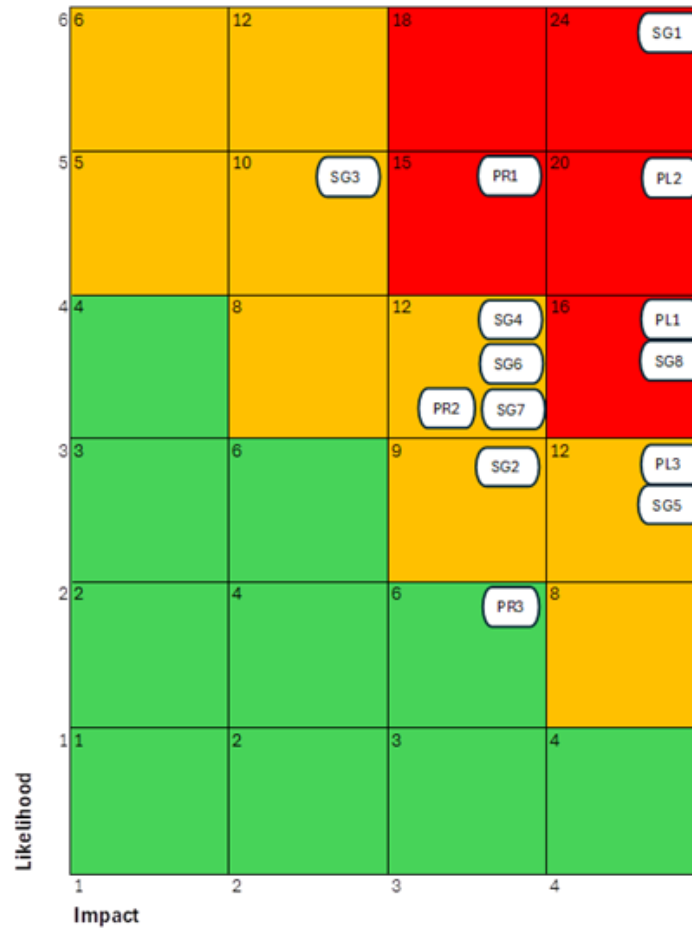


Appendix A – Strategic Risk Report with Matrix



Risk Ref	Title	Impact	Likelihood	Current Risk Rating
PL1	Inability to secure the best outcomes from the devolution white paper for Melton and the impact on the Council as an organisation	4	4	16
PL2	Implementation of food waste collection arrangements	4	5	20
PL3	Capacity to respond and recover to a major incident	4	3	12
PR1	Failure to deliver MMDR (in full) and the financial and legal impacts on Melton Borough Council arising from any agreement with the County Council which seeks to support delivery.	3	5	15
PR2	Uncertainties regarding future leisure provision in Melton	3	4	12
PR3	Ensuring strong tenant outcomes across all the areas of the Housing Regulatory Framework Service Delivery (Removed in March 2025)	3	2	6
SG1	Failure to secure financial stability in the medium term	4	6	24
SG2	Stability of future provision of ICT services.	3	3	9
SG3	Financial pressures undermining partnerships (integrated working)	2	5	10
SG4	Failure of a key supplier e.g. Housing Repairs, Waste and Leisure	3	4	12
SG5	ICT Security Breaches	4	3	12
SG6	Resourcing of the LUF, UKSPF, ADP and Leisure developments	3	4	12
SG7	Lack of capacity to deliver services and projects due to resourcing issues in specific teams	3	4	12
SG8	Capacity to deliver the new Vision 36 and the Corporate Delivery Plan	4	4	16

Strategic Risks



PL1 Inability to secure the best outcomes from the devolution white paper for Melton and the impact on the Council as an organisation

