

## SERVICE DELIVERY RISK REGISTER (AS AT Q4 2019/20)

Appendix C

Risk	Rating and current position	Risk treatment	Mitigating actions	Change since last quarter
<p>SD1 - Loss of income to the Housing Revenue Account</p>	<p>Rent reduction controls relaxed and rent increase now in place. Reduction of income through the Impact of COVID19 on Universal Credit (UC) claims is now greater.</p> <p>Likelihood is high and impact is now moderate</p>	<p>Treat the risk through continuous action and review.</p>	<p>Income policies/processes are being revised.</p> <p>The Council has invested in I.T. solutions to maximise opportunities to collect income and support those in financial difficulty.</p> <p>Increased focus on collection of rent and other housing debt.</p> <p>New dwellings mitigate revenue lost through Right to Buy (RTB). New Builds can still be purchased under (RTB) after three years for Secure Tenancies.</p> <p>The uptake of UC has risen sharply through the impact of COVID19 on Council tenants</p> <p>The Housing Service has made operational changes to deal with this increase in the short-term</p>	<p>Impact is moderate-likelihood is now high.</p>
<p>SD2 - Failure to collect financial contributions or to enforce the delivery of obligations within Section 106 Agreements.</p>	<p>Failure to collect financial contributions or to enforce obligations within Section 106 Agreements. Slight increase in likelihood of requests to defer payments or review viability of development schemes in response to COVID-19 impacts.</p> <p>Likelihood is unlikely but the impact is significant.</p>	<p>Treat the risk through continuous action and review.</p>	<p>Implementation of new software is now complete.</p> <p>Team Leader overseeing the process with dedicated officer monitoring and reviewing progress of agreements relating to 'live' sites.</p> <p>The Service has been recently audited and has put in place actions to address the minor recommendations.</p> <p>Continued use of District Valuer in vetting additional requests for viability review. Discretion over enforcement or payment plans can ensure collection of fees over longer period if cashflow a problem for developers.</p>	<p>No change to rating or treatment.</p>

<p>SD3 – Safety standards</p>	<p>Failure to comply with basic safety standards in flats/blocks with communal areas.</p> <p>Work has been undertaken to put specialist fire asbestos, legionella contracts in place.</p> <p>Likelihood is medium and impact has potential to be significant.</p>	<p>Treat the risk through continuous action and review.</p>	<p>Process underway to update safety procedures for fire, gas, electricity, legionella and asbestos to ensure the Council has appropriate controls in place to manage risks. Progress made so far includes:</p> <ul style="list-style-type: none"> <li>• Fire safety contractor appointed</li> <li>• Gas servicing 100% compliant</li> <li>• Electrical testing contractor appointed</li> <li>• Legionella - sheltered schemes testing in place, void properties shower heads/dead legs removed <ul style="list-style-type: none"> <li>• Asbestos testing contractor appointed</li> <li>• Asbestos removal contractor appointed</li> </ul> </li> <li>• Successful completion of an asbestos audit by the Health and Safety Executive</li> </ul> <p>Whilst the likelihood reduces as contracts are in place, works programmes to the value of £250,000 per annum are required for the next two years to achieve full compliance, so the overall likelihood remains medium. Fire safety work is now underway in communal blocks, including consultation with tenants affected by the work.</p>	<p>No change to rating or treatment.</p>
<p>SD4 – Universal Credit</p>	<p>Loss of income to the Housing Revenue Account through full roll out of Universal Credit (UC) from November 2018.</p> <p>There is still uncertainty as to the financial impact of this, but the Council has plans in place working with internal/ external stakeholders to manage this process.</p> <p>Likelihood is high and the impact is moderate.</p>	<p>Treat the risk through continuous action and review.</p>	<p>Welfare Reform Group, including key internal/external partners, meets on a monthly basis to manage roll-out against an agreed action plan.</p> <p>Invested in I.T. solutions to maximise opportunities to collect income and support those in financial difficulty.</p> <p>The Impact of COVID19 on Council tenants has seen a sharp rise in the number of UC Claimants</p> <p>Delays in UC payments have led to a rise in rent arrears. The Housing Service has have made operational changes to mitigate this risk.</p>	<p>Likelihood is now high.</p>
<p>SD5 – Reduction in funding for</p>		<p>Treat the risk through continuous</p>	<p>Forward budget planning over a number of years. Approvals for reserve spend to secure staffing positions up to March 2021 initially for Active Communities.</p>	<p>Rating changed to amber because of the assessed</p>

