

Corporate Risk Register – 1st November 2018

1	2	3	4	5	6	7	8	9	10
No	Risk	Background	Likelihood/impact: risk not managed = Original Risk Score (see 3x3 matrix)	Approach Tolerate Transfer Terminate Treat	Current Internal Controls and Mitigation	Likelihood/impact: mitigating internal controls in place = Current Risk Score (see 3x3 matrix)	Action Required Y/N	Target Risk* (like- lihood/ impact)	Who
CORPORATE LEADERSHIP									
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 fall-out of the UK leaving the EU.	Potential for lack of purpose, direction, adverse external audit report. Medium/ Critical Score 8	Treat	Various plans and strategies including a refresh of the 4-year Strategy for 2016-2020 incorporating new Promises for 2018/19 and beyond, and a new Grow Save Charge Business Plan 2016-2021 which were reviewed as part of the 2018/19 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.	Low/ Critical Score 6	N	Score 6	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. The current Leader of the Council stood down from the role in October 2018.	High/ Critical Score 9	Treat	New Joint Management Team 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	Medium/ Critical Score 8	Y Need to ensure new Leader and Executive Board in place without delay	Score 6	JH

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					<p>commissioned jointly with Malvern Hills District Council was completed in March 2018. The review of joint working arrangements was positive. An action plan has been developed and agreed to address comments made. Stephen Gabriel has been appointed as Head of Housing & Communities, and will start in this role in November 2018.</p> <p>The Council will appoint a new Leader on 7 November 2018.</p>					
MANAGEMENT OF THE COUNCIL'S FINANCES										
3	<p>Failure to sustain a robust on-going 5 year financial strategy, including the effective management of changes to the Business Rates system.</p>	<p>Changes to Local Government Financing, i.e. reduction in Government grant, Fair Funding Review and further changes to the business rates retention system from 2020/21.</p> <p>Increasing demand for services and other cost pressures and increased risks associated with business rates appeals and localised council tax support.</p>	<p>Financial stability underpins all we do High/ Critical Score 9</p>	Treat	<p>A new 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.</p> <p>Further Grow Save Charge savings have been identified ahead of the 2019/20 budget process.</p> <p>We are not relying too heavily on sources of income which may not be sustainable such as New Homes Bonus.</p> <p>We have remained in the Worcestershire Business Rates Pool to capture more of the benefits from business rates growth.</p>	Medium/ Critical Score 8	Y	<p>Continue to forecast over the medium term on a prudent basis, and continue to monitor performance against Grow Save Charge business plan financial targets, particularly Business Rates.</p>	Score 6	VA

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					Pilot application for 75% Business Rates Retention in 2019/20 has been made by Worcestershire councils and the outcome of this is expected in December 2018.				
4	Failure to operate a successful Treasury Management investment process.	To safely invest and maximise investment income, at the same time take account of the risks in the banking sector.	Impact on financial stability High/ Significant Score 7	Treat	<p>Treasury Management Strategy, policy and procedures have been updated for 2018/19, including the use of diversified income funds, with security remaining paramount. The Council is confident of its position in relation to changes to the Prudential Code, Treasury Management Code & Investment Guidance. The new Capital Strategy will be 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.</p> <p>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>	Medium/ Significant Score 5	Y Continue to monitor carefully particularly during economic uncertainty	Score 3	VA

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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 Universal Credit will see 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>	High/ Significant Score 7	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 Housing Benefit and Council Tax Reduction claims.</p>	Medium/ Significant Score 5	Y Continue to monitor performance	Score 3	VA
6	Failure to adequately prepare for the implementation of Universal Credit Full Service in November 2018.	<p>The introduction of Universal Credit could negatively impact on several areas, including affects on debt levels, mental health concerns, and increased homelessness.</p> <p>National transition to Universal Credit expected to be completed by 2025.</p>	High/ Significant Score 7	Treat	<p>The Financial Inclusion Officer has started in Housing.</p> <p>Provision of Assisted Digital and Personal Budgeting Support is being transferred to Citizens Advice on a national basis from April 2019. However local authorities will still have an interest in ensuring a smooth transition to Universal Credit for our residents.</p> <p>A Member briefing took place in September 2018.</p>	Medium/ Significant Score 5	Y Need to plan communications and other actions in run up to November 2018.	Score 3	VA

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SERVICE DELIVERY										
7	<p>1) Failure to implement the current South Worcestershire Development Plan;</p> <ul style="list-style-type: none"> • in a consistent manner (across SWC) • maintain delivery of housing and employment land supply • delivery of strategic allocation • delivery of funded infrastructure programme. <p>2) To carry out a review of the plan, in line with requirements, ready for adoption in November 2021 in accordance with the Local Development Scheme.</p> <p>Failure may lead to financial loss, reputational damage, speculative applications and adverse appeal decisions.</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.</p> <p>Implications of the Housing White Paper 'Fixing Our Broken Housing Market' published February 2017.</p>	<p>Need to work in partnership with other councils. Failure may mean we don't maintain a 5 year land supply and therefore will be exposed to unwanted speculative planning applications.</p> <p>High/ Significant Score 7</p>	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 to be commenced in 2018 in accordance with the Local Development Scheme.</p>	Medium/ Significant Score 5	Y	<p>Keep to Local Development Scheme. Deliver adopted land supply, ensure Development Management team is resourced and councillors are trained.</p>	Score 3	GW
8	<p>Failure to respond effectively in the event of a major civil emergency.</p>	<p>To play our part in the strategic coordination of resilience in the event of an emergency at both</p>	<p>The potential loss of key buildings. Effect on essential services</p>	Treat	<p>Emergency Plan (2017) Business Continuity Plan (2017). Multi Agency Action Plan</p>	Medium/ Significant Score 5	Y	<p>To reassess level of preparedness</p>	Score 3	PM

