Quarter 3, 2023-2024 Corporate Risk Register

REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK IMPACT	RISK CATEGORY Strategic Resource Operational Financial Knowledge management Compliance, Partnership	Current Risk Rating (See table below for guidance)			CONTROLS IN PLACE TO MITIGATE THE RISK	Risk Rating after mitigations (See table below for guidance)			FURTHER ACTION REQUIRED	SUMMARY OF CHANGE SINCE LAST QUARTER	RISK OWNER
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CR1	Universal Credit (UC)	Ongoing changes to the welfare system and Universal Credit impact on resources in Benefits and Customer Services.	Resources allocated to the team are not in line with workload demands. .	Financial and Resource	4	1	4	• The Local Council Tax Reduction Scheme has been redesigned to improve the customer experience and make it easier/more efficient to administer. The scheme was adopted by the Council in February 2022 and is in place from 2022-2023. • A service review will ensure the team is flexible and can adapt to changes in workload in future years. • Following a major system upgrade, improved document management functions, the introduction of a linked CRM system and automation are being explored to increase productivity within the team and improve interaction with customers. • The Customer Service Advisor post has been recruited. • DWP UC migration notices will begin to be issued to tax credit (CTC/WTC) only claimants in South Derbyshire from August 2023. • The Benefits Subsidy and Compliance Manager has reduced working hours to part time, a review of the Benefits Team structure is to be undertaken to ensure technical knowledge is retained within the team and a comprehensive succession plan is in place for the future.	2	1	2	Continually monitor the workload and resources allocated to the team.	Mitigating actions updated to advise on the review of the Benefits Team structure to retain technical knowledge and succession plan for the future.	Head of Customer Services
CR2	Fraudulent activities	The possibility of fraud being undetected.	National studies show fraud leads to a significant loss of resources within the Public Sector as a whole.	Financial and Reputational	4	3	12	• The Council has a Shared Service Arrangement with Derby City Council which supports the delivery of the Council's Anti-Fraud & Corruption Plan, which aims to introduce stronger anti-fraud processes across council tax, business rates, benefits, Right to Buy, social housing, supported accommodation and wider service areas. The unit also delivers fraud awareness training across the Council. This agreement was extended for 2023-2024. • Public agencies such as the DWP and HMRC increasingly share data with local authorities on a real-time basis. This allows compliance checks to take place to spot and eliminate the potential for fraud and error in a timely manner. • Single Person Discount checks on Council Tax are also regularly undertaken. • 26 mandatory staff training session have been delivered to employees by Derby City Council. • Audit Sub Committee approved the latest Fraud and Anti-Corruption Action Plan in December 2023	2	2	4	The Fraud Unit have an annual work programme which is considered and approved by the Audit Sub-Committee. Outcomes are also reported to the Audit Committee. Regular meetings held with Derby City Council.	Mitigating actions updated to include mandatory training delivered and the Audit Sub Committee have approved the latest Fraud and Anti-Corruption Action Plan in December 2023.	Head of Customer Services

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CR3	Procurement Services	Limited resources to enable good quality advice and support for Services.	The Council does not have its own procurement department	Resource	3	3	9	• The Council is part of a Shared Service Arrangement with other Derbyshire Agencies and has access to a wider pool of resources for support and advice. • Review of internal resources available to manage procurement complete, with new permanent internal resource due to be approved in 2024/25 budget. • Interim Procurement Manager appointed to assist with retendering exercise of shared service. • Competitive tender exercise for procurement advice and support in scoping stage • Cross-council multidisciplinary officer group, "Spend Matters" mobilised to develop the Council's procurement and contract management approach.	1	3	3	Review and update the Council's Procurement Strategy and Contract Procedure Rules.	Risk rating after mitigation reduced from 6 to 3 to reflect actions undertaken. Further actions move to controls following implementation.	Corporate Resources, Strategic Director
CR4	Public Building	Ensuring public buildings are safe and have adequate repair budgets to ensure they remain fit for purpose.	Funding available within the budget provisions to deliver the planned maintenance programme.	Financial and Compliance	2	3	6	• The additional repairs reserve has addressed the risk in the short term. • Condition surveys are being undertaken with a view to preparing a planned maintenance programme and comparing estimated costs against available budgets. • The safety measures identified within the Covid-19 risk assessments have been implemented.	2	2	4	Continually monitor and review the repair budgets to ensure adequate funding is available for the Planned Maintenance Programme going forward.	No change in Q3.	Head of Corporate Property
CR7	Payroll Service	. There is no additional capacity or expertise within the team to cope with any down time.	Employees and members not receiving payments due is significant.	Resource	4	4	16	• A report was approved in August 2021 for the approval to look into a new system or provide additional resources. • There is a support function for payroll provision available to the Council from the supplier of the payroll software which can be utilised in an emergency. • Discussions regarding cover of the payroll service are currently underway with the software supplier to make the detail more formal.	1	2	3	Discussions with third parties are on-going regarding the provision of Payroll services.	No change in Q3.	Head of Finance

