


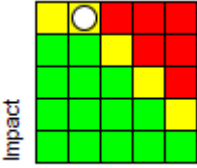
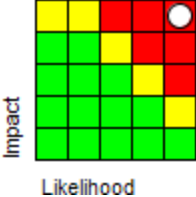
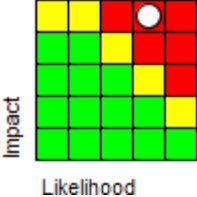
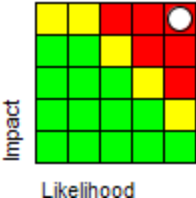
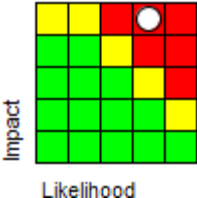



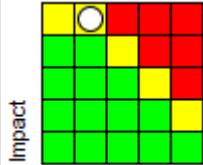
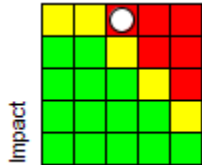
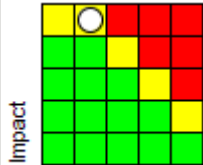
Appendix 1 Corporate Risk Report June 2020

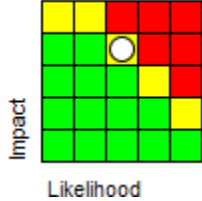
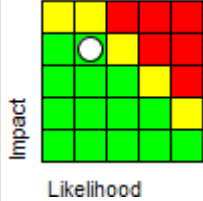
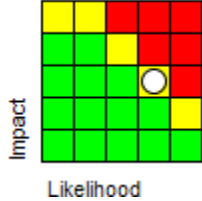
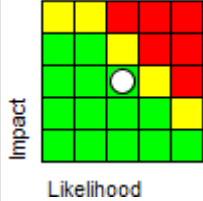
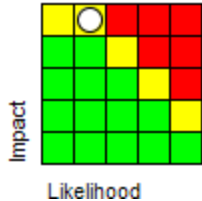
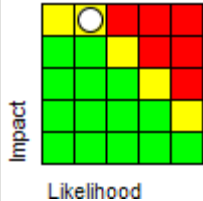
Risks ordered by RAG not numerically

Generated on: 18 June 2020

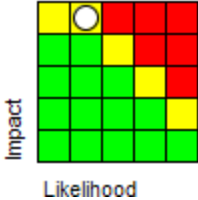
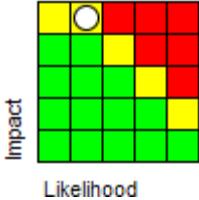
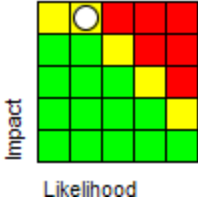
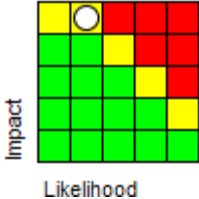
Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
<p>CRR01b Financial Cause: The Council is reliant on Central Controlled Government funding (e.g. Business Rates). Risk: (ii) Funding from Government is less generous than assumed in the MTFS from 2021</p>	<p>Reductions in funding Adverse effect on morale Financial Failure to achieve agreed objectives</p>	Jane Eaton		CRR.01b.1 Continue to keep a watching brief	Dominic Bradley		<p><u>June 2020 Update:</u> The Government has withdrawn the changes to business rates and revenue funding through the Fair Funding Review for the time being. This has removed this part of the risk. However, Government funding for the COVID-19 lockdown was only enough to cover 2 months' losses, maybe as low as 20% of the Council's 2020/21 losses. Losses in future years are expected to be severe and based on a much-reduced financial situation in the Council as a whole.</p>
				CRR.01b.2 Revisit the MTFS and if necessary 2020/21 budget in year, with Cabinet in July.			
<p>CRR03 Legal Cause: 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. Risk: The Council is found to have failed to fulfil its obligations under the Act in the event of a civil emergency.</p>	<p>People and businesses come to harm and suffer loss that might not otherwise have occurred Complaints / claims / litigation Resources consumed in defending claims Financial losses</p>	Adam Chalmers		CRR.03.1 Update corporate business continuity plan and regular review.	Rob Jarvis		<p><u>June 2020 Update:</u> CRR.03.1 BC plan in place and currently being reviewed/updated to suit current COVID-19 response and business recovery. New sections being added to address possibility of 2nd wave and local lockdown scenarios and reviewed by BC working group. CRR.03.2 Department BC plans currently being used and amended (where necessary) to deal with COVID-19 and newly released national COVID secure guidance. Full reviews are required once pandemic threat is passed and lessons identified to be implemented into new BC department plans. Estimated review date – Oct/Nov 2020. CRR.03.5 All bite size sessions</p>
				CRR.03.2 Update departmental business continuity plans and regular review.	Rob Jarvis		
				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.	Rob Jarvis		

