

HAMBLETON DISTRICT COUNCIL

Report to: Scrutiny Committee
24 October 2019

From: Director of Finance and Commercial (s151 Officer)

Subject: **REVIEW OF RISK MANAGEMENT**

All Wards

1.0 PURPOSE AND BACKGROUND:

- 1.1 The principles of the CIPFA Framework Delivering Good Governance in Local Government require Hambleton District Council to be responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.2 The Council has a robust risk management process in place which includes a comprehensive risk register. The register captures all risks identified as presenting a threat or opportunity which may impact the Council's service delivery. The Council's Risk Management Framework provides information and guidance on the authority's risk appetite and risk management process. The updated Risk Management Framework was sent to Audit, Governance and Standards Committee on 22 October 2019 for approval.
- 1.3 All risks are reviewed by the relevant service manager on a quarterly basis to reflect upon their appropriateness and the adequacy of a mitigating action plan.
- 1.4 The Strategic Risk Management Group established in March 2017 meet regularly to drive all aspects of risk management compliance for the authority, supporting the monitoring roles performed by Management Team, Scrutiny Committee and Audit, Governance and Standards Committee. The group act as risk 'champions' ensuring risk management has an appropriate profile and sufficient focus on the corporate agenda.
- 1.5 Management Team conduct an annually review at quarter four of the Council's full risk register which satisfies the Council's audit obligations and demonstrates good corporate governance by ensuring that senior management are actively engaged with the Council's risk management process.
- 1.6 The process of managing risk is approved by Audit, Governance and Standards Committee on an annual basis in the Annual Governance Statement.

2.0 CHANGES IN RISK MANAGEMENT PROCESS:

- 2.1 Following on from work carried out by the Strategic Risk Management Group in Q4 2018-19, the Council's Risk Management Framework was updated to include a number of changes:
 - The introduction of a new risk type - Corporate Risk.
 - The introduction of new risk definitions – Impact Criteria and Impact Score which should enable Service Managers to score risks with greater consistency.
 - The requirement to report all Service Risks with a net risk score of 12 or above to Management Team, Audit, Governance and Standards Committee and to Scrutiny Committee.

- 2.2 In Q1 2019-20, Project Risks were reviewed and aligned with the Key Corporate Projects as identified in the Council Plan for 2019-23.
- 2.3 Training was given to all Service Managers on the changes introduced to the Risk Management Framework.
- 2.4 As a result of the introduction of the new processes, Risk Managers have completed a comprehensive review of their risks in Q1, which resulted in a large amount of changes being made. Many of these changes relate to risk score. In Q1 100 risks were changed. 16 new risks were identified. A further 34 risks were closed and 73 former service risks were reclassified as, and collated into, one or more of the new Corporate Risks. The authority currently holds a total of 387 active risks across all service areas.
- 2.5 Following these improvements to the risk management process, the risks presented for Scrutiny Committee to review include:
- Annex A Corporate Risks
 - Annex B Key Corporate Project Risks
 - Annex C Service Risks where the net risk appetite threshold is equal to 12 or above.

3.0 RISK MANAGEMENT:

- 3.1 There are no risks associated with the recommendations of this report.

4.0 RECOMMENDATIONS:

- 4.1 It is recommended that the Committee note:

- (1) Annex A HDC Corporate Risks;
- (2) Annex B HDC Key Corporate Project Risks and
- (3) Annex C HDC General Risks with a net risk appetite threshold equalling 12 or above.

LOUISE BRANFORD-WHITE
DIRECTOR OF FINANCE AND COMMERCIAL (S151 OFFICER)

Background Papers: Internal Audit Report - Annual Review of the Risk Management Strategy
Department Quarterly Risk Register Review

