

## Strategic Risk Register and Action Plan

<b>Risk Number 1</b>	<b>Risk Owner: Chris Leslie</b>	<b>DATE: August 2015</b>
<b>Business Risk Description: Finance Pressures</b>		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> <li>• Failure or significant reduction of income streams and external funding</li> <li>• Significant change in priorities – influenced by either demand, political vision or legislation</li> <li>• Unplanned expenditure as a result of urgent works</li> <li>• Expenditure incurred where no budgetary provision exists</li> <li>• Target levels for income are not achieved</li> <li>• Target efficiency savings are not achieved</li> </ul>	<ul style="list-style-type: none"> <li>• Council unable to meet budget requirements</li> <li>• Staffing and service level reductions</li> <li>• Greater use of reserves to maintain a balanced budget</li> <li>• Working balance levels fall below the risk assessed level</li> <li>• Increased Council Tax</li> <li>• Increase in charges</li> </ul>	<ul style="list-style-type: none"> <li>• Medium Term Financial Planning is undertaken on an annual basis</li> <li>• Monthly Budget Monitoring</li> <li>• Half year reports to Members</li> <li>• A Funding Volatility Reserve has been created to specifically address the uncertainty of Government funding levels</li> <li>• Healthy reserves and working balance levels held</li> </ul>	4	5	20
					Reduce
					<b>Review Date</b>
					October 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
Savings targets will be monitored throughout the year in addition to monthly budget monitoring on the Collaborative Planning module which requires sign off from Budget Managers and Heads of Service.	Savings for 2016/17 and 2017/18 will begin to be drafted with the aim of having approval by December 2015.	Monthly budget monitoring.  Budget set 2 March 2015.	Chris Leslie, Finance Director

<b>Risk Number 2</b>	<b>Risk Owner: Gordon Glenday</b>	<b>DATE: August 2015</b>
<b>Business Risk Description:</b> Local Development Plan		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> <li>Failure of Council to adopt a Plan in line with National Planning Policy Framework (NPPF)</li> </ul> <p>Lack of If you would like to discuss this, please do not hesitate to contact me on ext 2821.</p> <ul style="list-style-type: none"> <li>formal agreement through Duty to Cooperate</li> <li>Failure to adopt Community Infrastructure Levy (CIL)</li> <li>Loss/long term absence of staff</li> <li>Recruitment difficulties</li> </ul>	<ul style="list-style-type: none"> <li>Planning applications judged against NPPF 'in favour of sustainable development'</li> <li>Development permitted in locations on an ad-hoc basis</li> <li>Potential appeal costs</li> <li>Staff resource implications to deal with increased applications</li> <li>Lack of necessary infrastructure funding</li> <li>Delay to Plan preparation and lack of necessary expertise &amp; experience</li> </ul>	<ul style="list-style-type: none"> <li>Meeting targets set out in the Plan timetable (Local Development Scheme)</li> <li>Ongoing discussion with neighbouring Local Planning Authorities</li> <li>Recruitment of permanent staff to fill posts in Planning Policy Team (August 2014), reduced reliance on agency &amp; temp staff</li> </ul>	3	4	12
					Reduce
					<b>Review Date</b>
					October 2105

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
Current adopted Plan timetable now out of date, CIL Preliminary Charging Rates agreed by Strategy & Policy Board (19.03.14) but consultation has yet to take place	<ul style="list-style-type: none"> <li>Agreement of a new Plan timetable</li> <li>Agreement through Duty to Cooperate with neighbouring Local Planning Authorities regarding cross-boundary issues</li> <li>Agreement of key issues to inform proposed spatial strategy for quantum and locations of new development</li> <li>Completion of technical evidence to inform emerging Plan policies</li> <li>Consultation on CIL Preliminary Draft Charging Schedule and further work to enable CIL adoption by April 2016 deadline</li> </ul>	<p>LDP – July 2017</p> <p>CIL – April 2016</p>	Gordon Glenday, Head of Planning Phil Drane, Planning Policy Team Leader

