

## POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Audit Committee		
DATE:	16 January 2024		
TITLE:	Corporate Risk Register monitoring report – August 2023		
TYPE OF REPORT:	Monitoring		
PORTFOLIO(S):	Performance		
REPORT AUTHOR:	Ged Greaves, Corporate Performance Manager		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

### **REPORT SUMMARY/COVER PAGE**

<p><b>PURPOSE OF REPORT/SUMMARY:</b></p> <p>This report presents an updated version of the register as at August 2023. It gives details of the risks falling into the 'Very High' category and the associated work being progressed to mitigate the effects.</p>
<p><b>KEY ISSUES:</b></p> <p>The risk register was reviewed in August 2023. Following that review, there are no proposals to revise the score for any of the risks. There are no proposals to add or remove risks.</p>
<p><b>OPTIONS CONSIDERED:</b></p> <p>Not applicable.</p>
<p><b>RECOMMENDATIONS:</b></p> <p>Members are requested to consider:</p> <p style="padding-left: 40px;">a) the Corporate Risk Register as at August 2023 and confirm agreement with Management Team's assessment of the risks to the corporate business plan.</p>
<p><b>REASONS FOR RECOMMENDATIONS:</b></p> <p>In order to ensure the council meets its statutory obligations to ensure that it has 'effective arrangements in place for the management of risk'.</p>

## **REPORT DETAIL**

### **1. Introduction**

- 1.1 The Risk Management Policy and Risk Management Strategy covering this reporting period were approved by Council in October 2022.
- 1.2 The Terms of Reference for the Audit Committee include responsibility for monitoring the management of risk. To this end, the committee receives reports on the position of the Corporate Risk Register, with the last one being presented to the committee in August 2023 for the period up to May 2023. The latest report is for the period up to end of August 2023.
- 1.3 Under the refreshed policy, the Corporate Risk Register is reviewed by Management Team on a 4-monthly basis. Future reviews will be undertaken in December 2023 and April 2024. Existing entries on the register are considered for changes to the nature of the risk, progress to be reported and any adjustments to the risk scores. Risks that are no longer relevant are proposed for removal and new risks considered in the context of current circumstances are added.
- 1.4 A summary of the changes to the Corporate Risk Register since the last monitoring report are detailed in section 2 below. Details of the 'Very High' risks are given in Appendix 1 together with a list of the 'High' risks.
- 1.5 Each risk on the register is scored in terms of Impact and Likelihood, according to criteria defined within the Corporate Risk Management Strategy. The broad definitions and risk matrix are attached for reference in Appendix 2.
- 1.6 The full Corporate Risk Register, as agreed by Management Team, has been provided to the Audit Committee in hard copy, for reference.
- 1.7 Appendix 3 sets out the corporate risks in score order.
- 1.8 Attached at Appendix 4 is list of risks that have been removed from the register since May 2018.
- 1.9 Appendix 5 is a new summarised version of the risk register developed in response to the committee's requests.

### **2. Changes to the Corporate Risk Register**

- 2.1 There continue to be pressures with inflation, interest rates and the cost of living. The Office for Budget Responsibility recently reported that the UK economy has proved to be more resilient than anticipated but expects slow growth over the coming 5 years.
- 2.2 The current Bank rate is 5.25% and inflation is 4.7% compared with a target of 2%.
- 2.3 Claimant count data suggests there are signs of a cooling labour market:

Area	Oct 2023	Oct 2022	Oct 2021	Oct 2020	Oct 2019
KLWN	2.6	2.5	3.3	4.8	2.0
East of England	3.0	2.8	3.8	5.3	2.2
Great Britain	3.7	3.5	4.7	6.2	2.8

- 2.4 The number of job vacancies in the UK continued to fall, dropping by 43,000 to 988,000 between July 2023 and September 2023.
- 2.5 Nationally, in the nine months to September, 18,367 businesses entered insolvency, according to official Insolvency Service figures. That is the highest number for this period of any year since 2009. Insolvencies are more than 13pc higher than the first nine months of 2022. The sharp increase in financial difficulty comes after a rapid increase in borrowing costs over the last two years and the end of pandemic-era support programmes, including grants and a moratorium on winding up petitions.
- 2.6 The LGA have highlighted concerns of a national homelessness crisis citing issues such as:
- Constraints upon Local Housing Allowance rates meaning the private sector is becoming less and less feasible for households dependent on housing support.
  - number of Section 21 'no fault' evictions increasing.
  - the cost of living continuing to rise.
  - more Ukrainian arrivals presenting as homeless.
  - depleting social housing stock.
  - an unaffordable and overly competitive private rented market.
- 2.7 These impacts have been considered within the corporate risk register and particularly relate to the following risks:
- SR1. Financial sustainability  
SR3. Facilitating and enabling growth  
SR4. Community issues  
SR8. Reputation management  
SR12. Council owned companies  
SR14. Cost of living
- 2.8 ICT Development Group have confirmed support to procure a new corporate performance management software package that integrates management and reporting of performance indicators, actions and risks. Currently these are collated and reported using a combination of spreadsheets and documents. Once implemented the new system will provide an integrated view of performance across the organization and improve the reporting of data to management and councillors.
- 2.9 A briefing for the Committee on 17 November 2023 covered the Bow-Tie risk analysis technique and the approach will be used to improve the visual summary of the new corporate risk register in 2024.

### **3. Conclusion**

- 3.1 The Corporate Risk Register continues to be actively monitored by Management Team on a periodic basis.
- 3.2 In this review, there are no proposals to revise risk scores.
- 3.2 There are no proposals to change the focus of risks although this may change in accordance with the new corporate business plan.
- 3.3 There are no proposals to transfer risks to directorate risk registers.
- 3.4 There are no proposed new entries to the risk register.
- 3.5 The register has been updated to reflect additional mitigation measures, actions and commentary on progress.

