

CORPORATE RISK REGISTER

Version Date: June 2015

Details of Risk						Inherent Risk			Key Controls	Residual Risk			Actions				
Risk No.	Risk Description	Caused by	Effect	Owner	Corporate Priorities	Likelihood	Impact	Score and RAG		Likelihood	Impact	Score and RAG	Actions	Owner	Target Date	Revised Target Date	Action Status RAG
CUSTOMER PERSPECTIVE																	
A1	Customer demand	1. Customer demand exceeds our capacity to deliver services as they are currently configured 2. Transfer of demand arising from service delivery changes or budget cuts by other public agencies 3. Excessive customer demand in key areas, particularly in relation to the need to cut services, or changes to policies eg council tax reduction scheme; universal credit	1. Unable to cope with demand 2. Complaints 3. Reputation damage 4. Increased homelessness risk to housing	EH-CC&C	All	4	4	16 (R)	1. Proactive research on customer profile, forward planning, eg anticipating future events that will generate higher demand and use of data held to map and channel shift. 2. Data capture, consultation, survey and service planning. 3. Being robust about the role and responsibilities of Norwich City Council	3	2	6 (A)	Customer service improvement plan for F2F service - Phase 1	Head of customer services	Ongoing	Mar-16	G
A2	Delivery of the corporate plan and key supporting policies and strategies within the council's strategic framework	Corporate priorities are not on target to be delivered. The council has a clear set of corporate priorities within its corporate plan. Within the council's wider strategic framework, there are a number of key corporate strategies and policies which must be delivered across the organisation to realise the council's priorities e.g. environmental strategy, housing strategy etc Policy from the new government will be further changing the framework for local government and put new requirements on the council that must be met in a number of different areas. When this is combined with the very significant savings the council will need to make to meet the government funding reductions, there is a risk that these changes will reduce the capacity of the council to deliver on its key corporate priorities.	1. Key priorities for the city are not delivered 2. Adverse public opinion 3. Projects / work completed to a lower quality 4. Negative impact on outcomes for citizens 5. Negative performance ratings for the council 6. Continual over-stretching of capacity	EH-SP&N	All	4	4	16 (R)	1. Regular review of corporate plan, medium term financial strategy and other key policies and strategies. 2. Effective performance and programme management 3. Corporate planning and service planning aligned with budget setting to ensure resources are in place to deliver priorities. 4. Effective preparation for changes in government policy. 5. Effective transformation programme to ensure savings are delivered.	2	4	8 (A)					

Details of Risk						Inherent Risk			Key Controls	Residual Risk			Actions				
Risk No.	Risk Description	Caused by	Effect	Owner	Corporate Priorities	Likelihood	Impact	Score and RAG		Likelihood	Impact	Score and RAG	Actions	Owner	Target Date	Revised Target Date	Action Status RAG
A3	<p>Relationship management with key service delivery partners and the management of contracts.</p> <p>The council has a number of key partnerships with LGSS, NPS Norwich, and NP Law. There is also a highways agency agreement with Norfolk County Council. This approach to service delivery requires a different managerial approach by the city council. The council also has a number of key contracts – eg with NORSE, BIFFA, and Anglia Windows Ltd, – which require strong, consistent procurement and client management.</p>	<p>1. Partnerships not managed effectively and key service outcomes not achieved.</p> <p>2. Contracts not managed effectively, and key service outcomes not achieved.</p>	<p>1. The council doesn't get value for money</p> <p>2. Benefits of partner and contract arrangements not realised</p> <p>3. Constant negotiation around the service delivery agreement</p> <p>4. Specification not adhered to</p> <p>5. Services not provided at an acceptable level</p> <p>6. Customer and staff complaints</p>	EH-BRM&D	5	3	4	12 (A)	<p>1. Governance structure is in place to manage the individual partnership agreements (eg NPS Norwich Board, LGSS liaison group, NP Law Board, all major contracts have strategic and operational governance arrangements with officer and member representation.</p> <p>2. In response to the council operating model training requirements have been reviewed and staffing structures refreshed to reflect this change.</p> <p>3. A contract and business relationship management toolkit has been deployed. This aims to create consistency of management of both financial and performance objectives and monitoring and management of all economic, social and environmental issues associated with the service.</p> <p>4. Internal audit has reviewed arrangements to ensure that robust governance by client managers is in place for LGSS, nplaw, NPS Norwich, Norwich Norse (Environmental) and Norse Envoronmental Waste Service. Reported to CLT in April 2015 - result was 'substantial' assurance opinion.</p>	2	4	8 (A)					

