

Appendix A - Corporate Risk Register

Area	Impact	Prior Assessment			Current Assessment			Risk Owner
		Likelihood	Consequence	Risk Rating	Likelihood	Consequence	Residual Risk	
Financial	Reduction in spending power. Inability to fund services	4 - Likely	4 - Critical	16	4 - Likely	3 - Major	12	Head of Corporate Services
<p>Description</p> <p>Changes to Local Government Funding. Loss of key income stream and subsequent budget implications. Possible loss of government grants</p> <p>Inflation and Cost of living crisis</p>	<p>Source of Risk</p> <p>Local Government Funding Review has been delayed but is still almost certain to happen in the medium term. Further concern as to whether new homes bonus will be received in future years.</p> <p>Fees and charges are currently below benchmark average and income may fluctuate in the current economic crisis.</p> <p>Ability for residents to pay for Council Tax, Business rates or services provided.</p>			<p>Existing Controls</p> <p>Medium Term Financial Strategy is in place. Commercialisation programme has continued to invest and provide alternative income streams. Treasury management strategy adopted and in place Commercialisation strategy will be updated and reviewed regularly. Review of all fees and charges for inclusion in the 2023-24 budget planning process.</p> <p>Ensure available funding and grants are managed and circulated correctly. Provide payment plans and additional support wherever appropriate</p>			<p>Further Mitigations</p> <p>Review diversified, increased sources of income and cost reduction.</p> <p>Lobby via LGA, District Councils Network and Society for Local Authority Chief Executives, or clarity of funding review outcome and improvements via LGF outcomes.</p> <p>Consideration of new income streams. Reset the relationship with our contract providers where possible.</p>	

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Governance	Poor governance framework, resulting in poor decisions	2 - Unlikely	3 - Major	6	2 - Unlikely	2 - Moderate	4	Head of Corporate Services
Description	Source of Risk			Existing Controls			Further Mitigations	
	<p>Poor performance for shared and outsourced services with no consequences. Governance frameworks for shared or outsourced services are not always effective. Governance arrangements for outsourced and shared services are not always robust. Decisions are made outside of the control of the council for services we provide.</p> <p>Potential lack of clarity on direction sought by the Administration which may lead to slower decisions, no decisions or greater resources required to help inform those decisions.</p>			<p>Committee Structure in place. Scheme of Delegation in place and adhered to.</p> <p>Toolkit training given to officers - such as Fraud Awareness, Procurement. Annual Governance Statement process in place. All Statutory Officers are in post, Shared Legal Services Team in place. Compliance with the law, Member and Officer Codes of Conduct in place. Review of Local Code of Corporate Governance took place in June 2022.</p> <p>Manage political relationships. New Member inductions available after the elections. Member Development Opportunities in place including FOI / GDPR / Fraud Awareness / Equality/ Legislation /Safeguarding etc</p>			<p>Improved processes and more standardised approaches</p> <p>Reduced number of services are now part of the 5 Councils contract. This contract will end in 2 years.</p> <p>Encourage political groups to manage their own training to ensure Cllrs are effective on day 1 and as part of this, encourage them to use training made available via the Local Government Association.</p>	

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Employee	Adverse impact on service delivery. Risk of error.	4 - Likely	3 - Major	12	4 - Likely	2 - Moderate	8	Joint Chief Executive
Description Failure to recruit or retain suitably skilled staff Service continuity, delays in service provision to customers both external and internal.	Source of Risk Poor decisions & Customer dissatisfaction, possible inability to appoint experienced staff into certain professional roles (this is a national issue with shortages in auditing, planning, environmental health etc. Increased workload levels for staff. Possible inability to balance work/life balance particularly with agile working the 'new normal'. This may result in staff feeling they do not have the ability to influence decisions or are that they are not being kept informed.			Existing Controls Sharing Knowledge. Opportunities to leverage expertise from other councils. Robust policies and procedures and guidance notes in place. Health & Wellbeing Officer is in place. The culture encourages open discussion on employment issues, soft opportunities such as volunteering being explored. Need to ensure vacancies are advertised widely and our rates of pay remain competitive in the market. Ensure controls in place are consistent. More use of automated systems (eg, case management) that enable smoother handover and resource levelling across the organisation. Improve sharing of knowledge. Use temporary staff where available and appropriate. All staff have 121s on a monthly basis with performance development reviews on a six-			Further Mitigations Consider the option of career graded progression within the organisation to develop home grown talent. Embed an Organisational Development Plan. Agile Working Policy is in place and all Members of Staff have considered their work styles, which works best for them and their productivity and agreed an approach with their line manager. We try to remove the stigma around mental health, regularly	