RISK VULNERABILITY AND CAUSE	<p>On 16th December 2024, the Devolution White Paper was published, setting out the government's ambitions to deliver devolution to all regions, alongside a simplification of local government structures. In February 2025, all two-tier areas were invited to submit proposals to government for reorganisation, with interim plans due to be submitted by 21st March and for LLR, final proposals to be submitted by 28th November 2025.</p>
RISK CONSEQUENCES	<ul style="list-style-type: none"> • Outcome of Devolution and LGR currently unclear and whatever is finalised may not be in the best interests of rural communities like Melton. • The criteria for LGR advocates for larger unitary councils. There is a risk that future local government becomes too remote and results in a loss of connection with communities like Melton. • Democratic accountability is undermined. • The response to the white paper will consume senior leadership and political capacity, working in partnership to develop an appropriate response, and one that ideally achieves a consensus. • Strategic focus will be diverted from other priorities and there will be an inability to deliver existing plans. • The uncertainty arising from the proposed changes has the potential to destabilise the organisation and result in a further loss of focus • Potential to create recruitment and retention issues. <p>Inability to achieve corporate objectives / In ability to secure additional funding to support priorities / Duplication of focus / Breakdown in relationships and partnerships / Loss of UKSPF funding.</p>
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	<ul style="list-style-type: none"> • Regular meetings of Local Councils across LLR (predominantly Districts and Rutland) to facilitate discussions • Regular engagement with MHCLG colleagues • Development of interim proposals for submission by March 2025 underway.

	<ul style="list-style-type: none"> • Stakeholder engagement initiated on 27th February 2025. • Report to Cabinet 14th January 2025, and to Council 27th February 2025. • All member and all staff briefings and email updates. 		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		<ul style="list-style-type: none"> • Meeting of City, County, Districts and Rutland scheduled for 6th March 2025. • Meetings with MPs scheduled. • Stakeholder engagement to continue 	
Date Assessed	Next Assessment Date	Risk Owner	Chief Executive
28-Feb-2025	01-Apr-2025		

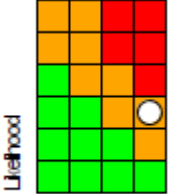
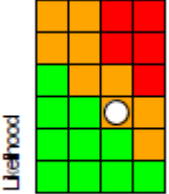


PL2 Implementation of food waste collection arrangements

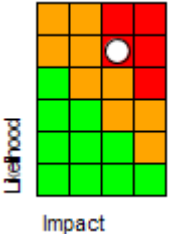
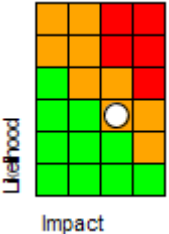
RISK VULNERABILITY AND CAUSE	New requirement, details of requirements, sufficiency of funding and delivery options currently being assessed. New service – large project. Linked to this, high demand may affect availability of vehicles, caddies etc. Resourcing to lead and oversee project currently unclear due to staffing change / partnership change.		
RISK CONSEQUENCES	Unable to implement a food waste collection service in time.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Successful recruitment of the role of Waste and Environmental Service Manager, postholder has relevant skills, knowledge and expertise, starts in post in September 2024. Challenge to DEFRA regarding capital funding remains in progress – commitment to maintain change of sufficiency if capital funding. Evidence base also being reviewed to support understanding of capital and revenue requirements. Initial dialogue with Biffa underway – to be accelerated when new service manager is in post. Collaboration between districts working with Well and procurement on joint procurement options for caddies. Engagement with countywide groups and discussions.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		Project plan to be progressed by new service manager. when in post – preparatory work is being done ahead of this. Submit further DEFRA challenge and consider outcome / implications of outcome on delivery of this service and financial impact for the council. This is a high risk and high-profile programme of work.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Housing and Communities
28-Feb-2025	01-Apr-2025		



