

Cotswold District Council - Corporate Risk Register 2020-21 Q2

ANNEX A

Overarching strategic risks

Risk Code	Description	Risk Factors	Internal Controls	Current Impact	Current Likelihood	Current Rating	Last Review Date	Latest Note	Assigned To
CRR-D01-014	If the Government imposes legislative changes that are not expected then it could have an impact on the Council's finances and other resources	Financial Community	Horizon scanning Professional publications Four year funding settlement	4	5	20	22-Sep-20	<p>22-Sep-2020 The Council is responding to the Government's requirements of local authorities to implement initiatives related to Covid 19. The Government has provided some funding for additional costs and has promised additional funding in relation to lost income. However, the net cost to the Council of Covid 19 is £1 million. Council is considering a revised budget in September 2020 to reflect this impact .</p> <p>The Council has responded to the consultation on Defra's Waste and Resources strategy. The Strategy suggested that garden waste collection should be free which if imposed would have a significant financial impact on the Council. Defra has now published its consultations response which acknowledges the strong opposition from LAs and accepts that this proposal needs to be reconsidered. Any financial implications will be considered as part of the update to the Council's MTFS</p>	Chief Finance Officer
CRR-D01-019	If there are insufficient resources to deliver the objectives of the new Corporate Strategy and Plan then the expectations of our communities may not be met resulting in lower satisfaction and reputational damage	Financial Community Reputational	Medium Term Financial Strategy	3	3	9	22-Sep-20	<p>22-Sep-2020 No change in rating. The financial implications of the Council's new Corporate Strategy have been included in the refresh of the Medium Term Financial Strategy. The latest MTFS was approved by Council in February 2020 and included funding for resources to support the Council's new priorities. The MTFS has been updated to reflect the impact of Covid 19 on the Council's finances, decisions taken post February 2020 and to reflect delays to the implementation of the Fairer Funding Review and Business Rates Retention. The Council has also approved a Recovery Investment Strategy which allocates capital funding for investment in Council Priorities and to provide a revenue stream to the Council.</p>	Chief Finance Officer

CRR-D01-018	If the Government does not provide adequate funding to the Council to enable the Council to fulfil new expectations of the Council's role in preparations for the UK exit from the EU, there could be negative implications on the Council's reputation or the Council's finances	Financial Community	Publica Executive Director undertaking role of Brexit Lead Officer as per requirement from MHCLG Local Resilience Forum Government funding	3	2	6	20-Oct-20	20-Oct-20 The Publica Brexit Planning Group is monitoring the progress of negotiations around Trade Agreements to ensure that the Council is prepared for any potential impact on Council services. The Brexit Risk Register is being reviewed to take account of the current situation.	Executive Director - Commissioning; Interim Chief Executive
CRR-D01-017	If the UK leaves the European Union with no deal then there could be a disruption to the delivery of Council services which would impact on residents/communities	Community Financial Performance	Support from the LGA Local Resilience Forum Government funding to support Councils Business Continuity Plans Service specific planning - Publica ERS, Ubico and GLL Publica Executive Director undertaking role of Brexit Lead Officer as per requirement from MHCLG	3	1	3	20-Oct-20	20-Oct-20 The Publica Brexit Planning Group is monitoring the progress of negotiations around Trade Agreements to ensure that the Council is prepared for any potential impact on Council services. The Brexit risk register is being reviewed to take account of the current situation.	Executive Director - Commissioning; Interim Chief Executive

