

HAMBLETON DISTRICT COUNCIL

Report to: Scrutiny Committee
19 November 2015

Subject: **REVIEW OF RISK MANAGEMENT**

All Wards

1.0 PURPOSE AND BACKGROUND:

- 1.1 The Council has a robust risk management process in place which includes a comprehensive risk register. The risk register is divided into operational and strategic risks; operational risks are those affecting individual services and tend to involve the day to day running of those services, whilst strategic risks affect the whole Council and are wide reaching, both in terms of timescales and impact.
- 1.2 The operational risks are reviewed by each service on a quarterly basis to reflect upon their appropriateness and the adequacy of the mitigation. Strategic risks and high level operational risks are also reviewed by Management Team and Heads of Service.
- 1.3 To ensure that strategic risks are appropriately measured and that suitable actions are undertaken to mitigate the effect of each risk, Scrutiny Committee will receive a quarterly report to monitor the strategic risks affecting the Council. Audit, Governance and Standards Committee will receive reports on strategic risks only if a change occurs on an adhoc basis.
- 1.4 The current list of strategic risks together with their score and mitigating actions are presented in Annex 'A'.

2.0 RISK MANAGEMENT:

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

3.0 RECOMMENDATIONS:

- 3.1 It is recommended that the Committee review and note the strategic risks affecting the Council and the actions that are in place to mitigate the impact upon the Council of each risk.

JUSTIN IVES

Background Papers: Annual Review of the Risk Management Strategy – Audit
Department Quarterly Risk Register Review

Contact: Justin Ives
Director of Support Services and Deputy Chief Executive
Direct Line No: (01609) 767022

Author ref: Louise Branford-White
Head of Resources
Direct Line No: (01609) 767024

Strategic Risks 2015-16 Q2

Risk ID	Risk Name	Mandatory (cannot be closed)	Org Level	Risk Category	Likelihood : Impact	Score	Risk Level	Service	Risk Manager	Action Plan
394	The Shared Services exit strategy needs to take account of difficulties faced when separating individual shared services to avoid unexpected cost and complications to both councils.		Strat	Customer / Citizen, Reputational	5x5	25	High	Corporate Finance	Phil Morton	Programme of repatriation and SLAs. Case by case examination of costs and impact – 1 SLA remain. Disabled Facility Grants (DFG) administration until 29 February 2016.
227	Unable to access HDC services due to ineffective individual business continuity plans leading to loss of service.		Strat	Partnership/ Contractual, Customer/Citizen , Economic, Environmental, Financial, Health & Safety, Legal, Reputational, Social	4x5	20	High	Cust-Service & Comms	Dave Goodwin	Following recent audit and working with Veritau an action plan to refresh the Council's BCP at corporate and service level has been identified. This will include, review and challenge of business continuity plans, including risks and targets; provide training to increase understanding of BCP/DR and to clarify responsibilities for MT, HoS and Section Managers; produce a schedule for authorising, testing and reviewing BCPs and DR. Complete an internal review of services, risks and agree operational importance to inform BCPs, updating risk register as appropriate. Review and agree BCP support with NYCC. Timeline for delivery is in development.
617	The operation of Waste Management does not support opportunities for an improved service, failing to achieve the anticipated benefits of improved recycling, customer satisfaction, Health & Safety and cost efficiencies.		Strat	Waste & Scene	4x5	20	High	Waste & Scene	Gary Brown	Engage technical expert support to undertake detailed modelling and options appraisal for the Council so that decisions taken on future service design are in the best interests of the Council & tax payers
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 New Homes Bonus & Council Tax receipts.		Strat	Reputational	5x3	15	High	Planning	Mark Harbottle	Maintain an up to date set of LDF documents. Monitor progress and review LDS. Completion of LDF Policy Review is a priority and new Local Plan commencing April 2015. Use of consultants to assist. Also work closely with developers to bring sites forward. Regular performance monitoring and good project management.
618	The Council is not prepared for future developments that will impact on Waste Management such as increased dwelling stock, changes to Waste Regulations and Allerton Waste Recovery Park, leaving Council exposed to higher costs for its waste management services; failure to follow a process that demonstrates regulatory compliance also puts the Council at risk of challenge.		Strat	Waste & Scene	3x5	15	High	Waste & Scene	Gary Brown	These aspects will form part of the project brief to mitigate as far as possible these risks to the Council
616	Full costs of the WaSS project procurement elements fall to the Council due to lack of partner participation, leading to increased costs and reduced benefits from economies of scale that could be achieved from higher relative dry recycle tonnages		Strat	Waste & Scene	3x5	15	High	Waste & Scene	Gary Brown	Head of Environmental Services to take an early lead and advocate the benefits of a joint procurement approach through the regular Waste Partnership meetings.
416	Significant reductions in government grant leading to the inability to sustain council services at the current level.		Strat	Financial, Reputational	3x4	12	High	Corporate Finance	Justin Ives	An on-going programme of service delivery and saving reviews that ensures best value is being achieved and income is maximised.
423	Health of local housing market leads to reduced ability to deliver affordable housing through planning, resulting in failure to achieve corporate plan target and to address housing need		Strat	Customer / Citizen, Reputational, Social	3x4	12	High	Strategic Housing	Sue Walters- Thompson	Affordable housing targets and thresholds to be reviewed as part of work on new Local Plan. RHE focus on delivery via exception sites that are not reliant on market
600	The introduction of Universal Credit and transfer to DWP payments leads to a likely reduction in Govt admin grant revenue.		Strat	Financial	4x3	12	High	Revenues & Benefits	Louise Branford- White	Closely monitor developments to gauge rollout timing & impact; employ project planning & close budget monitoring.
615	Cancellation of Bedale Gateway Car Park project leads to long-term damage to local economy through loss of visitors and trade.		Strat	Economic, Reputational	3x4	12	High	Design & Maintenance (incl Public Lighting) Planning	Clive Thornton	Risk assessment reported to Cabinet 2 Dec 2014. The risk remains until the Bedale / Learning Bar bypass is constructed and Council has reviewed the need for a Gateway Car Park, timescale end 2016
81	Financial double drop recession/further credit crunch and further legislative change leads to fewer planning applications and therefore reduced income		Strat	Financial	5x2	10	Med	Planning	Mark Harbottle	Regular budget monitoring and reporting of the position.
443	Failure to implement the Council's Information Strategy leads to violation of Data Protection Act resulting in possible fine by the Information Commissioner and/or failure to make decisions leading to legal challenge	M	Strat	Customer / Citizen, Financial, Legal, Reputational	3x3	9	Med	ICT (inc. Reprographics)	Justin Ives	Existing action plan and information strategy being reviewed, includes: Policies being updated & redistributed; published on Hint; All staff retrained on Data Protection, Members training sessions

