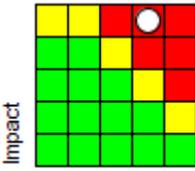
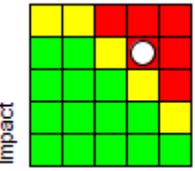
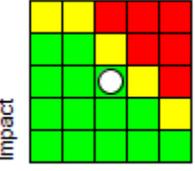


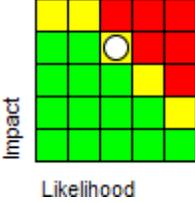
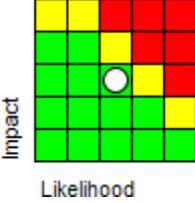
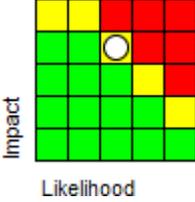
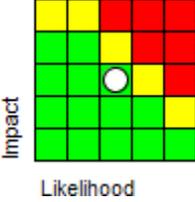
Appendix 1 Corporate Risk Report September 2018

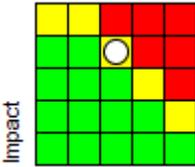
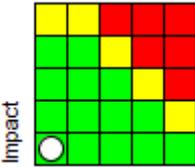
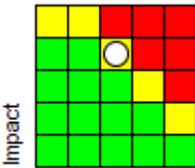
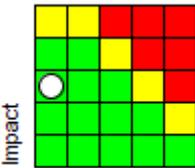
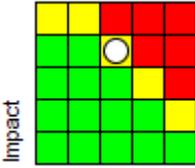
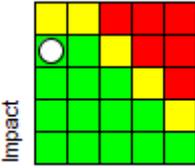
Risks ordered by RAG not numerically

Generated on: 24 September 2018

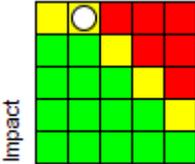
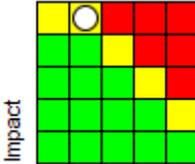
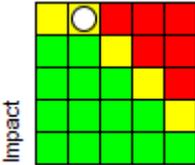
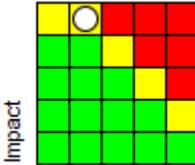
	
Assigned & in progress	Completed

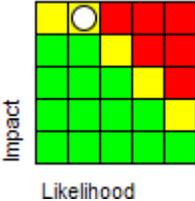
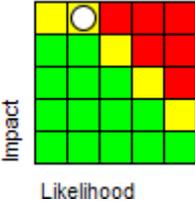
Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Status	Target Risk Matrix	Quarterly Update
CRR30 Cause: WSCC have proposed some cuts to their budgets on the September 2018 forward plan. Risk: Increase in costs of homelessness, housing services, recycling and transport	Financial Service delivery in all services due to limited money	Glen Chipp	 Impact Likelihood	CRR.30.1 Work with other districts and voluntary organisations to seek ways to re-provide preventative services	Glen Chipp		 Impact Likelihood	September 2018 Update: Ongoing work with groups to minimise and manage risks and fully understand the impact.
				CRR.30.2 Provide evidence to county to inform their decision making	Glen Chipp			
				CRR.30.3 Task and finish group set up with representatives from across Districts and Boroughs to feed into process	Glen Chipp			
CRR01b Financial Cause: The Council is reliant on Central Controlled Government funding (e.g. Business Rates). Risk: (ii) Funding from Government is less generous than assumed in the MTFS from 2020	Reductions in funding Adverse effect on morale Financial Failure to achieve agreed objectives	Jane Eaton	 Impact Likelihood	CRR.01b.1 Continue to keep a watching brief	Dominic Bradley		 Impact Likelihood	September 2018 Update: Uncertainty beyond 2019/20, especially with regards to the localisation (75%) retention of business rates and changes from the fair funding review remains a significant area of concern. This will be reviewed as information and guidance on how the business rates scheme will work and results from the fair funding review are released. The February 2018 MTFS forecasts deficits in the region of £1.6m in 2020/21 and £2.3m in 2021/22. An updated MTFS will be brought back to Members as soon as more is known.

