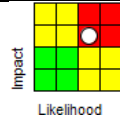
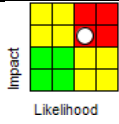
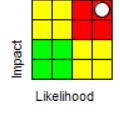
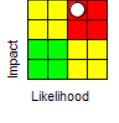
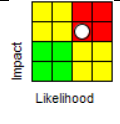
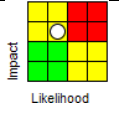
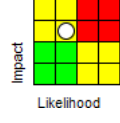
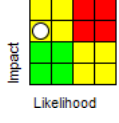
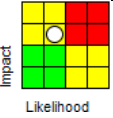
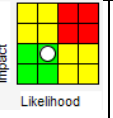
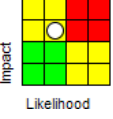
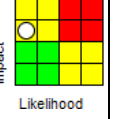
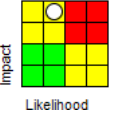
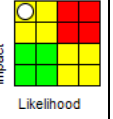
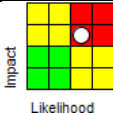
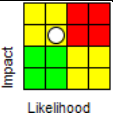
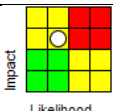
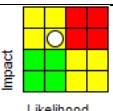


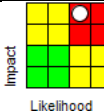
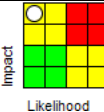

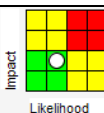
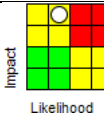
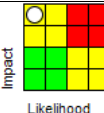
## Strategic Risk Register 2017/18 – Quarter 2

## Essential Reference Paper ‘B’

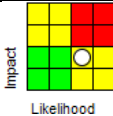
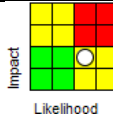
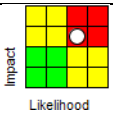
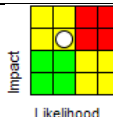
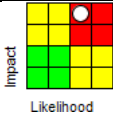
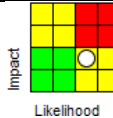
| Code 17 SR | Title  | Description   | Inherent risk matrix  | Inherent impact | Inherent likelihood | Controls introduced in 2017/18 quarter two, plus those planned in future  | Residual risk matrix  | Residual impact | Residual likelihood | Managed by           |
|------------|--|---|---|-----------------|---------------------|---|---|-----------------|---------------------|----------------------|
| 1a         | Risk of significant deviation from plan in terms of funding. This is predominately a risk of a significant reduction but a significant increase could also cause risks to materialise. | There is uncertainty around future funding, both from Government and other areas such as income from commodities markets for recycled materials. The 100% Business Rate Retention scheme has uncertainty around it although there are limited opportunities to be part of a pilot programme. The potential impact of leaving the EU and on trade relations will cause ambiguity with regard to the future financial position. |    | 3               | 3                   | July to September 2017:<br>The Healthcheck reporting process remains in place. Funding situation is being carefully monitored. Any variances are managed with the use of mitigating actions and alternative funding solutions.  |    | 3               | 3                   | Isabel Brittain      |
| 1b         | Business rate income significantly reduced from planned anticipated level (and current levels).  | Appetite and ability as a Council to influence economic development. Neighbouring authorities reducing rates. Revaluation and appeals. (Maximum liability circa £10m if all appeals were granted). Inability to influence economic regeneration. Economic vitality.   |    | 4               | 4                   | July to September 2017:<br>East Herts has been part of an application for a 100% Business Rates Retention Pooling Pilot. If we are accepted for 2018/19 this will help to stabilise the position in the short term.   |    | 4               | 3                   | Isabel Brittain      |
| 2          | Risk of not having capacity / capability and flexibility to continue to deliver service levels over time.  | There are challenges to ensure the Council is fit for the future, in terms of workforce skills, capacity and flexibility.   |   | 3               | 3                   | July to September 2017:<br>Turnover is above target and Heads of Service continue to recruit to vacancies in their new structures. Turnover and recruitment is being monitored closely by the HR service.<br>Significant increase in workload for Health and Housing team arising from the Homelessness Act that comes in to force in April 2018. |   | 3               | 2                   | Emma Freeman         |
| 3          | Risk that supplier / contractor or key third sector partner fails or fails to deliver.   | A number of key services are delivered through major contracts, both directly and in consortia. This is both through private sector supply chains and in conjunction with the voluntary and third sector.   |  | 3               | 2                   | July to September 2017:<br>No concerns reported with any major contracts or shared service. Waste tender evaluation report to be presented to Executive on 16 October 2017.   |  | 3               | 1                   | All Heads of Service |

