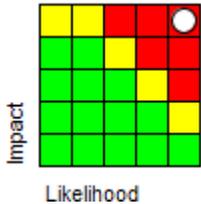
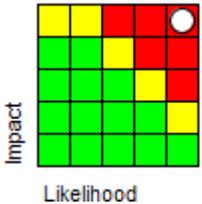
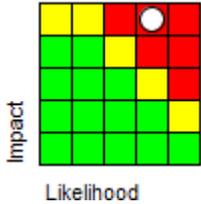
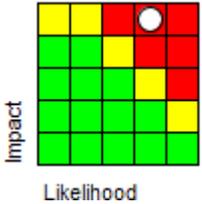
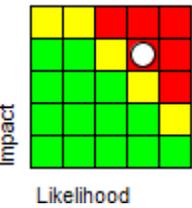
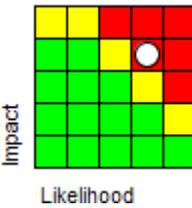
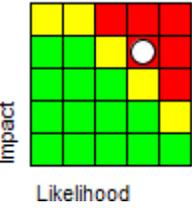
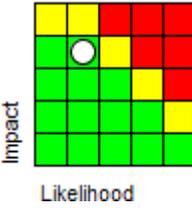


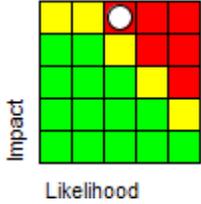
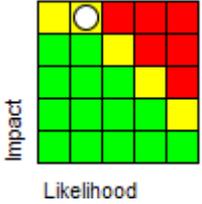
Appendix 1 Corporate Risk Report June 2021

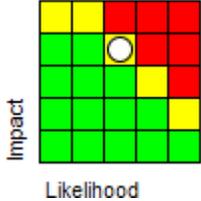
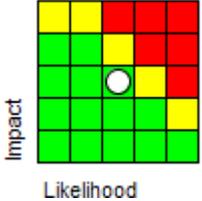
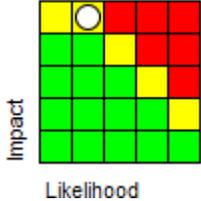
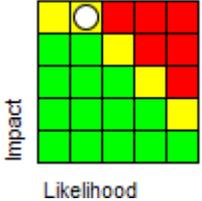
Risks ordered by RAG not numerically.

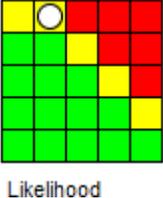
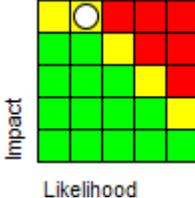
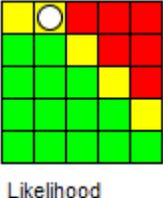
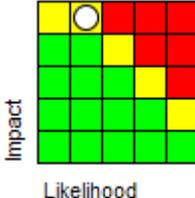
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Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
<p>CRR19 <u>Cause:</u> Uncertainty in the UK and World economy. The Government has spoken about an additional 5% reduction in local government funding, and further cuts in years to come. 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, leisure centres, property income; investment income.</p>	Financial Service Delivery Compliance with Regulations	Jane Eaton		CRR.19.2 Monitor the external environment	Dominic Bradley		<p>June 2021 update: Covid-19 triggered a sudden and deep recession. The impact on the economy and the Council's income in particular was severe in 2020/21, causing a £4.5m deficit outturn compared to budget. Swift action was undertaken to review income and expenditure, including a staff restructure and a reduction in capital programme. This, together with one-off Government funding for expenditure and income for the impact of COVID-19 covered the Council's 2020/21 losses. A balanced budget was set for 2021/22 as a result of the November 2020 restructure and a better than expected one-year settlement which included further one-off Covid-19 related support. However, budget shortfalls approaching £3m a year are currently forecast by the end of the medium-term financial period and the future is very uncertain. The restart of housing evictions in June 2021 is likely to create more homeless people and benefits cases.</p>
				CRR.19.3 Monitor internal indicators, particularly income generation and respond appropriately to adverse trends	Dominic Bradley		
				CRR19.4 Evaluate and discuss with Members possible actions to mitigate loss of income. e.g., Corporate Restructure, investment and infrastructure projects that generate income	Jane Eaton		
<p>CRR01c Financial <u>Cause:</u> The Council is reliant on Central Controlled Government funding (e.g., Business Rates). <u>Risk:</u> Decrease in Rateable Value due to appeals and businesses going under. This may cause the Council to</p>	Reductions in funding Financial	Jane Eaton		CRR.01c.1 Continue to keep a watching brief	Dominic Bradley		<p>June 2021 update: With business rates reform postponed and the COVID-19 recession, further reductions in business rates seem inevitable. The impact in 2021/22 is lessened by Government giving 100% business rate relief to retail and</p>
CRR.01c.2 Evaluate and discuss with Members possible actions to mitigate loss of income. e.g., Corporate Restructure, investment and	Dominic Bradley						

