# NEWARK & SHERWOOD DISTRICT COUNCIL

Report to:      Audit & Governance Committee Meeting 24 April 2024

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 highlighting the Council's 2024/25 Strategic Risk Register and its current status. |
| **Recommendations** | Members of the Committee are asked to note amendments to the Strategic Risk Register 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  Risk Management is the process of identification and management of risks faced by the Council, which have the potential to significantly 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 if this is not possible, to mitigate the risk 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.  Those risks that have the potential to halt or interfere with the ability of business units to achieve their specific operational service priorities are detailed with the operational risk register.

1.3  Contents of the previous 23/24 strategic risk register were reviewed by Members in November 2023.

**2.0** **Strategic Risk Review 2023/24**

2.1 In accordance with the Risk Management Policy, a facilitated strategic risk workshop was undertaken with the Senior Leadership Team (SLT) in February 2024. This workshop evaluated all existing strategic risks and identified emerging risks for the forth coming year.

2.2 Undertaking annual strategic risk reviews helps identify significant potential challenges the council may face so it may appropriately control or mitigate as required and where possible. The purpose of the annual strategic risk workshop is to:

    a)    Consider the suitability of the existing register,
    b)    Identify new, emerging or future significant risks, and
    c)    Develop a formal register to address these risks

2.3 During the recent annual workshop significant issues raised/topics discussed included:

- Council crisis' – partnerships, funding gap, spending cuts & Section 114 notices
- Extreme weather –vulnerable communities, preparedness/resilience and response
- Environmental/ carbon reduction targets /climate targets
- Economy/Inflation/Cost of living/Local economy
- Cyber
- Major Infrastructure projects and growth
- Workforce
- Contracts/supply chain including financial sustainability of suppliers/contractors.
- Compliance
- Priorities and capacity

2.4 During the workshop it was agreed by SLT that:

    a)    9 existing strategic risks should be retained,
    b)    1 be deleted from the register, and
    c)    A new risk considering priorities and capacity be developed for further consideration by SLT.

2.5 The table below identifies content of the 2024/25 risk register, as agreed by SLT.

| 2024/25 Strategic Register- Effective from 1st April 24 | |
|---|---|
| **Risk Code and Title** | **Risk Owner** |
| SR301 Financial Sustainability- General Fund | Sanjiv Kohli |
| SR302 Financial Sustainability- HRA | Sanjiv Kohli & Suzanne Shead |
| SR303 Failure to deliver growth infrastructure | Matt Lamb |
| SR304 Contract/Supply Failure | Deborah Johnson & Suzanne Shead |
| SR305 Workforce | Deborah Johnson |

| SR306 | Corporate Governance | Sue Bearman |
|---|---|---|
| SR307 | Data Management Security | Sanjiv Kohli |
| SR308 | Environment | Matthew Finch |
| SR309 | Statutory Compliance Management | Sanjiv Kohli & Suzanne Shead |
| SR--- | Capacity (DRAFT) | TBC |

2.6    As mentioned above the risk workshop identified 2 significant amendments to the 24/25 register. Details of these amendments are listed below:

a) **Cost of Living** – REMOVED. SLT noted the significant work undertaken and the planned/continued work to support with the cost of living.  However, SLT considered this specific risk to now longer remain valid as a strategic risk.  It was also acknowledged that many of the key issues were captured within existing strategic risks.  It was therefore agreed to remove this risk from the strategic risk register.

b) **Capacity** – TO BE DEVELOPED.  SLT discussed issues relating to capacity and ability to manage key priorities.  It was therefore agreed that a draft strategic risk should be developed specifically considering the risks of not suitably managing competing and dynamic priorities.  A draft will be considered by SLT to determine if the risk is to be included within the 24/25 register.

2.7    During the previous 12 months 1 strategic risk, retained within the 24/25register, has experienced a change to its current risk score.  Details of this change is listed below:

- **SR306 Corporate Governance:** Likelihood score has decreased from 3 (very likely to occur) to 2 (likely to occur).  Decrease was due to the embedding of the cabinet system.

