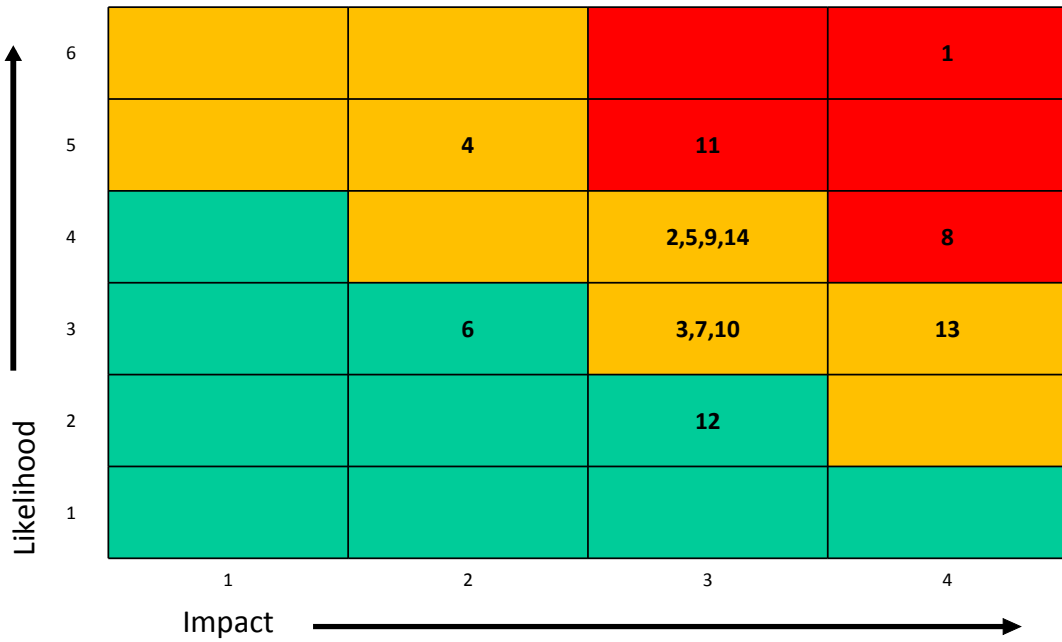




Risk Register



Risk Ref	Risk Description	Current Risk Rating	Target Risk Rating
1	Failure to secure financial stability in the medium term	24	12
2	Future Provision of ICT services following end of current outsourced contract	12	9
3	Failure to deliver MMDR (in full or in part) and the financial and legal impacts on Melton Borough Council arising from any	9	3
4	Financial pressures undermining partnerships (integrated working)	10	8
5	Failure of a key supplier e.g. Housing Repairs, Waste and Leisure	12	9
6	Failure to maintain Governance Framework	6	4
7	Failure to have contractual provisions in place for goods, works and services procured by the Council	9	2
8	Failure of the Housing Revenue Account Business Plan	16	6
9	General Data Protection Regulation (GDPR) compliance	12	6
10	Council unable to manage impact of Coronavirus (Covid-19) on council services	9	4
11	Impact of Coronavirus (Covid-19) on the business and communities of Melton	15	8
12	Instability and diversion of focus away from the Corporate Strategy created by the Devolution and Local Government Reorganisation debate	6	6
13	ICT Security Breaches	12	8
14	Running a Covid-Safe Election	12	9