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fall below the business rates baseline, resulting in loss of funding.				infrastructure projects that generate income			leisure businesses in the first three months of 2021/22 and 67% relief for the remainder of the financial year. However, the uncertainty is now deferred to what happens in 2022/23. Appeals to the Valuation Office are increasing, which could trigger backdated refunds. The appeals provision remains high at £5m, albeit the Council's share is only 40% of this. Due to Covid-19, Business Rate payments were below normal at the end of 2020/21. Courts are resuming in June 2021 so a new recovery pattern will be established.
CRR01b Financial <u>Cause:</u> The Council is reliant on Central Controlled Government funding (e.g., Business Rates). <u>Risk:</u> (ii) Funding from Government is less generous than assumed in the MTFS from 2021	Reductions in funding Adverse effect on morale Financial Failure to achieve agreed objectives	Jane Eaton		CRR.01b.1 Continue to keep a watching brief	Dominic Bradley		<p>June 2021 update:</p> <p>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 temporarily, although Government has only given a one-year settlement in 2021/22, giving little insight into the medium term. . It is uncertain whether any future implementation of business rates reform will commence from 1 April 2022 or delayed to April 2023.</p> <p>With income much reduced, £3m budget deficits are currently forecast across later years of the MTFS unless significant action is taken. Further 'additional' Government funding is not expected into 2022/23.</p>
				CRR.01b.2 Revisit the MTFS and if necessary 2020/21 budget in year, with Cabinet in September.	Dominic Bradley		
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	Jane Eaton		CRR.05.1 Officer training	Jane Eaton		<p>June 2021 update:</p> <p>The Annual Governance Statement action plan included an increased focus on training for management and staff in this area. Head of Service and all manager training has taken place. A roll out into services is planned for</p>
CRR.05.3 All Service Managers required to sign an Assurance Statement. (By 30th June Annually) (Cyclical)	Jane Eaton	CRR.05.4 "Cultural	Jane				

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	Service Delivery Compliance with Regulations Personal Privacy Infringement Reputation damage			compliance" Internal Audits identify service-based issues and help managers to resolve these. CRR.05.5 Programme of training and information to ensure all managers understand their roles. CRR.05.6 Governance review of the Horsham Museum	Eaton Jane Eaton Jane Eaton		this summer and quick bite financial training for the autumn/winter.
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. <u>Risk 1:</u> A malicious attacker exploits a known or unknown security weakness to penetrate the Council's ICT systems. <u>Risk 2:</u> IT not working due to environmental problems: fire, flood, power cut.	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		CRR.18.1 Staff and Member Training CRR.18.2 Awareness of current threats CRR.18.3 An effective ICT Service delivery team CRR.18.4 Effective patching and updates to mitigate known vulnerabilities CRR.18.5 Compliance with expected security standards. (PSN, PCI-DSS) CRR.18.6 Effective policies in place which outline security requirements for users of ICT CRR.18.7 Effective back-up and recovery processes in place for Council ICT systems. CRR.18.8 Transferring the risks to the cloud provider CRR.18.9 LGA Cyber Security review plan developed, approved internally and being carried out.	Claire Ward / Robert Laban Andrea Curson Andrea Curson Andrea Curson Andrea Curson Andrea Curson Andrea Curson Andrea Curson		June 2021 update: Level of attack, particularly Ransomware attacks has been raised by the Cabinet Office. Remediation ongoing. 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. CRR.18.2 This work is ongoing. CRR.18.3 All work is ongoing. CRR.18.4 Patching of devices ongoing. CRR.18.5 PSN Accreditation CRR.18.6 This work is ongoing. New policies have been updated and are reviewed regularly. CRR.18.7 This work is ongoing. CRR 18.8 This work is ongoing. CRR 18.9. Work is progressing.

