

## 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	<p><b>Change Management</b> 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</p>	<p>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</p>		<p>Michel Saminaden - Chief Executive John Dean - Leader of the Council and Chairman of the Local Strategic Partnership</p>	9	9	9
<b>Any Comments</b>	<p>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 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.</p>						
COM	<p><b>Communication</b> 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</p>	<p>Communication plans are agreed for all significant projects/high priority issues Communications Strategy is embedded</p>	<p>Communications Strategy Life Magazine - community newsletter</p>	<p>Tony Kingsbury - Executive Member for Policy &amp; Culture Pam Kettle - Director - Finance &amp; Operations</p>	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					
<b>Any Comments</b>	No update from the last half year risk score.						
COR	<b>Corporate Resilience</b> 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	Business Continuity Incident Management Team Constitution Crisis Support Team DR plan Duplicate facilities Emergency Plan	BCM Peer Review Contractor BCM Awareness Raising Document Crisis Support Team Exercising RAYNET	Bob Baldock - Director - Governance Bernard Sarson – Executive Member for Business, Partnerships and Public Health	8	12	12

	statutory duty to respond with other agencies The 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.	Hertfordshire Resilience Pandemic Flu Group Resilience Team Training and Exercising Programme	Volunteer Team skills and competencies WHC Business Continuity Plan				
<b>Any Comments</b>	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. We have introduced a performance indicator regarding the maintenance of plans and this is being reported to EOSC.						
ENG	<b>Engagement</b> 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
<b>Any Comments</b>	No update from the last half year risk score.						
EQA	<b>Equalities and Diversity</b> 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, service delivery, the community and customers. Consequences: Litigation (and associated financial impacts) and	Carrying out EIAs for all policy and service changes Codes of Conduct and regular mandatory training for officers and members on equality, diversity and safeguarding Equality and Diversity		Bob Baldock - Director - Governance Tony Kingsbury - Executive Member for Policy & Culture	8	8	12

	reputational damage.	Steering Group Equality Improvement Plan and Dedicated Resources Review of EIAs at Equality and Diversity Steering Group Robust monitoring					
<b>Any Comments</b>	Equality Impact Assessment training has been delivered. A new Action Plan for 2016/17 is agreed and being monitored via the regular Steering Group meetings. The Single Equality Scheme has been agreed.						
FIN	<b>Finance</b> 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 development strategy External and internal audit		Pam Kettle - Director - Finance & Operations Duncan Bell - Executive Member for Resources	15	15	15

		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					
<b>Any Comments</b>	Budget for 2016/17 has been agreed with sufficient reserves, and there are plans to address the growing funding gap. The 2015/16 outturn was higher than expected at the time of the original budget.						
GOV	<b>Governance</b> Governance Failure to maintain effective governance arrangements, including: - Standards and Ethics - Anti-fraud and	Governance Group Anti Fraud and Corruption Strategy Constitution		Roger Trigg - Executive Member for Governance, Community Safety,	12	12	12

	<p>corruption arrangements - Whistleblowing - Information governance (FoI, Data Protection) - Risk management - Compliance with the requirements of the Localism Act - Transparency</p> <p>Consequences: Litigation, loss of reputation, financial impacts, external auditor criticism</p>	<p>Contract Procedure Rules</p> <p>Dedicated Data Protection Officer</p> <p>Dedicated FoI Officer</p> <p>Employee Code of Conduct</p> <p>Finance Procedure Rules</p> <p>Local Code Governance</p> <p>Member Code of Conduct</p> <p>Overview and Scrutiny Function</p> <p>Standards Committee</p> <p>Transparency Code</p> <p>Whistleblowing Policy</p>		<p>Police and Crime Commissioner and Corporate Property</p> <p>Bob Baldock - Director - Governance</p>			
<b>Any Comments</b>	<p>All policies are kept under review. This is kept at medium risk because of the potential impact.</p> <p>New councillors have now received a comprehensive corporate induction including introduction to the Member Code of Conduct.</p>						
H&S	<p><b>Health and Safety</b></p> <p>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 &amp; 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</p>	<p>Collective Safety Responsibility of Executive Board</p> <p>Communication with Employees</p> <p>External Inspection and Auditing by Consultants</p> <p>Induction and Ongoing Training</p> <p>Periodic Inspection of Premises, Plant and Equipment</p> <p>Risk and Resilience</p>	<p>Condition Survey Findings</p> <p>Grey Fleet</p> <p>Potentially Violent</p> <p>Customer Policy</p> <p>Stress Policy</p> <p>Workplace Inspections</p>	<p>Bernard Sarson – Executive Member for Business, Partnerships and Public Health</p> <p>Bob Baldock - Director - Governance</p>	8	8	8

	and including the Corporate Manslaughter and Corporate Homicide Act.	Officer Risk Assessments & Associated Control Measures Safety Director Role Safety Policy Document					
<b>Any Comments</b>	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. We are starting work on harmonising council and Trust safety policies.						
ICT	<b>ICT Failure</b> 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 Public Switched Telephone Network connection Infrastructure review to stabilise our virtual environment IT Strategy Put back BRE lease termination date	Virtual Hardware Virtualisation Process WHC Business Continuity Plan	Duncan Bell - Executive Member, Resources Pam Kettle - Director - Finance & Operations	8	8	8
<b>Any Comments</b>	<p>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 reaching the network altogether. This includes blocking emails with the word "invoice" in the title.</p> <p>Mitigation will continue to be communicated 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.</p> <p>Also investigating other software options for further security "privilege guard".</p>						
LP	<b>Local Plan</b> Failure to have an approved strategy and	Extensive evidence will underpin the		Bob Baldock - Director -	12	12	12