<b>Risk Number 3</b>	<b>Risk Owner: Ashley Culverwell &amp; Phil Ruck (re IT requirements)</b>	<b>DATE: August 2015</b>
<b>Business Risk Description:</b> Disaster Recovery/Continuity Planning		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date		
<ul style="list-style-type: none"> <li>Failure to respond effectively to an incident/event (e.g IT loss, virus/flu pandemic)</li> <li>Failure to provide critical services</li> <li>Failure to identify critical suppliers</li> <li>Lack of resilience of local businesses</li> </ul>	<ul style="list-style-type: none"> <li>Ineffective response to an incident causes service disruption</li> <li>Unable to deliver key services</li> <li>Possible loss of income</li> <li>Staff absence</li> <li>Vulnerable residents at risk through lack of service delivery</li> </ul>	<ul style="list-style-type: none"> <li>Most services have Business Continuity Plans in place</li> <li>Civil Contingency Act</li> <li>Insurance cover</li> <li>Alternative fuel stocks/supplies</li> <li>Pandemic flu plan</li> <li>A business continuity guide has been produced for businesses</li> </ul>	2	5	10		
					Retain		
							<b>Review Date</b>
							October 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
On over-arching business continuity plan is in place plus individual business continuity plans for the majority of services. No testing of those plans has yet taken place.	<ul style="list-style-type: none"> <li>ICT to provide up to date Business Continuity Recovery Plan</li> <li>Internal exercises to test the adequacy of Business Continuity Plans across the Council cannot occur until the BC Plan for ICT has been produced by that service</li> <li>Intranet development for Business Continuity and Emergency Planning information</li> <li>Exercises to test resilience of Gold Command &amp; Emergency Planning measures that are in place – now arranged for 22<sup>nd</sup> October 2015</li> </ul>	<p>Nov 2015</p> <p>December 2015</p>	<p>Mark Stanbury, Environmental Health Manager, Sue White, Risk &amp; Insurance Officer Departmental managers Risk Management/CLB</p> <p>Phil Ruck, Head of Paid Services &amp; Tim Huggins, ICT Manager</p>

<b>Risk Number 4</b>	<b>Risk Owner: Phil Ruck</b>	<b>DATE: August 2015</b>
<b>Business Risk Description:</b> Organisational Capacity		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> <li>Lack of capacity to effectively govern the organisation</li> <li>Loss/sickness of key staff</li> <li>Failure to focus on staff wellbeing and development</li> <li>Failure to build relationships with residents and business communities</li> </ul>	<ul style="list-style-type: none"> <li>Poor staff morale</li> <li>Poor communications</li> <li>Inability to deliver effective and efficient services</li> <li>Poor delivery of aspirations and priorities</li> <li>Inefficient use of resources</li> <li>Breakdown of Officer and Member relations</li> </ul>	<ul style="list-style-type: none"> <li>MTFP</li> <li>Communications Protocol and Strategy</li> <li>Workforce Strategy</li> <li>Staff Survey (and Action Plan)</li> <li>Peer Review (and Action Plan)</li> <li>Regular meetings between Senior Members and Officers</li> <li>Staff Bulletins and Briefings</li> <li>Review options for alternative service delivery models</li> </ul>	3	4	12
					Reduce
					<b>Review Date</b>
					October 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
<p>As a small Authority – changes in priorities will always present a challenge in terms of flexibility and capacity to deliver.</p> <p>Financial constraints (also set out in RSK 1) places pressure on maintaining effective service delivery</p>	<ul style="list-style-type: none"> <li>Develop a clear and concrete vision for the Council in order that resource requirements can be scoped</li> <li>Continuous programme of service reviews to evaluate alternative options for service delivery</li> </ul>	<p>30/09/2015 (after consultation)</p> <p>Ongoing</p>	<p>Phil Ruck, Head of Paid Service</p> <p>Relevant Managers</p>

<b>Risk Number 5</b>	<b>Risk Owner: Chris Potter</b>	<b>DATE: August 2015</b>
<b>Business Risk Description:</b> Information Management and Security		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> <li>Data held by the Council ends up in inappropriate hands</li> <li>Little or no awareness of data collected internally – poor information sharing</li> <li>Lack of resources for IT integration</li> </ul>	<ul style="list-style-type: none"> <li>Breach of corporate governance</li> <li>Increased costs and legal implications</li> <li>Reputation damaged</li> </ul>	<ul style="list-style-type: none"> <li>Data Protection Policy</li> </ul>	3	5	15
					Reduce
					<b>Review Date</b>
					October 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
Weak, arising from a lack of an integrated approach to information management across the Council.	<ul style="list-style-type: none"> <li>Review existing Data Protection Policy</li> <li>Raise awareness of the importance of information to the Council and the individual</li> <li>Produce a co-ordinated approach to information management and security</li> <li>Further training is being rolled out to Members &amp; Officers and dates being arranged.</li> <li>Diarised date in place for required annual renewal of Council's Certificate of Registration with the Information Commissioner's Office (registration number Z2092695) due to expire on 8 February 2016.</li> <li>Diarised date in place for individual Councillor notification with ICO for renewal in April 2016.</li> </ul>	31/11/2015  Beginning of January 2016  April 2016	Christopher Potter, Monitoring Officer and Head of Support Services

