processes through the work of the ERP and Customer Access Projects Customer and Business Services business continuity and restoration plans in place * Other service departments include customer and business services activities in their BCPs/ restoration plans	03	04	12 High
Action Codes	Linked Actions			Assigned To	Due Date	Status
FR.SIP	Delivering a customer and business services delivery model able to increase capacity, streamline transactional customer services, reduce duplication and deliver an improved overall customer experience.					
FR.SIP	Supporting the Better Council Change programme workstreams led by Finance and Resources – Customer Access Strategy and ERP.					

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Context		Risk Statement	Owned by	Current Risk Control Measures		Likelihood	Impact	Evaluation
FR-RR16.10.08 Information and Records <u>Context:</u> The council has well established and embedded information governance arrangements. There is scope however to further improve on aspects of how the council manages information. Additionally the council has a Records Management Plan, approved by the Keeper of Scotland and this will require full implementation within 5 years.		If information (in whatever format), is not effectively managed, and council records are not retained or destroyed in line with the Records Management Plan, there is a risk of unavailability of the right information in the right format and at the right time, with knock on impact to effective and efficient service delivery and organisational decision-making.	Director of Finance & Resources	Top 5 controls: *Roles and responsibilities for information governance and information management are defined and established (for individuals, teams and groups) *A full suite of policies and guidance is in place around how information is handled and shared securely and how data is protected, with many training and development requirements and opportunities for employees *There are technical ICT controls in place to protect the information handled by the council *There is an established incident management procedure in place for identifying, reporting, investigating and monitoring lessons learned from any information security incidents or near misses *Records Management Plan (approved by Council), which covers all the organisation's records.		03	04	12 High
	Action Codes	Linked Actions	Latest Note		Assigned To	Due Date	Status	
	FR-SIP-15-2-1-15	Connect Renfrewshire	ICT Delivery and Innovation - The ICT Transformation programme is progressing across all workstreams. The data centre hosting partnership is in place and stage 1 of the project has commenced. A new WAN partner has been appointed and again this project is in the planning stage. The ICT service is in the process of being reorganised to better align skills and resources to the technology demands of the Council.		Head of ICT	31-Mar-2018		
	FR-SIP-15-2-1-17	Information Management Strategy	As part of the reorganisation of ICT a number of new posts have been created that will focus on information management – this included a cyber security officer and Information Systems Architects – all posts will be in place by May 2016		Head of ICT	31-Mar-2017		
	FR-SIP-15-2-1-18	Information Management Strategy	The responsibility for Business Intelligence now lies with Policy and Commissioning Team. ICT will support the development through the identification and development of appropriate tools.		Head of ICT	31-Mar-2016		
	FR-SIP-15-2-2-22	Customer Access Strategy.1	Preferred supplier has been identified through the Government Gateway procurement process. A Project team has been set up to map current processes and define the customer journeys on the digital platform. The team remain focussed on delivering the council tax service online by Annual Billing 2016.		Customer services Manager	31-Mar-2016		
	FR-SIP-15-2-2-22	Customer Access Strategy.3	Formally engaged with the Improvement Service who will work with the Customer Portal supplier to provide secure access to Council Tax data using the Myaccount authentication portal		Customer services Manager	31-Mar-2017		
FR-SIP-15-2-2-24	Customer Service Delivery	Customer and Business Services was created from the start of June 2015. Work has progressed to consolidate the new service and implement process improvements. Similar tasks are being aligned in teams and continuous improvement training has been delivered to the wider management team.		Head of Customer and Business Services	31-Mar-2018			