Financial management & control

Risk Code	Description	Risk Factors	Internal Controls	Current Impact	Current Likelihood	Current Rating	Last Review Date	Latest Note	Assigned To
CRR-D02-028	If the Local Government settlement over the medium term is unfavourable then the Council's savings target may need to increase	Financial	<p>Medium Term Financial Strategy</p> <p>Only legacy Payments of New Homes Bonus in MTFS</p> <p>Publica Transformation Programme</p> <p>Recovery Investment Strategy approved by Council Sept 20</p>	3	3	9	22-Sep-20	<p>22-Sep-20 The MTFS was approved in Feb 2020. New Homes Bonus awarded for 2020/21 will be for one year only (no legacy payments from 2021/22). The significant changes to LG Funding (75% Business Rate Retention, Business Rate Reset, Fairer Funding Review and new Spending Round) have been delayed until 2022/23 and is reflected in the update of the MTFS which will be considered by Council in Feb 21. MTFS includes savings targets to address changes to government funding.</p> <p>Council approved a Recovery Investment Strategy in Sept 20 which aims to increase income to the Council to mitigate against reduced government funding.</p>	Chief Finance Officer
CRR-D02-018	If unavoidable budget pressures exceed provision within the MTFS then the Council may need to: find additional income or savings, use its reserves, or there may be pressures on services or tax levels and agreed budget targets will not be achieved	Financial	<p>Service Delivery Planning</p> <p>Budgetary control system</p> <p>Publica Strategic Directors/Group Managers and Business Managers engaged in updated of budget and MTFS</p> <p>Key variances reported to Cabinet and Overview and Scrutiny Committee</p>	3	3	9	22-Sep-20	<p>22-Sep-2020 The 2020/21 budget has been revised to reflect the impact of Covid 19. Key service providers (Publica, Ubico and SLM) have been engaged in the revised budget and have also fed in to the draft budget proposals for 2021/22 which will be subject to consultation before Council determines the final budget for 2021/22.</p> <p>The Council has determined its Priorities and the financial resources required to enable the Council to deliver against its priorities had been included in the MTFS and associated 2020/21 budget.</p> <p>Members and Officers are working on a plan to increase income to the Council to fund both new objectives from the new Corporate Strategy and to bridge the expected funding gap from 22/23 as a result of changes to local government funding.</p>	Chief Finance Officer

CRR-D02-030	If Ubico is unable to deliver services to the required standard or to budget then it could damage the Council's reputation and result in additional costs for the Council	Financial Reputational	Service management Performance monitoring Service risk registers	4	3	12	22-Sep-20	22-Sep-20 Ubico is experiencing demand for recycling services over and above expectations of the new service. This has resulted in additional vehicles being utilised and associated additional numbers of operatives to deliver services. Ubico has also required additional personal protective equipment to protect its staff from Covid 19. These additional costs have been incorporated within the revised budget for 2020/21 approved by Council on 23 October 2020. Provisions for some additional costs have been incorporated within the draft budget for 2021/22.	Business Manager - Commissioning strategy
CRR-D02-027	If Publica does not deliver the agreed objectives in accordance with its business plan then the planned savings for the Council would not be delivered and consequently there would be a risk that services could not be delivered in line with the budget	Financial Reputational	Programme Board Local Political Support National Political Support Early Engagement with employees and Unions Funding provided to develop detailed business case	3	3	9	20-Oct-20	20-Oct-20 No change in rating. Publica is continuing to deliver savings as anticipated.	Interim Chief Executive; Managing Director
CRR-D02-024	If the Council is unable to meet the savings required to balance the budget then it may need to make unplanned use of revenue reserves, raise council tax, find further savings and/or cut services	Financial Performance Community	Regular meetings with Members and Cabinet MTFS and budget process Publica Group Managers/Business Managers and Strategic Directors involved in budget process Publica Transformation Programme Recovery Investment Strategy	3	3	9	22-Sep-20	22-Sep-2020 No change in rating. Savings from the leisure contract of £35,000 will not materialise in 2020/21 and have been removed from the revised budget for 2020/21. The level of savings required as a result of changes to local government funding which will now come into effect in 2022/23 remains unclear. The Council has approved a Recovery Investment Strategy to deliver the savings, or generate additional income, required from changes to local government funding.	Chief Finance Officer
CRR-D02-029	If contractors do not meet their obligations under key contracts then it could lead to a fall in service standards, reduced customer service or a failure to meet legal requirements	Financial Reputational	Robust and effective contract management to ensure standards and requirements in contracts are met and any failings are identified and addressed quickly and effectively Regular meetings to review performance/standards	3	4	12	20-Oct-20	20-Oct-20 The introduction of the new waste service in March 2020 coincided with the start of the Covid-19 lockdown and the two events being concurrent caused some disruption due to increased levels of household waste being presented. The garden waste service was suspended to assist with the collection of all other waste but was reinstated as soon as was practicably possible and services are now running as normal. All leisure facilities were closed during the Covid-19 lockdown and began to reopen on 3 August with financial assistance from the Council on 21 October will consider a further funding package until 31 March 2021.	Business Manager - Commissioning strategy

