NEWARK & SHERWOOD DISTRICT COUNCIL

Report to: Audit & Governance Committee Meeting
                                    22 November 2023

Director or Business Manager Lead: Matthew Finch – Communities and Environment

Lead Officer: Richard Bates – Safety and Risk Manager.

Report Summary	
Report Title	Strategic Risk Management
Purpose of Report	To provide an update to members on the status of the Council's 202324 Strategic Risk Register.
Recommendations	Members of the Committee are recommended to note the content of this report and to highlight any issues of concern.
Reason for Recommendation	To ensure Committee members are aware of the status of the Council's strategic risks.

1.0 Background

1.1 The Risk Management function is the process of identification and management of significant risks faced by the Council which have the potential to prevent it from achieving its key/agreed objectives. Proactively identifying potentially significant risks and implementing suitable control strategies help prevent these risks from being realised, or this is not possible, mitigate to a tolerable level.

1.2 Strategic risks are those risks that have the potential to halt or significantly interfere with the ability of the Council to achieve its core objectives, priorities and/or ambitions.

1.3 The contents of the Strategic Risk Register were reported to Members in April 2023. The content of the current risk register has not changed since this last report and continues to have 10 strategic risks. These are listed in the table below.

Strategic Risk Register – 2023/24		
Title	**Description**	**Owner(s)**
SR301 **Financial sustainability – General Fund**	Ensuring financial sustainability of the general fund to allow the council to undertake its core functions, deliver services, meet its corporate priorities and objectives	Sanjiv Kohli
SR302 **Financial sustainability - HRA**	Financial sustainability of the HRA to ensure the council is able to provide, maintain and develop its housing stock.	Sanjiv Kohli Suzanne Shead
SR303 **Failure to deliver growth infrastructure**	Facilitating the provision of local infrastructure to ensure growth within the district to meet agreed plans & corporate priorities	Matthew Lamb
SR304 **Contract/supply failure**	Managing contracts with key suppliers, including NSDC wholly own companies, to ensure the continued delivery of an effective service and ensure delivery of the council's priorities and objectives.	Deborah Johnson Suzanne Shead
SR305 **Workforce**	Ensuring the council is able to recruit, maintain and retain appropriate staffing resource to ensure it is able to deliver its services and meet its corporate objectives.	Deborah Johnson
SR306 **Corporate governance**	Risk of failure in systems of governance within the council, council owned/influenced organisations and partnerships or other collaborative arrangements.	Sue Bearman
SR307 **Data management and security**	Deliberate or unintentional loss/disclosure of personal, sensitive, confidential, business critical information or breach of information governance legislation.	Sanjiv Kohli
SR308 **Environment**	Ability to meet requirements of the government's green agenda and aspirations/expectations of the NSDC community in delivering a greener/carbon neutral service.	Matthew Finch
SR309 **Regulatory and Statutory compliance management**	Implementation and maintenance of suitable statutory safety compliance management systems.	Sanjiv Kohli Suzanne Shead
SR310 **Cost of living**	To mitigate the effects of the cost of living crisis across the NSDC community (residents, businesses, tenants and colleagues) and understand support and delivery requirements. Support – increased demand on services to support those affected by the cost-of-living crisis Delivery – amending existing and providing new services to support those affected by the cost-of-living crisis	Suzanne Shead

1.4   All 10 strategic risks identified within the 23/24 register have fully developed and established action plans.

1.5   All strategic risk identified above are owned by a member of SLT.   Risk owners, with the assistance of lead officers and Safety and Risk Manager meet on a quarterly basis to review and develop the risk.

1.6   All strategic risks continue to be reported to SLT, via our agreed assurance process, on a quarterly basis. The purpose of this process is to identify those risks that are red, failing or not reviewed during the previous quarter, for consideration by SLT.

1.7   All ten strategic risk assessments have been appended to this report in full.

2.0   **Strategic Risk Performance**

2.1   **Risk Score and Travel -** The table below illustrates the current risk scores and their location and risk score travel (since last reported to the Audit & Governance Committee) within the agreed corporate risk matrix.

Likelihood		1 Minor/ trivial	2 Moderate	3 Severe	4 Critical
	4 Certain		SR304=		
	3 Very likely		SR310⬇	SR305= SR307= SR309 =	SR303=
	2 Likely			SR301= SR302= SR306⬇ SR308=	
	1 Remote				
		1 Minor/ trivial	**2** Moderate	**3** Severe	**4** Critical

Impact

Green Risks - Generally acceptable and require only monitoring with no further action.

Yellow Risks - Present a higher level of risk /failure. They require an action plan that identifies how the risk is to be mitigated, managed or if possible, eliminated.

Red Risks - These risks present the highest risk of failure/loss and therefore require the greatest level of management.

Risk Travel (2023)

=	Risk score has remained static
⬇	Risk score has decreased
⬆	Risk score has increased
➔	Risk change, however, score remains the same

2.2   Strategic risks SR303, SR305, SR307 and SR309 are currently all identified as red risks. The highest scoring risk is currently SR303.

2.3 Whilst every reasonable effort will be made to reduce the risk to a level to ensure compliance with the corporate risk appetite, it should be noted that the very nature of strategic risks are complex and influenced by many outside factors/controls. Some actions can be very long term and in other cases the ability to reduce the risk further may not be in the control of the council.

2.4 The table below illustrates the current risk score compared with the risk score reported to the previous Audit and Governance committee.

Risk Code and Title		Current Risk Score	Previous Risk Score
SR301	Financial Sustainability- General Fund	6	6
SR302	Financial Sustainability- HRA	6	6
SR303	Failure to Deliver Growth Infrastructure	12	12
SR304	Contract/Supply Failure	8	8
SR305	Workforce	9	9
SR306	Corporate Governance	6	9
SR307	Data Management Security	9	9
SR308	Environment	6	6
SR309	Statutory Compliance Management	9	9
SR310	Cost of Living	6	12

2.5 During the previous period 2 strategic risks have experienced a change to their risk score. In both cases the risk score has been reduced. Details of these changes are listed below:

a) **SR306 Corporate Governance:** Likelihood decreased from 3 (very likely to occur) to 2 (likely to occur) in September 2023. This decrease has been seen due to the embedding of the cabinet system. This risk is now currently at its agreed target risk.

b) **SR310 Cost of Living:** Risk score reduced in both likelihood and impact in April 2023. Likelihood has decreased from 4 (certain) to 3 (very likely to occur) and the impact has decreased from 3 (very likely to occur) to 2 (likely to occur).