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Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.10.09 Management of elections Context: (1) Scottish Parliamentary Elections and European Referendum (2) Being cognisant of changing legislation, processes and use of e-counting systems. (De-escalated from corporate risk register, April 2016)	If the council does not effectively manage the forthcoming series of elections this may be damaging to the council's reputation and that of those responsible for conducting elections, with significant adverse media attention and consequences for those directly involved.	Head of Corporate Governance	* Experienced team in place to oversee the management of the specific challenges of multiple and simultaneous elections; * Good governance in place; * Guidance from the Electoral Commission is always followed and implemented; * Detailed contingency plans and risk registers are always put in place for these events with responsibility for contingency/ mitigating actions clearly defined	02	05	10 High
Action Codes	Linked Actions	Latest Note			Assigned To	Status
FR-SIP-15-3-1-37	Elections	The UK General Election was conducted successfully in our two Parliamentary Constituencies and saw a significantly higher turnout than in 2010. Preliminary preparations have commenced for the Scottish Parliament Election in 2016. The progress of the national e-voting tender for the Local Government Elections in 2017 is being monitored.			Head of Corporate Governance	

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.10.10 Service fraud prevention Context: (1) Council Integrity Group established to look at Serious and Organised Crime, Fraud and Insider Threat (2) All service departments have been tasked with scrutinising arrangements for fraud prevention within their areas of responsibility	The service is mindful of activities that could be open to potential fraud. If these activities are not sufficiently scrutinised there could be financial and reputational impacts to the council	Director of Finance & Resources	Top 5 controls: * Finance and Resources has key representatives on the Integrity Group to take forward the Integrity Group work plan * Process in place to report any potential misuse of council resources to the Corporate Counter Fraud Team * Other fraud specific controls are not detailed within the public domain	03	03	9 Moderate
Action Codes	Linked Actions	Latest Note			Assigned To	Status
FR.RR16.nna	Complete the service specific actions (due 2016/17) as detailed within the Integrity Group Work Plan				Chief Auditor	

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Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.10.11 Insurance Cover	The council requires to review its insurance data in respect of property values and the tracing of historic liability insurers otherwise there is a risk that appropriate cover is either not in place or may be untraceable.	Director of Finance & Resources	Top 5 controls: * Insurance policy register in place * Employers' Liability Tracing Office (ELTO) - accessible database * Improved process agreed for data gathering with regards to property valuations * Contract in place with reputable broker for guidance and advice	03	03	9 Moderate
Action Codes	Linked Actions					
FR.RR16.10.08a	Instruct insurance archaeologist to trace historical periods of EL and PL cover for predecessor organisations			Assigned To Risk Manager	Due Date 30-Jun-2016	Status 
FR.RR16.10.08b	Monitor developments in relation to the progress of the Limitation (Childhood Abuse) (Scotland) Bill			Risk Manager	30-Sep-2016	

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.10.12 Procurement – compliance, timescales and supplier management	Any Non compliance with EU procurement rules and council Contract Standing Orders could lead to supplier challenge, which could impact on the service's reputation, the ability to award contracts on time to meet service provision and where supplier relationships are not carefully managed, a risk of reduced service or reduced quality of service.	Director of Finance & Resources	Top 5 controls: *Centralised Procurement function supports: a) Standardised approach to procurement reduces the risk of error in the process. b) Transparency of contract strategies and authorisation of contracts. c) Better trained and qualified procurement professionals. d) Training for all staff involved in the procurement process to clarify roles and responsibilities. e) Annual training programme is now in place. Other controls: * Urgent works can be awarded under Council Standing Orders using delegated authority where there are health and safety concerns * Term contracts have been setup with Building Services that the Maintenance Section can access using Schedule of Rates (SoRs). * Supplier management meetings * Key performance indicators * Key suppliers included in Business Impact Analysis * Business continuity arrangements in place	03	03	9 Moderate
Action Codes	Linked Actions					Status
No new actions – risk tolerated at present						

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Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation			
FR.RR16.10.13 Return on ICT investment	If there is not sufficient engagement with the new ICT operating model then there is a financial risk in terms of costly ICT investment decisions	Director of Finance & Resources	Top 5 controls: * The Business Relationship Managers (BRMs) will work with managers in directorates to ensure that their current and future ICT needs are aligned with their business requirements and are adequately met by the ICT service.	02	04	8 Moderate			
Context: (1) Services making ICT related decisions in isolation.									
Action Codes	Linked Actions						Assigned To	Due Date	Status
No new actions – risk tolerated at present									