#### **4 Corporate Priorities**

- 4.1 The Corporate Risk Register is aligned with the previous Corporate Business Plan agreed in November 2021. The risk register will need to be reviewed to reflect the new corporate business plan and Peer Review. The register will be reviewed December 2023/January 2024.

#### **5 Policy Implications**

- 5.1 The updated register reflects emerging policy development related to climate change.

#### **6 Financial Implications**

- 6.1 The Corporate Risk Register is designed to assist senior management to identify and manage any financial implications identified through normal operations.

#### **7 Personnel Implications**

- 7.1 None.

#### **8 Statutory Considerations**

- 8.1 Account and Audit Regulations 2015 - s3(c). The council must ensure that it has 'effective arrangements for the management of risk'.

#### **9 Equality Opportunity Considerations**

- 9.1 None

#### **10 Risk Management Implications**

- 10.1 The council has in place a Risk Management Policy and Strategy.
- 10.2 The Corporate Risk Register records high level risks which pose a threat or opportunity to the council's objectives. It is a tool used by Management Team to help manage risk across the authority and is a key document within the governance controls applied within the council.

#### **11. Environmental Implications**

- 11.1 The risk register includes a number of climate change and environmental risks such as risks 5 - Continuity of service and 10 - Climate change mitigation and adaptation.

#### **12 Recommendations**

- 12.1 Members are requested to:
- a) note the change in format of the risk register;
  - b) consider the contents of the risk register;
  - c) confirm agreement with Management Team's assessment of the register.

#### **13.0 Declarations of Interest / Dispensations Granted**

- 13.1 None.

## **Background Papers**

Previous Corporate Risk Registers reported to Audit Committee  
Risk Management Policy and Strategy

**APPENDIX 1 - Details of the ‘Very High’ risks together with a list of the ‘High’ risks**

**Risk name: 1 - Financial sustainability**

**Risk score = 20**

**Impact: Major (4)**

**Likelihood: Almost certain (5)**

**Description:** Ineffective management of finances leading to a lack of financial resilience as government funding reduces and demand increases.

Existing Mitigation and Controls	Planned mitigating actions
<p><u>Cost management and income generation</u></p> <ol style="list-style-type: none"> <li>1. Actively involve staff and Members in designing the cost management and income generation programme.</li> <li>2. Maintain open channels of communication on plans/ proposed changes.</li> <li>3. Keep staff and members informed of how the budget reductions are being managed.</li> <li>4. Budget monitoring reports.</li> <li>5. Finance is a standing item on Senior Leadership Team and Cabinet Briefings to align with the annual financial estimates cycle.</li> </ol> <p><u>Financial Plan</u></p> <ol style="list-style-type: none"> <li>1. A review of the costs and provision of all services will continue with the aim of mitigating costs where possible and other opportunities to improve the financial position.</li> <li>2. Attendance at consultation updates from LGA / DLUHC / CIPFA.</li> <li>3. Budgets will be monitored/reported against estimates on a regular basis.</li> <li>4. Balanced and funded budget to 2024/25.</li> <li>5. Capital and property investment strategy and related monitoring process.</li> <li>6. At year end, planned and unplanned savings transferred to General Fund balance to adapt to reduction in central government funding.</li> <li>7. Cabinet and SLT away days to focus on financial management.</li> <li>8. Budget presentations to council panels.</li> <li>9. Approach to budget setting and workshop themes (reviewing fees and charges, income generation, salaries, community benefit and staff engagement) including wider engagement with elected members.</li> <li>10. Reviewing earmarked reserves to ensure we have sufficient funds to deliver corporate objectives.</li> </ol>	<p><u>Cost management and income generation</u></p> <ol style="list-style-type: none"> <li>1. Cost management plan in development. Will be taken back to SLT once estimated costs and timescales agreed with ADs. To agree plan for taking forward and implementing. Initial discussion between Cabinet and SLT, Oct 2023.</li> </ol> <p><u>Financial Plan</u></p> <ol style="list-style-type: none"> <li>1. Approach to budget setting and workshop themes being developed including wider engagement with SLT and elected members. Outline timetable for this work.</li> <li>2. Dates to be agreed for Non-domestic rate payer consultation, IDB meetings, member briefings and presentations, staff presentations ahead of Council Feb 2024.</li> </ol>