This risk was initially scored high due to the immaturity of the risk and its associated mitigation. This risk has been significantly developed along with an action plan. Subsequently a number of actions implemented have reduced both the likelihood of failure and its impact. It has also been noted that since its inception the severity/impact experience has not been as great as initially perceived. It is, however, recognised that this risk is dynamic and may vary in term of likelihood and impact and will continue to be reviewed.

2.6 **Actions and Mitigation -** All 10 strategic risks identified within the 23/24 register have fully developed and established action plans.

2.7 The table below identifies the number of actions in progress for each risk along with the completed and outstanding actions.

Risk	Actions		
	In Progress	Completed	Overdue
SR301- Financial Sustainability GF	5	-	-
SR302- Financial Sustainability HRA	14	3	-
SR303- Failure to Deliver Growth Infrastructure	12	8	-
SR304- Contract/Supply Failure	9	2	-
SR305- Workforce	9	1	-
SR306- Corporate Governance	8	4	-
SR307- Data Management Security	16	4	-
SR308- Environment	8	3	-
SR309- Statutory Compliance Management	18	10	-
SR310- Cost of Living	13	2	-
Total	**112**	**37**	**0**

2.8 A total of 149 actions were identified for the 10 strategic risks for this period. 112 actions have been completed and a further 37 are in progress. All 37 actions are within their agreed target dates. There are currently no actions that are outstanding.

3.0 Proposal/Options Considered

3.1 It is proposed that a risk workshop will take place in January 2024. The workshop will lead SLT through the regional, national and international issues that may impact on the likelihood of a new risks developing. SLT will then review all the current risks to ensure they are still applicable to the Council and will identify any additional emerging risks that will need to be added to the register.

4.0 Implications

In writing this report and in putting forward recommendation's officers have considered the following a range of implications. This report in itself does not have any implications. During the risk reviewing process any controls that are identified are considered in terms of the implications they may have before they are agreed as an appropriate control.

Financial implications: FIN23-24/8598 There are no direct financial implications arising from this report.

Background Papers and Published Documents
Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None for this report

SR301 Financial Sustainability- GF

Generated on: 06 November 2023

NEWARK &
SHERWOOD
DISTRICT COUNCIL

SR301 Financial sustainability – General Fund	
Description	Ensuring financial sustainability of the general fund to allow the council to undertake its core functions, deliver services, meet its corporate priorities and objectives
Lead Officer	Kohli, Sanjiv (SLT)
Support Officers	Nick Wilson

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	18-Sep-2023	3	B	Controlled	
Reason For Increased Score	If your score has increased, please explain why here.				

Controls/Actions In Place	Quarterly Capital monitoring meetings Investments approved in line with the annually agreed Treasury Management Strategy Annual refresh of Medium Term Financial Plan including management of reserves Council approved Capital programme Financial implications added to Committee reports by Financial Services and a unique reference given each time Financial strategies and budget reviewed through Cabinet annually Use of external Medium Term Financial Plan tool which assists with forecasting future Business Rates income for the following year budget Assigned project manager for each major project the Council is embarking on Commercial officer group established to identify business opportunities in service areas Director/Business Unit Manager quarterly meetings reviewing Directorate financial position Approved Commercial strategy to support objectives set out in the MTFP Approved Investment Plan to support the objectives set out in the Commercial Strategy Nottinghamshire Business Rates Pool mitigating large impacts of reductions in Business Rates. This is kept under review by Nottinghamshire S151 officers Quarterly budget monitoring report tabled at SLT, Cabinet and PPIC Annual Financial Regulations training in place Lead authority for administration around Notts Business rates pool Contract procedure rules in Constitution refreshed May 22 Acquisition and disposal policy - Approved Nov 2021 Internal Audit Corporate land and property group established and meet regularly Review of chancellor's budget statements/fiscal events Commercial group established and projects identified by BM's across the authority.

Risk Categories	Financial Meeting corporate objectives Service delivery Reputation Governance Compliance
Trigger/Event	Unforeseen rise in interest rates over forecasted levels Changes in national policy eg. fair funding review, change to government political parties Change in local political balance resulting in change in priorities Banking crisis Over reliance and poor decision making on investments Member priorities diverging from corporate priorities Increase CPI/RPI figures Failure of subsidiary companies Major contract failure Failure of HRA Reduction in Business Rates Poor decision making and business planning Budgeted income levels not meeting target Actual funding received not in line with expected funding (central Gov and Notts Pool) Change in government policy significantly reducing income/funding Changes in government policy/direction impacting resulting in additional costs Failure in compliance/ governance Fraud Global Pandemic Economic downturn Cyber-attack/fraud Utility price increase Supply chain – significant sudden increase in costs Levelling up Nottingham and Nottinghamshire project
Impact	Inability to fund services resulting in reduction in discretionary services and reduction in quality-of-service provision Inability to meet corporate priorities/community plan Inability to meet legislative requirements External auditors review Government taskforce Negative media/reputation Loss of ability to make local decisions Division between members and officers Greater division between political parties Staff morale, loss of key staff and reduction in workforce Staff morale and loss of key staff Fines/ enforcement S151 officer issues S114 notice Curtailment of activities of the subsidiaries/HRA/Major projects Impact on residents and communities Impact on income streams Reduction/disposal of assets Impact on the funding of the capital programme requiring reprioritisation of projects and a consequential impact on the GF due to additional interest cost/additional costs of borrowing

SR302 Financial Sustainability- HRA

Generated on: 06 November 2023

SR302 Financial sustainability - HRA	
Description	Financial sustainability of the HRA to ensure the council is able to provide, maintain and develop its housing stock.
Lead Officer	Kohli, Sanjiv (SLT); Shead, Suzanne (SLT)
Support Officers	Nick Wilson, Suzanne Shead, Caroline Wagstaff, Steve Stone

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	17-Jul-2023	3	B	Control Pending	
Reason For Increased Score	If your score has increased, please explain why here.				