PL3 Capacity to respond and recover to a major incident

RISK VULNERABILITY AND CAUSE	To be prepared for and have the ability to respond to a major incident impacting on both the council's ability to deliver services and on the community as a whole. A major incident may include severe weather, notifiable diseases, major incidents, community unrest and business continuity incidents		
RISK CONSEQUENCES	Homes and businesses are damaged, disruption to transport and travel in the borough, disruption to communication infrastructure, health and wellbeing of young, elderly and other vulnerable members of the community, severe loss of livestock and livelihood of rural businesses, ability for the council to deliver services, death/injury to members of the community		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Support and partnership/multi agency working with Local Resilience Forum. Training for Senior Officers in managing major incidents. Emergency plan in place. Dedicated Resilience Officer in post. Various plans in place and regularly reviewed for example Adverse Weather Plan. Close liaison and mutual aid available with neighbouring authorities and partners including blue light services. Communications cell is well established and incident and Met Office weather warnings in place and public warning messages issues through social media. Links with Parish Councils, local flood wardens and other community groups. Emergency Centre plans in place		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
 <p style="text-align: center;">Likelihood Impact</p>	 <p style="text-align: center;">Likelihood Impact</p>	Preparedness for a major incident. Further multi agency training to be undertaken. Continue to review plans and ensure these are communicated. Continued working through the LRF with local officers. Plan for increased incidents due to adverse weather. Multi agency communication and learning from previous incidents. Keep oversight of national picture with regard to unrest and consider/assess local implications	
Date Assessed	Next Assessment Date	Risk Owner	Assistant Director for Organisational Development
25-Feb-2025	01-Apr-2025		

PR1 Failure to deliver MMDR (in full) and the financial and legal impacts on Melton Borough Council arising from any agreement with the County Council which seeks to support delivery.

RISK VULNERABILITY AND CAUSE	The funding for the North and East is in place and construction work is underway. The Southern section is less well developed and subject to similar cost escalation and as a consequence LCC were unable to reach agreement with Homes England and refused to accept the Housing Infrastructure fund for the southern section. The delivery mechanism for the southern section is therefore uncertain, although LCC have confirmed they remain supportive of Melton's Local Plan strategy and will continue to work to identify the required funding. Whilst the Staged Payment Agreement has now fallen away, the Developer Contributions SPD remains in place.		
RISK CONSEQUENCES	Undermines the Melton Local Plan and broader growth aspirations. More pressure for Housing growth in rural areas. Reputational impact.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	In relation to the Southern section the Council has agreed and approved a Masterplan for the Southern SUE and a Developer Contributions SPD. Work continues with the county council on delivery of the southern section but without the HIF and continuing inflationary pressures, affordability remains a continuing challenge.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		The Council is working with the County Council and developers on identifying alternate delivery mechanisms. At this stage it is unclear whether a resolution will be found but the work locally continues. Opportunities to discuss further with Homes England and the new government will be explored	
Date Assessed	Next Assessment Date	Risk Owner	Assistant Director for Planning
28-Feb-2025	01-Apr-2025		



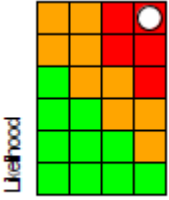
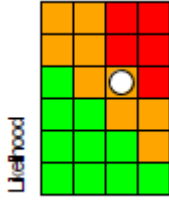
PR2 Uncertainties regarding future leisure provision in Melton

RISK VULNERABILITY AND CAUSE	Ageing facilities, identification of need for improved leisure facilities, service and reputational associated with them. Need for improved leisure facilities and identification of funding to support this.		
RISK CONSEQUENCES	Ageing facilities, identification of need for improved leisure facilities, service and reputational associated with them. Need for improved leisure facilities and identification of funding to support this.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	<p>Successful leisure procurement, securing future of facilities for next 10 years. Contract commenced 1st April 2024. Planned leisure improvement works as part of the new contract are taking place and remain on track, supported by successful capital bids to SPSF and LLEP. Grand opening of 'new look and feel facilities' during August 2024.</p> <p>New contract management arrangements in place. First meeting of Leisure Strategic Partnership Board took place on 31st July 2024. This will support robust and strategic contract management approach and will include leisure and property colleagues.</p> <p>New corporate strategy commits to a new leisure centre by 2036. Ongoing work on health and leisure vision progressing (in line with corporate strategy commitment) and is necessary to appropriately address this risk item.</p>		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		Develop longer term vision and plan for leisure centre capital financing, and as part of this, a clear timeline and understanding of the finances required.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Housing and Communities; Director for Place & Prosperity
28-Feb-2025	01-Apr-2025		