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
FR.RR16.10.14 Corporate projects - capacity	Key officers are involved in a number of corporate projects and as they focus on the project activities there is an increasing threat to maintaining service delivery standards for 'business as usual' activities	Director of Finance & Resources	Top 5 controls: * Performance monitoring * Supervision and CPD	04	02	8 Moderate
Context: (1) ERP (2) Better Council Programme, etc...						
Action Codes	Linked Actions					
No new actions – risk tolerated at present						
				Assigned To	Due Date	Status

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Risk Matrix for Adverse Impact

Introduction

Risk should be analysed consistently across the council in terms of the significance of its impact and the likelihood of occurrence. The Risk Matrix is therefore the tool that is to be used for this purpose. The impact element of the same matrix may be used for the grading of adverse events, complaints or claims.

Impact

When considering the consequences of a potential risk, all scenarios must be considered. It may even be appropriate to consider the worst case scenario, however, those undertaking the risk analysis must be able to provide a robust rationale and have evidence to support their selection. For example, if 'death' could be the ultimate potential impact in relation to a specific problem, the risk assessors must have knowledge that this outcome has occurred in the past either internal or external to Renfrewshire Council. (A full list of descriptions to assist in analysing consequence is contained on the following two pages of this appendix);

Likelihood

Similarly when considering the likelihood of occurrence, the risk assessor's judgement must be based on the prevalence of the event/ circumstance and outcome, backed up by experience and data such as relevant incidents/ events, complaints and/ or claims.

Evaluation

As shown in the matrix below, Impact x Likelihood produces an evaluation of the significance of risk, described as 'Low', 'Moderate', 'High' or 'Very High'.

How a risk is evaluated will determine how the risk is then treated:

Likelihood	Consequent Impact				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
5 Almost Certain	5	10	15	20	25
4 Likely	4	8	12	16	20
3 Possible	3	6	9	12	15
2 Unlikely	2	4	6	8	10
1 Remote	1	2	3	4	5

Low (1-3),

Moderate (4-9),

High (10-16), or

Very High (17-25)

Consequence Impact

"Domains"	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
Objectives and Projects	<ul style="list-style-type: none"> ▪ Barely noticeable reduction in scope / quality / schedule 	<ul style="list-style-type: none"> ▪ Minor reduction in scope / quality / schedule 	<ul style="list-style-type: none"> ▪ Reduction in scope or quality, project objectives or schedule. 	<ul style="list-style-type: none"> ▪ Significant reduction in ability to meet project objectives or schedule. 	<ul style="list-style-type: none"> ▪ Inability to meet project objectives, reputation of the organisation seriously damaged and failure to appropriately manage finances.
Injury (physical and psychological) to clients/staff.	<ul style="list-style-type: none"> ▪ Adverse event leading to minor injury not requiring first aid. 	<ul style="list-style-type: none"> ▪ Minor injury or illness, first-aid treatment needed. No staff absence required. 	<ul style="list-style-type: none"> ▪ Significant injury requiring medical treatment and/or counselling. 	<ul style="list-style-type: none"> ▪ Major injuries or long term incapacity/ disability (loss of limb), requiring medical treatment and/or counselling. 	<ul style="list-style-type: none"> ▪ Incident leading to death or major permanent incapacity.
Client experience / outcome	<ul style="list-style-type: none"> ▪ Reduced quality of client experience / outcome not directly related to service delivery. 	<ul style="list-style-type: none"> ▪ Unsatisfactory client experience / outcome directly related to service provision – readily resolvable 	<ul style="list-style-type: none"> ▪ Unsatisfactory client experience / outcome, short term effects – expect recovery < 1Wk 	<ul style="list-style-type: none"> ▪ Unsatisfactory client experience / outcome, long term effects - expect recovery > 1Wk 	<ul style="list-style-type: none"> ▪ Unsatisfactory client experience / outcome, continued ongoing long term effects.
Complaints / claims	<ul style="list-style-type: none"> ▪ Locally resolved complaint 	<ul style="list-style-type: none"> ▪ Justified complaint peripheral to direct service provision 	<ul style="list-style-type: none"> ▪ Below excess claim. ▪ Justified complaint involving inappropriate service. 	<ul style="list-style-type: none"> ▪ Claim above excess level. ▪ Multiple justified complaints. 	<ul style="list-style-type: none"> ▪ Multiple claims or single major claim.
Staffing and competence	<ul style="list-style-type: none"> ▪ Short term low staffing level (< 1 day), where there is no disruption to service. 	<ul style="list-style-type: none"> ▪ Ongoing low staffing level results in minor reduction in quality of client care ▪ Minor error due to ineffective training / implementation of training. 	<ul style="list-style-type: none"> ▪ Late delivery of key objective / service due to lack of staff. ▪ Moderate error due to ineffective training / implementation of training. ▪ Ongoing problems with staffing levels 	<ul style="list-style-type: none"> ▪ Uncertain delivery of key objective / service due to lack of staff. ▪ Major error due to ineffective training / implementation of training. 	<ul style="list-style-type: none"> ▪ Non delivery of key objective/ service due to lack of staff. ▪ Loss of key staff. ▪ Critical error due to insufficient training/ implementation of training.
Service / business interruption	<ul style="list-style-type: none"> ▪ Interruption in a service which does not impact on the delivery of client care or the ability to continue to provide service 	<ul style="list-style-type: none"> ▪ Short term disruption to service with minor impact on client care. 	<ul style="list-style-type: none"> ▪ Some disruption in service with unacceptable impact on client care. ▪ Temporary loss of ability to provide service. 	<ul style="list-style-type: none"> ▪ Sustained loss of service which has serious impact on delivery of client care resulting in major contingency plans being invoked. 	<ul style="list-style-type: none"> ▪ Permanent loss of core service or facility. ▪ Disruption to facility leading to significant "knock on" effect.