Details of Risk						Inherent Risk			Key Controls	Residual Risk			Actions				
Risk No.	Risk Description	Caused by	Effect	Owner	Corporate Priorities	Likelihood	Impact	Score and RAG		Likelihood	Impact	Score and RAG	Actions	Owner	Target Date	Revised Target Date	Action Status RAG
A4	Safeguarding children, vulnerable adults and equalities duties	1. Safeguarding and equalities duties and responsibilities not embedded throughout the council and its contractors/ commissioned services/ partners. 2. Continued change in council service delivery model with an increase in the number of partnership arrangements is likely to require new arrangements for the delivery of safeguarding and equalities duties. 3. Impact of cuts on care services and benefit funding. 4. Critical incident 5. Change in contractor/ commissioned service/partner 6. Reduced service provision 7. Not being able to attract staff with diverse abilities and backgrounds 8. Reviews of safeguarding at Norfolk County Council found a number of significant issues, which increases the risks for partner organisations	1. Vulnerable adults and children at greater risk of exclusion or harm 2. Individuals from a community of identity dealt with inappropriately and at risk of exclusion 3. Risk of judicial review on accessibility of services 4. Risk of damage to reputation if an employee discrimination claim is made based on equalities legislation 5. NCC's reliance on systems at Norfolk and impact on Norwich City Council if these are inadequate	EH-SP&N	All	3	4	12 (A)	1. Safeguarding children policy and procedures in place and reviewed annually through safeguarding group. 2. Safeguarding adult policy and procedures in place and reviewed annually. 3. Safeguarding duties included in new contracts to ensure duties are embedded with new contractors. Where appropriate, joint training/ awareness sessions are held. 4. Equalities duties overseen by BMG 5. A contract and business relationship management toolkit has been deployed. This aims to create consistency of management of both financial and performance objectives and monitoring and management of all economic, social and environmental issues associated with the service and particularly in relation to safeguarding 6. Equality training undertaken for all staff and managers 7. Managing mental health training for managers 8. Safeguarding training provided to all staff. 9. Safeguarding guidance provided to all councillors 10. External reviews of the council's approach 11. Annual self-assessments against Sec.11 of Children Act 2014, then challenge session with chair of Norfolk Safeguarding Children Board (NSCB). Confirmed that NCC is playing its part in the NSCB and is alert to its duties and responsibilities. 12. NCC plays full part in Norfolk Public Protection Forum 13. NCC chief executive chairs Community Safety Partnership linking to domestic abuse across the county	2	4	8 (A)	Work is progressing with contract managers to ensure monitoring and annual reporting of cross cutting themes including safeguarding and equalities is undertaken consistently with contractors. Training for all staff being reviewed to ensure it is relevant to job roles and reflects emerging safeguarding issues and priorities. Action plan developed to ensure continual improvement against Sec 11 of the Children Act 2014 - progress will be reported to a future cabinet	Head of local neighbourhood services	Jan-16	Sep-15	G

