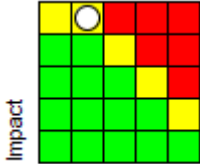

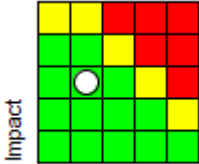

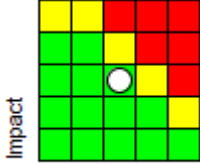





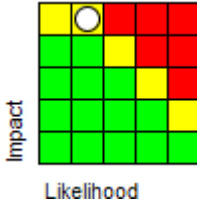
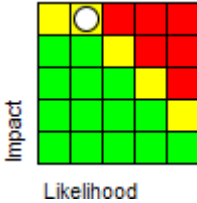
# Corporate Risk Report June 2016 V3

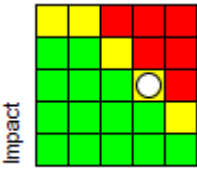

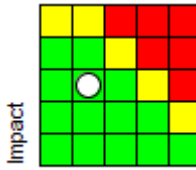

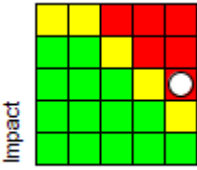

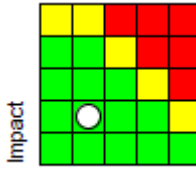
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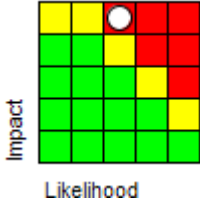

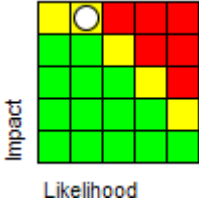


Risk Code & Description	Consequences	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Status	Target Risk Matrix	Quarterly Update
<p>CRR01 Financial Source: The Council is reliant on Central Government funding (eg. New Homes Bonus). Event: Grant funding from Government is less generous than assumed in the MTFSP.</p>	<ul style="list-style-type: none"> <li>. Reductions in funding</li> <li>. Adverse effect on morale</li> <li>. Financial losses</li> <li>. Failure to achieve agreed objectives</li> </ul>	Jane Eaton		CRR.01.1 Review current budgets in preparation for the 2017/18 budget	Dominic Bradley			<p>June 2016 Update: The focus is now on refining and adding more detail to the 'savings' plans to find ways to generate more income, efficiencies and commissioning and transformation that will help close the budget deficits that are forecast from 2017/18 through to 2019/20. An updated MTFS together with the savings plans will be taken back to Council in October 2016. The NHB consultation which closed in March 2016 indicated a reduction of NHB compared to present levels. The updated October 2016 MTFS will include the assumptions from the outcome of the NHB consultation.</p>
				CRR.01.2 Develop options to deal with pressure for consideration by Members	Dominic Bradley			
				CRR.01.3 Develop a Medium Term Plan	Dominic Bradley			
<p>CRR02 Managerial / Professional Source: The Council has a legal obligation to protect personal data. The Information Commissioner has the power to levy significant financial penalties up to £500k for data breaches. Some information held by</p>	<ul style="list-style-type: none"> <li>. People and businesses come to harm and suffer loss that might not otherwise have occurred</li> <li>. Complaints / claims / litigation</li> <li>. Resources consumed in defending claims</li> <li>. Financial losses</li> <li>. Censure by</li> </ul>	Jane Eaton		CRR.02.1 Develop appropriate processes & procedures which underpin the IT Security Policy	Jane Eaton			<p>June 2016 Update: Ongoing information security training will be provided.</p>
				CRR.02.2 Provide a programme of training on Information Security to all staff.	Jane Eaton			
				CRR.02.3 Annual PSN Accreditation	Jane Eaton			

