

## Appendix A

### KEY RISKS

Risk Description	Consequence	RAG	Mitigating Actions	Mitigated RAG
Non-delivery of Medium-Term Financial Plan savings	Savings not achieved, reducing focus on transformation leading to costs exceeding the available resources resulting in the Section 151 Officer issuing a Section 114.	15	<p>Resource planning to ensure adequate levels of resource to support the delivery of projects which have MTFP savings as outcomes.</p> <p>Prioritise projects with MTFP savings within the Improvement and Transformation Programme and the associated delivery plans.</p> <p>Adopt a robust approach to monitoring forecasted savings through the Transformation Board reporting mechanism. To enable early identification of impacted savings and mitigating activity.</p>	8
Improvement and Transformation Programme does not demonstrate to DLUHC the ability to deliver the Council's key objectives	Assurance is not provided to DLUHC resulting in exception financial support (capitalisation direction) unable to be approved.	10	Ensure all key elements required by DLUHC are contained within the plan, including Productivity plan and external assurance recommendations / actions.	6

and secure the medium-term financial position.			Seek iterative feedback from DLUHC on the draft plan to enable continuous development and well in advance of the August deadline.	
Service instability caused by unmanaged VR / High level of CR	Inability to provide essential services to the Somerset residents	15	Robust and compliant CR/VR process. Management led VR programme, taking into account and reporting any service-related impacts. Agreed exempt roles and ensuring any CR is backed up by a careful service redesign. Ensure lessons learned from other VR schemes including Somerset West and Taunton.	9
Insufficient budget to fund redundancies	Cannot initiate redundancies without a budget to fund them. Without redundancies, savings associated with the programme will not be materialised	20	The Financial Strategy for the programme is being developed. The source of funding for the programme will be in the strategy.	12
Voluntary Redundancy - value for money not evidenced	Failure to forecast the costs (including all contributing factors such as pension strain) leading to insufficient budget and an extended payback period.	15	Development of an accurate forecast utilising staff pay data, redundancy costs and pension strain (where appropriate).	6
Excessive loss of talent and organisational knowledge	Loss of key talent – loss of organisational memory, knowledge, and skills.	15	Clear communication and engagement with staff throughout. A process will be developed to capture and retain organisational knowledge.	12

			A skills audit will be undertaken for transformation delivery. VR exits will be phased between May and November 2024, at pace where practicable.	
Damage to Trade Union relations and risk of industrial action caused by failure to consult and engage	Loss of trust, confidence in management.	12	Trade Unions are being involved and engaged from outset and will be part of decision-making process.	6
Value for Money not evidenced due to failure to adequately forecast costs (including all contributing factors such as pension strain)	Insufficient budget and an extended payback period.	15	An accurate forecast utilising staff pay data, redundancy costs and pension strain (where appropriate) will be developed and used to inform decision-making.	6
Insufficient resources and capacity to deliver the programme caused by permanent exit of people through VR with either specific or key skills needed to deliver the programme.	Programme cannot be delivered at pace.	16	Clear communication and engagement with staff throughout. Have a process to capture and retain organisational knowledge. Skills audit for transformation delivery. Phase VR exits between May and November 2024, at pace where practicable.	9
Current continuation of LGR restructuring approach doesn't align to the 'Blueprint' and Structural Design Principles	Inconsistent approach to restructuring.  Workforce capacity to deliver various exits from the organisation.	16	Workforce and New Org Design Programmes collectively review restructuring approach and viability of parallel approach.	12

Lack of timely and appropriate communication	Lack of awareness of the programme and change requirements needed by Stakeholders.	12	Develop a comprehensive programme Communication Plan	6
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