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
	Censure by regulators Reputation damaged						postponed. Debrief and review sessions will be introduced and run once COVID-19 guidelines allow (estimated Oct/Nov 2020 but might extend depending upon the pandemic).
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. The impact on the financial markets and the pound following Covid-19 has brought forward a deeper depression and caused a slowdown in the property and financial markets. <u>Risk:</u> Ongoing reduction in planning fees; reduced car parking income; increased homelessness; and increased housing benefit claims.	Financial Service Delivery Compliance with Regulations	Jane Eaton		CRR.19.2 Monitor the external environment CRR.19.3 Monitor internal indicators, particularly income generation and respond appropriately to adverse trends	Dominic Bradley Dominic Bradley		<u>June 2020 Update:</u> Covid-19 has triggered a sudden and deep recession. The impact on the economy and income in particular is severe, running at approximately £0.8m a month. The Council has only received £1.5m from Government so far. Swift action is required to review income and revenue and capital expenditure, revisiting the MTFs. The £246k outturn surplus from 2019/20 was reported to Overview and Scrutiny Committee in June as part of the quarterly budget and performance monitoring. An MTFs update will be presented to Members in July.
CRR35 <u>Cause:</u> COVID-19 is a new illness that can affect your lungs and airways and is caused by a virus called coronavirus. The illness is highly contagious, and people with underlying health conditions are at a higher risk of becoming very ill. This includes older adults, and/or people with chronic medical conditions such as heart disease; diabetes; and lung disease. <u>Risk:</u> (i) The Council is unable to deliver statutory front-line services to the community due to, for example, staff shortages or unavailability of key officers. (ii) Substantial financial loss to the Council.	Failure of business objectives Health and safety Financial Service Delivery Compliance with regulations Reputation Staffing and culture	Glen Chipp		CRR.35.1 Essential services have been highlighted with the intention of redeployment of staff from other service areas. Staffing shortages on refuse collection may benefit from availability in the labour market. CRR.35.2 Funding from Government	Jane Eaton Jane Eaton		<u>June 2020 Update</u> (i) Food safety premises inspections not taking place, otherwise all services being delivered. Revenues and Benefits have double the workload and extra duties. (ii) Funding from Government expected to cover c25% of HDC's costs

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
<p>CRR01c Financial <u>Cause:</u> The Council is reliant on Central Controlled Government funding (e.g. Business Rates).</p> <p><u>Risk:</u> Decrease in Rateable Value due to appeals and businesses going under. This may cause the Council to fall below the business rates baseline, resulting in loss of funding.</p>	Reductions in funding Financial	Jane Eaton	 <p>Likelihood</p>	CRR.01c.1 Continue to keep a watching brief	Dominic Bradley	 <p>Likelihood</p>	<p>June 2020 Update:</p> <p>With business rates reform postponed and the COVID-19 recession further reductions in business rates seem inevitable</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>	Loss of key systems-disruption to Council services. Cost of investigation and recovery of systems. Fraud/theft. Loss of the integrity of Council Records. Penalties from the ICO. Adverse media coverage.	Jane Eaton	 <p>Likelihood</p>	<p>CRR.18.1 Staff and Member Training</p> <p>CRR.18.2 Awareness of current threats</p> <p>CRR.18.3 An effective ICT Service delivery team</p> <p>CRR.18.4 Effective patching and updates to mitigate known vulnerabilities</p> <p>CRR.18.5 Compliance with expected security standards. (PSN, PCI-DSS)</p> <p>CRR.18.6 Effective policies in place which outline security requirements for users of ICT</p> <p>CRR.18.7 Effective back-up and recovery processes in place for Council ICT systems.</p> <p>CRR.18.8 Transferring the risks to the cloud provider</p> <p>CRR.18.9 LGA Cyber Security review plan developed, approved internally and being carried out.</p>	<p>Claire Ward / Robert Laban</p> <p>Andrea Curson</p> <p>Andrea Curson</p> <p>Andrea Curson</p> <p>Andrea Curson</p> <p>Andrea Curson</p> <p>Andrea Curson</p> <p>Andrea Curson</p> <p>Andrea Curson</p>	 <p>Likelihood</p>	<p>June 2020 Update:</p> <p>Level of attack, particularly Ransomware attacks has been raised by the Cabinet Office. Remediation ongoing.</p> <p>CRR.18.1 IT Security Training has been rolled out to all staff and the IT Security Officer has reviewed the training and some items have been sent out to staff. More staff training to follow.</p> <p>CRR.18.2 This work is ongoing.</p> <p>CRR.18.3 All work is ongoing.</p> <p>CRR.18.4 Patching of devices ongoing.</p> <p>CRR.18.5 PSN Accreditation</p> <p>CRR. 18.6 This work is ongoing. New policies to be issued shortly.</p> <p>CRR.18.7 This work is ongoing.</p> <p>CRR 18.8 This work is ongoing</p> <p>CRR 18.9 We have undertaken a second stock take with an improved score and have adjusted the action plan accordingly. Work is progressing</p>

