Appendix A: Strategic Risks

Service Team	Description of Strategic Risk	Controls	Mitigation Plans	Owner	Current Score	Previous Score Half-Year 1	Previous Score Half-Year 2
CM	**Change Management** Change Management Failure to change and adapt culturally as an organisation and/or failure to take account of the changing environment. Failure to adapt to the changing culture of the government Consequences: - reputation - intervention - legal and financial implications - political implications	Appropriately Skilled and Experienced Staff Awareness of Change Client Roles Communication Overview and Scrutiny Function Use links with Cabinet and local MP to influence and shape the future Use of Consultants Working groups		Michel Saminaden - Chief Executive John Dean - Leader of the Council and Chairman of the Local Strategic Partnership	9	9	9
Any Comments	There has been immense change in the Council's operations and services over the past 5 years, driven by the need to generate efficiencies as a result of massive cuts in our grants from the Government. New government initiatives, such as the new RTB, New Homes Bonus, the new planning regime and the creation of the LEP have brought about the need to do things differently and 'think outside the box'. The council is currently undergoing a major and fundamental change in its management arrangements as a result of the 'shared management' initiative. There is now a joint Chief Executive of the Council and Housing Trust and new governance and senior management processes are being implemented over the summer of 2016. It is critical that we continue deploying all of our skills in managing these changes at both management and political levels if we are to obtain optimum value for money and efficiency. We will need to keep a continuous and close watch on all external developments and adapt to the changing requirements. In doing this, we will work closely with partners and use all of our contacts to keep ourselves fully informed, including the Offices of the local MP.						
COM	**Communication** Communication Failure to communicate the Council's priorities to its communities and failure to actively manage the Council's reputation. Failure to manage the Council's messages. Failure to mainstream communications and build ownership and	Communication plans are agreed for all significant projects/high priority issues Communications Strategy is embedded	Communications Strategy Life Magazine - community newsletter	Tony Kingsbury - Executive Member for Policy & Culture Pam Kettle - Director - Finance & Operations	12	12	12

	consensus across the organisation. Failure to consider communications implications and involve the Communications Team. Consequences; Loss of trust, loss of reputation, unable to manage key council messages and news	and reviewed with HoST Communications Team seeks to attend DMTs Media Trained Staff and Members Monitoring system for positive and negative news coverage Review and monitoring of Communications Strategy by Executive Board Skilled and Experienced Communications Team Undertaking perception and satisfaction based surveys Undertaking Perception Based Surveys					

Any Comments	No further updates in April 2016. Risk remains at Amber.						

| COR | **Corporate Resilience** Corporate Resilience Failure to meet the requirements of the Civil Contingencies Act 2004, including the material failure or inadequacy of plans Failure to respond appropriately to a civil emergency or business continuity incident, including the duty of care to the community and statutory duty to respond with other agencies The | Business Continuity Incident Management Team Constitution Crisis Support Team DR plan Duplicate facilities Emergency Plan Hertfordshire | BCM Peer Review Contractor BCM Awareness Raising Document Crisis Support Team Exercising RAYNET Volunteer Team | Bob Baldock - Director - Governance Roger Trigg - Executive Member for Governance & Public Health | 8 | 12 | 12 |

	effects of an incident on the day to day business of the Council and our ability to maintain "business as usual" Consequences: Financial costs of backlog management, compensation and litigation. Damage to Council reputation, including criticism at any subsequent inquiry, media interest and public criticism. Possible effects on human welfare.	Resilience Pandemic Flu Group Resilience Team Training and Exercising Programme	skills and competencies WHC Business Continuity Plan				
Any Comments	This risk was increased during the period of building works and decanting of services at Campus East, but has been reduced following successful completion of this project. All plans are up to date, the council continues to participate fully in the affairs of Hertfordshire Resilience and training and exercising activities are on track.						
ENG	**Engagement** Engagement Failure to involve stakeholder/residents in setting Council priorities. Consequences: Disengagement of communities Poor collaborative outcomes Inability to prioritise services and resources	Community Engagement Programme Feedback from service based consultation Management of LSP Engagement Process Service based customer surveys	Annual Community Engagement Report Borough Panel Consultation 'My Council' survey	Pam Kettle - Director - Finance & Operations Tony Kingsbury - Executive Member for Policy & Culture	12	12	12
Any Comments	The Borough Panel continues to be used for service and corporate consultation. There will be no My Council Survey in 2016 as the £10k budget for this has been taken as a revenue budget saving. A summary of the annual report for 2014-15 was issued with the autumn/winter edition of LIFE magazine to all households in the borough. Risk remains unchanged at Amber.						
EQA	**Equalities and Diversity** Failure to meet the obligations around Equalities and Diversity, including a breach of the Equalities Act 2010 and the council's own Equalities and Diversity Scheme and Equality Improvement Plan. This may be in relation to employment matters, employees,	Carrying out EIAs for all policy and service changes Codes of Conduct and regular mandatory training for officers and members on		Bob Baldock - Director - Governance Tony Kingsbury - Executive Member for Policy & Culture	8	8	12

