



Wirral Council

Appendix E
Risk Management

4 June 2014



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Risk Management

Risks and Mitigating Action

A risk register will be used to ensure risks and issues are owned at the appropriate level but escalated, when relevant, to management in a controlled way. Below is an initial log of the risks and mitigation identified for the Implementation phase.

Ref	Risk	Mitigating Actions
1.	Staff are resistant to change and to TUPE transfer	<ul style="list-style-type: none"> • Full Communication and Engagement Strategy developed • Wirral Council HR department to advise on the process, but process to be managed by the Local Authority Company Project Group • Very clear messaging to support the above and frequent staff briefings • Consultation and engagement with Unions at an early stage • Open management style
2.	Due diligence on financial forecasts generates an adverse financial impact on forecasts and model	<ul style="list-style-type: none"> • Detailed review and due diligence of financial position of all services, to be undertaken as priority and signed off as an interim deliverable in Transition Planning phase
3.	Increased MTP savings targets required by the corporate centre resulting in contract price reducing faster than Company is able to reduce costs	<ul style="list-style-type: none"> • Robust Business Plan in place that articulates how costs will be managed and revenue generated • Recruitment of senior management with commercial experience
4.	Proposed tax efficient structure is not acceptable to HMRC	<ul style="list-style-type: none"> • Begin conversations with HMRC as soon as practicable within Transition Planning phase • Utilise learning from other LATCs where similar tax efficient structures have been established

5.	Impact of reconfiguration of support services not acceptable at a corporate level	<ul style="list-style-type: none"> Minimise changes at 'point of transfer' to support services to allow a smooth transition
6.	Accommodation strategy not clarified and therefore an impact on determining lease values	<ul style="list-style-type: none"> Put a Transition Plan in place for accommodation to allow for future changes, and build this into the final contract Ensure that transitional arrangements are in line with state aid requirements
7.	Negative external press about launch of Local Authority Company	<ul style="list-style-type: none"> Develop an external marketing strategy to engage with local press and media at an early stage and get on front foot Leverage existing links with local press
8.	Difficulties in recruiting commercially aware / sufficiently skilled senior management to the Board	<ul style="list-style-type: none"> Ensure attractive package in line with market rates Begin recruitment process as early as possible as part of Service Specification phase
9.	Contract negotiation takes longer than anticipated and impacts on anticipated MTP savings and 'go live' date	<ul style="list-style-type: none"> Agreement on service specifications as a priority in Service Specification phase Submission of deliverables to Programme Board should ensure sign up to fundamental elements of the contract (e.g. contract value, support services valuation etc.)
10.	Sign-off to progress to next phase not achieved when raised at Cabinet or other relevant authority	<ul style="list-style-type: none"> Regular updates between Programme Manager and Programme Sponsor Programme Sponsor to make members aware of progress and feedback any issues
11.	Lack of capability within Wirral Council project support	<ul style="list-style-type: none"> Define project roles and provide support and coaching where require
12.	Project delay impacting on cost and staffing availability	<ul style="list-style-type: none"> Ensure realistic planning and timescales are agreed
13.	Lack of access to or availability of required Wirral Council data	<ul style="list-style-type: none"> Specific data requests distributed to identified individuals at earliest opportunity with reasonable timescales for response

14.	Lack of availability of council officers to participate in and support the delivery of the project and lack of officer time at the right moment	<ul style="list-style-type: none"> • Prioritisation of participant's / supporters workload by senior management • Understand the capacity to change and provide change management support as required • Clear project plan with milestones and dependencies on Wirral Council identified
15.	Interdependency on the progress and deliverables from the Local Area Co-ordination and Day Opportunities projects, that could impact Local Authority Company go live and progression	<ul style="list-style-type: none"> • All workstreams to be managed at a Programme level with interdependencies clearly mapped out • Programme Board to monitor interdependencies and be informed if any issues in meeting deadlines and requirements
16.	Wirral Council's capacity to manage change process is potentially limited, thereby impacting on the progress of the Local Authority Company project and ability to meet go live date	<ul style="list-style-type: none"> • Ensure that Project Group members are fully aware of their roles and responsibilities in terms of progressing their areas of work to enable the Local Authority Company to go live • Any blockages, hindrances and issues to be escalated to Programme Board

