

## **HAMBLETON DISTRICT COUNCIL**

**Report to:** Scrutiny Committee  
13 June 2019

**From:** Director of Finance (s151 Officer)

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

All Wards

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### **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.
- 1.3 All risks are reviewed by the relevant service manager on a quarterly basis to reflect upon their appropriateness and the adequacy of an 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 & Standards Committee on an annual basis in the Annual Governance Statement.
- 1.7 As a result of work carried out by the Strategic Risk Management Group the following information details the proposed recommended approach for risk management from Q4, 2018/19 and for future years:
  - (i) Each risk must now carry both a 'Gross' or 'Inherent' score, as well as a 'Net' or 'Residual' score.
  - (ii) The addition of an action plan and timeline or deadline acts as a mechanism for managers to closely monitor and manage each risk.
  - (iii) 'Strategic' and 'Operational' organisation identifiers no longer added value to the authority's risk management process and are therefore no longer used.
  - (iv) Changes in the Council's definition of risk appetite have occurred.

- (v) The definitions of the 'Impact Criteria' and 'Impact Score' have been revised. This is to assist officers to have a consistent approach when deciding on the impact element of the Likelihood x Impact of the risk score.
  - (vi) Project risks continue to be clearly identified.
  - (vii) Corporate risks have been introduced.
  - (viii) General Risks where the Net risk is equal to or above a risk appetite threshold of '12' will be reported to Members.
- 1.8 During Q4, 73 risks were changed or updated, 4 risks were closed and 7 new risks identified. The authority currently holds a total of 341 active risks across all service areas.
- 1.9 As a result of these improvements to the risk management process, the risks presented for Scrutiny Committee to review will include:
- Annex A Corporate Risks
  - Annex B Project Risks
  - Annex C General Risks where the net risk appetite threshold is equal to 12 or above.
- 1.10 The Risk Management Framework is being updated to incorporate the proposed changes in this report for 2019-2020 will be presented to Scrutiny Committee Members at the next available opportunity.

## **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 note:
- (1) Annex A HDC Corporate Risks
  - (2) Annex B HDC Project Risks
  - (3) Annex C HDC General Risks with a net risk appetite threshold equalling 12 or above.

LOUISE BRANFORD-WHITE  
DIRECTOR OF FINANCE (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

## HDC CORPORATE RISKS 2018-19 Q4

Risk ID	Risk Name	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
407	Failure to develop and maintain an effective <b>Business Continuity</b> plan leads to lack of resilience or inability to access HDC services resulting in loss of service or failure of service delivery.	Active	CORP	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 liaise 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	1x5	5	Med
254	<b>Health and Safety workplace risk assesment</b> - 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.	Active	CORP	Paul Staines	All Service Managers	5x5	25	High	<ul style="list-style-type: none"> <li>Each service to implement their service specific action plan to undertake service risk assessments and workplace inspections annually</li> <li>services to work to the HDC Health &amp; Safety Policy and arrangements for risk assessments. - Responsible Officer to assist shared learning and practices across the organisation.</li> </ul>	Ongoing	1x3	3	Low
157	<b>Health and Safety Lone working</b> practices are not as effective as they should be leading to potential physical risk and/or sub-standard service, performance, financial, environmental and reputational losses and legal challenge.	Active	CORP	Paul Staines	All Service Managers	2x5	10	Med	<ul style="list-style-type: none"> <li>HDC implements suitable arrangements where all services work to the Council Health and Safety Policy and arrangements for Lone working.</li> <li>Service action plans in place including: <ul style="list-style-type: none"> <li>Specific service risk assessment &amp; practice in place</li> <li>All relevant staff to receive h &amp; s training</li> <li>A system of monitoring and review is being implemented where H&amp;S Group monitor risk assessment management and associated KPI's.</li> </ul> </li> </ul>	On-going	1x3	3	Low
512	Failure to follow <b>GDPR requirements</b> and failure to follow the Council's Information Policy leads to 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.	Active	CORP	Gary Nelson	Laura Venn and All Service Managers	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/ GDPR updates.	On going	2x2	4	Low
522	Failure of the Council's <b>website</b> 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.	Active	CORP	Helen Kemp	Sandra Hall and All Service Managers	2x3	6	Low	Website hosted and supported offsite to minimise risk and current information maintained and review on a regular basis	Ongoing	1x3	3	Low
602	Failure to ensure all staff undertake <b>Equality &amp; Diversity</b> refresher training annually in accordance with HDC corporate objectives.	Active	CORP	Gary Nelson	Lynne Halls and All Service Managers	2x3	6	Low	All staff to complete training through L&D programme every 3 years	Ongoing	1x3	3	Low
709	Failure to set an <b>annual budget</b> to reflect the Financial Strategy and the budgeted Council Tax	Active	FIN	Louise Branford-White	Saskia Calton	1x4	3	Low	Complete and challenge the Budget setting process, generate income, create efficiency savings, reduce the current budget, monitor and manage the position reporting to cabinet on a quarterly basis	Annual - February and Quarterly monitoring	1x3	3	Low

