

## Corporate Risk Register – 20<sup>th</sup> September 2019

1	2	3	4	5	6	7	8	9	10
No	Risk	Background	Likelihood/impact Risk not managed = <b>Original Risk Score</b> (see 3x3 matrix)	Approach Tolerate Transfer Terminate Treat	Current Internal Controls and Mitigation	Likelihood/impact Mitigating internal controls in place = <b>Current Risk Score</b> (see 3x3 matrix)	Action Required Y/N	Target Risk (likelihood/ impact)	Who
<b>CORPORATE LEADERSHIP</b>									
1	Failure to clearly implement our vision, aim, priorities and promises.	There is a risk of failure to respond to changes and to recognise external influences, such as the potential economical and political implications of the UK leaving the EU, and changes in legislation resulting from the National Resources and Waste Strategy review. Potential for lack of purpose, direction, and adverse external audit reports.	<b>High/ Critical Score 9</b>	Treat	A refresh of the 4-year Strategy for 2016-2020 incorporating new Promises for 2019/20 and beyond, and a new Grow Save Charge Business Plan 2016-2021 which were reviewed as part of the 2019/20 budget process.  Effective performance management, awareness of outside drivers, contribution to consultation drafts etc., use of reserves as necessary. The LGA are working on behalf of the sector to address issues regarding the UK leaving the EU.	<b>Medium/ Critical Score 8</b>	Y Continue to monitor events closely and maintain strong financial position.	<b>Low/ Critical Score 6</b>	JH
2	Insufficient corporate leadership as a result of ongoing partnership arrangements with Malvern Hills District Council.	Decision was made by Council in October 2015 to share resources. New management structure has been implemented.	<b>High/ Critical Score 9</b>	Treat	The Joint Management Team was implemented in April 2016, and is effective, with sufficient support, capability and training.  Joint Working Advisory Board looking at future joint working opportunities. External LGA review of Joint Working received and approved in November 2016. An LGA corporate peer review commissioned jointly with	<b>Medium/ Critical Score 8</b>	Y Need to ensure new Director of Planning & Infrastructure in place without delay	<b>Low/ Critical Score 6</b>	JH

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					Malvern Hills District Council was completed in March 2018. The review of joint working arrangements was positive. An action plan was developed and agreed to address comments made. Recruitment process underway for a new Director of Planning & Development.				
<b>MANAGEMENT OF THE COUNCIL'S FINANCES</b>									
3	Failure to sustain a robust on-going 5 year financial strategy, including the effective management of changes to the Business Rates system.	Financial stability underpins all we do.  Changes to Local Government Financing, i.e. reduction in Government grant, Fair Funding Review. A 1 year settlement is now likely, with changes to the business rates retention system expected with effect from 2021/22.  Increasing demand for services and other cost pressures and increased risks associated with business rates appeals and localised council tax support.	<b>High/ Critical Score 9</b>	Treat	The Grow Save Charge plan has been agreed as a response to the reduction in Government Grant. This is supported by political and managerial awareness of the risks, cautious approach to budgeting and robust systems of financial control.  We are not relying too heavily on sources of income which may not be sustainable, such as New Homes Bonus. We have remained in the Worcestershire Business Rates Pool to capture more of the benefits from business rates growth. Pilot for 75% Business Rates Retention in 2019/20 made by Worcestershire councils.	<b>Medium/ Critical Score 8</b>	Y Continue to forecast over the medium term on a prudent basis. To consider an interim Grow, Save, Charge plan until future funding arrangements are confirmed.	<b>Low/ Critical Score 6</b>	VA
4	Failure to operate a successful Treasury Management investment process.	Potential impact on financial stability.  To safely invest and maximise investment	<b>High/ Significant Score 7</b>	Treat	Treasury Management Strategy, policy and procedures have been updated for 2019/20, including the use of diversified income funds, with security	<b>Medium/ Significant Score 5</b>	Y Continue to monitor the external environment	<b>Low/ Significant Score 3</b>	VA

