

Risk Scoring Definitions

Likelihood	Score	Risk Likelihood Definition
Rare	1	Risk may occur in exceptional circumstances.
Possible	2	Risk may occur within the next three financial years.
Likely	3	Risk is likely to occur within this financial year.
Almost Certain	4	Indication of imminent occurrence.
Certain	5	Risk has occurred and will continue to do so without immediate action being taken.

Impact	Score	Risk Impact Definition
Negligible	1	<ul style="list-style-type: none"> ~ Negligible loss, delay or interruption to services. ~ Can be easily and quickly remedied. ~ No financial loss.
Minor	2	<ul style="list-style-type: none"> ~ Minor loss, delay or interruption to services. ~ Short term impact on operational efficiency and performance. ~ Financial loss which, in accordance with the Council's Financial Rules, could be managed at officer level (i.e. below key decision limit for Cabinet decision). Currently this would mean a loss of between £0 and £0.5m. ~ Failure to meet internal standards. ~ Affects only one group of stakeholders. ~ No external interest. ~ Isolated complaints.
Significant	3	<ul style="list-style-type: none"> ~ Significant loss, delay or interruption to services. ~ Medium term impact on operational efficiency and performance. ~ Financial loss which, in accordance with the Council's Financial Rules, would need Member decision, but falls below the External Audit definition of materiality (i.e. 1% of Gross Revenue Budget). Currently this would mean a loss of between £0.5m and £6.6m. This would have to be reported to Cabinet (and above £1m to Council) for Member decision. ~ Failure to meet recommended best practice. ~ Affects more than one group of stakeholders. ~ May attract short-term attention of legislative or regulatory bodies. ~ Significant complaints
Major	4	<ul style="list-style-type: none"> ~ Major loss, delay or interruption to services. ~ One off events which could de-stabilise the Council. ~ Widespread medium to long term impact on operational efficiency, performance and reputation. ~ Financial loss which, in accordance with the Council's Financial Rules, would need member decision, falls above the External Audit definition of materiality (i.e. 1% of Gross Revenue Budget), but can be managed with control retained by the Council . Currently this would mean a loss in excess of £6.6m. This would have to be

		<p>reported to Council for Member decision.</p> <ul style="list-style-type: none"> ~ Breach of legal or contractual obligation. ~ Affects more than one group of stakeholders. ~ Will attract medium-term attention of legislative or regulatory bodies. ~ Significant adverse media interest.
Catastrophic	5	<ul style="list-style-type: none"> ~ Total sustained loss or disruption to critical services. ~ Long term impact on operational efficiency, performance and reputation. ~ Financial loss which, in accordance with the Council's Financial Rules, would need Member decision, falls above the External Audit definition of materiality (i.e. 1% of Gross Revenue Budget), and would fall beyond the Council's ability to manage. Currently this would mean a loss in excess of £6.6m. This would be reported to Council, but would have to be reported to the Government or other agencies for decision. ~ Serious breach of legal or contractual obligation. ~ Affects all groups of stakeholders ~ National impact with rapid intervention of legislative or regulatory bodies. ~ Extensive adverse media interest. ~ Loss of credibility

RISK REGISTER		ip&e Ltd - Overarching Strategic Risks				Oct-12												Programme Board								
A	B	C	D	E	F	G	H	I	J												K	L				
Risk No.	Description of Risk	Area risk relates to. 1. Set up of ip&e 2. Transfer of Services to ip&e 3. Shropshire Council residual post 2. above.	Risk Owner or relevant Work Stream where ownership will be managed.	Current Controls In Place	Residual Risk Rating (with current controls in place)			Risk Status	Interdependency with other work stream areas Those which apply marked 'Y'												Additional Controls / Key Milestone Actions Required	Timescale for implementation of additional controls/ key milestone actions				
					Likelihood	Impact	Risk Rating (F x G)		Legal	People	Finance, Commercial & Procurement	Impact Management	Stakeholder management	Transition Planning	Project Management Office	Partnerships & Strategy	Risk Management & Audit	Transition - Print	Transition - Legal	Transition - Shared Services			Transition - Shire Services			
1	Failure of the Council to align its statutory duties with its responsibilities as sole owner of ip&e Ltd. (linked to ip&e Strategic Risk # 6)	All	Tom McCabe	Strategic contract in development.	3	5	15		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Provision of clarity at all levels of organisation as to the purpose of ip&e and role of the Council. Define Shropshire version of commissioning.	
2	Failure to identify, manage and mitigate the risks within the Strategic Contract work stream.	All	Claire Porter	Issues log in process of being formulated to inform content of Strategic Contract.	3	5	15		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Cross reference issues against content of Strategic Contract.	End of November 2012
3	Failure to have formalised governance arrangements in place to protect brand, confidence and reputation.	All	Rian Huxley	Robust communications plan in place.	3	4	12		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Communications Plan regularly updated to reflect changes within individual work streams.	Next review week commencing 15th October 2012
4	Failure of the Council to retain strategic capacity and expertise to support Councillors to deliver and fulfil their role as leaders of their communities.	3	Tom McCabe	Interim arrangements in place. Transition process considered and commenced. Consideration of internal environment (transitioning services impact) and external environment (future funding situation).	3	4	12		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Formalise interim arrangements once the new structure and transition process has been completed. Future funding situation known and being finessed.	November 2012

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5	Failure to have considered and undertaken relevant Equalities Impact Needs Assessments (EINA's).	All	Jackie Kelly	Working with each workstream to understand impact especially around people. Every ip&e work stream considering and identifying where EINA's may be required. Log of risks, controls and actions requiring EINAs developed.	2	4	8	Y	N/A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Ensure all identified need for EINAs are undertaken by relevant work streams.	October Risk Register Review
6	Failure of the Council to create the environment in which the company can be successful. (linked to ip&e Strategic Risk # 1)	All	Tom McCabe	Strategic contract in development. Honest in our evolution from integrated Council to commissioning Council.	3	5	15	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Clarity on commissioning role, what outcomes we are trying to achieve. Development of robust performance contractual framework.	

Failure of the Council to align its statutory duties with its responsibilities as sole owner of ip&e ltd.

(linked to ip&e Strategic Risk # 6)

Failure to identify, manage and mitigate the risks within the Strategic Contract work stream.

Failure to have formalised governance arrangements in place to protect brand, confidence and reputation.

Failure of the Council to retain strategic capacity and expertise to support Councillors to deliver and fulfil their role as leaders of their communities.

Failure to have considered and undertaken relevant Equalities Impact Needs Assessments (EINA's).

Failure of the Council to create the environment in which the company can be successful.

(linked to ip&e Strategic Risk # 1)