Existing Mitigation and Controls	Planned mitigating actions
<p><u>Pension Fund</u>  1. 3 year valuation and 30 year plan. Next review 2025/26.  2. We have taken advantage of the one of lump sum in 2022/23.</p> <p><u>Business rates</u>  1. Memorandum of Understanding determines allocation of funding from Norfolk Business Rates Pool. Local funding allocation will support priorities.  2. Continue to monitor potential areas of risk and work with LGA and business rates specialists where possible.  3. Continue working with major businesses to reduce the possibility of closure.  4. Ongoing monitoring of appeals and provision made to respond. Business Rates revaluation being undertaken in 2023, grant anticipated to cover losses to the council.  5. S31 grant provided to offset shortfall in income.</p> <p><u>Rapidly rising costs</u>  1. Cost management, fees and charges reflect full cost recovery and income generation activities.  2. Descoping elements of projects.  3. Phasing and reprioritisation of projects.  4. Use of external funding for projects.  5. Installation of efficient heating and lighting systems.  6. Generation of electricity through solar PV.  7. Lobbying through LGA/DCN for funding settlement.  8. Revisit financial plan to account for cost increases.  9. Use of some earmarked reserves.  10. Ongoing monitoring of issues and advice from Treasury experts.  11. Robust contracts.  12. Provision of inflation within cost plan estimates for projects e.g. major housing projects. Towns Fund projects.  13. Hybrid working policy enables some employees and members to minimise travel costs.  14. Advantageous funding agreements with third parties e.g. New Anglia LEP.  15. Lobbying in respect of IDB levies burden to the Council.  16. Consideration and monitoring of energy cost reductions and link to</p>	<p><u>Pension Fund</u>  1. Attend relevant briefings and workshops as required to understand announcements on Government funding and policy. Ongoing.</p> <p><u>Business rates</u>  1. Monitor Government position with business rates retention. Ongoing  2. Provisional local government finance settlement announced Dec 2023 - ongoing monitoring of impact. Autumn Statement may give an indication on 22 Nov 2023.  3. Monitoring of new legislative programme and announcements. Ongoing.  4. Attendance at relevant seminars and briefings. Ongoing.  5. Consideration of entering Business Rates Pool in 24/25. Ongoing.</p> <p><u>Rapidly rising costs</u>  1. Review and monitoring of costs and programmes/projects. Ongoing.  2. Seeking external funding for projects e.g. decarbonisation of buildings and vehicle fleet, Funding for Guildhall project. Ongoing.  3. Post project monitoring and reporting of ReFIT framework and PSDS projects. Ongoing.  4. Financial Plan to reflect any inflationary increases going forward to be agreed by Council Feb 24.  5. Allow for some earmarked reserves as part of closedown to cover additional costs that have materialised and direct to General Fund reserve. Ongoing.  6. Ongoing development of staff regarding future supply chain resilience e.g procurement and corporate projects ("grow our own" approach).  7. Reviewing resources to ensure sufficient capacity to deliver corporate objectives. Ongoing.  8. Further review of earmarked reserves to support funded budget position of year 3 of the financial plan to be completed August 2023. One third identified so far. Ongoing.  9. Additional resource to support Cost Management and Income Generation plan. Ongoing.</p>

Existing Mitigation and Controls	Planned mitigating actions
<p>MTFS. 17. Review earmarked reserves.</p>	
<p><b>Progress</b></p>	
<p><u>Cost management and income generation.</u> Budget approved in Feb 2023, focus for the next 6 months is on the income generation and cost management plan.</p> <p><u>Financial Plan</u> Budget approved in Feb 2023, funded budget for years 1, 2 and 3 of the financial plan with a gap in year 4. Volatility with economy due to inflation and interest rates and is closely monitored to understand the impact on the financial plan in later years. Further uncertainty with Government funding and policy related to forthcoming general election. Pay award for 23/24 implemented.</p> <p><u>Pension Fund</u> Council agreed to one off lump sum payment to secure savings in the financial plan. Annual contributions remain the same in percentage terms and reflected in the financial plan. Position fully documented in the annual Statement of Accounts.</p> <p><u>Business rates</u> Continue to be part of the Business Rates pool in 2024/25. Re-valuation implemented from 1 Apr 2023 and Government has thresholds and transitional reliefs to protect small businesses from significant increases. Situation will continue to be closely monitored. Recognise that one small change could have a significant upon the financial plan. Continue to take prudent approach in the financial plan.</p> <p><u>Rapidly rising costs</u> Impact across many risks and projects. Interest rate rises have increased investment returns but the opportunity costs of investing in projects has also increased. Ongoing monitoring of prices and labour costs as demand/prices may begin to be more competitive. Providing longer term HR measures regarding training and development within internal workforce and supply chain. Ongoing monitoring of interest rates and inflation rate upon projects and budgets.</p>	



**Risk name: 3 - Facilitating and enabling growth**

**Risk score = 20**

**Impact: Major (4)**

**Likelihood: Almost certain (5)**

**Description:** The inability of the council to facilitate and enable the market to deliver the council's growth agenda. This failure may reduce investment in infrastructure, inward investment, job opportunities, new housing and commercial development therefore impacting on communities and businesses.