2.8    Strategic risks SR303, SR305, SR307 and SR309 are currently all identified as red risks.  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.
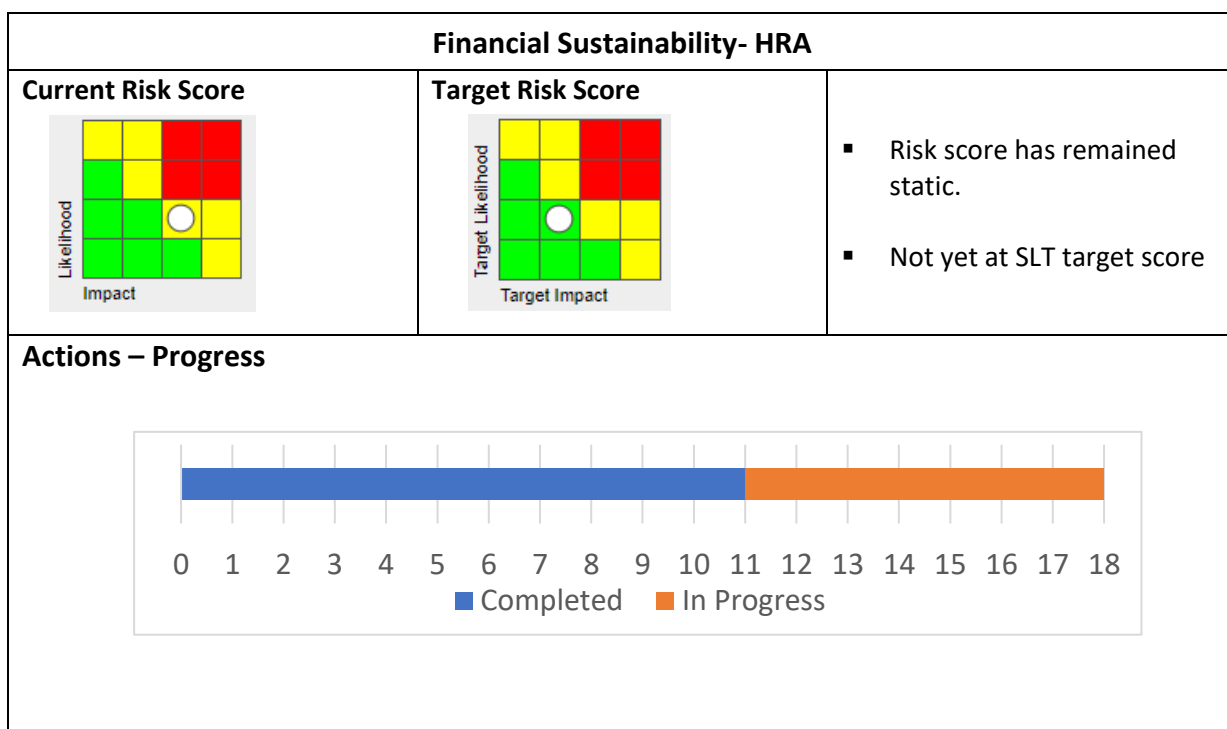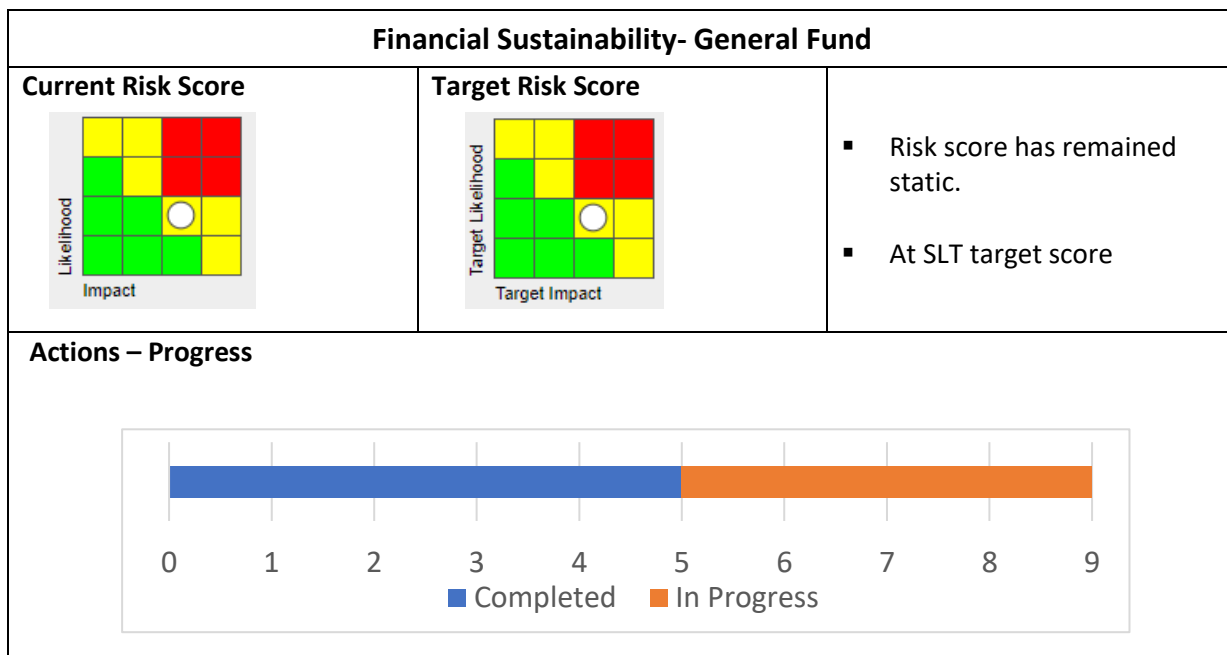
2.9    All strategic risks have identified actions.   The purpose of these actions is to mitigate the risk to a tolerable level.  Actions and due dates are determined by the risk owner and their progress is monitored at quarterly reviews.

2.10   A total of 162 actions were assigned to the current 9 strategic risks.  77 of those actions have been completed.  All remaining 85 actions, except for 2, are within their assigned target due date.  Details of the 2 outstanding actions are listed within the progress table below.
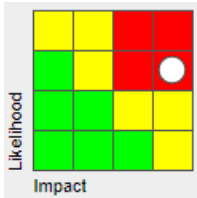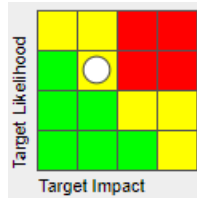
2.11    Due to the nature of strategic risks some actions are assigned long due dates, many of which may exceed a year before completion is required.   Other actions may also be cyclical and appear a number of times within a year.
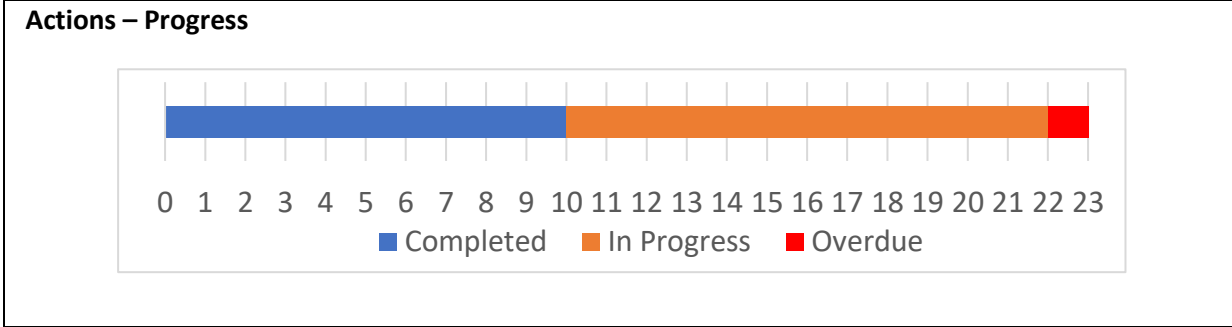
2.12    The tables below illustrates the current status of each strategic risk score and their associated actions.

