

	Title	Description	Current		Target		Owner	Controls introduced or planned in 2020/21 quarter 2.
			likelihood score	impact score	likelihood score	impact score		
1	Resources	<ul style="list-style-type: none"> The lockdown has caused a loss of income of approximately £800,000 per month. The restrictions are now easing but it is likely to take some time for people to return to their previous patterns of behaviour. Medium Term Financial Plan included a range of projects to reduce net expenditure. At the moment it is unclear when, and in some cases if, these projects can be delivered. Total Government support of just over £1.7 million has been received. However, it remains unclear whether all of the Council's losses will be funded by central government. Once the economy has started to recover, the Government will have to determine how it will manage 	3	3	3	3	Head of Strategic Finance and Property	<p>Council is in receipt of funding that compensates for loss of transactional income but not items such as rent on investment properties. Rent payments have no significant defaults to date. Rent reductions have been agreed for 2 tenants in Charringtons but this has to set against compensation that would have been payable when we need to move tenants out for handover for the Old River Lane regeneration as we have included appropriate break clauses as part of the new rent agreement.</p> <p>A detailed set of savings proposals and the detailed budget and MTFP work is underway and will be reported to Audit & Governance Committee in due course but includes costs benchmarking and also a transformation programme focused on agile working.</p>

		public finances going forward. It is possible that a new phase of austerity may follow and central funding for district councils is likely to be limited.						
2	Political change (local or national)	<ul style="list-style-type: none"> • Planning policy changes. • Devolution. • Leadership / management culture. • Environmental sustainability and the need for carbon reduction across the council with an ambition to become carbon neutral by 2030. • Brexit risks: <ul style="list-style-type: none"> • Potential project delays due to labour shortages or materials imports, or increased project costs due to tariffs or supply chain difficulties. • Settled status for EU nationals with only half of the 4,000 registered in District having applied for settled status. (June 2019 data.) • Risk to business growth. 	3	3	3	2	Chief Executive	<p>It is likely that we will see significant changes to both national and local policies following from COVID-19.</p> <p>Both officers and Members are engaged in networking and lobbying to seek to influence change and to gain early indications of new policies.</p> <p>Officers are considering the lessons from how the Council has been able to operate during the crisis. It is evident that working from home is possible on a greater scale and this will have implications for our future accommodation needs.</p>

3	Performance, resilience and security of IT systems	<ul style="list-style-type: none"> • Risk of data breach / loss, business continuity incident or poor performance impacting service delivery. • Changing demand on council services and the requirement to invest in and encourage online interaction with customers. 	2	2	2	2	Deputy Chief Executive	<p>IT provision was greatly tested following the lockdown due to COVID-19. We were able to respond swiftly and effectively, enabling over 700 staff across the shared service to continue in their roles working from home. Road map implemented for ensuring IT security. Digital By Design work stream established and One Page Plan completed.</p> <p>Employees and members continue to deliver council services remotely and meetings are now conducted through video conferencing. In general IT systems have held up enabling the council to continue to support residents and businesses.</p> <p>We continue to deliver tightened cybersecurity and are now required by the Government to comply with Cyber Essentials, which we are now working towards. The Digital By Design group continues to explore more online interaction and a proof of concept for the use of webchat has commenced.</p>
---	--	---	---	---	---	---	------------------------	--

4	Capacity and skills to deliver services	<ul style="list-style-type: none"> Recruitment and retention of staff. Capability and skills to deliver services and projects. Succession planning. 	3	2	2	2	Head of HR and Organisational Development	<p>The temporary labour supply arrangement went live in April 2020 which has reduced fees paid to agencies and ensures a wider pool of potential candidates. This appears to be working well. A new online presence has been set up with Indeed to both improve the employer brand and to provide a more cost effective online recruitment presence; this went live from 1st of June 2020 and initial 4 vacancies on Indeed have performed well. Ongoing work has continued with the Communications team and HR to improve the online presence and promote the employer brand further. Staff turnover had reduced for the 19/20 (1/4/19-31/3/2020) period to 10.1% from 19% meaning that the regrading and pay proposals appear to have aided attraction and retention as planned. Turnover has continued to remain low which is common in the current pandemic and at end of quarter 2 this it is now predicted to be 5.9% for 20/21. Career graded</p>
---	---	--	---	---	---	---	---	---