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		local and regional level e.g. floods, storms, pandemic, terrorist incident, widespread loss of utilities.	and welfare of public throughout the district Medium/ Critical Score 8		<p>(MAAP).</p> <p>Rest Centre policies and procedures, including regular exercises and training. Recent examples include testing of COMAH plan (Potter Group Jan 2015), LRF Gold Control Training (March 2015) and Rapid Response Catchment Exercise (March 2015).</p> <p>Learning from recent flooding (Feb/March 2014), and Ebola experiences.</p> <p>Exercise completed in Autumn 2017 with Bowker and a more recent updated test with Roxel in October 2018.</p> <p>National Business Continuity exercise with Blackthorn in March 2018.</p> <p>Risk based insurance, fire and safety procedures.</p> <p>Local Climate Impact Profile (LCLIP) action plan.</p> <p>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 Malvern Hills District Council.</p> <p>Business Continuity Plan exercise conducted in February</p>		under the new joint management structure.		

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					<p>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>				
MANAGEMENT OF DATA									
9	Failure to ensure the continuous availability of critical IT systems.	To particularly address risks associated with complex ICT systems supported by a shared resource.	Effect on all services High/ Significant Score 7	Treat	Continuous review of Business Continuity plans for the ICT Shared Service to ensure availability of IT systems. Annual work programme addressing critical areas to ensure resilience. Resilience and security arrangements have been a priority.	Medium/ Significant Score 5	Y On-going review of the Business Continuity/ Disaster Recovery arrangements.	Score 3	VA
10	Failure to control and secure ICT systems and data against unauthorised access including Cyber-crime attack.	To maintain sufficient ICT security controls and monitoring to ensure compliance with all required security protocols and to manage the risk of increase in Cyber-crime attacks.	High/ Critical Score 9	Treat	Security controls in place and continuously reviewed. All employees responsible for adequacy of data security arrangements within their control. Resilient systems implemented to allow delivery of ICT systems if main site compromised. Secure copies of data kept across multiple locations to allow restoration of systems. Staff awareness of ICT security via e-learning. Members provided with access separate to corporate network. Following NCSC guidance. All staff have completed the IT e-learning. An IT Security Officer has been appointed and is in place, and is currently being trained.	Low/ Critical Score 6	Y Increase awareness of risks of cyber-crime attacks. Ongoing review of security controls. Implementation of Government Cyber-Essentials accreditation.	Score 6	VA

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					An LGA cyber security stocktake has been completed, the outcomes are being reviewed, and the response is being worked on.				
11	Failure to maintain effective control over the quality of reported data		Decision making might be based on inaccurate, irrelevant and unreliable information Under/overspends Reputational risk Medium/Significant Score 5	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.	Low/ Significant Score 3	N	Score 3	VA
12	Failure to meet the requirements of the General Data Protection Regulation 2018 (GDPR).	GDPR was implemented in May 2018.	Medium/Significant Score 5	Treat	An e-learning module has been developed, and all staff will be required to complete this All Services have completed information audits, and there has been a significant reduction in retained documentation. Contract terms have been updated to address changes with how third parties manage data e.g. Civica, WRS. There is a Shared Agreement portal in place with Malvern Hills District Council. Consent & Privacy notices have been updated, along with Data Protection policies and retention polices. Members have also been briefed on GDPR requirements. Ongoing review of compliance	Low/ Significant Score 3	N	Score 3	VA

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SHARED SERVICE AND PARTNERSHIP ARRANGEMENTS									
13	Failure to manage a major failure of a significant council contractor including, any significant related industrial relations issues.	To minimise and manage potential operational impact, such as experienced by government bodies with the collapse of Carillion. Examples include Revs & Bens strategic partnership with Civica, Wychavon Leisure, Waste and Recycling Collections and Street Cleansing contracts.	Loss of service delivery, reputational impact Medium/ Critical Score 8	Treat	Practices have been reviewed and are considered to be robust. 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. Good governance arrangements in place, with a Revenues and Benefits Management Board. Close working with other contractors, to ensure up-to-date information regarding industrial relations issues. Board representation on Wychavon Leisure. New governance arrangements for the South Worcestershire Joint Committee in place and working. Ensuring due diligence is undertaken for new contractors, including financial checks, etc.	Low/ Critical Score 6	Y Continue to monitor contractors regularly.	Score 6	SMT
14	Failure to effectively re-let major contracts, e.g. Refuse Collection, Street Cleaning, Revs & Bens.	Following withdrawal of Malvern Hills District Council, Refuse Collection is now a Wychavon only contract. Need to ensure ongoing performance and successful mobilisation for the new contract.	Failure to maintain service standards and to award the contract to the most economically advantageous tenderer. High/ Critical	Treat	Effective procurement practices, use of procurement expertise, continual contract monitoring of performance. Project Management Board. Financial checks have been completed.	Medium/Significant Score 5	Y Continue to manage the service changes with FCC.	Score 3	SMT