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CR9	Transformation Compliance	Committing to already allocated resources or finances of projects outside the annual work programme for ICT and Business Change	The Council has signed up to a Transformation Roadmap which would be adversely affected and not delivered therefore failing the corporate plan target.	Strategic	4	2	8	• Ensure all Heads of Service are aware of the roadmap and the implications of adding additional projects. • Ensure Transformation Steering Group members understand when they are involved in other work how that affects the ability to deliver critical transformation projects. • Key TSG members feeding back any discussions or ongoing work relating to unauthorised projects as soon as possible. Transformation compliance has been a key theme when developing the next four-year plan. The Head of Business Change, ICT, Digital has been working with the Leadership Team to define a strong and robust governance procedure to be agreed in Quarter 4.	3	2	6		Mitigating actions have been updated to include an update on transformation compliance in the Council Plan 2024-2028.	Head of Business Change, ICT, Digital
CR10	Banking and Counterparty Limits	Authorised signatories being unavailable, Internet failure resulting in no access to the bank accounts.	Result in a breach of the approved counterparty limits set by the Council.	Resource	4	3	12	• Annual leave and meetings of both approvers and administrative functions are monitored by the team to ensure any potential risks are mitigated. • 5 administration staff have responsibility for setting up transfers of cash therefore any external internet failure is mitigated by having at least 2 other staff to take over the process. • There are 3 approvers for banking transactions, 2 of which are the S151 and Deputy S151 Officers. At least 1 of these officers is always available for approvals. • Cash flow forecasts are updated daily, and any known transfers are set up in advance. • The risk of the Internet failure is mitigated through risk CR23.	1	1	1		No change in Q3.	Head of Finance
CR11	Failure of systems external to Finance	The Academy system interfaces data for Housing Benefit, Council Tax and Business Rates daily. The AIM system interfaces cash files daily.	Impacts of Customer accounts and financial statements not being up to date with cash paid and the FMS not including all assets and liabilities resulting in potential qualification of the Financial Statements.	Compliance and reputational	2	3	6	• An annual maintenance fee is paid to the system providers for system support and disaster recovery. • Daily reconciliations of cash are completed by the Finance team to ensure that any failure is recognised immediately. To prevent any reputational issues, a major failure would result in debt collection reminders being delayed. • Bank accounts are also reconciled daily, and any missing cash files would be manually transferred into the FMS to ensure the Debtor position is correct. • Council Tax, Business Rates and Housing Benefit interface files are reconciled monthly but the processing of the interface files is a manual task so any failure of file generation would be recognised immediately and reported to the IT Helpdesk. • An upgrade to the Academy system has taken place.	1	1	2		No change in Q3.	Head of Finance

