

Corporate Risk Register 2019/20

Governance, Audit and Performance Committee Update – September 2019

Likelihood Scores

Score	Probability
1 (Little Likelihood)	Less than 10%
2 (Some Likelihood)	10% to 50%
3 (Significant Likelihood)	51% to 90%
4 (Near Certainty)	More than 90%

Impact Scores

Score	Impact Level on Strategic Objectives
1	Minor impact/delay/difficulty
2	Small impact/delay/difficulty
3	Considerable impact/delay/difficulty
4	Extreme impact/delay/Difficulty

Each risk score for likelihood and impact is plotted onto a risk matrix to produce its score. A green score indicates risks which the organisation is most prepared to accept and red those which are less likely to be accepted.

		1	2	3	4
LIKELIHOOD	4	4	8	12	16
	3	3	6	9	12
	2	2	4	6	8
	1	1	2	3	4
		1	2	3	4
		IMPACT			

19-CR-01 FINANCIAL CONTROL						
<p>If the council does not implement and sustain a robust 5 year financial strategy then reserves may be inadequate to meet unforeseen circumstances leaving the council with undue financial pressures</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	AW	2	4	8	<ul style="list-style-type: none"> • Monthly budget monitoring – Revenue and Capital (including HRA) • Quarterly budget monitoring to Members 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		2	4	8	<ul style="list-style-type: none"> • Actively seeking a second major investment • Service reviews to drive efficiencies 	
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
1	4	4	CMT	31.03.2020		
<p><u>PROGRESS UPDATE (August 2019)</u></p> <p>The 2020/21 budget setting process is underway. A service efficiencies workshop has been held and agreed reductions will be built into the new budget. Service growth will be refined in October along with Member priorities. This will be aided by the early announcement of the one year financial settlement which is expected in September. A revised Investment Strategy will be taken to Cabinet in September and Council in October for approval. Investment opportunities will continue to be sought.</p>						

19-CR-02 BUSINESS CONTINUITY						
	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
If the council does not have sufficient and robust corporate resilience and Business Continuity management then a major disruptive event could impact staff, property, or systems and networks leading to a reduction in service delivery, damage to organisational reputation or significant financial loss	RH	2	3	6	• Existing Business Continuity Plans	
		Current Likelihood	Current Impact	Current Score	Further Action	
	2	3	6	• Check all Services have Business Continuity plans in place • Update as relevant • Testing of Business Continuity plans		
	Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date	
	1	3	3	Service Managers (SMT)	31.03.2020	
<u>PROGRESS UPDATE (August 2019)</u>						
<ul style="list-style-type: none"> ◇ Part time Emergency Planning Officer (EPO), a shared resource with Essex County Council, has been recruited. ◇ EPO is currently in the process of reviewing the corporate Business Continuity plan, and existing policies and procedures. ◇ An updated corporate Business Continuity plan is scheduled for mid-September. 						

19-CR-03 HEALTH AND SAFETY						
<p>If the council does not manage the Health and Safety and welfare of its general public, visitors and staff then it will not be meeting its statutory organisational responsibilities leading to a loss of reputation as a responsible employer, potential involvement in legal action or loss of life or serious injury</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	AW	1	4	4	<ul style="list-style-type: none"> • Regular H&S Audits/Training/Risk Assessments • Up-to-date Policies and Procedures 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		1	4	4	<ul style="list-style-type: none"> • Ongoing maintenance of systems, procedures and reporting 	
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
1	4	4	RM/TC	31.03.2020		
<p><u>PROGRESS UPDATE (August 2019)</u></p> <p>A part-time Corporate Health & Safety Officer has been recruited, and policy and procedure reviews are underway. As part of this, the authority will be undertaking a Health & Safety audit based upon the HSG 65 guidance published by the Health and Safety Executive. The internal Safety Advisor's Team (SAT) has also been reinvigorated.</p>						

19-CR-04 PEOPLE							
<p>If the council's workforce is not reviewed and developed then it may hinder its ability to support transformational programmes and service delivery leading to an inability to achieve corporate objectives, retain and recruit staff and loss of reputation</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls		
	AW		2	3	6	<ul style="list-style-type: none"> • Transformational projects identified through corporate planning process and staff resources identified to deliver. 	
			Current Likelihood	Current Impact	Current Score	Further Action	
			2	3	6	<ul style="list-style-type: none"> • Workforce Strategy ("People Plan") to be developed as per LGA peer review recommendation in order to identify organisational needs for the coming years and put in place actions to address those needs. 	
			Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
	1	3	3	RA	31.03.2020		
<p><u>PROGRESS UPDATE (August 2019)</u></p> <ul style="list-style-type: none"> ◇ A strategic review of HR has been completed by a consultant supplied by the East of England Local Government Association and the report is being used to inform future service developments. ◇ Recruit of a fulltime HR manager is under way. One of the first tasks for the successful applicant is to develop the Workforce Strategy. ◇ A second tranche of managers will undertake the Institute of Leadership and Management Level 5 qualification this year following a successful course last year, which will help development management skills to drive change in the Council. The Apprenticeship Levy is being used to upskill existing staff in areas which can be difficult to recruit into, such as Planning & Building Control. 							