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commercially sensitive, and it is important that such information is not leaked.  Event: Major data breach or leak of sensitive information to a third party.	regulators . Adverse publicity . Reputation damage							
CRR03 Legal Source: 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.  Event: 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 . Complaints / claims / litigation . Resources consumed in defending claims . Financial losses . Censure by regulators . Reputation damaged	Natalie Brahma-Pearl		CRR.03.1 Update corporate business continuity plan and regular review.	Trevor Beadle			<p><u>June 2016 Update:</u></p> <p>CRR.03.1 Our warm site is currently undergoing an IT upgrade to suit the needs of the business and the plan will be reviewed once the upgrade is complete. In addition, recommendations and lessons learned from the Crowmarsh (South Oxfordshire) fire are being incorporated into the HDC BC plan to improve resilience.</p> <p>CRR.03.2 All departmental plans are due for review in July/August 2016 and every department will be audited to ensure full reviews are undertaken. All reviewed plans will be stored in 'Resilience Direct' and made available to SLT.</p>
				CRR.03.2 Update departmental business continuity plans and regular review.	Trevor Beadle			
CRR05 Governance Source: Managers are responsible for ensuring that controls to mitigate risks are consistently applied.	. Failure of business objectives . Health & Safety . Financial . Service Delivery . Compliance with Regulations . Personal Privacy	Jane Eaton		CRR.05.1 Officer training	Jane Eaton			<p><u>June 2016 Update:</u> No change. Risk is considered to be low, but remains on the risk register for monitoring purposes.</p>
				CRR.05.2 Raise the profile of risk and control by incorporating them into the performance management framework	Jane Eaton			

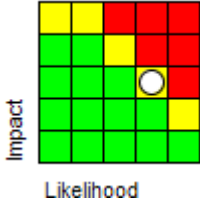

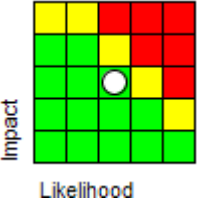
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<u>Event:</u> Officers are either unaware of expected controls or do not comply with control procedures.	. Infringement . Reputation damage			(e.g. integrate into appraisal process).				
				CRR.05.3 All Service Managers required to sign an Assurance Statement. (By 30th June Annually).				
CRR06 Physical <u>Source:</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>Event:</u> A health & safety failure occurs.	. People come to harm . Complaints/claims/litigation . Financial losses . Censure by audit / inspection . Reputation damage . Adverse effect on morale . Stress and absenteeism	Jane Eaton		CRR.06.1 Set up a Health & Safety Forum with clear terms of reference (by 30/11/15).	Robert Laban	✔		<u>June 2016 Update:</u> CRR06.1 – Complete  CRR06.2 - The Corporate H&S Adviser is continuing a programme of inspections; the introduction of Premises Coordinators (PCs) at all sites has been agreed and 100% of localities have been assigned. A pilot log for PCs has been developed and is being tested – training of PCs to start in June 2016. Estimated completion date 30/11/16.  CRR 06.3 – This is continuing; H&S responsibilities have been set out, generically, in the Corporate H&S Policy; more specific responsibilities are being set out as each existing H&S subject policy is reviewed and as an additional suite of H&S subject policies is introduced; the reviews and introductions are now 50% complete. The Corporate Health & Safety Adviser has drafted a H&S training matrix, now awaiting direction from the soon to
				CRR.06.2 Develop and implement a corporate inspection strategy (By 30/11/16).	Robert Laban / Health & Safety Officer	▶		
				CRR.06.3 Clarity of responsibilities and implementation of a training programme	Robert Laban	▶		
				CRR.06.4 Implement a central repository for risk assessments (by 30/06/16).	Robert Laban / Health & Safety Officer	▶		