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CR12	Government Funding - a reduction in core funding	As a growth area, the Council's proportion of core (Government) funding is heavily reliant on the New Homes Bonus (NHB) and Business Rates, and this has started to reduce.	The Council's core funding was reduced by £418,000 between 2021/22 to 2022/23 and by a further £100,000 in 2023/24. If this trend continues, then the Council will need to review its income and expenditure ahead of the MTFP.	Financial	4	3	12	**Financial Planning** • The Council plans it finances over five years for the General Fund and 10 years for the Housing Revenue Account. Its financial target of achieving a minimum level of contingency balance on a rolling five-year basis allows for a planned and timely approach to address any financial difficulties. • The Medium-Term Financial Plan (MTFP) is regularly reviewed, updated, and reported to the Finance and Management Committee on a quarterly basis. **Current Financial Position** • Overall, the General Fund currently shows a healthy position due to the level of reserves, although the medium-term projection forecasts an increasing deficit in future years as it highlights increasing expenditure to meet the population growth, but a reduction in Government funding. • Projected budget deficits could be financed from reserves if required, although this would become unsustainable after 2025/26. • The Council has approved that no new revenue spending, over and above that approved by the Council in February 2023, is committed until the medium-term situation becomes clearer. • Draft budget position for 2024/25 is deficit of £700k. • Emerging Medium Term Financial Strategy due to be presented to April Council for final approval.	4	3	12	Develop a new Medium Term Financial Strategy.	Mitigating actions have been updated to confirm the draft budget for 2024-25 is in deficit of £700k. The emerging Medium Term Financial Strategy is due to be presented to April Council.	Strategic Director, Corporate Resources
CR13	The Economy - the impact of the national economic situation locally.	Rising inflation and a gap in the supply of materials, services, and labour.	Rising costs, the availability of materials and pressure on recruitment and retention.	Financial	4	3	12	**Support for Local Businesses** • The Government has provided various funding and support for local businesses and residents to help them overcome the impact of Covid-19 and more latterly, with support for energy bills and the cost of living. **Regeneration** • In addition, major residential development has largely continued and following an initial downturn in planning applications in April 2020, they have since shown a strong and sustained upward turn.	2	3	6	Keep under review through quarterly reporting.	Risk level reduced following additional control on 2024/25 budget setting approach.	Strategic Director, Corporate Resources

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								• The Finance and Management Committee approved a new capital investment programme of approximately £4 million on 8 October 2020 which is providing resources for investment in regeneration and community projects. **Treasury Management** • The MTFP is not reliant on interest rates increasing from the current level to generate revenue on its reserves and balances. Recent increases in interest rates are a direct benefit to the Budget. • Apart from debt associated with its Council Housing, the Council is debt free. Regarding the HRA debt, this is now all fixed interest rates and is affordable within the Housing Revenue Account's financial plan. **Base Budget** • The Council's draft budget for 2024/25 has been based on extensive service area engagement and includes sufficient coverage based on known information.						
CR14	Technology, Data and Security – keeping pace with developments in IT, together with the management and security of data	There is a potential security risk for running outdated or unsupported systems. Employees not following due process in relation to IT and data security.	There is potential to loss operational data and for reputational damage, together with possible fines, should a data breach occur.	Strategic	4	4	16	**IT Upgrades and Development** • The Council has an ICT replacement programme in place which directs hardware and corporate infrastructure upgrades. This is resourced through provision in the IT base budget, together with an IT Asset Replacement Reserve. New laptops, smartphones and an upgrade to Microsoft 365 was completed in 2020. **Security of Systems** • The Council is currently compliant with the Government's Public Services Network requirements. • Regular Internal Audit Reviews test the robustness of systems and the infrastructure with recommendations to strengthen the ICT environment being reported to and monitored by the Audit Sub-Committee. • Due to potential virus attacks, measures are in place to restrict Internet access and to control the use of mobile devices. • Continually updated and patched digital estate including firewall servers and antivirus.	3	3	9	Induction process for all new starters as part of the employee lifecycle	Mitigating actions updated to confirm the new Member IT Protocol was agreed at F&M and Full Council in Quarter 3.	Head of Business Change, ICT, Digital