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Status	Target Risk Matrix	Quarterly Update
<p>CRR01c Financial <u>Cause:</u> The Council is reliant on Central Controlled Government funding (e.g. Business Rates). <u>Risk:</u> (iii) Decrease in Rateable Value due to several large buildings being redeveloped and coming off the RV list, including Piries Place, Park North and North Point. This causes the Council to fall below the business rates baseline, resulting in loss of funding.</p>	Reductions in funding Financial	Jane Eaton		CRR.01c.1 Continue to keep a watching brief	Dominic Bradley	▶		<p><u>September 2018 Update:</u></p> <p>There was a £1.16m reduction in Rateable Value on the 2017 list and £2.07m reduction against the 2010 list in 2017/18.</p> <p>On the 2010 list specifically, the resolution of appeals over the GP surgeries has been settled and the removal of the former Novartis site from the 2010 ratings also lost a further significant RV.</p> <p>The 2017 list in 2018/19 has recovered by £290k at M4, but is £860k lower than the position at 1 April 2017.</p> <p>This overall 'trend' remains a significant concern and risk to the Council's funding position should it continue.</p>
<p>CRR19 <u>Cause:</u> Uncertainty in the UK and World economy. The Government has spoken about an additional 5% reduction in local government funding, and further cuts in years to come.</p> <p><u>Risk:</u> The impact on the financial markets and the pound could bring forward the next recession and cause a slowdown in the housing market. This may result in a reduction in planning fees; reduced car parking income; increased homelessness; and increased housing benefit claims.</p>	Financial Service Delivery Compliance with Regulations	Jane Eaton		<p>CRR.19.2 Monitor the external environment</p> <p>CRR.19.3 Monitor internal indicators, particularly income generation</p> <p>CRR.19.4 Productivity and commercialisation reviews will provide recommendations going forward. (Programme of reviews to be completed by 30.09.2018)</p>	Dominic Bradley Dominic Bradley Adam Chalmers	▶ ▶ ▶		<p><u>September 2018 update:</u></p> <p>The uncertain economic environment is being continually monitored and changes will be reported in any MTFs update and regular quarterly budget and performance monitoring to Overview and Scrutiny Committee.</p> <p>19.4: Focus of Productivity and Commercialisation reviews have changed to look at specific projects going forward, such as fees and charges.</p>

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Status	Target Risk Matrix	Quarterly Update
<p>CRR25 Cause: The transition from Mid Sussex DC (who currently host the service for HDC residents) to the new provider (LGSS) is complex, with many inter-related dependencies including HR matters and potential data / and technology issues.</p> <p>Risk: That transfer of Revenues and Benefits service cannot be completed and / or does not go smoothly by 1 April 2018 (extended to November 2018).</p>	Service Delivery Reputation	Jane Eaton		CRR.25.1 Effective project delivery teams at HDC and LGSS	Jane Eaton			<p>September 2018 Update:</p> <p>The sharing of staff resource between Mid Sussex and LGSS ended in July. Horsham's business is now solely staffed by LGSS employees. Difficulties with 3rd party technology suppliers have continued and Horsham and Mid Sussex continue to support each other's technology until the final data transfer. The planned date to complete this is November. This date could be delayed further if any more unexpected complications arise.</p>
				CRR.25.2 Continue to work collaboratively with MSDC to ensure each council has effective teams in place for the future delivery of their service	Jane Eaton			
				CRR.25.3 Ensure successful transfer of customer data - HDC has good in-house skills and will benefit from LGSS's experience transferring other LA's data	Jane Eaton			
<p>CRR26 Cause: The combination of the original partnership agreement, the full integration of staff within CenSus Revenues and Benefits and MSDC's approach to disaggregation.</p> <p>Risk: That the cost of exiting the existing Revenues and Benefits agreement with MSDC may be high.</p>	Financial Reputation	Jane Eaton		CRR.26.1 Continue to work with MSDC to reduce costs	Jane Eaton			<p>September 2018 Update:</p> <p>Mid Sussex's request for final payment is now known. Agreement for payment of part of this sum under the original partnership has not yet been reached.</p>
<p>CRR28 Cause: WSCC informed us that there will be a complete shutdown of all power to the whole building on 15/16th September</p> <p>Risk: Systems not fully operational on resumption of power supply forcing need for HDC Disaster Recovery implementation</p>	Financial Service Delivery Health & Safety	Jane Eaton		CRR.28.1 Project Team set up who are monitoring very closely the power shutdown programme	Jane Eaton			<p>September 2018 Update:</p> <p>Shut down took place, systems fully operational on resumption of power supply.</p> <p>Remove risk in October.</p>
				CRR.28.2 All staff made aware and prepared for the weekend works including Emergency Planning Team	Jane Eaton			
				CRR.28.3 Alternative IT arrangements will be put in place at The Capitol	Jane Eaton			