SG1 Failure to secure financial stability in the medium term

RISK VULNERABILITY AND CAUSE	'Government funding cuts and uncertainty regarding longer term funding position due to funding review due from 2026/27 including business rates reset. In addition, inflationary pressures on Council and local community increasing costs. Decline in income streams. nonrecurring grant funding ending. Retained business rates difficult to estimate due to appeals and empty properties. Partnership funding cuts. Demographics (increased demand). Structural deficit in the budget relying on reserves to balance in from 2023/24 onward followed by further forecast budget gaps in later years. Cipfa financial resilience and Oflog indicate comparatively low level of reserves. Ability to fund unexpected events such as enforcement action and appeals and costs of change. Need and desire to invest versus low level of capital receipts. Affordability of assets repairs an issue.
RISK CONSEQUENCES	'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. 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.
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	' Priorities agreed through corporate strategy. Regular liaison and consultation with unions. People 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 considers 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 fair funding. Development of financial sustainability programme.

Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
 <p data-bbox="230 371 253 456">Likelihood</p> <p data-bbox="271 472 338 496">Impact</p>	 <p data-bbox="584 371 607 456">Likelihood</p> <p data-bbox="624 472 692 496">Impact</p>	<p data-bbox="815 264 2121 416">'Development of a costed financial sustainability plan that is realistic and achievable and sufficient to meet budget gap. Prioritise spending plans that will generate savings in return. Consider options for reducing failure demand e.g. prevention and demand reduction through service transformation. Development of Plan B that can be used if savings cannot be achieved.'</p>	
<p data-bbox="91 512 286 536">Date Assessed</p>	<p data-bbox="533 512 763 576">Next Assessment Date</p>	<p data-bbox="815 512 965 536">Risk Owner</p>	<p data-bbox="1122 512 1525 536">Director for Corporate Services</p>
<p data-bbox="91 608 271 632">27-Jan-2025</p>	<p data-bbox="533 608 707 632">01-Jul-2025</p>		



SG2 Stability of future provision of ICT services.

RISK VULNERABILITY AND CAUSE	Following move to an in-house service provider via HBBC identified poor infrastructure that requires investment, poor documentation, and gaps in skill levels of team. Risk that there is instability whilst documentation is improved, and infrastructure is updated. Increased demand for ICT services due to development of digital services. Customer impact / accessibility when ICT is unstable.		
RISK CONSEQUENCES	Poor IT operational service leading to service issues and poor customer service, Poor staff morale and frustration with IT provision. Failure of core systems resulting in loss of service.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Additional resources provided by partners to escalate infrastructure improvements. Regular strategic review meetings to ensure partnership is aligned. Business analysts provided as part of new structure to collaborate with partner services to develop future IT provision. Independent support to the Head of ICT to implement required changes.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	Delivery of planned improvements and documentation of systems and review and update of associated policies. Review of operating model following move to 2 partner model and investment in infrastructure to ensure resources are at right level and skills to support technology in place and demand. Appointment of programme manager to provide robust programme management support to ensure delivery of projects on time and to scope and budget. Development of partner IT strategy and roadmap highlighting areas for consideration of further investment in ICT. Training and support to existing and newly recruited staff. Backup restoration through full disaster recovery test.	
Date Assessed	Next Assessment Date	Risk Owner	Assistant Director for Organisational Development
28-Feb-2025	01-Jul-2025		



SG3 Financial pressures undermining partnerships (integrated working)

RISK VULNERABILITY AND CAUSE	Reduced funding from partners. Conflicting priorities between partners.		
RISK CONSEQUENCES	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.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Maintaining relationships with senior leaders and commissioners from other organisations. Working through existing partnership structures. Take advantage of co-location and shared uses of buildings. Proactive engagement with key partners to support outcomes for communities including leadership role in key health and wellbeing partnerships and Melton Helping People Partnership. Increased collaboration with Lightbulb project and homelessness partnerships. Continued investment in Community Grants Scheme with policy aligned to evidence based Council priorities and outcomes means the council can continue to support local community and voluntary sector organisations.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
<p>Lielihood</p> <p>Impact</p>	<p>Lielihood</p> <p>Impact</p>	Monitor impacts of LCC budget reductions on services such as homelessness and healthy / active communities. Engage ICB to secure funding. Consider future of shared service arrangements to ensure value for money and resilience – CCTV, Out of Hours, Waste and Environmental Services.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Housing and Communities
02-Mar-2025	01-Apr-2025		