CRR-D02-005	If there is a legal challenge to any of the Council's decisions or actions then there may be financial or policy implications	Financial Legal Reputational	Managerial advice and supervision Legal advice and effective role of monitoring officer Robust internal procedures 200k in MTFS for planning	3	2	6	20-Oct-20	20-Oct-20 No change in rating	Head of Legal
CRR-D02-002	If the Council fails to meet income targets then it may need to make unplanned use of revenue reserves, raise council tax, find further savings and/or cut services	Financial Performance Community	Systems of budgetary control Appropriate marketing of services and consideration of effective charging levels Project management arrangements	3	3	9	22-Sep-20	22-Sep-2020 No change in rating, 2020/21 budget has been revised to reflect impact of Covid 19 on income budgets. Draft budget 2021/22 has been prepared in consultation with Publica officers and reflects reduced development control income.	Chief Finance Officer
CRR-D02-017	If the level of pay inflation exceeds provision in the MTFS then the Council may need to make unplanned use of revenue reserves, raise council tax, find further savings and/or cut services	Financial	National negotiations on pay award	3	3	9	22-Sep-20	22-Sep-2020 Revised budget 2020/21 includes an increase in the final pay award of 0.75%	Chief Finance Officer
CRR-D02-023	If there was a civil emergency in the District then there could be a financial burden on the Council in responding to it	Financial	Mutual aid arrangements would enable support and reduce the resource burden on one individual council The Belwin scheme enables costs incurred over a threshold (approx. £22K) to be reclaimed Insurance of council's assets and some loss income General Fund Working Balance Flood engineering schemes in place to minimise the impact of severe weather and reduce the risk of property flooding	3	3	9	15-Sep-20	15-Sept-20 There are good internal controls in place to help mitigate this financial risk, however any civil emergency that arises in the near future will be concurrent with our response to Covid-19. We would lobby government for additional funding to support us in dealing with both emergencies.	Group Manager - Strategic Support

Customer focus

Risk Code	Description	Risk Factors	Internal Controls	Current	Current	Current	Last	Latest Note	Assigned To
CRR-D03-007	If the Council does not consult properly, or Publica does not consult properly on the Council's behalf, then the Council's decisions could be challenged	Community Reputational Legal Financial	Communication team Engagement strategy Neighbourhood coordination meetings Annual Town & Parish council meetings Annual Budget consultation	3	2	6	20-Oct-20	20-Oct-20 No change in rating. Preparation is underway for the 2021/22 budget consultation.	Interim Chief Executive

