

## **HAMBLETON DISTRICT COUNCIL**

**Report to:** Audit, Governance and Standards Committee  
18 June 2014

**From:** Director of Support Services and Deputy Chief Executive

**Subject:** **REVIEW OF RISK MANAGEMENT**

All Wards

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### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 A critical purpose of the Audit, Governance and Standards Committee is to monitor the Strategic Risks affecting the Council ensuring that these are appropriately measured and that suitable actions are undertaken to mitigate the effect of each risk.
- 1.2 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.
- 1.3 The operational risks are reviewed by each service on a quarterly basis and annually by the Director responsible for the service to reflect upon their appropriateness and the adequacy of the mitigation. Strategic risks are reviewed quarterly by Management Team and the Audit, Governance and Standards Committee.
- 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  
Governance and Standards Committee Report – October 2013

**Ref:** JI

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# Annex A

## Active Strat Risks 2014-15

Risk ID	Risk Name	Mandatory - cannot be closed	Org Level	Risk Category	Status	Likelihood: Impact	Score	Risk Level	Service	Service Director	Risk Manager	Action Plan
394	The Shared Services (SP002) 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	Finance	Justin Ives	Phil Morton	Programme of repatriation and SLAs. Case by case examination of costs and impact.
423	Continued downturn in 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	4x4	16	High	Strategic Housing	Mick Jewitt	Sue Walters-Thompson	Affordable housing targets and thresholds to be reviewed as part of LDF review RHE focus on delivery via exception sites that are not reliant on market
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	Active	5x3	15	High	Planning Policy	Mick Jewitt	Mark Harbottle	Maintain an up to date set of LDF documents. Monitor progress and review LDS. Staff to concentrate on LDF Policy Review as a priority. Use of consultants to assist. Also work closely with developers to bring sites forward. Regular performance monitoring and good project management.
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	Active	3x5	15	High	Communications	Dave Goodwin	Aly Thompson / Dave Goodwin	Ensure a Business Continuity Plan is in place, and published, to include a sustainable link with NYCC for provision of emergency information.
416	Significant reductions in government grant leading to the inability to sustain council services at the current level.		Strat	Financial	Active	3x4	12	High	Finance	Justin Ives	Justin Ives	An on-going programme of service delivery and saving reviews that ensures best value is being achieved and income is maximised
540	Failure of Human Resources SLA leading to lack of resilience in payroll staffing & failure to pay employees accurately and on time; results in low staff morale and loss of reputation, Managers not using the service to support transition impacts of staff morale leading to reduction in service delivery with impact to internal and external customers/citizens.		Strat	Customer / Citizen, Health & Safety, Legal, Reputational	Active	3x4	12	High	Human Resources	Justin Ives	Justin Ives	More than one officer in Payroll can carry out the required functions and the role of HR is well publicised internally, particularly the assistance that they can provide to Managers.
81	Financial recession/credit crunch and legislative change leads to fewer planning applications and therefore reduced income		Strat	Financial	Active	5x2	10	Med	Development Management (incl Land Charges)	Mick Jewitt	Mark Harbottle	Regular budget monitoring and reporting of the position.
227	Unable to access HDC services due to ineffective individual business continuity plans and emergency leading to poor customer satisfaction and loss of reputation.		Strat	Reputational	Active	2x5	10	Med	Communications	Dave Goodwin	Dave Goodwin	Programme of reviewing Business Continuity plans. NYCC person appointed. DG meeting Friday 1st Feb.
380	Setting of the Community Infrastructure Levy (CIL) rate not completed in time leading to loss of income needed for investment in infrastructure		Strat	Financial	Active	2x5	10	Med	Development Management (incl Land Charges)	Mick Jewitt	Mark Harbottle	The Government has indicated that the date by which CIL would need to be in place will go back a year. In view of this and in light of responses to the Provisional Draft Charging Schedule, a new project time scale can be agreed with Members without increasing the risk.

# Annex A

## Active Strat Risks 2014-15

Risk ID	Risk Name	Mandatory - cannot be closed	Org Level	Risk Category	Status	Likelihood: Impact	Score	Risk Level	Service	Service Director	Risk Manager	Action Plan
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 All staff and Members being retrained on Data Protection; All staff retrained on Data Protection, Members training sessions Oct '13 and Q1 '14.
139	Failure of the Hambleton Community Safety Partnership (SP004) leads to non-compliance with statutory regulations for HDC		Strat	Legal	Active	2x4	8	Med	Business & Community	Dave Goodwin	Dave Goodwin	Review effectiveness of plan and partnership annually.
383	Failure to review and update emergency plans leads to inadequate response to emergencies resulting in loss of reputation.		Strat	Reputational	Active	2x4	8	Med	Communications	Dave Goodwin	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	Active	2x4	8	Med	ICT (inc. Reographics)	Justin Ives	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	Active	2x4	8	Med	ICT (inc. Reographics)	Justin Ives	Justin Ives	A project has been developed to manage transition. Appropriate resources have been assigned.
214	Failure to increase participation in physical activity means the Council will not be meeting its targets of improving the health care needs of its residents.		Strat	Social	Active	3x2	6	Med	Leisure & Health	Dave Goodwin	David Ashbridge / Lisa Wilson	Health and physical activity plan, signed up to by multi agencies
225	Failure to manage Capital Programme leading to inability to deliver Council Services efficiently and effectively leading to lack of customer satisfaction and increased risks e.g. safety of premises		Strat	Reputational	Active	2x3	6	Med	Finance	Justin Ives	Justin Ives	Review and management of Capital Programme
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	M	Strat	Legal, Reputational	Active	3x2	6	Med	Improvement & Information	Justin Ives	Gary Nelson	Develop and deliver training to all staff.
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	Active	1x4	4	Med	Improvement & Information	Justin Ives	Gary Nelson	Annual review of Risk 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		Strat		Active	1x4	4	Low	Communications	Dave Goodwin	Dave Goodwin	Weekly meetings held to review performance and identify any potential significant challenges/risks. HDC Policies are amended/developed as required.
142	Failure of Veritau Audit Partnership (SP011) resulting in loss of internal audit coverage at Hambleton leading to potential exposure to risk		Strat	Partnership/ Contractual	Active	1x2	2	Low	Finance	Justin Ives	Justin Ives	Bring the service back in-house