



Audit Committee
Wednesday, 11th March, 2020 at 5.00 pm
in the Council Chamber, Town Hall, Saturday Market
Place, King's Lynn PE30 5DQ

Reports marked to follow on the Agenda and/or Supplementary Documents

1. **Corporate Risk Register Monitoring Report - TO FOLLOW** (Pages 2 - 19)

Contact

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POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Audit Committee		
DATE:	11 March 2020		
TITLE:	Corporate Risk Monitoring Report – November 2019		
TYPE OF REPORT:	Monitoring		
PORTFOLIO(S):	Performance		
REPORT AUTHOR:	Ged Greaves, Senior Policy and Performance Officer		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
This report presents the changes to the Corporate Risk Register since the last monitoring report on 3 June 2019. It gives details of the risks falling into the ‘Very High’ category and the associated work being progressed to mitigate the effects.
KEY ISSUES:
Following the review, the risk scores for 2 entries have been reduced. It is also proposed that 1 risk is added to the register and 4 risks are refocused.
OPTIONS CONSIDERED:
Not applicable.
RECOMMENDATIONS:
Members are requested to consider the contents of the Corporate Risk Register and confirm agreement with Management Team’s assessment of the risks to the Corporate Objectives.
REASONS FOR RECOMMENDATIONS:
In order to ensure the Council meets its statutory obligations to ensure that it has 'effective arrangements in place for the management of risk'.

REPORT DETAIL

1. Introduction

- 1.1 The Risk Management Policy and Risk Management Strategy covering this reporting period were approved by Council in April 2019.
- 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 a half-yearly basis on the position of the Corporate Risk Register, with the last one being presented to the committee on 3 June 2019. This report is for the period up to end November 2019.

- 1.3 The Corporate Risk Register is reviewed by executive directors and at Management Team on a 6-monthly basis. 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 removed and new risks considered in the context of current circumstances are added. The risk reference numbers are not reallocated when risks are removed from the register, to enable the history to be maintained.
- 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 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.

2. Changes to the Corporate Risk Register

- 2.1 The Risk Management Policy states that to 'ensure it is effective, risk management needs to be aligned with corporate aims, objectives and priorities'. As such the format of the risk register is ordered to reflect the priorities as contained in the Corporate Business Plan. This makes the link between the priorities and the management of associated risks clearer.
- 2.2 Apart from small changes made from a fresh review of the content and updates on progress for various entries, the main changes since June 2019 are listed below.
- 2.3 Risk rating amendments – increased score
 - 2.3.1 No risks scores have increased in this update.
- 2.4 Risk rating amendments – reduced score
 - 2.4.1 *Risk 1.15 – Pension Fund*

The focus of the risk is that the council is unable to meet its pension liabilities. The impact of stabilization payments smooths the council's contribution profile and together with the one off upfront payments this reduces the impact of the risk over the 3 year valuation period.

Management Team propose to revise the risk score "Major/Unlikely" to "Moderate/Unlikely". This risk would remain green on the risk matrix.
 - 2.4.2 *Risk 1.25 – Provision of leisure services*

The focus of the risk is the that transition to Alive West Norfolk does not progress according to plan leading to damage to service and quality of operation and a decline in attendance and income.

Given the mitigation activities, the transfer process has been relatively smooth. The new service delivery arrangements have been in place for several months and accordingly the likelihood of the risk materializing have diminished.

Management Team propose to revise the risk score from “Moderate/Likely” to “Moderate/Possible”. This would move the risk from amber to green on the risk matrix.

2.5 Risk proposed to be added to the register

2.5.1 *Risk 2.9 – Major projects programme*

The suggested focus of this programme risk is: The failure to deliver the programme of major projects to its approved parameters impacts upon the council's finances and delivery of council services. A major project being any approved property project that can cause significant financial, legal, reputational or compliance issues or prevent the council from delivering a priority or key objective.

2.5.2 The risk has been developed with the Property Services Manager. The programme risk sits above the various project risks that form part of the due diligence process for each of the projects considered by the Officer Major Projects Board and Member Major Projects Board.