Risk Register

REF	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK VULNERABILITY AND CAUSE	RISK CONSEQUENCES	EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	TARGET RISK RATING (6-12mths) (See next tab for guidance)			RISK OWNER	RISK REVIEW DATE
					LIKELI HOOD	IMPACT	RISK RATING		LIKELI HOOD	IMPACT	RISK RATING		
1	Failure to secure financial stability in the medium term	Government funding cuts. Fair funding Review and review of business rates baseline originally due to be effective from 2020/21 but timing now delayed and no timescale known. Impact of covid on business rates retained due to appeals and material change of circumstances claims. NHB to be phased out but unclear what growth incentivised funding will replace this. Plan B due for a refresh and would be a last resort. Partnership funding cuts. Demographics (increased demand). Cipfa financial resilience concerns primarily regarding the level and rate of depletion of reserves although these have stabilised. Need and desire to invest versus low level of capital receipts. Lack of asset condition information meaning capital strategy is not as well formed as it could be. HRA business plan is interim until stock condition surveys are complete.	Inability to achieve corporate objectives. Savings having to be made that impact service delivery. Low staff morale and high staff turnover as workforce is reduced leading to capacity issues. High cost services that fail to meet customer needs, demands and expectations. Poor customer satisfaction leading to high failure demand. Deterioration in asset conditions and no capital to invest in aspirations which could lead to increased income/reduced expenditure.	Priorities agreed through corporate strategy. Regular liaison and consultation with unions. Workforce Strategy e.g. staff training and support. Maximising partnership working to deliver better outcomes at reduced local cost. Regular review of MTFs. Well informed public and members around priorities, cost of services and resources available. Regularly review risk associated with partnership projects and funding. Risk assessed working balance which takes into account potential fluctuations of income and expenditure levels against budget. MTFs is subject to sensitivity analysis. Ongoing review of any changes in government funding. Ongoing consideration to be given to public consultation to ensure the proposals are understood within the context of the financial position. Regular liaison and lobbying of government and other groups to recognise the need for funding for Covid costs. Development of financial sustainability programme.	6	4	24	Further Savings options are identified as part of financial sustainability programme. Prioritise spending plans that will generate savings in return. Consider options for reducing failure demand e.g. prevention and demand reduction through service redesign. Continue to lobby government and other groups to ensure fair funding of covid and ongoing funding.	4	3	12	Director for Corporate Services	Sep-21
2	Future Provision of ICT services following end of current outsourced contract	LICTP to be moved to an in house service and loss of one partner meaning service will need to be transitioned to new service precision. Risk that we cannot recruit right experience and skills. Transition from current contractor is not amicable. Resources within the partnership to implement in a timely manner. Increased demand for ICT services due to need for more increased remote working.	Poor IT operational service leading to service issues and poor customer service, failure to invest in IT developments both strategic and operational leading to lack of service progress. Poor staff morale and frustration with IT provision. Failure of core systems resulting in loss of service.	IT programme manager with technical skills to liaise with contractor/client to ensure Melton's IT needs are meeting business needs in place. Use of external support and guidance to ensure any service transition is resourced sufficiently. Additional resources provided by partners to support the transition. Regular strategic review meetings to ensure partnership is aligned. Governance arrangements being reviewed to support the new service arrangements.	4	3	12	Project plan for the transition to be put in place and communicated. Commence any discussions with IT supplier and transition to any new arrangement. New governance arrangements to be finalised and put in place.	3	3	9	Director for Corporate Services	Sep-21
3	Failure to deliver MMDR (in full or in part) and the financial and legal impacts on Melton Borough Council arising from any agreement with the County Council which seeks to support delivery.	Funding from DFT withdrawn e.g. by change in Government, LCC refuse to accept this grant or the Housing Infrastructure fund for the southern section. LCC refuse to forward fund the required infrastructure. Failure to reach an agreement with the County Council for recovery of developer contributions. Developer contributions not realised. Judicial review and financial impacts on the Council arising as a consequence of any agreement entered into with the County Council.	Undermines the Melton Local Plan and broader growth aspirations. More pressure for Housing growth in rural areas. Reputational impact. Legal Challenge and financial implications which affect services and the Council's sustainability through any agreement with the County Council.	DFT has awarded £50m funding for the north and east sections and the business case to confirm the funding is due to be submitted by the County Council later in 2021. The Council has agreed to work with the County Council in developing the Masterplan for the Northern section which is progressing well. The County Council continue to work with Homes England to see if the Housing Infrastructure Funding can be secured for the southern section. Melton Borough Council continue to offer support to this process and negotiations are at an advanced stage with a view to reaching an agreement that would allow this to proceed. There are both financial and legal risks which need to be managed as a consequence of any agreement. The Council has also committed to update the masterplan for the southern section based on the new development layout approved in December 2020. A draft developer contributions SPD to support infrastructure investment is being developed. Over the last 5 years over 99% of developer contributions have been secured for Melton Borough Council for highways and education representing over £25m of investment. Planning permission has been granted for design and route of the MMDR and contracts awarded for its construction. Ongoing discussions with relevant developers as part of the master planning process.	3	3	9	1) Continue negotiations with the County Council and work towards an agreement on underwriting developer contributions to support LCC acceptance of the HIF. 2) Update the southern Masterplan based on the agreed development layout. 3) Finalise and agree a Developer Contributions SPD prioritising education and highways contributions. 4) Continue to develop and approve the Masterplan for the northern neighbourhood.	1	3	3	Chief Executive	Apr-21
4	Financial pressures undermining partnerships (integrated working)	Reduced funding from partners. Conflicting priorities between partners.	With ongoing financial pressures it is difficult to achieve effective partnership working that can have a real impact on key issues such as crime, ASB, substance misuse, social mobility, inclusive growth and homelessness.	Maintaining relationships with senior leaders from other organisations. Working through existing partnership structures. Take advantage of co-location and shared uses of buildings.	5	2	10	Further develop work of the People Board on outcomes framework in Covid 19 context. Work with local (Melton) partners to tackle this framework but also seek to work at the County level to influence key strategic partnerships. Overall focus should be on behaviour change and achievement of better outcomes.	4	2	8	Director for Housing and Communities	Dec-21
5	Failure of a key supplier e.g. Housing Repairs, Waste and Leisure	Supplier failure. Bankrupt.	Failure to deliver service. Reputational damage. Financial costs. Capacity to deal with the implications. Legal implications.	Robust procurement. Performance Bonds. Regular monitoring of the key suppliers and contracts.	4	3	12	Ongoing robust monitoring of key suppliers/contracts. Internal audit consultancy assignment commissioned to monitor the contract implementation for housing repair contract. Liaise with contractors for Covid impact and Brexit implications	3	3	9	Director for Housing and Communities	Dec-21
6	Failure to maintain Governance Framework	Council does not meet statutory requirements, laws and regulations. Risks not considered and mitigated against. Decision makers not properly informed of material facts. Publication requirements not complied with.	Failure to comply with legislation. Fraud or corruption occurs. Failure to make safe and legal decisions. Lack of transparency and accountability.	A governance review by the LGA has indicated processes are robust. Constitution regularly reviewed. Corporate resources reviewed regularly. Risk framework considered by members and SLT on a rolling basis. Project Management Toolkit refreshed and promoted. Ongoing training on governance matters. SLT held regularly with clear reports and accountability for leading the organisation. Performance indicators have been reviewed. Performance, complaints and risk reviewed by Cabinet and SLT. Corporate Strategy updated and comms plan in place. Professionally qualified statutory officers involved in decision making. Master list of policies developed and regularly reviewed.	3	2	6	Ongoing work to continue to implement LGA recommendations in respect of good governance. Risks will continue to be monitored and updated by Directorates. Project Management training will be rolled out to the wider organisation. Continuing to develop the policy and performance framework.	2	2	4	Assistant Director for Governance & Democracy	Sep-21
7	Failure to have contractual provisions in place for goods, works and services procured by the Council	Contractual issues cannot be raised / managed due to no legal standing being in place	inconsistent service delivery, reputational damage, no recourse to recover financial loss.	The contracts register has been updated and published on the website. There will be quarterly reviews until the electronic system has been developed and is in place. This will be moved over to procurement to be managed through the electronic software system	3	3	9	Draft terms and conditions for higher value contracts have been drafted and will be rolled out with the amended Contract Procedure Rules	2	1	2	Director for Corporate Services	Feb-21

