

ESPO

Risk Ref	Risk Description	Consequences / Impact	Risk Owner	Original Risk Score Impact	Original Risk Score Likelihood	Original Risk Score	Risk Action Tolerate / Treat / Transfer / Terminate	List of Key Current Controls / Actions Embedded and operating soundly	Risk indicators to be used to monitor the risk	Current Risk Score (as at 30/08/18) Impact	Current Risk Score (as at 30/08/18) Likelihood	Current Risk Score	Risk Action Tolerate / Treat / Transfer / Terminate	Further Action / Additional Controls	Action Owner	Action Target Date	Q3 Comments / Updates
5	Sustained failure to attract or retain quality staff	<p>1. Unable to provide the range of services that customers expect due to a shortage of suitable staff</p> <p>2. Unacceptable standard of service to customers results in lower sales or even trading losses.</p> <p>3. A failure to provide accurate and timely information for decision making.</p> <p>4. A failure to act on information to correct faults/errors/market changes etc</p> <p>5. No longer considered a "centre of excellence"</p> <p>6. Could lead to a loss of business volumes and/or sustained trading losses</p> <p>7. Reputational risk to the business</p> <p>8. The Office for National Statistics show that the average wage costs per hour has increased by 3.1% for the first quarter of 2016 whereas the LCC pay award has been agreed at 1% pay for 2017/18 (for those not affected by the national living wage)</p>	HR Partner	4	3	12	Treat	<p>1. Where appropriate salary progression linked to professional development.</p> <p>2. Maintain level of remuneration competitive in the local marketplace</p> <p>3. Commitment to staff training and development with support from Leicestershire County Council</p> <p>4. Good working environment</p> <p>5. Flexible working time arrangements were appropriate</p> <p>6. Maintaining a strong reputation as a market leader</p> <p>7. Ensure structures reflect customer demands, and allows for progression</p> <p>8. The HR Administrator conducts exit interviews for the HR Business Partner to identify trends which the Leadership Team can take into consideration when reviewing this risk</p> <p>9. To review how and where posts are advertised, if appropriate</p> <p>10. Utilise recruitment agencies to carry out assist in filling the vacancy; noting there will be an increase in recruitment costs</p> <p>11. Employees who receive CIPS training to sign a legal document which will result in them paying back their training fees over a set time period to assist in retaining staff</p> <p>12. Continue to work with universities/colleges to continue to be considered a 'centre of excellence'</p>	<p>1. Staff turnover trends to be reviewed and analysed</p> <p>2. Exit questionnaire trends to be identified in order to have a better understanding of why ESPO staff are leaving.</p> <p>3. Vacancy trends to be reviewed and analysed</p> <p>4. The creation of The People Strategy and revised values & behaviours</p>	4	3	12	Treat	<p>1. Promotions of ESPO as a good employer via website and social media.</p> <p>2. Links to be developed with Universities and apprentice providers over entry routes.</p>	HR Partner	31/03/2019	<p>01/08/2018 Current risk score reduced 12.13% in previous 12 months - staff turnover currently at 11%.</p> <p>1. HR dashboard has been created since Jan 2018 and reports on staff turnover , vacancies and recruitment activities. - Done</p> <p>2. Exit Questionnaire report to go to LT every 6 months.</p> <p>3. Values and Behaviour employee engagement workshops have been undertaken and outcomes produced.</p> <p>4. Vacancy report goes to LT every month (on the back of the HR dashboard)</p> <p>27/11/2018 Market premia payments for warehouse staff to be extended.</p> <p>6. Impact of Brexit discussion being analysed on agency staff availability.</p> <p>7. Apprentices being created to help fill gaps and create career progression routes.</p>
25	Increased competition including Amazon	<p>1. Possible implications on business volume, reputation, new business and on trading results in the Catalogue business</p> <p>2. Through collaboration with CCS and YPO; CCS is dominating the management of such contracts (MFDs) including the management of the rebates; ensuring security of the income stream is becoming a threat to ESPO's business model.</p> <p>3. Amazon: moving deliberately into the public sector space, and focussing on education as a key are, Amazon have expressed interest widely within the market place at becoming more than an ad hoc supplier to schools of all levels, expressing their intention to partner with, or secure suppliers who have tailored offering for the sector.</p>	Director	5	4	20	Treat	<p>1. Working with suppliers and customers to improve the 'offering', facilitating this relationship through capturing and using business intelligence and managing this 'knowledge'.</p> <p>2. Continue seeking efficiencies through international sourcing</p> <p>3. Amazon: Continue to market our 'not for private profit' credentials and continue to craft our ranges to offer the very best solution to all tiers of education from our stock and directs position. To explore collaboration with our PBO neighbours to ensure opportunities are not missed in securing market share dominance on key lines such as paper, glue sticks and exercise books.</p> <p>4. Website Development.</p>	<p>1. Changes to key customers' buying (as highlighted at Weekly Trading)</p> <p>2. Fluctuations in rebate income (as highlighted at Weekly Trading)</p> <p>3. Stalling of e-commerce uptake trends (as highlighted in IT update)</p> <p>4. Amazon: Reduction in traditional stationery and direct electrical item sales at category level.</p> <p>5. Termly customer research and feedback</p>	5	2	10	Treat	<p>1. Review loyalty scheme – increased requirement on income streams</p> <p>2. Robust sales and marketing strategy to be developed to reflect the heightened competition in this sector and to support the revised MTFs.</p> <p>3. Review of Customer Offer</p> <p>4. MATs package</p> <p>5. Review termly research.</p>	Director	Sep-18	<p>13/06/2018 Amazon added to Consequences/Impact, Controls / Actions- and Risk Indicators.</p> <p>05/09/2018 Reviewed - minor edits.</p> <p>04/10/2018 Reviewed - updated key controls, risk indicators and further actions.</p>