Controls/Actions In Place	- Quarterly Capital monitoring meetings - Investments approved in line with the annually agreed Treasury Management Strategy - Annual refresh of HRA financial business plan - Council approved Capital programme - Financial implications added to Committee reports by Financial Services - Financial strategies and budget reviewed through Policy and Finance Committee annually - Use of external HRABP tool allows scenario planning - Assigned project manager for each major project the Council is embarking on - Director/Business Unit Manager quarterly meetings reviewing Directorate financial position - Quarterly budget monitoring report tabled at SLT and Policy and Finance Committee - Annual Financial Regulations training in place - Current development programme ensuring growth in house numbers, over and above the offsetting disposals through Right to Buy - Attendance at Housing related horizon scanning events, in order to feed future impacts into HRABP - Review on housing management completed and housing service brought back in house. Efficiencies generated through budget review - Reserves in place

Risk Categories	Financial Meeting corporate objectives Service delivery Reputation Governance Regulation Compliance

Trigger/Event	Change in national policy & legislative requirements
	Increase in interest rates
	Increased rent arrears
	Suitability of stock meeting future standards
	Increase or change in standards required
	Current stock does not meeting housing needs
	Workforce issues
	Failing to ensure compliance with relevant legislation causing regulatory bodies to intervene
	Non-compliance with RSH regulatory standards
	Meeting tenant priorities
	Ineffective strategic decision making and business planning
	Key HRA major projects failure
	Ineffective management of housing maintenance function
	Loss of critical income streams
	Fraud
	Failure to manage critical income streams/ invest
	Global Pandemic
	Supplier/contractor cost increases due to demand/supply issues changes in the economy
	Inability to secure sufficient external funding to regenerate existing stock to meet enhanced standards
	Conflicting strategic direction and lack of regular review of 30 year business plan
	Zero carbon works identifies significant increase in costs
	Stock condition survey identifies significant increases in costs
Impact	Inability to maintain stock to acceptable level including development of future stock
	Changes in national policy requiring internal funding above levels sustainable within business plan.
	Increased requirement to use internal funding,
	Reprioritisation of service delivery
	Cash reserves used to right off rent arrears and voids
	Substandard housing stock
	Loss of morale and high staff turnover
	Fines, notices, court cases and legal fees
	Moratorium of services
	Stakeholder Dissatisfaction with service delivery
	Greater scrutiny on service slowing decision making
	Poor local housing policy
	Project failure
	Contract disputes
	S151 officer issues S114 notice
	Failure to service debt
	Legislative requirements not met
	Impact on residents and tenants
	Increase in void properties

SR303 Failure to Deliver Growth Infrastructure

Generated on: 06 November 2023

SR303 Failure to deliver growth infrastructure	
Description	Facilitating the provision of key local infrastructure projects to ensure growth within the district to meet agreed plans & corporate priorities.
Lead Officer	Lamb, Matt (SLT)
Support Officers	Lisa Hughes, Matthew Norton

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	08-Aug-2023	4	C	Control Pending	
Reason For Increased Score	If your score has increased, please explain why here.				

Controls/Actions In Place	Community Plan Infrastructure delivery plan CIL charging schedule and infrastructure list Development plan (Amended Core Strategy and Allocations and Development Management DPD) Planning policy board Cabinet and Full Council Planning Committee High performing planning service Active Lobbying Engagement with Developers, Stakeholders, Partners, infrastructure providers, utility providers Economic Growth Strategy – Newark Town Investment plan & Visitor economy strategy Continued liaison with National Highways to monitor progression of SLR and A1 over bridge. Southern link road – Continued liaison with Homes England re funding package Newark "levelling up" fund governance

Risk Categories	Inability to deliver infrastructure projects to support growth. Specific projects include: **Direct NSDC influence** A1Overbridge (and inter-relationship with A46 Newark northern bypass) **Indirect influence** Southern link road - completion (grant funding) (and inter relationship with A46 Newark northern bypass) Full Fibre broadband and/or 5(6)G provision Electricity grid capacity A614 roundabout (the Non-strategic Road Network Improvement Scheme NRNIS)– indirectly funding via section 106 A46 improvement works – Influencing role Political Reputation Financial

	Partners, stakeholders, policy makers and funders Economy, business and residents
Trigger/Event	Government change in policy Partner funding withdrawn Funding reduced/costs increased Funding bid failure Withdrawal of Partners Change in partnership priorities Housing development stalls Change in leadership Poor strategic decision making Failure of other related major infrastructure projects A46 Newark northern bypass – Delivery and timing A1 Over bridge – Technical constraints and increasing costs Change in delivery method and/or partner Insufficient capacity planning from infrastructure/utility providers Inability to influence at national/regional level Non-strategic major road network fund priority junctions (A614/A617/A6097 corridor) Lack of coordination of delivery
Impact	Infrastructure not delivered/ delivery delayed Inappropriate infrastructure delivered Growth within district affected Inadequate service provision Government sanctions for inability to deliver housing growth Housing development stalls Social Inequality Large Employer relocating outside district Inward investment stalls Financial impact of failure to meet growth aspiration in Newark devolution agreement Impact on council's MTFP MTFP assumptions not realised Slower/more expensive/less viable delivery Commercial development stalls Commercial attractiveness of district reduces
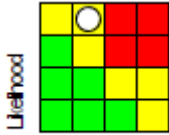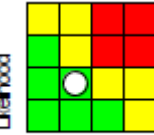
SR304 Contract/Supply Failure

Generated on: 06 November 2023

NEWARK & SHERWOOD DISTRICT COUNCIL

SR304 Contract/supply failure	
Description	Managing contracts with key suppliers, including NSDC wholly own companies, to ensure the continued delivery of an effective service and ensure delivery of the council's priorities and objectives.
Lead Officer	Johnson, Deb (SLT); Shead, Suzanne (SLT)
Support Officers	Andrew Kirk, Nick Wilson, Caroline Wagstaff, Dave Richardson, Jenny Walker, Sue Bearman, Mark Fisher

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
		2	D		

	21-Aug-2023			Control Pending	

Reason For Increased Score	If your score has increased, please explain why here.