Existing Mitigation and Controls	Planned mitigating actions
<p><u>Local employment</u></p> <ol style="list-style-type: none"><li>1. KLIC and related skills &amp; training initiatives with partners and business sectors.</li><li>2. The release of Council owned employment land at Hardwick and Campbell's Meadows in KL and at St John's Business Estate in Downham Market.</li><li>3. Information packs on the local area and to aid recruitment are provided on request.</li><li>4. Maintain regular contact with Department for International Trade and market investment opportunities with them.</li><li>5. Effectively handle enquires received direct, whether from inside or outside the Borough.</li><li>6. Active involvement with New Anglia LEP.</li><li>7. Nar Ouse Business Park Enterprise Zone development.</li><li>8. Use of external funds to de-risk developments.</li><li>9. Gas main diversion completed at Nar Ouse.</li><li>10. Towns Fund Youth and Retraining Pledge project.</li><li>11. Norfolk Devolution Deal.</li><li>12. UK Shared Prosperity Fund and Rural England Prosperity Fund.</li><li>13. Marketing plan for Nar Ouse and Downham Market.</li></ol> <p><u>Empty retail properties/town centre decline</u></p> <ol style="list-style-type: none"><li>1. Continued support to businesses through hardship relief.</li><li>2. Active management of lettings and promotion of a positive image of the town to potential businesses.</li><li>3. Initiatives to promote the town to visitors, shoppers and businesses.</li><li>4. Town Centre Partnership/BID.</li><li>5. Transport and town centre studies.</li><li>6. Bids for external funding such as Town Fund, Levelling Up, etc.</li><li>7. Improvements to key access roads and junctions.</li><li>8. Management capacity.</li><li>9. Covid 19 response to reopening high street.</li></ol>	<p><u>Local employment</u></p> <ol style="list-style-type: none"><li>1. Local Plan review - employment land (current allocated land is unviable due to need to raise levels). Ongoing.</li><li>2. Ongoing monitoring of Levelling Up proposals and support to increase the numbers of people to fulfill roles at all skill levels post-Covid/EU Transition. Ongoing.</li><li>3. Apprenticeships/ training programmes encouraged within major housing contracts and sub-contractors, Mar 22. BCKLWN appointed 1 trainee. Ongoing.</li><li>4. Explore options for innovation centres, advanced manufacturing centres of excellence, etc through Government funding. Ongoing.</li><li>5. Shared Prosperity Fund and development of West Norfolk Investment Plan to improve work-based skills programme. Implementation ongoing.</li><li>6. Consideration of Youth and Re-Training Pledge Project and broader role going forward. Ongoing.</li></ol> <p><u>Empty retail properties/town centre decline</u></p> <ol style="list-style-type: none"><li>1. Actively identifying opportunities to repurpose vacant retail units including conversion to residential and creating flexible pop up retail opportunities for micro-businesses/niche retailers plus community based organisations. Ongoing.</li><li>2. Implementing approved business cases for MUCH, Guildhall and Riverfront. Ongoing</li><li>3. Explore alternative purposes for King's Lynn Town Centre - Town Investment Plan viewing the town centre as a multi-purpose destination rather than just retail. Ongoing.</li><li>4. Development of the car parking strategy. Ongoing.</li><li>5. Levelling Up Fund (LUF) submission for replacement of Oasis, Hunstanton.</li></ol>

Existing Mitigation and Controls	Planned mitigating actions
<p>10. Payment plans for commercial tenants.  11. Change in use class Order E.  12. Town Investment Plan.  13. Brownfield land within town centres released for housing.  14. Towns Fund approved business case for Active and Clean Connectivity, Public Realm improvements, Guildhall, MUCH and Riverfront.</p> <p><u>5 year land supply, housing delivery and housing delivery test.</u>  1. 5 year plan (subject to delivery of Parkway and Lynnsport 1 developments).  2. Work on the LDF to ensure the Council can evidence that sufficient land is available.  3. Also approve applications to boost the supply in the short-medium term.</p> <p><u>Housing market</u>  1. West Norfolk Property Limited able to take over any surplus housing stock to rent out until the market picks up, if needed.  2. NORA Phase 4 - 50% of development will be rented properties.  3. A viability review of the market will be carried out before the decision to commence each phase is taken.</p> <p><u>Strategic land and property acquisition</u>  1. Continue to identify, and acquire, property/land for future development/investment. Failure to do so leads to the risk of missed opportunities and associated loss of potential income.  2. Officer Major Projects Board in place to assist in coordination and oversight of developments.  3. Member Major Projects Board.  4. Land and property due diligence checks.</p> <p><u>West Winch/North Runcton Strategic Growth Area</u>  1. Project and programme management approach.  2. Stakeholder engagement.  3. Commissioning technical expertise.</p>	<p>Unsuccessful bid, options under review.  6. Round 3 LUF submission in development focused on infrastructure development at Enterprise Zone. Ongoing.</p> <p><u>5 year land supply, housing delivery and housing delivery test</u>  1. Supporting the Local Plan review process. Ongoing.</p> <p><u>Housing market</u>  1. Monitor for potential signs that the increase in prices/labour force issues impacts upon the development sector and contingencies within contract sums. Ongoing.  2. The percentage of PRS delivered on major housing sites will be reviewed in the light of current market conditions. Ongoing.  3. Monitor Help to Buy policy developments. Ongoing.</p> <p><u>Strategic land and property acquisition</u>  1. Consider the council's development role and related pipeline of land for future housing development. Ongoing.  2. To ensure that we maximise our own opportunities for example Boal Quay, and Puny Drain and deliver sites that we already have e.g. Enterprise Zone and development opportunities along the promenade if the Oasis sites releases land. Ongoing.  3. Review the delegated decision (Capital and Local Property Investment Fund Strategy 2017 – 2021, Cabinet 21st January 2017) for property acquisition.</p> <p><u>West Winch/North Runcton Strategic Growth Area</u>  1. Stakeholder engagement. Ongoing.  2. Clarification of resources via Homes England.</p>