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		Legal challenges against the procurement process.	Score 9		Outstanding legal challenge now settled. Service changes are currently under way with no significant issues to date				
15	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. Future Strategic Partnership for Regulatory Services is not managed correctly. The successful implementation of new and emerging Shared Services with Malvern Hills District Council.	Impact on reputation if economies of scale and savings not achieved. High/ Significant Score 7	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. New governance arrangements for Worcestershire Regulatory Services following revised operating model. Further joint working with Malvern Hills on Land Charges, Legal Services, Housing and Planning Specialist Services are in place. New governance arrangements for South Worcestershire Shared Service, i.e. Revs & Bens, ICT and Building Control. Planning joint services have been approved, and went live in October 2018.	Medium/ Significant Score 5	Y Monitor success of shared Planning Services, including the Planning Support Service.	Score 3	SMT
STAFFING									
16	Failure to manage the health, safety and welfare of the public,	To manage the risk to safety of staff, contractors and the public.	Reputational risk as a responsible employer.	Treat	Safe working environment, policies and procedures, e.g. Fire Safety policy, Travel at	Low/ Critical Score 6	N	Score 6	SMT

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	visitors and staff.	To ensure driver safety and awareness.	Possible involvement in legal action. Medium/ Critical Score 8		<p>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.</p> <p>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.</p> <p>Training & Disciplinary processes put in place by FCC at depot, reinforced by ongoing challenge by WDC management.</p> <p>An e-learning course on Managing Conflict has been completed by all staff in 2017.</p>				
CORPORATE GOVERNANCE									
17	Failure to maintain effective Corporate Governance arrangements.	<p>To maintain effective Member standards and develop new Council Constitution.</p> <p>To ensure that there is on-going review and self assessment of the effectiveness of</p>	Inability to maintain effective governance arrangement Medium/ Critical Score 8	Treat	<p>Reviewed and implemented new Council constitution. Comprehensive member training completed following May 2015 elections. Annual governance self assessment review by both Service Managers and SMT. Audit Committee established</p>	Low/ Critical Score 6	N	Score 6	VA

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		<p>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>with wider terms of reference. External reviews including the Council's external auditors EY. The Council has opted in to the scheme for appointing the next External Auditor. 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>New policy on Anti-Fraud & 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>				
18	<p>Council and/ or contractors fails to adhere to meet safeguarding obligations as set out in legislation such as Children Act 2004 section 11.</p>	<p>Local Authority staff and contractors need to be aware of and act upon the Wychavon Safeguarding Children and Vulnerable Adults policy.</p> <p>Lessons learnt from high profile cases, e.g. Rotherham, Oxfordshire.</p>	<p>Medium/ Critical Score 8</p>	<p>Treat</p>	<p>Joint awareness training of safeguarding policy to be delivered and kept up to date for Wychavon staff and key contractors, in particular Wychavon Leisure.</p> <p>Staff briefings delivered on safeguarding and child sexual exploitation.</p> <p>Adoption of the Worcestershire Child Sexual Exploitation action plan.</p> <p>Training on safeguarding currently being completed by all Members.</p>	<p>Low/ Critical Score 6</p>	<p>N</p>	<p>Score 6</p>	<p>PM</p>

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					Discussions with Worcestershire County Council regarding the Alternative Delivery Model for delivery of Children's Services.				
MANAGEMENT OF COUNCIL'S ASSETS									
19	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.	Medium/ Significant Score 5	Treat	Effective budget monitoring, sound management of assets/buildings including a planned maintenance approach. Risk assessments and regular health and safety inspections.	Low/ Significant Score 3	N	Score 3	VA
20	Failing to properly address all risks associated with new property developments and investments which involve the Council.	Developments include the Evesham Waitrose project; Blake Avenue; Vale Park; Interbrook, Worcester Six Business Park, and Honeybourne car park. Creation of a new strategic land investment fund to allow officers to purchase land for investment purposes. Wychavon District Council has established a housing company which will provide new houses for private rent within the district, to address the unmet local demand.	High/ Critical Score 9	Treat	Appropriate input from the Council's legal, property and finance teams, alongside brought-in specialist advice as necessary. Property Services and Legal Services teams are fully staffed, and extra resources have been provided. Approval of the high level business case for the Wychavon Housing Company by Members at the July 2017 Council meeting. Member briefing provided in September 2017. A new 2-year Wychavon Promise agreed in 2018/19 to start building new homes. Skills and expertise are being	Medium/ Critical Score 8	Y Continue to develop detailed business cases and provide adequate project management resource	Score 6	VA

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					procured to assist with the business plan.				