# ANNEX B

# HDC PROJECT RISKS 2018-19 Q4

Risk ID	Risk Name	Project Risk	CP Priority	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													
615	Inability to deliver Bedale Gateway Car Park project leads to long-term damage to local economy through loss of visitors and trade.	PR	EV	Design & Maintenance (incl Public Lighting)	Steve Lister	Clive Thornton	3x4	12	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 econmic vibrancy of town. Fundamental review of options in June 2019.	Jun-19	3x3	9	Med
621	Default on payments for £1.5m loan issued to finance Dalton Bridge development, leading to Council's inability to recover its commercial investment.	PR	EV	Business & Economy	Helen Kemp	Nicole Patterson & Sam Swinbank	3x5	15	High	Business Improvement District with BID levy collected through a statutory process to facilitate repayment of the loan.	Sep-21	2x4	8	Med
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	EV	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 LEP LGF funding. The LEP have agreed this and the variation is being progressed.	Mar-19	2x5	10	Med
631	NNDA 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	EV	Business & Economy	Helen Kemp	Nicole Patterson & Sam Swinbank	2x5	10	Med	Risk has reduced on receipt of LEP 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	Low
632	North Northallerton Project is delayed or stalls completely, adversely affecting the Council's supply of housing and employment land.	PR	EV	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
668	Residents put all recyclables in the new wheeled bin and don't use the box for glass. Contaminated loads, especially if glass is at the bottom of the bin and isn't noticed until tipped or until at the MRF.	PR	EV	Waste & Street Scene	Paul Staines	Gary Brown	1x4	4	Low	Maintain clear communication needed about the box still in use and possibly suspect if no box is presented along with bin. Introduction of Contamination procedure and possible temporary withdrawal of service	Jan-19	1x4	4	Low
737	Local Plan - The Plan is found to be unsound at the Examination stage	PR	EV	Planning	Helen Kemp	Mark Harbottle	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
738	Central Northallerton Redevelopment - The dividends expected from the development are not received	PR	EV	Corporate	Justin Ives	Louise Branford-White	4x4	16	High	Monitor the Joint Ventire Company Budget quarterly and support the sale of phase I and phase II of the development	Quarterly	3x4	12	High
739	Central Northallerton Redevelopment - The site is not developed to reflect the aspirations of the Council	PR	EV	Corporate	Justin Ives	Louise Branford-White	4x5	20	High	1. Board meets every 2 months; 2. CExc & Deputy Leader represent the interest of the Council; 3. Internal Board meeting reviews, monitors and suggests actions - meets every 6 weeks	6 weekly monitoring, completion date summer 2020	3x4	12	High
740	Sowerby Gateway - Junction - Key elements of infrastructure are delayed	PR	EV	Planning	Helen Kemp	Mark Harbottle	4x4	16	High	Ongoing officer engagement with developers and other stakeholders in the scheme to ensure any issues are addressed at the earliest opportunity. (Works to construct junction have commenced and risks of failure are therefore significantly reduced. The formation of the Sowerby Sports Village has also commenced and a programme of action lead by the Dept for Education to create a new Primary School on the Sowerby Gateway side is in place.) Officers maintain dialogue interally and external stakeholders. Likelihood reduced from 4 to 1 (4/10/2018) TJW.	Monthly review	1x4	4	Low
749	Dalton Bridge – Default on Voluntary Contributions	PR	EV	Business & Economy	Helen Kemp	Nicole Patterson / Sam Swinbank	3x4	12	High	Establish legal agreements with all business covering contribution, monitor voluntary contribution and timetable for payments.	Sep-21	2x4	8	Med