The actions progress bar provides information relating to the total number of actions assigned to each risk for the previous year and their current status i.e. completed, in progress or overdue.

| Financial Sustainability- General Fund | | |
|---|---|---|
| **Current Risk Score** | **Target Risk Score** | |
|  |  | ▪ Risk score has remained static.<br><br>▪ At SLT target score |
| **Actions – Progress** | | |
|  | | |

| Financial Sustainability- HRA | | |
|---|---|---|
| **Current Risk Score** | **Target Risk Score** | |
|  |  | ▪ Risk score has remained static.<br><br>▪ Not yet at SLT target score |
| **Actions – Progress** | | |
|  | | |

## Failure to Deliver Growth Infrastructure

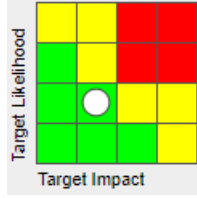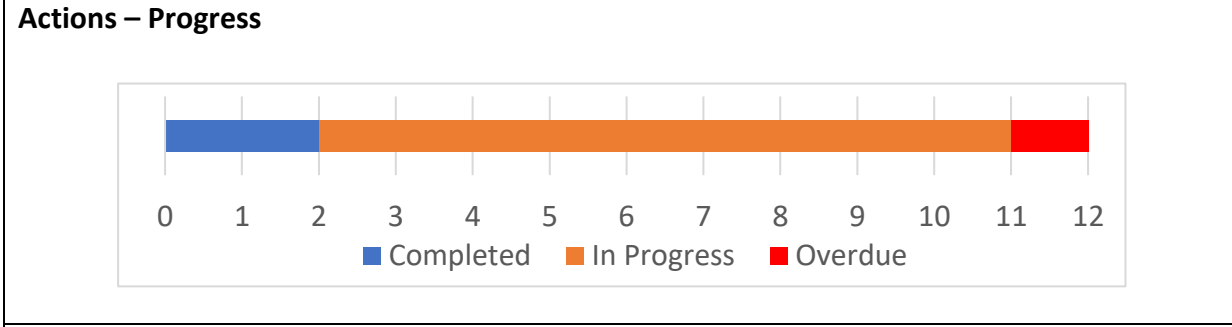| Current Risk Score | Target Risk Score | |
|---|---|---|
|  |  | • Risk score has remained static.<br><br>• Not yet at SLT target score |

**Actions – Progress**



**Over due action:**

- To review extent of full fibre delivery and consider implications re growth delivery.

Was due for completion by the 4th quarter, however, data was not avaiblable at the meeting to sign this action off. The risk owner is to identify status and provide an update at the next review meeting due in May 2024.

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## Contract/Supply Failure

| Current Risk Score | Target Risk Score | |
|---|---|---|
|  |  | • Risk score has remained static.<br><br>• Not yet at SLT target score |

**Actions – Progress**



**Over due action:**

- Contracts register review. Officer to attend all directorate meetings to review and discuss.

