

Strategic Risk Register and Action Plan

Risk Number 1	Risk Owner: Chris Leslie	DATE: October 2015
Business Risk Description: Finance Pressures		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> • Failure or significant reduction of income streams and external funding • Significant change in priorities – influenced by either demand, political vision or legislation • Unplanned expenditure as a result of urgent works • Expenditure incurred where no budgetary provision exists • Target levels for income are not achieved • Target efficiency savings are not achieved 	<ul style="list-style-type: none"> • Council unable to meet budget requirements • Staffing and service level reductions • Greater use of reserves to maintain a balanced budget • Working balance levels fall below the risk assessed level • Increased Council Tax • Increase in charges 	<ul style="list-style-type: none"> • Medium Term Financial Planning is undertaken on an annual basis • Monthly Budget Monitoring • Half year reports to Members • A Funding Volatility Reserve has been created to specifically address the uncertainty of Government funding levels • Healthy reserves and working balance levels held 	4	5	20
					Reduce
					Review Date
					Dec 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.	MTFP for next two years drafted with budget setting deadline of 2 March 2015.	Monthly budget monitoring. Budget set 2 March 2015.	Chris Leslie, Finance Director

Risk Number 2	Risk Owner: Gordon Glenday	DATE: October 2015
Business Risk Description: Local Development Plan		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> Failure of Council to adopt a Plan in line with National Planning Policy Framework (NPPF) <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"> formal agreement through Duty to Cooperate Failure to adopt Community Infrastructure Levy (CIL) Loss/long term absence of staff Recruitment difficulties 	<ul style="list-style-type: none"> Planning applications judged against NPPF 'in favour of sustainable development' Development permitted in locations on an ad-hoc basis Potential appeal costs Staff resource implications to deal with increased applications Lack of necessary infrastructure funding Delay to Plan preparation and lack of necessary expertise & experience 	<ul style="list-style-type: none"> Meeting targets set out in the Plan timetable (Local Development Scheme) Ongoing discussion with neighbouring Local Planning Authorities Recruitment of permanent staff to fill posts in Planning Policy Team (August 2014), reduced reliance on agency & temp staff 	3	5	15
					Reduce
					Review Date
					Dec 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"> Agreement of a new Plan timetable Agreement through Duty to Cooperate with neighbouring Local Planning Authorities regarding cross-boundary issues Agreement of key issues to inform proposed spatial strategy for quantum and locations of new development Completion of technical evidence to inform emerging Plan policies Consultation on CIL Preliminary Draft Charging Schedule and further work to enable CIL adoption by April 2016 deadline 	<p>LDP – July 2017</p> <p>CIL – April 2016</p>	Gordon Glenday, Head of Planning Phil Drane, Planning Policy Team Leader

Risk Number 4	Risk Owner: Phil Ruck	DATE: October 2015
Business Risk Description: Organisational Capacity		

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

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
<p>As a District 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"> Develop a clear and concrete vision for the Council in order that resource requirements can be scoped Continuous programme of service reviews to evaluate alternative options for service delivery Look at shared service options in order to build capacity 	<p>30/09/2015 (after consultation)</p> <p>Ongoing</p>	<p>Phil Ruck, Head of Paid Service</p> <p>Relevant Managers</p>

Risk Number 5	Risk Owner: Chris Potter	DATE: October 2015
Business Risk Description: Information Management and Security		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> Data held by the Council ends up in inappropriate hands Little or no awareness of data collected internally – poor information sharing Lack of resources for IT integration 	<ul style="list-style-type: none"> Breach of corporate governance Increased costs and legal implications Reputation damaged 	<ul style="list-style-type: none"> Data Protection Policy 	3	5	15
					Reduce
					Review Date
					Dec 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"> Review existing Data Protection Policy Raise awareness of the importance of information to the Council and the individual Produce a co-ordinated approach to information management and security Further training is being rolled out to Members & Officers and dates being arranged. 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. Diarised date in place for individual Councillor notification with ICO for renewal in April 2016. 	31/01/2016 Beginning of January 2016 April 2016	Christopher Potter, Monitoring Officer and Head of Support Services

Risk Number 7	Risk Owner: Phil Ruck	DATE: October 2015
Business Risk Description: Commercial Activities		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date			
<ul style="list-style-type: none"> Business plans not agreed Individual service income not realised or income generation below projections Business models reveal poor market prospects or fail Income not realized due to weak commercial company arrangements (including poor Governance) 	<ul style="list-style-type: none"> Council unable to meet budget requirements Staffing and service level reductions Spending/service cutbacks Greater use of reserves if required net savings are not achieved Increased Council Tax Increase in charges Ineffective application of business model and company fails (services move back in-house) 	<ul style="list-style-type: none"> Medium Term Financial Planning is undertaken on an annual basis with monitoring arrangements Monthly Budget Monitoring Quarterly monitoring arrangements Regular reports to Asset and Enterprise committee to provide close monitoring Robust business modeling and financial projections 	2	4	8			
					Retain			
								Review Date
								Dec 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"> More reporting on progress Services to include updates within their service plans Sound legal and financial advice to support the creation of a commercial company Agree commercial vehicle requirements for the Council Develop a business case to support the commercial activity 	Dec 2015	Phil Ruck, Head of Paid Service
		Jan 2016	Phil Ruck, Head of Paid Service & Steve Summers, Head of Customer Services
		Feb 2016	

