

Quarter 3 - 2024/25 - Operational Risks (Serious and Severe)

Risk: Failure in procurement compliance		Risk Manager: Procurement Manager		Last updated: 13 January 2025	
Description of risk: Compliance with Internal and External Rules and Regulations		Controls: Contract Procedure Rules Procurement Strategy Public Contracts Regulations 2015 Training and briefings Compliance checks including regular review on expenditure Procurement checklists		Risk Manager Commentary: A recent audit of spend against the contracts register has shown very little non compliant spend. The procurement manager is working with the services managers on exceptions. No change as of December 2024	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 2		Residual Impact: 5		Residual Score: 10	
Previous Inherent Probability: 4		● Previous Inherent Impact: 5	●	Previous Inherent Score: 20	●
Previous Residual Probability: 2		● Previous Residual Impact: 5	●	Previous Residual Score: 10	●

Risk: Supplier failure (Financial)		Risk Manager: Procurement Manager		Last updated: 13 January 2025	
Description of risk: If a supplier faces financial challenges it may lead the supplier into administration or liquidation, which in turn could lead to severe disruption to the delivery of services, along with financial and reputational consequences		Controls: Financial checks as part of supplier selection process Ongoing monitoring of suppliers on Credit Safe system Business continuity plans Use of bonds, parent company gaurentees and other securities as appropriate		Risk Manager Commentary: All our major contracts are monitored through a credit agency and a risk rating is applied. Currently 49 companies are being monitored. 47 are low risk and 2 are moderate risk, These 2 are being monitored closely, and are either for ad-hoc suppliers or where additional controls and contingency plans are in place so no increases in risk have been made.	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 4		● Previous Inherent Impact: 5	●	Previous Inherent Score: 20	●
Previous Residual Probability: 3		● Previous Residual Impact: 4	●	Previous Residual Score: 12	●

Risk: Collection Risks (Council Tax and Business		Risk Manager: Service Manager (Revenues, Benefits and Fraud)		Last updated: 12 January 2025	
Description of risk: Failure to maintain collection rates for council tax and business rates would have an impact on the council's finances, along with other preceptors which may lead to reputational risks also.		Controls: Experienced service delivery partners Contract monitoring. Stringent monitoring with a recent dip in collection and particularly after migration to NEC systems Collection policies and procedures Collections legislation Use of legal action and enforcement agents Benchmarking and regular performance monitoring Fees and penalties used as appropriate.		Risk Manager Commentary: A static debt review has started with the new service provider. Performance is generally improving following the pandemic. However, it is still behind target and it will take time before we get back to pre-covid levels of collection.	
Inherent Probability: 4		Inherent Impact: 4		Inherent Score: 16	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 4		● Previous Inherent Impact: 4		● Previous Inherent Score: 16	
Previous Residual Probability: 3		● Previous Residual Impact: 4		● Previous Residual Score: 12	

Risk: Savings Delivery	Risk Manager: Executive Director (Finance and Transformation)	Last updated: 02 January 2025	
Description of risk: Failure to deliver the savings targets set as part of the budget could have financial implications for the council. Delays to implementation may have an impact for 2024/25, but failure to implement or achieve altogether could add to the medium term pressures for the council.	Controls: Budget monitoring processes Monthly reporting to management Quarterly reporting to members Project plans	Risk Manager Commentary: Monthly monitoring is in place. There are some early indications that some of the savings may not be fully delivered, as have not started from 1 April 2024. These continue to be looked by budget managers in detail as part of the monitoring process. Quarter one identified that the full crematorium income is unlikely to be achieved this year. In the quarter 2 report, a number of other savings were identified which are unlikely to be achieved in full during the year, therefore the impact has been increased.	
Inherent Probability: 5	Inherent Impact: 4	Inherent Score: 20	
Residual Probability: 4	Residual Impact: 4	Residual Score: 16	
Previous Inherent Probability: 5	● Previous Inherent Impact: 4	● Previous Inherent Score: 20	●
Previous Residual Probability: 4	● Previous Residual Impact: 4	● Previous Residual Score: 16	●

Risk: Housing Benefit Subsidy Loss		Risk Manager: Service Manager (Revenues, Benefits and Fraud)		Last updated: 12 January 2025	
Description of risk: Risk of unexpected Housing Benefit Subsidy Loss.		Controls: Subsidy working group set up to deal with the identification of subsidy losses, the correction of errors and any mitigation that can be put in place. Strategic focus on minimising subsidy loss via a corporate project including housing.		Risk Manager Commentary: Housing Benefit Subsidy Loss is an area that can be very costly for the Council. To reduce the risk of unexpected financial loss, the Council has to make a concerted effort to monitor, minimise and plan for the future costs of housing homeless people, people who need support and ensuring Housing Benefit calculations are correct to minimise subsidy loss. additional regular checks are in place to ensure some of the cases attracting higher subsidy are correct.	
Inherent Probability: 4		Inherent Impact: 4		Inherent Score: 16	
Residual Probability: 4		Residual Impact: 3		Residual Score: 12	
Previous Inherent Probability: 5		● Previous Inherent Impact: 4		● Previous Inherent Score: 20	
Previous Residual Probability: 4		● Previous Residual Impact: 3		● Previous Residual Score: 12	