2.6 Risks proposed to be removed from the register

2.6.1 There are no proposals to remove risks from the register.

2.7 Changes in focus of risks

2.7.1 *Risk 1.17 – Channel shift*

The current risk refers to an early digital project and OneVu has been operational for some time with wide ranging integration achieved with various back office systems and service processes. It is proposed to revise the risk description from:

“The level of required savings will not be achieved if the level of integration of OneVu with the back office systems is not delivered or is delayed. This could impact on service reviews required to identify efficiency savings.”

To:

Risk 1.17 – Digital access and integration

“Migration to digital services introduces barriers and excludes some service users from accessing council services. Service improvements constrained by lack of system integration.”

2.7.2 *Risk 1.25 – Provision of leisure services*

The company has been operational since July 2019. It is proposed to revise the risk description from:

“Transfer does not progress according to plan leading to damage to service and quality of operation and a decline in attendance and income.”

To:

“New service delivery model does not perform to expectations and business plan.”

2.7.3 *Risk 2.1 – Local employment*

The focus of this risk is that the ability to attract new investment could be adversely affected by potential barriers in the local economy such as availability of premises, levels of skills in the workforce and related low value work.

2.7.4 *Risk 3.4b – Waste and recycling contract*

As the waste contract procurement process moves from contract award to mobilisation, Management Team propose to reflect this in the vulnerabilities of this risk. In addition, the risk will also reflect the emerging county council contract for waste disposal and related contract management.

3. Conclusion

3.1 The Corporate Risk Register continues to be actively monitored by Management Team on a periodic basis.

4 Corporate Priorities

4.1 The Corporate Risk Register is currently aligned with the former Corporate Business Plan. Following approval of the corporate business plan in January 2020, service planning is underway by Assistant Directors. A full review of the risk register will be undertaken in the light of agreed service plans.

5 Policy Implications

5.1 None.

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 the Chief Executive and the executive directors (Management Team) to help manage risk across the authority and is a key document within the governance controls applied within the council.

11 Recommendations

11.1 Members are requested to:

- a) consider the contents of the risk register;
- b) confirm agreement with Management Team's assessment that:
 - i. Reduce the risk scores for risks 1.15 – Pension Fund and 1.25 – Provision of leisure services.
 - ii. Add risk 2.9 – Major projects programme
 - iii. Reframe the risks for 1.17- Channel shift, 1.25 – Provision of leisure services, 2.1 – Local employment and 3.4b – Waste and recycling contract.

12.0 Declarations of Interest / Dispensations Granted

12.1 None.

Background Papers

April 2019 Corporate Risk Register

Previous Corporate Risk Registers

Risk Management Policy and Strategy

CORPORATE RISK REGISTER MONITORING REPORT
November 2019

Risk name: Business Rates		Responsible Director: Finance Services (s151 Officer)	
Ref	Description	Mitigation	Progress
1.16	The financial plan may be adversely affected as a result of substantial events that affect the Business Rates due to the Council. Such events may be appeals being agreed leading to substantial Rateable Value reductions; reliefs being granted; failure to grow the business rate tax base or closure of a large business; and uncertainty relating to the 100% retention of Business Rates in future.	<ol style="list-style-type: none"> 1. Reserves created for measurable risks and membership of the Norfolk Business Rates Pool. 2. Continue to monitor potential areas of risk and work with LGA where possible. 3. Continue working with major businesses to reduce the possibility of closure. 4. VOA has changed its appeal process - now check, challenge and appeal, which seems to have reduced the number of appeals coming through. although it is still early days with this new process so reserves have been maintained at existing levels. 	A contingent liability has been noted in the Statement of Accounts in respect of the possible backdating of business rates reductions to the QE hospital following advice they have received regarding their possible charitable status - NHS Foundation Trusts have taken legal action to decide the matter and the Council has contributed to the LGA's response. The case was heard at Court in November 2019. The judge reserved judgement which means that it could be mid 2020 before a judgement is made and there is the possibility of an appeal. This is a situation raised across the country. Membership of the Business Rates Pool provides some provision to offset some of the impact, should it occur. The Norfolk Business Rates Pool have taken the decision to continue for 2020/2021, although the pool has reserved to right to review should the NHS case go against councils. Reserves have been created to provide some funding protection from the impact on business rates income in the event of the closure of major businesses. The movement in the overall business rates position is monitored on a monthly basis. Potential for negative economic impact of a no deal Brexit reduced by Benn Act and related Govt assurances given in response to legal action. Ongoing uncertainties may hold back wider economic growth, retail spending, investment, etc.