"Domains"	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
Financial	<ul style="list-style-type: none"> Negligible organisational financial loss (£< 1k). 	<ul style="list-style-type: none"> Minor organisational financial loss (£1-10k). 	<ul style="list-style-type: none"> Significant organisational financial loss (£10-100k). 	<ul style="list-style-type: none"> Major organisational financial loss (£100k-1m). 	<ul style="list-style-type: none"> Severe organisational financial loss (£>1m).
Inspection / assessment / audit	<ul style="list-style-type: none"> Small number of recommendations which focus on minor quality improvement issues. 	<ul style="list-style-type: none"> Minor recommendations made which can be addressed by low level of management action. 	<ul style="list-style-type: none"> Challenging recommendations but can be addressed with appropriate action plan. 	<ul style="list-style-type: none"> Enforcement Action. Low rating. Critical report. 	<ul style="list-style-type: none"> Prosecution. Zero Rating. Severely critical report.
Adverse publicity / reputation	<ul style="list-style-type: none"> No media coverage, little effect on staff morale. 	<ul style="list-style-type: none"> Local Media – short term. Minor effect on staff morale / public attitudes. 	<ul style="list-style-type: none"> Local Media – long term. Impact on staff morale and public perception of the organisation. 	<ul style="list-style-type: none"> National Media (< 3 days). Public confidence in the organisation undermined. Usage of services affected. 	<ul style="list-style-type: none"> National Media (> 3 days). MP / MSP Concern (Questions in Parliament).
Council / Personal Security, and Equipment	<ul style="list-style-type: none"> Damage, loss, theft (£< 1k). 	<ul style="list-style-type: none"> Damage, loss, theft (£1-10k). 	<ul style="list-style-type: none"> Damage, loss, theft (£10-100k). 	<ul style="list-style-type: none"> Damage, loss, theft (£100k-1m). 	<ul style="list-style-type: none"> Damage, loss, theft (£>1m).

Likelihood

	1 Remote	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
Probability	<ul style="list-style-type: none"> Will only occur in exceptional circumstances 	<ul style="list-style-type: none"> Unlikely to occur but definite potential exists 	<ul style="list-style-type: none"> Reasonable chance of occurring – has happened before on occasions 	<ul style="list-style-type: none"> Likely to occur – strong possibility 	<ul style="list-style-type: none"> The event will occur in most circumstances