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								Security of Data • Regular briefings and guidance documents are issued to raise awareness of data and security issues. An E-learning package is completed annually by all Officers with access to Council systems and equipment. • The Council's Data Protection Officer has direct access to the Leadership Team on matters concerning Information Governance. • Whilst staff have been working remotely communications have been sent to remind of the dangers of cyber-attacks. The security in place is the same for end users regardless of location therefore hardware and software need no special arrangements in response to COVID working practices, however staff are the first, last, strongest, and weakest chain in our defences. A mandatory Cyber Security e-learning package must be completed annually. A number of procedures and policies are also in place that mandate more secure ways of working such as no use of personal email addresses and devices, information classification and encryption. • The Council is currently upgrading its telephone infrastructure to enable full compliance with the Payment Card Industry (PCI) regulations. The implementation of actions to strengthen security and the safeguarding of data subject to PCI, are being monitored by the Audit Sub-Committee. • An updated Member IT protocol has been agreed by Finance and Management Committee and was presented at Full Council on the 2nd November 2023.				The Learning & Development Officer will provide quarterly reports to the Head of BC&ICT to confirm the % of staff who have completed the E learning training.		
CR16	Business Continuity	Flu Pandemic Fuel Shortage Loss of Buildings ICT Failure	Loss of Service provision	Operational	3	4	12	• Some aspects of this risk can be transferred as business interruption cover is in place as part of the Council's Property Insurance Policy. • Business Continuity and Emergency Plans are in place and regularly reviewed in accordance with the Civil Contingencies Act. The Council buys in support from Derbyshire County Council to ensure that the Council's plans remain up to date. • Risk assessments and action plans are in place and resources made available to provide employees with the equipment to work from home wherever possible as well as access to resources to support their physical and mental health and wellbeing. • The Council continues to deliver all of its services. This is being undertaken within national guidelines and in conjunction with	3	3	9	Business Continuity exercise and training of key officers to be undertaken. Service area Business Continuity plans to be created by all service areas.	Further actions around BC exercise and training updated to include training of key officers. Risk profile modified.	Strategic Director, Corporate Resources

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								other agencies in Derbyshire. Guidance is being provided to staff and the public regarding on-going services and to help protect health and well-being. • A new Flexible Working Policy was implemented on Friday 1st July. This allows staff to work remotely and at different sites within the needs of customers and the Service. Regularly review of the Flexible Working Policy undertaken. • Reports submitted to F&M Committee in January and February 2023 on the implementation of the Flexible Working Policy, • Elected Member Plan and Business Continuity plan is available.						
CR17	Capacity and Resilience	Recruitment/retention of difficult to recruit/retain posts.	The Council will be unable to deliver the key priorities set out in the Corporate Plan and in addition services will be severely impacted upon	Operational	4	3	12	• Market Value supplements is being explored and a report will be presented to Committee for consideration. • Job Evaluation Framework is being reviewed and a report will be presented in 2023/24.	3	2	6	People Strategy is being developed	No change in Q3.	Head of Organisational Development & Performance
CR18	Terrorism and potentially violent situations	As a public body there is a potential for the Council and its workforce to become a target.	From time to time, members of the workforce do face individual threats while undertaking their duties.	Operational	3	4	12	• Lone working systems in place including a 'Solo-Protect' warning and call for assistance system. • A Potentially Violent Persons Policy and Risk Register are in place. • Alarms and warning system in place in the Civic Offices.	3	3	9	Monitoring and review of systems in place; learn from incidents and near misses.	No change in Q3.	Head of Organisational Development and Performance
CR19	Statute and Regulation	Failure to meet requirements.	There is no recent evidence to suggest any significant issues; the impact would depend on the nature of the failure.	Compliance	2	3	6	• This applies to many Council services. In general, the necessary skills and resources are in place to ensure that the Council meets its statutory duties. In addition, the Council's Constitution, policies and procedures aim to support strategic and regulatory delivery. *Note: Some aspects of this risk can be transferred as the Council has insurance cover in place. If the failure rises due to an action of an employee during the normal course of their duties, it is covered under the Official Indemnity (accidental or negligent act) or Professional Indemnity (breach of professional duty) Policies.*	1	3	3	Keep under review. Continue training and awareness for staff.	No change in Q3.	Strategic Director, Corporate Resources