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ANNEX A

Corporate Risks 2019-20 Q1

Risk ID	Risk Name	Project and Corporate Risks	Status	Service	Service Director / Responsible Officer	Risk Manager	GROSS / INHERENT RISK			ACTION PLAN	ACTION PLAN timeline / completion date	NET / RESIDUAL RISK		
							Likelihood : Impact	Score	Risk Level			Likelihood : Impact	Score	Risk Level
157	Health & Safety Lone Working practices are not as effective as they should be leading to potential physical risk and/or sub-standard service, performance, financial and reputational losses and legal challenge.	Corp	Active	All Services	Paul Staines	All Service Managers	2x5	10	Med	<ul style="list-style-type: none"> HDC implements suitable arrangements where all services work to the Council's Health and Safety Policy and arrangements for Lone working. Service action plans in place including: <ul style="list-style-type: none"> - Specific service risk assessment & practice in place - All relevant staff to receive Health & Safety training - A system of monitoring and review is being implemented where Health & Safety Group monitor risk assessment management and associated Key Performance indicator's. Review of lone working practices to be carried out by risk manager. 	On-going	1x3	3	Low
254	Health & Safety Workplace Risk Assessment - Failure to identify, implement and review the annual Workplace Health & Safety Risk Assessment programme leads to potential physical risk and/or sub-standard service, performance, financial, environmental and reputational losses and legal challenge.	Corp	Active	All Services	Paul Staines	All Service Managers	5x5	25	High	Each service to implement their service specific action plan to undertake service risk assessments and workplace inspections annually. Services to work to the HDC Health & Safety Policy and arrangements for risk assessments. - Responsible Officer to assist shared learning and practices across the organisation.	Ongoing	2x3	6	Med
407	Failure to develop and maintain an effective Business Continuity Plan leads to lack of resilience or inability to access HDC services resulting in loss of service or failure of service delivery.	Corp	Active	All Services	Paul Staines	All Service Managers	1x5	5	Med	Disaster Recovery Policy procedure and plans are in place across the organisation and all Service managers are engaged. ICT liaison with Business Areas to provide resilience in line with the business needs. Emergency Kit is in place, being reviewed and backed up on regular basis.	Continuously monitored and reviewed. Emergency kits are not in place yet. Desktop testing taking place Q3 and 4	1x4	4	Med
512	Failure to follow General Data Protection Regulation requirements and failure to follow the Council's Information Policy leads to a violation of Data Protection Act which could lead to a fine by the Information Commissioner's Office and creates a risk of legal challenge and reputational damage where regulations are not complied with	Corp	Active	All Services	Gary Nelson	Laura Venn & All Services	2x3	6	Med	Retention and destruction of documentation in accordance with the Information Asset Register. Annual review of service area records management in line with Document Retention Policy and all staff to receive Data Protection training/ General Data Protection Regulations updates.	On going	2x2	4	Low
522	Failure of the Council's website or failure to maintain current/correct information removes the principal communication and compliance tool, blocks transparency and denies residents' payment facilities and emergency information resource, leading to reputational, legal and financial loss.	Corp	Active	All Services	Helen Kemp	Sandra Hall & All Services	3x3	9	Med	Website hosted and supported offsite to minimise risk and current information maintained and review on a regular basis. Individual action plans within services established to reduce gross risk - further progress (as planned) needed with these to decrease the likelihood score further with an expectation that this will lead to a net risk of 1X3 over the next two quarters.	Ongoing	2x3	6	Med

