

Consumer Focus Corporate Strategic Risk Register 2010 as at 24 May 2010

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| Balanced scorecard domain | No.  | Raised by         | Risk Summary                                                                                                                                                         | Risk Impact                                                                                                                                                                                                      | Impact score | Probability | Level | Risk owner                                                        | Mitigation actions and comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Contingency Plan /Action                                                                                                                                                                              | Date updated                       | Trend |
|---------------------------|------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------|-------|-------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------|
| Governance                | CF03 | SMT               | 2010/11 funding may be reduced further than the notified 10%.                                                                                                        | Budget for 2010/11 may not support the planned programme of work. CF would have to reduce staff and restructure organisation.                                                                                    | 5            | 5           | 25    | Mike O'Connor                                                     | Work closely with BIS to ensure early notification of level of funding cuts. Explain robustly the effect on CF and reputation of BIS and CF in eyes of consumers. Quarterly meeting with BIS held on 2 March confirmed that no further cuts are expected, however, given announcement of £8bn and spending cuts at BIS, this may well change. Engagement in BIS landscape review and work to create and disseminate compelling narrative about our impact and connection to consumers. Budget for 2010-11 not yet agreed. Cuts more likely. Failure to recruit Consumer Advocate would mean relevant funding (450k) not forthcoming. | No new recruitment unless expressly agreed by CEO to fulfil critical business needs.                                                                                                                  | 01/10/09<br>03/03/10<br>24/05/2010 | ▲     |
| Governance                | CF10 | SMT               | Potentially significant funding cuts from 2011-12, due to wider financial climate following recession and need for Government to cut expenditure.                    | Budget from 2011/12 may not support the planned programme of work. CF would have to reduce staff and restructure organisation. Potential reduction could be 25-30%.                                              | 5            | 5           | 25    | Mike O'Connor                                                     | Work with BIS to promote case for Consumer Focus funding to be maintained. Work with BIS to protect funding streams for energy and post and therefore restrict cuts to BIS funded only. Consider options for further external funding.                                                                                                                                                                                                                                                                                                                                                                                               | Early identification of level of reductions and early planning in advance to identify savings. Early formulation of contingency                                                                       | 09/03/10<br>18/05/2010             | ▲     |
| Governance                | CF08 | A&R Cttee         | Uncertainty around consumer institutional landscape                                                                                                                  | Decisions by Government may lead to change in role of Consumer Focus                                                                                                                                             | 5            | 5           | 25    | Mike O'Connor                                                     | CF are responding to the BIS Review of Consumer Focus and are keeping in touch with the government on their thinking.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | CF review of Consumer Landscape                                                                                                                                                                       | 12/05/2010<br>20/05/10             | ◀▶    |
| Resources                 | CF15 | Marieke Dwarshuis | Current funding of three out of four Scottish Government funded projects in CFS ends March 2011. Future funding (level/continuity) uncertain in current climate.     | If funding reduced or discontinued, staff redundancies with associated costs, efficiency and management line morale issues.                                                                                      | 5            | 4           | 20    | Marieke Dwarshuis                                                 | Work closely with Scottish Government departments to ensure robust link to Scottish Government policy and priorities for projects. Seek clearer indication of direction as early as possible to allow planning.                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                       | 20/05/10                           | ▲     |
| Governance                | CF14 | A&R Cttee         | Consumer Advocate: failure to appoint and possible re-running of Chair process                                                                                       | Uncertainty and lack of Board leadership                                                                                                                                                                         | 4            | 5           | 20    | Board                                                             | Continuing role of Lord Whitty as Chair and appointment of Anna Walker and Stephen Locke as Vice Chairs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Early discussions with Minister                                                                                                                                                                       | 18/05/10                           | ▲     |
| Customers                 | CF04 | Graham Clark      | A Consumer Focus statement or criticism could be found to be based on poor quality or inaccurate work. Nature of COGI/CFI work may lead to particular vulnerability. | CF reputation and credibility could be damaged if a significant statement or criticism of a company, regulator or government were subsequently found to be based on poor quality or inaccurate data or research. | 5            | 3           | 15    | Philip Cullum<br>Maria Battle<br>Marieke Dwarshuis<br>Adam Scorer | Integrate a quality process to cover all policy work. Review process for sign off of key processes and public statements. May need independent review/audit of quality assurance. - Add to audit plan. COGI changed to CFI (Consumer Focus Investigations).                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                       | 09/05/10<br>12/05/2010<br>20/05/10 | ◀▶    |
| Resources                 | CF12 | Graham Clark      | Accommodation. Inability to find alternative premises. Government looking to impose move away from London.                                                           | Delay in identification of premises, last minute rush, problems with landlord. Loss of key trained employees. Ability to implement work plan.                                                                    | 5            | 3           | 15    | Graham Clark                                                      | Early dialogue open with BIS, working with BIS teams to identify alternative Government owned premises in London. At least two possible alternatives identified. Project lead identified with regular meetings. BIS have delegated authority for moves under 1000sqm. Develop staff communication strategy.                                                                                                                                                                                                                                                                                                                          | Preparation of full business case for remaining in London                                                                                                                                             | 03/03/10<br>12/05/2010<br>20/05/10 | ▲     |
| Resources                 | CF07 | Graham Clark      | Corporate Services capacity.                                                                                                                                         | Corporate Services functions may not be able to provide effective support to entire organisation, particularly IT systems which are potentially slow, unstable and not fit for purpose.                          | 5            | 2           | 10    | Graham Clark                                                      | IT team recruited. Strategy developed to improve IT stability and reliability. Need to reassess IT security risks, eg potential breaches of Data Protection Act, and reputational risks of data loss or exposure. Included in SMT priorities and monitored by SMT and Board. HR and Finance performance noticeably improving. IT revised networks implemented in October 2009, with significant improvements. NSMC on Consumer Focus system. Revised/additional staffing now in place for HR.                                                                                                                                        | IT plan rolled out in October. Maintain NSMC separate system until CF system demonstrably stable. Improvements and user satisfaction will continue to be monitored through Corporate Services survey. | 06/10/09                           | ◀▶    |
| Resources                 | CF05 | John Bromley      | NSMC unit may not be viable. Add externally funded work.                                                                                                             | NSMC still depends on Dept of Health funding which is not guaranteed and will be reduced. This in turn may affect morale, recruitment and retention of staff/expertise. 2010/11 Key Year.                        | 3            | 3           | 9     | John Bromley,<br>Mike O'Connor                                    | DH engagement underway to develop funding agreement for 2010 onwards. Staff engagement process underway to engage staff re future planning and org design. The Budget for this year has been confirmed, though uncertainty remains for future years.                                                                                                                                                                                                                                                                                                                                                                                 | Priority is finding alternative funding from other government partners or alternative home within central government.                                                                                 | 01/10/09<br>03/03/10<br>12/05/2010 | ◀▶    |
| Governance                | CF11 | Graham Clark      | Legal action as a result or early termination of contract.                                                                                                           | Cost of potential claim and reputational impact                                                                                                                                                                  | 3            | 3           | 9     | Graham Clark                                                      | Solicitors appointed from early point in claim and have been advising throughout the negotiations. Defence lodged with court. Potential for mediation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Develop communications plan to mitigate adverse comments.                                                                                                                                             | 03/03/10                           | ◀▶    |

