

STRATEGIC RISK REGISTER (UPDATED AS AT Q1 2020/21)

Appendix E

Risk	Rating and Current Position	Risk Treatment	Mitigating Actions	Change since last Quarter
<p>1 Government Funding - a reduction in core funding.</p> <p><i>Because the Council's proportion of core funding is heavily reliant on the New Homes Bonus (NHB) and Business Rates, it makes it potentially vulnerable from changes to the current distribution system.</i></p>	<p>Overall income has been increasing in recent years through the NHB, Council Tax and other income. There has been uncertainty for some time regarding the replacement for the NHB and future changes to the Retention of Business Rates.</p> <p>The Government have delayed the consultation on the Fair Funding Review until 2021. The 2021/22 Settlement is not known.</p> <p>The longer-term impact of the current Covid-19 crisis on the level and distribution of resources remains to be seen.</p>	<p>Treat the risk through continuous action and review.</p>	<p>The Medium-Term Financial Plan (MTFP) was updated and approved by the Finance and Management Committee in February 2020. Overall, there continues to be a relatively healthy financial position into the medium-term.</p> <p>Longer-term budget savings may be required although General Reserves are currently adequate to finance projected deficits and known financial risks are being provided for in the MTFP.</p> <p>An initial review of Covid-19 on the short and medium-term financial position is currently being undertaken.</p> <p>An income generating (Commercialisation) Strategy is due to be drawn up in 2020 to identify and generate additional funding streams for the Council.</p>	<p><i>This risk has been increased to RED from Amber from quarter 4 19/20 due to the uncertainty brought about by Covid-19.</i></p> <p>Although the short-term position may be protected due to the current level of reserves and short-term funding provided by the Government, the medium-term position remains as uncertain as ever.</p>
<p>2 The Economy - the impact of the national economic situation locally.</p>	<p>Prior to Covid-19, the local economy had been relatively strong and growing.</p> <p>The impact of the current Covid-19 crisis could have a longer-term impact on the Council's core income as residents and businesses may face difficulties in paying Council Tax, Business Rates and Rent. It could also mean</p>	<p>Treat the risk through continuous action and review.</p>	<p>It is considered that the Council is undertaking as much action as is reasonably possible at this stage to mitigate the risk, but the position is being kept under review.</p> <p>The Government has provided funding and support for local businesses and residents.</p> <p>The MTFP is not reliant on interest rates increasing from the current level to generate revenue on its reserves and balances. Any increase would be a direct benefit to the Budget.</p>	<p><i>This risk has been increased to RED from Amber from quarter 4 19/20 due to the uncertainty brought about by Covid-19.</i></p>

	<p>a recession in the local economy.</p> <p>Income from key services such as Planning, Commercial Property and Trade Waste are already starting to fall below Budget.</p>		<p>A significant amount of debt is at fixed interest rates and is affordable within the Housing Revenue Account's (HRA) financial plan.</p> <p>The Council's Property Strategy has focused on ensuring the Council's assets are being positioned to react to local investment opportunities, including land assembly and joint ventures.</p> <p>There is on-going dialogue through the Derby and Derbyshire Economic Prosperity Board to access funding and with developers to look at alternative options for regeneration. Funding through the One Public Estate has been secured and the Council has set-aside resources in its MTFP for economic regeneration.</p>	
<p>3a Technology and Data - keeping pace with developments together with the management and security of data.</p>	<p>ICT Strategy in place with on-going development. The Council is Public Sector Network (PSN) and GDPR compliant. However, technological opportunities could be missed and there is reputational damage, together with possible fines should a data breach occur.</p>	<p>Treat the risk through continuous action and review</p> <p>Aspects of this risk are also transferred as they are insured perils with the Council's Insurers.</p>	<p>Investment continues to be made in upgrading the ICT infrastructure and network to provide a modern and robust infrastructure.</p> <p>Laptop roll-out and upgrade to Microsoft 365 has been completed and this has allowed most staff to work remotely through the current "lockdown" brought about by Covid-19.</p> <p>An annual independent audit is undertaken each year to test the Council's compliance with PSN.</p> <p>Regular Internal Audit reviews test the robustness of systems and the infrastructure with recommendations to strengthen the ICT environment being monitored by the Audit Sub-Committee.</p> <p>Regular training and briefings given to Elected Members and Officers to raise awareness of data and security issues. An E-learning package has been rolled out for Council Officers.</p> <p>The Council's Data Protection Officer reports directly to the Leadership Team on matters concerning Information Governance.</p>	<p>No change to rating. The mitigating actions have been updated for quarter 1 to include Payment Card Industry.</p>