Controls/Actions In Place	CONTRACT INCEPTION & MANAGEMENT Contract register developed using Pro-Contract and actively managed by legal and admin team (not fully populated or embedded yet see action) reviewed twice per year Contact renewal early warning provided by admin at quarterly meetings invite Di Procurement advice provided through Welland procurement Call off contract arrangements/template devised SLA template devised for consistency SLAs all reviewed SLA register devised and actively managed by service areas .Comprehensive audit undertaken of contracts PROCUREMENT RULES Use of joint procurement service –Welland procurement Focus on local providers for some services Use of contract exemption forms where necessary WHOLLY OWNED COMPANIES Management agreements regularly reviewed Contract managers named for each Regular contract management meetings in place Active partnership approach embedded TRAINING Session delivered to BMs on contract management Session delivered to members on contract management

Risk Categories	Service delivery Financial Compliance (Regulatory, Health & Safety, Legislative) Governance Resources Reputational Procurement/lack of competition Project delivery
Trigger/Event	CONTRACT INCEPTION Lack of understanding of requirements and different provision mechanisms available Lack of commercial approach and knowledge Inadequate/ambiguous specification Inadequate/ambiguous control/performance measures Inadequate/ambiguous exit arrangements Failure to engage relevant specialists in contract design Contract is not signed and saved in corporate register Limited market supply Over reliance on single supplier(s) Lack of competence in procurement Lack of resource dedicated to procurement Lack of preplanning for contracts Lack of appropriate exit strategies Limited availability due to emerging industries/concepts/technology/demand

		CONTRACT MANAGEMENT No assigned contract manager Contract manager is not appropriately trained/skilled Contract manager resource is insufficient Ineffective performance monitoring and reviews Evergreen contracts in place Change control/variations are not appropriately managed Lack of ongoing challenge throughout the contract Loss of key personnel/ key resilience Relationship breakdown Contractor fails to deliver/ isn't able to deliver (bankruptcy) OTHER Financial management not embedded as part of contract management process Impact of Brexit Business continuity/Emergency incident Contracts not entered on contract register Provision commences before contract is in place Lack of appropriate overview of contract management Pandemic Impact of inflation Government policy shift
Impact		FINANCIAL IMPACT Additional costs to council (hidden costs, increased costs) Best value not achieved Fines Failure to utilise grant(repay grant because of failure to contract or contract failure) SERVICE DELIVERY IMPACT Provision is not timely/delayed Poor/declining quality of service/provision Increased unplanned demand Inability to scale up/scale down provision to meet demand Service failure Not aligned to corporate objectives Unable to procure Project delivery failure LEGISLATIVE IMPACT Data loss/GDPR compromised Council's legislative obligations not met Providers are not able to be challenged as contract not in place when service is commenced Ombudsman X2 Social housing regulator REPUTATIONAL IMPACT Customer/service user complaints increase Member complaints increase Negative media coverage RESOURCE Contract manager resource requirement is increased (leading to impact on other duties) Other officer resource required to manage impacts (leading to impact on other duties) Re-procurement additional resourcing Project delay

SR305 Workforce

Generated on: 06 November 2023

SR305 Workforce	
Description	Ensuring the council is able to recruit, maintain and retain appropriate staffing resource to ensure it is able to deliver its services and meet its corporate objectives.
Lead Officer	Johnson, Deb (SLT)
Support Officers	Sarah Lawrie

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	04-Sep-2023	3	C	Controlled	
Reason For Increased Score	If your score has increased, please explain why here.				

| Controls/Actions In Place | Business Planning embedded throughout the Council with clear links to Community Planning and Performance framework
Managing absence standards and guidance
Senior HR Officers provide support to Business Managers to manage staffing issues, e.g. sickness absence, capability etc.
Effective communication arrangements are in place.
Rolling programme of review for HR policies to ensure they remain robust and fit for purpose.
I-trent system provides Business Managers with ownership / control over staff sickness/Holiday approval etc. and provides corporate overview HR working closely with Business Managers to support organisational change.
Partnership approach with recognised trade unions to support organisational change and current pandemic crisis (and any other similar extraordinary event).
Counselling/therapy and welfare support services in place for staff.
Visible inclusive leadership.
Annual employee establishment planning process.
Training and development programme to support ongoing development of skills and competencies and BM and other staff (i.e. change management, sickness and performance management and recruitment and softer skills)
Targeted training interventions to support individual employee development and the facilitation of succession management.
Family friendly policies added benefits such as reduced gym membership staff loans, temporary free parking to support during the cost of living enhanced workplace entitlements to attract and retain quality candidates including hybrid working, flexible working, employee counselling and therapy services, health and wellbeing initiatives).
Approved corporate priorities within the Community Plan 2019-23
Comprehensive programme of activities to embed our culture and improve our sense of wellbeing and belonging
Annual staff reward and recognition awards and a basket of seasonal activities
Apprenticeships and graduate placements to support service succession management. |
|---|---|