Details of Risk						Inherent Risk			Key Controls	Residual Risk			Actions				
Risk No.	Risk Description	Caused by	Effect	Owner	Corporate Priorities	Likelihood	Impact	Score and RAG		Likelihood	Impact	Score and RAG	Actions	Owner	Target Date	Revised Target Date	Action Status RAG
A6	Delivery of Joint Core Strategy (JCS). The council, through the Greater Norwich Growth Board, is seeking to promote delivery of the JCS. If delivered, JCS will see more than 30,000 homes built in the greater Norwich area, and 35,000+ jobs created over next 15 years	Delivery of the JCS may be jeopardised by: 1. One or more district councils failing to identify sufficient sites or bring forward detailed development plans to deliver the JCS in the next five years. 2. Markets failing to deliver on preferred development sites identified for housing 3. The government changing allowed approaches to calculating housing land supply to require all the backlog in housing supply that has arisen since 2008 to be met in the next five-year period rather than over the remainder of the plan period of the JCS (ie up to 2026). 4. Failure to deliver the infrastructure required to support development 5. The council increasingly relies on income from NNDR (business rates). This may be at risk if other councils allow commercial developments on the edge of the city but outside the boundary.	1. Reputation damage 2. Significant likelihood that the overall development strategy for the Greater Norwich area will not be delivered	EH-R&D	2 & 4	3	4	12 (A)	1. Ensuring that strategies being prepared with GNGB colleagues are as robust as possible and firmly grounded in reliable evidence. 2. Inter-authority working based on consensus decision-making ensures all parties are in agreement with the proposed policy framework. 3. All policy work is supported by comprehensive evidence in accordance with government guidelines. 4. Greater Norwich Growth Board responsible for ensuring funding is available for investment in infrastructure to support growth.	2	3	6 (A)					
A8	Housing Investment Strategy As part of the reform of the HRA the council has taken on a substantial debt to replace the former negative housing subsidy system. This debt will be repaid over a period not exceeding 30 years. In addition to debt repayments the council has adopted a new standard for investment in the housing stock and a commitment to fund a new build programme	1. Should the cost of works increase and/or the level of income reduce, then it may be necessary to review the housing investment strategy. 2. In addition, below inflation/rpi increases in rents will impact on income. 3. Reduction in rental income (arising from a high level of council house sales, increasing debt or other factors). 4. Significant increase in the cost of delivering improvement works 5. Failure to deliver by contractors	1. Failure to deliver the Norwich Standard within the expected timescale 2. Lack of resources to support a new build programme. 3. Reduced tenant satisfaction 4. Reduced new build programme.	EH-SP&N	4	3	3	9 (A)	1. Regular review of HRA business plan and housing investment plan to reflect financial position of the HRA. 2. The main control will be the timescale for delivering the Norwich Standard to all properties together with the delivery of any agreed new build programme. 3. Regular review of key projects. 4. Effective contract management 5. Work with Registered Providers to maximise use of retained Right to Buy receipts for the development of new social housing where spend by the Council is not possible.	2	3	6 (A)					
FINANCE AND RESOURCES																	

Details of Risk						Inherent Risk			Key Controls	Residual Risk			Actions				
Risk No.	Risk Description	Caused by	Effect	Owner	Corporate Priorities	Likelihood	Impact	Score and RAG		Likelihood	Impact	Score and RAG	Actions	Owner	Target Date	Revised Target Date	Action Status RAG
B1	Public sector funding	1. Further economic decline. 2. Change in national government policy as a result of the economic position 3. New policies and regulations place a major financial burden on the council 4. Effects of funding cuts on major partners despite increased referrals, eg health and social care, may result in increased costs for the council	1. Major reduction in public sector funding, including consequences of changes in funding arrangements for other bodies. 2. Impact on balancing the budget – significant change and financial savings required. 3. Unable to make saving within the required timescales 4. Erosion of reserves 5. Major financial problems 6. Reputation damage 7. Possible industrial action 8. Changes become “knee jerk” 9. Govt intervention 10. Council loses critical mass in key areas 11. Service failures 12. Potential disproportionate impact on the poorest and most vulnerable members of society	CFO	All	5	5	25 (R)	1. Comprehensive 5-year transformation programme based on minimum resource allocation and robust benefit realisation. 2. Medium Term Financial Strategy incl. reserves policy, financial reporting to BMG & cabinet, transformation projects regularly monitored, MTFS is regularly reviewed and updated. 3. HRA business plan. 4. Weekly review by CLT of government announcements to assess implications and response required. 5. Keep service design under review 6. Continual review of financial position by the council and major partners	5	4	20 (R)	Report to cabinet for approval in line with risk management policy	Chief finance officer			
B2	Income generation	1. Further economic decline. 2. Under-utilisation of assets 3. CIL (community infrastructure levy) income is below expectations. 4. Collapse in world markets leading to loss of income 5. Low economic growth or recession reduces income 6. Other triggers: a) Bethel St Police Station – market value payment b) Triennial pensions review. c) VAT partial exemption. d) Variable energy prices. e) Increasing voids due to market and economy factors. f) Loss of major tenant. g) GNGP board decision or cabinet decision on CIL investment arrangements. h) The council increasingly relies on income from NNDR (business rates). This is a volatile income stream and may be at risk from changes to Government policy around planning and if other councils allow commercial developments on the edge of the city but outside the boundary. i) Lack of experience in some services for generating income	1. Inability to raise capital receipts 2. Impact on balancing the budget – significant change and financial savings required. 3. Decline in income streams (eg rents from investment properties) – insufficient funds to maintain current service levels 4. Unable to make saving within the required timescales 5. Erosion of reserves 6. Major financial problems 7. Reputation damage 8. Govt intervention 9. Council loses critical mass in key areas 10. Service failures 11. Potential disproportionate impact on the poorest and most vulnerable members of society 12. Damage/costs across void portfolio 13. Essential infrastructure to deliver growth in the GNGP area is delayed.	CFO	All	5	4	20 (R)	1. Comprehensive 5-year transformation programme based on minimum resource allocation, maximisation of income generation and robust benefit realisation. 2. Medium Term Financial Strategy incl. reserves policy, capital and revenue financial reporting to BMG & cabinet, transformation projects regularly monitored, MTFS is regularly reviewed and updated. 3. HRA business plan. 4. GNGP have an agreed investment plan for the Greater Norwich area and have appointed consultants to advise on the use of CIL to help deliver this programme. 5. Clear strategy for investment 6. Commercial skills training provided to all Heads of Service 7. Element of CIL programme controlled by Norwich prioritised and caution taken to ensure spend not incurred until monies certain to be received.	4	3	12 (A)					