			<p>Due to potential virus attacks, additional measures have been implemented to restrict Internet access and use of mobile phone devices, together with implementing additional monitoring controls.</p> <p>The Council is currently reviewing its Payment Card Industry (PCI) compliance to overcome some potential weaknesses in handling card payments by telephone. An external agency is currently supporting the Council through this process. The implementation of actions to strengthen security and the safeguarding of data are being monitored by the Audit Sub-Committee.</p>	
<p>3b Technology and Data – quality of performance data.</p>	<p>If this is not robust and meaningful, it could lead to misreporting and incorrect decision making.</p>	<p>Treat the risk through continuous action and review.</p>	<p>Implementation of the recommendations made within the Data Quality and Performance Management Audit undertaken in September 2019.</p> <p>Undertake an annual quality audit if deemed necessary, performed by officers or Internal Audit.</p>	<p>No change to rating or mitigating actions.</p>
<p>4 Business Continuity - arising from the loss of the main Civic Offices, ICT capability, together with a major displacement of the workforce, a flu pandemic or a fuel shortage, etc.</p>	<p>Previously, the impact of Brexit had been an issue, but as the UK has now left subject to a negotiated deal, this risk has been downgraded for the time being.</p> <p>However, the live issue is now the impact of Covid-19.</p>	<p>Treat the risk through continuous action and review.</p> <p>Aspects of this risk could also be transferred as depending on the circumstances, issues could be covered by the Council's Insurers.</p>	<p>Business Continuity and Emergency Plans are in place and regularly reviewed in accordance with the Civil Contingencies Act. Regular meetings and training exercises take place with other agencies in Derbyshire.</p> <p>An ICT Disaster Recovery (DR) solution is in place off-site. Data is also backed-up and stored in a secure off-site facility outside of the immediate region.</p> <p>Provision for home-working and remote access is in place. Comprehensive insurance in place with insurers providing support to secure temporary accommodation if required.</p> <p>As regards Covid-19, the Council is working to its Business Continuity Plan to ensure essential services are continued. This is being undertaken within national guidelines and in conjunction with other agencies in Derbyshire. Guidance is being provided to staff and the public regarding on-</p>	<p>The risk rating has not increased from Amber as the Council's Business Continuity arrangements have generally worked and allowed services, which have been allowed to operate by the Government, continuing to do so.</p> <p>However, this is being kept under review.</p>

			going services and to help protect their health and well-being.	
<p>5 Capacity and Resilience - recruitment, retention and development of the workforce and dealing with additional demand for services due to Growth.</p>	<p>Resources set-aside and being invested to expand service provision and develop the workforce.</p>	<p>Treat the risk through continuous action and review.</p>	<p>Since 2018, there were restructures in Revenues and Benefits, Financial Services, Planning Services, together with Legal and Democratic Services. These restructures have provided additional resources and capacity in these services.</p> <p>A restructure of the Council's Senior Management was implemented on 1 April 2019. The aim of the new structure was to create resilience in service provision with the creation of new Head of Service posts, including a new post to focus on Organisational Development.</p> <p>The management restructure also combined resources to create centralised Business Change and Policy teams to support business transformation across the Council.</p> <p>The structure has now bedded in and the proposals aim to strengthen recruitment and retention of senior staff.</p> <p>Subsequently, reviews of ICT and Business Change, Property Services, Organisational Development, have also been implemented and changes made to increase capacity and resilience with reviews in Culture and Community Services and Environmental Services currently subject to consultation with implementation dates later in 2020.</p> <p>Due to Covid-19, capacity and resilience is being kept under review.</p>	<p>No Change to rating or mitigating actions</p>
<p>6 Voluntary and Community Sector - a reduction in resources for partners who deliver services</p>	<p>Evidence that this is occurring with CVS and Citizens Advice having core funding reduced.</p>	<p>Tolerate the current situation and keep under review.</p>	<p>It is considered that the Council is undertaking as much action as is reasonably possible at this stage to mitigate the risk.</p>	<p>No change to rating or mitigating actions.</p>