Risk Categories	Service delivery and resources Financial Compliance Governance Reputational Competence and Capability Leadership Recruitment and retention Mobility and agility of workforce Safety of workforce Increased instances of mental health problems in workforce Culture – One council
Trigger/Event	Key staff leaving e.g. with specific qualifications and/or experience and membership of professional body Number of staff leaving from one area/high turnover Inability to recruit to key posts or within a specific service area Lack of development opportunity Lack of team cohesion Lack of organisational culture/collaboration Lack of alignment with corporate values/behaviours/culture Pressure of work External Demand in a specific skill set Uncompetitive in the job market place Poor industrial relations and ineffective people management processes Working environment Key member of staff goes on long term sick, high level of sickness in one service area Uncertainty and/or significant change Aging workforce/retirement planning/succession planning Pandemic or other significant emergency Poor management/leadership Inability to provide equipment/tools to allow staff to effectively perform their duties (e.g. shortage of laptops due to global microchip shortages) Other external factors – cost of living, national shortages. Projected national living wage increase leads to inability on pay structure to accommodate National bargaining is protracted and leads to staff being disadvantaged Current JE process is not fit for purpose – outdated. Prolonged industrial action
Impact	Service delivery impact –inability to deliver services or delivering reduced services Reputational impact through poor service delivery Reputation as an employer resulting in inability to recruit staff Loss of capacity/under resourced Loss of expertise and corporate memory High recruitment costs Additional time required to support recruitment activity and the induction of new staff and their development Additional training costs Impact on morale, culture and team performance Increased levels of staff absence (ill health) Increased levels of non-attendance in nominated workplace (lack of cohesion/culture) Loss of opportunity through loss of networks Increase in accidents Impact of potential civil claim (e.g. employment tribunal. insurance) or criminal actions Financial penalties/ombudsman decisions/other regulatory bodies Increased demand on corporate services (e.g. HR,ICT)

SR306 Corporate Governance

Generated on: 06 November 2023

SR306 Corporate Governance	
Description	Risk of failure in systems of governance within the council, council owned/influenced organisations and partnerships or other collaborative arrangements.
Lead Officer	Bearman, Sue (SLT)
Support Officers	Nigel Hill, Nick Wilson, Carl Burns, Deb Johnson

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	12-Sep-2023	3	B	Control Pending	
Reason For Increased Score	If your score has increased, please explain why here.				

Controls/Actions In Place	**S Bearman to review controls and update accordingly**
	- Code of corporate governance created, maintained and monitored in accordance with CIPFA guidance. - Corporate Governance self-assessment against the code of Corporate Governance undertaken periodically. - Periodic review of governance by 3 statutory officers. - Annual review of Constitution which includes fit for purpose and up to date -Officer code of conduct -Officer registers of interests - Related third party transactions. -Section 151 officer/Monitoring officer/Head of Paid Service. -Gifts and hospitality - policy and register place. -Council Financial regulations and procedures, -Contract procedure rules -Whistle blowing policy -Anti-fraud and corruptions strategy - Annual governance statement reviewed annually and reported to Audit and Governance Committee. Annual Governance Statement goes to November meeting of Committee - Creation of annual combined assurance report in conjunction with SLT and BMs. - Internal Audit work including risk-based Audit Plan. - Effective use of External Auditor. - Under executive arrangements with Cabinet structure and portfolio holders: -Publishing of forward plan and all delegated decisions -Mechanism for call in of all executive decisions -Overview by Audit and Governance Committee -Dedicated scrutiny committee under executive arrangements – Policy and performance improvement committee -Tenant engagement board which ensures appropriate tenant involvement

	▪ Staff and member training in place -Training on governance issues including anti-fraud and financial regulations. -Counter fraud training delivered -Member induction at the start of each new Council cycle. ▪ Complaints: -Localised standards framework and effective arrangements for dealing with complaints overseen by Audit and Governance Committee. -Internal complaints procedure. ▪ Fraud -Annual internal review of the Fraud Risk register to carry out proactive work, check on internal controls and is reported to members -Participation with National Fraud Initiative process -Options appraisal for counter fraud and implementation of preferred option. -Appropriate insurance cover including Fidelity Guarantee. -Oversight of Active4Today, Arkwood and East Midlands Building Control. -Appropriate monitoring of performance of the third party or alternative service delivery methods. ▪ HR policies in place -Recruitment process controls, e.g. References, Immigration, DBS. ▪ Horizon scanning at Business Manager briefings and effective communication between SLT and business managers. ▪ Measures in place to ensure IR35 compliance ▪ Schedules review of Corporate Governance (Q4 19/20 ▪ Governance review ongoing with support from change to Executive Arrangements completed in May 2022 – 6-month review of effectiveness of arrangements to be considered by Audit and Governance Committee in November 2022 ▪ Internal Audit of governance arrangements for Council-owned companies in 2022-3 audit programme

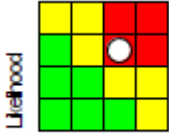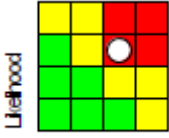| Risk Categories	• Service delivery • Governance • Fraud • Poor decision making/leadership • Reputation • Financial • Legal compliance • Partners/stakeholders
Trigger/Event	• Failure to communicate, define, review and uphold governance standards policies to ensure fitness for purpose. • Failure of staff and councillors to understand their governance roles and responsibilities. • Failure to observe good governance. • Failure to adequately manage risk or monitor performance. • Failure in Policy adherence (All policies). • Malicious event e.g., Fraud, money laundering, etc. • Reduction in capacity and loss of key personnel and resources

	• Failure to adequately oversee governance standards of partnerships and other entities that the Council is involved in. • Failure of governance in wholly council owned companies • Failure of governance in partnership organisations • Negative findings identified by other organisations/bodies – Ombudsman and External Audit • Overuse of "Call-in", "Call for action" or "Urgency provision" • Inexperience with new system – procedures set out in constitution not followed • Influx of new elected members • No overall control achieved
Impact	• Loss of opportunity and ability to meet corporate priorities • Financial resource loss. • Poor or inadequate decision making. • Service delivery issues. • Criminal or civil liability. • Risk of successful judicial review • Regulator finding fault e.g. Internal Audit, External Audit, Ombudsman. • Government or peer intervention. • Failure of Council owned companies • Failure of partnerships • Ombudsman findings – Maladministration • Significant Audit findings – e.g. Public interest report • Reputational risk to the Council. • Negative media coverage. • Policies could be open to challenge. • Excessive legal costs incurred. • Poor staff morale. • High staff turnover. • Community disengagement. • Capacity redirected to address failures. • Inappropriate use of public office • Fraud and corrupt practice identified. • Fraud and corruption practices not identified or dealt with leading to an incident of fraud and corruption. • Slowing down of decision making

SR307 Data Management and Security

Generated on: 06 November 2023

NEWARK & SHERWOOD DISTRICT COUNCIL

SR307 Data management and security	
Description	Deliberate or unintentional loss/disclosure of personal, sensitive, confidential, business critical information or breach of information governance legislation
Lead Officer	Kohli, Sanjiv (SLT)
Support Officers	Dave Richardson, Sue Bearman, Stacy Carter

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	28-Sep-2023	3	C	Control Pending	
Reason For Increased Score	If your score has increased, please explain why here.				