<p>Cultural and Community Services</p>	<p>Reduction of Council funding into Cultural and Community Services. Unable to source external funding to service.</p> <p>There is likely to be additional funding needed to replace income lost through Covid-19</p> <p>Likelihood is moderate and the impact is moderate</p>	<p>action and review of funding streams and Cultural and Community Services Restructure.</p>	<p>Maintain current funding contribution that the Council makes towards the Active Communities service.</p> <p>The Council is in the first year of a three-year funding agreement with the Police and Crime Commissioner (PCC) for £25,000 per year Community Safety Funding.</p> <p>The Council receives £35,000 per year Basic Command Unit funding from the Chief Superintendent. This is received annually with no long-term commitment.</p> <p>Rolls Royce new three-year sponsorship of the Environmental Education Project confirmed.</p> <p>Continually seek external funding opportunities to support service delivery. This will extend to Covid-19 new funding pots.</p>	<p>reduction in funding from the closing of Leisure Centres and Rosliston</p>
<p>SD6 - Failing infrastructure at Rosliston Forestry Centre.</p>	<p>Failing Infrastructure at Rosliston Forestry Centre.</p> <p>Regular meetings held at operational and strategic levels with the Forestry Commission.</p> <p>Likelihood is moderate but the impact would be moderate</p>	<p>Treat the risk through continuous action and review.</p>	<p>Condition survey updated as part of procurement exercise for new contractor.</p> <p>Focus on implementing infrastructure requirements identified in external consultant's report.</p> <p>Make invest to save business cases.</p> <p>Collaboration with Head of Corporate Property on improvements to the Planned Preventative Maintenance (PPM).</p> <p>Engage tenants and keep Senior Leadership Team informed</p>	<p>Rating changed to amber as procurement of new contract delayed with consequent delay in new operator investment.</p>
<p>SD7 - Failure to meet housing delivery targets set out in the five-year supply.</p>	<p>Failure to meet housing delivery targets.</p> <p>Local Plan is in place which sets out the five-year supply. Latest monitoring for 19/20 indicates the</p>	<p>Treat the risk through continuous action and review.</p>	<p>Monitoring/review of performance ongoing.</p> <p>Active pursuit of schemes and opportunities. Increased focus on facilitating prompt commencement of development.</p>	<p>No change to rating or treatment.</p>

	<p>Council was performing above target.</p> <p>Likelihood is low but could move to moderate in light of COVID-19 impacts pushing delivery back in the Plan period, but the impact would be significant.</p>		<p>Develop action plan(s) where necessary.</p> <p>Current five-year housing land supply rate at 5.92 years - most sites started are building at a rate above that originally anticipated such that c.1300 were completed in 2019/20 - work to accelerate progress on two sites continues.</p> <p>Support government proposals to offer flexibility in supply and delivery requirements in light of COVID-19 effects.</p>	
<p>SD8 - Failure of IT infrastructure that supports Planning Systems, LLPG and Land Charges.</p>	<p>Ongoing issues with IT infrastructure that supports Planning systems.</p> <p>Likelihood is unlikely and the impact would be significant.</p>	<p>Treat the risk through continuous action and review.</p>	<p>New system went live on the 1<sup>st</sup> August 2019. Work continues towards implementing remaining 'modules' of the software, migrating data and decommissioning old systems.</p> <p>Monitoring performance of new system following implementation with consideration of what additional resource is necessary to complete the project and/or fully realise the benefits of the software.</p>	<p>Likelihood reduced following implementation of new system</p>
<p>SD9– Melbourne Sports Park</p>	<p>Failure to deliver against external funder requirements at the Melbourne Sports Park (MSP). Ongoing discussions with national funders.</p> <p>Likelihood is low but the impact would be significant.</p>	<p>Treat the risk through continuous action and review.</p>	<p>Regular Artificial Grass Pitch (AGP) Steering Group meetings.</p> <p>Matter under regular review at MSP Board meetings. Key funder in attendance at AGP steering group meetings.</p> <p>Specialist consultants, MSP representatives and Council officers progressing site drainage solutions. Planning permission approved.</p> <p>Engagement with landowner on site permissions progressed.</p> <p>MSP Board not meeting business plan income targets so close monitoring required.</p>	<p>No change to rating or treatment.</p>