19-CR-05 DATA PROTECTION								
<p>If the council does not adopt and implement Data Protection controls then there may be a loss of data, inadequate data handling, unlawful sharing of data or security breaches leading to loss of public and partner confidence, reputational damage, breach of legislation and financial loss due to fines</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls			
	DF		2	4	8	<ul style="list-style-type: none"> E-learning module for all staff Use, storage and sharing protocols Building and IT security 		
		Current Likelihood	Current Impact	Current Score	Further Action			
			2	4	8	<ul style="list-style-type: none"> Learning, reflection and sharing of good practice arising from implementation of GDPR, in particular advice from ICO; monitoring of subject access requests; appointment of permanent DPO; monitoring of new procedures introduced to the organisation; establishment of Information Governance Group; regular reports to Corporate Management Team. 		
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date		
			1	4	4	Project team, led by SP	31.03.2020	
<p>PROGRESS UPDATE (August 2019)</p> <p>The GDPR implementation project has been completed and the organisation has moved forward significantly. An Information Governance Group has been established, chaired by the Assistant Director for Governance & Legal, on which representatives from across the organisation attend; this group receives a regular update on progress against new tasks identified and approved by that group, providing a strengthened governance role around this work. This group reports to the Chief Executive and Corporate Management Team. All new processes and services are now subject to a data protection assessment, to identify the risks and introduce mitigation measures as part of implementation.</p> <p>The review of the documentation policy remains outstanding but will be completed by March 2020. The large intake of new members following the election in May has created an additional area of work to ensure they are fully aware of their role in data protection.</p> <p>We remain ambitious to reduce the likelihood to 1 through the range of proactive measures by increasing the organisational awareness; however, this is an area in which simple human error will always be a risk.</p>								

19-CR-06 INFORMATION TECHNOLOGY						
<p>If the council does not ensure resilient and robust IT security is in place then the organisation may be exposed to network vulnerabilities such as cyber-attacks and system failures leading to reputational damage, liability issues, loss of service provision and reputation</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	AW	3	4	12	<ul style="list-style-type: none"> • The majority of ICT systems are held off site in data centres • Windows operating system security patches are updated • Members of CERT-UK WARP (Warning, Advice and Reporting Point) part of the Centre for protection of National Infrastructure. It provides us with privileged access to cyber threats 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		3	4	12	<ul style="list-style-type: none"> • Further investment in system security • Robust recovery plan 	
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
2	4	8	NW	31.03.2020		
<p><u>PROGRESS UPDATE (August 2019)</u></p> <p>Following the recently completed LGA cyber stocktake where the council score mid-range (Amber), a relatively small amount of external funding has been secured and additional levels of security put in place to enable the council to progress to a top range (Green) score. Even allowing for this progress, cyber-attacks are such that the risk will always remain high.</p>						

19-CR-07 GOVERNANCE						
<p>If the council does not have a clear and robust governance framework then leadership and decision making will not be effective with un-defined responsibilities resulting in a lack of accountability to our stakeholders, potential breaches of legislation and significant financial loss</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls	
	DF	2	4	8	<ul style="list-style-type: none"> Annual governance statement Have a documented constitution, which is regularly reviewed Adopted corporate plan and service plans 	
		Current Likelihood	Current Impact	Current Score	Further Action	
		2	4	8	<ul style="list-style-type: none"> Review corporate governance framework in accordance with CIPFA guidance notes Update training/awareness Roll out of use of mod.gov to all staff and members, including recording and publication of key decisions. 	
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
1	4	4	SP	31.03.2020		
<p><u>PROGRESS UPDATE (August 2019)</u></p> <p>The implementation of mod.gov has substantially improved the governance of formal decision making. A significant member development programme has been implemented for all members following the elections in May 2019, which included topics on the Constitution and effective decision making. The programme has received very positive feedback and results of a survey will be analysed to ensure further improvements as the next phase of the programme is delivered. The Annual Governance Statement was signed off by the Council's external auditors as part of the statement of accounts. The full review of the corporate governance framework has been put on hold pending a member-led review of the Council's governance arrangements.</p>						