The officer assigned this action was unable to implement this prior to the agreed target date. The officer has now commenced these meetings and the action status will be identified as complete at the next risk review meeting.
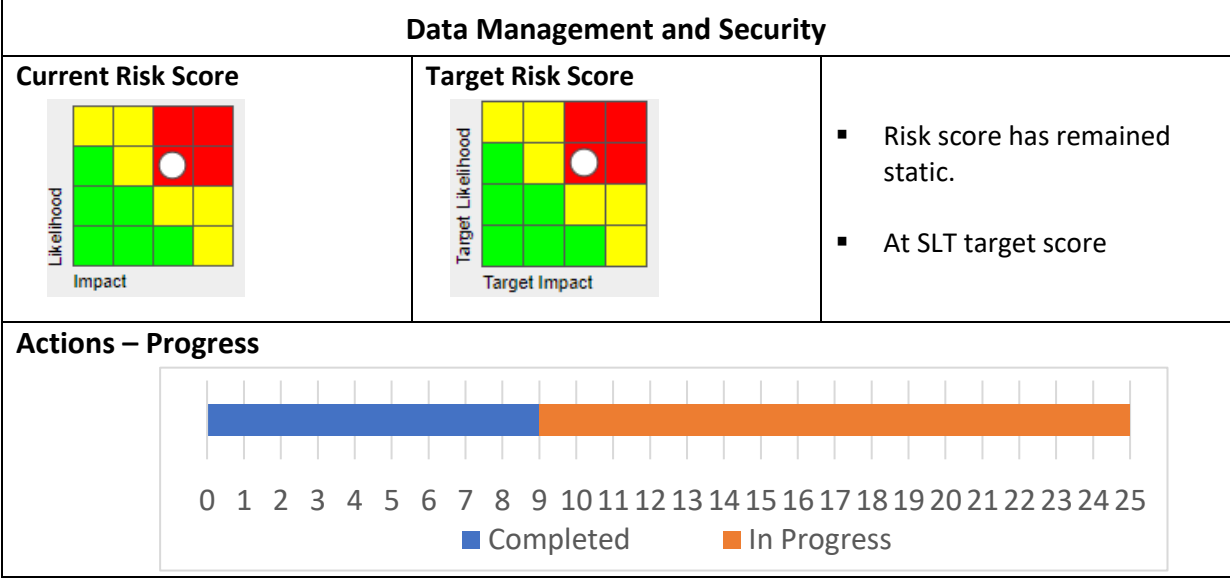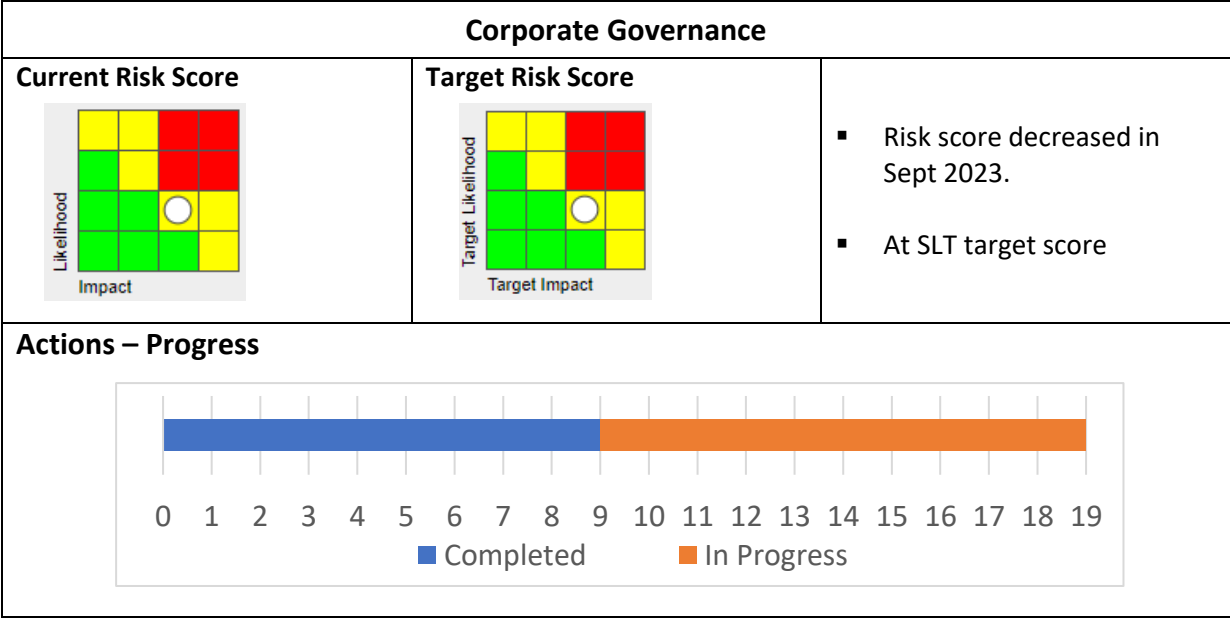
## Workforce

**Current Risk Score**



**Target Risk Score**



- Risk score has remained static.

- Not yet at SLT target score

### Actions – Progress



| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |

■ Completed  ■ In Progress

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## Corporate Governance

**Current Risk Score**



**Target Risk Score**



- Risk score decreased in Sept 2023.

- At SLT target score

### Actions – Progress



| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

■ Completed  ■ In Progress

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## Data Management and Security

**Current Risk Score**



**Target Risk Score**



- Risk score has remained static.

- At SLT target score

### Actions – Progress



| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |

■ Completed  ■ In Progress

| Environment | | |
|---|---|---|
| **Current Risk Score** | **Target Risk Score** | |
|  |  | ▪ Risk score has remained static. ▪ At SLT target score |
| **Actions – Progress** | | |
|  | | |

| Statutory Compliance Management | | |
|---|---|---|
| **Current Risk Score** | **Target Risk Score** | |
|  |  | ▪ Risk score has remained static. ▪ Not yet at SLT target score |
| **Actions – Progress** | | |
|  | | |

### 3.0 Strategic Risk Register 2024/25- Development and Review

3.1 All 9 strategic risks identified within the 24/25 register are pre-existing and therefore are fully developed and have established action plans. If the proposed draft risk for priorities and capacity is developed further a suitable action plan to mitigate the associated risks will be developed immediately.

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

3.3     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.

3.4     All 9 current strategic risk assessments have been appended to this report in full.

**4.0     Proposal/Options Considered**

4.1     Members of the committee note the amendments to the Strategic Risk Register.  An update report will be brought to the Audit and Governance Committee in 6 months.

