

# Corporate Risks

Inherent Risks before controls  
August 2011

5			1	1		
4			6	2	2	
3			6	6	2	
2						
1						
	1	2	3	4	5	
						Impact
						Likelihood

*Residual risk scores rely on the identified controls working effectively.*

*CGP and COMT rely on internal audit and managers' 'assurance' statements to judge whether this is the case.*

Residual Risks after controls  
August 2011

5						
4			5			
3		1	5	2	1 <sup>a</sup>	
2			9	2	1 <sup>b</sup>	
1						
	1	2	3	4	5	
						Impact
						Likelihood

total  
26

February 2011

5						
4			3			
3		1	6	2	1	
2		2	10	2	1	
1						
	1	2	3	4	5	
						Impact
						Likelihood

total  
28

-2

		Feb 2010	Aug 2010	Accepted by Cabinet
130 a	'Very High' Residual Risks			July 2010
47	Failure to achieve financial savings			July 2010
	Investment decisions not appropriate			

Corporate

# Operational Risks

**Inherent Risks before controls August 2011**

5		1	4	6	2
4		7	16	8	2
3	1	6	32	22	3
2		4	6	2	2
1					1
	1	2	3	4	5

Likelihood Impact

*Residual risk scores rely on the identified controls working effectively.*

*CGP and COMT rely on internal audit and managers' 'assurance' statements to judge whether this is the case.*

**Residual Risks after controls August 2011**

5	1				
4	1	3	7		
3	2	17	8	3	
2	1	23	36	12	3 <sup>c</sup>
1		2	4	1	1
	1	2	3	4	5

Likelihood Impact

+ 4

total

125

Total

121

**February 2011**

5	1				
4	2	3	6		
3	2	16	11	4	
2	1	21	32	12	3
1		2	3	1	1
	1	2	3	4	5

Likelihood Impact

	Feb 2010	Aug 2010	Accepted by Cabinet
'Very High' Residual Risks			
15 c ICT security is breached			July 2010
58 c Information or data is lost			July 2010
223 c MMI run-off			Note d

Note d There are no controls available to mitigate this risk at the present time but it is intended to submit a report to Cabinet once CGP have considered this report.

**Operational**

**Summary of Risk Register Amendments  
1 March – 31 August 2011**

**section 3**

	<b>Additions</b>	<b>Deletions</b>
<b>Corporate</b>		<b>2</b>
<b>Operational</b>	<b>4</b>	

**Corporate**

<b>Risk Ref</b>	<b>Risk Title</b>	<b>Deleted</b>	<b>Inherent Risk Priority</b>	<b>Residual Risk Priority</b>
1	The Council is not accurate in its assessment of the Governments capping criteria resulting in the Council being capped /setting Council Tax at a figure significantly below the capping level resulting in temp or permanent service reductions.	07/07/11	<b>Medium</b>	<b>Low</b>
12	The Council does not deliver against its Corporate Objectives or the National Performance Indicators resulting in adverse external audit and inspection reports and government intervention or restrictions of freedoms.	26/07/11	<b>Very High</b>	<b>Medium</b>

**Operational**

<b>Risk Ref</b>	<b>Risk Title</b>	<b>Created</b>	<b>Inherent Risk Priority</b>	<b>Residual Risk Priority</b>
227	Skills and expertise may be lost following staff and licensing panel member changes, which may result in adverse impacts on the service delivered and licensing decisions made	09/03/11	<b>High</b>	<b>Low</b>
228	Personal search companies claim refund of fees following admission by government that charging for personal searches was incompatible with the Environmental Information Regulations resulting in detrimental effect to Council budget	09/03/11	<b>Medium</b>	<b>Medium</b>
229	Failure to provide, protect and maintain the Council's property portfolio (Corporate buildings specifically Pathfinder House, Castle Hill House, Eastfield House) resulting in an unsuitable working environment and / or possible accident, injury to staff/ visitors	08/04/11	<b>Very High</b>	<b>Medium</b>
230	Financial contributions from partners are not realised leading to a reduced CCTV service or stopping it completely.	16/08/11	<b>Very High</b>	<b>Medium</b>