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		income, while taking account of the risks in the banking sector, e.g. the impact of the UK leaving the EU.			<p>remaining paramount. The Council is confident of its position in relation to changes to the Prudential Code, Treasury Management Code &amp; Investment Guidance. The new Capital Strategy was agreed as part of the 2019/20 budget process.</p> <p>Adherence to Cipfa's Security, Liquidity and Yield (SLY) criteria.</p> <p>Implementation of a new lending list.</p> <p>Continuing to spread risk across various institutions including recent additions, e.g. CCLA Property Fund. Delegation within strategy to vary policy according to current circumstances e.g. changed ratings for banks.</p> <p>Awareness of effects of interest rates etc.</p> <p>Monitoring via Audit Committee.</p> <p>Engagement with Link Asset Management as external advisors.</p>		carefully, particularly during economic uncertainty		
5	Failure to ensure the effective management of the Revenues & Benefits services.	<p>Civica Ltd administers the collection of Council Tax and Business Rates, the payment of Housing Benefits and administration of the Council Tax Reduction scheme on behalf of Wychavon District Council.</p> <p>The introduction of</p>	<b>High/ Significant Score 7</b>	Treat	<p>Partnership agreement in place. Contract performance monitored monthly by the Management Board.</p> <p>Annual risk based audits to review and provide assurance on the management of the service.</p> <p>Quality Assessor post within the Internal Audit team continuing to review the accuracy of</p>	<b>Medium/ Significant Score 5</b>	Y Continue to monitor performance	<b>Low/ Significant Score 3</b>	VA

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		<p>Universal Credit is seeing a shift in responsibility of Housing Benefit payments to the DWP.</p> <p>Changes to grant funding require greater reliance on Council Tax and Business Rate collections to fund council activities.</p>			Housing Benefit and Council Tax Reduction claims.				
<b>SERVICE DELIVERY</b>									
<b>6</b>	<p>a) Failure to implement the current South Worcestershire Development Plan in a consistent manner (across SWC) and maintain:-</p> <ul style="list-style-type: none"> <li>• delivery of housing and employment land supply</li> <li>• delivery of strategic allocation</li> <li>• delivery of funded infrastructure programme.</li> </ul> <p>b) Failure to adopt the plan review and meet the required timescales in accordance with the Local Development Scheme.</p>	<p>To manage the planning risk of unregulated development and to identify costs associated with plan preparation and the defending of appeals.</p> <p>To maintain an adequate 5-year land supply, and properly dealing with the expansion of the Worcester City boundary. Pressure to deliver urban extensions and the Wider Worcester Area (WWA).</p> <p>Failure to successfully implement the Community Infrastructure Levy (CIL), and the Infrastructure Delivery Plan (IDP). Failure to action the SWDP, and adopt the supplementary guidance. Failure may mean we don't maintain a 5 year</p>	<b>High/ Significant Score 7</b>	Treat	<p>SWDP adopted by the 3 partnering Councils in February 2016. Delivery of major housing development sites underway.</p> <p>Joint Advisory Panel charged with the progression of the Plan, and will have updated terms of reference.</p> <p>CIL adopted following consultation charging schedule kept under annual review.</p> <p>Review of the SWDP commenced.</p> <p>SWDP Issues and Options consultation commenced in 2018 in accordance with the Local Development Scheme.</p> <p>Expecting to publish preferred options in November 2019, and submit the draft Plan in 2020.</p>	<b>Medium/ Significant Score 5</b>	Y Keep to Local Development Scheme. Deliver adopted land supply, ensure Development Management team is resourced and councillors are trained.	<b>Low/ Significant Score 3</b>	JH