## ANNEX B

## HDC PROJECT RISKS 2018-19 Q4

Risk ID	Risk Name	Project Risk	CP Priority	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
750	Leeming Bar Industrial Estate – Community objection to the scheme	PR	EV	Business & Economy	Helen Kemp	Nicole Patterson / Sam Swinbank	3x5	15	High	Establish Community Working Group to allow issues to be raised and to be addressed as part of the Scheme Development Stage.	2018	3x4	12	Med
763	Ineffective spatial planning results in HDC being found to be in failure & government intervenes.	PR	EV	Planning	Helen Kemp	Mark Harbottle	1x5	5	Low	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 in overly ambitious & cannot be justified at Examination	PR	EV	Planning	Helen Kemp	Mark Harbottle / James Campbell	4x4	16	High	Robust evidence base has been produced and is being consistently updated. DtC consultation with neighbouring LAs & key stakeholders. Production of Statement of Common Ground. Strategy approach aligns with the Council's Economic Strategy, the SEP etc	Review in line with LDS	2x4	8	Med
<b>ENHANCING HEALTH &amp; WELLBEING</b>														
699	Northallerton Sports Village - Funding Plan cannot be resourced sufficiently to develop the village as intended	PR	HW	Leisure & Communities	Steve Lister	Steven Lister	4x4	16	Med	<ul style="list-style-type: none"> <li>Built Facilities, Playing Pitch and Open Spaces strategies have been produced to evidence the need for more sports provision in Northallerton</li> <li>Some Section 106 funds have been secured (£300k)</li> <li>National Governing Bodies will be consulted in a timely fashion</li> <li>The council is considering purchasing a Grant Finder product</li> </ul>	2025	3x3	9	Med
703	Sowerby Sports Village - not obtaining sufficient external funding to complete phase 1 within a timely manner	PR	HW	Leisure & Communities	Steve Lister	Lisa Wilson	1x5	5	Low	<ul style="list-style-type: none"> <li>European Regional Development Fund successful</li> <li>Section 106 in place – dialogue with the housing developer has taken place at a senior level to clarify timescales</li> </ul>	2019	1x2	2	Low
741	Sowerby Sports Village – difficulties in establishing a community based operator(s) to manage the facility	PR	HW	Leisure & Communities	Steve Lister	Lisa Wilson	3x5	15	High	<ul style="list-style-type: none"> <li>Comprehensive engagement and early, constructive discussions with the key stakeholders necessary to explore options and gain community buy-in</li> <li>Action plan to be drafted</li> </ul>	2022	2x3	6	Low
742	Sowerby Sports Village – the committed sum thresholds are not met by the developers in a timely fashion	PR	HW	Leisure & Communities	Steve Lister	Lisa Wilson	4x3	12	High	<ul style="list-style-type: none"> <li>Budgets are managed through the Council's capital programme so that funds are released and returned when grant claims are processed.</li> <li>Appropriate legal agreements are upheld with the developers.</li> <li>Regular dialogue with the developers at senior level.</li> </ul>	2019	2x2	4	Low
743	Sowerby Sports Village – capital costs increase, especially if the scheme takes a long time to deliver	PR	HW	Leisure & Communities	Steve Lister	Lisa Wilson	3x4	12	High	<ul style="list-style-type: none"> <li>The project is being delivered in phases</li> <li>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</li> </ul>	2022	3x3	9	Med
760	Key personnel leave the authority or technical lead is no longer involved in the project	PR	HW	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
761	Sowerby Sports Village - The 33kv electric cable is not diverted in a timely fashion and delays the work significantly putting the project at risk	PR	HW	Leisure & Communities	Steve Lister	Lisa Wilson	4x4	16	High	<ul style="list-style-type: none"> <li>National Power Grid has started works on 8 April to complete the cable diversion</li> <li>Phase 1 contractor has delivered phase 1 and 2 through a realistic work-around</li> </ul>	2019	1x4	4	Low

## CARING FOR THE ENVIRONMENT

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## HDC PROJECT RISKS 2018-19 Q4

