



Report to Partnership Meeting 8 November 2013

PARTNERSHIP

Risk Management: Risk Register Update – October / November 2013

PURPOSE OF REPORT

For the Partnership Board to review the Strategic, Management/Operational and Financial Risks faced by the Partnership and through doing so ensure significant risks are identified, evaluated and controlled.

BACKGROUND

The Partnership agreed a Risk Management Strategy at its Meeting in February 2011 in reflection of a need for HITRANS to be pro-active and prepared in the way we manage our risk portfolio. Incorporating a more formal approach to risk management in our day to day operations enables us to better deliver our responsibilities and work towards achieving our objectives.

A number of actions are required to implement this Strategy including identifying the risks faced, assessing the risks, integrating risk management into the business planning process, challenging and reviewing the process, and reporting.

The HITRANS Risk Register was originally presented to the Board in April 2011 and is subject to regular review, the latest of which was undertaken in October 2012. This has again been reviewed by Officers and Permanent Advisors to ensure it continues to support the good management of the major risks faced by HITRANS. The revised list of Risk Management Controls is included in the Appendix to the report and approval of this Register, which covers Strategic, Management and Operational, and Financial Risks faced by the Partnership, is now sought.

The risks faced by the Partnership as reflected in the Risk Register will continue to be monitored by HITRANS Officers and Advisors, and subsequently presented to the Partnership for monitoring and approval on at least an annual basis.

RECOMMENDATIONS

Members are asked to approve adoption of the HITRANS Risk Register October 2013 as included in the Appendix to the Report.

Risk	impact	Comment
RTS delivery	√	Formal management of the risks faced by the Partnership in delivering the RTS will support its better achievement
Policy	√	Formal consideration of the risks faced by the Partnership will support improved policy development
Financial	√	Formal consideration by the Board of the financial risks faced by the Partnership supports improved financial management.
Equality	-	

Report by: Ranald Robertson
Designation: Partnership Director
Date: 16th October 2013

Appendix: HITRANS RISK REGISTER - OCTOBER 2013

RISK MANAGEMENT - CONTROLS

DATE

- 15-Oct-13

Ref	Detail	Nature of Risk	Inherent				Residual				Owner	Actions
			Impact	Likelihood	Risk	Controls	Impact	Likelihood	Risk			
100 Strategic Risks - RTS delivery												
101	Stakeholders may not focus efforts towards delivery of the RTS	Political - Councils and local public sector stakeholders may focus on local Single Output Agreement commitments, and Governments on national priorities in other areas	5	4	H	1. monitoring systems in place to review and report on success in delivering RTS	5	3	H	Director/ Board	1. HITRANS lobbies for refocusing of national funding to provide element for regional projects	
						2. RTP makes case for transport interventions and actions through CPP				Director/ Board	2. HITRANS continues to engage with CPPs and Development Planning Authorities promoting case for a strategic transport focus	
102	Funding may not be available to deliver the interventions necessary to deliver strategy by 2022	Financial/ political	4	5	H	1. RTP looks for alternative sources of match funding	4	3	M	Director /Board/ Officers	1. HITRANS continues to engage with CPPs and Development Planning Authorities promoting case for a strategic transport focus	



2. Changes to Board Membership and current Chair may impact on the role.



2. Further seminars/ Briefings will be arranged as follow ups should the Board consider this would be of value.

200 Management/ Operational Risks

201	Inadequate staff resource available to carry out actions agreed by Board	HR/ financial	5	3	M	<p>1. HR support in employing optimum staff compliment</p> <p>2. Staff training and development</p>	4	1	L	Director	<p>1. PDRs undertaken and workload reviewed</p> <p>2. Short term internships considered as option to increase resources.</p> <p>3. Use of consultants with specialist knowledge and skills in short term support roles when necessary</p>
202	Failure of IT systems	technical	4	3	M	<p>1. Good IT support systems</p> <p>2. Effective backup arrangements for hardware and files</p> <p>3. Systematic updates to server, laptops and website</p>	4	1	L	Director/ Office Managers	<p>1. Employment of effective IT support services</p> <p>2. Programmed approach to replacement of IT equipment</p> <p>3. Monitor performance of broadband supplier to ensure optimum service</p>
203	Actions taken on behalf of HITRANS exposes Partnership to corporate or financial liability	operational/ financial	5	2	M	<p>1. rules of delegation from Board</p> <p>2. Service procurement and monitoring arrangements in place</p>	5	1	L	Director/ Finance manager	Regular reviews of Financial and Contract Systems

204	Reliance on knowledge and actions of individuals may result in business failure if they leave or are unavailable	Human Resources	5	4	H	1. HR procurement arrangements and employment conditions adequate to retain staff and replace individuals if needed	5	3	M	Director/HR support	1. Recruitment programme put in place to ensure continuity between staff changes but no anticipated risk at present.
-----	--	-----------------	---	---	---	---	---	---	---	---------------------	--

300 Financial Risks

301	Expenditure exceeds budget	financial	4	3	M	1. effective financial monitoring reporting and control systems in place to manage expenditure	4	1	L	Finance Manager/Director	Regular reviews undertaken to monitor expenditure during year, meetings with Finance Manager by exception. Programmes varied by Board to reflect changes.
										Auditors	systems and procedures checked on regular basis by both internal and external audit
302	Projects expenditure slips resulting in year on year funding discrepancy	financial	4	3	M	1. effective financial monitoring reporting and control systems in place to manage expenditure 2. HITRANS will work to meet its efficiency targets and reduce core costs	4	2	L	Financial Manager/Director	1. Regular reviews undertaken by Team to monitor expenditure during year, meetings with Finance Manager by exception. Programmes varied by Board to reflect changes. 2. revision to RTP funding rules sought to allow 10% carry over between years (yet to be achieved)

303	Income from Government and Councils reduces	operational/ financial	4	4	H	1. Proposed use of funding clearly identified before budgets agreed for subsequent years	3	4	M	Director/ Chair	1. In the event of reduced income being available, review the extent of services procured from Councils through Service Level Agreements with a view to undertaking more tasks in-house
-----	---	------------------------	---	---	---	--	---	---	---	-----------------	---