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							Likelihood : Impact	Score	Risk Level			Likelihood : Impact	Score	Risk Level
602	Failure to comply with the Public Sector Equality Duty will put the organisation at risk of legal challenge and reputational damage	Corp	Active	All Services	Gary Nelson	Lynne Halls & All Services	3x4	12	High	Service Managers with advice and guidance from HR will ensure that the General and Specific requirements of the Public Sector Equality Duty are met. All Managers and Staff who follow the requirements of the Equality and Diversity Policy and Procedure and take part in any relevant training as listed in Appendix B of the Learning and Development Policy.	Ongoing	1X3	3	Low
709	Failure to set a balanced Annual Budget which is reflected in the 10 year Financial Strategy.	Corp	Active	All Services	Louise Branford-White	Saskia Calton	1x4	4	Low	Complete and challenge the Budget setting process, generate income, create efficiency savings, reduce the current budget, monitor and manage the position. Report to Cabinet and Council on an annual basis prior to the new financial year and monitor on a quarterly basis.	Annually - February and Quarterly monitoring	1x3	3	Low
798	Staff attendance - Failure to effectively manage staff attendance at work leads to potential physical risk, reduced staffing levels and/or sub-standard service with regards to possible financial, environmental and reputational losses and legal challenge.	Corp	Active	All Services	Gary Nelson	Lynne Halls & All Services	2x3	6	Low	Service Managers with advice and guidance from HR will manage the attendance of staff so contractual requirements are met. This will involve invoking policies such as Sickness Absence Management, Leave, Flexi Time, Capability and Recruitment and Selection.	Ongoing	1X3	3	Low
800	Training and Development - Failure to plan, resource and implement and ensure attendance at mandatory corporate training and development (in line with Appendix B of the Learning and Development Policy and Procedure)for employees leads to potential physical risk and/or sub-standard service with regards to possible financial, environmental and reputational losses and legal challenge	Corp	Active	All Services	Gary Nelson	Lynne Halls & All Services	1X3	3	Low	HR will liaise with Service Managers to ensure that any mandatory training is scheduled onto the Learning and Development Calendar. HR will also work with Service Managers to ensure staff attend corporate mandatory learning and development activities. HR will also work with Service Managers to resolve issues of non attendance of departmental mandatory learning and development.	Ongoing	1X3	3	Low
813	Failure to prepare for a No Deal Brexit leads to a disruption to services and an inability to service local needs - <ul style="list-style-type: none"> Fuel shortages affect refuse collection Fuel shortages affect individuals ability to get to work Extra demand for council services due to hardship Internal capacity to deal with changes in regulatory services Failure to manage communications with businesses/community/voluntary leads to reputational damage 	Corp	Active	All Services	Paul Staines	Paul Staines	3X4	12	High	<ul style="list-style-type: none"> Engage with Local Resilience Forum partners at strategic and tactical level using established emergency planning protocols Report by exception to Yorkshire and Humber lead Brexit Officers through Leeds City Council Use Local Government Association toolkit for communication Internal task and finish group to prepare for all related issues. Communicate with service managers forum to ensure business continuity plans reflect the risk. 	13/09/2019 - Local Resilience Forum met and toolkit received 23/09/2019 Task and Finish group set up and service managers communicated with	3X3	9	Med

ANNEX B

Key Corporate Project Risks 2019-20 Q1

Risk ID	Risk Name	Project and Corporate Risks	Status	Service	Service Director / Responsible Officer	Risk Manager	GROSS / INHERENT RISK			ACTION PLAN	ACTION PLAN timeline / completion date	NET / RESIDUAL RISK		
							Likelihood Impact	Score	Risk Level			Likelihood Impact	Score	Risk Level
Driving Economic Vitality														
Northallerton Bridge and Road Development														
629	North Northallerton project slippage: unutilised grant funding is lost if it cannot be used in line with the timetable set out in the funding agreement	PR	Active	Business & Economy	Helen Kemp	Nicole Patterson & Sam Swinbank	3x5	15	High	The Council is working closely with the Developer Consortium and the relevant stakeholders to ensure the project can be delivered on time. Obligations on project delivery will seek to pass on risk of project slippage to Developer Consortium to mitigate risk to the Council. Project Slippage has forced the need for a contract variation for the Local Enterprise Partnership Local Grant Funding. The Local Enterprise Partnership has agreed this and the variation is being progressed.	Mar-19	2x5	10	Med
631	North Northallerton Development project proceeds but its viability is detrimentally affected by loss of grant. Other development costs would have to be reduced to make the project viable.	PR	Active	Business & Economy	Helen Kemp	Nicole Patterson & Sam Swinbank	2x5	10	Med	Risk has reduced on receipt of Local Enterprise Partnership Grant. Need to continue to monitor affordable & develop margin and viability for affordable housing. Project variation referenced at risk 629 will maintain the mitigation of this risk.	2028	1x5	5	Med
632	North Northallerton Project is delayed or stalls completely, adversely affecting the Council's supply of housing and employment land.	PR	Active	Business & Economy	Helen Kemp	Nicole Patterson & Sam Swinbank	5x5	25	High	The situation is monitored and regular communication maintained with the developer consortium and stakeholders to ensure delivery of project	2028	3x5	15	High
Central Northallerton Redevelopment														
738	Central Northallerton Redevelopment - The dividends expected from the development are not received	PR	Active	Commercial	Louise Branford-White	Hannah Heinemann	4x4	16	High	Monitor the Joint Venture Company Budget quarterly and support the development of phase II.	Quarterly	3x4	12	High
739	Central Northallerton Redevelopment - The site is not developed to reflect the aspirations of the Council	PR	Active	Commercial	Louise Branford-White	Hannah Heinemann	4x5	20	High	Central Northallerton Development Company Limited Board meets every 2 months, where Chief Executive & Deputy Leader represent the interest of the Council on this board. In addition, internal meetings are held every 6 weeks to discuss progress and manage the changing environment.	6 weekly monitoring, completion date summer 2020	3x4	12	High
804	Central Northallerton Redevelopment – Increase in cost of the project once works begin due to unforeseen circumstances	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Manage project to identify issues early and identify parts of project that can be adapted.	Monitoring Monthly as Project progresses	3x4	12	High
805	Central Northallerton Redevelopment – The Council doesn't achieve the best financial return.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x3	12	High	Communicate the wider economic and community benefits.	Ongoing	4x3	12	High
806	Central Northallerton Redevelopment – Not possible to deliver the preferred scheme because of lack of retail and leisure pre-lets or viability.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	3x4	12	High	Change to 'Variant' scheme.	Ongoing	3x4	12	High

