



## **OLDHAM PARTNERSHIP**

### **LAA risk assessment**

## **Executive Summary report**

**November 2006**

# 1. Executive Summary

- 1.1 During October and November 2006 risk registers were developed by the five blocks of Oldham Partnership. This was facilitated by Pam Duke of Bannisdale Consulting Ltd.
- 1.2 This exercise involved partnership members from the many partners included in the delivery of the LAA's for the five blocks. The sessions provided an opportunity to introduce the risk management methodology for the partnership and allow all members to contribute to the identification and prioritisation of the key risks facing the delivery of their delivery outcomes and LAA's.
- 1.3 The workshops risk assessed the ability of the five blocks to deliver their agreed shared priorities and delivery outcomes. The detailed risk assessments are shown in section 3.
- 1.4 The development of the individual block risk assessments also allowed the Partnership to develop a draft strategic risk register. There were a number of themes that emerged from the block risk assessments that would be more effectively managed at the strategic partnership level. Also a number of significant risks that were affecting the blocks were seen to be of a strategic nature and hence should be managed at the strategic level. Examples of these risks are:
- Communication issues with the wider community
  - Raising awareness of the LAA's and the block roles to staff within the various partner organisations involved with the LAA delivery
  - Improved joint working at the operational delivery level across the blocks

More detailed analysis of the strategic risk register is shown in section 2.

- 1.5 There are already in existence a large number of operational, project and programme risk assessments to support the delivery of the LAA objectives. Examples of this include the HMR project risk assessments, service risk assessments within Oldham MBC, individual project risk assessments
- 1.6 Risk management across Oldham partnership is now well developed with risk registers in place across the strategic, block and operational delivery levels. Risk owners have been identified for all risks that sit above the risk tolerance line and action plans are in the process of being developed.

**Recommendation 1: Clear deadlines for the completion of the risks management action plans for each block need to be established. Housing block has set a deadline for the 30<sup>th</sup> November.**

- 1.7 There are also clear monitoring arrangements in place for the risks as the risk register will form part of the overall performance management arrangements

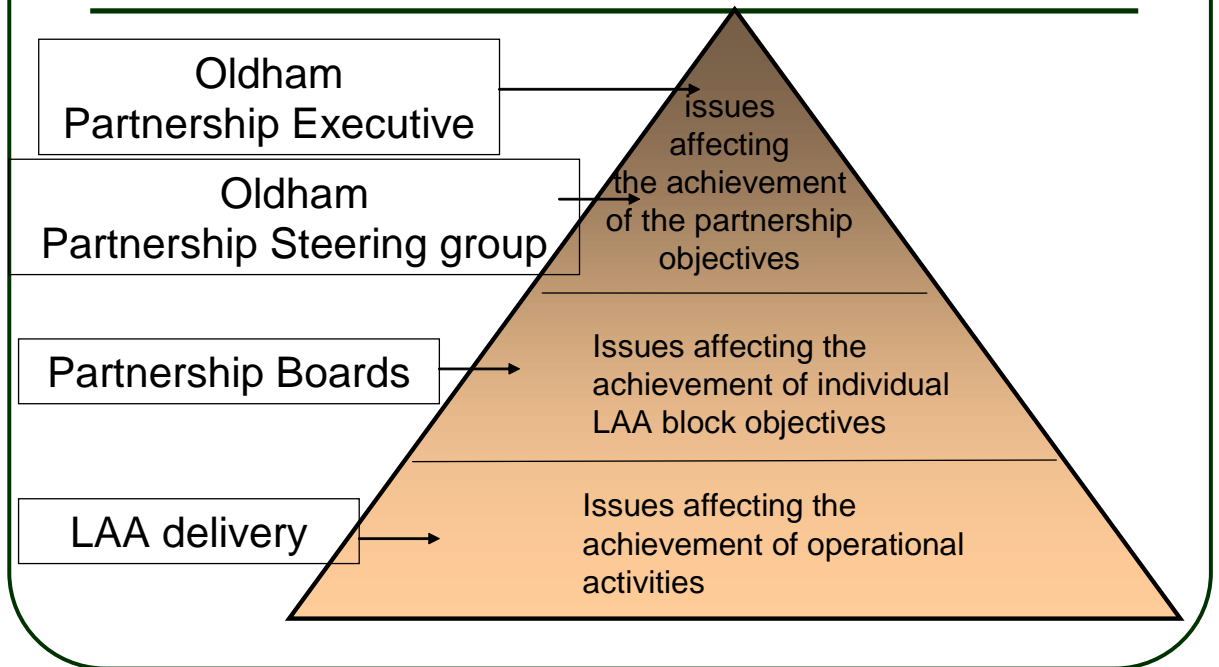
for each Block and will be monitored as part of that process. This will be at least quarterly.