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<p>CRR17</p> <p><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.</p> <p><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.</p>	Financial Service Delivery Compliance with regulations Reputation	Jane Eaton		CRR.17.1 Continuously monitor the level of quality control checking.	Beccy Salmon		<p>June 2021 update</p> <p>The service continues to maintain a robust QC process to mitigate financial loss via a qualified subsidy loss. However, in February 2021 colleagues found a long-standing error relating to a claim assessed under the CenSus regime leading to an overpayment of £35,000. This, combined with a small decline in 2020/21 quality due to workload pressure puts the Council closer than it has ever been to the lower threshold for 2020/21 since leaving the CenSus partnership. In the event of the audit putting the claim above threshold then we will complete a full test of the cell.</p> <p>A further £8,000 historic error was found in April 2021. This will affect the 2021/22 claim but being a lower amount is less likely to lead to a subsidy loss.</p>
				CRR.17.2 An earmarked reserve for subsidy provision is now in place that would cover the loss of subsidy in the event that the upper threshold in the subsidy claim is breached.	Beccy Salmon		
<p>CRR02</p> <p>Managerial / Professional</p> <p><u>Cause:</u> 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><u>Risk 1:</u> Major data breach or leak of sensitive information to a third party.</p> <p><u>Risk 2:</u> Risk of significant ICO fine for non-compliance with new General Data Protection Regulations (GDPR).</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 Fines from regulators Adverse publicity Reputation damage	Jane Eaton		CRR.02.1 Develop appropriate processes & procedures which underpin the IT Security Policy	Andrea Curson / Sharon Evans		<p>June 2021 update:</p> <p>CRR.02.1 This work is ongoing.</p> <p>CRR.02.3 HR has rebuilt the council's e-learning function and the L&D consultant will work with the Information Security Officer to support any rollout of required training, induction training and refreshers as needed.</p> <p>CRR02.4 PSN Accreditation work 2020 Accreditation obtained. Health Checks booked in for June 2021 to allow us to work towards 2021 Accreditation.</p> <p>CRR02.5 This is continuing and is ongoing.</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 meet every other month to maintain compliance, updates and training	Sharon Evans		