ANNEX B

Key Corporate Project Risks 2019-20 Q1

Risk ID	Risk Name	Project and Corporate Risks	Status	Service	Service Director / Responsible Officer	Risk Manager	GROSS / INHERENT RISK			ACTION PLAN	ACTION PLAN timeline / completion date	NET / RESIDUAL RISK		
							Likelihood : Impact	Score	Risk Level			Likelihood : Impact	Score	Risk Level
807	Central Northallerton Redevelopment – The prison site is not successfully developed because developers consider the listed buildings are too great a risk.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	3x4	12	High	Undertake a detailed study showing uses and alterations that are possible and acceptable to promote developer confidence.	Ongoing	3x4	12	High
808	Central Northallerton Redevelopment – Crosby Road – The Council loses income.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	3x4	12	High	Consider other actions for improving income.	Ongoing	3x4	12	High
809	Central Northallerton Redevelopment – Crosby Road – A precedent could be created for similar arrangements on offers, promotions and incentives in other Council car parks.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	3x4	12	High	Explain the unique reasons for the arrangements at Crosby Road. Explore proposals for other Council car parks where appropriate.	Ongoing	3x4	12	High
810	Central Northallerton Redevelopment – Crosby Road – Police parking is displaced from the Crosby Road Car Park.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	3x4	12	High	Central Northallerton Development Company Limited agree arrangements with the Police. The Police make alternative provision.	Ongoing	3x4	12	High

Leeming Bar Employment Site

750	Leeming Bar Industrial Estate – Community objection to the scheme	PR	Active	Business & Economy	Helen Kemp	Nicole Patterson / Sam Swinbank	5x5	25	High	Establish Community Working Group to allow issues to be raised and to be addressed as part of the Scheme Development Stage.	2019	3x3	9	Med
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Car Park Improvement Scheme

615	Inability to deliver Bedale Gateway Car Park project leads to long-term damage to local economy through loss of visitors and trade.	PR	Active	Design & Maintenance (incl Public Lighting)	Steve Lister	Clive Thornton	5x4	20	High	Economic assessment in 2017 indicated limited if any impact on economy due to relief road. Work being undertaken to determine possible partners and funding options to deliver car park. On-going monitoring of economic vibrancy of town. Review in 2019/20.	Dec-19	3x5	15	High
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Dalton Utilities Improvement

New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.