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	Failure may lead to financial loss, reputational damage, speculative applications and adverse appeal decisions.	land supply and therefore will be exposed to unwanted speculative planning applications.  Potential impacts on resources, and for political and legal challenges.							
7	Failure to respond effectively in the event of a major civil emergency.	The potential loss of key buildings. Effect on essential services and welfare of public throughout the district.  To play our part in the strategic coordination of resilience in the event of an emergency at both local and regional level e.g. floods, storms, pandemic, terrorist incident, widespread loss of utilities, cyber attacks.	<b>Medium/ Critical Score 8</b>	Treat	Emergency Plan (2017) Business Continuity Plan (2017). Multi Agency Action Plan (MAAP).  Rest Centre policies and procedures, including regular exercises and training. Learning from past flooding and Ebola experiences. Exercise completed in Autumn 2017 with Bowker and with Roxel in October 2018. National Business Continuity exercise with Blackthorn in March 2018.  Risk based insurance, fire and safety procedures. Local Climate Impact Profile (LCLIP) action plan.  Revised SLA with Worcestershire County Council, who provide us with strategic emergency planning guidance on the recovery plan, signed and in place. Additional resilience with joint working with	<b>Medium/ Significant Score 5</b>	Y To reassess level of preparedness under the new joint management structure.	<b>Low/ Significant Score 3</b>	<b>SG</b>

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					<p>Malvern Hills District Council.</p> <p>Business Continuity Plan exercise conducted in February 2018 involving SMT and Service Managers.</p> <p>Preparation for the UK's exit from the EU, particularly in the event of no deal.</p>				
<b>MANAGEMENT OF DATA</b>									
8	Failure to ensure the continuous availability of critical IT systems.	<p>Potential effect on all services.</p> <p>To particularly address risks associated with complex ICT systems supported by a shared resource.</p>	<b>High/ Significant Score 7</b>	Treat	<p>Continuous review of Business Continuity plans for the ICT Shared Service to ensure availability of IT systems.</p> <p>Annual work programme addressing critical areas to ensure resilience. Resilience and security arrangements have been a priority.</p>	<b>Medium/ Significant Score 5</b>	<p>Y</p> <p>On-going review of the Business Continuity/ Disaster Recovery arrangements.</p>	<b>Low/ Significant Score 3</b>	VA
9	Failure to respond effectively to cyber attack.	To reduce the potential for damage from a cyber attack and to allow swift restoration of ICT systems.	<b>High/ Critical Score 9</b>	Treat	<p>Security controls in place and continuously reviewed.</p> <p>ICT security engineer appointed to focus on ICT and data security.</p> <p>ICT business continuity and disaster recovery plans continually reviewed and tested.</p> <p>Critical ICT vulnerabilities patched within 14 days of release.</p> <p>Data backups stored off site.</p> <p>Annual staff awareness training.</p> <p>NCSC active cyber defence utilised.</p> <p>Constant review of threats by</p>	<b>Medium/ Critical Score 8</b>	<p>Y</p> <p>Increase awareness of risks of cyber-crime attacks.</p> <p>Ongoing review of security controls.</p> <p>Maintenance of Government Cyber-Essentials accreditation.</p> <p>Continuing programme of</p>	<b>Low/ Critical Score 6</b>	VA

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					<p>security engineer from sources at NCSC, LRF Cyber hub and CISP.</p> <p>LGA cyber security stocktake recommendations being implemented.</p>		<p>staff awareness of potential for cyber-crime attacks.</p> <p>Mandatory cyber security e-learning course to be completed by all staff by 30/07/19, and by all councillors by 31/10/19.</p>		
10	<p>Failure to ensure compliance with the General Data Protection Regulation 2018 (GDPR).</p>	<p>GDPR regulations implemented in May 2018.</p>	<p><b>Medium/ Significant Score 5</b></p>	<p>Treat</p>	<p>ICT and data security/ data protection policies in place. Employees responsible for the adequacy of data security arrangements. Mandatory data security e-learning completed by all staff. Data Protection Officer appointed. Processes devised to ensure continued compliance with GDPR moving forwards (e.g. gaining consent, privacy policy agreements, etc.) Legal advice relating to GDPR and practical advice on its implementation provided. Information asset audit complete. All teams reviewed retentions schedules and confirmed working towards compliance. Cyber Essential accreditation in place to complement PCI and PSN compliance. Final internal documents</p>	<p><b>Low/ Significant Score 3</b></p>	<p>Y</p> <p>Joint review of retention schedules.</p>	<p><b>Low/ Significant Score 3</b></p>	<p>VA</p>

