

HAMBLETON DISTRICT COUNCIL

Report to: Scrutiny Committee
9 June 2016

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 contains both 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 All risks are reviewed by the relevant service on a quarterly basis to reflect upon their appropriateness and the adequacy of the mitigating action plan. 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 these. Audit, Governance and Standards Committee will receive reports on strategic risks on an ad-hoc basis only if a change occurs.
- 1.4 An extract from the risk register showing the current schedule of strategic risks together with their score and mitigating actions is 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

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Risk ID	Risk Name	Mandatory (Council by-lawed)	Org Level	Risk Category	Status	Likelihood: Impact	Score	Risk Level	Service	Service Director / Responsible Officer	Risk Manager	Action Plan
BUSINESS & ECONOMY												
139	Failure of the Stair Hambleton Local Delivery Group leads to non-compliance with statutory regulations		Strat	Legal	Active	2x4	8	Med	Business & Economy	Dave Goodwin	Helen Kemp	The SHLDP is changing its operating model to Integrated Neighbourhood Management during 2016, this will include a pilot phase from Apr-Sept, at which point a full review should be undertaken. Responsibility transfers to Leisure & Communities from Q1 2016/17
CORPORATE FINANCE												
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	Active	5x5	25	High	Corporate Finance	Justin Ives	Justin Ives	Programme of repatriation of Service Level Agreements. Case by case examination of costs and impact, 1 Service Level Agreement remained. Disabled Facility Grants (DFG) administration until 29 February 2016.
416	Significant reductions in government grant leading to the inability to sustain council services at the current level.		Strat	Financial, Reputational	Active	3x4	12	High	Corporate Finance	Louise Branford-White	Louise Branford-White	An on-going programme of service delivery and saving reviews that ensures best value is being achieved and income is maximised.
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	Active	2x4	8	Med	Corporate Finance	Justin Ives	Saskia Calton	The majority of HDC staff undertook and completed the Equality & Diversity eLearning module during 2015. HR is reviewing future Equality & Diversity training delivery as part of a comprehensive learning & development review.
225	Failure to manage Capital Programme leading to inability to deliver Council Services efficiently and effectively		Strat	Financial, Reputational	Active	2x3	6	Med	Corporate Finance	Louise Branford-White	Louise Branford-White	Monthly review and management of Capital Programme
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, Financial, Reputational	Active	1x4	4	Med	Corporate Finance	Louise Branford-White	Pam Chanmer	Annual review of Risk Management Guide including feedback from insurance broker on suitability of process and contents of register.
142	Failure of Veritau Audit Partnership resulting in loss of internal audit coverage at Hambleton leading to potential exposure to risk		Strat	Partnership/ Contractual	Active	1x2	2	Low	Corporate Finance	Louise Branford-White	Louise Branford-White	Option to bring the service back in-house
CUSTOMER SERVICE & COMMUNICATIONS												
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	Active	4x5	20	High	Cust Services & Comms	Dave Goodwin	Dave Goodwin	Following recent audit and working with Veritau an action plan to refresh the Council's Business Continuity Plan 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 Business Continuity Plan / Disaster Recover and to clarify responsibilities for Management Team, Heads of Service and Service Managers; produce a schedule for authorising, testing and reviewing Business Continuity Plans and Disaster Recovery. Complete an internal review of services, risks and agree operational importance to inform Business Continuity Plans, updating risk register as appropriate. Review and agree Business Continuity Plan support with NYCC. Timeline for delivery is in development.
383	Failure to review and update emergency plans leads to inadequate response.		Strat	Customer/Citizen, Environmental, Financial, Reputational	Active	2x4	8	Med	Cust Services & Comms	Dave Goodwin	Dave Goodwin	HDC to maintain review process with NYCC Emergency Team
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	Customer/Citizen, Financial, Legal, Reputational	Active	1x2	2	Low	Cust Services & Comms	Dave Goodwin	Sandra Hall	Website hosted and supported offsite to minimise risk.
DESIGN & MAINTENANCE												
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	Active	3x4	12	High	Design & Maintenance (incl Public Lighting)	Justin Ives	Clive Thornton	Risk assessment reported to Cabinet 2 Dec 2014. The risk remains until the Bedale / Leeming Bar bypass is constructed and Council has reviewed the need for a Gateway Car Park, timescale end 2016