	service delivery, the community and customers. Consequences: Litigation (and associated financial impacts) and reputational damage.	equality, diversity and safeguarding Equality and Diversity Steering Group Equality Improvement Plan and Dedicated Resources Review of EIAs at Equality and Diversity Steering Group Robust monitoring					

Any Comments	Training on carrying out Equality Impact Assessments is underway. A new policy has been agreed. The council's Single Equality Scheme has been revised. The annual Delivery Plan for Equality and Diversity has been approved by Social Overview and Scrutiny Committee.

FIN	**Finance** Finance Failure to have sufficient reserves to deal with unexpected budget pressures resulting from increasing demand on our services, worse than predicted Government Funding level, volatility and reliance on locally generated business rates and council tax and the ongoing pensions position (as informed by actuarial audit). Consequences: The Authority runs out of money, external criticism, Government intervention, loss of service to tax payers. Loss of income from fees and charges. Inability to cope with increasing demands on services.	Annual Governance Statement Asset Management Plan Budget Challenge Process Budget preparation process Budgetary control by managers Capital Programme Codes of Conduct and regular mandatory training for officers and members on equality, diversity and safeguarding Constitution Delivery of the economic		Pam Kettle - Director - Finance & Operations Alan Franey - Deputy Leader of the Council and Executive Member, Resources	15	15	15

			development strategy External and internal audit Finance Procedure Rules Financial Information System (Agresso) HRA Business Plan Medium Term Financial Plan Monthly collection fund monitoring Pension fund considered as part of the annual budget process Performance monitoring of collection rates Recognition of economic downturn within future budget processes Systems reconciliation Three year actuarial valuation of pension fund Treasury Management Policy Use and Control of Reserves and Balances					
Any Comments	Budget for 2016/17 has been agreed with sufficient reserves, and there are plans to address the growing funding gap. In year monitoring suggests year end balances (31 March 2016) will be higher than expected at the time of the original budget.							
GOV	**Governance** Governance Failure to maintain effective governance arrangements, including: -	Governance Group Anti Fraud and Corruption Strategy		Roger Trigg - Executive Member for Governance &	12	12	12

	Standards and Ethics - Anti-fraud and corruption arrangements - Whistleblowing - Information governance (FoI, Data Protection) - Risk management - Compliance with the requirements of the Localism Act - Transparency Consequences: Litigation, loss of reputation, financial impacts, external auditor criticism	Constitution Contract Procedure Rules Dedicated Data Protection Officer Dedicated FoI Officer Employee Code of Conduct Finance Procedure Rules Local Code Governance Member Code of Conduct Overview and Scrutiny Function Standards Committee Transparency Code Whistleblowing Policy		Public Health Bob Baldock - Director - Governance			
Any Comments	Processes are monitored through the Governance Group and policies updated regularly. It is hoped this will mitigate the identified risks.						
H&S	**Health and Safety** Health and Safety Failure to maintain an adequate and effective safety management system within the Council, including structures, processes, control measures and allocations of responsibilities and ensuring competence of employees, contractors & service providers and compliance with safety laws and regulations. Consequences: serious injury, work-related ill health or fatalities leading to lost productivity, absence, litigation, external investigation by enforcing authorities, and possibly prosecution up to and including the Corporate Manslaughter and Corporate	Collective Safety Responsibility of Executive Board Communication with Employees External Inspection and Auditing by Consultants Induction and Ongoing Training Periodic Inspection of Premises, Plant and Equipment Risk and Resilience Officer	Condition Survey Findings Grey Fleet Potentially Violent Customer Policy Stress Policy Workplace Inspections	Roger Trigg - Executive Member for Governance & Public Health Bob Baldock - Director - Governance	8	8	8