Existing Mitigation and Controls	Planned mitigating actions
<p>4. Communications and engagement support.  5. Norfolk County Council undertaking the design and planning permission for the road.  6. Successful bid approved by Norfolk Business Rate Pool.  7. Link with Officer Major Projects Board.  8. Project board established.  9. External legal and professional advice.  10. Periodic review of potential state aid issues.  11. SOBC bid in for DfT funding for the road.</p> <p><u>Improvements to heritage buildings</u>  1. Identify and apply for relevant 3rd party funding.  2. Most large investment projects for historic buildings have already been completed in the past.  3. Ensure provision is made in the Capital and Property Investment Strategy and Financial Plan to enable the Council to meet any fund matching required by 3rd party funding.  4. HAZ Programme Manager in place (programme ends July 2022).  5. Towns Fund projects; Guildhall, Riverfront and Public Realm  6. Southgate's masterplan.</p>	<p><u>Improvements to heritage buildings</u>  1. Delivery of Guildhall Towns Fund business case. Ongoing.  2. Delivery of Riverfront Towns Fund business case. Ongoing.</p>
<b>Progress</b>	
<p><u>Local employment</u>  The KLIC has a stable but high occupancy. Nar Ouse site infrastructure &amp; Phase 1 premises construction progressing. Early interest shown by several local companies seeking to expand. Ongoing uncertainty arising from macro-economic events may delay company investment decisions and employment levels. External funding being progressed via sources such as Towns Fund, Levelling Up and UKSPF. New businesses enquiries being received and a role to open up new allocated employment land in Borough. Pressures upon resilient supply chains continue. Local evidence of high vacancies within some employers. National data indicates more vacancies than labour supply in many sectors. Inflation leading to rising business costs coupled with interest rate increases. West Norfolk Investment Plan proposes a package of investments to help drive the economy and related outcomes. Employment rates remain high and the town's strong manufacturing base underpins its status as a centre for sub-regional employment. Annual Visitor Economy Report indicates sustained increase in GVA. Signs of decline of large national multiples and growth in independent businesses. Performance indicators highlight commercial property arrears and challenges faced by some tenants. UKSPF West Norfolk Grant Scheme ongoing.  Also link to Risk SR9 - Organisational change.</p> <p><u>Empty retail properties/town centre decline</u>  National retail statistics indicate reductions in town centre footfall compounded by ongoing economic uncertainty and behavioural shift to online shopping. Range of national retailers and hospitality businesses reducing their operations and insolvencies increasing at national level. Cost of living challenges reduce household disposable income and impact upon some businesses. Risks around low consumer confidence could negatively impact retail and hospitality.</p>	

Existing Mitigation and Controls	Planned mitigating actions
<p>Events programme and initiatives to promote the town recommenced. Opportunities to improve new housing delivery in the town centre. Town centre car parking remains below pre-Covid-19 levels. Some signs of churn within town centre premises and property market. Market failure does not appear to be demonstrated in King's Lynn relative to other towns due its unique geopolitical and economic attributes.</p> <p><u>5 year land supply, housing delivery and housing delivery test</u> National housing delivery figures published annually in November. Being assessed as part of Local Plan review process. Examination held in Nov 2022 and ongoing. Examination in process, hearing sessions anticipated to resume early 2024. Government proposing to change housing delivery test. Councils with an adopted Local Plan will only need to demonstrate a a 4 year housing land supply.</p> <p><u>Housing market</u> Low stock of high quality properties. Few new homes or affordable homes available. Private rents becoming increasingly unaffordable for low income households. National trend emerged early in 2022 and has continued with pressure upon existing stock and amplified difficulties for families accessing private rented properties which exacerbates homelessness. Signs of slowdown in national housingbuilding. Barriers to new homeownership partially offset by cooling in house prices and wage growth.</p> <p><u>Strategic land and property acquisition</u> Cabinet has considered reports relating to the acquisition of specific property/investment opportunities in King's Lynn town centre and around the South Gates. Work ongoing to broaden the range of development tools available to the council including taking options on development sites. Prudential Code changes prohibit investment for commercial returns.</p> <p><u>West Winch/North Runcton Strategic Growth Area</u> Strategic Outline Business Case submitted by Norfolk County Council and awaiting decision from Homes England. Extensive stakeholder engagement continues. New requirements for Biodiversity Net Gain to be clarified.</p> <p><u>Improvements to heritage buildings</u> Preservation work on the Sommerfeld and Thomas warehouse (TIP) is the one of few projects to save historic assets. Activities related to the Guildhall and Riverfront are covered within approved Towns Fund business cases and earmarked for significant investment in addition to public realm improvements. This will help mitigate risks regarding heritage assets. Southgates masterplan work progressing and Levelling Up bid approved. Potential for Norfolk Devolution Deal contribution to growth in the borough.</p>	

**Risk name: 4 - Community issues**

**Risk score = 20**

**Impact: Major (4)**

**Likelihood: Almost certain (5))**

**Description:** The risk of various communities within the borough feeling excluded, disengaged or being unable to access available services and opportunities including, rural, deprived, minority and vulnerable communities and local businesses etc. Services and opportunities to include health and wellbeing, early intervention and prevention. Immediate and longer term economic and societal impact of Covid-19 global pandemic on BCKLWN communities.

<b>Existing Mitigation and Controls</b>	<b>Planned mitigating actions</b>
<p><u>Community relations</u></p> <ol style="list-style-type: none"><li>1. The Council works closely with partner agencies in the area to make sure that any issues are identified and effectively tackled as soon as possible.</li><li>2. External funding bids with partners.</li><li>3. Agreement with Shelter.</li><li>4. PREVENT task group and workstreams.</li><li>5. Prevent awareness training provided to employees.</li></ol> <p><u>Preventing homelessness</u></p> <ol style="list-style-type: none"><li>1. Staff capacity.</li><li>2. ICT development to support case management.</li><li>3. Support commissioned from voluntary and community sectors.</li><li>4. Partnership and network arrangements.</li><li>5. Communications support.</li><li>6. Accommodation options improved by Broad Street.</li><li>7. Reduction in working age population.</li><li>8. Housing Market Assessment to be undertaken, Dec 2023. Ongoing.</li></ol> <p><u>Conflicting aims (with partners)</u></p> <ol style="list-style-type: none"><li>1. Clarify and agree with partners what the common targets are and how achievement of them will be recognised.</li><li>2. Terms of Reference or SLA's are agreed for each group to define the</li></ol>	<p><u>Community relations</u></p> <ol style="list-style-type: none"><li>1. Housing availability for vulnerable residents. Ongoing.</li></ol> <p><u>Preventing homelessness</u></p> <ol style="list-style-type: none"><li>1. Asylum seekers - potential placings under review, Mar 2022</li><li>2. Consider impact of proposed legislation on second homes (Review impact of second homes measures and exemptions within the Levelling Up Bill).</li><li>3. Consideration to be given to re-examining social housing provision and exploration of measures to mitigate the reduction in private rented sector capacity. Refocus efforts on providing additional social and private rented housing. Now considering acquiring housing from third parties for both affordable and PRS given the acute need for both tenures. Ongoing.</li><li>4. Refresh housing needs assessment, Spring 23</li><li>5. Identification of additional temporary accommodation with Freebridge.</li><li>6. Measures with Freebridge to support quick void turn around.</li><li>7. Reid Way - 7 new units to be developed.</li><li>8. Financial help to access private rented sector.</li><li>9. Winter preparedness plans.</li></ol> <p><u>Conflicting aims (with partners)</u></p> <ol style="list-style-type: none"><li>1. Ensure comms focusing on neutral and factual stance and related to implementation of Govt policy. Ongoing</li><li>2. Work with Hanseatic Union to implement and provide measures to support</li></ol>

