



RUNNYMEDE BOROUGH COUNCIL

STANDARDS AND AUDIT COMMITTEE

17 February 2004

APPENDICES

<u>APPENDIX</u>	<u>REPORT</u>	<u>PAGE. NO.</u>
A	INTERNAL AUDIT	1
B	STRATEGIC RISK MANAGEMENT	2
C	PROCEDURE - ALLEGATIONS AGAINST MEMBERS	23
D	ANNUAL ASSEMBLY OF STANDARDS COMMITTEES	41

2004/05 Annual Internal Audit Plan		No. of days	Sub Total
Part 1 - Systems Audits (by Departments)			
<i>Finance</i>			
Payroll		12	
Creditors		12	
Capital Accounting/Inventories		10	
Benefits		13	
Benefits Fraud Section		10	
Council Tax		11	
NNDR		9	
Income Systems - Cash Office		8	
Income Systems - Bank Accounts		6	
Income Systems - Departments		10	
Sundry Debtors		10	
Investments		5	
Main Accounting		12	
<i>Housing & Community Services</i>			
Housing Finance & Tenancy M/ment		13	
Housing Maintenance		12	
Sheltered Accommodation		8	
<i>Technical Services</i>			
DSO		13	
Development Control		7	
Building Control		7	
Land Drainage		6	
Building Services		5	
<i>Admin & Leisure</i>			
Land Charges		8	
Land & Property Services		10	
Egham Sports Centre DSO		10	
Parks		12	
Administration (WP, reception etc)		6	
<i>Chief Executive's</i>			
Fraud & Corruption		7	
Gifts & Hospitality		5	
Public Relations		7	
	Part 1 sub total		264
Part 2 - Computer Audit			
Windows NT		10	
System Developments		10	
	Part 2 sub total		20
Part 3 - Contract Audit			
Housing Contracts		10	
Non Housing Contracts		10	
	Part 3 sub total		20
Part 4 - Corporate work			
PI s		13	
Final Accounts (Petty Cash & Stocks)		3	
Data Matching and Anti Fraud work		10	
	Part 4 sub total		26
Part 5 - 'Special' unplanned work			
Reserve for unplanned audits and Consultancy work.		50	
	Part 5 sub total		50
	Grand Total		<u>380</u>

**Runnymede Borough Council
Civic Offices
Station Road
Addlestone
Surrey
KT15 2AH**

January 2004

**RUNNYMEDE BOROUGH COUNCIL STRATEGIC RISK
MANAGEMENT REPORT**

PRIVATE AND CONFIDENTIAL

Prepared by:
Alex Evans, Analyst
Checked by:
David Forster, Principal Consultant
Zurich Municipal Management Services
Hermes House
Southwood Crescent
Farnborough
Hants
GU14 0NJ
Tel: 01252 387827
Ref: GRU-FBR59329/4.1



Contents

Executive summary.....	3
Introduction	5
The process	6
Risk identification	6
Risk analysis	6
Risk profile/prioritisation	6
Setting the tolerance line.....	7
Risk management and monitoring.....	7
Risk analysis results	8
Risk profile.....	8
Above the line Risk Clusters	9
Prioritisation/Resource capacity	9
Government legislation.....	9
Staff issues.....	9
Housing	9
Communication	9
Financial.....	9
Partnership management.....	10
Provision of high profile services	10
Contract/Procurement management	10
Corporate working	10
Management of economic growth and expansion	10
Change management.....	10
Regionalisation.....	10
Conclusion	11
Appendix 1	12
Interviewees	12
Attendees	12
Appendix 2.....	13
Risks register.....	13
Appendix 3.....	22
Example Management Action Plan	22

Executive summary

During late 2003 a strategic risk management exercise was conducted at Runnymede Borough Council. This was managed by Zurich Municipal Management Services. This exercise was an opportunity to identify, analyse and prioritise those risks that may affect the ability of Runnymede Borough Council to achieve its corporate objectives. In doing so the exercise is not designed to be a one-off initiative but rather something which the organisation can take forward in the long term as part of its risk management strategy and embed within existing planning processes.

The exercise involved conducting interviews with senior managers to identify key strategic risks. 32 risks were presented back to senior managers at a workshop on the 8th January 2004. During this workshop each risk was rated and plotted on a matrix and a risk tolerance line was agreed in order to prioritise the risks. The risk matrix measured each risk for its likelihood and impact in terms of its potential for affecting the ability of the organisation to achieve its objectives.