Details of Risk						Inherent Risk			Key Controls	Residual Risk			Actions				
Risk No.	Risk Description	Caused by	Effect	Owner	Corporate Priorities	Likelihood	Impact	Score and RAG		Likelihood	Impact	Score and RAG	Actions	Owner	Target Date	Revised Target Date	Action Status RAG
B3	Level of reserves The council has a legal duty to ensure it has a prudent level of reserves to conduct its business	1. Government policy. 2. Economic climate 3. Reserves fall below acceptable levels	1. Inadequate levels of reserves publicly reported by external auditors 2. Government intervention 3. Impact on reputation of the council	CFO	All	3	4	12 (A)	1. Medium term financial strategy (MTFS). 2. Development of the 5-year corporate plan and transformation programme in conjunction with the MTFS. 3. HRA Business Plan. 4. Planning and delivery of transformation (savings and income generation) programme. 5. Contract and business relationship management to identify and respond to business delivery risks. 6. Budget development, in-year monitoring and control	2	3	6 (A)					
B4	Capital developments	1. Housing / other developments may take longer to proceed than planned. 2. Housing / other developments may cost more than planned . 3. Interest rates on debt may rise beyond projections. 4. Developments may not generate planned levels of income.	1. Delay in income streams may put pressure on revenue budgets. 2. Reduced net revenue contribution from developments. 3. May put pressure on revenue budgets / reserves to service debts 4. Pressure on revenue budgets	CFO	All	5	4	20 (R)	1. Medium Term Financial Strategy incl. reserves policy, capital and revenue financial reporting to BMG & cabinet, transformation projects regularly monitored, MTFS is regularly reviewed and updated. 2. HRA business plan. 3. Capital Management Group set up and Capital Board ToR being developed 4. Continual review of investments 5. Balanced risk profile	3	4	12(A)					
PROCESSES AND SYSTEMS																	
C1	Emergency planning and business continuity (The council delivers a range of complex services to vulnerable elements of the community. Organisations generally are experiencing significant continuity events once every five years on average)	Occurrence of a significant event: • Loss of City Hall • ICT failure • Contractor collapse • Severe weather events – storms, heatwaves, strong winds • Flooding • Sea level rise • Fuel shortages • Communications failure • Pandemic • Loss of power The council, businesses and members of the public in the city will also be at risk from the local effects of climate change in the medium to long term.	1. Service disruption and inability to deliver services 2. Disruption of the delivery of goods and services to the council 3. Increased requests for council resources and services 4. Health and safety impact on staff and vulnerable residents 5. Damage to council property and impact on tenants 6. Reputation damage 7. Years to recover	EH-BRM&D	All	4	4	16 (R)	1. The council is a member of the Norfolk Resilience Forum, which has produced a Norfolk Community Risk Register 2. Business continuity team with access to resources; action plans have been used to deal with actual total City Hall IT failure; alternative site for customer contact team; disaster recovery plan and the use of Blackberries for communications. 3. The council has a major emergency management strategy and emergency planning room established at City Hall. Approach has also been used to test business continuity in the event of the main works contractor changing. 4. Flu pandemic plan. 5. Adaptations to protect the council from the local effects of climate change and address the causes are covered by corporate strategies such as the environmental strategy, together with service plans. 6. A new business continuity management policy and framework was approved by cabinet 25 June 2014. 7. A business impact analysis for each service is reviewed and assessed by CLT once complete.	4	3	12 (A)					