Existing Mitigation and Controls	Planned mitigating actions
<p>aims and respective roles and focus on core services plus specific projects.</p> <ol style="list-style-type: none"> <li>3. Ensure active participation on relevant Boards/ Groups.</li> <li>4. Norfolk Resilience Forum response and recovery work.</li> <li>5. King's Lynn Town Deal Board and Local Assurance Framework.</li> <li>6. Hunstanton Advisory Group established.</li> <li>7. King's Lynn Town Deal Skills Forum.</li> <li>8. Shared Prosperity Fund stakeholder groups established.</li> <li>9. Norfolk Climate Change Partnership.</li> <li>10. Health and Wellbeing Partnership established and terms of reference agreed.</li> </ol> <p><u>Covid-19</u></p> <ol style="list-style-type: none"> <li>1. Business continuity arrangements including critical services and "Loss of staff" threat analysis and interventions such as enhanced cleaning regimes, staff rotas, building air-flow, etc.</li> <li>2. Emergency planning liaison with Norfolk Resilience Forum and structures.</li> <li>3. Insurance</li> <li>4. ICT network and capability to support working arrangements.</li> <li>5. Digital and telephony access to services to minimise face to face interactions.</li> <li>6. Lobbying for government support.</li> <li>7. Prioritisation of services and response.</li> </ol>	<p>refugees and support in a neutral way. Ongoing</p> <ol style="list-style-type: none"> <li>3. Internal comms to be mindful of potential for tensions should the Council be perceived to be biased. Ongoing.</li> <li>4. Consider contingency plan for potential loss of Fenland care and repair contract. Dec 2022.</li> </ol> <p><u>Covid-19</u></p> <ol style="list-style-type: none"> <li>1. Ongoing Covid-19 safe measures in workplace. Ongoing.</li> <li>2. Revised working arrangements framework agreed in May 2023 with implementation from July 2023. Ongoing.</li> </ol>
<b>Progress</b>	
<p><u>Community relations</u></p> <p>Council works closely with the police and Freebridge in Safer Neighbourhood action panels and the neighbourhood officers are now a formal part of the joint Operational Partnership Team. Our agreement with Shelter has allowed for a more effective response to issues of harassment and illegal eviction. Multi-agency responses to Ukraine and cost of living with support for vulnerable households. ASB represented on PREVENT task group and workstream. Engagement with Integrated Care System to encourage prevention and wider involvement of health. Continued support for asylum seekers. Potential impact upon homelessness response and perceptions of support. Potential challenges for refugee support related to host/sponsor relationships, desire to move on, etc. Work ongoing at county level. Equality Impact Assessments on housing funds. Cabinet report 31 Oct 2023 - support for care leavers.</p> <p><u>Preventing homelessness</u></p> <p>Discussion with council owned housing companies; aware of nature and scale of issues. Exploring related crisis intervention and funding with partners. New</p>	

Existing Mitigation and Controls	Planned mitigating actions
<p>Homelessness and Rough Sleeping strategy in development and will include a deep analysis of problem, consideration of interventions and trial new accommodation services. More Govt resources dedicated towards challenge - ringfenced Homeslessness Prevention Grant. Lack of social housing stock continues resulting in a high level of bed and breakfast usage. Further national challenges arising from stock condition surveys, damp and mould surveys, a new Decent Homes Standard, EPC ratings and rental cap. Changes in taxation and interest rates leading to a widening gap between Local Housing Allowance and private sector rents. Housing Market Assessment to be procured and undertaken, Dec 2023. Anecdotal data suggests changes in family living arrangements becoming more prevalent.</p> <p><u>Conflicting aims (with partners)</u> Engagement with Norfolk and Waveney Integrated Care System / Integrated Care Partnership. Collaborative work with members of Norfolk Climate Change Partnership and working on a Norfolk-wide project. Ongoing dialogue with Norfolk County Council regarding devolution and Government funding streams e.g. Towns Fund, Levelling Up, Shared Prosperity Fund. Further examples include Ukraine response with neighbouring councils despite differences in funding, liaison between organisations represented on the Town Deal Board, Business Rates Pooling and Hunstanton Advisory Group. Development work with the Health and Wellbeing Partnership.</p> <p><u>Covid-19</u> Working arrangements framework implemented July 2023 and will be reviewed in 12 months. Ventilation practices continue. Relevant structures and responses would remain in place or be stood up.</p>	

**Risk name: 9 - Organisational change**

**Risk score = 20**

**Impact: Major (4)**

**Likelihood: Almost certain (5)**

**Description:** Ensuring that the council, its members and its workforce have the skills, resources, ability and capacity to adequately respond to current and future organisational change meaning the council is able to deliver its services in the most efficient and effective manner.