Risk ID	Risk Name	Project Risk	CP Priority	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
127	The amount of waste disposed of to landfill / per head of population continues to increase leading to increased collection costs	PR	Env	Waste & Street Scene	Paul Staines	Gary Brown	3x3	9	Med	Under review as part of the Waste Management Strategy. Concern regards charges to be imposed at Civic Amenity Sites will impact negatively on collection costs. Increase evidenced in fly tipping.	Jan-19	3x3	9	Med
131	Failure to reduce the amount of waste sent to landfill means a proportion of the fines imposed on the waste disposal authority(NYCC) will be passed onto the Council.	PR	Env	Waste & Street Scene	Paul Staines	Gary Brown	2x3	6	Med	Under review as part of the Waste Management Strategy. Concern regards charges to be imposed at Civic Amenity Sites will impact negatively on collection costs. Increase evidenced in fly tipping.	Jan-19	2x3	6	Med
465	Failure of the York and North Yorkshire Waste Management Partnership (SP010) leads to reduced service delivery.	PR	Env	Waste & Street Scene	Paul Staines	Paul Staines	1x3	3	Low	Monitored through quarterly waste partnership meetings and partnership reviews. Possible withdrawal from partnership - attendance at relevant meetings.	Mar-19	1x3	3	Low
667	Allowing bulky brown cardboard to be collected from households which is not contained within wheeled bin (side waste) leads to potential problems as wet material will have an impact. New collection system is severely compromised at the start of it coming into effect impacting on collection time and undermining credibility of the new service with residents Adding to confusion and undermining the reasons of moving to a wheeled bin service	PR	Env	Waste & Street Scene	Paul Staines	Gary Brown	2x3	6	Med	There is a need for a clear and consistent approach to side waste. Information to residents needs to be clear as well as training for operatives. Continued refresher training especially with recognition of round changes as part of route optimisation. Service established including evidence that, residents awareness and recognition of requirements is improving.	Jan-19	2x2	4	Low
717	Introduction of Green Waste charging leads to participation that requires a further round, vehicle and staff to service the volume of participating properties.	PR	Env	Waste & Street Scene	Paul Staines	Paul Staines / Gary Brown	4x5	20	High	Charge agreed following extensive research. Subscription levels significantly in excess of estimated. Rounds require some work to balance due to location of properties	Dec-18	3x5	15	Med
788	Further assessment of the Ground Source heat Pump (GSHP) scheme reveals it is not economically viable resulting in unrecoverable expenditure	PR	Env	Corporate	Mick Jewitt	Hannah Heinemann	4X4	16	High	Monitor costs closely and ask consultant to produce a more accurate cost plan. Project Plan includes key review points. Manage project with assessment and review at each key stage to minimise financial exposure and ensure scheme does not progress unless continuing economic viability is demonstrated.	Feb-19	4X4	12	High
789	No Renewable Heat Incentive achieved for the GSHP scheme	PR	Env	Corporate	Mick Jewitt	Hannah Heinemann	3x5	15	High	Provide as much detail as possible at clarification stage.	Feb-19	4x4	16	High
790	The size and scope of GSHP project is undeliverable within such a tight timescale (By Jan 2019)	PR	Env	Corporate	Mick Jewitt	Hannah Heinemann	3x4	12	High	A full project management approach will be followed with appropriate assistance from experts in the implementation of the technology. More certainty will be achieved after condition surveys are completed and some initial design has been prepared.	Mar-19	3x4	12	High
<b>A SPECIAL PLACE TO LIVE</b>														
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	SP	Planning	Helen Kemp	Mark Harbottle	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 and results in a need to repeat the process and leads to speculative planning applications and appeals.	PR	SP	Planning	Helen Kemp	Mark Harbottle / James Campbell	1x4	4	Low	Project planning to ensure new Local Plan is brought forward in a timely manner and based on a robust evidence base, Sustainability Appraisal & community & stakeholder engagement & that legal requirements are followed. Review LDS annually. LPE consultants checking document prior to Publication. Investment in planning policy staff resource & software	Review monthly	1x4	4	Low
<b>COMMUNICATIONS &amp; CUSTOMER EXCELLENCE</b>														
471	Failure to deliver Customer Excellence programme including Customer Relations Management (CRM) & Business Process Implementation (BPI) projects to improve quality of service delivery, leads to a reduced level of services.	PR	CC	Cust Services & Comms	Louise Branford-White	Sandra Hall	3x3	9	Med	Customer Excellence Programme delivering CRM & BPI ongoing through 2018/19 into 2019/20. Programme includes corporate GovMetric customer satisfaction, call recording, customer culture, process improvements, customer service training. Resources limited to implement process and service improvements due to nature of operational and reactive roles however every effort is made to improve services as resources allow.	Ongoing	3x3	9	Med

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## HDC PROJECT RISKS 2018-19 Q4