Details of Risk						Inherent Risk			Key Controls	Residual Risk			Actions				
Risk No.	Risk Description	Caused by	Effect	Owner	Corporate Priorities	Likelihood	Impact	Score and RAG		Likelihood	Impact	Score and RAG	Actions	Owner	Target Date	Revised Target Date	Action Status RAG
C2	ICT strategy. The council has transferred its ICT service to LGSS. The ICT Programme Board works alongside LGSS to keep up to date the ICT strategy for the council	ICT strategy fails to support the organisation moving forward and the blueprint for a new council	1. Incoherent approach to ICT systems 2. Systems not customer friendly 3. Systems are not integrated with one another 4. Drain on resources as staff work around the systems 5. Lack of accuracy in key data 6. Data are unreliable 7. Key information not trusted 8. Hinders management and service improvements 9. Failure to deliver council priorities	EH-BRM&D	All	3	4	12 (A)	1. NCC has developed an ICT strategic direction document detailing the key areas where ICT is required to support business objectives and change. 2. Management of the LGSS relationship will seek to ensure that NCC requirements are delivered. 3. The council has introuced a new ICT Programme Board, attended by LGSS IT.	2	4	8 (A)					
C3	Information security	1. Sensitive and/or personal data is sent to the incorrect recipient or not kept securely, or is lost 2. Data is emailed to insecure email addresses. 3. Lap top or memory stick containing data is lost or stolen. 4. Information is sent to incorrect addresses. 5. External malicious attack (hacking) 6. Hard copy data is lost or stolen	1. Fine up to £0.5 million 2. Reputational risk	EH-BRM&D	5	5	4	20 (R)	1. Regularly remind all managers, employees and members of their responsibilities for the use of and security of data. 2. Prohibit using mobile devices to store or process sensitive or personal data unless device is encrypted. 3. Encrypt lap tops and data sticks when they are used to store or process sensitive or personal data. 4. Proper disposal of confidential waste. 5. Updated IT User Security policy issued June 2013 to all staff and other people who access the councils systems (e.g. partners, contractors etc.) 6. The council has achieved public sector network (PSN) & payment card industry (PCI) compliance 7. The council has introuced an ICT programme board, attended by LGSS IT.	3	4	12 (A)	Review IT user security policy	Systems support team leader	September 2014	April 2015	G

Details of Risk						Inherent Risk			Key Controls	Residual Risk			Actions				
Risk No.	Risk Description	Caused by	Effect	Owner	Corporate Priorities	Likelihood	Impact	Score and RAG		Likelihood	Impact	Score and RAG	Actions	Owner	Target Date	Revised Target Date	Action Status RAG
D1	Industrial action	1. Changes to pension regulations and pay restraint and changes to terms and conditions could lead to industrial action by employees 2. National negotiating framework - failure to agree. 3. Ballot of union members. 4. Implementation of changes to the LGPS. 5. Implementation of government interventions on pay	1. Loss of key services 2. Public safety 3. Loss of income 4. Reputation	EH-SP&N	All	3	4	12 (A)	2 stages – managing the threat of industrial action and responding to industrial action 1. Identify and agree with UNISON exemptions from strike action 2. Identify and implement business continuity/contingency plans to maintain essential services and ensure statutory duties are met 3. CLT agree and implement strategy for response to strike action ie assessing the scale of the action, communications, response depending on nature of the action, wider industrial relations implications, deductions from pay etc 4. National and regional guidance 5. Statutory immunities – Trade Union Labour Relations (Consolidation) Act	2	3	6 (A)					