The top risks facing Runnymede Borough Council are:

Scenario	Short name
5	If the Council wishes to take on another major initiative, staff may not be able to accommodate
8	The Government may add a significant new area of responsibility to Runnymede's portfolio with a lack of clarity as to what is required and when
2	Difficulty recruiting and retaining staff - key posts remain unfilled/take unacceptable lengths of time to fill
4	Desire exists to take on new initiatives but resources (including key staff) may not be available for a high profile project
11	Required number of affordable houses may not be provided
16	Communication is a recognised business weakness - a key message, may be ineffectively communicated and managed
18	Projected savings may not be realised
24	There are many issues around whether partnerships are effectively managed
29	If budget cuts need to be made, high profile, non-statutory services will be impacted
30	Planning permission may not be granted for the proposed social housing development

These risks together with the others above the tolerance line have been clustered into common themes to aid action planning.

For the risks that appeared above the tolerance line the next stage is to manage those risks. This will require assessing the adequacy of existing

actions and to identify the need for further action in order to move the risk to below the appetite.

Finally, the management group needs to agree a timescale for re-visiting these risks in order to assess if they are still relevant and to identify new scenarios. In addition a strategic risk assessment at directorate level as an approach to identifying priorities should be considered in order to embed risk management into the organisation.

Introduction

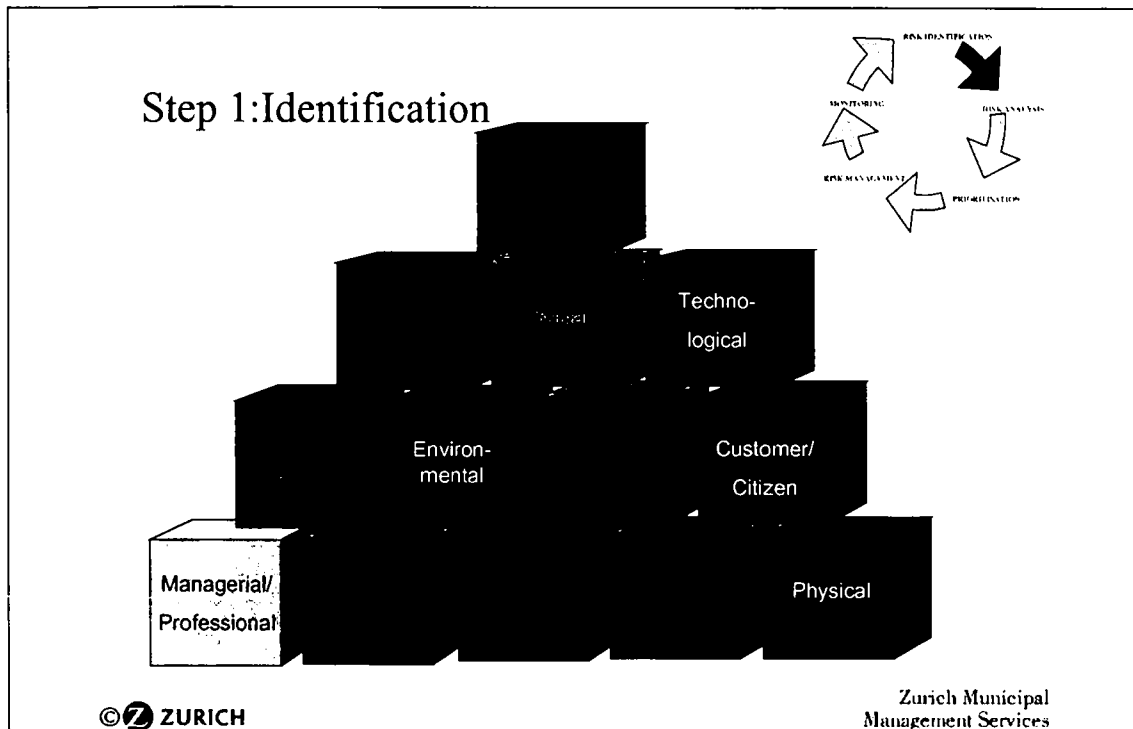
During late 2003 a strategic risk assessment was conducted at Runnymede Borough Council. The following report outlines the process utilised by Zurich Municipal Management Services in their assessment.

This is a private and confidential document prepared exclusively for Runnymede Borough Council by Zurich Municipal Management Services. It has been distributed to Stuart Cawthorne, Director of Finance, and a copy has been retained by Zurich Municipal Management Services.

The process

Risk identification

The first of five stages of the risk management cycle requires risk identification. This was achieved with 10 interviews with members of staff (see Appendix 1) and a review of published literature (Inspection reports, Best Value Performance Plan etc). The interviews covered 13 categories of risk as shown below.



Risk analysis

The results from the identification stage were analysed into 32 risk scenarios. These were presented to the management group during a workshop on 8th January 2004.

During the workshop it was decided by the group to modify some of the scenarios and this was done during the session. All the risk scenarios contained in this report therefore include these changes.