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					relating to GDPR live on intranet.				
11	Failure to maintain effective control over the quality of reported data	Decision making might be based on inaccurate, irrelevant and unreliable information	<b>Medium/ Significant Score 5</b>	Treat	Managerial responsibility for quality of internal control mechanisms. Ownership of budgets. Validation, monitoring and reporting procedures. Annual review of the performance management system by Internal Audit.	<b>Low/ Significant Score 3</b>	N	<b>Low/ Significant Score 3</b>	VA
<b>SHARED SERVICE AND PARTNERSHIP ARRANGEMENTS</b>									
12	Failure to manage a major failure of a significant council contractor, including any significant related industrial relations issues.	<p>Potential loss of service delivery, which could negatively impact on Council reputation.</p> <p>To minimise and manage potential operational impact, such as experienced by government bodies with the collapse of large contractors, i.e. Carillion, Interserve.</p> <p>Examples include Revs &amp; Bens strategic partnership with Civica, Wychavon Leisure, Waste, Recycling and Street Cleansing contracts.</p>	<b>Medium/ Critical Score 8</b>	Treat	<p>Practices have been reviewed and are considered to be robust.</p> <p>Good contract and people management, effective Contract Team, use of shared procurement expertise, more frequent credit checks (including parent companies), requirement for bonds where appropriate.</p> <p>Good governance arrangements in place, with a Revenues and Benefits Management Board.</p> <p>Close working with other contractors, to ensure up-to-date information regarding industrial relations issues.</p> <p>Board representation on Wychavon Leisure.</p> <p>Ensuring due diligence is undertaken for new contractors, including financial checks, etc., as well as regular on-going checks for existing contractors.</p>	<b>Low/ Critical Score 6</b>	N	<b>Low/ Critical Score 6</b>	SMT

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13	Failure to monitor/ manage where applicable all shared services and joint working arrangements.	Revs and Bens, Regulatory Services, Internal Audit, Building Consultancy, ICT, Human Resources and others.  To ensure that acceptable service standards are achieved and that demands and workloads are managed effectively, so that financial savings are realised from the projects.	<b>High/ Significant Score 7</b>	Treat	Project Board/ Project Groups to deal with implementation issues. Legal agreements in place. Performance monitoring. Use of business process re-engineering and careful monitoring of IT risks. Performance of Revs & Bens partnership remains good.  Planning joint services have been approved, and went live in October 2018.	<b>Medium/ Significant Score 5</b>	Y Monitor success of shared Planning Services, including the Planning Support Service.	<b>Low/ Significant Score 3</b>	<b>SMT</b>
<b>STAFFING</b>									
14	Failure to manage the health, safety and welfare of the public, visitors and staff.	To manage the risk to safety of staff, contractors and the public.  To ensure driver safety and awareness.  Potential reputational risk as a responsible employer.  Possible involvement in legal action.	<b>Medium/ Critical Score 8</b>	Treat	Safe working environment, policies and procedures, e.g. Fire Safety policy, Travel at Work policy, Safe Driving at Work policy, IIP, and a new staff appraisal system. Revised sickness absence policy, health and other wellbeing initiatives. Awareness of appropriate legislation e.g. Corporate Manslaughter Act, Equalities Act.  Driver training provided to staff for 4x4 vehicles, trailers and Youth Bus usage. Staff personal vehicle usage monitored via Grey Fleet process. Vehicles policy has been recently reviewed.	<b>Low/ Critical Score 6</b>	N	<b>Low/ Critical Score 6</b>	<b>SMT</b>