Enhancing Health & Wellbeing

Northallerton Sports Village

699	Northallerton Sports Village - Funding Plan cannot be resourced sufficiently to develop the village as intended	PR	Active	Leisure & Communities	Steven Lister	Lisa Wilson	4x4	16	High	<ul style="list-style-type: none"> Built Facilities, Playing Pitch and Open Spaces strategies have been produced to evidence the need for more sports provision in Northallerton Some Section 106 funds have been secured (£300k) National Governing Bodies will be consulted in a timely fashion 	2025	3x4	12	High
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Sowerby Sports Village														
741	Sowerby Sports Village – difficulties in establishing a community based operator(s) to manage the facility	PR	Active	Leisure & Communities	Steve Lister	Lisa Wilson	3x5	15	High	<ul style="list-style-type: none"> Comprehensive engagement and early constructive discussions with the key stakeholders necessary to explore options and gain community buy-in Action plan to be drafted 	2022	2x3	6	Med
742	Sowerby Sports Village – the commuted sum thresholds are not met by the developers in a timely fashion	PR	Active	Leisure & Communities	Steve Lister	Lisa Wilson	4x3	12	High	<ul style="list-style-type: none"> Budgets are managed through the Council’s capital programme so that funds are released and returned when grant claims are processed. Appropriate legal agreements are upheld with the developers. Regular dialogue with the developers at senior level. 	2019	2x2	4	Low
743	Sowerby Sports Village – capital costs increase, especially if the scheme takes a long time to deliver	PR	Active	Leisure & Communities	Steve Lister	Lisa Wilson	3x4	12	High	<ul style="list-style-type: none"> The project is being delivered in phases The project budget will be closely managed using the council’s project management systems so that issues are identified as soon as possible and addressed as appropriate 	2022	3x3	9	Med
745	Sowerby Sports Village (Future Phases) - Funding Plan cannot be resourced sufficiently to develop the village as intended	PR	Active	Leisure & Communities	Steve Lister	Lisa Wilson	4x4	16	High	<ul style="list-style-type: none"> A Built Facilities, Playing Pitch and Open Spaces strategies have been produced to evidence the need for more sports provision in Northallerton National Governing Bodies will be consulted in a timely fashion The council is considering purchasing a Grant Finder product 	2022	3x3	9	Med
760	Key personnel leave the authority or technical lead is no longer involved in the project	PR	Active	Leisure & Communities	Steve Lister	Lisa Wilson	2x3	6	Med	A robust and resilient ‘project team’ approach has been adopted to ensure any changes in personnel will not have a significant impact on the project delivery. Continued appointment of experienced project manager budgeted for within phase 1.	2022	2x2	4	Low
Thirsk & Sowerby Leisure Centre Improvements														
New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.														
Community Leisure Facilities Improvement s - Bedale, Easingwold and Stokesley														
New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.														
Events and Legacy Programme														
New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.														

Key Corporate Project Risks 2019-20 Q1

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							Likelihood : Impact	Score	Risk Level			Likelihood : Impact	Score	Risk Level
Caring for the Environment														
Crematorium Project														
811	Crematorium Project - Increase in costs of the project once design has been developed and fully costed.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Manage project to identify issues early and identify parts of project that can be adapted. Carry out value engineering exercise with the consultant team.	Monitoring Monthly as Project progresses	3x4	12	High
812	Crematorium Project - An alternative scheme by a competitor could be submitted for planning permission.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Proceed with the project expeditiously. Review planning application by planning barrister to ensure the Council has submitted the best possible scheme and has given due consideration to all relevant matters.	Monitoring Monthly as Project progresses	3x4	12	High
813	Crematorium Project - The income from the service is less than expected and/or the operating costs are higher than anticipated.	PR	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Develop KPIs, monitor and implement improvement plans. Identify issues early.	Monitoring Monthly as Project progresses	3x4	12	High
Renewable Energy														
New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.														
Electric Charging Points														
New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.														
Fly Tipping & Littering Improvements														
803	Enforcement/Flytipping Project fails to deliver objectives	PR	Active	Wass	Paul Staines	Gary Brown/Sue Seddon	2x5	10	Med	Project risk register to be management at all project meetings and appropriate action taken to ensure delivery plan achieved. Now included in service plan targets	Quarterly	1x3	3	Low
Depot Relocation Review														
801	Darlington Road Depot Project to review layout or re-location fails to produce report in 2019 leading to loss of service and/or incidents due to lack of facilities at current site.	PR	Active	Wass	Paul Staines	Gary Brown/Sue Seddon	4x5	20	High	Project risk register to be managed at all project meetings and appropriate action taken to ensure delivery plan achieved. Project reporting via Project Management Board.	Oct'19	2x5	10	Med
802	Digital Depot Project fails to meet objectives	PR	Active	Wass	Paul Staines	Gary Brown/Sue Seddon	3x5	15	Med	Project risk register to be managed at all project meetings and appropriate action taken to ensure delivery plan achieved. Project reporting to Management Team September 2019.	Sep-19	2x5	10	Med