Risk profile/prioritisation

During the workshop the risks were assessed for impact and likelihood and plotted onto a matrix. The impact was measured as being negligible, marginal, critical or catastrophic. The likelihood was measured as being almost impossible, very low, low, significant, high or very high.

Setting the tolerance line

To determine the group's appetite to risk, during the risk workshop only, they were asked to consider each of the squares on the matrix and decide if they were prepared to live with a risk in that box or if wanted to actively manage it. This set a theoretical tolerance line. Those risks above the line requiring further scrutiny and those below the line having sufficient control in place.

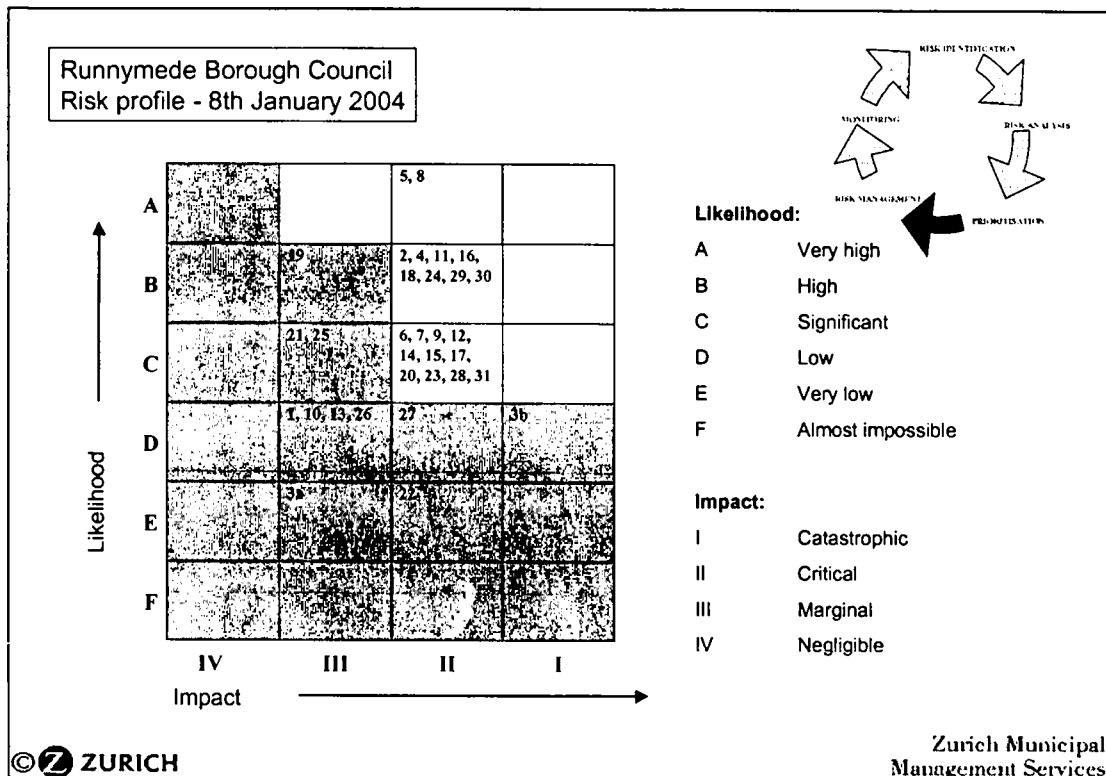
Risk management and monitoring

The group was introduced to the management action plans (MAPs) during the course of the workshop. These plans frame the risk management actions that are required. They map out the target for each risk ie to reduce the likelihood, impact or both. They also include targets and critical success factors to allow the risk management action to be monitored.

Risk analysis results

Risk profile

Based on the interviews, literature review and analysis during the workshop, 32 risks were identified and framed into scenarios. The management group rated 21 of these above their acceptable tolerance level and 11 below the tolerance line. The results are shown on the following risk profile.



Appendix 2 shows all the risks that were rated on the profile.

The 21 above the line risks have been grouped into 13 clusters.

It is important that an action plan is written for each of the clusters shown, as it is this which will allow the risk to be monitored and successfully managed down. An example of this is shown in Appendix 3.

Above the line Risk Clusters

Prioritisation/Resource capacity

Scenario	Short name
5	If the Council wishes to take on another major initiative, staff may not be able to accommodate
4	Desire exists to take on new initiatives but resources (including key staff) may not be available for a high profile project

Government legislation

Scenario	Short name
8	The Government may add a significant new area of responsibility to Runnymede's portfolio with a lack of clarity as to what is required and when

Staff issues

Scenario	Short name
2	Difficulty recruiting and retaining staff - key posts remain unfilled/take unacceptable lengths of time to fill
7	A proportion of managers lack more general management skills and may not be able to deal with people and business management issues

Housing

Scenario	Short name
11	Required number of affordable houses may not be provided
30	Planning permission may not be granted for the proposed social housing development
31	Stock option appraisal may see ALMO or LSVT as the best option