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|------------|------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------|
| Governance | CF13 | Graham Clark | Reputation and legal risk from non compliance with requirement to have equality policies on Race, Disability and Gender. New Equalities Act will place additional duties on us in April 2011. | Consumer Focus could face a challenge under the law. Our reputation as an organisation treating all consumers in a fair manner could be tarnished by not considering equalities issues within our work.                              | 3 | 3 | 9 | Philip Cullum                                 | We have been working with ACAS on reviewing all our HR policies and also to deliver equalities training throughout the organisation.                                                                                                                                                                                                                                                                                                     | We are rolling out mandatory Diversity Training across the organisation. Steering group formed, led by PC and with advice from Sukhvinder Kaur Stubbs. Impact assessments implemented for HR policies; project underway in Wales looking at policy development | 15/03/2010<br>18/05/2010                                    | ◀▶        |
| Customers  | CF06 | Graham Clark | Corporate leadership and expertise: loss of senior personnel & time taken to replace them.                                                                                                    | Loss of key senior personnel may reduce level of corporate leadership capacity and expertise. Further risk of other senior personnel leaving.                                                                                        | 4 | 1 | 4 | Mike O'Connor                                 | New CEO and SD Scotland recruited. Continuing uncertainty around senior management ahead of settlement of GB restructuring                                                                                                                                                                                                                                                                                                               | BIS agreement being sought to stabilise senior management.                                                                                                                                                                                                     | 06/10/09<br>03/03/10                                        | ▼         |
| Governance | CF02 | SMT          | 2009/10 Forward Work Programme may not be fully and effectively delivered.                                                                                                                    | Consumer Focus would not fulfil potential in terms of addressing consumer detriment in the areas covered by the agreed work programme.                                                                                               | 4 | 2 | 8 | Sarah Brooks, Marieke Dwarshuis, Maria Battle | Implement review and performance process and improve planning. Revise FWP if appropriate. Consider this equally for GB, Wales & Scotland. Assessment of outcomes for consumers. Time bound to 31 March 2010                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                | 01/10/09<br>03/03/10<br>18/05/2010                          | completed |
| Governance | CF01 | SMT          | Budget for 2009/10 may not be fully spent on planned programmes. (current est 600k underspend).                                                                                               | Consumer Focus would not be able to demonstrate that it has made best use of first full year's funding and not achieved best value for money in delivering its policy and advocacy work. This could also put at risk future funding. | 3 | 2 | 6 | Graham Clark                                  | Review budget/spend as at end Sep & replan for remainder of year. Additional GB projects to identified and progressed to readiness for implementation. Monthly review by finance and policy directors / heads of corporate services. Management action and identification of additional projects have reduced the probability of this risk occurring. Forecast Feb 2010 anticipates 2009/10 budget on target. Timeband to 31 March 2010. | Additional GB projects agreed at Board. No further action                                                                                                                                                                                                      | 01/10/09<br>03/03/10<br>18/05/2010                          | completed |
| Resources  | CF09 | A&R Cttee    | Uncertainty around GB Team structure                                                                                                                                                          | Restructuring to take place in March/April will disrupt workplan and distract staff.                                                                                                                                                 | 3 | 3 | 9 | Mike O'Connor                                 | Restructure implemented; no redundancies                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                | 03/03/10<br>18/05/2010<br>Removed from register 20 May 2010 | completed |