- 1.8 There is one particular area where the risk management approach could be enhanced. This is around improved sharing of risk information across partners and discussing the overarching strategic risks for Oldham. Each partner including Oldham MBC, PCT and First Choice Homes have their own risk register in place. It is likely that there may be some duplication of risks across the individual partners risk registers and the Oldham Partnership risk registers. Where possible this process needs to be streamlined to ensure that there is no duplication in the management of risks and that Oldham wide strategic risks are clearly identified and managed by the appropriate partner or by the Oldham Partnership.

**Recommendation 2: It is recommended that a group of key individuals from the key partner's agencies meet to share risk information and agree on the overarching strategic risks for Oldham.**

- 1.9 At individual block level it has been agreed that within Oldham MBC the departmental risk champions will have sight of the block risk assessments and will compare them with their own directorate risk assessments. This will identify if there are any duplicate risks and highlight opportunities for where risks can be managed across the partner boundaries. They will also be looked at from a financial perspective as part of the Oldham MBC revisit of its own financial risk register. At strategic level the Council will review their strategic risk register in light of the LAA work and ensure that is updated and consistent with the LAA risks.
- 1.10 Oldham MBC has a strategic risk management team that includes membership from Oldham Partnership. This group could act as the vehicle through which wider risk management discussions are held and communication between partners occurs.
- 1.11 What is important in risk management terms is that the risks are managed by the most appropriate level both within Oldham Partnership and within the partner organisations. Major strategic risks should be owned by the strategic decision makers whilst block specific risks should be managed by the Block boards. Likewise operational and delivery risks should be managed by the individual managers with responsibilities for the delivery. The following diagram shows the hierarchy for risk management across Oldham Partnership.

# Risk management across all activities



## 2. Strategic risks facing Oldham Partnership

- 2.1 Following the completion of the individual block risk assessments it has been possible to develop a first draft of the Partnership wide strategic risk register. This has been developed from common themes that have appeared in many of the block risk assessments and risks that have been identified as needing to be managed at Partnership level.
- 2.2 At the partnership steering group on the 11<sup>th</sup> January 2007 the group will review this initial risk register and will have the opportunity to add additional risks as appropriate. They will also have the opportunity to review the individual block risk assessments if required.
- 2.3 It is important going forward that a process is developed to allow the individual blocks to escalate their top risks to the Oldham partnership steering group for their consideration on a regular basis. This will allow the steering group to decide which of the risks they should manage on behalf of the blocks and which risks should continue to be managed by the blocks.

**Recommendation 3: It is recommended that as part of the performance management monitoring arrangements for the blocks, key risks are reported to the steering group at least annually for their review and inclusion on the strategic register if appropriate.**

- 2.4 The monitoring arrangements for the strategic risk register should align with the exiting performance management arrangements. It is important that this process is repeated on a regular basis either six monthly or annually to ensure the strategic risk register for Oldham Partnership is reviewed and updated.

**Recommendation 4: Monitoring arrangements for the strategic risk register should be agreed and if possible aligned with the overall performance management processes as per the blocks.**

The following is a summary of the draft strategic risk register for Oldham partnership:

Risk	Risk description	Risk Profile	Risk Owner
A	The partnership has yet to develop effective two way communication processes with the community	TBC	TBC
B	The partnership does not communicate effectively with the staff within partner organisations about it's role and approach	TBC	TBC
C	Although joint working at the strategic	TBC	TBC

	level is good at operational delivery level it still needs to improve		
D	Key business processes within individual organisations are not flexed or co-ordinated to fulfil the potential of joint working	TBC	TBC
E	Data is not always reliable or available to inform effective decision making and performance reporting	TBC	TBC
F	The opportunity to be creative and flexible with funding streams is not maximised	TBC	TBC

2.5 A number of other issues were raised by some of the blocks that may need to be included in the strategic risk register:

- Insufficient capacity within partner organisations to deliver the new commissioning arrangements
- Insufficient or lack of clarity around the partnership support role
- Conflicting demands on land from both economic development and housing