Communication

Scenario	Short name
16	Communication is a recognised business weakness - a key message, may be ineffectively communicated and managed

Financial

Scenario	Short name
18	Projected savings may not be realised
6	If pension fund continues to under perform, extra contributions will be required which have not been budgeted for
15	Demand for 'municipal' leisure services may fall and income fail to match predictions
23	Council tax increases may not be achieved

Partnership management

Scenario	Short name
24	There are many issues around whether partnerships are effectively managed

Provision of high profile services

Scenario	Short name
29	If budget cuts need to be made, high profile, non-statutory services will be impacted
9	A high profile incident would lead to sustained media and legal attention

Contract/Procurement management

Scenario	Short name
12	Contract/ procurement management skills must be embedded in the organisation or a key contract may fail

Corporate working

Scenario	Short name
14	Not all departments/ services work to agreed Council aims or encourage joint working practices

Management of economic growth and expansion

Scenario	Short name
17	Council may fail to influence/manage economic growth and expansion effectively

Change management

Scenario	Short name
20	The new council offices provide an opportunity to change the way the organisation works but staff may see changes as a threat

Regionalisation

Scenario	Short name
28	Significant regional changes and developments may be proposed and the council must have a political response to this

Conclusion

The workshops have identified that significant levels of activity are required to manage the risks. Many of the key risks require immediate attention and it is important that having identified risks that could have a catastrophic or critical impact, that the required action is undertaken.

Therefore it is recommended that the attendees of the workshop and others continue to monitor and measure the work that is undertaken and where required reassess the management action plans to ensure that progress is being made and the targets can be met. It is important that each cluster of risks is owned by one member of the management group to ensure that there is high level support, understanding and monitoring of the work that is required as part of the plans.

Finally, the management group needs to agree a timescale for re-visiting these risks in order to assess if they are still relevant and to identify new scenarios. Likewise a strategic risk assessment at directorate level as an approach to identifying priorities should be considered in order to embed risk management into the organisation.

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Appendix 1

Interviewees

The following is a list of those who were interviewed.

- Paul Surrey, Valuer to the Council
- Peter Sims, Director of Technical Services
- Nigel Watson, Information Systems Manager
- Steve Fuggles, Head of Engineering
- Andy Gardiner, Head of Law
- Stuart Cawthorne, Director of Finance
- Tim Williams, Chief Executive Officer
- Debbie Blowers, Director of Housing and Community Services
- Ronnie Fleming, Head of Leisure Services
- Andrew Pearson, Director of Administration and Leisure Services

Attendees

The following is a list of those who attended the workshops.

- Paul Surrey, Valuer to the Council
- Peter Sims, Director of Technical Services
- Nigel Watson, Information Systems Manager
- Steve Fuggles, Head of Engineering
- Andy Gardiner, Head of Law
- Stuart Cawthorne, Director of Finance
- Tim Williams, Chief Executive Officer
- Debbie Blowers, Director of Housing and Community Services
- Ronnie Fleming, Head of Leisure Services
- Andrew Pearson, Director of Administration and Leisure Services
- Robert Hanger, Assistant Director of Finance
- Diane Cook, Chief Internal Auditor
- Nigel Boyd, Assistant Director of Finance (Revenues)
- Dennis Speight, Head of Environmental Services

Appendix 2

Risks register

Risks marked “*” are above tolerance and require managing

No	Rating	Cluster	Short name	Vulnerability	Trigger	Consequence
5	A2	* Prioritisation/ Resource capacity	If the Council wishes to take on another major initiative, staff may not be able to accommodate	Runnymede Borough Council has worked hard to focus on identifying community priorities, but is less clear as to what is not a priority. Members are heavily focused on achieving outcomes and there is a 'can do' culture. Council likes to 'punch above its weight'	Council wishes to take on another major initiative and staff cannot accommodate.	<ul style="list-style-type: none"> Everything becomes a priority Priorities become a 'to do' list Staff confused over direction and link with vision. Resource cannot be matched to need Financially impossible to achieve Unrealistic customer/citizen expectations Overstretched workforce Customer dissatisfaction Long term goals not achieved Member dissatisfaction leading to deterioration in member /officer relationships. Council underperforms Poor audit /inspection Council criticised
8	A2	* Government legislation	The Government may add a significant new area of responsibility to Runnymede's portfolio with a lack of clarity as to what is required and when	The roles and responsibilities of Local Authorities are defined by the stroke of a politician's/civil servant's pen and Runnymede Borough Council must monitor and respond to new political decrees. Runnymede recognises that it has a 'small' corporate centre'	Government adds a significant new area of responsibility to Runnymede's portfolio, and there is lack of clarity (either from Government or within Runnymede) as to what is required and when.	<ul style="list-style-type: none"> Authority needs to be on top of implications of change requiring resource input. Risk of key information missed from consultation process New costs must be managed Budgets put under pressure Existing services must be prioritised Failure to follow guidelines Commitments are not realised. Loss of income opportunities Council criticised for failing to implement policies, with damage to reputation