SD10– Sinfin Waste Plant	<p>Impact on delivery rounds of diverting all residual waste to Sinfin Waste Plant.</p> <p>Move to Sinfin now to be phased over three years, giving time to minimise impact on delivery rounds.</p> <p>Likelihood is low the impact would be moderate.</p>	Treat the risk through continuous action and review.	<p>The long-term waste management contract between Derby City Council, Derbyshire County Council and Resource Recovery Solutions (Derbyshire) Ltd (RRS) was brought to an end on the 2<sup>nd</sup> August 2019. RRS was a 50:50 partnership between Renewi and with national construction firm Interserve. Interserve was responsible for building the waste treatment facility.</p> <p>Contingency measures have been put in place by the County and City Councils to make sure waste that residents cannot recycle or choose not to recycle continues to be dealt with, and that recycling centres and waste transfer stations continue to operate.</p> <p>These services will continue to be run by waste management company Renewi under a new two-year contract.</p> <p>With contingency arrangements already in place, the City and County Councils are confident any further impact will be minimal.</p> <p>Current waste disposal directions are unlikely to change in the medium-term, there is no restart date as yet for the Sinfin plant, therefore no impact on collection rounds.</p> <p>Situation will be kept under review.</p>	Likelihood decreased to low following the contract end but impact remains the same.
SD11– Tree Management	<p>Failure to manage the Council's tree stock in line with adopted Tree Management policy.</p> <p>Likelihood is low but the impact would be significant.</p>	Treat the risk through continuous action and review.	<p>Review of approved Tree Management Policy completed.</p> <p>New Tree Strategy and Policy being drafted</p> <p>Implementation of the Cultural and Community Services restructure will enable greater staff resources for tree work.</p>	No change to rating or treatment.
SD12 – Failing infrastructure at Greenbank Leisure Centre	Failing infrastructure at Greenbank Leisure Centre including pipework to pool and roof structure.	Treat the risk through continuous action and review	<p>Building condition survey is being updated and a planned maintenance programme put in place. Head of Corporate Property.</p> <p>Focus on implementing the infrastructure requirements identified in external consultant's report.</p>	Amber

Ensure that there is capital funding to complete the necessary works.

<b>SERVICE DELIVERY OPERATIONAL RISK MATRIX (as at Q4 19/20)</b>				
<b>Likelihood</b>				
4 High		<b>SD1, SD4</b>		
3 Medium		<b>SD5, SD6</b>	<b>SD3, SD12</b>	
2 Low		<b>SD10</b>	<b>SD7, SD9, SD11</b>	
1 Unlikely			<b>SD2, SD8</b>	
	1 Minor	2 Moderate	3 Significant	4 Catastrophic
	<b>Impact</b>			

**Risk Description**

- SD1** Loss of income to the Housing Revenue Account
- SD2** Failure to collect financial contributions/enforce obligations within S106 Agreements
- SD3** Safety standards
- SD4** Universal Credit
- SD5** Reduction in funding for Cultural and Community Services
- SD6** Failing infrastructure at Rosliston Forestry Centre
- SD7** Failure to meet housing delivery targets set out in the five-year supply.
- SD8** Failure of IT infrastructure that supports Planning Systems, LLPG and Land Charges.
- SD9** Melbourne Sports Park
- SD10** Sinfin Waste Plant
- SD11** Tree Management
- SD12** Green Bank Leisure Centre