	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 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.	development of our Local Plan and inform our proposals Input from CHPP Project plan for the Local Plan is in place Public scrutiny, including a public examination led by an independent Planning Inspector S106/Community Infrastructure Levy is in place		Governance Mandy Perkins – Executive Member, Planning, Housing and Community			
<b>Any Comments</b>	Proposed Submission Local Plan agreed by Cabinet on 2 August for public consultation from 30 Aug – 24 Oct. Local Development Scheme will be updated to reflect new timetable for submission in early 2017, public examination in mid 2017 and inspector’s report and adoption in late 2017, thereby avoiding the threat of Government intervention. It is anticipated that the plan will be subject to objections from unsuccessful landowners/developers, town/parish councils, community groups and residents. These will be considered by officers/councillors and debated at public examination. There is possibility that inspector will advise Council to consult on modifications before plan can be adopted.						
MPA	<b>Management of Physical Assets</b> 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	Asset Management Plan Capital Programme Decent Homes Strategy Finesse Leisure Partnership Agreement	Rewrite/Update the HRA Business Plan Financials	Pam Kettle - Director - Finance & Operations Duncan Bell – Executive Member for Resources	9	9	9



	resources. (Lost income and additional cost) Risk to Health and Safety to occupiers and visitors. Accelerate the deterioration/dilapidation of building assets. Negative impact on reputation of the Council. Potential for investment and needs priority mismatches.	HRA Business Plan IPF Property Condition Survey (Premises) 2002 Neighbourhood Shopping Centres Policy						
<b>Any Comments</b>	Capital projects are progressing, including the ongoing garage refurbishment programme. The team are identifying a number of assets that require investment to put forward capital bids for the 2017/18 budget process.							
PART	<b>Partnerships</b> 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 and Public Health Pam Kettle - Director - Finance & Operations		8	8	8

<b>Any Comments</b>	<p>The council and Housing Trust are currently merging support services and forming a joint management team.</p> <p>A review of the Alliance will be carried out over the next few months.</p> <p>The annual Alliance Conference is being planned and the date has been set for November.</p> <p>Business Forum established and meeting approximately quarterly. Vision/objectives and action plan for 2016/2017 prepared and being implemented.</p>						
PERM	<p><b>Performance Management</b>  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</p>	<p>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</p>	<p>Annual service team plans  Annual team plans  Corporate Business Plan and action plan  Medium Term Financial Strategy</p>	<p>Tony Kingsbury - Executive Member for Policy &amp; Culture  Pam Kettle - Director - Finance &amp; Operations</p>	12	12	12
<b>Any Comments</b>	No update from the last half year risk score.						
PROC	<p><b>Procurement</b>  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.</p>	<p>Annual Governance Statement  Constitution  Contract Procedure Rules  Embedding procurement with HoST</p>	<p>New Procurement Implementation Plan</p>	<p>Bernard Sarson – Executive Member for Business, Partnerships and Public Health  Bob Baldock - Director - Governance</p>	8	8	8

		External and internal audit Finance Procedure Rules Finesse Leisure Partnership Agreement Internal/External Audit Procurement function Procurement Handbook Procurement strategy Procurement Training Sustainable Procurement Strategy					
<b>Any Comments</b>	Training on procurement portal has been rolled out allowing a more auditable approach to the procurement process.						
PROJ	<b>Project Management</b> 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 Delivery 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

<b>Any Comments</b>							
SAF	<b>Safeguarding</b> 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
<b>Any Comments</b>	SIAS carried out a recent audit and provided substantial assurance (April 2016) The Action Plan for 2016/17 is agreed and the Steering Group continues to meet on a regular basis.						
STF	<b>Staff</b> 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: 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 agency staff, resulting in	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 Contract	Staff - Introduce workflow and self service	Bob Baldock - Director - Governance Roger Trigg - Executive Member for Governance, Community Safety, Police and Crime Commissioner and Corporate Property	6	6	6

	increased expenditure	Optima People Strategy					
<b>Any Comments</b>	<p>This risk remains the same - staff morale is perceived to be low and the council has issued a recent staff survey and will analyse the data received.</p> <p>Ongoing work is being undertaken to update key HR policies and where appropriate, the staff survey results will feed into those.</p>						