13

2	B2		<p>Difficulty recruiting and retaining staff - key posts remain unfilled/take unacceptable lengths of time to fill</p>	<p>Runnymede Borough Council experiences difficulty in recruiting and retaining staff – especially in professional areas, but also at administrative, clerical and blue collar levels. .</p> <p>There is competition from other public services, local government and a buoyant private sector (unemployment at <1%), and local council work is increasingly seen as not an attractive career option.</p> <p>The staff profile is ageing and a retirement 'hump' is inevitable</p>	<p>Key posts remain unfilled/take unacceptable lengths of time to fill</p>	<ul style="list-style-type: none"> • Pressures on existing staff • Activities are ineffectively carried out • Difficulties in succession planning • Pressure to offer more lucrative packages • Reliance on agency/temporary staff • Escalating staff costs • Gaps appear in structures • Adverse impact on service delivery • Service failure • Adverse publicity • Image of Council damaged
4	B2	*	<p>Prioritisation/ Resource capacity</p>	<p>Runnymede Borough Council has limited resource capacity.</p> <p>Council is dependant on a few key officers, to take projects / initiatives forward.</p> <p>There are tensions between the aspirations of the authority and the capacity available</p>	<p>Desire exists to take on new initiatives but resources (including key staff) not available for a high profile project (could include long term absence)</p> <p>or</p> <p>Individuals are drawn off day job to deal with key project</p>	<ul style="list-style-type: none"> • Strategies and projects not developed or delivered • Key services put at risk • Council doesn't move forward • Staff frustrated • Work/initiative overload and long hours culture • Staff under pressure leading to stress and absenteeism • Stress related claims • Key staff leave • Day-to-day jobs don't get done • Failure to deliver objectives • Authority criticised • Adverse publicity
11	B2	*	<p>Housing</p>	<p>Due to high house prices and a shortage of land for development (due to green belt and flood plain)) there is a lack of affordable housing within the district. Key funding stream for social housing has been compromised</p>	<p>Required number of affordable houses not provided</p>	<ul style="list-style-type: none"> • Council target on affordable housing not met • Increased costs of dealing with homelessness • Many people in the district are unable to afford to buy their own house • Young people/key workers leave the district • Shortage of local workforce – especially blue collar • Workers commute into the district

16	B2	*	Communication	Communication is a recognised business weakness - a key message, may be ineffectively communicated and managed	The Council needs to communicate (and sell) a number of key corporate messages, both externally to stake holders, and internally to all staff. There are several delicate messages to deliver, e.g. justifying the new office accommodation; significant increases in council tax. Communication is recognised as a business weakness	A key message, is not effectively communicated and managed to all stakeholders	<ul style="list-style-type: none"> Increased traffic congestion and pollution Community not sustainable in longer term Some lower tier staff do not receive corporate messages Staff confused by / unaware of new strategies Public resistance to changes leading to disquiet Poor press Members critical of media and communication management Staff feel alienated / frustrated Tensions between staff and managers Corporate strategies compromised Council fails to move forward
18	B2	*	Financial	Projected savings may not be realised	The Council is committed to achieving significant levels of savings, year on year (e.g. £1million per annum by 2004/2005). This is coupled with planned step rises in council tax over the same period. A significant proportion of the council's expenditure is on discretionary services (48%)	Projected savings are not realised	<ul style="list-style-type: none"> Services are inadequately funded Further increases in council tax proposed (may not be permitted by government intervention) Discretionary services cut Major projects do not proceed Councils fails to deliver on priorities Staff cuts with impact on morale and motivation Public criticism Member /officer tensions
24	B2	*	Partnership management	There are many issues around whether partnerships are effectively managed	In order to deliver on priorities, Runnymede is increasingly partnering with other agencies to deliver services. There are many issues around terms of reference, ownership and sharing of objectives and liabilities	Partnership ineffectively managed e.g. lack of terms of reference/incorporation/shared objectives/ownership of issues.	<ul style="list-style-type: none"> Council priorities not achieved Council is seen to fail Relationships with agencies deteriorate Adverse effect on performance Ineffective assignment of risk Censure by audit/inspection Adverse publicity Image of Council damaged Political fall-out Effect on voting patterns
29	B2	*	Provision of high profile services	If budget cuts need to be made, high profile, non-statutory services will be impacted	The Council has chosen to provide a significant number of high profile non-statutory services which have a significant budgetary impact	Budget cuts need to be made	<ul style="list-style-type: none"> Tension between discretionary and statutory service providers Key services under resourced Service performance declines Services withdrawn Public disquiet