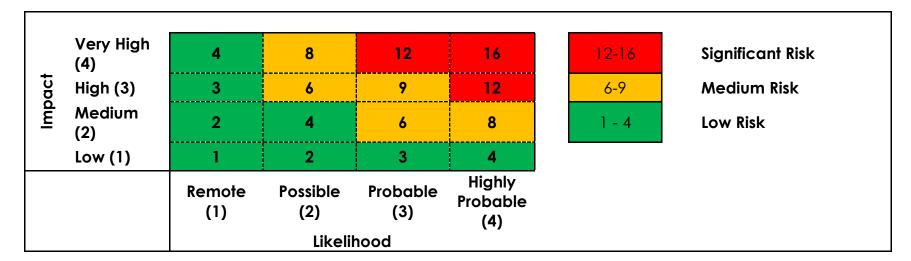| REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK IMPACT	RISK CATEGORY Strategic Resource Operational Financial Knowledge management Compliance, Partnership	Current Risk Rating (See table below for guidance)			CONTROLS IN PLACE TO MITIGATE THE RISK	Risk Rating after mitigations (See table below for guidance)			FURTHER ACTION REQUIRED	SUMMARY OF CHANGE SINCE LAST QUARTER	RISK OWNER
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CR20	Health and Safety	The potential to contravene Health and safety procedure, practice and legislation through non-adherence to safe systems of work, risk assessments and associated work practices.	Serious harm through incidents and near misses	Compliance	4	4	16	• The Council employs a Health and Safety Officer. • All employees are provided with the relevant training, resources and PPE required for their role. • An on-going mandatory training programme is in place for all staff and occupational specific training for parts of the workforce where there is a greater risk of an accident. • Incidents and near misses are logged, reported and reviewed corporately and any major incidents are investigated to review procedures. Campaigns are held to raise awareness of the importance or reporting incidents and near misses with the use of a QR code to make the process more timely being trialled in quarter 4. • Risk assessments are regularly undertaken, and procedures updated when necessary. • Monthly and quarterly meetings are held to review health and safety performance and compliance. • An independent review of the Councils Health and Safety Culture and Behaviour is planned to be completed in 2024/25. • The Health and Safety Policy has been reviewed and approved at the Health and Safety Committee on the 24th January 2024. • Health and Safety procedures are being reviewed and will be shared across the Council with supporting resources and training as appropriate.	3	2	6	Monitoring and review of incidents and near misses. All current health and safety related procedures to be reviewed and updated.	The Health and Safety Policy has been reviewed with minimal changes and approved in H&CS Committee on the 24th January. The Health and Safety Policy and supporting documents are available to access in Connect. A new pilot to report and capture data for near misses will be rolled out in quarter 4.	Head of Organisational Development & Performance
CR21	Managing the environmental impact of incidents across the district	Incidents arising directly from actions by the Council in the provision of its services. For example, an oil spill which contaminates land or water courses	Impacts on environment and economy; increased risk of major events: potential for litigation; reputational damage.	Strategic	2	3	6	• The Council has plans in place through Emergency Planning to manage the environmental impact of any incidents across the district. • The Council is accredited to the prestigious international ISO 14001 standard for Environmental Management. • The Council has also declared a "Climate Emergency" and has a Corporate Steering Group to oversee an action plan to reduce the Council's carbon footprint and become carbon neutral as an organisation by 2030. (**See Risk below**)	2	2	4	A review of the Local Resilience Forum (LRF) at Derbyshire County Council during 2023 may require change to local emergency management arrangements	Certification to ISO14001 retained following an audit in November 2023.	Head of Environmental Services
CR22	Climate Emergency	The failure of the Council to achieve carbon neutrality for its operations by 2030 and carbon	Impacts on environment and economy; increased risk of major events: potential for litigation; reputational damage.	Strategic	4	3	12	• Achievement of the carbon reduction ambitions are mainly vested in our **Climate and Environment Strategy** and **Climate & Environment Action Plan.** • The Action Plan contains planned and programmed actions and will be reviewed annually. It has quantified the estimated net financial costs and net carbon savings associated with the contents of the Plan. The Plan includes a calculation of the contribution of	4	3	12	The emerging Council Plan will need to include all six Transformation Actions if the Council is to stand a realistic prospect of being net zero by 2030.	Mitigating actions updated to confirm the Council Plan 2024-2028 addresses the Council's	Head of Environmental Services

