

Risk Register

Pay Policy

01 May 2025

Ref	Title	Risk Description	Opp / Threat	Cause	Consequence	Risk Treatment	Date Raised	Owner	Gross		Current			Target		Comments	Control / Mitigation Description	Date Due	Action Status	% Progress	Action Owner
									P	I	P	I	Score	P	I						
1	Operational	If the Council is not able to recruit and retain staff it will not be able to deliver all services effectively, impacting the citizens of Oxford.	Threat	Not able to recruit and retain staff.	Unable to meet service standards.	Reduce	01.04.2023	Head of People and Service Directors	5	3	3	3	9	3	2	The approach to pay is part of a wider people strategy to improve recruitment and retention through improved employee satisfaction with benefits, development and career progression.	Implement incremental progression to improve employee satisfaction and support retention.	01.05.25	In Progress	80%	Head of People
	Operational	The Council will not be seen as an attractive place to work.	Threat	Not able to recruit and retain staff.	OCC reputation as an employer and poor quality talent	Reduce	01.04.2023	Head of People and Service Directors	5	3	3	3	9	3	2	The approach to pay is part of a wider people strategy to improve recruitment and retention through improved employee satisfaction with benefits, development and career progression.	Implement incremental progression to improve employee satisfaction and support retention.	01.05.25	In Progress	80%	Head of People
	Legislative	The Council will not be seen as an attractive place to work.	Threat	The uncertainty caused by the impact of Local Government Devolution and reorganisation will put people off joining the Council.	Unable to meet service standards.	Reduce	01.10.2024	Head of People and Service Directors	4	4	3	2	6	3	2	The approach to pay is part of a wider people strategy to improve recruitment and retention through improved employee satisfaction with benefits, development and career progression.	Implement incremental progression to improve employee satisfaction and support retention.	01.05.25	In Progress	80%	Head of People

THE RISK REGISTER IS FORMATTED AS A TABLE. PRESS TAB ON THE LAST TABLE CELL TO INSERT A NEW ROW.

Once risks have been identified the risk matrix is the main tool for prioritising risks so we can establish which risks are most significant and therefore are in need of greater attention and resources. It also allows us to compare different types of risk with each other across the council.

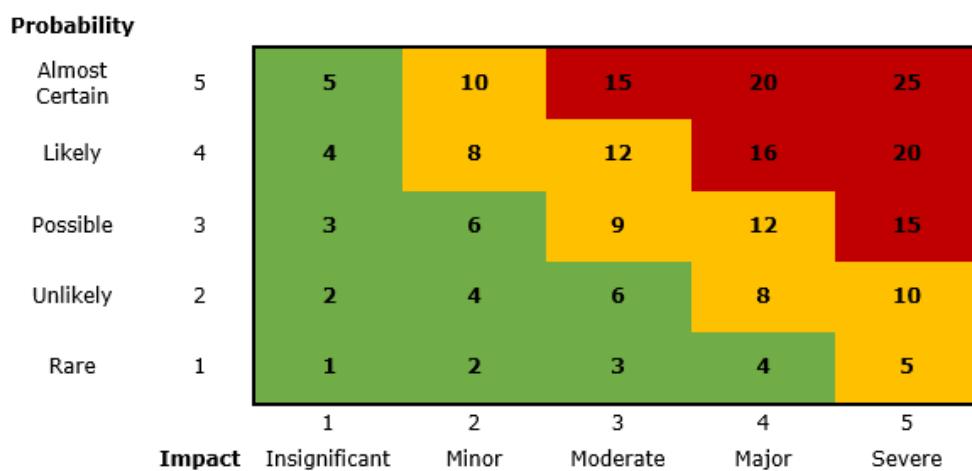
Each risk should be analysed using a five by five matrix for (1) the likelihood it will happen and (2) the impact if it did occur. This assessment should be made on three different basis:

- Gross risk – risk level if existing key controls and mitigations were not in place or not effective.
- Current risk – risk level after existing controls and mitigations are taken into consideration.
- Target risk – anticipated risk level following the introduction of planned controls and mitigations.

Assessing the gross risk allows consideration of the dependency the organisation has upon the existing key controls and informs decisions around risk treatment, and selection of an appropriate target risk level, considered in the next section of this toolkit. It is often helpful to consider the Current Risk first, and then ask yourself what the impact and likelihood of the risk might be if the key controls were not in place.

It is the risk owner's responsibility to ensure the controls they believe are reducing the risk are effective and are working in practice. Controls that are not yet in place should not be considered within the current risk.

Each identified risk should then be plotted onto the risk matrix.



When considering the likelihood of a risk happening you should select the number from 1 to 5 from the risk matrix that you think it will be over the next 12 months (it can be longer or shorter; some risks in the Strategic Risk Register are better considered over 3 to 5 years, some operational risks will be considered over 3 to 6 months). This score will require an element of judgement when considering how likely an event is to occur and you should consider the following:

- Has this event happened before in the Council? (How frequently?) Has this event happened elsewhere? (How frequently?)
- How likely is it that one or more of the causes/ triggers of the event will occur?
- Has anything happened recently that makes the event more or less likely to occur?