	Homicide Act.	Risk Assessments & Associated Control Measures Safety Director Role Safety Policy Document						
Any Comments	Policy reviews are on track and we are carrying out considerable work on the safety management systems as it relates to the management of contractors.							
ICT	**ICT Failure** ICT Failure Critical failure of ICT services, for example due to virus attack, lack of network capacity, hacking, hardware failure, etc. Consequences: Loss of ICT dependent services.	Alternative methods to update local and remote databases DR plan Duplicate facilities ICT - Temporary PSTN connection Infrastructure review to stabilise our virtual environment IT Strategy Put back BRE lease termination date	Virtual Hardware Virtualisation Process WHC Business Continuity Plan	Alan Franey - Deputy Leader of the Council and Executive Member, Resources Pam Kettle - Director - Finance & Operations	8	8	8	
Any Comments	The Council has been subject to a large amount of attempted virus attacks which have caused disruption in other organisations. Action has been taken to isolate incidents where a virus has got through, or blocked virus attempts as much as possible reaching the network altogether. This includes blocking emails with the word "invoice" in the title. Mitigation will continue to be communication across the Council when it becomes apparent that we are receiving invoices with a virus attached to try and isolate any cases as much as possible. Also investigating other software options for further security "privilege guard".							
LP	**Local Plan** Failure to have an approved strategy and plans in place to deliver sustainable growth for the Borough, balancing the demands for new development with protection of the environment, which where necessary, have been through a process of public	Extensive evidence will underpin the development of our Local Plan and inform our proposals Input from CHPP Project plan for the		Bob Baldock - Director - Governance Bernard Sarson - Executive Member for Business & Partnerships	12	12	12	

	involvement and have been independently endorsed by government. Consequences: The local economy achieves less than its full potential; delivery of New Homes Bonus, future Council Tax and Business Rate receipts is adversely affected; investment proposals do not come to fruition; failure to provide sufficient affordable housing; local infrastructure projects may not be delivered; contribution towards funding new and improved local facilities does not happen; unplanned 'hostile' developments occur. Opportunities to bring in external funding to assist the delivery of sustainable growth are lost; Reputational damage.	Local Plan is in place Public scrutiny, including a public examination led by an independent Planning Inspector S106/Community Infrastructure Levy is in place					
Any Comments	The Proposed Submission Local Plan is scheduled for presentation to CHPP in June 2016 and Cabinet in July 2016. Public consultation will take place throughout the summer and representations will be analysed in the autumn to decide whether to make any changes. The Submission Local Plan is scheduled for presentation to CHPP, Cabinet and Council in Jan/Feb 2016 and will then be submitted. The Government has threatened to intervene where local authorities have not submitted a plan by spring 2017, so we will avoid this situation. Subject to PINS resources the Plan will be examined in summer 2017 and subject to being found sound should be adopted before the end of that year. Any failure to this timetable runs the risk of the Government intervening in the plan-making process or planning decisions being made that do not accord with the borough's aspirations.						
MPA	**Management of Physical Assets** Management of Physical Assets Failure to adequately manage the physical assets of the Council, including its housing and non-housing properties, open spaces and other land and including increased property holding in Hatfield town centre . Consequences: Loss of usable property resources. (Lost income and additional cost) Risk to Health and Safety to occupiers and visitors. Accelerate the deterioration/dilapidation of building assets.	Asset Management Plan Capital Programme Decent Homes Strategy Finesse Leisure Partnership Agreement HRA Business Plan IPF Property Condition Survey (Premises) 2002	Rewrite/Update the HRA Business Plan Financials	Pam Kettle - Director - Finance & Operations Alan Franey - Deputy Leader of the Council and Executive Member, Resources	9	9	9

	Negative impact on reputation of the Council. Potential for investment and needs priority mismatches.	Neighbourhood Shopping Centres Policy					
Any Comments	No comments were made.						
PART	**Partnerships** Partnerships Failure to achieve and evidence the capacity available by working in partnership. Consequences: Inability to find capacity for sustainable improvement. Inability to align with good practice requirements. Inability to demonstrate our improvements to those who scrutinise us. Reputation damage.	Annual Assessment of the Effectiveness of Our Partnerships Effective management of our partnership with the Community Housing Trust Effective management of partnership with the Community Housing Trust Effective Management of the Finesse Leisure Partnership Effective management of Welwyn Hatfield Alliance (Local Strategic Partnership) Performance Reward Grant Management Process Use of other partnership agreements as needed	Alliance meetings and annual conference Partnership reporting (e.g. CHT and Finesse) to council meetings Sustainable Community Strategy	Bernard Sarson - Executive Member for Business & Partnerships Pam Kettle - Director - Finance & Operations	8	8	8
Any Comments	The Alliance Structure is well embedded and provides a suitable platform for working in partnership with other key statutory agencies. The Council is part of the joint work in Hatfield 2030+ Key partnerships, such as the Housing Trust, Finesse Leisure, Serco and Steria continue to be monitored via the governance structures that are in place.						