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33	Health and Safety compensation claims and fines.	Substantial claim made as a result of a Health and Safety event. Given the nature of the warehouse environment and the customer premises we operate in etc. it is possible these claims could be substantial. This could result in ESPO being placed at substantial risk of continuing in business due to level of damages paid and reputational impact.	Director	4	4	16	Treat	<ol style="list-style-type: none"> Ownership by the Director Dedicated Health and Safety Officer & Senior H&S Advisor. Risk assessments, safe systems of work. Incident, accident and near miss reporting recorded on Assess-net allowing for overview and enhancing ability to determine actions to mitigate future risk Investment in safety equipment Regular Health and Safety Committee meetings (Director to review minutes) Internal Audit assessment Regular Health and Safety walkabouts Standard update item at monthly Leadership Team (LT) Officer at quarterly LT Risk Meetings 	<ol style="list-style-type: none"> Health and Safety Walkabout actions Internal Audit reports Staff Surveys Record of Health and Safety events and actions taken and recorded on Servicing Authority's Assess-net 	4	3	12	Treat	<ol style="list-style-type: none"> 3rd Party Independent Assessment Health and Safety culture embedded throughout the organisation Response to public ' ' to be considered in Health and Safety planning e.g. Grenfell Towers Appoint H&S advisor via LCC SLA. Investment in new reach trucks with additional safety features and more driver aids. Plans to recruit more permanent reach truck drivers. 	AD Operations	See Comments 1.March 2019 2.Feb 2019 3.Jan 2019	05/09/2018 Reviewed - List of current control sammended, removed point 10 (1. All LT received specific training in Health & Safety) 06/12/2018 Updated further actions. Targets: 1. Introducing mesh-decks on the pallet racking to reduce probability of push-throughs. 2. Installing CCTV into the bulk store to enable route cause analysis on incidents. Also to assist with training. 3. Programme of document control being rolled out to enable electronic retrieval of safety documents.
63	Exiting EU	<ol style="list-style-type: none"> 'Within year' increases in buying prices due to higher import costs could reduce margins - possible failure to suppress 'cost of sales' target and impact on international sourcing programme Year on year buying price increases put pressure on margins/competitiveness Inflation could reduce discretionary spend by customers - reduced sales Extension to austerity or further cuts in public finances - impact on customer spending Threat to achieving MTFS Competition benchmark reset Post Brexit tariffs Supply chain disruption Potential increase in business failures Changes to EU procurement law 	Director	4	4	16	Treat	<ol style="list-style-type: none"> Aim to resist price increase 'within year' Mitigate increases through competition, re-sourcing, extensions Support sales through targeted promotion and marketing Factor in changes to the MTFS Competition position on pricing and Brexit pass through Strategic supplier engagement 	<ol style="list-style-type: none"> Review YPO catalogue to consider market reaction to price increases Seek to pass through but still observe pricing position Top 30 suppliers accounting for 50% of catalogue business on Creditsafe weekly 'alert' (automatic notification of change in status) 	4	3	12	Treat	<ol style="list-style-type: none"> Workforce Strategy agreed Yearly commercial plan in place. Understanding of where goods come from EU through supplier engagement. 	Director	Ongoing	01/10/2018 reviewed -updated further controls and consequences.
75	Web Site Project	Failure to update our website will result in competitive advantage given to our competitors.	AD Finance & IT	4	4	16	Treat	Mitigation is through project team delivery.	Project Team Updates.	4	3	12	Treat	Cloosde liaison with LCC CIO, Procurement and Transformation Team.	AD Finance & IT	Dec-18	30/11/2018 Reviewed - Updated