Organisational learning, staffing & development

Risk Code	Description	Risk Factors	Internal Controls	Current Impact	Current Likelihood	Current Rating	Last Review Date	Latest Note	Assigned To
CRR-D04-003	If Publica or the Council is unable to recruit suitable staff and retain them, particularly in some key service areas then the level of service delivery may be reduced	Performance Financial Reputational Community	Financial incentives (market force supplement scheme) Work with partners to address skill shortages	3	3	9	20-Oct-20	20-Oct-20 No change in rating. Quarterly performance reports are shared with Joint Management Team so any necessary mitigation to maintain service delivery levels can be discussed. Some difficulty recruiting senior staff in certain professions, e.g. Planning & Building Control. Monthly HR reports to Exec also highlight recruitment. Apprenticeship, intern and graduate schemes are in place. Implementation of the new pay and grading system, which will provide more flexibility in rewarding staff, took place in April 2020.	Interim Chief Executive; Managing Director
CRR-D04-009	If staff morale and motivation is low in Publica then the level of service delivered may be reduced in some services	Performance Community	Communication Comprehensive consultation and engagement process Change management training Joint Liaison Forum 2020 Engagement Strategy	2	3	6	20-Oct-20	20-Oct-20 No change in rating. The biggest impact on staff morale and motivation currently is due to the changes required as a consequence of Covid-19, with the majority of staff (currently c.75%) working from home. Regular Wellbeing surveys are being undertaken to ensure that staff have the support and the equipment that they need to be able to continue to work from home and some staff have been able to return to the office where they have experienced issues which make home-working difficult.	Interim Chief Executive; Managing Director
CRR-D04-011	If key Officers in the Council (such as the Interim Chief Executive, Chief Finance Officer or Monitoring Officer) are not available, the Council may not be able to respond effectively to urgent matters which could result in reputational or financial damage	Legal Financial Reputational	Deputy CFO and Monitoring Officers in place Support from Shared Legal Services team- employed by the Publica Partner Councils Support from professionals within Publica (e.g. Strategic Directors, Group Managers, Accountants, HR) Support available from other Statutory Officers from across the Publica Partner Councils Effective working relationships between Officers and Cabinet Members	3	2	6	22-Sep-20	22-Sep-20 No change to rating.	Interim Chief Executive; Managing Director

Business processes

Risk Code	Description	Risk Factors	Internal Controls	Current	Current	Current	Last	Latest Note	Assigned To
CRR-D05-001	If the Council's data is of poor quality or it does not make appropriate use of its data then the decisions it makes may be flawed	Reputational Financial Legal Performance Community	Internal processes and self assessments Internal audit assurance and support Dedicated staff resource on performance management and data quality Performance Management Framework	3	3	9	15-Sep-20	15-Sep-2020 No change in rating. Data quality and the use of information is being addressed as part of the organisational re-design. The Business Manager responsible for business analytics is working with the Lead officer for information on data quality. Two new data analysis posts are currently being recruited	Chief Finance Officer; Interim Chief Executive
CRR-D05-016	If the Council does not comply with relevant Information Management legislation including the new GDPR and Transparency Agenda then the government may intervene which could have a reputational impact on the Council	Financial Reputational Legal	Access to Information Policy FOI process reviewed LGA guidance and supporting documents & templates	3	3	9	21- Sep-20	September 2020 – There is no change in the risk rating. Progress on the data protection compliance action plan is being reported to the Council and Publica on a regular basis. During the Covid Pandemic we have updated our privacy procedures to allow the Council to lawfully Identifying the vulnerable. We are now implementing the Information Governance Framework (data protection policies, revised procedures and updating Information Sharing and Data Processing Agreements , Data Asset Register). Mandatory refresher training in Information security and Data protection to all staff and Councillors .	Data Protection Officer; Interim Chief Executive
CRR-D05-019	If contractors do not comply with health and safety requirements then there could be both financial and reputational implications for the Council	Financial Reputational	Contract management in place to ensure appropriate measures such as risk assessments, appropriate policies, and training is in place. Health and Safety business partners provide advice and support Concerns can be escalated to	4	2	8	20-Oct-20	20-Oct-20 No change in rating	Group Manager - Commissioning