|    |   |  |   |   |   |  |   |   |   |                               |
|----|---|--|---|---|---|--|---|---|---|-------------------------------|
| 4  | Risk that investment and effort in alternative service delivery models does not deliver benefits and returns.   | Moving more towards other delivery models in future with public sector partners. This is part of the wider context of the changing role of Local Government moving forward. Potential for lack of consistent political buy-in by all partners resulting in considerable effort without benefit. There is also a challenging skill set for managers due to the complexity.  |  | 3 | 2 | July to September 2017: Work to model financial benefits of a wholly owned Property Investment Company have been scrutinised by Savills and PWC. This has led to amendments to the business plan. The revised version of the Business Plan is to be put to full Council for approval on 18 October 2017.   |  | 2 | 2 | All relevant Heads of Service |
| 5a | Information management: Misuse or loss of key information leading to breach. The potential disclosure of personal data inappropriately.   | The Council handles a large amount of information and data which if not managed properly could be compromised. This could be perhaps through carelessness or hacking and security of the information could be compromised. Failure to comply with information governance principles. Action may be taken by the ICO. Individuals may suffer if their personal data, particularly sensitive personal data is disclosed. |  | 3 | 2 | July to September 2017: No reportable data breaches. Staff training programme continues.<br><br>Forthcoming legislation under the General Data Protection Act regulations will be considered in preparation and Corporate groups set up.   |  | 3 | 1 | Alison Stuart                 |
| 5b | Information management: Cyber risk. Inconsistent application of information management standards and security controls could increase the likelihood of data or data systems being compromised. | Viral attack affecting hardware or software information systems. Theft, loss or improper disclosure / use of confidential information. Service disruption or loss. Reputational damage. Regulatory fines or compensation claims.   |  | 4 | 2 | July to September 2017: Cyber security plan produced to highlight most significant security risks and proposals for mitigating actions. Shared service security group to devise and monitor policies and action plans, and review information security and any data breaches. (See 5a). E-mail bulletins issued to staff regarding security threats. |  | 4 | 1 | Clare Watson                  |

|   |   |  |   |   |   |  |   |   |   |                                  |
|---|---|--|---|---|---|--|---|---|---|----------------------------------|
| 6 | Impact of Housing and Planning Act.                                   | <p>The key potential impacts are:</p> <ul style="list-style-type: none"> <li>• Introduction of Starter Homes as a form of affordable housing, with nationally prescribed percentages to be delivered through the planning process, is likely to reduce the supply of new affordable rented homes thus reducing housing options for those on no / low incomes. This could place increased pressure on existing housing stock and potentially increase homeless approaches to the Council, leading to higher workloads</li> <li>• The opening up of the planning application assessment process to third parties could see workloads/income drop for the Council and its influence in decision making reduced. Potential for significant impact on staff resources, income and the ability to support direct and back office services.</li> <li>• Provisions for the Government to determine district plans where local authorities have not done so within certain time limits could erode the Council's reputation and ability to shape local development.</li> <li>• Further provisions for flexibilities with regard to fee levels and self setting of fees if the Council continues to operate established performance levels.</li> </ul> |     | 3 | 3 | <p>July to September 2017: Officers will continue to monitor any proposals that are introduced through secondary legislation following the main Act, and provide advice with regard to actions and policy approaches to be taken as a result.</p> <p>With regard to possible government intervention in the preparation of the District Plan, this is now considered a low risk given the stage reached.</p> <p>Planning competition and potential fee setting flexibilities and self-setting remain a possibility, although no recent government advice has been given with regard to their introduction or timing.</p> |     | 3 | 2 | Jonathan Geall and Kevin Steptoe |
| 7 | Production of a District Plan meeting community and regulatory needs. | <p>Risk of not being able to agree plan in timeframe meaning: Increased costs, Lack of effective development management, Cannot bid for funding for infrastructure, lost opportunity, open to challenge in meantime, legal / reputational / political issues. Impact on New Homes Bonus.</p>   |  | 3 | 2 | <p>July to September 2017: Preparation stage has moved ahead with the submission of the Plan to the inspectorate and early engagement, through initial questions from the Examiner. Timescale is now largely beyond the Council's control, but appropriate resources continue to be directed toward the work to ensure that timescale demands are met.</p>   |  | 3 | 2 | Kevin Steptoe                    |

|    |   |   |   |   |   |   |   |   |   |                |
|----|---|---|---|---|---|---|---|---|---|----------------|
| 8  | Significant development proposals at strategic sites (Welwyn Garden City, Bishop's Stortford) - need to ensure good quality developments securing all necessary infrastructure. | Ambitions not achieved. Ability of building industry to deliver, including contribution for infrastructure. Poor environment. Loss of development opportunity. Reputational risk.   |   | 4 | 3 | <p>July to September 2017:<br/>The Council has formally endorsed the master planning approach to development proposals through District Plan Panel (21 September) and forthcoming Executive decision.</p> <p>Engagement has commenced with a number of land and site promoters on this basis.</p>   |   | 4 | 1 | Kevin Steptoe  |
| 9  | Failure to deliver Digital East Herts and improved customer access and engagement.  | <p>Risk that services are not provided across multiple channels to improve the customer experience and realise efficiency gains.</p> <p>Step change to digital basis for service delivery will not be made within the window of invest opportunity in the next two years.</p> |  | 3 | 2 | <p>July to September 2017:<br/>Individual projects being monitored via Digital East Herts steering group and exception reporting in place on a monthly basis to Leadership Team to identify any resourcing issues or issues arising that could impact on overall programme delivery. Projects currently on track and some new online services already introduced showing increased customer uptake rates.</p>   |  | 2 | 2 | Adele Taylor   |
| 10 | Compliance with the Childrens Act 2004.   | Whilst the Council's self-assessment obtained ratings of at least 'adequate' there is a commitment to improve and thereby ensure the safety of children.  |  | 4 | 2 | <p>July to September 2017:<br/>The council has worked with the Police to plan to promote awareness of Child Sexual Exploitation (CSE) issues among those operating in the Night Time Economy. An Awareness Raising Session was held on 20 July. Self-assessment of CSE activities completed in July as part of the county-wide audit. Relevant staff to be trained on the Modus software in as part of the Housing Service's participation in the Hertfordshire MARAC (the Multi Agency Risk Assessment Conference) which is concerned with tackling domestic abuse (itself sometimes linked to CSE).</p> |  | 4 | 1 | Jonathan Geall |