Risk: Recruitment and Retention (Regeneration & Economic Development)		Risk Manager: Assistant Director (Regeneration and Economic Development)		Last updated: 10 January 2025	
Description of risk: Issues with recruitment and retention within the regeneration and economic development services may impact on the ability to deliver council services.		Controls: Use of agency staff Use of specialist contractors Agency Worker Framework Training and Development Recruitment and Retention Policies and Procedures		Risk Manager Commentary: Council's across the country continue to experience challenges relating to professional surveying and estates roles. Key vacancies are currently the Housing Development Manager, Estates Service Manager, Senior Estates Surveyor and Economic Development Officer. Work will continue to be prioritised and to ensure core functions are covered but low value or non statutory matters have been placed into abeyance.	
Inherent Probability: 5		Inherent Impact: 4		Inherent Score: 20	
Residual Probability: 5		Residual Impact: 4		Residual Score: 20	
Previous Inherent Probability: 5		● Previous Inherent Impact: 4	●	Previous Inherent Score: 20	●
Previous Residual Probability: 5		● Previous Residual Impact: 4	●	Previous Residual Score: 20	●

Risk: Legal Challenge to Planning decisions	Risk Manager: Assistant Director (Planning)	Last updated: 09 January 2025
<p>Description of risk:</p> <p>Successful planning appeals and/or legal challenge against a planning decision can lead to costs awarded against the council, along with potential reputational damage.</p>	<p>Controls:</p> <p>Decision making structure requires applications to be checked before determination. Officers are encouraged to discuss more complex applications with senior managers. Officers in the planning service aim to behave reasonably in order to minimise risk of costs awards against the Council.</p> <p>Other measures include:</p> <ul style="list-style-type: none"> Application checking processes and procedures Complex cases reviewed by managers Officers in the planning service aim to behave reasonably in order to minimise risk of costs awards against the Council. Member training Constitution and Governance Procedures <p>In terms of DMC decisions, members are always warned of the risk attached to their decision, particularly if this goes against the advice of officers</p>	<p>Risk Manager Commentary:</p> <p>This risk continues to be monitored as more complex applications are determined.</p> <p>The risk of challenge to the Council, both prior and post decision, remains high and therefore legal advice is taken where needed, to try and mitigate the risk of further JR.</p> <p>The judicial review to the adoption of the local plan was successfully defended earlier in 2024.</p> <p>Officers continue to take a precautionary approach to the most complex applications and, where necessary, will take specific legal advice before an application is determined.</p>
<p>Inherent Probability: 5</p>	<p>Inherent Impact: 5</p>	<p>Inherent Score: 25</p>
<p>Residual Probability: 3</p>	<p>Residual Impact: 5</p>	<p>Residual Score: 15</p>
<p>Previous Inherent Probability: 5</p>	<p>Previous Inherent Impact: 5</p>	<p>Previous Inherent Score: 25</p>

Risk: Planning - Building Control	Risk Manager: Assistant Director (Planning)	Last updated: 09 January 2025
Description of risk: The identified risk is that HBC is unable to provide the statutory building control service to the Council at any point in time.	Controls: The Council's statutory building control functions are now delivered by appropriately qualified members of the Herts Building Control team, who are seconded to the Council when undertaking this type of work. HBC has a pool of officers who provide this service, providing resilience to that service.	Risk Manager Commentary: Following the creation of a jointly owned company to provide building control services, the Council's statutory building control functions and responsibilities are delivered by Hertfordshire Building Control Ltd. The company, and the council's contract with it, are managed via shareholder & director joint meetings and secondment of staff from Herts Building Control. The seconded staff, by way of formal agreement, are considered to be working for the Council at the time they are undertaking statutory functions. The remainder of the time they work for the commercial business. The company cashflows are under close review following a period of lower service use when there was an economic downturn, further financial support may be required and Herts CFOs are being met with regularly to discuss the companies financial position.
Inherent Probability: 3	Inherent Impact: 5	Inherent Score: 15
Residual Probability: 3	Residual Impact: 5	Residual Score: 15
Previous Inherent Probability: 3	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 15
Previous Residual Probability: 3	<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 15