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8	Failure of the Housing Revenue Account Business Plan	Possible failure of the HRA BP include: outdated or unfit business plan; lack of stock condition information; failure to deliver capital programmes; failure to meet Decent Homes Standard; failure of compliance in respect of Health and Safety; failure to collect income due; incorrect assumptions used in BP.	Council being non compliant and failing in the duty as a landlord; tenants being exposed to safety risk; potential financial and reputational risks	Interim Business Plan in place with Housing Improvement Programme being delivered and managed through a Board with Leader and Portfolio Holder oversight; plan in place for stock condition surveys and tenant surveys in 21/22, with new BP in place wef April 2022.	4	4	16	This is managed as a key corporate priority with appropriate levels of resources being allocated through the Housing Improvement Plan. Regular monitoring of the Housing Improvement Plan for the compliance and quality of housing stock is managed through multiple governance structures such as board meetings, operational meetings which have senior leadership oversight. Clear communication is undertaken with key stakeholders to ensure that progress is communicated regularly	2	3	6	Director for Housing and Communities	Jun-21
9	General Data Protection Regulation (GDPR) compliance	Failure to invest in the required systems, equipment and posts required to ensure compliance. Failure to adequately train staff in the requirements of the Regulations. Lack of resource (capacity and expertise) to ensure data is accurate, retained in line with retention periods, documented and maintained.	Non compliance with statutory requirements.	Policies have been updated, data protection guidance and training for staff/members undertaken on a rolling basis, Data Protection Officer in place.	4	3	12	Information Asset Register to be reviewed by managers on an annual basis, Information to be champions established. Look at resources to provide more support for the control of data and recording of data held.	2	3	6	Director for Corporate Services Assistant Director for Governance & Democracy	Jul-21
10	Council unable to manage impact of Coronavirus (Covid-19) on council services	Lack of capacity to cope with the increase in community needs as well as business as usual tasks as a result of the virus. This will be caused by increased needs from the community as well as reduced staffing availability due to staff becoming ill themselves or needing to self isolate or being unable to work due to caring for others. Technology constraints may also limited the amount of work able to be undertaken remotely. Availability of workforce from contractors as well as council will have a negative impact on continuing the compliance related work. Risk of concurrent events e.g. Avian Flu, flooding, snow, placing further pressure on capacity	Work will need to be prioritised resulting in some services either being scaled back or not delivered at all. Delays to HIP projects and actions would lead to the Council being non-compliant to property health and safety standards. Inability to deliver key aspirations within the Corporate Strategy	In March 2020 the Council declared a major incident and business continuity and emergency planning arrangements have been in place ever since. The Council ceased non-essential services and redirected resources to support priority services and established new community and business support infrastructure. Parkside is a Covid-secure workplace with social distancing and hygiene protocols in place and the majority of the workforce continue to work from home where possible. Whilst technology remains a challenge, the Council has demonstrated its ability to function effectively in these circumstance. Council representatives continue to be linked into multi agency discussions as part of the Leics Local Resilience Partnership (LRF) enabling council is up to date with latest advice and taking a consistent approach as partners. Mutual aid arrangements in place with district colleagues. Regular bulletins and guidance being provided to staff to protect their health and well being. In year savings have been identified from non-priority areas, and alongside additional government funding, the immediate service delivery risk associated with funding has reduced.	3	3	9	Regular, weekly meetings held to review impacts on staffing and critical services. Opportunity to redeploy resources if necessary and bring in additional support as required. Ongoing support provided to staff and utilise additional funding sources (e.g. Contain) to bring in additional resources in key areas e.g. business grant administration and economic development. Continue to ensure staff, members and the community are kept informed as the situation develops. Regular meetings of multi agency groups (Place Board and People Board) to ensure partnership opportunities maximised.	2	2	4	Chief Executive	Sep-21
11	Impact of Coronavirus (Covid-19) on the business and communities of Melton	In the 11 months since the lockdown the economy has shrunk by 20%. Whilst the Furlough scheme helped protect jobs in the short term unemployment has increased and the number of claimants for universal credit in Melton has doubled. Over the coming years there will be greater financial, physical and mental health challenges and greater pressure on housing. Whilst the Council has provided considerable support to businesses in Melton through government grant schemes there is a risk that some businesses do not survive. Further risk of local and national lockdowns increase uncertainty and dent consumer confidence	Higher unemployment, greater dependency on welfare, impacts on physical and mental health, impacts on business survival rates, increased homelessness	The Council has established recovery structures to fully assess impacts and identify appropriate responses, including 'people' and 'place' scrutiny task and finish groups to inform proposals. The Corporate Strategy has been reviewed to ensure it incorporates key recovery actions and was adopted in September 2020. As part of the budget setting process for 2021/22, proposals to divert additional resources to support economic development, town centre regeneration and business diversification have been included. The Council continues to work closely with partner agencies in the LRF to ensure response are co-ordinated and work to support our communities and businesses are joined up.	5	3	15	The Council is developing a policy to utilise the Additional Restrictions Grant to support businesses during 2021/22 and as part of the recovery. The current budget proposals incorporate additional expenditure to support the town centre and enable development of a new, post-covid, Town Centre Strategy and masterplan, as well as grants to support business diversification. These will be implemented subject to consideration by Council in February Continued involvement, leadership and engagement within the LRF and support to local partners and businesses as required.	4	2	8	Chief Executive	Sep-21
12	Instability and diversion of focus away from the Corporate Strategy created by the Devolution and Local Government Reorganisation debate	It was anticipated that the government would publish a Devolution White Paper in September 2020. Due to the impact of coronavirus this has been delayed until later in 2021. Whilst the exact contents remain unclear it was previously understood this will include some encouragement for areas to consider local government reorganisation. Whilst this may create opportunities which will need to be fully considered there may also be a risk that it consumes capacity and diverts focus away from the council's recently approved Corporate Strategy.	Diversion of focus/ diversion of capacity/ Inability to deliver priorities articulated in the Corporate Strategy/ instability within the organisation/ loss of key staff	The postponement of the Government White Paper has reduced the impact of this risk and enabled the focus to be maintained on pandemic response. It is expected that the matter will be re-considered again as the situation improves and after the May elections. Regular dialogue between the Leaders and Chief Executives of Leicestershire district councils continues and work to establish a collective Leicestershire district position on devolution is underway.	2	3	6	Review of the actual White Paper and consideration of best response for Melton people and communities once it is published. Continuing dialogue with other local councils and government as required. Proactive and regular internal communications to ensure any change in the position is understood	2	3	6	Chief Executive	Sep-21