5

30	B2	*	Housing	<p>There is to be a major social housing development proposed which is in the flood plain</p>	<p>Planning permission may not be granted for the proposed social housing development</p>	<p>Planning permission not granted</p>	<ul style="list-style-type: none"> Members lobbied by disgruntled public Negative media coverage Member/officer relations deteriorate Costs increase Decent Homes Standard not met Tenant dissatisfaction on estate Option appraisal
6	C2	*	Financial	<p>The council's pension fund is currently under funded and may require even further additional contributions into the fund, but these extra contributions have not been budgeted for.</p>	<p>If pension fund continues to under perform, extra contributions will be required which have not been budgeted for</p>	<p>Pension fund continues to under perform OR Stock market fails to improve</p>	<ul style="list-style-type: none"> Board of trustees criticised Further contributions required Reliance on reserves to fund level of increase required Resources diverted from service delivery Performance indicators deteriorate Critical inspection report Council tax has to increase Negative publicity Criticism from members and council tax payers
7	C2	*	Staff issues	<p>There is mixed managerial ability throughout the organisation. A proportion of managers has proven technical expertise and is professionally competent, but lack the more general management skills such as people and business management.</p>	<p>A proportion of managers lack more general management skills and may not be able to deal with people and business management issues</p>	<p>A manager is unable to deal with , for example, a sensitive personnel/management competency issue</p>	<ul style="list-style-type: none"> Officers frustrated/square pegs in round holes Failure to directly challenge poor performers Culture does not encourage staff to progress and develop Lack of confidence in managers Low officer morale Issues escalate Frequent involvement of human resources staff and unions Increased cost of resources Possible litigation issues Reputation as an employer suffers
9	C2	*	Provision of high profile services	<p>Runnymede provides high profile and high risk services.</p>	<p>A high profile incident would lead to sustained media and legal attention</p>	<p>High profile incident leading to sustained media and legal attention (e.g. through failure of asset/manage ment)</p>	<ul style="list-style-type: none"> Service is frozen Major health and safety prosecution Negative impact on rest of organisation Loss of confidence in management Criticism of officers Reputation of council damaged Recruitment is inhibited Loss of quality staff Loss of confidence in council

12	C2	*	Contract/ Procurement management	Contract/ procurement management skills must be embedded in the organisation or a key contract may fail	The Council has a number of key contracts but historically has had limited contract / procurement management skills. It is taking measures to address this but there is still a need for skills to be embedded in the organisation.	A key contract fails or is ineffectively negotiated	<ul style="list-style-type: none"> • Loss of public trust • Council taken advantage of by contractor • Benefits of procurement approach not realised • Efficiency savings not made • Time is wasted • Increased pressure on staff • Contract(s) fail • Procured service not value for money • Procured service is poor • Waste of resources
14	C2	*	Corporate working	Not all departments/ services work to agreed Council aims or encourage joint working practices	There are pockets of ineffective corporate and cross-cutting working throughout the Council with some departments/services within the Council working independently and not encouraging joint working practices	Department/se vice does not work to agreed Council aims/ a major cross departmental project is stymied	<ul style="list-style-type: none"> • Departments staff unable to work together effectively/feudalism • Tension between departments • Conflict with members • Cross departmental funding initiatives not taken up • Opportunities missed • Siloism is reinforced • Information duplicated • Economies of scale not achieved • Ineffective use of resources • No joined up service to the individual • Lack of strategic thinking • Adverse effect on performance • Poor inspection/Censure by audit/inspection • Adverse publicity
15	C2	*	Financial	Demand for 'municipal' leisure services may fall and income fail to match predictions	Budgets are under pressure, demands for resources are increasing and the council has assets tied up in leisure facilities. The council relies on income from these facilities as part of its budget planning, and refurbishment is based on sustainable business plans.	Demand for 'municipal' leisure services falls and income fails to match predictions	<ul style="list-style-type: none"> • Hard decisions have to be made • Conflict between members and officers • Failure to leverage council assets • Refurbishment compromised • Council forced to look elsewhere for funding • Budgets under pressure/ overspend • Council tax rises • Services cut • Value of assets reduces
17	C2	*	Management of economic growth and	Council may fail to influence/manage economic growth	Runnymede borough is undergoing economic growth and expansion. In particular, the influence of Heathrow,	Council fails to influence / manage	<ul style="list-style-type: none"> • Opportunities missed • Unsatisfactory solutions/compromises are reached • Infrastructure fails to cope

