

TRANSFORMATION PROGRAMME T18 - STRATEGIC RISKS TEMPLATE

APPENDIX B

(as per the Council report on 9 December 2014 - Future Operating Model Opportunities and a revised T18 Business Case)

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
T1	Financial Risk - Funding	<p>Funding availability for initial investment to implement the Programme. The Council reports of 31/10/13 (SHDC) and 04/11/13 (WDBC) set out an Investment and Financing Strategy for the Programme</p> <p>The revised investment costs at WDBC are £2.83 million, to realise annual combined recurring savings of £1.64 million. The Programme has a payback period of 2 years and 9 months</p>	5	2	10	↓	<p>Investment and the availability of resources have been profiled in the context of an updated business plan</p> <p>Transformation Challenge Funding of £700,000 has been secured.</p> <p>Investment costs will be funded as set out in each Council's Investment and Financing Strategy</p>	Executive Directors; Finance Professional Lead
T2	Financial Risk - Costs	Higher than anticipated costs and/or lower than anticipated savings arising from the Programme. Key variable risk is the cost of staff redundancies and experience, following recruitment to Phase 1a and SLT, has shown that these costs are projected	4	4	16	↑	<p>Increase visibility of financial limitations to budget holders and Workstream Leads</p> <p>Ongoing monitoring of costs and savings within the Programme.</p> <p>Sensitivity analysis undertaken</p> <p>In recognition of uncertainty of some costs, introduced contingency sum into detailed business plan and review after each phase, particularly in relation to</p>	Executive Directors; Finance Professional Lead

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		to increase					staff change costs	
T3	Financial Risk - Unexpected external costs	Unexpected external cost pressures which divert funding from the Programme and delays delivery	3	3	9	↔	Use of Unearmarked Reserves to address the risk of a delay in delivery of the Programme. Each month of delay could cost between £50,000 (at the start of the programme) to £320,000 (at the end) as a combined figure	SLT
T4	Technology Risk - Integrated ICT solution issues	Integrated ICT solution proves less successful than anticipated. Business continuity and connectivity in remote rural areas will be key to successful implementation	4	2	8	↔	<p>Develop effective working relationships with core technology supplier to enable partnership approach</p> <p>Set up appropriate project level controls to ensure effective governance and communication</p> <p>Develop/update business continuity plans</p> <p>Ensure solution design & implementation considers connectivity requirements/challenges</p>	Executive Directors; ICT Professional Lead

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T5	Management Risk - capacity to deliver	Management capacity to deliver the Programme	4	3	12	↑	<p>Programme identified as the key corporate priority</p> <p>Commission external support as required to ensure the Programme is delivered in line with the timetable</p> <p>Fund appropriate transition arrangements</p>	Executive Directors
T6	Management Risk - Maintaining shared vision	Maintaining the shared vision for the Programme during a period of significant changes	4	3	12	↑	<p>Effective communication strategy to engage with members, staff and other stakeholders embedded within the Programme.</p> <p>Corporate agreement to appropriate handover period to maintain the programme and its aims and objectives</p>	Executive Directors, Senior Members & SLT
T7	Management Risk - Organisational transition	Managing organisational transition to the new operating model, in particular reduction in customer satisfaction and/or drop in service standards	4	2	8	↔	<p>Decision taken in 2013 to implement T18 Programme. Transition Plan for each phase to document and create sufficient organisational capacity to achieve Programme timeframes</p> <p>Managing ongoing individual service performance</p>	<p>Executive Directors</p> <p>Group Managers</p>

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T8	Management Risk - Effective and robust programme management	Establishing an effective and robust programme management arrangement given the complexity of the Programme	4	2	8	↔	<p>Establish appropriate member and officer Programme governance arrangements</p> <p>Ensure key milestones and programme interdependencies identified</p>	Executive Directors & SLT
T9	Management Risk - Inappropriate existing management skill sets	Inappropriate existing management skill sets across the organisations in relation to the new model	4	3	12	↔	<p>Establish appropriate selection process to the model. Training will take place in relation to the new performance management framework</p>	Executive Directors;
T10	Management Risk - Loss of key staff	Loss of key staff during implementation of the Programme	4	4	16	↑	<p>Establish effective working arrangements to facilitate knowledge transfer across team members including appropriate handover periods.</p> <p>Ensure detailed transition plan is developed which includes knowledge transfer plan</p>	Executive Directors & SLT;