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					LIKELI HOOD	IMPACT	RISK RATING		LIKELI HOOD	IMPACT	RISK RATING		
13	ICT Security Breaches	Data loss or inability to deliver systems and services from internal or external ICT Security breaches. Internal breaches by employees may be malicious or accidental, either compromising data or systems by deliberate action or inaction. External breaches are by Cyber actors deliberately attempting or breaching ICT perimeter controls, or by misleading staff to take action that compromises ICT security, to remove data, encrypt systems, extort monies, or disable the authorities ability to deliver its services	Data loss, loss of ability to deliver systems and services to employees and citizens,	Perimeter Security, Systems and data is backed up, Annual IT Health checks, Cyber Essentials and PSN accreditation, Security Working Group, policies in place to support and advise staff, ICT monthly articles and newsletters aimed at increasing staff cyber awareness, Encryption detection software, Antivirus software, Mail Filtering, Sophos Unified Threat Manager, Intrusion detection software	3	4	12	Additional Cyber security appliances to reduce the likelihood of successful intrusion and unusual behaviour, Network Access Control to secure the network from unauthorised devices, Privilege Access Management to mitigate internal threats	2	4	8	Director for Corporate Services	Sep-21
14	Running a Covid-Safe Election	The pandemic has introduced the need to consider additional measures to ensure that constituents attending the polls and verifying/counting ballots papers can do so in a safe manner. The pandemic may present risks with staffing and polling stations	reputational, political, lack of democracy	Project plan, experienced staff, specific elections risk register, training in place	4	3	12	Ongoing review and consideration of special mitigations required in a pandemic	3	3	9	Chief Executive	Mar-21