CRR-D05-013	If there is insufficient capacity to respond to an emergency then the Council may not be able to deal effectively during emergencies resulting in reputational damage	Reputational Legal Financial Community Performance	Contract terms with SLM (Everyone Active) e.g. use of leisure centre as a rest centre Mutual aid arrangements Good will of staff Ward Members, Town & Parish Councillors on hand/training provided Enhanced community resilience arrangements Emergency management framework in place with duty officer arrangements	3	2	6	15-Sept-20	15-Sept-20 The new emergency management framework has been in place since late 2019, which includes two deputy DEPLOs for Cotswold District, as a well as an overall emergency planning lead for the Publica partnership. The flood response in early 2020 provided assurance that this arrangement provides capacity, as has the Covid-19 community support provided. At the time of this update the likelihood rating has been kept at 2. In the event of a second wave of Covid-19 requiring significant community support again, the likelihood rating will be elevated to reflect the impact of a concurrent event, such as flooding or disruptive weather.	Interim Chief Executive; Managing Director
CRR-D05-010	If there is severe weather then the Council may be unable to deliver key services which could impact on residents	Performance Community Reputational	BCPs Weather reports/national news Remote working solution available to staff	3	2	6	15-Sept-20	15-Sept-20 No change in rating. All business continuity plans have been updated.	Interim Chief Executive; Managing Director
CRR-D05-011	If the Council's IT System / infrastructure failed due to cyber attacks and/or virus then system performance could be reduced leading to poor service delivery/financial impact	Performance Financial Legal Reputational	Preventative measures introduced such as blocking of USB and other devices Undertaken and passed a central government ICT audit, meeting the very high standards set for network security Introduction of new / revised joint policies Periodic staff awareness training BCP in place and reviewed & tested	3	2	6	21-Sept-20	20-Sept-2020 No change in rating. All Councils have PSN accreditation, which compliments the Cyber Essential Plus, which is a Government-backed, industry-supported scheme to help organisations protect themselves against common online threats	Group Manager - Business Support Services
CRR-D05-012	If there is a loss of data (both on site and as a result of remote/mobile working) / security failure in our IT systems then it could lead to a reduced level of service and have a negative impact on the Council's reputation and finances	Performance Financial Legal Reputational	Preventative measures introduced such as blocking of USB and other devices Undertaken and passed a central government ICT audit, meeting the very high standards set for network security Introduction of new / revised joint policies Periodic staff awareness training BCP in place and reviewed & tested	3	2	6	21-Sept-20	21-Sept-2020 No change in rating. All Councils have PSN accreditation, which compliments the Cyber Essential Plus. The online training programme (Bob's Business) has now been completely rolled out and completed by 98% of staff which is helping to reinforce the need for staff to be aware of their responsibilities with regards to data security, passwords and GDPR	Group Manager - Business Support Services

CRR-D05-014	If the Council's buildings are destroyed then it would be unable to operate/deliver services which would impact on residents /communities	Reputational Financial Legal Performance Community	BCPs including ICT contingency plans Remote access Mutual aid through Shared working strategy Insurance Fail over protocol	3	2	6	15-Sept-20	15-Sept-20 No change in rating. All business continuity plans have been updated. The ability to deliver services has been demonstrated during the Covid-19 response, with approximately 80% of staff working from home and others conducting their work out in the community.	Group Manager - Strategic Support
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Longer term risks

Risk Code	Description	Risk Factors	Internal Controls	Current	Current	Current	Last	Latest Note	Assigned To
CRR-D06-002	If Health and Safety procedures and risk assessments are not in place /being followed then staff could be injured undertaking Council duties which would impact on their health and wellbeing, affect their ability to work and create liability issues for the Council	Legal Financial Reputational	Health and Safety procedures Access to weather forecasts Lone workers policy Business Continuity Plans	4	2	8	21-Sept-20	21-Sept-20. No reportable incidents to the Health & Safety Executive in the quarter. Local H&S Committee has been established and first meeting is 21st September where the new H&S Plan and Audit Schedule were presented and signed off.	Interim Chief Executive; Managing Director