

PATROL ADJUDICATION JOINT COMMITTEE  
 Executive Sub Committee  
 29<sup>th</sup> January 2013  
 Item 10 Appendix 1

| Rank | Risk Description   | Consequence Description   | Risk Impact | Likelihood | Score | Key Controls In Place   | Assurances   | Response | Previously Reported Status | Current Status | Further Actions to be taken to Manage Risk Better  | Lead |
|------|--|---|-------------|------------|-------|---|--|----------|----------------------------|----------------|--|------|
| 1.   | Unforeseen significant fluctuations in income and assurance on service charge income | Inability to meet financial obligations                                     | 5           | 2          | 10    | Audit figures on which to base forecasts.<br>Historical data on which to base forecasts.<br>Reserve policy in place | Internal & External Audit Reports<br>Committee Reports | Treat    |                            |                | Continued forecasting, budget monitoring and cashflow analysis.  | HOS  |
| 2.   | Inability of IT to support needs of organisation and technology users                | Reduced effectiveness and efficiency for tribunal, councils and appellants. | 4           | 3          | 12    | Existing case management system has stabilized.   | Performance Reports                                    | Treat    |                            |                | Separation of tribunal's domain now completed although some outstanding issues to resolve.<br>Focus on improving adjudicator access to case management system in light of reduction in number of active adjudicators.<br>Move Risk Register will address connectivity requirement with new Host Authority.<br>Post Move adopt a user led/marketing approach to improving access to the tribunal for all parties using the Government's GCloud.<br>Technical Reserves retained to support this. | HOS  |

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| 3. | Loss of key members of management and staff             | Disruption to operations<br>Management of vacancies<br>Project and operational targets affected             | 2 | 5 | 10 | Clearly defined roles with flexibility to provide cover.<br>Documented procedures<br>Arrangements for temporary cover<br>Arrangements in place to extend cover.<br>Appointment Sub Committee & Working Group | Committee Reports<br>Treat | Review of existing vacancies and risk based approach to planning for future vacancies.<br>Support arrangements for transfer to new host authority.<br>Move Risk Register will address issues associated with TUPE transfer | HOS |
| 4  | Insufficient adjudicator/staff resources to meet demand | Inability to meet targets<br>Pressure to reach decisions may result in increased number of judicial reviews | 3 | 4 | 12 | Monitoring of demand and performance<br>Staff recruitment, induction, training and appraisal.<br>Contingency Planning  | Committee Reports<br>Treat | Adjudicator Recruitment 2013<br>Chief Adjudicator has agreed to work flexibly during this period.  | CA  |
| 5  | Achievement of Key Objectives                           | Failure to achieve key objectives   | 4 | 3 | 12 | Performance Management Strategy and Reporting<br>Internal & External Audit Reports<br>Committee Reports  | Treat                      | Multiple project planning required for 2012/13 (new host authority, new IT system, recruitment of adjudicators)<br>Increased development capacity included in the  | HOS |

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|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 2013/14 budget. |  |
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**CA = Chief Adjudicator HOS = Head of Service**

Note 1 The Risk Register is underpinned by the Risk Management Strategy and should be read in conjunction with business continuity planning arrangements.

Note 2: A separate Risk Register is being prepared in respect of the Move to new premises and new host authority.

**Risks that have been downgraded in accordance with the Risk Management Strategy following the report to September 2011 Joint Committee**

|  |  |  |   |   |   |  |  |          |  |   |
|--|--|--|---|---|---|--|--|----------|--|---|
|  | Effective Financial and Resource Management including spending within agreed budgets | Financial instability  | 2 | 2 | 4 | Historical data on which to base forecasts.<br>Specified role for budget holders in budget monitoring.<br>Recommendations from Internal Audit  | Internal & External Audit Reports<br>Committee Reports | Treat    |  | Impact of revisions to budget management<br>Internal Audit Annual Plan for 2011/12. |
|  | Change in government policy  | Change in direction for traffic regulations/adjudication                 | 5 | 1 | 5 | Establishing and maintaining dialogue with relevant government departments, responding to consultation, participation in working groups        | Committee Reports                                      | Tolerate |  | None at this time   |
|  | Health and Safety Breach   | Risk to welfare of appellants, staff<br>Disruption to tribunal operation | 3 | 1 | 3 | Health and Safety policy in place.<br>Procedures in place for monitoring risk/handling incidents which may be a threat to health and security. | Reporting requirements for Health and Safety Matters   | Treat    |  | None at this time   |