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							Likelihood Impact	Score	Risk Level			Likelihood Impact	Score	Risk Level
Providing a Special Place to Live														
Local Plan														
115	Market conditions or ineffective spatial planning leads to a reduction in new homes completions and results in the Council not meeting its new homes target and consequently reduction in New Homes Bonus & Council Tax receipts.	PR	Active	Planning	Helen Kemp	Sam Swinbank	3x3	9	Med	Progress a new Local Plan for the period up to 2035 that reflects current government guidance and provides a good range of deliverable housing sites. Also work closely with developers to bring sites forward. Regular performance monitoring and good project management.	Reviewed quarterly	3x1	3	Low
116	Lack of resources or failure in the process leads to Local Plan being found unsound at Examination resulting in a need to repeat the process, leading to speculative planning applications and appeals.	PR	Active	Planning	Helen Kemp	Sam Swinbank	1x4	4	Low	Project planning to ensure new Local Plan is brought forward in a timely manner and is based on robust evidence; base on Sustainability, Appraisal, Community & Stakeholder engagement and that legal requirements are followed. Review Local Development Scheme annually. Local Planning Enforcement consultants checking document prior to Publication. Investment in planning policy staff resource & software.	Review monthly	1x4	4	Low
737	Local Plan - The Plan is found to be unsound at the Examination stage	PR	Active	Planning	Helen Kemp	Sam Swinbank	2x5	10	Med	Robust evidence base is being developed. Policies to reflect government guidance. Plan is to be checked by experts prior to Publication	Jul-19	1x5	5	Med
763	Ineffective spatial planning results in the Council being found to be in failure and the government intervenes.	PR	Active	Planning	Helen Kemp	Sam Swinbank	1x5	5	Med	Up to date Local Development scheme to be published. Members & officer involvement in Duty to Co-operate. Robust evidence base for strategic approach in new Local Plan	On-going	1x4	4	Low
764	The Local Plan is overly ambitious & cannot be justified at Examination	PR	Active	Planning	Helen Kemp	Sam Swinbank	4x4	16	High	Robust evidence base has been produced and is being consistently updated. Duty to Co-operate consultation with neighbouring Local Authorities and key stakeholders. Production of Statement of Common Ground. Strategy approach aligns with the Council's Economic Strategy, the Strategic Economic Partnership, etc.	Review in line with LDS	2x4	8	Med
Best in Class Planning service														
New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.														
Lambert Hospital Community Development														
New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.														
Vibrant Market Towns														
New Project as approved in the 2019-2023 Council Plan in September 2019. Project to be developed.														