Controls/Actions In Place	**Policy and Guidance**
	Policy suite and supporting guidance including:
	ISMS
	Cyber security strategy
	IG strategy
	Training/ Guidance
	
	• Training for all staff taking payments in line with PCI-DSS requirements.
	• Training for ICT staff.
	• Data protection training including a section on information security and targeted training ongoing for staff located elsewhere and forms part of the induction process.
	• Information governance check on furniture that is being disposed of.
	• Information E Training completed by all staff.
	• Annual review of Information Asset Register.
	• Annual mandatory GDPR, cyber and spear phishing online training for all staff and councillors.
	• Guidance and training available for elected members. 3 GDPR sessions provided for newly elected members.
	• Guidance on security breach procedures for Business Managers as Information Asset Owners
	• Data security communications to all staff following identification of risk
	
	    Governance and Compliance
	o CIO/SIRO/DPO appointed
	o Compliance with the government's security arrangements.
	o PSN compliant data & internet connections implemented
	o Compliance with new Cabinet Office email standards achieved.
	o Weekly review of ICO guidance.
	o Periodic PCI/DSS compliance checks
	o Data Privacy Impact Assessment.
	o Annual SIRO audit.
	o Review of policies and procedures to ensure compliance with latest Payment Card Industry- Data Security Standard (PCI-DSS)
	o Cyber Security now standing agenda item on monthly business unit management meetings.
	o Governance arrangements established through CIGG with monthly review.
	o CIGG meeting every quarter to review risks.
	o External Audit on ICT security annually.
	o Implementation of an ISMS project team
	
	    ICT/Equipment specific controls
	Encryption for mobile devices.
	▪ VASCO tokens and Google Authenticator.
	▪ Quarterly ICT security checks internally.

	▪ Penetration test annually by external company - monthly scans of servers for weaknesses, monthly server updates and monthly scans of Microsoft Office and Windows. ▪ Perimeter software - eg. mailmarshall & webmarshall. ▪ Hardening test on new virtual servers. ▪ Documents scanned reducing the need for paper. ▪ Secure server room. ▪ East Midlands WARP membership - alerting networking facility regarding any breaches. ▪ Monthly updates of Adobe products. ▪ Program in place to ensure the continual maintenance & upgrade of the ICT environment. ▪ Secure portal for Members to access the Extranet. ▪ Airwatch MDM (Mobile Device Management) implementation for mobile devices. ▪ DMark, DKim SPF and TLS secure email authentication software. ▪ Cryptshare for encrypting secure emails and large files for email. ▪ Report & record all cyber-attacks/attempts and escalate to CMT where appropriate Users own devices cannot connect to network ▪ 'Consent' tick box on appropriate forms. **Partners and Stakeholder specific controls** ▪ Non-disclosure agreements in place for third party access. ▪ Use of data processing and agreements with partners. ▪ Use of licensed confidential waste handler. ▪ Letters sent to all third parties who process personal data on behalf of NSDC advising of additional responsibilities under GDPR and data processing agreements in place. ▪ Actions arising from report to SLT on third party users implemented.

Risk Categories	Loss of vulnerable, personal, sensitive valuable data Legal compliance Reputation Financial Partners/stakeholders Disruption of service- including from a cyber attack Supply chain
Trigger/Event	**(Organisational)** • Personal, confidential or corporately sensitive/business critical information disclosed unintentionally or through error of judgement, data breach - intentional (malicious). • Theft or loss of equipment/papers/data belonging to the council, partners or third party companies. • Failure to respond to subject access requests/information requests accurately and within statutory timeframes • Failure to identify and respond to a data breach promptly and effectively • Failure to protect information from accidental loss, corruption or disclosure or other non compliance with Data Protection Principles, by NSDC or a third party, involving large volumes of personal data or smaller volumes of sensitive personal data • Repetition of reportable data security breach • Insufficient due diligence during procurement and termination of cloud base systems supported by third parties. • Accelerated delivery of digital agenda • Agile Working i.e. mobile/remote/home working/home printing/disposal of printed data/Outreach posts.

	• Loss of key resources/staff. • Reducing resources with less capacity for processing data. • New and inexperienced staff/elected members with access to data. • Lack of suitable training/competency/communications • Re-alignment and integration of new services **(Systems/assets)** o Cyber attack: (either targeted such as denial of service or unintentional human error e.g. - access to link on another website). o Failure to protect information assets from an internal malicious attack leading to a data breach, corruption of data assets, loss of asset or service. o Failure to adopt appropriate technical security measures for keeping data secure within our systems and platforms which results in a significant data breach o Accidental data breach through any electronic source o Use of BYOD (Bring your own device). o Unsupported software/unforeseen loss of support. o Decommissioning of property/asset **(Partners and stakeholders)** ▪ Collaborative working, sharing, outsourcing and partnership working (including external printing and hybrid mail)/involvement in other peoples' data ▪ Partnership working and sharing new service locations/data sharing issues. ▪ Partner's/contractor's/host's poor data management and information security leading to data breach/loss. ▪ Use of suppliers/third parties, etc. ▪ Government integration agenda e.g. Increased working between public bodies ▪ Local government reorganisation/Combined authority/change in service delivery model. ▪ Third party access to IT systems. ▪ Adoption of unsupported/dated systems from third parties **(Accreditations)** ▪ Termination of PSN/GCSX standards by the Cabinet Office limiting options for securely sharing with some Public Sector organisations ▪ Failure to comply with relevant standards and legislation including PCI-DSS/Cyber Essentials/NCSC best practice/PSN. **(External Factors)** ▪ Emergency event-eg power loss – leading to increased reliance upon ICT systems and potential loss of data/corruption of data
Impact	**(Finance/legal)** • Loss/damage to an individual where the Council inappropriately released their personal data • ICO fine/Civil claims. • Resource impact of Information Commissioner investigation.eg ICO actions • Breach of Access to Information legislation bringing about financial/legal damage - imposed on the Council by the Information Commissioner and other Statutory Bodies. • Disciplinary action taken against a member of staff and elected members if a breach is found to be deliberate/malicious. **(Resource)** o Drain on resources to process and enable conformity in legislation.