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**Risk Impact Details**

| Name |             | Description  |
|------|-------------|--|
| 1    | Immaterial  | Loss of up to £10k; examples include little effect on service delivery; no health and safety impact; no damage to reputation.  |
| 2    | Minor       | Loss of £10k to £50k; examples include minor disruption to effective service delivery i.e. staff in unplanned absence for up to one week; minor injury; no requirement for professional medical treatment; slight damage to reputation.  |
| 3    | Moderate    | Loss of £50k to £250k; examples include delays in effective service delivery i.e. adjustments to work programmes in up to one week or staff long term absence; injury to an individual(s) requiring professional medical treatments; reputation damage is localised and minor. |
| 4    | Significant | Loss of £250k to £500k; examples include effective service delivery is disrupted in specific areas of the business; multiple serious injuries requiring professional medical treatment; reputation damage occurs with key stakeholders.  |

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| 5 | Major | Loss of £500k +; examples include effective service delivery is no longer achievable, fatality of staff, visitor or public; reputation damage is irrecoverable i.e. regulatory body intervention. |
|   |       |   |

**Likelihood**

| <b>Description</b>        | <b>Probability</b> | <b>Indicators</b>  |
|---------------------------|--------------------|--|
| <b>5. Highly Probable</b> | > 80%              | <ul style="list-style-type: none"> <li>• Is expected to occur in most circumstances</li> <li>• Circumstances frequently encountered – daily/weekly/monthly/annually</li> <li>• Imminent/near miss</li> </ul>   |
| <b>4. Probable/Likely</b> | 60% - 80%          | <ul style="list-style-type: none"> <li>• Will probably occur in many circumstances</li> <li>• Circumstances occasionally encountered but not a persistent issue (e.g. once every couple/few years)</li> <li>• Has happened in the past or elsewhere</li> </ul> |
| <b>3. Possible</b>        | 40% - 60%          | <ul style="list-style-type: none"> <li>• Not expected to happen, but is possible (once in 3 or more years)</li> <li>• Not known in this activity</li> </ul>  |
| <b>2. Unlikely</b>        | 20% - 40%          | <ul style="list-style-type: none"> <li>• May occur only in exceptional</li> </ul>  |

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|           |     | circumstances   |
|           |     | <ul style="list-style-type: none"> <li>• Has rarely / never happened before</li> <li>• Force majeure</li> </ul> |
| 1. Remote | 20% | • The risk will not emerge in any foreseeable circumstance  |

The evaluation process will highlight the key risks that require urgent attention. However, all the risks need to be considered and action agreed, even if this is to take no action at the current time. The options are either to: Tolerate, Treat, Terminate or Transfer each risk.

- **Tolerate the risk (accept it)** – some low scoring risks may be considered as acceptable, but these need to be reviewed on a regular basis to confirm that the circumstances have not changed.
- **Treat the risk (reduce by control procedures)** – the risk can be considered acceptable provided the control mechanisms work.
- **Terminate the risk (cease or modify the method of delivery)** – where risks are unacceptable and control mechanisms will not provide adequate security, the activity or the method of delivery must be modified.
- **Transfer the risk** – through insurance of financial contingency provision.

**MEASUREMENT OF RISK AND REPORTING**

**Risk Matrix**

|            |   | Consequence |    |    |    |   |
|------------|---|-------------|----|----|----|---|
|            |   | 5           | 4  | 3  | 2  | 1 |
| Likelihood | 5 | 25          | 20 | 15 | 10 | 5 |

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|  | 4 | 20 | 16 | 12 | 8 | 4 |
|  | 3 | 15 | 12 | 9  | 6 | 3 |
|  | 2 | 10 | 8  | 6  | 4 | 2 |
|  | 1 | 5  | 4  | 3  | 2 | 1 |

**Legend:**

Score of 25 equates to **Extreme Risk**: Immediate escalation to Head of Service for urgent consideration by Joint Committee.

Scores of 20-15 **High Risk**: Risk to be escalated to the Joint Committee/Executive Sub Committee with mitigating action plan. Risk to be actively managed by Head of Service and Advisory Board.

Scores of 12-6 Risk to be captured on Risk Register and progress with mitigation to be tracked by Head of Service and Advisory Board/Joint Committee/Executive Sub Committee.

Scores of 5 and below **Low Risk**: Risk to be removed from register and managed within appropriate services.