ANNEX C

Service Risks with a Risk Threshold of 12 or Above

Risk ID	Risk Name	CP Priority	Status	Service	Service Director / Responsible Officer	Risk Manager	GROSS / INHERENT RISK			ACTION PLAN	ACTION PLAN timeline / completion date	NET / RESIDUAL RISK		
							Likelihood : Impact	Score	Risk Level			Likelihood : Impact	Score	Risk Level
Driving Econmic Vitality														
410	New Homes Bonus grant is pivotal to the resilience of the financial strategy. Failure to increase the tax base year on year or failure of the Government to provide the grant would impinge on this resilience.	FIN	Active	Corporate Finance	Louise Branford-White	Louise Branford-White	3x4	12	High	The council completes a through review on an annual basis to identify homes which should be included in the tax base that are currently not. The New Homes bonus grant is reviewed in the Government financial settlement annually and this will be monitored specifically for 2019/20. The 10 year financial strategy approved by Council in February 2019 recognises that the government may decrease this grant in future years and therefore the amount of funding profiled has been reduced.	Ongoing	3x4	12	High
411	Beyond 2019/20 there is a risk of further significant grant reductions should government priorities shift from increased housing provision to enhancing functions not undertaken by the Council.	FIN	Active	Corporate Finance	Louise Branford-White	Louise Branford-White	3x4	12	High	To support the future substability of the 10 year financial strategy the requirement to generate income is a key objective of the Council. Projects to generate income are being developed. The £30M commercial property portfolio is estimated to generate £400K in the first year of operation 2020/21.	Ongoing	3x4	12	High
412	A continued low Bank Base Rate would impact on the Council's ability to generate investment income from balances.	FIN	Active	Corporate Finance	Louise Branford-White	Saskia Calton	4x3	12	High	The market is continually monitored and estimates made for future investment income which are included in the financial strategy	Monitored daily	4x3	12	High
416	Significant reductions in government grant leading to the inability to sustain council services at the current level.	FIN	Active	Corporate Finance	Louise Branford-White	Louise Branford-White	3x4	12	High	An on-going programme of efficient service delivery, saving reviews and a focus on income generation that ensures best value is being achieved and income is maximised.	Ongoing	3x4	12	High
786	Failure to meet the target for business rate growth as reflected in the Financial Strategy would impact upon the financial resilience of the Council.	FIN	Active	Revenues & Benefits	Louise Branford-White	Louise Branford-White	3x4	12	High	Monitoring of business rate growth is ongoing and opportunities are taken to retain business rates when government initiatives arise e.g. Business Rate Pilot scheme	Ongoing	3x4	12	High
793	Treadmills Purchase Phase 1 - Changes in the retail market that impact on our investment including financial difficulties of the tenants	FIN	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Monitor at the Capital Monitoring Group and agree appropriate asset management strategy.		3x4	12	High
794	Commercial Property Portfolio - Management of costs increasing or higher than expected	FIN	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Careful choice of property, tenants as well as monitoring through the Investment Board and Property Investment Advisor		3x4	12	High
795	Commercial Property Portfolio - Rental income reducing due to business failures or delay in reletting units	FIN	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Careful monitoring through the Investment Board and property investment advisor, also advice from Property Investment Advisor regarding market intelligence.		3x4	12	High
796	Commercial Property Portfolio - Legislation introduced that prohibits Local Authorities to borrow for commercial profit	FIN	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Continue to review and monitor current regulations and legislation.		3x4	12	High
797	Commercial Property Portfolio - There is insufficient knowledge within the Council to support this commercial investment	FIN	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Regular monitoring reports from Property Investment Advisor should minimise this risk.		3x4	12	High

ANNEX C

Service Risks with a Risk Threshold of 12 or Above

Risk ID	Risk Name	CP Priority	Status	Service	Service Director / Responsible Officer	Risk Manager	GROSS / INHERENT RISK			ACTION PLAN	ACTION PLAN timeline / completion date	NET / RESIDUAL RISK		
Enhancing Health & Wellbeing														
542	Failure to have procedures and available resources to carry out proactive and reactive inspections of potentially contaminated land resulting in: <ul style="list-style-type: none"> Significant risk of harm to the environment and public health if any contamination is not remediated. A potential significant financial burden on the Council. Significant reputational damage. 	Env	Active	Environmental Health	Paul Staines	Vikki Flowers	4x5	20	High	<ul style="list-style-type: none"> Documented procedures are in place and are reviewed periodically. Reactive checks are carried out to establish Class A or Class B liability groups to prevent the Council becoming responsible for contaminated sites and funding remediation costs. Information on prioritised sites is shared with Development Management for inclusion on the Council's Brownfield Land register of sites suitable for redevelopment, so the cost of remediation falls to the developer. There is no designated funding in the Environmental Health budget to carry out investigation and potential remediation of contaminated sites. 	30/03/2020 Review of Contaminated Land Strategy.	3x4	12	High

Providing a Special Place to Live

426	Failure to properly manage joint arrangements with North Yorkshire County Council Children & Young People's Service leads to safeguarding problems with homeless children, resulting in legal challenge and personal harm	SP	Active	Strategic Housing	Helen Kemp	Nicole patterson	3x4	12	High	Working closely with other Local Authorities and North Yorkshire County Council to address safeguarding issues and mitigate risk. Need to ensure that despite cuts in funding, through shaping of new delivery models, there continues to be sufficient safeguarding measures in place going forward. New protocol has been implemented from 1st April 2018	On-going Quarterly reviews	3x4	12	High
638	Community Infrastructure Levy income below expectations, leading to a lack of funding for infrastructure improvements and therefore further delivery of housing.	SP	Active	Planning	Helen Kemp	Ann Rawlinson	4x3	12	High	Procedures to be developed to pursue non payment through the Community Infrastructure Levy regulations. Income low in part due to the levels of exemptions	Quarterly review	4x3	12	High

Caring for the Environment

No risks identified with a Service Risk Threshold of 12 or Above