- o Greater demand on existing resource
- o Operational and resource issues eg. Service interruption - where focus has to be taken away from service delivery to dealing with the breach.
- o Reduced service provision resulting from lack of ability to work remotely and available physical resource
- o Increased demand on existing services
- o Inability to deliver critical/key services
- o Capability of infrastructure/system to deliver services – i.e. increased demand during emergencies

(Reputation)
- ▪ Damage to reputation of the Council/trust by the public.
- ▪ Loss of confidence within the Council
- ▪ Loss of confidence with partners and stakeholders
- ▪ Negative media coverage

(Partners)
- ▪ Loss of provision to customers and partners e.g. Active4Today, DWP,
- ▪ CCTV (under current arrangements) leading to disputes over SLAs and contracts and potential loss of income, e.g. partner rent for Castle House.
- ▪ Loss of partner data where the council is the data processor - subsequent impact on partner's reputation.
- ▪ Withdrawal of service from partners and stakeholder

- ▪ Cyber-attack leading to system downtime/damage/loss of data (Ransom Ware) and financial loss/ resource drain

(Contractors/supply chain)
- ▪ Less direct control over data as we procure, migrate to and terminate cloud base systems

SR308 Environment

Generated on: 06 November 2023

NEWARK & SHERWOOD DISTRICT COUNCIL

SR308 Environment	
Description	Ability to meet requirements of the government's green agenda and aspirations/expectations of the NSDC community in delivering a greener/carbon neutral service.
Lead Officer	Finch, Matthew (SLT)
Support Officers	Briony Ashton, Stephen Young

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	07-Sep-2023	3	B	Control Pending	
Reason For Increased Score	If your score has increased, please explain why here.				

Controls/Actions In Place	1) Climate emergency declared 2) Approved date for net neutral – 2035 3) Costed action plan to support net neutral date 4) Appointed Environmental Policy and Projects Officer 5) Climate emergency project working group – meets quarterly 6) Project working group for depot development 7) Annual report to P&F – Activities undertaken and carbon footprint 8) Internal Audit 9) Urban tree challenge grant – 4000 trees planted 10) Developed business cases for kerb side food Roll out of KGC 11) Financial planning – MTFP 12) Elected member working party utilised to develop climate emergency strategy plan 13) Community plan 14) Successful bidding - LAD2 funding allocation (£750k) 15) 2 x posts agreed for decarbonisation– 1 appointed

Risk Categories	Financial Reputation Statutory compliance Disruption of service-Pressure groups /community action Negative media/comms Capacity to deliver on successful funding
Trigger/Event	Climate change conference Government policies and legislation- i.e. national waste and resources strategy, environment bill, 2030 internal combustion engine phase out, national tree strategy. Budget pressure/planning/demand - MTFP Lack of financial support from government to implement Availability/cost/maturity of technology Incentivising of tariffs – cost v return Legacy issues -housing/fuels/infrastructure Resident/User engagement/participation - Behaviour change Active pressure groups Political influence Declaration of climate emergency Impact of media/social media events/influential individuals Poor communications Partnership failure Bidding arrangements/competition – restrictive nature of government funding to date Future resourcing to deliver Knowledge/skills gap within workforce
Impact	Not meeting governmental targets/internal targets Penalties -TBC Reputation Negative media Political/public pressure for improvement/campaigns against Increased scrutiny and workload Budget gaps Impact on other service provision Lack of infrastructure to improve Lack/loss of control in light of government mandated service provision Increased costs arising from emerging technology, reduced tariffs and government policy Unable to deliver due to access/obtain government funding/ technology Unable to deliver on climate strategy Customer disengagement Greater demand on external expertise leading to greater costs lower internal expertise

SR309 Statutory Compliance Management

Generated on: 06 November 2023

SR309 Statutory compliance management

Description	Implementation and maintenance of suitable statutory safety compliance management systems.
Lead Officer	Kohli, Sanjiv (SLT); Shead, Suzanne (SLT)
Support Officers	Mark Plant, Mark Eyre, Caroline Wagstaff

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	27-Sep-2023	3	C	Control Pending	
Reason For Increased Score	If your score has increased, please explain why here.				

Controls/Actions In Place	- Policies and procedures – (Need for policy review) - Dedicated Compliance teams and compliance reporting - Dedicated software –asset compliance/management software ICT systems - Contract management systems - Performance management systems - Training and competence Staff/tenants/contractor - Information/education to tenants - Enforcement of tenancy agreements - Assurance and scrutiny process – operational and committee levels - Use of specialist contractors/advisors - Competent/licenced/registered engineers/inspectors - Auditing and inspection processes - Reconciliation processes - Complaints processes - Tenant engagement - Maintenance/inspection programmes - Pre let inspections - Business planning - Compliance with regulatory standards - Legal/enforcement action/Fines/Regulatory judgement • H&S - Civil claims - Service delivery - Loss of essential service & System/equipment failure/out of use - Negative media coverage - Reputation - Customer satisfaction/impact - Financial impact (rectification - Increased resource demand - Housing Assurance Board

Risk Categories	- Legal/enforcement action/Fines/Regulatory judgement • H&S - Civil claims