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Appendix B

Risk: Repairs (Commercial Properties and Garages)		Risk Manager: Assistant Director (Public Realm)		Last updated: 06 January 2025	
Description of risk: The Council fails to meet its repairs obligations leading to disrepair, non adherence to regulations , leading to financial, legal, health and safety and reputational implications.		Controls: Staff training and development Help Desk Processes and procedures Service request management Resourcing Management reporting		Risk Manager Commentary: The Building Services team undertake a large, works programme to general fund properties. There are regular inspections carried out by contractors to ensure that the buildings are compliant. Reports from regular equipment services are provided to the team to undertake repairs of a responsive nature. Regular inspections are undertaken by the surveyors in the team to identify any defects and react accordingly. The Estates Team also undertake regular inspections and report to the team. There is a helpdesk that managers of various building can report any failure and these are responded to with immediate effect. These ensure that all buildings meet the legal obligations and maintained to a high standard. Due to the vacant Building Services and Garages post extra support has been brought in to partially cover this vacancy.	
Inherent Probability: 4		Inherent Impact: 4		Inherent Score: 16	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 4		● Previous Inherent Impact: 4	● Previous Inherent Score: 16	●	
Previous Residual Probability: 1		● Previous Residual Impact: 4	● Previous Residual Score: 4	●	

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Risk: Responsive repairs (Housing)		Risk Manager: Service Manager (Housing Repairs and Building		Last updated: 13 January 2025	
Description of risk: The Council fails to meet its responsive repairs obligations leading to disrepair, non adherence to regulations and expectation set out by the RSH and Housing Ombudsman, leading to financial, legal, health and safety and reputational implications. Any delays in the annual planned investment programme impacts on the number of maintenence orders, and increase in the priorities for the work orders, impacting on the contractor's ability to complete work in the agreed timescales.		Controls: Use of partnering contractor to complete responsive repairs Contractual SLAs Contract Monitoring and KPIS Disrepair Group and Operational damp and mould group in place Councils policy and procedures in relation to responsive repairs Identifying trends through complaints and lessons learned. The service now has regulars report on the, work orders not yet completed, WIP.		Risk Manager Commentary: Repairs performance has under performed over the last period and improvement plans in place and being monitored weekly. Urgent repairs performance is back up to target.	
Inherent Probability: 5		Inherent Impact: 5		Inherent Score: 25	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 5		● Previous Inherent Impact: 5	●	● Previous Inherent Score: 25	●
Previous Residual Probability: 3		● Previous Residual Impact: 4	●	● Previous Residual Score: 12	●

Risk: Asset Data	Risk Manager: Executive Director (Resident Services and Climate Change)	Last updated: 13 January 2025
Description of risk: Failure to maintain building stock data leads to inaccurate forecasting and poor investment decisions leading to Regulatory, Financial and Reputational consequences	Controls: Savills completed over 80% stock condition surveys. We have appointed a Data Asset Manager to develop programmes which are funded in the business plan. We are still recruiting to the, new structure includes an Asset Data team	Risk Manager Commentary: Stock conditions surveys undertaken January-August 2024. No access properties will be completed in 2025. Data now being validated and will be uploaded to Orchard/MRI. Any issues/Cat 1 or 2 hazards were highlighted and actioned on a weekly basis. Once all the stock condition and energy data is validated and uploaded this will inform further maintenance and investment programmes for our buildings, and a refresh of the asset data management strategy.
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25
Residual Probability: 3	Residual Impact: 5	Residual Score: 15
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 25
Previous Residual Probability: 3	<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 15

Risk: Fire Safety		Risk Manager: Service Manager (Housing Repairs and Building		Last updated: 13 January 2025	
Description of risk: Failure to comply with the Fire Safety Regulations and Building Safety Act leads to harm to the public and/or colleagues resulting in Regulatory, legal and Reputational consequences		Controls: Policy's and processes in place and regularly reviewed Regular reporting of compliance to ensure visibility Contractors met on a regular basis to ensure issues are identified Programmes are regularly reviewed and updated to ensure compliance.		Risk Manager Commentary: Operational Health and Safety board (OHSB) continues to meet on a regular basis to monitor the actions required to meet the Building Safety Act and KPI for Fire Risk assessments.	
Inherent Probability: 5		Inherent Impact: 5		Inherent Score: 25	
Residual Probability: 2		Residual Impact: 5		Residual Score: 10	
Previous Inherent Probability: 5		● Previous Inherent Impact: 5	●	Previous Inherent Score: 25	●
Previous Residual Probability: 2		● Previous Residual Impact: 5	●	Previous Residual Score: 10	●