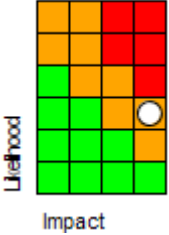
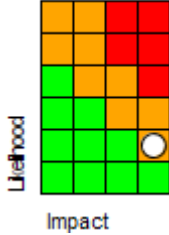


SG4 Failure of a key supplier e.g. Housing Repairs, Waste and Leisure

RISK VULNERABILITY AND CAUSE	Supplier failure. Bankruptcy. Volatility of construction sector, vulnerability inflationary/recessionary pressures		
RISK CONSEQUENCES	Failure to deliver service. Reputational damage. Financial costs. Capacity to deal with the implications. Legal implications		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Robust procurement. Performance Bonds. Regular dialogue with and monitoring of the key suppliers and contracts. Successful risk mitigation during transition of gas and heating contract provides confidence that risks of this nature can be managed. Monitoring of void and repairs performance, planned maintenance and value for money. Consider future options for contract extension and / or re-procurement.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		Ongoing monitoring of key suppliers/contracts.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Housing and Communities
02-Mar-2025	01-Apr-2025		



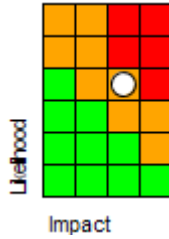
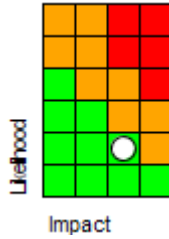
SG5 ICT Security Breaches

RISK VULNERABILITY AND CAUSE	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 authority's ability to deliver its services	
RISK CONSEQUENCES	Loss of data, security breach introducing a virus into council systems, breach of legislation such as data protection resulting in prosecution or fine and reputational damage. System loss leading to interruption in services being delivered to customers.	
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Perimeter Security provided by Firewalls and firewall policies, systems and data is backed up using industry best practice. Annual IT Health checks and penetration testing, Cyber Essentials and PSN accreditation, External Vulnerability scanning tools, Security Working Group, policies in place to support and advise staff, ICT articles and newsletters aimed at increasing staff cyber security awareness, corporate training linked to the NCSC guidance rolled out corporately. Simulated phishing tools and learning to increase staff awareness of the risks of Phishing. Encryption detection software, Antivirus software, Mail Filtering, Sophos Unified Threat Manager, Intrusion detection software, Intercept X detecting and unauthorised encryption and protecting files. Password management tool ensuring passwords are secure and less likely to be defeated by social engineering or brute force or dictionary/spraying attacks. 3-2-1 Backups in place 3 copies, 2 locations, 1 Off-site a manage detect and response solution monitors the ICT estate for threats and anomalous behaviour.	
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED
		<p>Additional Cyber security services in the form of a Managed Detect and Response Service to reduce the likelihood of successful intrusion and unusual behaviour, Privilege Access Management to mitigate internal threats. Implement additional protections such as Zero Trust to protect employees or attackers with a foot hold in the network from being able to laterally move across the network. Implement a PAM (privilege access management) to reduce the ability of privileged users to access and exfiltrate data or perform unaudited changes. implementation of audit recommendations including cyber security training and learning from other organisations. Procure and implement</p>

		proactive threat management technologies to enable MBC to see intelligence on Cyber threats before they become manifest. Multi Factor Authentication to be rolled out.	
Date Assessed	Next Assessment Date	Risk Owner	Assistant Director for Organisational Development
01-Oct-2024	01-Apr-2025		

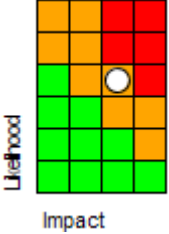
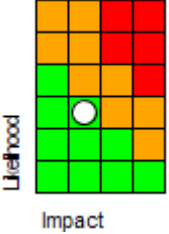