							<p>posts are continuing to be used with the projects team creating a further post in July as part of a restructure and Legal looking at career post for four solicitor posts to attract and retain staff in this hard to recruit area. A review of apprentices is continuing to both manage costs and support succession. A wellbeing survey has been undertaken (May 2020) and followed up on to ensure staff are supported during the pandemic alongside a number of wellbeing and effective ways of working initiatives to further support employee wellbeing and the retention of staff. The Wellbeing survey will be re-run alongside a full staff survey in December 2020.</p> <p>All recruitment must be approved by Leadership Team with enhanced justification and a requirement to explore either restructures or process changes to eliminate the need for the post.</p> <p>Government has brought in the £95k exit payment cap that includes pension strain costs in</p>
--	--	--	--	--	--	--	--

								<p>the calculations. The Government Actuary's Department estimates that 86% of staff made redundant would be affected. Staff being made redundant at 55 and having access to their pension as required by law, would lose all of their redundancy pay, including the statutory element and their pension would be reduced by around 40%. The inclusion of pension strain in the cap calculation therefore means that compulsory redundancy will leave the majority of officers with no severance pay and a substantial reduction in pension benefits that could seriously affect their expected retirement lifestyle and potentially cause poverty in retirement. It is understood the Government plan to amend the Regulations requiring immediate access to pension to become voluntarily agreed between employer and employee but they have introduced the cap without that amendment. It is further understood that legal challenges</p>
--	--	--	--	--	--	--	--	--

								are being brought against Government by various unions.
5	Poor performance or failure of key partner or contractor	<ul style="list-style-type: none"> • Risk that supplier, contractor or key third sector partner fails or fails to deliver. • Impact on services. • Delays to key projects and financial consequences. • Increased costs to maintain service delivery. 	2	3	1	3	Chief Executive	<p>Regular discussions are continuing with contractors and key third sector partners to ensure no failures in delivery.</p> <p>Credit risk scores are obtained for major contracts during the operation of the contract and particular attention is paid to trade news concerning contractors' financial health.</p> <p>Waste-related business continuity plans are also regularly reviewed. Brexit may impact on the sale of materials contracts and costs may increase. Talks are ongoing with other Hertfordshire authorities to determine alternative business continuity planning options.</p>

6	Infrastructure / growth	<ul style="list-style-type: none"> • Delivery of strategic projects and the risk that residents and key stakeholders are not supportive. • Management of housing growth to ensure that new developments are controlled, provide sustainable communities and with appropriate infrastructure in place. Threat to existing employments sites and the need to ensure that new sites are provided. • Reliance on partners and stakeholders. 	2	3	2	3	Chief Executive	<p>Grange Paddocks and Northgate End construction work is underway.</p> <p>Delays to the Hertford Theatre and Hartham Leisure Centre Projects but public consultations now undertaken and Hartham planning application submitted.</p> <p>Old River Lane project final business case planning is underway and will be reported to a future Council meeting.</p> <p>Project delivery will be kept under constant review as government guidance changes.</p>
7	Legal	<ul style="list-style-type: none"> • Risk of avoidable data breach caused by action of staff, contractors or partners, or resilience of systems. • Use of third party systems for virtual meetings during COVID-19 pandemic and potential security problems associated with this. • Capacity to respond to changing legislation after Brexit. 	2	3	2	3	Head of Legal and Democratic Services	<p>Training provided re Zoom and centralised controls imposed on the East Herts corporate account requiring increased security features be enabled.</p> <p>COVID-19 restrictions re holding physical meetings have been intensified again, meaning that plans to move back to in-person Council meetings have been put on hold and these will continue</p>