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		neutrality for the district by 2050.						each action to the carbon reduction trajectory, along with the calculated shortfall in carbon reductions. Attaining the targets in the Plan is one of the Corporate Plan Key Performance Indicators. Whist the action plan has been agreed it does contain six Transformation Actions which are central to achieving net zero and for which funding has not been committed. • The Strategy and Plan have identified the main carbon emissions sources. The Council will be alive to the many and various windfall opportunities for interventions in between the annual Plan revisions where these are considered likely to make significant impacts on reducing emissions. • Emerging statute is expected to exert significant influence over the Council's operations and indirect influence in relation to climate change. • The draft Council Plan addresses the majority of the Councils significant sources of carbon emissions.					significant sources of carbon emissions.	
CR23	Internet Connection	The effects of the internet connection becoming unavailable for a length of time would be a major incident.	Most applications whether they are onsite or hosted will need the Council's internet connection to be active for their use. There is only one ISP in Swadlincote. Therefore, if the cable is damaged or the service is disrupted, no internet connection will be available.	Strategic	2	4	8	• New RA02 Circuits are being procured which have been specified with a resilient line. Although full resilience isn't proved due to a single supplier, the lines are coming from different exchanges so both would have to be out of service for a total loss of connection. • There are options to make some services available over alternative connections, be that personal or business, if needed. • Smartphone users can use the mobile data connection to access outlook and teams, etc.	2	3	6	The ICT department are reviewing further resilient options, part of this includes a new proxy service, the costs have been included in the budget setting process	Further actions updated to confirm following an internet provider fault the ICT department are reviewing further resilient options, part of this includes a new proxy service, the costs have been included in the budget setting process.	Head of Business Change, ICT, Digital

South Derbyshire District Council

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CR24	Technical Resource	The Council relies on a small pool of technical specialists and support operatives to keep the organisation operational	Availability of resource to conduct and support Council meetings. Availability of resource to support day to day operations and projects.		3	3	9	• The COVID-19 Fund is being used to finance an agency resource. The introduction of the post has offered relief for first line calls and Committee meetings. • The agency resource is more expensive than an established post and is not a permanent solution. • Budget proposals have been worked up to increase support to ICT and will be presented at Finance and Management Committee in Quarter 4.	3	2	6	ICT structure will be reviewed in-line with corporate employment and operating model. Continually review and monitor support tickets	Mitigating actions updated to confirm budget proposals to increase support to ICT will be presented to F&M Committee in quarter 4.	Head of Business Change, ICT, Digital
CR26	Supply Chain	National shortage of drivers to undertake HGV driving. There is fast becoming a global shortage of microchips and some vehicle manufacturers have suspended production of new vehicles,	. Changes to IRS rules have led many agency drivers to take permanent positions. Could potentially impact fleet purchases and the supply of computer equipment.		4	3	12	• **National shortage of HGV drivers/production of new vehicles:** Training opportunities for existing employees are still in place. There are two vacant driver posts which have been advertised in quarters one and two, three have been recruited. • 2ⁿᵈ year of driver salary supplement agreed. • **New apprentice scheme for HGV mechanics, one apprentice to start each academic year and provide a continual stream of qualified mechanics for the service.** • £10k salary enhancement agreed for HGV mechanics, to support recruitment and retention of staff. • A report on the continuation of additional payments for HGV drivers and Mechanics was approved by Committee in Oct 2022 and March 2023. • A report on the continuation of additional payments for HGV drivers will be reviewed for Qtr3 23/24. • **Global shortage of microchips:** No immediate concerns over purchase of new vehicles, if situation deteriorates then the Team will look to source ex-demonstrator vehicles or nearly new/used vehicles. Short-term hire will also be considered where appropriate. The shortage of semiconductors, a key component part in almost all modern electronics, is having a large effect on production of many products. Cars and computer equipment are high profile products to suffer supply chain problems. The only way to combat this problem in relation to purchase of new equipment is to order early and allow up to six months for delivery. Where practical and financially viable orders can be made before the need arises. A good example could be purchase of a new laptop	4	3	12	HGV apprenticeships are an option if driver training is not taken up by existing staff. Management is in constant discussions with local agency driver suppliers to secure additional cover.30 weeks lead period for new RCV's.	(Operations) The position for the second apprentice has been offered, to commence work in the service in February 2024. Recruitment of HGV driver vacancies underway, completion in quarter 4. No change in Q3 (ICT)	Head of Operational Services Head of Business Change, ICT, Digital