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<p>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.</p> <p><u>Risk:</u> 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.</p> <p>Complaints / claims / litigation</p> <p>Resources consumed in defending claims.</p> <p>Financial losses</p> <p>Censure by regulators</p> <p>Reputation damaged</p>	Adam Chalmers		CRR.03.1 Update corporate business continuity plan and regular review.	Rob Jarvis		<p>June 2021 update:</p> <p>CRR.03.1 BC plan updated in May and includes ongoing lessons from the ongoing covid 19 incidents. *Expect some additional changes to the document as and when current UK guidance develops.</p> <p>2nd wave plan was implemented by the BC working group.</p> <p>CRR.03.2 From July to October all HoS bc plans will be reviewed in line with recent events and updated accordingly.</p> <p>CRR.03.5 All bite size sessions postponed. Debrief and review sessions will be introduced and run once COVID-19 guidelines allow. (Estimated July/Aug 2021 as roadmap restrictions will be underway by then assuming no extensions take pace).</p> <p>CRR.03.6 BC working group still meeting every two weeks and now the recovery roadmap has been outlined a return to business as usual can be progressed.</p>
				CRR.03.2 Update departmental business continuity plans and regular review.	Rob Jarvis		
				CRR.03.5 Bitesize workshops to address new procedures and processes.	Rob Jarvis		
<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.</p> <p>Complaints/claims/ litigation</p> <p>Financial losses</p> <p>Censure by audit / inspection</p> <p>Reputation damage</p> <p>Adverse effect on morale</p> <p>Stress and absenteeism</p>	Glen Chipp		CRR.06.2 H&S Management Forum reviews corporate inspection strategy quarterly.	Robert Laban / Health & Safety Officer		<p>June 2021 update:</p> <p>A corporate inspection strategy and training programme have been implemented. Now an ongoing/ quarterly review by the H&S Management Forum.</p>
				CRR.06.3 Training programme includes annual refreshers on a rolling programme. All mandatory training must be completed as part of probation	Robert Laban		

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CRR34 <u>Cause:</u> Uncertainty in the UK and World economy. Instability and high-profile failures. <u>Risk:</u> Key contractor failure	Financial	Jane Eaton		CRR.34.1 Regularly check accounts of key suppliers	Heads of Service		June 2021 Update: The COVID-19 recession continues to make losses of contractors more likely. The business continuity group continues to monitor the position and we have not yet experienced failures among our suppliers. A world shortage of building supplies may cause delays to building projects e.g., St Peter's Hall – which may affect external funding.
				CRR.34.2 Check public liability insurance of key suppliers	Heads of Service		
				CRR.34.3 Ask for key suppliers' business continuity plans	Heads of Service		
				CRR.34.4 Consider whether the failure of a key supplier needs to go in service business continuity plan	Heads of Service		
CRR35 <u>Cause:</u> COVID-19 is an 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.	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.	Jane Eaton		June 2021 Update: All Council services continue to run well (except Economic Development). Statutory public meetings have restarted. Staff are being vaccinated through the national vaccination programme, reducing the risk of serious illness amongst staff.
CRR35a <u>Cause:</u> Covid-19 infection <u>Risk:</u> Serious risk to the health and safety of workers	Failure of Health and safety, Service Delivery, Compliance with regulations, Reputational loss.	Jane Eaton		CRR.35a.1 The director led Business Continuity Group to oversee H&S measures (staff H&S representative observes)	Jane Eaton		June 2021 update: Item CRR.35a.3 Regular updates on government advice on keeping safe. The work is ongoing and monitored fortnightly by the Business Continuity Group. The H&S adviser routinely reviews all new HSE, NHS guidance and updates corporate processes/ accordingly. The Head of HR&OD communicates any changes as appropriate. CRR.35a.4 A balanced approach to
				CRR.35a.3 Regular updates on government advice on keeping safe	Robert Laban		
				CRR.35a.4 A balanced approach to home/office working in line with government advice	Andrea Curson/Robert Laban		
				CRR.35a.5 Re-modelling of workspaces to ensure social distancing	Brian Elliott		

Risk Code & Description	Effect	Risk Owner	Current Risk Matrix	Control Action	Control Action Owner	Target Risk Matrix	Quarterly Update
				CRR.35a.6 Provision of sanitary products and PPE	Brian Elliott		home/office working in line with government advice.
				CRR.35a.7 Risk assessments for offices and specific staff	Robert Laban		The work is ongoing and monitored fortnightly by the Business Continuity Group. SLT are reviewing strategic options for hybrid working post Covid; HR are developing new ways of working policies in consultation with staff.
				CRR.35a.8 Managed opening /closure of the Capitol, Museum, Leisure, Sports services and Reception in line with safety concerns	Vicky Wise		CRR.35a.7 Risk assessments for offices and specific staff. The work is ongoing and monitored fortnightly by the Business Continuity Group. The H&S Adviser has updated the corporate template for managers to make such assessment.