Risk ID	Risk Name	Project Risk	CP Priority	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
GOOD FINANCES														
711	Changes to the E-Procurement system and internal procurement procedures fail to significantly improve the overall quality of service.	PR	FIN	Corporate Finance	Louise Branford-White	Emma Thornton	3x2	6	Med	The project will be split into 4 Key stages. Stage 1 Updating the current e-financial system. Stages 2 Empower sections so they can raise and authorise their own purchase orders. Stage 3 Implement a No Purchase order, No Pay policy, Stage 4 Procure and implement software to aid automated matching of Purchase orders to invoices. The project will be monitored at each stage to ensure the cost of the project does not outweigh the likely benefits obtained. P2P project currently on hold due to possible procurement of new Finance system	Dec-19	3X1	3	Low
712	Cost of implementing changes to the Finance system including the possible requirement to purchase additional Computer Software and/or Hardware to enhance Optical Character Recognition to accommodate Purchase to Pay Ideals out weights benefit/reward	PR	FIN	Corporate Finance	Louise Branford-White	Emma Thornton	5x2	10	Med	The project will be split into 4 Key stages. Stage 1 Updating the current e-financial system. Stages 2 Empower sections so they can raise and authorise their own purchase orders. Stage 3 Implement a No Purchase order, No Pay policy, Stage 4 Procure and implement software to aid automated matching of Purchase orders to invoices. The project will be monitored at each stage to ensure the cost of the project does not outweigh the likely benefits obtained. If we are able to improve service sufficiently by online input of Purchase Orders by each individual service, capacity to process invoices in Business Support will increase allowing for more accurate and timely processing of invoices which may eliminate the need for additional software. Also updates to current software may assist in the invoice processing therefore making the need for additional software unlikely. P2P project currently on hold due to possible procurement of new Finance system	Dec-19	3X1	3	Low
713	Possible initial increase in invoice processing times with the introduction of a Corporate No Purchase Order, No Pay policy which would be required to compliment the Purchase to Pay Ideals.	PR	FIN	Corporate Finance	Louise Branford-White	Emma Thornton	4x2	8	Med	Ensuring a comprehensive media campaign is carried out by write to all suppliers of goods and service and advertising the new payment policy on the councils intranet and website. P2P project currently on hold due to possible procurement of new Finance system	Dec-19	3X2	6	Med
714	Risk of staff outside Corporate Finance not engaging with new procurement processes.	PR	FIN	Corporate Finance	Louise Branford-White	Emma Thornton	3x1	3	Low	To engage all key staff in appropriate training both of the system and the ideals of the people to pay process. P2P project currently on hold due to possible procurement of new Finance system	Dec-19	3X1	3	Low
715	Loan to Broadacres Association fails because the third party no longer requires the loan, or encounters difficulties in their repayments and the income received by the council is reduced	PR	FIN	Corporate Finance	Louise Branford-White	Louise Branford-White	3x5	15	High	Ensure other income generating possibilities are being explored to maintain a balanced budget; monitor the third parties financial position to ensure they are in a secure position for the Council to loan the money; maintain good relations with the third party. Also note that the loan is secured with their housing stock	On-going Funds to be taken 31st March 2019	3x1	3	Low
GOOD GOVERNANCE														
228	Failure to support Members' use of the Council's technology through review of technology and provision of appropriate training to Members results in Members unable to engage and respond to Citizens' requests resulting in public dissatisfaction with Members and the Council.	PR	GOV	ICT (inc. Reprographics)	Louise Branford-White	Matthew Pegden	3x2	6	Med	Members are given ipad, Office365 and Modern.Gov training, use Members ICT panel to gather feedback and further training needs. Provide Cyber Security training to all Members	Continuously monitored	2x2	4	Low
582	Weak user password resulting in a hacker gaining access to the network causing potential destruction/loss of data, fraudulent activity and loss of reputation.	PR	GOV	ICT (inc. Reprographics)	Louise Branford-White	Peter Barber	2x5	10	Med	Educate users, regular audit password strength and force users to change, build as part of Cyber Security training	Continuously monitored	2X5	10	Med
637	Aging uninterruptible power supply (UPS), fire suppression and air con units in Civic Centre Server Rooms damage Server Room Equipment, resulting in loss of essential ICT systems and network and impacting internal and/or external service delivery.	PR	GOV	ICT (inc. Reprographics)	Louise Branford-White	Jenny Pan	1x1	1	Low	New UPS, fire suppression & air cons with built-in resilience in new Server Room	Continuously monitored	1x3	3	Low