**5.0     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.

**Background Papers and Published Documents**
None for this report

# APPENDIX 1 – Strategic Risks

# SR301 Financial Sustainability- General Fund

| 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 |
|---|---|---|---|---|---|
| | 11-Mar-2024 | 3 | B | Controlled | |

| **Controls In Place** | Quarterly Capital monitoring meetings<br>Investments approved in line with the annually agreed Treasury Management Strategy<br>Annual refresh of Medium Term Financial Plan including management of reserves<br>Council approved Capital programme<br>Financial implications added to Committee reports by Financial Services and a unique reference given each time<br>Financial strategies and budget reviewed through Cabinet annually<br>Use of external Medium Term Financial Plan tool which assists with forecasting future Business Rates income for the following year budget<br>Assigned project manager for each major project the Council is embarking on<br>Director/Business Unit Manager quarterly meetings reviewing Directorate financial position<br>Approved Commercial strategy to support objectives set out in the MTFP<br>Approved Investment Plan to support the objectives set out in the Commercial Strategy<br>Commercial strategy agreed 2022 and formulated commercial group to review projects and activities – Meet quarterly to understand progress.<br>Report formally to members twice per annum – MTFP and separate report.<br>Commercial group established and projects identified by BM's across the authority.<br>Commercial officer group established to identify business opportunities in service areas Nottinghamshire Business Rates Pool mitigating large impacts of reductions in Business Rates. This is kept under review by Nottinghamshire S151 officers<br>Quarterly budget monitoring report tabled at SLT, Cabinet and PPIC<br>Annual Financial Regulations training in place<br>Lead authority for administration around Notts Business rates pool<br>Contract procedure rules in Constitution refreshed May 22<br>Acquisition and disposal policy - Approved Nov 2021 Internal Audit<br>Corporate land and property group established and meet regularly<br>Review of chancellor's budget statements/fiscal events<br>Funding/bid and project challenges. Focusing bid application to community plan applications |
|---|---|

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

| 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, Simon Ingram, Craig Tinsley |

| Current Risk Matrix | Date Last Reviewed | Impact | Likelihood | Risk Management | Target Risk Matrix |
|---|---|---|---|---|---|
| Likelihood / Impact | 12-Jan-2024 | 3 | B | Control Pending | Likelihood / Impact |

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

| Risk Categories | Financial<br>Meeting corporate objectives<br>Service delivery<br>Reputation<br>Governance<br>Regulation<br>Compliance |
|---|---|
| **Trigger/Event** | Change in national policy & legislative requirements<br>Increase in interest rates<br>Increased rent arrears<br>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

**NEWARK & SHERWOOD**
*DISTRICT COUNCIL*

| SR303 Failure to deliver growth infrastructure | |
|---|---|
| **Description** | Facilitating the provision of key local infrastructure projects to ensure mitigation and delivery of identified growth areas within the district. |
| **Lead Officer** | Lamb, Matt (SLT) |
| **Support Officers** | Lisa Hughes, Matthew Norton |

| Current Risk Matrix | Date Last Reviewed | Impact | Likelihood | Risk Management | Target Risk Matrix |
|---|---|---|---|---|---|

| | 21-Mar-2024 | 4 | C | Control Pending | |
|---|---|---|---|---|---|

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

| **Risk Categories** | Inability to deliver infrastructure projects to support growth. Specific projects include:<br>**Direct NSDC influence**<br>A1Overbridge (and inter-relationship with A46 Newark northern bypass)<br>**Indirect influence**<br>Southern link road - completion (grant funding) (and inter relationship with A46 Newark northern bypass)<br>Full Fibre broadband and/or 5(6)G provision<br>Electricity grid capacity<br>A614 roundabout (the Non-strategic Road Network Improvement Scheme NRNIS)– indirectly funding via section 106<br>A46 improvement works – Influencing role<br>Political<br>Reputation<br>Financial<br>Partners, stakeholders, policy makers and funders<br>Economy, business and residents |
|---|---|
| **Trigger/Event** | Government change in policy<br>Partner funding withdrawn<br>Funding reduced/costs increased<br>Funding bid failure<br>Withdrawal of Partners<br>Change in partnership priorities<br>Housing development stalls<br>Change in leadership<br>Poor strategic decision making<br>Failure of other related major infrastructure projects<br>A46 Newark northern bypass – Delivery and timing<br>A1 Over bridge – Technical constraints and increasing costs<br>Change in delivery method and/or partner<br>Insufficient capacity planning from infrastructure/utility providers<br>Inability to influence at national/regional level |

| | Non-strategic major road network fund priority junctions (A614/A617/A6097 corridor)<br>Lack of coordination of delivery<br>General Election – Change in decision |
|---|---|
| **Impact** | Infrastructure not delivered/ delivery delayed<br>Inappropriate infrastructure delivered<br>Growth within district affected<br>Inadequate service provision<br>Government sanctions for inability to deliver housing growth<br>Housing development stalls<br>Social Inequality<br>Large Employer relocating outside district<br>Inward investment stalls<br>Financial impact of failure to meet growth aspiration in Newark devolution agreement<br>Impact on council's MTFP<br>MTFP assumptions not realised<br>Slower/more expensive/less viable delivery<br>Commercial development stalls<br>Commercial attractiveness of district reduces |

# SR304 Contract/Supply Failure

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 |
|---|---|---|---|---|---|
| | 19-Feb-2024 | 2 | D | Control Pending | |

| **Controls In Place** | CONTRACT INCEPTION & MANAGEMENT<br>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<br>Contact renewal early warning provided by admin at quarterly meetings<br>Procurement advice provided through Welland procurement<br>Call off contract arrangements/template devised<br>SLA template devised for consistency<br>SLAs all reviewed<br>SLA register devised and actively managed by service areas<br>.Comprehensive audit undertaken of contracts<br><br>PROCUREMENT RULES<br>Use of joint procurement service –Welland procurement<br>Focus on local providers for some services<br>Use of contract exemption forms where necessary |
|---|---|

|  | WHOLLY OWNED COMPANIES<br>Management agreements regularly reviewed<br>Contract managers named for each<br>Regular contract management meetings in place<br>Active partnership approach embedded<br><br>TRAINING<br>Session delivered to BMs on contract management<br>Session delivered to members on contract management |
| --- | --- |