	• Service delivery - Loss of essential service & System/equipment failure/out of use • Negative media coverage • Reputation • Customer satisfaction/impact • Financial impact (rectification) • Increased resource demand
Trigger/Event	• Poor management systems • Failure to undertake statutory examinations • Poor record keeping /management • Remedial works not undertaken in a timely manner • Contract management – controls to manage/address poor performance/contract exit arrangements, use of evergreen contracts (non-ending), poor procurement • Poor contractor engagement • Cyber-attack/Ransom ware –denied/denying access to records • Data protection loss/GDPR • Routine inspection/audit identifies failure • Incorrect response to an accusation, complaint or request for service • Unauthorised repairs, Sabotage, maintenance, alterations and installations • Pandemic • Emergency incident – fire, gas, flood, etc. • Hospitalisation/fatality - Investigations to establish cause/identify reports • Essential supplier chain failure/goes into administration. • Incorrect sub-contracting procedures • Change in legal/regulatory requirements • Failure of ICT and associated support systems • Recruitment – inability due to market demands • Loss of key personnel • Insufficient finance • Insufficient Resourcing • Changes in legislative/guidance requirements • Damp/mould – introduction of Social Housing Bill 2023
Impact	• Fines/enforcement action • Regulatory notice issued • Unable to deliver a suitable service/essential service • Resource demand/conflict • Financial – budget overspend, income generation/protection, rent loss, MTFP, viability of HRA business plan. Effect on GF income • Loss/reduction of service to Council, partners and tenants(commercial and domestic) • Reputation • Need to re home tenants • Leaseholders litigate • Negative local or national press coverage • Increased scrutiny/monitoring – customer, committees, Regulator etc. • Regulatory body short notice inspection • Self-referral to regulatory (co-regulation) • Commercial viability of building/site • Tenancy enforcement

	• Contract failure/suspension • Contract dispute • Increase turnover of staff • Inability to recruit the right staff • Poor morale/stress of workforce • Political engagement • Enforcement agency engagement • Accident/incident/poisoning • Civil claim due to failure • Criminal proceedings • Investigations to establish cause/identify reports for hospitalisation/fatality

SR310 Cost of Living

Generated on: 06 November 2023

NEWARK &
SHERWOOD
DISTRICT COUNCIL

SR310 Cost of Living	
Description	Impact of cost of living crisis on the delivery of NSDC services, supporting vulnerable people, income and supporting new needs as they arise.
Lead Officer	Shead, Suzanne (SLT)
Support Officers	MF, NW, PW, AB, JD, DP, DW, CC, VE, NC, HE

Current Risk Matrix	Date Last Reviewed	Impact	Likelihood	Risk Management	Target Risk Matrix
	26-Sep-2023	2	C		
Reason For Increased Score	If your score has increased, please explain why here.				

Controls/Actions In Place	Cost of living response group Implementation of "Place board" Provision of employee support – loans, mental health champions, health and wellbeing activities, reduce leisure centre membership, free parking, agile working Workforce development strategy Health and Well Being Support to staff via intranet Financial advice support for staff – home budgeting etc. MTFP review and revision Supporting and delivering foodbanks/food clubs/ social supermarkets and hygiene banks Referrals to NCC household support fund Referrals to Holiday activity and food programme (HAF) Review of council tax relief re eligibility Council tax reduction scheme Benefits process scheme Supporting credit unions Third sector support – CAB, NS CVS, Homestart, NS community HUB Efficiency east midlands small grant funding

	Community grants fund Introduction of fuel bank scheme Helping hand scheme for NSDC tenants in arrears Increase in discretionary housing payments Referral to CAB for debt advice Starting well for new NSDC tenants Support identified for NSDC tenants by Tenancy assistance team Business growth and resilience programme Shared prosperity fund -22/25 (community, people and economy) Economic development service Tenant Welfare Fund Register of major employers maintained (relationship management for top 20) Government initiative take up where possible. Swimming pool fund – successful external funding £187k LAHF funding – Successful bid £1.2m Speeding up new HB and CT support claims and change in circumstance claims to minimise over payments. COL initiative project plan

Risk Categories	Service delivery Resourcing Financing Local economy Impact in known vulnerable groups GRT/elderly/single young families etc Legislative/Regulatory/Non compliance Housing stock deterioration/disrepair issues Litigation
Trigger/Event	Increase in interest rates Cost of essential food increase Cost of utilities increase Cost of Fuel Cost of borrowing increases Cost of materials/services Availability of gas Inability to deliver discretionary grants Withdrawal/reduction of joint partnership services Rent increase limit applied Governmental directives issued Previously unknown need/demand– Customers/residents Extreme weather – harsh winter/extreme heat Increase in mortgage defaults and homelessness approaches Inability to recruit and return Requests for hybrid working that cannot be accommodated Benefit claims exceed current capacity Demand exceeds resources No skills or expertise to support some needs Major employer becomes insolvent. Recession
Impact	**<u>FINANCE</u>** Increased costs to maintain critical services – i.e. housing with care, workplaces, vehicles, core services etc Loss or significant reduction in income/fees Increase in debt to the council – i.e., rent arrears/council tax/business rates Loss of funding (including joint partnership funding) Impact on MTFP and 30-year HRA business plan Increase in willingness to litigate Management fees increase – A4T Reduced investment return from Arkwood **<u>SERVICE DELIVERY</u>**

Restrict or stop delivery of non-core services
Impact on delivery of community plan
Significant/key projects stalling
Increased demands on council services to support those in crisis
New demands on council services
Partners withdrawing from projects/services
Increase in homeless applications/housing need
Increase in demands for support/discount schemes
Reduction in third sector provision
Procurement/contract issues
Contractor/supplier goes into administration
Loss of commercial tenants
Deterioration in quality of property stock
Increased demands/costs in repairing/maintaining property portfolio
Increased need to take action due to reduction in maintenance of commercial stock by tenants

LOCAL ECONOMY
Loss of local businesses
Reduction in local providers/contractors to provide services/goods
Bankruptcy/administration

LEGISALTIVE
Self-referral to regulator for breaches in consumer standards
Enforcement action – Notices & fines

HEALTH
Deterioration in Health and wellbeing of general population
Widened food/fuel poverty

WORKFORCE
Workforce wellbeing/retention
Increased sickness/burnout and deterioration of workforce health
Increased demands on staff
Restriction of services due to demand

Loss of significant partner/contractor
Loss of income via business rates