		<ul style="list-style-type: none"> • Alternative service delivery models. • Effective management of both large scale development projects and major procurement exercises. 						<p>as virtual meetings, most probably until the spring.</p> <p>Steps being taken to address long term capacity and capability to respond quickly. Recruitment for an Information Governance and Data Protection Manager as well as 4 new permanent lawyer posts are underway, meaning that the service will be far more resilient if/once they are all recruited to..</p> <p>Linked to above, one of the 4 lawyer posts is a Contracts and Procurement Lawyer, which if successful in recruiting to will provide much better in house control over major project work.</p> <p>Mandatory data protection and fraud awareness e-learning for staff.</p>
--	--	--	--	--	--	--	--	---

8	Business economy	<ul style="list-style-type: none"> • Ability to attract, sustain and nurture businesses within the District. Insufficient space for existing business to grow. • Risk of being unable to ensure employment land is provided alongside new developments, or that employment land is lost to housing development. • Likelihood of a global recession following COVID-19 pandemic increased leading to increase in unemployment, low business growth and commercial property values decreasing significantly. • Loss of low skilled labour and exchange rates post Brexit could further increase risk to businesses. 	3	3	2	2	Head of Communications, Strategy and Policy	<p>2 stage approach to mitigating recession following COVID-19:</p> <p>Council has supported over 2200 businesses with £30m of government funded grants and £18m of reliefs.</p> <p>Further work in each town centre underway in conjunction with town councils, police and business representative organisations. £132k of ERDF funding for re-opening the high streets safely will be administered between now and 31 March 2021 focusing on creating a safe environment (hand sanitizers, street furniture for traffic management, communications to businesses and residents)</p> <p>Council also commissioning a new service with Broxbourne Borough Council and the CVS to support newly unemployed residents get back into work by supporting them with digital skills such as interviewing over Zoom and MS Teams. Service</p>
---	------------------	---	---	---	---	---	---	--

								<p>launched 5th October 2020.</p> <p>European Regional Development Fund project to support businesses has been agreed with MHCLG. This will provide a step change in our approach by targeting specific sectors as well as growing the Ware and Bishop's Stortford Launchpad. Paper due to Executive 9th November.</p> <p>Development of 20 Ha new employment land at key sites is being supported through the master planning process.</p> <p>Steps being taken to protect existing employment land through introduction of Article 4 Directions on designated sites in January 2021 and robust negotiations on mixed development schemes in key sites such as Caxton Hill and the Goods Yard.</p>
--	--	--	--	--	--	--	--	---

9	COVID-19 (Coronavirus) pandemic	<ul style="list-style-type: none"> Business continuity incident and emergency planning response, specifically resulting from the COVID-19 pandemic. 	3	3	2	3	Head of Health and Housing	<p>Providing advice to businesses on compliance with regulations and legislation.</p> <p>Grants to support new burdens such as COVID Marshalls and local track and trace have been received or announced.</p> <p>Additional funding announced by government to support November 2020 heightened restrictions.</p> <p>Pandemic Business Continuity Plan updated.</p> <p>Legal advice sought for all major contracts in terms of force majeure.</p> <p>Comprehensive guidance placed on the intranet on homeworking, health and safety and HR matters.</p> <p>Increased use of video conferencing for remote workers.</p>
---	---------------------------------	--	---	---	---	---	----------------------------	---

Likelihood	Description		Likelihood of occurrence		Probability of occurrence			
	3	Probable	Annually		The event will probably occur			
	2	Possible	1 in 5 years		The event may occur			
	1	Unlikely	Less frequently than 1 in 5 years		The event may occur in exceptional circumstances			
Impact	Description		Financial		Reputation		Service / operation	
	3	Significant	> £400,000 p.a.		Adverse national media		Major fall in service quality	
	2	Moderate	£100,000 to £400,000 p.a.		Adverse local media		Significant fall in service quality	
	1	Minor	< £100,000		Public concerns restricted to local complaints		Little impact to service quality	

Impact	Significant 3			High
	Moderate 2		Medium	
	Minor 1	Low		
		Unlikely 1	Possible 2	Probable 3
		Likelihood		