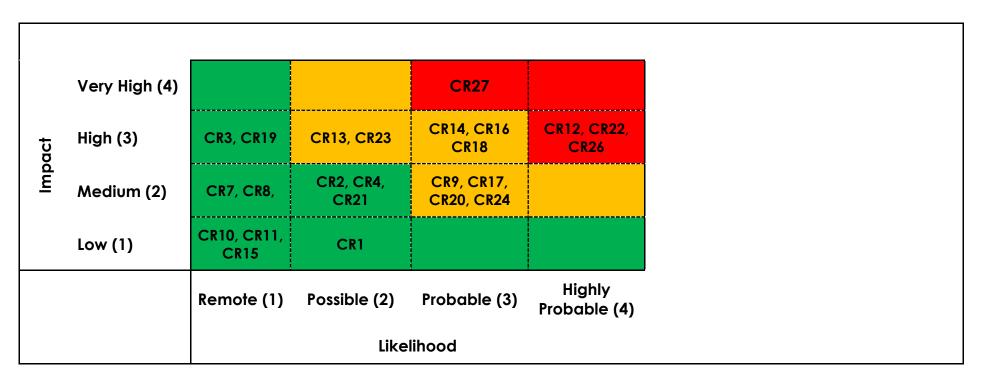| REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK IMPACT	RISK CATEGORY Strategic Resource Operational Financial Knowledge management Compliance, Partnership	Current Risk Rating (See table below for guidance)			CONTROLS IN PLACE TO MITIGATE THE RISK	Risk Rating after mitigations (See table below for guidance)			FURTHER ACTION REQUIRED	SUMMARY OF CHANGE SINCE LAST QUARTER	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
								after members approve the post rather than after the candidate has accepted the post and will be starting in a matter of weeks. • NOVUS and other contractors have been able to secure alternative supplies/products. The shortage of materials has now translated into an increase in materials prices of between 20-25%. This will likely be reflected in having to renegotiate rates for some repair and maintenance works. • Materials price increases have stabilised although not reduced. Overall costs are still increasing as skilled labour costs are increasing due to overall scarcity – further renegotiation of prices has been requested by NOVUS. • SDDC have procured additional repair material provider (Travis Perkins) to provide certainty of supply, higher risk now of skilled labour shortage. • Re procurement of repairs and maintenance services has started. • New rates have been agreed for repair and maintenance work streams. • An additional contractor has now been procured through the Efficiency East Midlands Framework to complete work on voids properties.				Renegotiation of programmes/rates for major improvement schemes.	No change in Q3. (Housing)	Head of Housing
CR27	External audit of the Council's accounts	Increased length in time for the external audit of the Council's accounts.	Making decisions, managing finance challenges, and planning for the future with limited assurance about the underlying financial position.	Financial and Compliance	2	3	6	• The Council's accounts and outturn position is reported annually in July. • Annual reporting satisfies stewardship and accountability for public resources. • Government returns are completed quarterly and annually giving comparators to previous years, which highlights major discrepancies. • Government/CIPFA recommendations for improvements to the service to be kept under review. • Appropriate working relationship with the Council's audit partner established and audit of the Councils financial statements for 2021/22 on-going.	3	4	12	Ongoing discussion with External Audit regarding the availability of audit team to undertake and complete the audit of accounts for 2021/22 and 2022/23. Pending receipt of consultations on "clearing the backlog", prepare SDDC response to proposed measures.	Further actions updated to set out SDDC's efforts in ensuring audit timetable on track.	Head of Finance

Risk Matrix Template

The table below outlines how the impact and likelihood of the risk is scored using the threshold and description as guidance.