## Assurance Details

## section 4

Corporate Objective	Risk No	Inherent Risk	No of Controls	Residual Risk	Assurance Level				Assurance Provider		Area of Panel Assurance <sup>1</sup>	Assurance shortfall	Risk Type	
					Substantial	Adequate	Limited	None	Management	Other			Corporate	Operational
<b>A clean, 'green' and attractive place</b>														
Loss of vehicle fleet operating licence	192		3		3				3					✓
Council Carbon Management Plan	205		1		1				1					✓
Failure to deliver environmental policy/strategy	30		6		1	4	1		5		a		✓	
Climate change strategy	146		2		1	1	1		1		a		✓	
<b>Developing communities sustainably</b>														
Changes to house prices	52		2		2				2		a		✓	
<b>Housing that meets individuals' needs</b>														
Increasing Housing Benefit claims	143		1		1					1	h			✓
Emergency re-housing of expatriates	149		2		2				2				✓	
Increased homelessness	148		1		1				1		a		✓	
<b>Safe, vibrant and inclusive communities</b>														
Reduced CCTV service	230		2		2				2		a			✓
<b>To improve our systems and practices</b>														
ICT security breached	15		8		6	2			8		g			✓
Information or data is lost	58		4		4	4			4		g			✓
Theft	140		4		4				4		g			✓
Power loss to main servers	177		6		4	2			6					✓
Breach of Data Protection Act	217		4		4				4		c			✓
Project management ineffective	48		3		2	1			3		e			✓
Unencrypted data is sent externally	122		4		2	2			4		g			✓
Increasing insurance premiums	126		3		1	1	1		3					✓
Ineffective site security	32		3		3	3			3		g			✓
Service recovery/business continuity ineffective	6		4		4	4			4		g			✓

<sup>1</sup> The areas that Panel require specific assurance upon are listed at the end of this section.

## Assurance Details

### section 4

Corporate Objective	Risk No	Inherent Risk	No of Controls	Residual Risk	Assurance Level				Assurance Provider		Area of Panel Assurance <sup>1</sup>	Assurance shortfall	Risk Type	
					Substantial	Adequate	Limited	None	Management	Other			Corporate	Operational
Sensitive HB info e-sent via insecurely means	191		1		1				1					✓
Strict Government Connect rules restrict flexibility	163		1		1				1					✓
Fraud occurs	75		6		1	3	1	1	4	1	g			✓
Assets not properly maintained	186		3		2	2	1		3		g			✓
Loss of use of admin buildings	229		3		2		1		3		g			✓
Loss of access/structure: Pathfinder House	145		3		2	2	1		3		g			✓
Partnerships are not effective	74		3		3				3		k			✓
<b>To learn and develop</b>														
Reliance on key IT staff	25		6		4	1	1	1	6		g			✓
Staff training & development	2		3		2	1			3					✓
Bailiff contract (Health & Safety)	31		3		1	2			3					✓
<b>To maintain sound finances</b>														
Investment decisions not appropriate	47		9		5	4			8	1	d			✓
Failure to achieve financial savings	130		3		3				3		d			✓
Budget estimates are inaccurate	24		5		4	4	1		5		d			✓
Reduced land charges income	153		1		1				1					✓
S106 Agreements are not monitored	208		3		2	1			3					✓

- a. Delivery of the Council's corporate objectives
- b. The effectiveness of the Constitution
- c. Ability to identify, assess and respond to legislation, meeting statutory obligations
- d. Effectiveness of financial management arrangements
- e. Robustness of the performance management system
- f. The effectiveness of the risk management strategy
- g. Robust systems of internal control & the effectiveness of key controls
- h. Actions plans to address significant weaknesses are prepared, acted & reported on
- j. Adequacy of the internal audit service
- k. Partnerships are efficient and effectively delivering service objectives

## Risk Register entries : No Controls

## section 5

Risk Ref	Risk Title	Inherent Risk Priority	Residual Risk Priority	Actions being considered
Head of Environmental Management				
154	Lack of skilled/trained staff and funds mean failure to deliver expanding environmental agenda	High	High	Identify skills required & target resource to key environmental areas and projects.
214	Warmer, wetter winters and hotter summers with reduced rainfall resulting in an increased likelihood of subsidence and ground heave.	Low	Low	Complete regular inspections and maintenance of the existing HDC tree stock to try to reduce potential damage from subsidence.  Sufficient consideration to be given to the location and species of new tree planting, ensuring they are at a sufficient distance from existing buildings and infrastructure to reduce subsidence risk.  Does any new major project or development which includes landscaping give due consideration to the suitability of trees and shrubs to reduce subsidence risk?  Is there a programme in place to identify buildings susceptible to subsidence risk? Is there a schedule of regular maintenance checks to identify any damage? Is preventative work carried out where required?
215	Warmer summer weather and outdoor lifestyle increases the scope for outdoor activity leading to an increase in tourism and increased opportunity for leisure	Low	Low	Opportunities to promote development in and around the market towns
Head of Planning Services				
152	Economic downturn and the related potential shortfall in anticipated developer activity due to reduced market liquidity and availability of credit undermines the delivery of new homes, new employment opportunities and community facilities.	High	High	None

**Risk Register entries : No Controls**

**section 5**

Head of Financial Services	
223	<p>MMI Ltd are unable to 'run-off' outstanding liabilities from reserves leading to call on Council to meet funding shortfall.</p>
	<p><b>Very High</b></p>
	<p><b>Very High</b></p>
	<p>Audit Manager to discuss need for reserve with HOFs annually, so a decision can be taken as to how to treat the reserve in the accounts.</p>