

Appendix A – Council Risk Register September 2024 highest rated risks

The tables below summarise the key risks presented to the latest service panels held for each service. A key to the table format is found at the end of this document.

Community Services Key Risks

Description	Previous residual rating	Latest residual rating	Latest residual rating	Impact	Source of Risk	Controls in place	Comment
Influx of refugees and evacuees that the council has a duty or responsibility to support and accommodate	9	9	Likelihood=3 Impact=3	Impact on staff resources and pressure to provide accommodation - financial impact. Also impact on local communities.	Government policy / war	We would need government funding to control this risk. A 'Refugee Workstream' plan is being produced to including best practice and lessons learnt from Rushmoor Borough Council (RBC).	Considering the issues seen in Rushmoor (RBC) surrounding the asylum seeker move from Potters Hotel to residential units in the town centre, officers have been in discussion with those involved to learn from their experiences.

<p>Loss of Ministry of Housing, Communities and Local Government (MHCLG) Homelessness Prevention Grant (HPG) is secure till 2025 but unknown after that</p>	<p>9</p>	<p>6</p>	<p>Likelihood=2 Impact=3</p>	<p>Loss of income to deliver homelessness prevention services and fund emergency accommodation.</p> <p>Negative financial impact on budgets</p>	<p>Changes in government policy</p>	<p>All staff are on establishment There are some financial reserves in the service to provide a buffer and grant confirmed to end of 25. However, the new government have not made any reference to any reductions, and tackling homelessness is a priority.</p>	<p>Reviewed controls, no further update from government as yet so unlikely to be any reduction although it is possible</p>
<p>Withdrawal or reduction in funding for Disabled Facilities Grants (DFGs)</p>	<p>6</p>	<p>6</p>	<p>Likelihood=2 Impact=3</p>	<p>Reduced ability to assist residents in need and loss of staff posts funded via Better Care Fund</p>	<p>Changes in government funding regime or Hampshire County Council distribution formula</p>	<p>Ensuring we spend allocations year on year</p> <p>Underspend from previous years has been moved to ear marked reserves to be used if we have future reductions</p>	<p>No change</p>

Post Overview and Scrutiny meeting note: First Homes risk has been removed in light of the new Government's proposed reforms to the National Planning Policy Framework (NPPF)

Corporate Services Key Risks

Description	Previous residual rating	Latest residual rating	Latest residual rating	Potential Impact	Source of Risk	Controls in place	Comment
Waste and recycling service facing significant change in next 3 years due to new legislation, new disposal arrangements with Hampshire County Council (HCC) and contract end-date	9	16	Likelihood=4 Impact=4	Potential material financial impact on budget – uncertain costs and government funding Potential impact on residents from changes to collection arrangements	Uncertainty in government funding and timing of new arrangements HCC cabinet report agreed new Inter Authority Agreement (IAA) and default financial mechanism on 18 July 2023 - this is currently paused pending assessment of new legislation Serco contract end date Sept 2026	Governance with Basingstoke and Deane Borough Council and Hampshire County Council (HCC) Watching brief with government changes, timing and funding Regular meetings with client team and Serco	Q2 remain at 16 (likely 4 x critical 4) Increased likelihood from possible to likely since Q1. Uncertainty around Government commitment to new burdens funding for statutory food waste collection service