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Status	Target Risk Matrix	Quarterly Update
<p>CRR01a Financial Cause: The Council is reliant on Central Controlled Government funding (e.g. Business Rates). Risk: (i) Failure to achieve the required level of savings and income in the MTFS to 2019/20</p>	<p>Reductions in funding Adverse effect on morale Financial Failure to achieve agreed objectives</p>	Jane Eaton		CRR.01.1 Review current budgets in preparation for the 2019/20 budget (October Annually)	Dominic Bradley	▶		<p><u>September 2018 update:</u> A balanced budget with a £0.5m surplus for 2018/19 was approved by Council on 21 February 2018. This incorporated many of the efficiency and additional income plans worked on during the year. The MTFS was also updated which forecasts a small surplus in 2019/20 on the expectation that central funding from the government's four year settlement is delivered and that the proposed plans to deliver further efficiencies and income are implemented. Ideas are being worked through to identify areas where further income and efficiencies can be generated. This is being done across a number of work streams. 01.5: Focus of Productivity & Commercialisation reviews have changed to look at specific projects going forward, such as fees and charges. To be revisited at November review of MTFS.</p>
				CRR.01.2 Develop options to deal with pressure for consideration by Members	Dominic Bradley	▶		
				CRR.01.3 Implement the Medium Term Plan	Dominic Bradley	▶		
				CRR.01.4 Ongoing monitoring under the Service Efficiency Board	Dominic Bradley	▶		
				CRR.01.5 Productivity & commercialisation projects reviews being undertaken, each of which will provide recommendations (programme of reviews to be completed by 30/09/18)	Adam Chalmers	▶		
CRR02 Managerial / Professional Cause: The Council has a legal obligation to protect personal data. The Information Commissioners powers are much more far reaching when they change in May 2018. Risk 1: Major data breach or leak of sensitive information to a third party. Risk 2: Risk of significant ICO fine for non-compliance with new General Data Protection	<p>People and businesses come to harm and suffer loss that might not otherwise have occurred Complaints / claims / litigation Resources consumed in defending claims</p>	Jane Eaton		CRR.02.1 Develop appropriate processes & procedures which underpin the IT Security Policy	Andrea Curson / Sharon Evans	▶		<p><u>September 2018 Update:</u> CRR.02.1 This work is ongoing. CRR02.3 GDPR on line training rolled out to all staff in February and briefing for Councillors arranged for March. CRR02.4 PSN accreditation has been gained for 2018/2019.</p>
CRR.02.3 Provide a programme of Induction and at least annual training on Information Security to all staff.				Robert Laban	▶			
CRR.02.4 Annual PSN Accreditation				Andrea Curson	▶			
CRR.02.5 Representatives from each department				Sharon Evans	▶			

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Status	Target Risk Matrix	Quarterly Update
Regulations (GDPR).	Financial losses Fines from regulators Adverse publicity Reputation damage			meeting every other month to maintain compliance, updates and training				
CRR03 Legal <u>Cause:</u> The Civil Contingencies Act places a legal obligation upon the Council, with partners, to assess the risk of, plan, and exercise for emergencies, as well as undertaking emergency and business continuity management. The Council is also responsible for warning and informing the public in relation to emergencies, and for advising local businesses. <u>Risk:</u> The Council is found to have failed to fulfil its obligations under the Act in the event of a civil contingency.	People and businesses come to harm and suffer loss that might not otherwise have occurred	Adam Chalmers		CRR.03.1 Update corporate business continuity plan and regular review.	Trevor Beadle	▶		<u>September 2018 Update:</u> CRR.03.1 – Full review currently taking place in line with the new IT DR plan. CRR.03.2 – All departmental managers to be contacted in September to update as audit will take place in October/November 2018 as per annual programme. CRR.03.4 – Hop Oast is no longer being considered in the medium term. WSCC has been asked by HDC CE to look at options for providing us with a warm site alongside theirs. CRR.03.5 – Bitesize programmes are ongoing.
	Complaints / claims / litigation			CRR.03.2 Update departmental business continuity plans and regular review.	Trevor Beadle	▶		
	Resources consumed in defending claims			CRR.03.4 Build IT disaster recovery procedure into new warm site. Further plan revision will be made to reflect changes.	Adam Chalmers	▶		
	Financial losses			CRR.03.5 Bitesize workshops in 2017 and 2018 to address new procedures and processes and all SLT and heads of service will be invited to attend.	Trevor Beadle	▶		
	Censure by regulators							
Reputation damaged								
CRR06 Physical <u>Cause:</u> The Council is responsible for the health & safety of its clients, staff and other stakeholders, owns and maintains significant assets, and also has responsibility for H&S in some partner organisations where it does not have operational control. <u>Risk:</u> A health & safety failure occurs.	People come to harm	Glen Chipp		CRR.06.2 Develop and implement a corporate inspection strategy (By 30/06/16).	Robert Laban / Health & Safety Officer	▶		<u>September 2018 Update:</u> CRR.06.2: Corporate H&S Adviser continues to inspect HDC premises. A self-inspections approach is being developed throughout 2018/19. CRR.06.3 - H&S responsibilities are set out in the Corporate H&S Policy and H&S subject policies. Directorate H&S Working Groups are responsible for implementing these policies. The H&S Management Framework is currently under review; this will
	Complaints/claims/ litigation			CRR.06.3 Clarity of responsibilities and implementation of a training programme	Robert Laban	▶		
	Financial losses			CRR.06.4 Implement a central repository for risk assessments	Robert Laban / Health & Safety Officer	▶		
	Censure by audit / inspection							
Reputation damage								
Adverse effect on morale								
Stress and absenteeism								