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
<p>CRR05 Governance Cause: Managers are responsible for ensuring that controls to mitigate risks are consistently applied.</p> <p>Risk: Officers are either unaware of expected controls or do not comply with control procedures.</p>	<p>Failure of business objectives Health & Safety Financial Service Delivery Compliance with Regulations Personal Privacy Infringement Reputation damage</p>	Jane Eaton		CRR.05.1 Officer training	Jane Eaton		<p>June 2020 Update:</p> <p>The cultural compliance audit in Building Control is underway as is a follow up review in the Capitol theatre.</p>
				CRR.05.3 All Service Managers required to sign an Assurance Statement. (By 30th June Annually) (Cyclical)	Jane Eaton		
				CRR.05.4 "Cultural compliance" Internal Audits identify service based issues and help managers to resolve these.	Jane Eaton		
<p>CRR17 Cause: 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.</p> <p>Risk: 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 new risk CRR25</p>	<p>Financial Service Delivery Compliance with regulations Reputation</p>	Jane Eaton		CRR.17.1 Continuously monitor the level of quality control checking.	Beccy Salmon		<p>June 2020 update:</p> <p>This is an ongoing risk. The risk remains until Universal Credit comes in for all working age cases. Figures submitted for 2018/19 led to further 40+ checking as in previous years and this is expected to continue in 2019/20. The Benefits Subsidy claim for 2019/20 allows good headroom before the extrapolation limits.</p> <p>High volumes of applications since the start of the COVID-19 recession increases in the risk in the 2020/21 claim.</p>
<p>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.</p> <p>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 Regulations (GDPR).</p>	<p>People and businesses come to harm and suffer loss that might not otherwise have occurred Complaints / claims / litigation Resources consumed in defending</p>	Jane Eaton		<p>CRR.02.1 Develop appropriate processes & procedures which underpin the IT Security Policy</p> <p>CRR.02.3 Provide a programme of Induction and at least annual training on Information Security to all staff.</p> <p>CRR.02.4 Annual PSN Accreditation</p> <p>CRR.02.5 Representatives from each department meet</p>	<p>Andrea Curson / Sharon Evans</p> <p>Robert Laban</p> <p>Andrea Curson</p> <p>Sharon Evans</p>		<p>June 2020 Update:</p> <p>CRR.02.1 This work is ongoing</p> <p>CRR02.3 The Information Security Officer has compiled Information Security Training to be delivered to staff and members. The Head of Technology Services has obtained funding from the LGA to obtain Certified Information Security Accreditation by December 2020.</p> <p>CRR02.4 PSN Accreditation obtained on 8th November 2019 for the year.</p>

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
	claims Financial losses Fines from regulators Adverse publicity Reputation damage			every other month to maintain compliance, updates and training			CRR02.5 This is continuing and is ongoing.
<p>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.</p> <p><u>Risk:</u> A health & safety failure occurs.</p>	<p>People come to harm Complaints/litigation Financial losses Censure by audit / inspection Reputation damage Adverse effect on morale Stress and absenteeism</p>	Glen Chipp		CRR.06.2 Develop and implement a corporate inspection strategy (By 30/06/16).	Robert Laban / Health & Safety Officer		<p><u>June 2020 Update:</u></p> <p>CRR.06.2: Completed</p> <ul style="list-style-type: none"> A self-inspections policy has been implemented and is being monitored by the H&S Forum. <p>CRR.06.3 Completed</p> <ul style="list-style-type: none"> H&S responsibilities are set out in the Corporate H&S Policy and H&S subject policies. H&S Management Forum is responsible for implementing these policies and sharing best practice across the Council. Team self-audits in place. H&S Training matrix has been published. E-learning courses for H&S key topics are accessible via Horsham LAB. <p>CRR.06.4: Search for a suitable system ongoing and remains an agenda item for the H&S Management Forum until resolved.</p>
				CRR.06.3 Clarity of responsibilities and implementation of a training programme	Robert Laban		
				CRR.06.4 Implement a central repository for risk assessments	Robert Laban / Health & Safety Officer		