Risk Number 8	Risk Owner: Phil Ruck	DATE: October 2015
Business Risk Description: Contract/Partnership Failure		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> Key partnership fails or services provided via arrangements lacking adequate governance 	<ul style="list-style-type: none"> Lack of accountability Resources wasted Financial losses Objectives not met 	<ul style="list-style-type: none"> SLA's embedded within contract and penalties in place for non performance Regular reporting on contract performance Escalation and governance in place 	2	4	8
					Retain
					Review Date
					Dec 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"> Continue to fine tune reporting Hold regular meetings with suppliers Engage relevant HoS (where applicable) New performance reports established and submitted to F&R Committee Continue to challenge existing performance indicators Revised Partnership, Strategy, Policy & Procedures to be ratified at Policy, Finance & Resource Committee in December 2015. 	Ongoing	Phil Ruck, Head of Paid Service

Risk Number 9	Risk Owner: Phil Ruck	DATE: October 2015
Business Risk Description: Lack of Strategic Direction		

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

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
Some improvements required	<ul style="list-style-type: none"> 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 Vision to be agreed by Full Council 18 November 2015. 	30/11/2015	Phil Ruck, Head of Paid Service

Risk Number 10	Risk Owner: Helen Gregory	DATE: October 2015
Business Risk Description: Failure to spend Capital Receipts		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date		
<ul style="list-style-type: none"> Delays in delivering Affordable Housing programme 	<ul style="list-style-type: none"> 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. Reputation damage externally with HCA/EHOG and press coverage. 	<ul style="list-style-type: none"> Monitored by finance team Affordable housing programme 	3	5	15		
					Reduce		
			Reduce likelihood to 2 following control measures issued to purchase properties			Review Date	
			Dec 2015				

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
<ul style="list-style-type: none"> Improve monitoring arrangements to CLB level 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 	<ul style="list-style-type: none"> Capital receipts placed on strategic risk register and monitored at CLB meetings 	Sep -15 £168,347.77 Dec-15 £940,485.57 Mar-16 £446,052.23	Helen Gregory, Head of Housing

Risk Number 11	Risk Owner: Helen Gregory	DATE: October 2015
Business Risk Description: Roll out of Universal Credit		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> Approximately 50% of residents will be affected by Universal Credit as they are in receipt of Housing Benefit At least 5 affected Tenants since March 2015 Pending roll out to all on Housing Benefit over the next 2-4 years 	<ul style="list-style-type: none"> Loss of income to the HRA account 	<ul style="list-style-type: none"> Current Tenants affected by Universal Credit are being monitored by Housing Officers regularly Ability to refer externally/internally for budgeting advice Updated Income Management procedure to become more client based 	4	5	20
					Review Date
					Dec 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
<ul style="list-style-type: none"> More Officer – Tenant interaction via phone and face to face 	<ul style="list-style-type: none"> Education to all residents with regards to Money Management Development and implementation of a Pre-Tenancy Service 		

Risk Number 12	Risk Owner: Helen Gregory	DATE: October 2015
Business Risk Description: Extension of Right to Buy to registered provider tenants		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> RTB is being extended to Housing Association tenants. It is proposed that funding will be provided by the Local Authority from the sale of high value Council houses when they become vacant 	<ul style="list-style-type: none"> Funding Reduced stock loss of homes <p>The full consequences are still unknown. We do not know how many Housing Association Tenants will want to purchase their homes. Housing Associations although mainly opposed to the idea; have negotiated through the National Housing Federation a deal with the Government to operate the RTB on a voluntary basis rather than compulsory.</p>	<p>The full details of the proposal will be announced through the Housing Bill. The 1st reading of the Housing Bill was heard on the 13 October 2015; the 2nd reading of the Housing Bill is on the 2 November 2015.</p> <p>We will continue to monitor progress and update Members.</p>	4	5	20
					Review Date
					Dec 2015

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
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Risk Number 13	Risk Owner: Phil Ruck	DATE: October 2015
Business Risk Description: Failure to deliver key Corporate Projects		

Trigger	Consequences	Existing Controls	Likelihood	Impact	Risk Rating to date
<ul style="list-style-type: none"> No progress on the key corporate projects (currently defined as) <ol style="list-style-type: none"> LDP Town Centre/ WHW Town Hall Transformation Agenda 	<ul style="list-style-type: none"> Corporate plan is not delivered Underutilisation of resources Lack of economic growth Poor planning decisions forced upon Council (potential) 	<ul style="list-style-type: none"> PFR committee appointed as Programme Board Continued communication on all projects Ownership of delivery of projects identified at all levels within the Council 	2	5	10
					Review Date
			Dec 2015		

Effectiveness of controls	Further Action Required	Target Date for completion	Officer(s) Responsible
<ul style="list-style-type: none"> In early stages but acknowledgment of ownership has been high 	<ul style="list-style-type: none"> Development of key strategic plans which will then inform service plans 	Jan 2016	Phil Ruck, Head of Paid Service