| **Risk Categories** | Service delivery<br>Financial<br>Compliance (Regulatory, Health & Safety, Legislative)<br>Governance<br>Resources<br>Reputational<br>Procurement/lack of competition<br>Project delivery |
| --- | --- |
| **Trigger/Event** | CONTRACT INCEPTION<br>Lack of understanding of requirements and different provision mechanisms available<br>Lack of commercial approach and knowledge<br>Inadequate/ambiguous specification<br>Inadequate/ambiguous control/performance measures<br>Inadequate/ambiguous exit arrangements<br>Failure to engage relevant specialists in contract design<br>Contract is not signed and saved in corporate register<br>Limited market supply<br>Over reliance on single supplier(s)<br>Lack of competence in procurement<br>Lack of resource dedicated to procurement<br>Lack of preplanning for contracts<br>Lack of appropriate exit strategies<br>Limited availability due to emerging industries/concepts/technology/demand<br><br>CONTRACT MANAGEMENT<br>No assigned contract manager<br>Contract manager is not appropriately trained/skilled<br>Contract manager resource is insufficient<br>Ineffective performance monitoring and reviews<br>Evergreen contracts in place<br>Change control/variations are not appropriately managed<br>Lack of ongoing challenge throughout the contract<br>Loss of key personnel/ key resilience<br>Relationship breakdown<br>Contractor fails to deliver/ isn't able to deliver (bankruptcy)<br><br>OTHER<br>Financial management not embedded as part of contract management process<br>Impact of Brexit<br>Business continuity/Emergency incident<br>Contracts not entered on contract register<br>Provision commences before contract is in place<br>Lack of appropriate overview of contract management<br>Pandemic<br>Impact of inflation<br>Government policy shift |
| **Impact** | FINANCIAL IMPACT<br>Additional costs to council (hidden costs, increased costs)<br>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

NEWARK & SHERWOOD DISTRICT COUNCIL

| 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 |
|---|---|---|---|---|---|
| | 28-Feb-2024 | 3 | C | Controlled | |

| **Controls In Place** | Business Planning embedded throughout the Council with clear links to Community Planning and Performance framework<br>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)<br>Other external factors – cost of living, national shortages.<br>Projected national living wage increase leads to inability on pay structure to accommodate<br>National bargaining is protracted and leads to staff being disadvantaged<br>Current JE process is not fit for purpose – outdated.<br>Prolonged industrial action<br>Equal pay claim |
|---|---|
| Impact | Service delivery impact –inability to deliver services or delivering reduced services<br>Reputational impact through poor service delivery<br>Reputation as an employer resulting in inability to recruit staff<br>Loss of capacity/under resourced<br>Loss of expertise and corporate memory<br>High recruitment costs<br>Additional time required to support recruitment activity and the induction of new staff and their development<br>Additional training costs<br>Impact on morale, culture and team performance<br>Increased levels of staff absence (ill health)<br>Increased levels of non-attendance in nominated workplace (lack of cohesion/culture)<br>Loss of opportunity through loss of networks<br>Increase in accidents<br>Impact of potential civil claim (e.g. employment tribunal. insurance) or criminal actions<br>Financial penalties/ombudsman decisions/other regulatory bodies<br>Increased demand on corporate services (e.g. HR,ICT) |

# SR306 Corporate Governance

NEWARK & SHERWOOD DISTRICT COUNCIL

| 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 |
|---|---|---|---|---|---|
|  | 28-Feb-2024 | 3 | B | Controlled |  |

| Controls In Place | S Bearman to review controls and update accordingly<br><br>• Code of corporate governance created, maintained and monitored in accordance with CIPFA guidance.<br>• Corporate Governance self-assessment against the code of Corporate Governance undertaken periodically.<br>• Periodic review of governance by 3 statutory officers. |
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| | <ul><li>Annual review of Constitution which includes fit for purpose and up to date</li></ul><br>-Officer code of conduct<br>-Officer registers of interests - Related third party transactions.<br>-Section 151 officer/Monitoring officer/Head of Paid Service.<br>-Gifts and hospitality - policy and register place.<br>-Council Financial regulations and procedures,<br>-Contract procedure rules<br>-Whistle blowing policy<br>-Anti-fraud and corruptions strategy<ul><li>Annual governance statement reviewed annually and reported to Audit and Governance Committee. Annual Governance Statement goes to November meeting of Committee</li><li>Creation of annual combined assurance report in conjunction with SLT and BMs.</li><li>Internal Audit work including risk-based Audit Plan.</li><li>Effective use of External Auditor.</li><li>Under executive arrangements with Cabinet structure and portfolio holders:</li></ul><br>-Publishing of forward plan and all delegated decisions<br>-Mechanism for call in of all executive decisions<br>-Overview by Audit and Governance Committee<br>-Dedicated scrutiny committee under executive arrangements – Policy and performance improvement committee<br>-Tenant engagement board which ensures appropriate tenant involvement<ul><li>Staff and member training in place</li></ul><br>-Training on governance issues including anti-fraud and financial regulations.<br>-Counter fraud training delivered<br>-Member induction at the start of each new Council cycle.<ul><li>Complaints:</li></ul><br>-Localised standards framework and effective arrangements for dealing with complaints overseen by Audit and Governance Committee.<br>-Internal complaints procedure.<ul><li>Fraud</li></ul><br>-Annual internal review of the Fraud Risk register to carry out proactive work, check on internal controls and is reported to members<br>-Participation with National Fraud Initiative process<br>-Options appraisal for counter fraud and implementation of preferred option.<br>-Appropriate insurance cover including Fidelity Guarantee.<br>-Oversight of Active4Today, Arkwood and East Midlands Building Control.<br>-Appropriate monitoring of performance of the third party or alternative service delivery methods.<ul><li>HR policies in place</li></ul><br>-Recruitment process controls, e.g. References, Immigration, DBS.<ul><li>Horizon scanning at Business Manager briefings and effective communication between SLT and business managers.</li><li>Measures in place to ensure IR35 compliance</li><li>Schedules review of Corporate Governance (Q4 19/20</li><li>Governance review ongoing with support from change to Executive Arrangements completed in May 2022 – 6-month review of effectiveness</li></ul> |