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					Training & Disciplinary processes put in place by FCC at depot, reinforced by ongoing challenge by WDC management.				
<b>CORPORATE GOVERNANCE</b>									
15	Failure to maintain effective Corporate Governance arrangements.	<p>To maintain effective Member standards and Council Constitution.</p> <p>To ensure that there is on-going review and self assessment of the effectiveness of governance arrangements within the Council.</p> <p>Potential for increased fraud, financial impropriety or improper business practices within the sector in the current economic climate as resources become stretched, resulting in reputational damage for the authority.</p> <p>Inability to maintain effective governance arrangements.</p>	<b>Medium/ Critical Score 8</b>	Treat	<p>Member inductions and training completed following May 2019 elections.</p> <p>Annual governance self assessment review by both Service Managers and SMT. Audit Committee terms of reference include consideration of external reviews, such as those from the Council's external auditors EY. Appropriate committee monitoring.</p> <p>To continue to raise awareness of the risk of fraud and the implications of the Bribery Act 2010.</p> <p>Policy on Anti-Fraud &amp; Corruption and Money Laundering has been formally adopted.</p> <p>Proactive work of internal audit teams. Continued review and promotion of policies, e.g. Financial Regulations, Employee Codes of Conduct, etc. within the organisation.</p>	<b>Low/ Critical Score 6</b>	N	<b>Low/ Critical Score 6</b>	<b>VA</b>
16	Council and/ or contractors fails to adhere to meet safeguarding	Local Authority staff and contractors need to be aware of and act upon the Wychavon	<b>Medium/ Critical Score 8</b>	Treat	Joint awareness training of safeguarding policy to be delivered and kept up to date for Wychavon staff and key	<b>Medium/ Critical Score 8</b>	Y Safeguarding training for all members to be	<b>Low/ Critical Score 6</b>	<b>PM</b>

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	obligations as set out in legislation such as Children Act 2004 section 11.	Safeguarding Children and Vulnerable Adults policy. Lessons learnt from high profile cases, e.g. Rotherham, Oxfordshire.			contractors, in particular Wychavon Leisure. Staff briefings delivered on safeguarding and child sexual exploitation.  Adoption of the Worcestershire Child Sexual Exploitation action plan.  Training on safeguarding to be completed by all Members.  Discussions with Worcestershire County Council regarding the Alternative Delivery Model for delivery of Children's Services.		arranged.		
<b>MANAGEMENT OF COUNCIL'S ASSETS</b>									
17	Failure to maintain Council owned assets and buildings.	To manage the health and safety risks of customers and staff and to ensure budgets are managed effectively to maintain assets to a satisfactory standard.  To consider and manage the risk of redundant properties.	<b>Medium/ Significant Score 5</b>	Treat	Effective budget monitoring, sound management of assets/ buildings including a planned maintenance approach. Risk assessments and regular health and safety inspections.	<b>Low/ Significant Score 3</b>	N	<b>Low/ Significant Score 3</b>	<b>VA</b>
18	Failing to properly address all risks associated with new property developments and investments which involve the Council.	Developments include Vale Park, Interbrook, Worcester Six Business Park, Honeybourne car park, and 3G sports pitches. Creation of a new	<b>High/ Critical Score 9</b>	Treat	Appropriate input from the Council's legal, property and finance teams, alongside brought-in specialist advice as necessary.  Property Services and Legal	<b>Medium/ Critical Score 8</b>	Y Continue to develop detailed business cases and provide adequate	<b>Low/ Critical Score 6</b>	<b>VA</b>

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		strategic land investment fund to allow officers to purchase land for investment purposes.			Services teams are fully staffed, and extra resources have been provided.		project management resource		