20	C2	*	expansion	and expansion effectively	with the introduction of a fifth terminal and the future development of a new runway. Infrastructure, primarily, transportation, is struggling to cope, there are other socio-economic issues and co-operation with strategic partners can be patchy and slow.	change effectively	<ul style="list-style-type: none"> Traffic congestion increases Adverse impact on local economy Negative impact on local environment Tensions with other agencies e.g. County Council Public criticism Council seen to be failing Adverse publicity
23	C2	*	Change management	The new council offices provide an opportunity to change the way the organisation works but staff may see changes as a threat	The new council offices prove an opportunity to re-engineer the way the organisation works, breaking down boundaries, changes in working practices, use of technology and seamless delivery to residents.	(Change is ineffectively managed) and staff see changes as a threat.	<ul style="list-style-type: none"> Staff unhappy with changes Staff reluctant to co-operate Working culture takes time to change New systems not working effectively Services suffer Public satisfaction falls Censure by inspection Image of the Council damaged
28	C2	*	Financial	Council tax increases may not be achieved	The long term financial forecasts for the council are based on a set of stepped council tax increases, year on year, of between 17% and 20%.	Increases not achieved (realistically 5%?) (risk of government intervention)	<ul style="list-style-type: none"> Services have to be cut Expectations cannot be met Financial situation worsens Council performance suffers Staff morale declines Criticism by inspection Levels of reserves diminish Political fall-out
31	C2	*	Regionalisation	Significant regional changes and developments may be proposed and the council must have a political response to this	The district council is the second tier in an area of two tier local government, there is a regional agenda building and it is necessary to have a political response to this. Many question the long term viability of district councils	Proposals published to move to unitary authorities Or Significant regional changes and developments proposed	<ul style="list-style-type: none"> Members do not have game plan Staff become disillusioned and demoralised Sense of uncertainty Long term planning put on hold Service delivery suffers Re-organisation of functions, responsibilities, staff and other stakeholders Staff leave Core services increasingly difficult to deliver Adverse publicity
			Housing	Stock option appraisal may see	Runnymede Council is required to carry out a stock option appraisal	ALMO or LSVT seen as the	<ul style="list-style-type: none"> Loss of stock Radical change to organisation

			ALMO or LSVT as the best option		best option	
3b	D1	-	<p>Internal</p> <p>The Civil Contingencies Bill will require the Council to reassess the robustness of its business continuity planning process.</p>	<p>A major incident could occur in the Council for which there is no effective business continuity plan</p>	<p>A major incident occurs in the Council for which there is no effective business continuity plan</p> <p>e.g. loss of office</p>	<ul style="list-style-type: none"> • Management of corporate overheads • New office appraisal compromised • Loss of key staff • New relationship with RSL required. • Effective procedures not implemented • Disruption to services • Key information lost • Local community at risk • Resources used trying to rectify situation • Community loses confidence in the Council • Council seen to be failing to meet requirements of Civil Contingencies Bill • Adverse publicity
19	B3	-	<p>Runnymede is planning to create new Council offices to replace the existing buildings, which are in poor condition.</p> <p>Asset disposals are required to generation a significant proportion of the cost and there are a number of other logistical stumbling blocks and uncertainties on-route.</p> <p>(There are also some fears that members may not carry this through if financial circumstances harden)</p>	<p>The new Council offices project may be delayed or postponed</p>	<p>The project is delayed or postponed</p>	<ul style="list-style-type: none"> • Costs escalate to maintain existing building (or condition deteriorates) • Unsatisfactory working conditions • Health and safety issues • DDA issues (?) • Communication is hampered • Full advantage cannot be taken of new technologies • Improvement hampered • Disappointed staff and low morale
27	D2	-	<p>There are proposals to create a major railway route (Central Railway), which will run from the Northwest through to the Continent.</p> <p>This route is likely to run through the Borough and will be an issue of national importance</p>	<p>The Council may fail to effectively influence the development of the Central Railway project</p>	<p>Council fails to effectively influence development of the project</p>	<ul style="list-style-type: none"> • Plan steamrollered through • Borough environment damaged • Land acquired to the detriment e.g. of housing • Council seen as ineffective and marginalised • Opportunities missed. • Quality of life suffers • Major source of resident/voter dissatisfaction and political debate • Overrides other pressing issues
21	C3	-	<p>Runnymede is engaged in ambitious ICT programme, but there is a sense of some degree of fragmentation in development</p>	<p>ICT programme may fail to deliver the anticipated</p>	<p>ICT programme fails to deliver</p>	<ul style="list-style-type: none"> • Cost of exercise not justified • Efficiencies and economies not delivered.