## ANNEX B

## HDC PROJECT RISKS 2018-19 Q4

Risk ID	Risk Name	Project Risk	CP Priority	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
688	Failure to deliver Green Waste solution for management of Green Waste subscriptions leads to customer dissatisfaction and loss of income through subscriptions.	PR	GOV	ICT (inc. Reprographics)	Louise Branford-White	Nick Rorke	1x4	4	Low	Solution delivered on time	Primary Work Undertaken, 2017-2018	1x4	4	Low
689	Failure to deliver Green Waste solution that allows online payment leads to manual process, causing considerable staff resourcing issues, delays for customers and impact to project timescales creating customer dissatisfaction and loss of income through subscriptions.	PR	GOV	ICT (inc. Reprographics)	Louise Branford-White	Alan Oxley / Nigel Boyes	1x5	5	Med	Solution delivered on time, back office functions completed	Continuously monitored	2x3	6	Med
690	Failure to be able to send out list of addresses of people requiring Green Bins to 3rd party supplier of tags/stickers for customers' bins leads to customer dissatisfaction and loss of income through subscriptions.	PR	GOV	ICT (inc. Reprographics)	Louise Branford-White	Nick Rorke	1x5	5	Med	Solution delivered on time	Primary Work Undertaken, 2018-2019	1x4	4	Low
691	Failure to create effective WASS refuse and recycling rounds database and user interface	PR	GOV	ICT (inc. Reprographics)	Louise Branford-White	Nick Rorke	2x4	8	Med	Commit sufficient ICT resources to delivery of the project. Work with stakeholders and partners to ensure the solution that is delivered is fit for purpose.	Primary Work Undertaken, Completed By Dec 2019	2x4	8	Med



## ANNEX C

## HDC GENERAL RISKS WITH A NET RISK APPETITE THRESHOLD OF 12 OR ABOVE (excl Project risks) 2018-19 Q4

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 ECONOMIC VITALITY														
638	CIL income below expectations, leading to a lack of funding for infrastructure improvements and therefore further delivery of housing.	EV	Active	Planning	Helen Kemp	Mark Harbottle / Ann Rawlinson	4x3	12	High	CIL monitoring post in place. Procedures to be developed to pursue non payment through the CIL regulations. Income low in part due to the levels of exemptions	Quarterly review	4x3	12	High
ENHANCING HEALTH & WELLBEING														
NONE														
CARING FOR THE ENVIRONMENT														
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"><li>• Significant risk of harm to the environment and public health if any contamination is not remediated.</li><li>• A potential significant financial burden on the Council.</li><li>• Significant reputational damage.</li></ul>	Env	Active	Environmental Health	Paul Staines	Vikki Flowers	4x5	20	High	<ul style="list-style-type: none"><li>• Documented procedures are in place and are reviewed periodically.</li><li>• 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.</li><li>• 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.</li><li>• There is no designated funding in the EH budget to carry out investigation and potential remediation of contaminated sites.</li></ul>	30/03/2020 Review of Contaminated Land Strategy.	3x4	12	High
732	Failure to have an appropriate Managhement Information System (MIS) to collect data, create and maintain intelligent work processes, provide and analyse performance management information and provide data for statutory returns and other requests for information resulting in: <ul style="list-style-type: none"><li>• Inefficient working practices.</li><li>• Lack of effective performance management.</li><li>• Poor quality customer interaction.</li><li>• Increased customer complaints.</li><li>• Failure to provide information to Government agencies and other bodies/individuals.</li><li>• Failure to comply with data protection requirements.</li></ul>	Env	Active	Environmental Health	Paul Staines	Vikki Flowers	5x4	20	High	<ul style="list-style-type: none"><li>• Current MIS is not fit for purpose.</li><li>• Data is recorded, however the system does not allow effective performance management, intelligent workflows, agile working solutions or effective customer interaction.</li><li>• Data retention is not compliant with statutory requirements.</li><li>• Lack of knowledge and expertise to make improvements.</li><li>• Following a review of the current system to identify deficiencies, it has been established that the required improvements are likely to be cost prohibitive.</li></ul>	A review of other MIS providers is underway with a view to changing from the current provider.	3x4	12	High
776	Failure to implement the Council's Information Policy and manage the data held by the service which may lead to: <ul style="list-style-type: none"><li>• Contraventions of General Data Protection Regulations</li><li>• Potential fine by the Information Commissioner</li><li>• Failure to make decisions leading to legal challenge</li><li>• Potential harm to customers if personal data is released.</li></ul>	Env	Active	Environmental Health	Paul Staines	Vikki Flowers	5x4	20	High	<ul style="list-style-type: none"><li>• A corporate Data Protection Policy is in place.</li><li>• An Information Asset Register has been completed for EH.</li><li>• A service specific Privacy Statement is being produced by Veritau.</li><li>• The service does not have any procedures for data retention and the current MIS does allow batch deletion. Work is ongoing to improve/ replace MIS provider.</li></ul>	31/03/20 Management Information System is implemented and fit for purpose.	3x4	12	High
664	Customer Services Team is unable to cope with the influx of calls resulting in customer dissatisfaction and confusion	Env	Active	Waste & Street Scene	Paul Staines	Gary Brown	4x5	20	High	Significant volume of complaints and enquiries directed to WaSS and the implementation of new CRM system causes requirement for further resources to cope within timescales so as not to effect customer satisfaction. Monitor.... report to P. Staines Sept 17	Completed	3x5	15	High
A SPECIAL PLACE TO LIVE														