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| | of arrangements to be considered by Audit and Governance Committee in November 2022<br><br>• Internal Audit of governance arrangements for Council-owned companies in 2022-3 audit programme |

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| **Risk Categories** | • Service delivery<br>• Governance<br>• Fraud<br>• Poor decision making/leadership<br>• Reputation<br>• Financial<br>• Legal compliance<br>• Partners/stakeholders |
| **Trigger/Event** | • Failure to communicate, define, review and uphold governance standards policies to ensure fitness for purpose.<br>• Failure of staff and councillors to understand their governance roles and responsibilities.<br>• Failure to observe good governance.<br>• Failure to adequately manage risk or monitor performance.<br>• Failure in Policy adherence (All policies).<br>• Malicious event e.g., Fraud, money laundering, etc.<br>• Reduction in capacity and loss of key personnel and resources<br>• Failure to adequately oversee governance standards of partnerships and other entities that the Council is involved in.<br>• Failure of governance in wholly council owned companies<br>• Failure of governance in partnership organisations<br>• Negative findings identified by other organisations/bodies – Ombudsman and External Audit<br>• Overuse of "Call-in", "Call for action" or "Urgency provision"<br><br>• Inexperience with new system – procedures set out in constitution not followed<br><br>• Influx of new elected members<br>• No overall control achieved |
| **Impact** | • Loss of opportunity and ability to meet corporate priorities<br>• Financial resource loss.<br>• Poor or inadequate decision making.<br>• Service delivery issues.<br>• Criminal or civil liability.<br>• Risk of successful judicial review<br>• Regulator finding fault e.g. Internal Audit, External Audit, Ombudsman.<br>• Government or peer intervention.<br>• Failure of Council owned companies<br>• Failure of partnerships<br>• Ombudsman findings – Maladministration<br>• Significant Audit findings – e.g. Public interest report<br>• Reputational risk to the Council.<br>• Negative media coverage.<br>• Policies could be open to challenge.<br>• Excessive legal costs incurred.<br>• Poor staff morale.<br>• High staff turnover.<br>• Community disengagement.<br>• Capacity redirected to address failures.<br>• Inappropriate use of public office |

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| | • Fraud and corrupt practice identified.<br>• Fraud and corruption practices not identified or dealt with leading to an incident of fraud and corruption.<br>• Slowing down of decision making |

# SR307 Data Management and Security

**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 |
|---|---|---|---|---|---|
|  | 29-Feb-2024 | 3 | C | Control Pending |  |

| Controls in Place | **Policy and Guidance**<br>Policy suite and supporting guidance including:<br>ISMS<br>Cyber security strategy<br>IG strategy<br>**Training/ Guidance**<br><br>• Training for all staff taking payments in line with PCI-DSS requirements.<br>• Training for ICT staff.<br>• Data protection training including a section on information security and targeted training ongoing for staff located elsewhere and forms part of the induction process.<br>• Information governance check on furniture that is being disposed of.<br>• Information E Training completed by all staff.<br>• Annual review of Information Asset Register.<br>• Annual mandatory GDPR, cyber and spear phishing online training for all staff and councillors.<br>• Guidance and training available for elected members. 3 GDPR sessions provided for newly elected members.<br>• Guidance on security breach procedures for Business Managers as Information Asset Owners<br>• Data security communications to all staff following identification of risk<br><br>**Governance and Compliance**<br>• CIO/SIRO/DPO appointed<br>• Compliance with the government's security arrangements.<br>• PSN compliant data & internet connections implemented<br>• Compliance with new Cabinet Office email standards achieved.<br>• Weekly review of ICO guidance.<br>• Periodic PCI/DSS compliance checks |
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|  | <ul><li>Data Privacy Impact Assessment.</li><li>Annual SIRO audit.</li><li>Review of policies and procedures to ensure compliance with latest Payment Card Industry- Data Security Standard (PCI-DSS)</li><li>Cyber Security now standing agenda item on monthly business unit management meetings.</li><li>Governance arrangements established through CIGG with monthly review.</li><li>CIGG meeting every quarter to review risks.</li><li>External Audit on ICT security annually.</li><li>Implementation of an ISMS project team</li></ul><br>**ICT/Equipment specific controls**<br>Encryption for mobile devices.<ul><li>VASCO tokens and Google Authenticator.</li><li>Quarterly ICT security checks internally.</li><li>Penetration test annually by external company - monthly scans of servers for weaknesses, monthly server updates and monthly scans of Microsoft Office and Windows.</li><li>Perimeter software - eg. mailmarshall & webmarshall.</li><li>Hardening test on new virtual servers.</li><li>Documents scanned reducing the need for paper.</li><li>Secure server room.</li><li>East Midlands WARP membership - alerting networking facility regarding any breaches.</li><li>Monthly updates of Adobe products.</li><li>Program in place to ensure the continual maintenance & upgrade of the ICT environment.</li><li>Secure portal for Members to access the Extranet.</li><li>Airwatch MDM (Mobile Device Management) implementation for mobile devices.</li><li>DMark, DKim SPF and TLS secure email authentication software.</li><li>Cryptshare for encrypting secure emails and large files for email.</li><li>Report & record all cyber-attacks/attempts and escalate to CMT where appropriate Users own devices cannot connect to network</li><li>'Consent' tick box on appropriate forms.</li></ul><br>**Partners and Stakeholder specific controls**<ul><li>Non-disclosure agreements in place for third party access.</li><li>Use of data processing and agreements with partners.</li><li>Use of licensed confidential waste handler.</li><li>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.</li><li>Actions arising from report to SLT on third party users implemented.</li></ul> |