Council Priorities 2015-2020:

- 1. To make Norwich a safe, clean and low-carbon city
- 2. To make Norwich a prosperous and vibrant city
- 3. To make Norwich a fair city
- 4. To make Norwich a healthy city with good housing
- 5. To provide value for money services

Key to risk owners (above):	
EH-SP&N	Executive head of strategy, people & neighbourhoods
EH-BRM&D	Executive head of business relationship management & democracy
EH-CC&C	Executive head of customers, communications & culture
EH-R&D	Executive head of regeneration & development
CFO	Chief finance officer (s151)

RISK SCORING MATRIX

VERY HIGH (V)	5	10	15	20	25
HIGH (H)	4	8	12	16	20
MEDIUM (M)	3	6	9	12	15
LOW (L)	2	4	6	8	10
NEGLECTIBLE	1	2	3	4	5
IMPACT LIKELIHOOD	VERY RARE	UNLIKELY	POSSIBLE	LIKELY	VERY LIKELY

Red scores – in excess of the council's risk appetite (risk score 16 to 25) – action needed to redress, quarterly monitoring.

In exceptional circumstances cabinet can approve a residual risk in excess of the risk appetite if it is agreed that it is impractical or impossible to reduce the risk level below 16. Such risks should be escalated through the management reporting line to CLT and cabinet (see section 3.8 of the strategy).

Amber scores – likely to cause the council some difficulties (risk score over 5 to 15) – quarterly monitoring

Green scores (risk score 1 to 4) – monitor as necessary

Descriptors to assist in the scoring of risk impact are on the following page

Likelihood scoring is left to the discretion of managers as it is very subjective, but should be based on their experience of the risk

As a guide, the following may be useful:

Very rare - highly unlikely, but it may occur in exceptional circumstances. It could happen, but probably never will

Unlikely - not expected, but there's a slight possibility it may occur at some time

Possible - the event might occur at some time as there is a history of occasional occurrence at the council

Likely - there is a strong possibility the event will occur as there is a history of frequent occurrence at the council

Very likely - the event is expected to occur in most circumstances as there is a history of regular occurrence at the council

IMPACT DESCRIPTORS

The following descriptors are designed to assist the scoring of the impact of a risk:

	Negligible (1)	Low (2)	Medium (3)	High (4)	Very High (5)
Legal and Regulatory	Minor civil litigation or regulatory criticism	Minor regulatory enforcement	Major civil litigation and/or local public enquiry	Major civil litigation setting precedent and/or national public enquiry	Section 151 or government intervention or criminal charges
Financial	<£25k	<£50k	<£100k	<£500k	>£500k
	Insignificant	Minor	Moderate direct	Major disruption	Critical long term

Service provision	disruption to service delivery	disruption to service delivery	effect on service delivery	to service delivery	disruption to service delivery
People and Safeguarding	Slight injury or illness	Low level of minor injuries	Significant level of minor injuries of employees and/or instances of mistreatment or abuse of individuals for whom the council has a responsibility	Serious injury of an employee and/or serious mistreatment or abuse of an individual for whom the council has a responsibility	Death of an employee or individual for whom the council has a responsibility or serious mistreatment or abuse resulting in criminal charges
Reputation	No reputational impact	Minimal negative local media reporting	Significant negative front page reports/ editorial comment in the local media	Sustained negative coverage in local media or negative reporting in the national media	Significant and sustained local opposition to the council's policies and/or sustained negative media reporting in national media
Project	Minimal effect on budget or overrun	Project overruns or over budget	Project overruns or over budget affecting service delivery	Project significantly overruns or over budget	Project failure
Sustainability/ Environment	Minimal or no impact on the city's environment or sustainability targets	Minor impact on the city's environment or sustainability targets	Moderate impact on the city's environment or sustainability targets	Serious impact on the city's environment or sustainability targets	Very serious impact on the city's environment or sustainability targets