# ANNEX C

## HDC GENERAL RISKS WITH A NET RISK APPETITE THRESHOLD OF 12 OR ABOVE (excl Project risks) 2018-19 Q4

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
426	Failure to properly manage joint arrangements with NYCC 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	Alison Morton	3x4	12	High	Working closely with other LAs and NYCC 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

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							Likelihood : Impact	Score	Risk Level			Likelihood : Impact	Score	Risk Level
<b>COMMUNICATIONS &amp; CUSTOMER EXCELLENCE</b>														
NONE														
<b>GOOD FINANCES</b>														
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 every year 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 and any changes incorporated into the financial strategy.	Ongoing	3x4	12	High
411	Beyond 2017/18 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	A greater emphasis on income generation across the Council has been introduced in the Commercial Strategy approved at Cabinet in November 2017. This is to ensure that income is generated to support future services for the Council.	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	Ian Godfrey	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, and 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	Corp	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Monitor at the Capital Monitoring Group and agree appropriate asset management strategy	Ongoing	3x4	12	High
794	Commercial Property Portfolio - Management of costs increasing or higher than expected	Corp	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	Ongoing	3x4	12	High
795	Commercial Property Portfolio - Rental income reducing due to business failures or delay in reletting units	Corp	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.	Ongoing	3x4	12	High
796	Commercial Property Portfolio - Legislation introduced that prohibits Local Authorities to borrow for commercial profit	Corp	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Continue to review and monitor current regulations and legislation.	Ongoing	3x4	12	High
797	Commercial Property Portfolio - There is insufficient knowledge within the Council to support this commercial investment	Corp	Active	Commercial	Mick Jewitt	Hannah Heinemann	4x4	16	High	Regular monitoring reports from Property Investment Advisor should minimise this risk.	Ongoing	3x4	12	High
<b>CORPORATE</b>														
NONE														
<b>GOOD GOVERNANCE</b>														
677	Cyber attack facilitated by user error leads to loss of key ICT infrastructure resulting in reduced ability to provide ICT Services	GOV	Active	ICT (inc. Reprographics)	Louise Branford-White	Jenny Pan	5x3	15	High	Compulsary annual Cyber Security training for all users, Cyber Security Incident Management Plan in place, actively monitor and review ICT security policies, participate in WARP (Warning, Advice and Reporting Point) to share knowledge and information with other Councils, arrange ICT staff training to keep up with the latest development. Review Cyber Liability Insurance as supplier changed rules significantly.	Continuously monitored	3x5	15	High

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							Likelihood : Impact	Score	Risk Level			Likelihood : Impact	Score	Risk Level
185	Loss of key ICT staff results in loss of key skills and capacity for resilience within the service leading to inability to fully support ICT systems leading to systems failures which result in failure to deliver Council services.	GOV	Active	ICT (inc. Reprographics)	Louise Branford-White	Jenny Pan	3x4	12	High	Good staff development and regular training to ensure staff are abreast of latest developments in technology. Review staff pay structure to reflect market price, use third party for assistance if needed.	Continuously monitored	3x4	12	High