The following tables provide some support in quantifying the risk in terms of likelihood and impact.

Risk Probability Assessment Criteria

Scale	Description	Likelihood of Occurrence	Probability of Occurrence
1	Rare	1 in 10 years	The event may occur in certain circumstances
2	Unlikely	1 in 3 years	The event could occur
3	Possible	1 in 2 years	The event should occur
4	Likely	Annually	The event will probably occur
5	Almost certain	Monthly	The event is expected to occur or occurs regularly

When you select the impact you should give consideration to the factors outlined in the risk matrix. For example, if the risk you are scoring has a low financial impact but a high impact on our reputation then you would select the most appropriate number between 1 and 5 that relates to the level of reputational impact. Once again, this score will have an element of judgement.

Risk Impact Assessment Criteria

	Insignificant	Minor	Moderate	Major	Severe
Financial	<£50k per annum	£50k - £250k per annum	£250k - £500k per annum	£500k - £750k per annum	>£750k per annum
Service Delivery	No impact to service quality, limited disruption to operations	Minor impact to service quality, minor service standards are not met, short term disruption to operations, minor impact on a partnerships	Significant fall in service quality, major partnership relationships strained, serious disruption in service standards	Major impact to service quality, multiple service standards are not met, long term disruption to operations, multiple partnerships affected	Catastrophic fall in service quality and key service standards are not met, long term catastrophic interruption to operations, several major partnerships are affected
Reputation	Public concern restricted to local complaints which do not attract local media attention.	Minor adverse local / public / media attention and complaints	Adverse national media public attention	Serious negative national or regional criticism	Prolonged, regional & national condemnation
Compliance & Regulation	Minor breach of internal regulations, not reportable	Minor breach of external regulations, not reportable	Breach of internal regulations leading to disciplinary action Breach of external regulations, reportable	Significant breach of external regulations leading to intervention or sanctions	Major breach leading to suspension or discontinuation of business and services
Strategic	Little impact on the organisational strategy	May have an impact on achieving organisational strategy	Would impact on the organisational objectives	Would require a significant shift from current strategy and objectives	Would require a fundamental change in strategy and objectives

Once risks have been identified and scored based on current controls the next step is to decide what action needs to be taken to manage them. Generally speaking, there are four approaches to treating risk: Treat, Tolerate, Terminate or Transfer:

Action	Description	Options
Treat / Reduce	Controlling the likelihood of the risk occurring, or controlling the impact of the consequences if the risk does occur	Reducing the likelihood of the risk occurring AND / OR Mitigating the impact if the risk does occur
Tolerate / Accept	Acknowledging that the ability to take effective action against some risks may be limited or that the cost of taking action may be disproportionate to the potential benefits gained.	The ability to take effective action against some risks may be limited or the cost of taking action may be disproportionate to the potential benefits gained in which case the risk is accepted on an "informed" basis.
Terminate / Avoid	Not undertaking the activity that is likely to trigger the risk	Changing the direction or strategy and revisiting objectives or improving channels of communication Obtaining further information from external sources or acquiring expertise Reducing the scope of the activity or adopting a familiar, proven approach Deciding not to undertake the activity likely to trigger the risk
Transfer	Handing the risk on elsewhere, either totally or in part – e.g. through insurance.	Financial instruments such as insurance, performance bonds, warranties or guarantee. Renegotiation of contract conditions for the risk to be retained by the other party. Seeking agreement on sharing the risk with the other party. Sub-contracting risk to a consultant or external suppliers. NB. It may not be possible to transfer all aspects of a risk. For example, where there is reputational damage to the organisation.

When considering further action required to manage the risk, and indeed the appropriateness of existing controls, an assessment of treatment options should be made alongside a consideration of the Council's risk appetite and tolerance for the current level of risk.

A further consideration is the efficiency of risk treatment in relation to the cost effectiveness of the proposed actions to be taken. Firstly the cost of implementation has to be considered (time, manpower, budget, etc.). The impact expected if no action is taken, should be weighed against the cost of action and the reduction of the impact. There should be a direct benefit from the cost implementation in terms of the reduction of the level of the risk.

Plans should then be put into place to manage the risk with key milestones identified and clear owners – ensuring that they are 'SMART' – Specific, measurable, achievable, realistic, time bound.

Oxford City Council has focused on the Red, Amber, Green status of risks in determining the risk appetite of the organization. Red risks are considered unacceptable and every effort must be made to reduce the risk to the organization.

The risk appetite is reviewed periodically or when there are significant changes to the organisation. Changes to the risk appetite level would require a change to strategy and would therefore require approval of the Cabinet.