### 3. Individual Block risk assessments:

- 3.1 All five blocks within the Oldham Partnership have undertaken risk assessment workshops and are in the process of developing action plans for those risks that require to be managed.
- 3.2 What can also be seen from the profiles are the different appetites to risk that the individual blocks have. Both the safer and stronger communities block and the healthier communities and older people block have a high appetite to risk and in fact the same appetite to risk. The lowest appetite to risk is in the Economic development and enterprise block. This may be symptomatic of the stage each block is at in terms of its development. Well developed partnerships tend to have higher appetites than those that are just forming. Alternatively it could just be down to the personalities within the partnership group.
- 3.3 In terms of the largest number of risks to manage that belongs to Housing although they did ask for an additional session to ensure that the risk register was comprehensive. For the others it was starter towards the development of a comprehensive risk register and they should allow the partnership leadership group (or equivalent) the opportunity to review and add risks at the next meeting to ensure the risk register is comprehensive.
- 3.4 It is important that the risk registers are owned at Block leadership level. If the group involved in developing this initial risk register is not that group then it is important that the register is reported to that group and that they have the opportunity to accept it or amend it as appropriate.

**Recommendation 5: All blocks should be satisfied that the risk register is comprehensive and if required allow for an additional discussion with the leadership group to review and update the risk register as appropriate.**

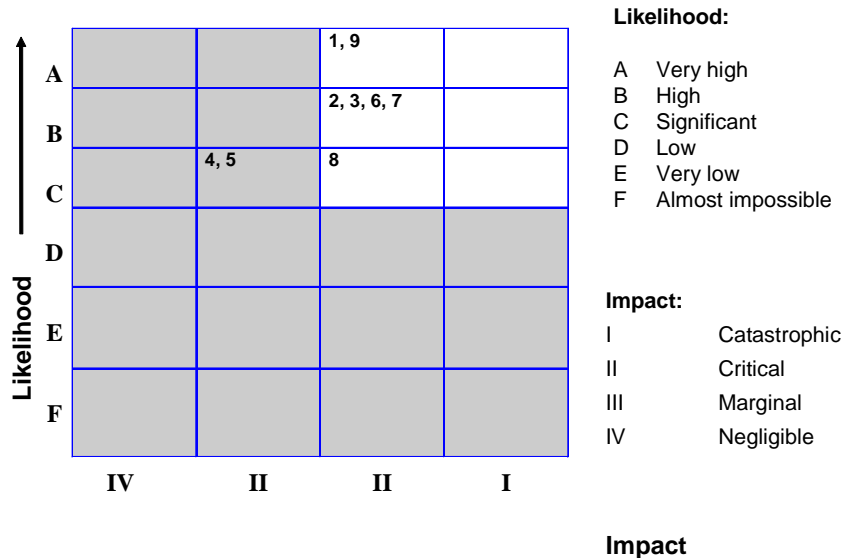
- 3.5 As stated earlier the risk register and actions plans will now for part of the existing quarterly performance management review.
- 3.6 The following are the risk profiles for the individual blocks. Also identified for each block are the top risks facing that block. Full risk registers are available in the individual block reports.

### Safer and stronger communities:

The top risks facing the safer and stronger communities block in priority order are:

Scenario	Short name
1	Insufficient resources /funding to deliver on all projects
9	Community maintains unrealistic expectations
2	Insufficient understanding to balance preventative v reactive workload to achieve VFM
3	We don't deliver what the community wants we deliver what is needed
6	Staff within partner organisations do not buy in / understand the LSP/ LAA and what their role is
7	Lack of mutual understanding and empowerment in respect of decision making
8	No clarity on the infrastructure to support the block

## Safer and stronger communities Block Risk Profile – October 2<sup>nd</sup> 2006

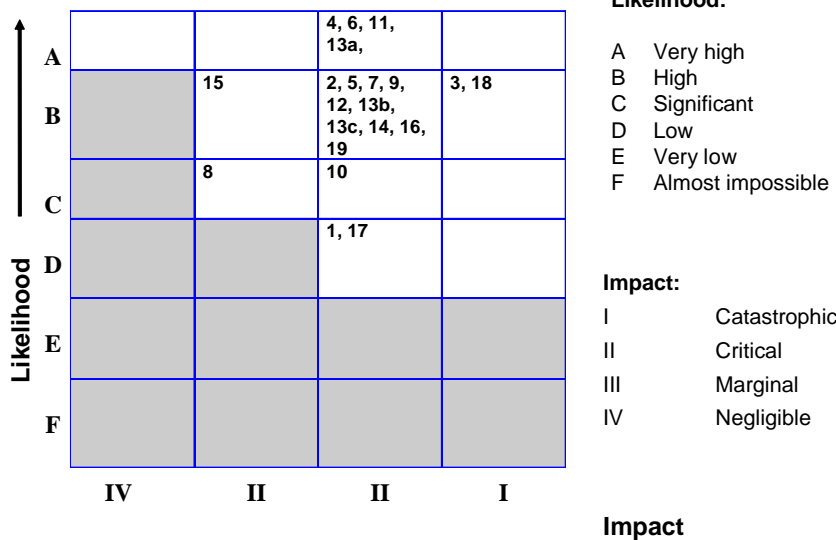


### Housing:

The top risks facing the housing block in priority order are:

Scenario	Short name
3	Data to support information to Govt office is inaccurate or incomplete
18	Oldham becomes more parochial
4	The block doesn't maximise funding flexibilities
6	Temporary accommodation usage is too high
11	Housing partnership board is not effective
13a	Don't communicate effectively with the community
2	Unable to raise and maintain standards in private sector housing
5	Resources are not delivered differently
7	Relative priorities between Council/ RSL's etc means homelessness is not prioritised sufficiently
9	No step change in terms of changing service delivery mechanisms
12	The partnership is not making the most of partners support
13b	Don't communicate effectively with the staff within partner organisations

## Housing - November 3rd 2006

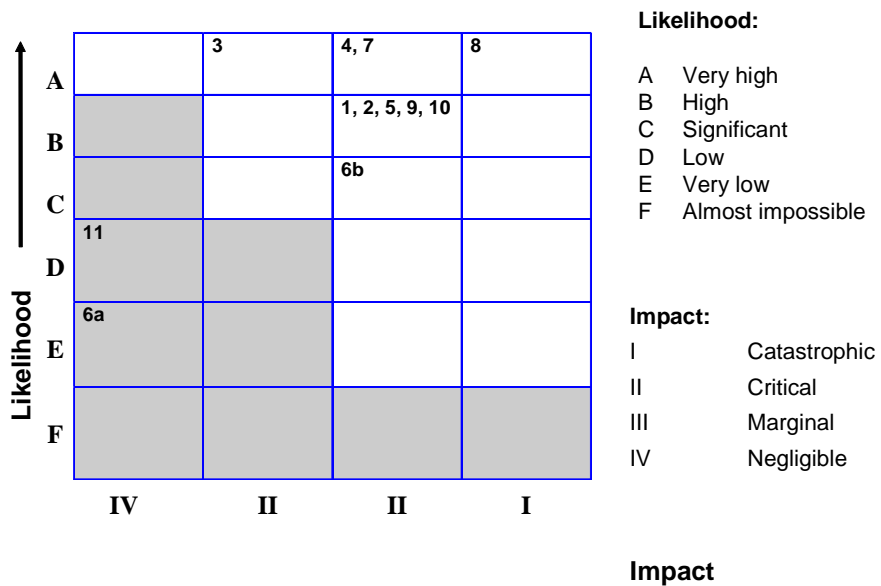


### Economic development and enterprise block

The top risks facing the economic development and enterprise block in priority order are:

Scenario	Short name
8	Insufficient validated information to effectively prioritise and target effective delivery of services
4	Regional policy direction does not meet local need
7	Reduced support to businesses and part of the economy won't receive any support
1	Don't get LEGL funding
2	Failure of one of the outcomes
5	Lack of operational support from key partners
9	Insufficient employment quality land / sites available for development
10	Can't attract high growth business into the area due to high cost of refurbishment.

## Economic Development and Enterprise - October 4th 2006

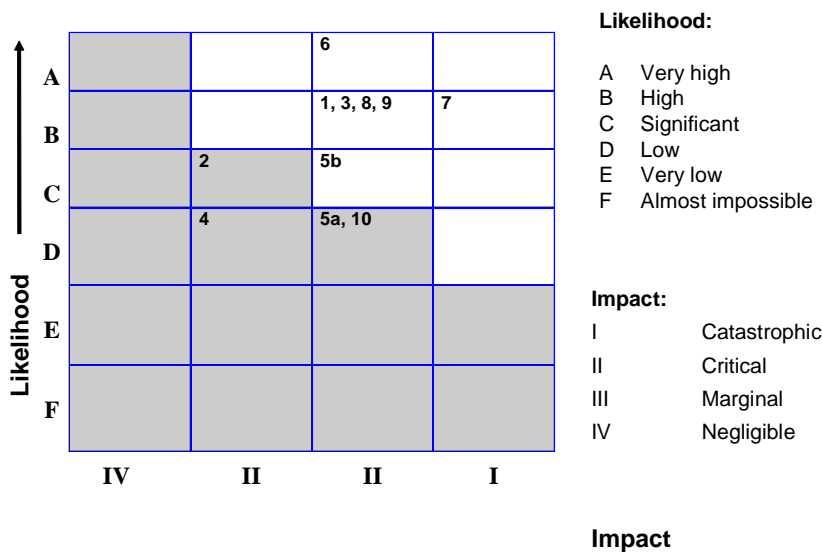


### Children and young people's block:

The top risks facing the children and young people block in priority order are:

Scenario	Short name
7	Insufficient or wrong level( due to different opinions) of intervention provided to affect the key stage 3 English trend
6	Resources are not directed into the areas that make a difference in terms of teenage pregnancy
1	Insufficient training and knowledge given to partners to allow them to adopt the new commissioning approach in time
3	Insufficient capacity within partnership members to deliver new commissioning approach
8	Staff from organisations do not appreciate the significance of LAA's
9	Unable to recruit a partnership support office
5b	Children fund projects are not aligned to LAA targets

## Children and young people – October 26th 2006

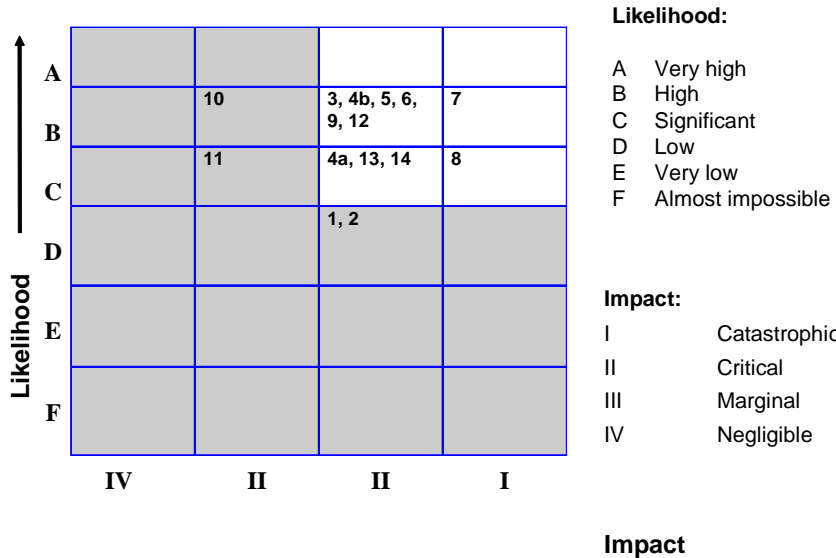


### Healthier communities and older people:

The top risks facing the children and young people block in priority order are:

Scenario	Short name
7	Timely data not available to effectively react to events
3	Insufficient capacity within partnership members to deliver new commissioning approach
4b	Insufficient budget available to meet delivery target for older people
5	Unable to strategically coordinate finance across the block
6	Over reliance on NRF funding etc to make a difference
9	Delivery agents don't have the skills/ capacity available when needed
12	Loss of strategic thinking around opportunities/ co-ordination and following it up

## Healthier Communities and Older People Block – October 26th 2006



## 4. Overall Conclusions

4.1 The following recommendations have been made as part of this summary report to improve the risk management approach across Oldham Partnership.

**Recommendation 1: Clear deadlines for the completion of the risks management action plans for each block need to be established. Housing block has set a deadline for the 30<sup>th</sup> November.**

**Recommendation 2:**

**It is recommended that a group of key individuals from the key partner's agencies meet to share risk information and agree on the overarching strategic risks for Oldham.**

**Recommendation 3:**

**It is recommended that as part of the performance management monitoring arrangements for the blocks key risks are reported to the steering group at least annually for their review and inclusion on the strategic register if appropriate.**

**Recommendation 4:**

**Monitoring arrangements for the strategic risk register should be agreed and if possible aligned with the overall performance management processes as per the blocks.**

**Recommendation 5:**

**All blocks should be satisfied that the risk register is comprehensive and if required allow for an additional discussion with the leadership group to review and update the risk register as appropriate.**

4.2 Oldham partnership have adopted a robust risk management methodology and are putting in place effective processes to ensure that risks are identified, prioritised, managed and monitored across all spectrums of the LAA delivery. They will have a comprehensive picture of the risks facing Oldham partnership and this will continue to be monitored as part of the performance management arrangements.

4.3 It has been a very valuable experience working with Oldham partnership and many involved in the process found it helpful. Partners commented that it allowed a focused discussion around the priority issues that still need to be dealt with to ensure the LAA is delivered and the Partnership achieves its overall objectives. It has been described as a very useful approach and use of time.

4.4 Oldham partnership now has the ability to effectively manage its risks and so ensure that it achieves its objectives through effective management and not just good luck!

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