Existing Mitigation and Controls	Planned mitigating actions
<p><u>Capacity</u></p> <ol style="list-style-type: none"> <li>1. Use of agency and interim staff.</li> <li>2. Improve staff resilience/ cross training.</li> <li>3. Service and management restructures and related recruitment and development.</li> <li>4. Absence management.</li> <li>5. Use of apprentices.</li> <li>6. Use of external support for Towns Fund business case development, subsidy control and independent appraisal.</li> <li>7. Review of Planning resource and additional posts.</li> <li>8. New Executive Director post.</li> <li>9. Restarted management development programme.</li> </ol>	<p><u>Capacity</u></p> <ol style="list-style-type: none"> <li>1. Review recruitment issues. Ongoing and responsive to requirements and market conditions.</li> <li>2. Considering progression schemes across service areas. Ongoing.</li> </ol>

Existing Mitigation and Controls	Planned mitigating actions
<p>10. Progression scheme for a range of specialist roles. 11. Apprenticeship opportunities to develop resources.</p> <p><u>Channel shift/Digital services</u> 1. Engage with the operational staff and systems admin, who understand the back office system. 2. Involvement in Norfolk County Council digital inclusion strategy.</p> <p><u>Pay pressures</u> 1. Government's public sector pay restraint has had an impact on recruitment and retention for some Council services. Government policy for 2021 was a pay freeze in the public sector. Signs of some relaxation of national public sector pay policy in certain areas which could have a further impact on our ability to recruit and retain suitably qualified and experienced staff in certain areas. This in turn could prompt the need to review local pay arrangements, with associated financial implications. 2. Ongoing monitoring of Government public sector pay policies.</p>	<p><u>Channel shift</u> 1. Migration to Office 365, Mar 23 2. Developing Microsoft Sharepoint InSite linked to the cloud, Mar 23 3. Engaging with staff re: developments to Insite to improve internal comms and document sharing, Mar 23. 4. Learning workshops for ICT staff on Sharepoint, Mar 23 5. Review of different methods of interaction with customers with different services. Ongoing. 6. Undertaking a review of internal communications. Ongoing.</p> <p><u>Pay pressures</u> 1. Monitoring of national pay award. Ongoing. 2. Some roles requiring particular qualifications are being considered in advance of future recruitment, Mar 24 3. Appropriate allowances for pay to be made within the budget and financial plan. Ongoing. 4. Monitoring of recruitment challenges and introduction of progression related award. Ongoing. 5. S151 Officer to review the financial implications and identify funding of the proposals. Ongoing. 6. Consider implications for erosion of pay differentials in respect of improving recruitment and retention. Ongoing.</p>
<b>Progress</b>	
<p><u>Capacity</u> Established training regime to enable colleagues to cover for each other's absences. Management restructure agreed April 2022 with additional Exec Director being recruited. UEA intern to support climate change footprint and policy development. Following end of national Covid-19 measures most services/operational delivery returning to normal levels however some services (frontline and back office) have backlogs and new Government initiatives may require additional capacity e.g. Ukraine response. Additional resources to focus on communications and enforcement of flytipping.</p> <p>New procedures developed with Senior Leadership Team for engagement of external workers.</p> <p><u>Channel shift</u> Work is concentrating on customer facing aspects to engage fully with the public and reduce the need for more staff intensive means of communication, such</p>	



Existing Mitigation and Controls	Planned mitigating actions
<p>as telephone enquiries. Customer contact migrated to telephones/online which are more cost effective methods. Work is ongoing with Environmental Health to achieve full integration with IDOX. Represented on a pilot project being undertaken in west Norfolk relating to digital access skills and attainment, which is part of the county council's strategy programme.</p> <p><u>Pay pressures</u></p> <p>Continue to closely monitor the Government's public sector pay policy and pay settlements agreed in the wider public sector/private sector. Provision for some movement in pay costs has been included in the financial plan. There is a timing risk related to determination of local pay award arrangements and national pay agreement.</p>	

**Risk name: 14 - Cost of living**

**Risk score = 20**

**Impact: Major (4)**

**Likelihood: Almost certain (5)**

**Description:** The cost of living crisis caused by rapidly rising inflation (energy, food, household items, etc) and interest rates may result in more families and households experiencing poverty and unemployment, which may lead to increased levels of service demand on the Council and place additional pressure on front-line services, staff and councillors.

Existing Mitigation and Controls	Planned mitigating actions
<ol style="list-style-type: none"><li>1. Standing item on Management Team.</li><li>2. LGA cost of living hub <a href="https://www.local.gov.uk/our-support/safer-and-more-sustainable-communities/cost-living-hub/cost-living-external-resources">https://www.local.gov.uk/our-support/safer-and-more-sustainable-communities/cost-living-hub/cost-living-external-resources</a></li><li>3. Corporate officer team established.</li><li>4. Promotion of fuel oil group buying scheme.</li><li>5. Promotion of Solar Together group buying scheme.</li><li>6. Promotion of national grants e.g. boiler upgrade scheme.</li><li>7. Externally funded projects to fully fund insulation in targetted properties.</li><li>8. "Beat your bills" events across the borough.</li></ol>	<ol style="list-style-type: none"><li>1. Promotion of Solar Together Scheme. Applications for 22/23 closed on 27 Sept 2022, implementation for those signed up ongoing.</li><li>2. "Beat your Bills events". Initial events completed. Further programme of events taking place June-Aug 2023. Ongoing.</li><li>3. Officer Working Group. First working group held on 18 Oct 2022. Ongoing.</li></ol>
<b>Progress</b>	
<p>Corporate officer established lead by Assistant to Chief Exec. Promotion of schemes to reduce energy costs e.g. fuel oil buying and installation of solar PV and battery storage. "Beat your bills" events held across borough in Sept 2022 and extended programme scheduled until Aug 2023. Collaboration with Norfolk Warm Homes to encourage targetted take up of insulation and heating systems. Information included employees and residents, customers.</p> <p>Help for businesses web-content under consideration. Look for the link on website.</p> <p>FAQs analysis undertaken, content developed and posted to the website. Regularly updated.</p> <p>Reviewing promotion of info to foodbank, web content, town centre events. Ongoing work and preparations for information and support for winter 203/24. Ongoing.</p>	