Risk Matrix and Scoring Guide

			Impact / Consequences			
			Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/definition	Probability	1	2	3	4
	6 Very High	More than 90%	Medium (6)	Medium (12)	High (18)	High (24)
	5 High	55% to 90%	Medium (5)	Medium (10)	High (15)	High (20)
	4 Significant	15% to 55%	Low (4)	Medium (8)	Medium (12)	High (16)
	3 Low	5% to 15%	Low (3)	Low (6)	Medium (9)	Medium (12)
	2 Very Low	1% to 5%	Low (2)	Low (4)	Low (6)	Medium (8)
	1 Almost impossible	0% to 1%	Low (1)	Low (2)	Low (3)	Low (4)

Likelihood		Impact	Description guide
Very High	> 90%	Negligible	Minor financial, no effect on service provision or reputation, limited physical consequences
High	55% to 90%	Marginal	£10k - £200K??, service slightly reduced broken bones/illness, objectives of one area not met, minor adverse local media, impact on inspection (s)
Significant	15% to 55%	Critical	£200K - £1M, service suspended short term / reduced, loss of life/major illness, area objectives not met, industrial action, adverse national publicity
Low	5% to 15%		
Very Low	1% to 5%	Catastrophic	£1M- £10M, service suspended long term, statutory duties not delivered, major loss of life/large scale major illness, corporate objectives not met, mass staff leaving/Unable to attract staff, Remembered for years!! Service taken over permanently