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
<p>CRR32 <u>Cause:</u> Nationally, NHS Foundation Trusts (and some NHS Trusts) have applied for mandatory charitable relief on their business rates, on the basis that they should be treated as charities.</p> <p><u>Risk:</u> Decrease in Rateable Value, and potentially backdated refunds to 2010.</p>	Reductions in funding Financial	Jane Eaton		CRR.32.1 Continue to keep a watching brief	Dominic Bradley		<p><u>June 2020 Update:</u></p> <p>In view – no change (see below).</p> <p>A High Court judicial review dismissed the hearing in November 2019. The claimants have appealed to the Court of Appeal. The date of the appeal hearing has not yet been set.</p> <p>One NHS Foundation Trust appeal in the district has been received and was included in the business rates appeals provision at 31 March 2019.</p> <p>No separate provision has been created for appeals that have not yet been received.</p>
<p>CRR35a <u>Cause:</u> Covid-19 infection</p> <p><u>Risk:</u> Serious risk to the Health and safety of workers</p>	Failure of Health and safety, Service Delivery, Compliance with regulations, Reputational loss	Jane Eaton		<p>CRR.35a.1 The director led Business Continuity Group to oversee H&S measures (staff H&S representative observes);</p> <p>Ensuring self-isolation and shielding, encourage testing;</p> <p>Regular updates on government advice on keeping safe;</p> <p>Support working from home;</p> <p>Re-modelling of workspaces to ensure social distancing;</p> <p>Provision of sanitary products and PPE;</p> <p>Risk assessments for offices and specific staff;</p> <p>Closure of the Capitol, Museum, Leisure, Sports services, Reception in line with government directions</p>	Robert Laban		<p><u>June 2020 Update:</u></p> <p>Workers in vulnerable groups have been required to stay at home/ work from home;</p> <p>Wherever possible staff continue working from home and extensive guidance, e-learning and support to managing home working is in place, with up to 60 workers returning to offices in June;</p> <p>Offices layout and safety measures changed to ensure personal hygiene, protection and social distancing, including protocol on using shared equipment, kitchens, toilets etc.;</p> <p>Advice to staff issued through weekly newsletter and extensive guidance published on intranet, safe working office guide issued, generic office risk assessment carried out, special risk assessment template in place for vulnerable workers;</p> <p>Procured PPE equipment and provided advice on use;</p> <p>Arranged for extra cleaning</p>

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
<p>CRR33 TO BE EXEMPTED</p> <p><u>Cause:</u> Compensation claim received from L&Q (Landlord of adjacent buildings) in relation to new Piries Place car park works.</p> <p><u>Risk:</u> Potential litigation action from L&Q in relation to Piries Place car park project. Larger sums being claimed than anticipated</p>	Financial Reputation	Barbara Childs		CRR.33.1 Claim is being investigated by HDC Legal	Sharon Evans		<p>June 2020 Update:</p> <p>Ongoing.</p>
<p>CRR34</p> <p><u>Cause:</u> Uncertainty in the UK and World economy. Instability and recent high profile failures, e.g. Carillion</p> <p><u>Risk:</u> Key contractor failure</p>	Financial	Jane Eaton		<p>CRR.34.1 Regularly check accounts of key suppliers</p> <p>CRR.34.2 Check public liability insurance of key suppliers</p> <p>CRR.34.3 Ask for key suppliers' business continuity plans</p> <p>CRR.34.4 Consider whether the failure of a key supplier needs to go in service business continuity plan</p>	<p>Heads of Service</p> <p>Heads of Service</p> <p>Heads of Service</p> <p>Heads of Service</p>		<p>June 2020 Update:</p> <p>The COVID-19 recession makes losses of major contractors more likely. The business continuity group is monitoring progress and currently only one contractor is giving some cause for concern, but it is being closely monitored.</p>
<p>CRR31</p> <p><u>Cause:</u> The success of the election process is dependent upon adequate staffing, effective equipment (including IT) and proper processes (a separate risk assessment is undertaken to support the process).</p> <p><u>Risk:</u> Unavailability of key officers, inadequate processes (including risk assessments and election project plan) leading to failure (including legal challenge).</p>	Election Petition (challenge through the courts). Election would need to be re-run - potential for significant financial & resource implications. Results of election delayed and associated reputation risk	Jane Eaton		<p>CRR.31.1 Review risks as part of project planning process prior to an election</p> <p>CRR.31.2 Training of Internal & external staff</p> <p>CRR.31.3 Review the adequacy of insurance cover for Returning Officers at the start of election process; ensure adequate protection against an Election Petition</p>	<p>Sharon Evans</p> <p>Sharon Evans</p> <p>Sharon Evans</p>		<p>June 2020 update:</p> <p>The Government has postponed all elections until May 2021.</p> <p>To be removed from risk register after Audit Committee</p>