PERM	**Performance Management** Performance Management Failure to maintain a robust performance management culture at every level of the organisation, which is proportionate to our needs. Consequences: - Inability to optimise our service potential as an organisation - Inability to achieve the local impact we want to see in our communities - Inability to demonstrate good value for money and high quality services - Inability to demonstrate where we are improving our services - Inability to identify and tackle instances of under-performance	Delivery of the performance management framework Delivery of the quarterly performance clinics Performance and risk exception reports to Cabinet Performance Appraisal Scheme for Employees Performance indicator reports to Committees Use of the TEN risk and performance management system	Annual service team plans Annual team plans Corporate Business Plan and action plan Medium Term Financial Strategy	Tony Kingsbury - Executive Member for Policy & Culture Pam Kettle - Director - Finance & Operations	12	12	12
Any Comments	Corporate Business Plan was last updated in April 2015. Four performance clinic meetings have been held over 2015-16. Core PIs have been reported to OSC meetings over 2015-16. New service plans have been created for 2016-17 across all services. Risk remains unchanged at Amber.						
PROC	**Procurement** Procurement Failure to procure effectively and efficiently, including failures of contract management arrangements and client side monitoring procedures Consequences: Over pay for goods/services. Poor quality goods/services. Failure to achieve desired outcomes.	Annual Governance Statement Constitution Contract Procedure Rules Embedding procurement with HoST External and internal audit	New Procurement Implementation Plan	Bernard Sarson - Executive Member for Business & Partnerships Bob Baldock - Director - Governance	8	8	8

		Finance Procedure Rules Finesse Leisure Partnership Agreement Internal/External Audit Procurement function Procurement Handbook Procurement strategy Procurement Training Sustainable Procurement Strategy						
Any Comments	Contract Management returns in the process of being completed and collated to ensure that contracts are managed effectively. Expenditure analysis to take place in summer to ensure compliance with the contract procedure rules							
PROJ	**Project Management** Failure to properly manage projects including a potential lack of capacity or skills, pressure to meet deadlines and targets and resolving unforeseen complex issues. Consequences: Project drift and a failure to meet targets on time, cost or quality. Financial effects on the authority, potential litigation, reputational damage and stress to employees involved. Consequential effects on service delivery and assets.	Contract Procedure Rules Contractual remedies Deliivery of the performance management framework Delivery of the quarterly performance clinics Formation of project teams Overview and Scrutiny Function Procurement function Risk Assessments & Associated Control Measures		John Dean - Leader of the Council and Chairman of the Local Strategic Partnership Michel Saminaden - Chief Executive	12	12	12
Any Comments	No comments were made.							

SAF	**Safeguarding** Failure to meet obligations in respect of children and vulnerable adults, including our Safeguarding Policy and working in partnership with other agencies, including the Hertfordshire Safeguarding Children Board and the Hertfordshire Safeguarding Adults Board. This risk also covers our arrangements under the government's PREVENT strategy. Consequences: Abuse may remain undetected or unreported, resulting in harm to a child or vulnerable adult. Possible litigation and reputational damage.	Designated Safeguarding Officers Group Mandatory Safeguarding training Representation and Learning through Herts Safeguarding Boards Safeguarding Policy Senior Management Leadership on this Issue		Tony Kingsbury - Executive Member for Policy & Culture Bob Baldock - Director - Governance	8	8	8
Any Comments	The council has recently been audited in this area and the draft report has stated that there is substantial assurance The council's policy is being reviewed. Designated Safeguarding Officers have had additional training in specific areas, such as radicalisation.						
STF	**Staff** This risk covers a failure to: . Manage staff morale and motivation in challenging times . Adequately manage employee performance through the setting of SMART objectives and targets . Implement People Strategy, succession and workforce development plan. . Recruit, retain and develop talented employees. . Take initiatives to manage employee wellbeing Consequences Consequences: Overall capacity may be reduced, and low morale may result in reduced goodwill and productivity. This could result in a failure to achieve targets and objectives and affect service delivery. There may also be a necessity to use	Guidant Managed Service Contract Health and Wellbeing Sessions HR - Training Needs Analysis HR Policies and Procedures 'Jobs Go Public' application tracking system Learning and Development Plan Monitoring appraisal scheme Occupational Health	Staff - Introduce workflow and self service	Bob Baldock - Director - Governance Roger Trigg - Executive Member for Governance & Public Health	6	6	6

	agency staff, resulting in increased expenditure	Contract Optima People Strategy					
Any Comments	Risk unchanged. This is being closely monitored in light of the management restructure. HR works closely with managers to take pro-active action to mitigate the identified risks.						