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Status	Target Risk Matrix	Quarterly Update
								<p>dissolve the Directorate H&S Working Groups and create a single H&S Management Forum in their place.</p> <p>Team self-audits to commence from 2018/19.</p> <p>H&S Training matrix has been published as part of the corporate competencies framework.</p> <p>E-learning courses for H&S key topics are accessible via Horsham LAB.</p> <p>CRR.06.4: The introduction of a central repository for risk assessments remains deferred until the roll-out of Office 365 is completed or Technology One can be configured in this respect - this is not likely before Dec 2018.</p>
<p>CRR18 Technological <u>Cause:</u> Council services are increasingly reliant on IT systems at a time when there are greater opportunities for malicious attackers to exploit security weaknesses.</p> <p><u>Risk 1:</u> A malicious attacker exploits a known or unknown security weakness to penetrate the Council's ICT systems.</p> <p><u>Risk 2:</u> IT not working due to environmental problems: fire, flood, power cut</p>	<p>Loss of key systems resulting in disruption to Council services. Cost of investigation and recovery of systems. Fraud/theft. Loss of the integrity of Council Records. Exposure of sensitive/personal data resulting in penalties from the ICO. Reputational or</p>	Jane Eaton		CRR.18.1 Staff Training	Claire Oliver / Robert Laban			<p><u>September 2018 Update:</u></p> <p>Remediation ongoing.</p> <p>IT Security Training being looked into.</p> <p>Patching of devices ongoing.</p> <p>All work is ongoing.</p> <p>CRR.18.5 PSN accreditation has been gained for 2018/2019.</p> <p>Cyber Security training for all Managers taking place at the forthcoming Managers Conference.</p>
				CRR.18.2 Awareness of current threats	Andrea Curson			
				CRR.18.3 An effective ICT Service delivery team	Andrea Curson			
				CRR.18.4 Effective patching and updates to mitigate known vulnerabilities	Andrea Curson			
				CRR.18.5 Compliance with expected security standards. (PSN, PCI-DSS)	Andrea Curson			
				CRR.18.6 Effective policies in place which outline security requirements for users of ICT	Andrea Curson			

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Status	Target Risk Matrix	Quarterly Update
	political damage from adverse media coverage.			CRR.18.7 Effective back-up and recovery processes in place for Council ICT systems.	Andrea Curson			
				CRR.18.8 The CenSus Cloud will transfer the risks to the cloud provider	Andrea Curson			
CRR17 <u>Cause:</u> The External Auditors audit the HDC Benefits Grant Subsidy return to the Department for Work and Pensions (DWP) on an annual basis to identify errors. <u>Risk:</u> The Benefit Subsidy claim may be qualified and/or financial losses. HDC has a case load with a particularly high number of working people with many changes of circumstances. Refer to risk CRR25	Financial Service Delivery Compliance with regulations Reputation	Jane Eaton		CRR.17.1 Continuously monitor the level of quality control checking.	Beccy Salmon			September 2018 Update: This is an ongoing risk. The risk remains until Universal Credit comes in for all working age cases. Risk actions complete, retained on register to keep in view.
				CRR.17.6 Complete successful transfer to new provider	Jane Eaton			
CRR05 Governance <u>Cause:</u> Managers are responsible for ensuring that controls to mitigate risks are consistently applied. <u>Risk:</u> Officers are either unaware of expected controls or do not comply with control procedures.	Failure of business objectives Health & Safety Financial Service Delivery Compliance with Regulations Personal Privacy Infringement Reputation damage	Jane Eaton		CRR.05.1 Officer training	Jane Eaton			
				CRR.05.2 Raise the profile of risk and control by incorporating them into the performance management framework (e.g. integrate into appraisal process).	Jane Eaton			September 2018 Update: Ongoing
				CRR.05.3 All Service Managers required to sign an Assurance Statement. (By 30th June Annually) (Cyclical)	Jane Eaton			