Impact		Remote (1)	Possible (2)	Probable (3)	Highly Probable (4)			
Very High (4)		4	8	12	16		12-16	Significant Risk
High (3)		3	6	9	12		6-9	Medium Risk
Medium (2)		2	4	6	8		1 - 4	Low Risk
Low (1)		1	2	3	4			

Likelihood

Impact	Thresholds and Description
1 – Low	Limited impact on service objectives if any, section objectives unlikely to be met, financial loss less than £10,000, no media attention
2 – Medium	Slight delay in achievement of service objectives, minor injuries, financial loss over £50,000, adverse local media attention, breaches of local procedures
3 – High	Significant threat to Council objectives. Non-statutory duties not achieved, permanent injury, financial loss over £100,000, negative national media attention, litigation expected, serious issues raised through inspection, breakdown of confidence of partners.
4 – Very high	Objectives cannot be delivered. Statutory duties not achieved, death, financial loss over £500,000, adverse national media attention, litigation almost certain, prosecutions, breaches of law, inspection highlights inadequate service, Council unable to work with partner organisation

Likelihood	Thresholds and Description
1 – Remote	May occur only in exceptional circumstances (e.g. once in 10 years)
2 – Possible	Unlikely to occur but could at some time (e.g. once in three years)
3 – Probable (in two years)	Fairly likely to occur at some time or under certain circumstances (e.g. once in two years)
4 – Highly probable (in 12 months)	Will probably occur at some time or in most circumstances (e.g. once in 12 months)

Corporate Risk Matrix

The below table summarises the risk likelihood and impact for risks after controls have been put in place to mitigate the risk.

Impact		Remote (1)	Possible (2)	Probable (3)	Highly Probable (4)
	Very High (4)			CR27	
	High (3)	CR3, CR19	CR13, CR23	CR14, CR16 CR18	CR12, CR22, CR26
	Medium (2)	CR7, CR8,	CR2, CR4, CR21	CR9, CR17, CR20, CR24	
	Low (1)	CR10, CR11, CR15	CR1		
		Remote (1)	Possible (2)	Probable (3)	Highly Probable (4)

Likelihood

CR1	Universal Credit (UC)	Ongoing changes to the welfare system and Universal Credit impact on resources in Benefits and Customer Services.
CR2	Fraudulent activities	The possibility of fraud being undetected.
CR3	Procurement Services	Limited resources to enable good quality advice and support for Services.
CR4	Public Building	Ensuring public buildings are safe and have adequate repair budgets to ensure they remain fit for purpose.
CR7	Payroll Service	There is no additional capacity or expertise within the team to cope with any down time so the risk of.
CR8	Payroll Software Contract Expiry	The contract expires in May 2025.
CR9	Transformation Compliance	Committing to already allocated resources or finances of projects outside the annual work programme for ICT and Business Change
CR10	Banking and Counterparty Limits	Authorised signatories being unavailable, Internet failure resulting in no access to the bank accounts.

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CR11	Failure of systems external to Finance	The Academy system interfaces data for Housing Benefit, Council Tax and Business Rates daily. The AIM system interfaces cash files daily.
CR12	Government Funding	A reduction in core funding
CR13	The Economy	The impact of the national economic situation locally.
CR14	Technology, Data and Security - keeping pace with developments in IT, together with the management and security of data	There is a potential security risk for running outdated or unsupported systems. Employees not following due process in relation to IT and data security
CR15	Technology and Data – quality of performance data.	Inaccurate monitoring and reporting of performance data
CR16	Business Continuity	Flu Pandemic, Fuel Shortage, Loss of Buildings, ICT Failure
CR17	Capacity and Resilience	Service demand and loss of skills
CR18	Terrorism and potentially violent situations	As a public body there is a potential for the Council and its workforce to become a target.
CR19	Statute and Regulation	Failure to meet requirements.
CR20	Health and Safety	the potential to contravene regulations through bad practice.
CR21	Managing the environmental impact of incidents across the district	Incidents arising directly from actions by the Council in the provision of its services. For example, an oil spill which contaminates land or water courses
CR22	Climate Emergency	The failure of the Council to achieve carbon neutrality for its operations by 2030 and carbon neutrality for the district by 2050.
CR23	Internet Connection	The effects of the internet connection becoming unavailable for a length of time would be a major incident.
CR24	Technical Resource	The Council relies on a small pool of technical specialists and support operatives to keep the organisation operational
CR26	Supply Chain	EU shortage of materials to manufacture coloured plastic. National shortage of agency drivers to undertake HGV driving. There is fast becoming a global shortage of microchips and some vehicle manufacturers have suspended production of new vehicles,
CR27	External audit of the Council's accounts	Increased length in time for the external audit of the Council's accounts.