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556	Ministerial Statement 28 Nov 2014 amending & extending Section 106 planning obligations, reduces ability to secure affordable housing on small sites.		Strat	Customer/Citizen	3x3	9	Med	Strategic Housing	Sue Walters-Thompson	Cabinet approved adoption of lower threshold for Designated Rural Areas of Hambleton in June 2015 to maximise opportunities for affordable housing provision. However, Govt policy since found to be unlawful and legal advice is now being sought.
139	Failure of the Safer Hambleton Local Delivery Group leads to non-compliance with statutory regulations		Strat	Legal	2x4	8	Med	Business & Economy	Heleen Kemp	Review effectiveness of plan and partnership during Feb 2015.
383	Failure to review and update emergency plans leads to inadequate response.		Strat	Customer/Citizen, Financial, Reputational	2x4	8	Med	Cust Services & Comms	Dave Goodwin	HDC to maintain review process with NYCC Emergency Team
388	Lack of investment in ICT infrastructure causes inability to maintain systems leading to inability to deliver services effectively.		Strat	Economic, Reputational	2x4	8	Med	ICT (inc. Reographics)	Justin Ives	The Capital programme for investment in ICT infrastructure has been reviewed.
392	Failure to effectively manage the transition from a single Shared ICT service into separate HDC ICT services and current lack of resource leads to negative impact on service delivery.		Strat	Customer / Citizen, Financial, Health & Safety, Reputational	2x4	8	Med	ICT (inc. Reographics)	Justin Ives	A project has been developed to manage transition. Appropriate resources have been assigned.
461	Failure to implement the Councils Equalities and Diversity Policy leads to potential discrimination and legal action which could have adverse publicity and fines to the Council		Strat	Legal, Reputational	2x4	8	Med	Corporate Finance	Saskia Calton	Develop and deliver training to all staff by end March 2015.
225	Failure to manage Capital Programme leading to inability to deliver Council Services efficiently and effectively		Strat	Financial, Reputational	2x3	6	Med	Corporate Finance	Justin Ives	Monthly review and management of Capital Programme
619	Partner(s) pulling out during the affordable homes programme and/or completion of fewer homes than expected increasing the unit cost and some providers reaching the 'cap', leading to potential shortfall in contribution		Strat	Partnership/ Contractual, Customer/Citizen, Reputational	2x3	6	Med	Strategic Housing	Sue Walters-Thompson	Funding partners signing up to a formal 3-year SLA with option to leave with 12 mths notice; scope to generate more income through increased consultancy work and/or widen the programme to East riding to secure further funding through LEP will be investigated.
78	Accident/incident involving staff whilst on site leads to work backlog and possible insurance claim against the Council		Strat	Health & Safety	1x4	4	Low	Planning	Mark Harbottle	Site visit protocols, appropriate training and issue PPE.
377	Failure to ensure that Risk Management is undertaken results in failure to manage risks resulting in negative outcome for the Council.		Strat	Customer / Citizen, Reputational	1x4	4	Med	Corporate Finance	Louise Branford-White	Annual review of Risk Management Guide including feedback from insurance broker on suitability of process and contents of register.
466	Failure of the Environmental Health SLA leads to a failure of service delivery resulting to a loss of service to the public and the council needing to identify a new way of providing this service	M	Strat	Customer / Citizen, Environmental, Health & Safety, Reputational	1x4	4	Low	Environmental Health	Mick Jewitt	Maintenance of robust management processes to ensure satisfactory service delivery in both Districts
142	Failure of Veritau Audit Partnership resulting in loss of internal audit coverage at Hambleton leading to potential exposure to risk		Strat	Partnership/ Contractual	1x2	2	Low	Corporate Finance	Justin Ives	Option to bring the service back in-house
522	Failure of the Council's website 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.	M	Strat	Customer/Citizen, Financial, Legal, Reputational	1x2	2	Low	Cust Services & Comms	Sandra Hall	Website hosted and supported offsite to minimise risk.