<b>Risk Number 7</b>	<b>Risk Owner: Phil Ruck</b>	<b>DATE: August 2015</b>
<b>Business Risk Description:</b> Commercial Activities		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date			
<ul style="list-style-type: none"> <li>• Business plans not agreed</li> <li>• Individual service income not realised or income generation below projections</li> <li>• Business models reveal poor market prospects or fail</li> <li>• Income not realized due to weak commercial company arrangements (including poor Governance)</li> </ul>	<ul style="list-style-type: none"> <li>• Council unable to meet budget requirements</li> <li>• Staffing and service level reductions</li> <li>• Spending/service cutbacks</li> <li>• Greater use of reserves if required net savings are not achieved</li> <li>• Increased Council Tax</li> <li>• Increase in charges</li> <li>• Ineffective application of business model and company fails (services move back in-house)</li> </ul>	<ul style="list-style-type: none"> <li>• Medium Term Financial Planning is undertaken on an annual basis with monitoring arrangements</li> <li>• Monthly Budget Monitoring</li> <li>• Quarterly monitoring arrangements</li> <li>• Regular reports to Asset and Enterprise committee to provide close monitoring</li> <li>• Robust business modeling and financial projections</li> </ul>	2	4	8			
					Retain			
								<b>Review Date</b>
								October 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
In early stages but all aspects of this are being closely monitored by all parties (senior officers and Members)	<ul style="list-style-type: none"> <li>• More reporting on progress</li> <li>• Services to include updates within their service plans</li> <li>• Sound legal and financial advice to support the creation of a commercial company</li> <li>• Agree commercial vehicle requirements for the Council</li> <li>• Develop a business case to support the commercial activity</li> <li>• Monitoring activities via a Task Force</li> </ul>	Sept 2015	Phil Ruck, Head of Paid Service
		31/01/2016	Phil Ruck, Head of Paid Service & Steve Summers, Head of Customer Services
		31/12/2015	

<b>Risk Number 8</b>	<b>Risk Owner: Phil Ruck</b>	<b>DATE: August 2015</b>
<b>Business Risk Description:</b> Contract/Partnership Failure		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> <li>Key partnership fails or services provided via arrangements lacking adequate governance</li> </ul>	<ul style="list-style-type: none"> <li>Lack of accountability</li> <li>Resources wasted</li> <li>Financial losses</li> <li>Objectives not met</li> </ul>	<ul style="list-style-type: none"> <li>SLA's embedded within contract and penalties in place for non performance</li> <li>Regular reporting on contract performance</li> <li>Escalation and governance in place</li> </ul>	2	4	8
					Retain
					<b>Review Date</b>
					October 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
Controls are governed by contract and are in a good situation	<ul style="list-style-type: none"> <li>Continue to fine tune reporting</li> <li>Hold regular meetings with suppliers</li> <li>Engage relevant HoS (where applicable)</li> <li>New performance reports established and submitted to F&amp;R Committee</li> <li>Continue to challenge existing performance indicators</li> <li>Revised Partnership, Strategy, Policy &amp; Procedures to be ratified at Policy, Finance &amp; Resource Committee on 15 September 2015.</li> </ul>	Ongoing	Phil Ruck, Head of Paid Service

<b>Risk Number 9</b>	<b>Risk Owner: Phil Ruck</b>	<b>DATE: August 2015</b>
<b>Business Risk Description:</b> Lack of Strategic Direction		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> <li>Lack of long term strategic planning</li> <li>Lack of relationship with residents, business communities and partners</li> </ul>	<ul style="list-style-type: none"> <li>Failure to adapt to policy/legislative changes</li> <li>Poor performance management</li> <li>Poor morale</li> <li>Poor delivery of priorities/aspirations</li> <li>Inefficient use of resources</li> <li>Reputation undermined</li> <li>Failure to communicate effectively</li> <li>Lack of community engagement</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Plan</li> <li>Training and Development for Officers and Members</li> <li>Code of Conduct</li> <li>Consultation/Surveys</li> <li>Project and Performance Management Framework</li> </ul>	3	4	12
					Reduce
					<b>Review Date</b>
					October 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
Some improvements required	<ul style="list-style-type: none"> <li>Develop a clear and concrete vision for the Council in order that resource requirements can be scoped and the vision can be communicated internally and externally</li> </ul>	30/09/2015	Phil Ruck, Head of Paid Service



<b>Risk Number 10</b>	<b>Risk Owner: Helen Gregory</b>	<b>DATE: August 2015</b>
<b>Business Risk Description:</b> Failure to spend Capital Receipts		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date		
<ul style="list-style-type: none"> <li>Delays in delivering Affordable Housing programme</li> </ul>	<ul style="list-style-type: none"> <li>In the event that the Receipts are not spent then all or the outstanding balance of the specific identified sums has to be paid to DCLG with interest at 4% above Base Rate from receipt.</li> <li>Reputation damage externally with HCA/EHOG and press coverage.</li> </ul>	<ul style="list-style-type: none"> <li>Monitored by finance team</li> <li>Affordable housing programme</li> </ul>	3	5	15		
					Reduce		
			Reduce likelihood to 2 following control measures issued to purchase properties			<b>Review Date</b>	
						October 2015	

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
<ul style="list-style-type: none"> <li>Improve monitoring arrangements to CLB level</li> <li>Immediate action has been implemented to mitigate risk of delays to affordable housing development programme by instructing the asset management team to purchase 2 x 3 bedroom properties</li> </ul>	<ul style="list-style-type: none"> <li>Capital receipts placed on strategic risk register and monitored at CLB meetings</li> </ul>	Sep -15 £168,347.77  Dec-15 £940,485.57  Mar-16 £446,052.23	Helen Gregory, Head of Housing