<p>Risk of a Cyber-attack on the Council's systems and data</p>	<p>12</p>	<p>12</p>	<p>Likelihood=4 Impact=3</p>	<p>Reputational damage Data loss or ransom could use significant staff and other resources and have major financial impact</p>	<p>Constant threat of attacks directly and via third party data holders</p>	<p>Insurance policy in place for financial consequences Secured grant funding and have put in a range of measures to strengthen resilience Undertaken training and awareness for staff and councillors and completed a test exercise in October 2023</p>	<p>Whilst the likelihood of a cyber attack is high, Hart's awareness and defences are robust and in line with government recommended practice which helps reduce the risk of a successful attack</p>
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<p>Medium Term Financial Strategy and Budget – unable to deliver sustainable balanced budget over the medium term</p>	<p>12</p>	<p>12</p>	<p>Likelihood=3 Impact=4</p>	<p>MTFS currently shows a budget shortfall from 2025/26 Savings and efficiency programmes will be needed if income and external funding remain static or decline in future. New Homes Bonus, retained business rates, waste costs and planning income are key risk areas.</p>	<p>Uncertainty around timing and impact of government funding Volatile economic conditions including inflation and interest rates making accurate forecasting difficult Government restrictions on commercial property deals</p>	<p>Outturn and reserves review provide an opportunity to assess current risks and financial pressures and take steps to alleviate these in the medium term including base budget alignment MTFS emerging pressures will be assessed and reported to O&S and Cabinet in the Autumn ahead of budget setting in February</p>	<p>Q1 increase to 12 - maintained at Q2 (likelihood possible 3 x critical impact 4) Increased from 9 in Q1 due to continued uncertainty in economy, waste costs and government funding. Whilst balanced budget in 24/25 and positive forecast position, the MTFS projection is still showing a budget shortfall in subsequent years.</p>
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<p>Delivery of climate change action plan objectives and achievement of zero carbon aims</p>	<p>9</p>	<p>9</p>	<p>Likelihood=3 Impact=3</p>	<p>If staff capacity and focus is not sufficient and funding (external and internal) is not secured, this will impact on the speed and extent of achieving the agreed plan and consequent carbon reduction</p>	<p>Funding resourcing Engagement from staff, councillors and the community (residents and businesses)</p>	<p>Refreshed Action Plan approved by Cabinet following scrutiny. Strengthened staff resource in place and officer group active. The Council has approved a further £300k budget in 2024/25 to progress the climate change programme Reserves review has identified the funding need to deliver the action plan. Local Partnerships are supporting as a critical friend including signposting external funding and sharing good practice and success from other councils Good progress with energy</p>	<p>Hart has been awarded Public Sector Decarbonisation Scheme (PSDS) funding and Skills Funding, plus funding for solar panels at Frogmore Leisure centre. Projects are progressing in these areas</p>
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Place Services Key Risks

Description	Previous residual rating	Latest residual rating	Latest residual rating	Potential Impact	Source of Risk	Controls in place	Comment
Recruitment & retention of key staff	12	9	Likelihood=3 Impact=3	Unable to deliver key statutory service / Service Plan	Loss of key staff and unable to recruit	Succession planning, appropriate staff recognition, backfill with agency staff as last resort Ability to manage work priorities, and say 'no' to new projects if there is not the capacity to deliver them	The work in Place is reliant of the appropriate number of knowledgeable and qualified staff

<p>Workload required due to reactive nature of the service / public demand - whether development management, planning policy or environmental health. For example, neighbourhood plans, Parish-led Conservation Area Appraisals, Duty to Corporate, environmental health service requests</p>	<p>12</p>	<p>9</p>	<p>Likelihood=3 Impact=3</p>	<p>Unable to deliver key statutory service / Service Plan</p>	<p>Workload created by other organisations where the District Council is obliged to respond</p>	<p>Better working with partner organisations to understand their work, and what requirements they will have for support from the District Council</p>	<p>The nature of the work in Place in many areas is that it is reactive to the demands of outside bodies, whether it is determining planning applications, dealing with enforcement enquiries, environmental health service requests or matters such as Neighbourhood Plans or commenting of neighbouring Local Plans</p>
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<p>Consequences of the proposed changes to the Planning System flowing from Levelling Up and Regeneration Act and secondary legislation (Planning Policy & Development Management)</p>	20	15	<p>Likelihood=5 Impact=3</p>	<p>Major changes to planning services, potential roles and responsibilities and work priorities</p>	<p>National changes</p>	<p>Keep up to date with current thinking / consultations, plan for different scenarios</p>	<p>The Government is proposing major Planning Reforms</p> <p>This is likely have consequences to the Planning Policy and Development Management teams as the consequences of these changes are understood and implemented</p>
<p>Unplanned and/or unexpected peaks in work eg Licensing Hearings, Planning appeals</p>	12	9	<p>Likelihood=3 Impact=3</p>	<p>Unable to deliver key services / Service Plan.</p>	<p>Third parties</p>	<p>Liaison with colleagues, Shared Services and other partners. Review resources / priorities when this occurs. Consider opportunities to outsource some work</p>	<p>The nature of the work in Place in many areas is that it is reactive to the demands of outside bodies</p>

Key to tables

Description: A summary of the nature of the risk.

Residual rating: The risk score after assessing the consequence and likelihood of that risk occurring. See the matrix below for the colour chart.

Potential Impact: A summary of the consequences if the risk is realised

Source of Risk: Where the risk originated from or the pressures that are creating the risk

Controls in place: The measures put in place by the service to mitigate the consequences (including tolerating the risk if necessary)

Likelihood		Rare	Unlikely	Possible	Likely	Almost certain
		(1)	(2)	(3)	(4)	(5)
Consequence						
Catastrophic	(5)	5	10	15	20	25
Critical	(4)	4	8	12	16	20
Major	(3)	3	6	9	12	15
Moderate	(2)	2	4	6	8	10
Minor	(1)	1	2	3	4	5