Risk ID	Risk Name	Mandatory (cannot be closed)	Org Level	Risk Category	Status	Likelihood: Impact	Score	Risk Level	Service	Service Director / Responsible Officer	Risk Manager	Action Plan
ICT												
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	Active	3x3	9	Med	ICT (inc. Reographics)	Justin Ives	Justin Ives	Existing action plan and information strategy being reviewed, includes: Policies being updated & redistributed; published on the intranet; All staff retrained on Data Protection, Members training sessions
388	Lack of investment in ICT infrastructure causes inability to maintain systems leading to inability to deliver services effectively.		Strat	Economic, Reputational	Active	2x4	8	Med	ICT (inc. Reographics)	Justin Ives	Justin Ives	The Capital programme for investment in ICT infrastructure has been reviewed.
PLANNING												
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.		Strat	Reputational	Active	5x3	15	High	Planning	Mick Jewitt	Mark Harbottle	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.
683	Proposed legislative changes including the Housing and Planning Bill.		Strat	Customer/Citizen	Active	4x3	12	High	Planning	Mick Jewitt	Mark Harbottle	Work with other Council departments, partners and other LAs to explore/ develop innovative new approaches to mitigate any adverse impact wherever possible
81	Future recession/further credit crunch and further legislative change leads to fewer planning applications and therefore reduced income		Strat	Financial	Active	3x2	6	Med	Planning	Mick Jewitt	Mark Harbottle	Regular budget monitoring and reporting of the position.
78	Accident/incident involving staff whilst on site leads to work backlog and possible insurance claim against the Council		Strat	Health & Safety	Active	1x4	4	Low	Planning	Mick Jewitt	Mark Harbottle	Site visit protocols, appropriate training and issue PPE (Personal Protection Equipment).
REVENUES & BENEFITS												
600	The introduction of Universal Credit and transfer to DWP payments leads to a likely reduction in Govt admin grant revenue.		Strat	Financial	Active	4x3	12	High	Revenues & Benefits	Louise Branford-White	Louise Branford-White	Closely monitor developments to gauge rollout timing & impact; employ project planning & close budget monitoring.
STRATEGIC HOUSING												
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	Active	3x4	12	High	Strategic Housing	Mick Jewitt	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
684	Proposed legislative changes including the Housing and Planning Bill.		Strat	Customer/Citizen	Active	4x3	12	High	Strategic Housing	Mick Jewitt	Mark Harbottle / Sue Walters-Thompson	Work with other Council departments, partners and other LAs to explore/ develop innovative new approaches to mitigate any adverse impact wherever possible
556	Ministerial Statement 28 Nov 2014 amending & extending Section 106 planning obligations, reduces ability to secure affordable housing on small sites.		Strat	Customer/Citizen, Reputational	Active	3x3	9	Med	Strategic Housing	Mick Jewitt	Sue Walters-Thompson	Decision ruled unlawful by the High Court so currently can have no effect. However, Government has lodged appeal which will be heard in March 2016.
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	Active	2x3	6	Med	Strategic Housing	Mick Jewitt	Sue Walters-Thompson	Funding partners signing up to a formal 3-year Service Level Agreement with option to leave with 12 mths notice; scope to generate more income through increased consultancy work. Programme widened to East Riding to secure further funding through LEP.
WASTE & STREET SCENE												
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	Customer / Citizen, Environmental, Financial, Reputational	Active	3x5	15	High	Waste & Street Scene	Mick Jewitt	Gary Brown	These aspects will form part of the project brief to mitigate as far as possible these risks to the Council