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								be appointed L&D Officer so it can fit into the wider corporate L&D programme.  CRR 06.4 – Action is still outstanding. The Corporate Health & Safety Adviser has contacted Census IT to ask advice on a suitable electronic solution.
<b>CRR07</b> Managerial / Professional <u>Source:</u> There is a lack of corporate consistency in terms of the way in which contracts are managed, and contract management is inadequate in some areas.  <u>Event:</u> Failure of contract / poor service delivery / failure to achieve value for money.	<ul style="list-style-type: none"> <li>. Failure of business objectives</li> <li>. Financial</li> <li>. Service delivery</li> <li>. Compliance with regulations</li> <li>. Personal Privacy Infringement</li> <li>. Reputation damage</li> </ul>	Jane Eaton		CRR.07.1 Specific contract management guidelines will be developed. (By 30/06/16).	Mark Pritchard			<u>June 2016 Update:</u> Contract Management guidance is currently being drafted. Target completion date 30/6/16.
				CRR.07.2 A contract management training programme will be designed and implemented. (By 30/06/16).	Mark Pritchard			
<b>CRR08</b> Governance <u>Source:</u> The Council's decision-making processes are based on a Constitution that is overly bureaucratic and unnecessarily complicated  <u>Event:</u> Non-compliance with the Constitution and delays in decision-making	<ul style="list-style-type: none"> <li>. Opportunities lost</li> <li>. Complaints / claims / litigation</li> <li>. Financial losses</li> <li>. Lack of openness and transparency</li> </ul>	Paul Cummins		CRR.08.1 The Council's Constitution will be updated using the 2011 template. (By December 2016).	Paul Cummins			<u>June 2016 Update:</u> Members completed a review of Governance and recommendations were adopted by Full Council in April 2016. At the same meeting the Full Council formed a Constitutional Review Group to undertake a review of the Constitution.

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CRR09 Governance <u>Source:</u> The Council's decision-making relies upon the taking of professional advice from officers or external consultants  <u>Event:</u> Advice is not taken.	<ul style="list-style-type: none"> <li>. Poor/ultra vires decisions</li> <li>. Complaints/claims/litigation</li> <li>. Financial losses</li> <li>. Reputation damage</li> </ul>	Tom Crowley		CRR.09.1 Member training (ongoing)	Paul Cummins			<u>June 2016 Update:</u> Ethical Governance training was undertaken in March 2016. In addition the Governance Review included three all Member briefings on Governance including the changes that were agreed at Full Council in April 2016.
				CRR.09.2 Officer training (ongoing)	Paul Cummins			
				CRR.09.3 Member briefings to improve communications	Paul Cummins			
CRR12 Partnership / Supplier / Contractual <u>Source:</u> The Council is subject to EU procurement rules and regulations, is putting more services out to tender, and contractors are increasingly challenging contract awards.  <u>Event:</u> A contractor successfully challenges an award (e.g. on inflexible price/quality ratios).	<ul style="list-style-type: none"> <li>. Financial losses</li> <li>. Censure by audit / inspection</li> <li>. Reputation damage</li> <li>. Adverse effect on morale</li> </ul>	Jane Eaton		CRR.12.1 Staff training	Mark Pritchard / Roger Dennis			<u>June 2016 Update:</u> Staff training programme completed. Procurement Toolkit being revised at the moment. Procurement team now assisting departments more on lower value tenders due to transparency requirements and uncertainty over procedures.
				CRR.12.2 Up-to-date procedures	Mark Pritchard / Roger Dennis			
				CRR.12.3 Reference to Procurement Team for advice	Mark Pritchard / Roger Dennis			
				CRR.12.4 Proactive monitoring by the Procurement Team	Mark Pritchard / Roger Dennis			
CRR13 Governance <u>Source:</u> Decisions are not always based on data.  <u>Event:</u> Wrong decision made.	<ul style="list-style-type: none"> <li>. Missed opportunities</li> <li>. Poor decisions</li> <li>. Poor VFM</li> <li>. Increased costs / financial losses</li> </ul>	Tom Crowley		CRR.13.1 Robust evaluation of business cases to inform decisions (ongoing)	SLT			<u>June 2016 Update:</u> The Senior Leadership Team will continue to review the quality of business cases.
				CRR.13.2 Ensure that decisions are properly documented (Ongoing)	SLT			