|    |   |   |  |   |   |   |  |   |   |                |
|----|---|---|--|---|---|---|--|---|---|----------------|
| 11 | Safeguarding adults.  | Maintain and develop interagency relationships, Council policy and training.  |  | 3 | 2 | <p>July to September 2017: SIAS audit report re: safeguarding arrangements issued in May 2017. 'Substantial assurance that there are effective controls in operation'. The council's Safeguarding Policy was updated (to be formally signed off by HR Committee in July). This includes a new, simplified approach for staff to report concerns. Safeguarding awareness raised provided to Leadership Team on 12 June 2017 and was covered through Staff Briefing in July 2017. Increase in homelessness prevention work arising from the Homelessness Reduction Act.</p> |  | 3 | 1 | Jonathan Geall |
| 12 | Encouragement of economic vitality cross the District.                                      | <p>Risks that opportunities to maximise inward investment, employment and economic growth are not maximised in the district.</p> <p>Also ensure regular dialogue with business and organisations representative of business. Interventions to be proposed where appropriate e.g. business improvement district opportunities.</p> |  | 4 | 2 | <p>July to September 2017: Launchpad pilot up and running. Working with Charrington's House agents (LSH) to support a business pathway approach (ensuring business start ups in the Launchpad can access other office facilities). New economic development officer due to start November/ December (jointly with North Herts Council) to support inward investment and economic development agenda.</p>  |  | 4 | 1 | Ben Wood       |
| 13 | Unable to resource or prioritise emergency planning response and other mitigation measures. | <p>Frequency of events likely to increase. Emergency planning response could be compromised. Impact on east/west travel in District and on infrastructure, especially transportation. Lack of resource for mitigation activity e.g. land drainage function. Impact on Council properties, particularly sites on flood plains.</p> |  | 3 | 3 | <p>July to September 2017: Rotacloud now in use. Review of Emergency Plan being carried out; revised version due to member approval in early 2018. Discussion about this at Performance, Audit and Governance Committee on 26 September 2017. Members' views will be incorporated into the review. Desk top exercise being held on 11 October 2017. Outcome will inform the Emergency Plan update.</p>  |  | 2 | 3 | Jonathan Geall |

|    |   |  |   |   |   |  |   |   |   |           |
|----|---|--|---|---|---|--|---|---|---|-----------|
| 14 | Devolution - fail to engage, and influence partners to engage, leading to missed opportunities. | Hertfordshire not seen as a 'player' nationally and regionally. Unable to be proactive and engage early on in this agenda. Missed opportunities to maximise benefit.   |   | 2 | 3 | July to September 2017:<br>Five point action plan (Areas include: World class skills, Strategic Planning and Transport, Fully collaborative Health & Social Care, Safe and Cohesive Communities, and Maximising public sector assets) in place. Work progressing in most areas, overseen by a small steering group of leaders, and managed through the Chief Executive's Coordinating Group for Hertfordshire.   |   | 2 | 3 | Liz Watts |
| 15 | Referendum vote to leave EU.  | Further budget reductions likely. Potential impact on the economy, particularly employment and the housing market. Loss of EU funding for local schemes. Legislative changes.  |  | 3 | 3 | July to September 2017:<br>No further update pending Brexit negotiations. There are still unspent EU structural funds and we are looking at accessing these.   |  | 3 | 2 | Ben Wood  |
| 16 | Development of Old River Lane, Bishop's Stortford.  | The acquisition of the Old River Lane site presents opportunities to revitalise and shape the town centre, but there are risks around undertaking large-scale development, including land use choices, viability, impact on other areas and functions of the town centre, etc. |  | 4 | 3 | July to September 2017:<br>On 11 July Old River Lane Board chose preferred option for site, following high level viability assessment by property consultant. Detailed work now ongoing in order to prepare for formal land use decision by full council in January. Discussions ongoing with partners such as Hertfordshire County Council, Rhodes and Bishop's Stortford Town Council, to define which partners wish to be involved in which parts of the development, in particular addressing funding and governance issues. |  | 2 | 3 | Liz Watts |