with or on behalf of the Council.			<p>The Council's current grant funding has been maintained and been increased in 2020/21 by 2% for all supported organisations.</p> <p>Spending can be refocused to meet external funding requirements and is project-based.</p> <p>Dedicated officer time in place to support the voluntary sector and local organisations.</p> <p>Capacity in the voluntary and community sector is being tested in the light of Covid-19 and the Council will continue to work with the CVS to support it.</p>	
<p>7 Terrorism and potentially violent situations – as a public body there is a potential for the Council and its workforce to become a target.</p>	<p>From time to time, members of the workforce do face individual threats in the course of undertaking their duties.</p>	<p>Treat the risk through continuous action and review. Aspects of this risk are also transferred as they are insured perils.</p>	<p>Lone working systems in place including a 'Solo-Protect' warning and call for assistance system.</p> <p>A Potentially Violent Persons Policy and Risk Register are in place.</p> <p>Alarms and warning system in place in the Civic Offices.</p>	<p>No Change to rating or mitigating actions.</p>
<p>8 Statute and Regulation – the failure to meet requirements.</p>	<p>There is no recent evidence to suggest any significant issues; the impact would depend on the nature of the failure.</p>	<p>Treat the risk through continuous action and review.</p>	<p>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.</p>	<p>No change to rating or mitigating actions.</p>
<p>9. Health and Safety – the potential to contravene regulations through bad practice.</p>	<p>Due to the continuing focus on Health and Safety, the likelihood of a major incident is low, but the impact could be significant.</p>	<p>Treat the risk through continuous action and review</p>	<p>The Council employs a corporate Health and Safety Officer.</p> <p>An on-going training programme is in place for all staff and for parts of the workforce where there is a greater risk of an accident.</p> <p>Accidents and near misses are logged, reported and reviewed corporately and any major incidents are investigated to review procedures.</p>	<p>No change to rating or mitigating actions. .</p>

			Risk assessments are regularly undertaken, and procedures updated when necessary.	
10. Managing the environmental impact of incidents across the District.	This risk concerns 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, or the production of high carbon emissions adding to air pollution.	Treat the risk through continuous action and review.	<p>The Council has plans in place through Emergency Planning to manage the environmental impact of any incidents across the District.</p> <p>The Council is accredited to the prestigious international ISO 14001 standard for Environmental Management.</p> <p>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.</p>	No change to rating or treatment.

STRATEGIC RISK MATRIX

Likelihood

4 High		Business Continuity (4)	Core Funding (1)	
		Funding for the Voluntary Sector (6)	The Economy (2)	
3 Medium		Technology and Data (3a)		
		Performance Data (3b)		

2 Low		Capacity and Resilience (5) Statute and Regulation (8)	Health and Safety (9) Environmental Impact (10)	
	1 Unlikely			Terrorism (7)
	1 Minor	2 Moderate	3 Significant	4 Catastrophic
	Impact			

Risk Description

- 1 Government Funding - a reduction in core spending power
- 2 The Economy - the impact of the national economic situation locally
- 3a Technology and Data - keeping pace with developments together with the management and security of data
- 3b Technology and Data - Quality of performance data
- 4 Business Continuity - arising from the loss of the main Civic Offices, ICT capability, together with a major displacement of the workforce or a fuel shortage, etc.
- 5 Capacity and Resilience - recruitment, retention and development of the workforce and dealing with additional demand for services
- 6 Voluntary and Community Sector - a reduction in resources for partners who deliver services with or on behalf of the Council
- 7 Terrorism and Potentially Violent Situations - as a public body, there is potential for the Council and its workforce to become a target
- 8 Statute and Regulation - as a local authority the Council has a statutory duty to deliver many services and is required to operate within a regulatory framework
- 9 Health and Safety - the potential to contravene regulations through bad practice
- 10 Environmental Impact - managing environmental impact of incidents across the district