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<p>CRR14 Customer/Citizen <u>Source:</u> The negotiation of Section 106 and CIL (Community Infrastructure Levy) are essential for ensuring outcomes for residents.</p> <p><u>Event:</u> Failure to negotiate the optimum outcome.</p>	<p>Reduced funding to deliver outcomes for the community</p>	<p>Chris Lyons</p>		<p>CRR.14.1 Ensure that leisure priorities are understood within the CIL schedule process and keep under review</p>	<p>Trevor Beadle</p>			<p><b>June 2016 Update:</b> The CIL Draft Charging Schedule was agreed by Council on 24 February for consultation and was published alongside the Draft Planning Obligations and Affordable Housing Supplementary Planning Document (SPD) on 6 May 2016. Comments are invited until 17 June 2016. The draft SPD will be a background document referred to by the Inspector during his Examination of the CIL Charging Schedule. Further work is being undertaken by Leisure Officers regarding appropriate standards for sport, recreation and open space provision, based on previously published evidence. It may be necessary to re-consult on the draft SPD once this amendment has been made. The timetable for CIL preparation allows for this prior to Examination.</p> <p><u>CIL Preparation Timetable:</u> Submission – September 2016. Examination (Inspector appointed – Geoff Salter) – October 2016 Adoption – December 2016.</p>
				<p>CRR.14.2 Identify the impact of funding erosion with competing partners e.g. WSCC</p>	<p>Barbara Childs</p>			
				<p>CRR.14.3 Update the Planning Obligations SPD (Supplementary Planning Document) and CIL charging schedule.</p>	<p>Barbara Childs</p>			

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<p>CRR16 <u>Source:</u> The Council has a statutory responsibility to employ the services of a suitably qualified and experienced Section 151 Officer to oversee the Council's financial affairs. In addition, the Section 151 Officer, in her capacity as Director of Corporate Resources, has responsibility for other important areas of the Council (namely, CenSus ICT, Legal &amp; Democratic Services, HR &amp; OD, Risk Management &amp; Audit, Business Services, and Commissioning &amp; Performance.</p> <p><u>Event:</u> The recent departure of the Council's Section 151 and the delay in the commencement date of the new Section 151 Officer could expose the Council to risk in terms of decision-making.</p>	<p>Failure of business objectives Health &amp; Safety Financial Service delivery Compliance with regulations Personal privacy infringement Reputation</p>	Tom Crowley		CRR.16.01 The Section 151 Officer at MSDC has been appointed as Interim Section 151 Officer to provide appropriate advice as required.	Dominic Bradley			<p><u>June 2016 Update:</u> The Director of Corporate Resources is now in post, and therefore this risk will be removed from the register.</p>
				CRR.16.02 The Chief Executive will assume management responsibility for the Director of Corporate Resources' (DOCR) direct reports until the new DOCR commences employment.	Tom Crowley			

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<p>CRR17 <u>Source:</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. Targeted sample testing is undertaken to ensure that housing benefit claims have been correctly administered, and extended sample testing is carried out should errors be identified. The amount of the error is then extrapolated across the entire population (for that particular cell) to produce an estimate of the total error amount. Where errors are identified, the Subsidy Claim may be qualified, and financial penalties may occur. It is important to note that the Administration of Housing Benefit is undertaken by the CenSus Partnership and Benefits staff are employed by Mid-Sussex.</p> <p><u>Event:</u> Errors may be made which are not identified by quality control checking. This may result in the Subsidy claim being qualified and/or financial losses.</p>	Financial Service Delivery Compliance with regulations Reputation	Jane Eaton		CRR.17.1 Increase / improve the level of quality control checking.	Tim Delany			<p><u>June 2016 Update:</u> Following receipt of notice from Adur to withdraw from the Census Revenues and Benefits Partnership, the CenSus Board has appointed a specialist benefits consultant to help with the redesign of the service and second phase of the project. A review of how the service operates will be carried out, including issues around benefit subsidy. However, it is expected that there will be further issues with the 2015/16 claim.</p>
			CRR.17.2 Continued implementation of the Census Quality Plan which came out of the 2013/14 audit.	Tim Delany	