SG6 Resourcing of the LUF, UKSPF, ADP and Leisure developments

RISK VULNERABILITY AND CAUSE	Delivery of these projects will require a distinct set of experience, knowledge and skill set at various stages of the projects. Not all skill sets are available within the existing teams. Involvement from Property, Regeneration, Housing and Communities and Corporate services will be required to implement these projects. The teams are busy with the day to day and operational activities and will be stretched with key strategic priorities being delivered simultaneously.		
RISK CONSEQUENCES	Stretched resources or lack of relevant skill sets could lead to delays in delivery, mistakes, lack of compliance to regulations, and reputational damage		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Additional resource needs are included in the ask for external grant funding such as LUF and UKSPF to increase capacity within the team and seek external support where required. Any future capital funding need for delivery of large-scale projects will include additional resources for project management and niche technical advice.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		A resource plan will be prepared identifying focus areas. SLT will maintain oversight of projects delivery to ensure resource pressure are considered at all stages of the projects. New posts will be recruited at relevant stages in accordance with the resource and project plan.	
Date Assessed	Next Assessment Date	Risk Owner	Director for Place & Prosperity
01-Oct-2024	01-Apr-2025		



SG7 Lack of capacity to deliver services and projects due to resourcing issues in specific teams

RISK VULNERABILITY AND CAUSE	Workload pressures increasing on particular teams due to increasing demand, coupled with the additional work pressures arising from the establishment of the new council and expectations arising from it. increase in customer expectations due to cost of living, and difficulties in recruiting to certain posts and the impact from Single Points of Failure due to lack of resilience. Difficulty in recruitment in some technical areas such as legal, planning, and environmental health is another contributing factor to capacity issues.		
RISK CONSEQUENCES	Inability to deliver statutory and discretionary services to the public and to deliver on corporate priorities and projects. increased sickness and mental health issues due to the pressure of work. high turnover as staff leave and poor morale. Lack of resilience whereby the loss of a single member of the team can quickly create a significant issue. vacant posts and high cost of interim staff.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	Programme Boards to manage projects across the council, corporate strategy to set priorities, recent review of Team Charters and regular team meetings and 1 to 1s to identify areas of concern, range of mental health initiatives to support staff with mental wellbeing. Existing Way We Work Strategy approved in December 2021. New Corporate Strategy 2024–2036 and 4 year Corporate Delivery Plan approved and in place.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		<p>Monitoring of progress against Corporate Delivery Plan to assess progress. Ongoing Corporate Governance Meetings. Plan to refresh the Way We Work Strategy and maintain positive and supportive culture.</p> <p>A detailed communications and engagement plan is being developed to respond to the Devolution White Paper and briefings are taking place with all staff. The Council will continue to promote the opportunities created by Devolution and any future reorganisation, in terms of re-shaping the future size and shape of local government.</p>	
Date Assessed	Next Assessment Date	Risk Owner	Chief Executive
25-Feb-2025	01-Jul-2025		



SG8 Capacity to deliver the new Vision 36 and the Corporate Delivery Plan

RISK VULNERABILITY AND CAUSE	to be able to deliver the commitments outlined in the Council's Vision 36 and the Corporate Delivery Plan through the activity, projects, and actions. The commitments will require resources both financial and non-financial (staffing, assets etc) to enable delivery.		
RISK CONSEQUENCES	We fail to deliver on the commitments made in Vision 36 and Corporate Delivery Plan. Resources used to deliver on the commitments are taken away from existing services and this impacts on the quality to residents. Resources used may also impact on the Council's long term financial sustainability and the capacity of officers to deliver services to existing levels of quality.		
EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	The commitments made have been developed with members to meet the future needs of the borough and as part of the process of this the resources required have been developed with finance. Monitoring of the commitments will take place over the duration of the plan through the budget process and through the Council's Performance Management Framework.		
Current Risk Rating	Target Risk Rating	FURTHER ACTION REQUIRED	
		Monitoring of the resources required to deliver on the commitments. Continue to review the commitments and how we are able to deliver on these and maintain service quality across the Council. Specific review of capacity and priorities due to be undertaken as part of responding to the English Devolution White Paper. Confirmation of whether any current activities have to be de-prioritised will be discussed with Cabinet.	
Date Assessed	Next Assessment Date	Risk Owner	Chief Executive
23-Jan-2025	01-Apr-2025		