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					monthly basis, with the ability to raise concerns regarding workload, at any of these (and other informal) meetings. We also provided our Employee Assistance Programme, which provides a wide suite of support for our staff. We have All Staff Briefings on a monthly basis to keep all staff up to date on key matters across the organisation. We encourage all staff to get involved in Service Plan creation, so that their influence decisions on key priorities in their area of expertise. In addition, we have periodic anonymous staff surveys, with all staff encouraged to take part, so we can take the temperature of the organisation.			discussing it and providing training and support
Area	Impact	Prior Assessment			Current Assessment			Risk Owner
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Corporate Contracts		3 - Possible	3 - Major	9	3 - Possible	2 - Moderate	6	Joint Chief Executive
Description A badly run contract can be an expensive and ineffective way to deliver a service. Inflationary uplifts and changes in circumstances may lead to inefficiencies or non-delivery of key services	Source of Risk Potential changes to the contract, potential changes to the partners who are party to any agreement leading to challenges in the way decisions are made in the future. Potential decision of other parties to leave the contract, impacting on those remaining. Increased costs to services, increased cost to manage the contract, increased officer time and resources to manage. Low value for money as the contract ages. 3 rd party ownership changes that might impact delivery of some services				Existing Controls Governance frameworks is in place, which include: The Inter Authority Agreement. Joint Committee. Strategic Board. Operational Management Board. Joint Client Team. Hart Client Team. Transition in progress to in-house service provision on services that are performing below expectations. Robust KPIs data sharing across all contracts and boards			Further Mitigations Consideration of future service delivery and exploring options for the medium to longer term planning of the council.

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Climate Change	Unable to deliver against the Climate Change Action Plan	4 - Likely	2 - Moderate	8	1 - Rare	2 - Moderate	2	Head of Corporate Services
Description	Source of Risk			Existing Controls			Further Mitigations	
Failure to achieve agreed carbon reduction targets	Lack of staff and financial resources. Difficulties in getting public buy in. Lack of tools and direction from the government			New terms of reference for member working group agreed. Carbon pathway being prepared. Strong leadership and achievable goals and deliverables.			Additional resources to improve communication Updated climate change action plan and map of resources requirements to be prepared	

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Cyber Security	Security of data. Reputation risk. Data Breach. Non-compliance with GDPR. Fraud and extortion risks.	4 - Likely	5- Catastrophic	20	3 - Possible	4 - Critical	12	Head of Corporate Services

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<u>Description</u>	<u>Source of Risk</u>	<u>Existing Controls</u>	<u>Further Mitigations</u>
<p>Cyber Security risks are increasing as everybody makes use of technology as a way of managing sensitive data and business critical functions. Personal data needs to be protected, some of which is held on our behalf by 3rd parties.</p>	<p>Staff unaware how to store/manage, share/discard personal data. Failure of Staff and Councillors to use protection and controls to prevent breaches (e.g., using personal devices). Increased use of technology to manage and share data, exposes the council to cyber risks and threats. Organised crime and opportunists are continually looking for control weaknesses to use our sensitive data for a wide range of criminal activities or ransom to.</p>	<p>Cyber Security Training provided to all employees and members. Network security controls. Personnel management. Data management plan in place. In September 2021, data migrated to restricted access/password controlled secure SharePoint. Data Protection Officer in place and active. UK GDPR action plan – regularly updated and work plan agreed annually. Biannual GDPR training (last provided June/July 2021) for all officers and members. Older servers with unsecure access have been closed.</p>	<p>Increased briefing and training. Disaster Recovery exercises.</p>

CONSEQUENCE SCORE					
	Score	Financial	Regulatory	Reputation	Service Failure/Business Continuity

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Catastrophic	5	Above £1m	Prosecution	Total loss of public confidence	3 months to re-establish service
Critical	4	£500K - £1m	Enforcement Action or function put into special measures	National negative media coverage > 3 days	Loss or interruption greater than 1 month
Major	3	£50K - £500K	Multiple breach of statutory legislation	National negative media coverage < 3 days	Loss or interruption 1-4 weeks
Moderate	2	£5K - £50K	Single Breach of statutory legislation	Local negative media coverage longer term (1 month or over)	Loss or interruption 1 - 5 Days
Minor	1	£0 - £5K	Reduction in Statutory Services	Local negative media coverage for a short term (under 1 month)	Loss or interruption < 1 day

LIKELIHOOD SCORE

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Descriptor		Rare	Unlikely	Possible	Likely	Almost Certain
Score		1	2	3	4	5
Frequency		This will probably never happen	Do not expect it to happen but it is possible	Might happen	Will probably happen and may persist	Will almost certainly happen and will happen frequently

Risk Rating = Consequence x Likelihood						
		1	2	3	4	5
		Rare	Unlikely	Possible	Likely	Almost Certain
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

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Assessing & Managing the Risk

			Transfer	Tolerate	Treat	Terminate
1 - 3	Low Risk		✓	✓	✓	✓
4 - 6	Medium Risk		✓		✓	✓
8 - 12	High Risk				✓	✓
15 - 25	Very High Risk				✓	✓