| Risk Categories | Loss of vulnerable, personal, sensitive valuable data<br>Legal compliance<br>Reputation<br>Financial<br>Partners/stakeholders<br>Disruption of service- including from a cyber attack<br>Supply chain |
| --- | --- |
| **Trigger/Event** | **(Organisational)**<br><br><ul><li>Personal, confidential or corporately sensitive/business critical information disclosed unintentionally or through error of judgement, data breach - intentional (malicious).</li></ul> |

- 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)**
- Cyber attack: (either targeted such as denial of service or unintentional human error e.g. - access to link on another website).
- Failure to protect information assets from an internal malicious attack leading to a data breach, corruption of data assets, loss of asset or service.
- Failure to adopt appropriate technical security measures for keeping data secure within our systems and platforms which results in a significant data breach
- Accidental data breach through any electronic source
- Use of BYOD (Bring your own device).
- Unsupported software/unforeseen loss of support.
- 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.
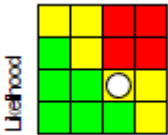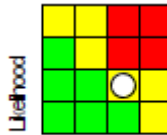
**(External Factors)**

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| | • Emergency event-eg power loss – leading to increased reliance upon ICT systems and potential loss of data/corruption of data |
| **Impact** | **(Finance/legal)** <br><br> • Loss/damage to an individual where the Council inappropriately released their personal data <br> • ICO fine/Civil claims. <br> • Resource impact of Information Commissioner investigation.eg ICO actions <br> • Breach of Access to Information legislation bringing about financial/legal damage - imposed on the Council by the Information Commissioner and other Statutory Bodies. <br> • Disciplinary action taken against a member of staff and elected members if a breach is found to be deliberate/malicious. <br><br> **(Resource)** <br> • Drain on resources to process and enable conformity in legislation. <br> • Greater demand on existing resource <br> • Operational and resource issues eg. Service interruption - where focus has to be taken away from service delivery to dealing with the breach. <br> • Reduced service provision resulting from lack of ability to work remotely and available physical resource <br> • Increased demand on existing services <br> • Inability to deliver critical/key services <br> • Capability of infrastructure/system to deliver services – i.e. increased demand during emergencies <br><br> **(Reputation)** <br> • Damage to reputation of the Council/trust by the public. <br> • Loss of confidence within the Council <br> • Loss of confidence with partners and stakeholders <br> • Negative media coverage <br><br> **(Partners)** <br> • Loss of provision to customers and partners e.g. Active4Today, DWP, <br> • CCTV (under current arrangements) leading to disputes over SLAs and contracts and potential loss of income, e.g. partner rent for Castle House. <br> • Loss of partner data where the council is the data processor - subsequent impact on partner's reputation. <br> • Withdrawal of service from partners and stakeholder <br><br> • Cyber-attack leading to system downtime/damage/loss of data (Ransom Ware) and financial loss/ resource drain <br><br> **(Contractors/supply chain)** <br> • Less direct control over data as we procure, migrate to and terminate cloud base systems |

# SR308 Environment

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 |
|---|---|---|---|---|---|
|  | 26-Feb-2024 | 3 | B | Control Pending |  |

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

| Risk Categories | Financial<br>Reputation<br>Statutory compliance<br>Disruption of service-Pressure groups /community action<br>Negative media/comms<br>Capacity to deliver on successful funding |
|---|---|
| Trigger/Event | Climate change conference<br>Government policies and legislation- i.e. national waste and resources strategy, environment bill, 2030 internal combustion engine phase out, national tree strategy.<br>Budget pressure/planning/demand - MTFP<br>Lack of financial support from government to implement<br>Availability/cost/maturity of technology<br>Incentivising of tariffs – cost v return<br>Legacy issues -housing/fuels/infrastructure<br>Resident/User engagement/participation - Behaviour change<br>Active pressure groups<br>Political influence<br>Declaration of climate emergency<br>Impact of media/social media events/influential individuals<br>Poor communications<br>Partnership failure<br>Bidding arrangements/competition – restrictive nature of government funding to date<br>Future resourcing to deliver<br>Knowledge/skills gap within workforce |
| Impact | Not meeting governmental targets/internal targets<br>Penalties -TBC<br>Reputation<br>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

**NEWARK & SHERWOOD DISTRICT COUNCIL**

| 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 |
|---|---|---|---|---|---|
|  | 19-Feb-2024 | 3 | C | Control Pending |  |

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

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

| | |
|---|---|
| | • Reputation<br>• Need to re home tenants<br>• Leaseholders litigate<br>• Negative local or national press coverage<br>• Increased scrutiny/monitoring – customer, committees, Regulator etc.<br>• Regulatory body short notice inspection<br>• Self-referral to regulatory (co-regulation)<br>• Commercial viability of building/site<br>• Tenancy enforcement<br>• Contract failure/suspension<br>• Contract dispute<br>• Increase turnover of staff<br>• Inability to recruit the right staff<br>• Poor morale/stress of workforce<br>• Political engagement<br>• Enforcement agency engagement<br>• Accident/incident/poisoning<br>• Civil claim due to failure<br>• Criminal proceedings<br>• Investigations to establish cause/identify reports for hospitalisation/fatality |