25	C3	-	benefits	and procurement. There are also concerns around key man/hardware dependency/ buy-in and robustness	anticipated benefits	<ul style="list-style-type: none"> • Full advantage of new technologies not realised • Staff confused and frustrated • Customer expectations not realised • Member officer tensions • Key council objective undermined • Targets not achieved • Criticism of Council
22	E2	-	Cost of achievement of increased recycling targets may be economically unsustainable	The Council is required to meet increasing Government targets on recycling and is investing significant resources and funds to achieving this. There is a dependency on a viable market for the products from recycling to help finance the exercise	Cost of achievement of increased recycling targets is economically unsustainable	<ul style="list-style-type: none"> • Targets not achieved/sustained • Or • Funds diverted from other services to sustain • Services suffer • Increased pressure on council tax • Audit criticism • Public expectations not met.
1	D3	-	Robust performance management is not consistently applied across the Council, so if performance in a key area drops/improves there are no clues as to why	Successful service delivery is dependent upon effective performance monitoring. However robust performance management is not consistently applied across the Council. Concerns are expressed around the appraisal system and budgetary process in the CPA self assessment	Performance in a key area drops/improves	<ul style="list-style-type: none"> • No clues as to why performance has suffered/improved • Managers are unaware of quality and performance standards being achieved. • No corrective action can be taken during the performance of a function • Failure to reward successes • Failure to address poor performance • Resources are wasted • Service quality falls • Censure by audit / inspection
10	D3	-	A disappointing CPA assessment could be received which does not meet officers and members expectations	Runnymede Borough Council prides itself on being a well run organisation with excellent standards in service delivery and high expectations from members and officers. The authority is due to be assessed under CPA. In its self assessment, the authority has judged itself as between Good and Excellent	A disappointing CPA assessment is received which does not meet officers and members expectations	<ul style="list-style-type: none"> • Disappointment amongst members and officers leading to loss of morale and commitment • Criticism of officers by members, who feel let down • Credibility of senior management damaged • Media criticism • Wider perception of authority damaged • Time and money spent on improvement planning to recover position • Senior management positions in jeopardy • Key staff leave to join more successful authority
			A key initiative as	The Council (officers and members) has a	Key initiative	<ul style="list-style-type: none"> • Benefits of new initiatives not achieved.

13	D3			<p>piloted by another authority is not beneficially developed at Runnymede due to tendency to look inwardly</p> <p>Perception of crime may begin to increase</p>	<p>tendency to look inwardly rather than learning from the experiences and best practice of other organisations</p> <p>Crime is a high profile issue for local residents and the Council has a lead role to play in managing community initiatives to deal with this. This is a key ambition and significant gains have been made.</p>	<p>as piloted by another authority is not beneficially developed at Runnymede</p> <p>Perception of crime begins to increase.</p>	<ul style="list-style-type: none"> • Authority appears stagnant • Reputation of the Council suffers • Council loses reputation as innovator on national stage • Council has to re-invent the wheel • Difficult to attract high-flying staff • Some funding opportunities missed • Members reputation affected • Perceived failure of council leadership • Areas of the Borough 'get a reputation' • Negative impact on economy • Negative impact on local communities • Issue gets in the way of other key priorities • Major election issue • Breakdown in partnership with other agencies, in particular police. • Member/officer tensions
26	D3			<p>If the area experiences uncommonly heavy rainfall, flooding could occur</p>	<p>The area is prone to flooding during extreme weather conditions and stakeholders expect the Council to do something about it. Runnymede invests time, money and resources in dealing with this problem</p>	<p>The area experiences uncommonly heavy rainfall and flooding occurs</p>	<ul style="list-style-type: none"> • Large areas of private and business property is damaged causing thousands of pounds worth of damage • The Council receives much of the blame for not preventing the damage • Claim made against the Council • The Council is pressured into paying for improvements to flood defences • Money is diverted from other projects • Loss of confidence in the Council's emergency planning • Adverse publicity • Image of Council damaged
3a	E3			<p>A major incident could occur in the Borough for which there is no effective business continuity plan</p>	<p>External</p> <p>The Civil Contingencies Bill will require the Council to reassess the robustness of its business continuity planning process.</p>	<p>A major incident occurs in the Borough for which there is no effective business continuity plan</p> <p>e.g. plane crash</p>	<ul style="list-style-type: none"> • Effective procedures not implemented • Disruption to services • Local community at risk • Resources used trying to rectify situation • Community loses confidence in the Council • Council seen to be failing to meet requirements of Civil Contingencies Bill • Adverse publicity

Appendix 3

Example Management Action Plan

A					
B					
C					
D					
E					
F				IV	III II I
					Impact

Risk Number [no.]	Current Risk Score [matrix position]	Target Risk Score [improved position]	Description
			[short name]

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors & KPI's	Review frequency	Key dates
[actions/controls already being done that relate to this risk/cluster]	[how effective are the actions/controls already in place?]	[new actions/controls required to manage the risk down to its target score]	[the person responsible for this action plan being carried out]	[what will success look like? How will performance indicators have improved]	[frequency of reviewing this action plan]	[Milestones/deadlines]