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T11	Political commitment	On-going political commitment to ensure that the Programme is delivered in the context of major external change and the inevitable challenges that will emerge during a major programme	4	2	8	↔	<p>Ongoing liaison with Members to maintain shared vision</p> <p>Ensure that the new model delivers and retains separate Council identities</p> <p>Raise awareness of the scale of organisational change and the impact on existing arrangements for both Members and Staff</p> <p>Managing interest from potential partners in terms of securing critical project timescales and taking account of organisational capacity</p>	Executive Directors
T12	Political Risk - national and local elections 2015	Potential impact of national/local elections in 2015	3	2	6	↔	<p>Monitor national direction of travel and focus on the flexibility of the model in relation to any local government changes affecting both future governance and funding availability</p> <p>Ongoing engagement with Members focusing on the benefits of the Programme, particularly improved customer interaction, rather than solely a response to budget reductions</p>	Executive Directors

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T13	Staffing Risk - Officer capacity and staff morale	Officer capacity and retention of staff morale during significant change	4	3	12	↔	<p>Effective communication strategy embedded as part of the Programme</p> <p>Maintain the pace of the change to ensure that key staff are not lost from the organisations</p>	Executive Directors;
T14	Staffing Risk - Major cultural change	Securing successful implementation of major cultural change in relation to the development of skills and approaches to working arrangements within the new operating model	4	2	8	↔	<p>Support cultural change with a comprehensive corporate training and development programme and develop recruitment, induction, appraisal and performance management frameworks</p> <p>Communication strategy embedded as a key element of the Programme</p> <p>Procure external skills to respond to expertise or capacity gap - T18 budgets include external assistance for the Programme</p> <p>Ensure new systems and processes are resilient and sustainable</p>	Executive Directors;

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T15	Staffing Risk - Potential Union/Staff responses	Potential Union/staff response to elements of the Programme	4	2	8	↔	<p>Ongoing engagement with key staff stakeholder groups and develop corporate understanding of those issues which are essential to successful implementation of the Programme and therefore the organisations must be subject to change</p> <p>Communicate potential staff benefits within the model such as developing skills and achieving better work/life balance through agile working</p>	Executive Directors; & SLT
T16	Asset Risk - accommodation costs and rental receipts drop	Anticipated costs of accommodation changes increase and rental receipts from additional letting of HQs not achieved in current economic climate	4	2	8	↔	<p>Cautious rental assumptions within the business plan – early rental secured in 2014/15 of ground floor area. Hotdesk area for KP already delivered below budget.</p> <p>Ongoing monitoring of the business plan assumptions and adjustments of marketing strategies accordingly</p>	Executive Directors; & SLT

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T17	Customer/Community Risk - Potential of greater exclusion for some customers	Although improved access to services through technology is a benefit for many, there is a risk of greater exclusion for some customers	4	2	8	↔	<p>Promote digital by choice rather than digital by default</p> <p>Roll out of rural broadband & enhanced mobile connectivity will reduce risk of digital exclusion</p> <p>Monitor levels of use of each access channel in tandem with customer satisfaction as part of monitoring Programme success measures</p> <p>Supporting vulnerable customers and those unwilling to use technology forms a key part of the operating model</p>	Executive Directors and work stream leads
T18	Customer/Community Risk - Disruption/reduction in service levels	Scale of organisational change results in disruption/reduction in service levels and loss of support/confidence in the Programme	5	2	10	↔	<p>Transition Plan will form part of the Programme Plan</p> <p>Monitor service delivery and provide short term injections of capacity to ensure service performance maintained, particularly during transition</p> <p>Ensure appropriate handover periods</p>	Executive Directors; & SLT

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T19	Customer/Community Risk - Operating Model	Operating Model and technology not working as anticipated and creating customer/community dissatisfaction	5	2	10	↔	Test the approach/technology before introducing to the customer/community	Executive Directors; SLT and work stream leads
T21	Senior Management Team Restructure - open competition	The decision to restructure the team using open competition has been made and the arguments for it well established	4	3	12	↔	Ensure that appropriate transition plan is in place to deal with changes to the Senior Management Team	Executive Directors; & SLT
T22	Capacity to deliver	Overall capacity to deliver significant change in the timescales expected 1b timescales in particular are demanding considering the extent of change and the level of appropriately skilled resource available	4	4	16	↔	Detailed capacity planning, work prioritisation and phased delivery with a revised contingency built in to the updated business case	Executive Directors and work stream leads
T23	Programme Definition Precision	Some areas of the programme lack sufficiently detailed scope definition and this leads to delivery omissions	4	3	12	↔	Ensure all project definitions in place and approved by appropriate stakeholders	Executive Directors and work stream leads