Risk: Damp, Mould and Condensation		Risk Manager: Service Manager (Housing Repairs and Building		Last updated: 13 January 2025	
Description of risk: Failure to manage damp and mould cases effectively leads to customer harm resulting in Financial, Legal, Regulatory and Reputational consequences.		Controls: Procedures and monitoring in place to manage all cases Damp and Mould Group in place Regular reporting to Cross Party Group Operational damp and mould group in place Self assessment against the Housing Ombudsman's report underway Inherent defect house types identified Budget created for damp and mould		Risk Manager Commentary: we are currently reviewing the damp and mould policy and procedure to ensure they align with the current government consultation, this includes the damp and mould proposal from Morgan Sindall. An internal audit was completed on the councils response to damp and mould. No high priority recommendations were made, but there were a high number of recommendations. A number of these have already been actions, and the risk score has been increased whilst these actions are finalised. A follow up audit has been completed and the report is expected.	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 4		Residual Impact: 5		Residual Score: 20	
Previous Inherent Probability: 4		● Previous Inherent Impact: 5		● Previous Inherent Score: 20	
Previous Residual Probability: 4		● Previous Residual Impact: 5		● Previous Residual Score: 20	

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Appendix B

Risk: Recruitment and Retention - Homes and Neighbourhoods		Risk Manager: Assistant Director (Homes and Neighbourhoods)		Last updated: 11 January 2025	
Description of risk: Failure to attract and retain competent staff leads to service failure resulting in Regulatory, Legal and Reputational consequences		Controls: Temporary staff being utilised to fill some gaps in the structure Point 13 appointed to help with targeted marketing campaign All posts re-evaluated Fortnightly staff briefings in place Regular recruitment meetings with HR		Risk Manager Commentary: This continues to be a challenging area, especially given the significant changes in the Housing industry in the past few years. The new AD (Homes and Neighbourhood) is reviewing the structure in light of the challenges in the recruitment market. Recruitment of surveyors, technical staff, and managers is very challenging in the housing sector. The Neighbourhoods Enforcement team is fully staffed except for the Service Manager post, which will be advertised once the revised structure is approved.	
Inherent Probability: 5		Inherent Impact: 5		Inherent Score: 25	
Residual Probability: 4		Residual Impact: 4		Residual Score: 16	
Previous Inherent Probability: 5		● Previous Inherent Impact: 5		● Previous Inherent Score: 25	
Previous Residual Probability: 4		● Previous Residual Impact: 4		● Previous Residual Score: 16	

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Risk: Tree Failure		Risk Manager: Environment, Landscape and Climate Change Service Manager		Last updated: 06 January 2025	
Description of risk: Tree Risk of failure of a tree with resultant risk to property or life.		Controls: Trees managed by WHBC are inspected on regular scheduled programmed basis by qualified staff. Any trees requiring any safety works will be given a priority and actioned within budget constraints..		Risk Manager Commentary: Tree inspections are currently on target. Tree works undertaken within agreed KPI standards..	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 2		Residual Impact: 5		Residual Score: 10	
Previous Inherent Probability: 4		<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 20	<input type="radio"/>	
Previous Residual Probability: 2		<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 10	<input type="radio"/>	

Risk: Housing Management - Poor void management	Risk Manager: Assistant Director (Homes and Neighbourhoods)	Last updated: 11 January 2025	
<p>Description of risk:</p> <p>Poor void and allocations management leading to loss of income, increased costs and extended periods of reduced property availability.</p>	<p>Controls:</p> <p>End to end mapped process completed. Housing Management system under review: plans to align the workflow with the process. Contractor working to an agreed contractual improvement plan. Void management standard being maintained. The pre-void inspections have just started. They are carried out by the Neighbourhood Officers and Void Surveyors. Weekly allocation meetings to be implemented at the pre-void stage.</p>	<p>Risk Manager Commentary:</p> <p>The average void time is expected to remain above the target; however, we anticipate improvements in the volume of voids returned starting in January, as the contractor has enhanced its supply chain. The internal review of the voids and lettings process has been completed, and a broader review with the contractor is now in progress. The poor performance can be attributed to several factors, including issues with the kitchen supplier, shortages of contractor resources, challenges associated with planned works, the condition of properties being returned, and the fact that properties are not advertised until they have been handed back. The termination inspection has been beneficial, as more residents are removing their belongings when they move out. An improvement plan is in place with the contractor to enhance turnaround times, and the quality of the work has improved. We conduct weekly meetings to monitor and discuss the performance related to voids.</p>	
Inherent Probability: 5	Inherent Impact: 4	Inherent Score: 20	
Residual Probability: 4	Residual Impact: 4	Residual Score: 16	
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 4	<input type="radio"/> Previous Inherent Score: 20	<input type="radio"/>
Previous Residual Probability: 4	<input type="radio"/> Previous Residual Impact: 4	<input type="radio"/> Previous Residual Score: 16	<input type="radio"/>