## Risks categorized as 'High Risk' (Score 10-12)

Ref	Title	The risk that:	Score
2	Significant programmes/projects	Impact on the delivery of council services due to the failure of major programmes/projects. A major programme/project being any project that can cause significant financial, legal, reputational or compliance issues or prevent the council from delivering a strategic priority or key objective.	12
5	Continuity of service	The council's ability to effectively respond to a major emergency and maintain that response without affecting essential day to day service delivery. The risk is to both the council as a business continuity issue and to our vulnerable communities.	12
6	Data management and security	Deliberate or unintentional loss/disclosure of personal, sensitive, confidential or business critical information or breach of information governance legislation.	12
7	Corporate Governance	The risk of failures in systems of governance within the council, within council owned/influenced organisations and partnerships and other collaboration arrangements, leading to governance issues, fraud and corruption, failures in management systems, poor policy and decision making.	12
8	Reputation management	The risk that the council's reputation is damaged by major service failure, failure to respond to a significant incident(s), governance issues, dispute with a key partner, failure to deliver corporate business plan.	12
10	Climate change mitigation and adaptation	Inability to mitigate and adapt to climate change - increased coastal erosion and flooding and failure to meet net zero target with consequent reputational issues.	12
11	Statutory compliance	Implementation and maintenance of statutory compliance management systems. E.g. health and safety, service related legal obligations.	12
12	Council owned companies	Managing performance, finances, liabilities and the relationship between the Council and its wholly owned companies in accordance with the governance agreements.	12
13	Contract/ Supply failure	Managing contracts with key suppliers to ensure the continued delivery of an effective service and ensure delivery of the council's priorities and objectives.	12

**APPENDIX 2 - After August 2023 review**

LIKELIHOOD

5 Almost Certain	(Green)	(Orange)	(Red)	(Red) 1, 3, 4, 9, 14	(Red)
4 Likely		(Green)	(Orange) 8	(Red)	(Red)
3 Possible		(Green)	(Green)	(Orange) 2, 5, 6, 7, 10, 11, 12, 13	(Red)
2 Unlikely			(Green)	(Green)	(Orange)
1 Rare					(Green)
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme

**IMPACT**

<b>Risk Category</b>	<b>How the Risk should be managed</b>
Very High Risk (15 – 25) (Red)	Immediate action required. Senior Management must be involved.
High Risk (10 – 12) (Orange)	Senior Management attention needed and management responsibility specified.
Medium Risk (5 – 9) (Green)	Manage by specific monitoring or response procedures. Responsibility to be allocated by Management Team to a named Service Manager.
Low Risk (1 – 4) (White)	Manage by routine procedures, unlikely to need specific or significant application of resources.

### APPENDIX 3 - Corporate risks in score order

Ref	Title	Score
1	Financial sustainability	20
3	Facilitating and enabling growth	20
4	Community issues	20
9	Organisational change	20
14	Cost of living	20
2	Significant programmes/ projects	12
5	Continuity of service	12
6	Data management and security	12
7	Corporate Governance	12
8	Reputation management	12
10	Climate change mitigation and adaptation	12
11	Statutory compliance	12
12	Council owned companies	12
13	Contract/ Supply failure	12

## APPENDIX 4 - Corporate risk removed from the register

Title	The risk is that:	Risk removed
New regulations regarding HMOs	Managing private rented properties to be MEES compliant.	Aug 2022
Modern Slavery	An emerging national issue has local impacts within the Borough given its demographic and economic profile.	Aug 2022
Financial ledger software implementation and development	Failure to effectively implement and develop software in accordance with required timescales, resulting in disruption to service delivery, processing times, impact on Council reputation and ability to meet mandatory financial reporting deadlines.	May 2022
VAT	The Housing Stock Transfer had a potentially significant impact from April 2007 on the Council's ability to reclaim VAT on purchases and could result in a big increase in expenditure (possibly £200k).	May 2022
VAT - Trust arrangements	If subject to an audit, HMRC may not agree that the model used to establish the new leisure arrangements is valid in respect of claiming VAT exemptions.	Jun-19
Revenues and Benefits software tender	Failure of tender process to procure an appropriate software solution and/or the ability to effectively implement new software in accordance with required timescales, resulting in disruption to service delivery, processing times and impact on Council reputation	Jun-19
Fire compartmentalisation	Elements of King's Court are declared unsafe for habitation based on a fire safety assessment by either the Crown fire officer or BCKLWN's fire officer.	Jun-19
THi 2 Application to the Heritage Lottery Fund	Important parts of King's Lynn continue to be in a dilapidated state giving a very poor image of the town	Jun-19
Waste and Recycling Contract	The Council will not have the required vehicles or manpower to supply waste collection services if Kier, who currently have the contract to provide the service, terminate the contract at short notice.	Oct-18
King's Court	Relocation of partner organisations into King's Court risks disruption to and potential loss of/impact on services currently delivered from the site. There is also the risk of loss of income/higher implementation costs associated with moving external teams into the building.	May-18