19-CR-08 SERVICE DELIVERY							
<p>If the council does not achieve its key priorities and objectives and service plans then opportunities to improve the wellbeing of the community and protect the character of the district will be missed leading to dissatisfied residents and stakeholders, reputational damage and potential government intervention</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls		
	DF		1	4	4	<ul style="list-style-type: none"> • Adopted corporate plan, delivery plan and service plans • Budget and MTFS to support delivery • Regular performance monitoring and reporting to CMT, Cabinet and GAP 	
		Current Likelihood	Current Impact	Current Score	Further Action		
			1	4	4	<ul style="list-style-type: none"> • Produce corporate governance framework 	
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date	
	1	4	4	SP	31.03.2020		
<p><u>PROGRESS UPDATE (August 2019)</u></p> <p>The organisation continues to work to the Council's priorities agreed by Council in February 2019 and a delivery plan approved by the Conservative Administration. The new Administration formed following the May Elections and has yet to establish and communicate fully its priorities, which may impact on service planning and budget setting for 2020/21. Cabinet members continue to monitor KPI and PI data prior to formal consideration by GAP but these are not indicators or targets which they have set. Some work is progressing on the corporate governance framework and aligning it to the CIPFA recommended presentation.</p>							

19-CR-09 LOCAL PLAN							
<p>If the council does not have an up to date local plan it is exposed to significant risks: adverse impact on its revenue position related to the lack of a sound base for its development management function and on- going costs of preparing a local plan and likely intervention by the MHCLG ; and reputational damage affecting its ability to recruit high calibre staff, bid for external government funding and form joint ventures and secure commercial income</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls		
	RH		2	4	8	<ul style="list-style-type: none"> • Local Plan Project Board • Planning Policy Working Group 	
			Current Likelihood	Current Impact	Current Score	Further Action	
			2	4	8	<ul style="list-style-type: none"> • Local Development Scheme • Submission of plan for examination 	
			Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date
		1	4	4	CMT	Winter 2019/20 (as started in the LDS). However, a more realistic adoption date is now Summer 2020.	
<p><u>PROGRESS UPDATE (August 2019)</u></p> <p>The local plan was submitted, as programmed, in January 2019. Two Planning Inspectors were subsequently appointed by the Secretary of State in February 2019. The Inspectors' initial Matters, Issues and Questions (MIQs) were addressed in May 2019. The Local Plan Hearings Stage 1 started on 2nd July and came to a close on 18th July, having sat for six days in total. When the inspectors proceed to the second stage Hearings, the focus will be on more the detailed policies used for development management purposes – for example, the affordable housing policies, conservation policies and employment/commercial policies – as well as site allocations. The inspectors are likely to clarify this in October 2019.</p>							

19-CR-10 EU EXIT							
<p>If the council does not prepare for the short term outcome and implications of the UK exiting from the EU Exit then staff, partners, residents, businesses and visitors may be adversely affected resulting in the reputation of the council being damaged</p>	Owner	Original Likelihood	Original Impact	Original Score	Current Controls		
	RH		4	3	12	<ul style="list-style-type: none"> Defra working group steering implementation of systems to replace existing EU system for controlling food imports and exports with third countries, and monitoring movements within the EU. Withdrawal Act 2018 ensures that there is legal certainty over areas of law that impact on the council's activities 	
		Current Likelihood	Current Impact	Current Score	Further Action		
		2	4	8	<ul style="list-style-type: none"> Continued review of potential implications on the authority 		
		Target Likelihood	Target Impact	Target Score	Action owner	Planned Completion date	
		1	3	3	CMT	31.03.2020	
<p>PROGRESS UPDATE (August 2019)</p> <ul style="list-style-type: none"> Following the change in PM, the Council is preparing for the scenario that the UK leaves the EU without a Withdrawal Agreement in October 2019. It is not possible to identify the financial impact for the Council of leaving the EU without a deal. The financial implications will be explored and reported as national plans become clearer. Senior officers are liaising with the MHCLG and attending workshops as appropriate. Officers are participating in discussions regarding border controls and systems, and monitoring the Settlement Scheme for EU Citizens. Resources are being made available (together with security clearance) to support airport activity before and immediately after the UK exits. Procurement issues such as EU processes and systems and contracts to establish any supply issues are being reviewed. Withdrawal of access to grants currently received from the EU and the opportunity to 'bid' for replacement funds from the UK government are being monitored. Together with the Essex Resilience Forum and the Resilience and Emergency Division of the MHCLG, risks relating to fuel, food, transport, animal welfare and medicines are being monitored. Business Continuity plans are being refreshed to ensure that risks not specific to EU Exit but which may arise can be managed (e.g. staff shortage). The EU Exit is a standing item on the CMT agenda to maintain visibility and aid communication. The EU Exit is a standing item on the Essex Chief Executives' association agenda. Officers are keeping under review the Government's technical notes and information shared by the LGA. 							