Risk Score:		
Impact	Extreme	5
Likelihood	Possible	3
Total score		15

CORPORATE RISK REGISTER MONITORING REPORT
November 2019

Risk name: Financial ledger software replacement	Responsible Director: Finance Services (s151 Officer)
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Ref	Description	Mitigation	Progress
1.24	The risk is that: 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, impact on Council reputation and ability to meet mandatory financial reporting deadlines.	<ol style="list-style-type: none"> 1. Adherence to agreed procurement procedures. 2. Allocation of appropriate resources to the project. 3. Knowledge, skills and experience of those working on the project. 4. Use of software provider support. 5. Prioritisation of work programme. 	Senior member of staff who is Prince 2 qualified has been appointed as Project Manager. Close collaborative working with external supplier and Embridge (third party engaged to implement the project). Allocation of appropriate resources to the project. Knowledge, skills and experience of those working on the project. Implementation planned for 1 April 2020.

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Risk Score:		
Impact	Major	4
Likelihood	Likely	4
Total score		16

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

Ref	Title	Score
1.4	Due diligence	12
1.10	Fraud and corruption	12
1.12	Financial plan	12
2.2	Empty retail properties / town centre decline	12
2.3	Major housing developments	12
2.4	5-year land supply and housing delivery	12
2.5	Housing market	12
2.6	Strategic land and property acquisition	12
2.8	Accelerated Construction Programme	12
3.1	Emergency response (External)	12
3.3	Council Reputation	12
3.5	Health and Safety	12

CORPORATE RISK REGISTER MONITORING REPORT
April 2019

After November 2019 review

LIKELIHOOD	5 Almost Certain	(Green)	(Orange)	(Red)	(Red)	(Red)
	4 Likely		(Green)	(Orange) 2.4, 2.5, 3.3	(Red) 1.24	(Red)
	3 Possible		(Green) 3.6, 3.8	(Green) 1.2, 1.3, 1.9, 1.17, 1.19, 1.23, 1.25, 2.7, 2.9, 3.7, 4.1, 6.1	(Orange) 1.4, 1.10, 1.12, 2.2, 2.3, 2.6, 2.8, 3.1, 3.5	(Red) 1.16
	2 Unlikely			(Green) 1.7, 1.11, 1.15, 1.21, 3.2	(Green) 1.1, 1.8, 2.1, 3.4b	(Orange)
	1 Rare					(Green)
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
10	IMPACT					

Risk Category	How the Risk should be managed
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.

Risks in score order

Title	Director	The risk is that:	Score
Financial ledger software replacement	Finance Services (s151 Officer)	Failure to effectively implement new 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.	16
Business Rates	Finance Services (s151 Officer)	The financial plan may be adversely affected as a result of substantial events that affect the Business Rates due to the Council. Such events may be appeals being agreed leading to substantial Rateable Value reductions; reliefs being granted; failure to grow the business rate tax base or closure of a large business; and uncertainty relating to the 100% retention of Business Rates in future.	15
Due diligence	Chief Executive and all Executive Directors	Increasing pressure on the Council to find alternative ways to deliver service objectives means that new, innovative projects are being considered, which may not generate savings as anticipated or have sufficient staff resources with the required skills to deliver.	12
Fraud and corruption	Finance Services (s151 Officer)	The Council, like any other organisation, is vulnerable to fraud and corruption. The Council suffers a loss and/or reputational damage.	12
Financial plan	Finance Services (s151 Officer)	Balancing income and expenditure for both Revenue and Capital as set out in the estimates will become more challenging. In addition to the current economic climate, within which there is significant pressure to reduce the level of public spending, there are known changes needed to funding streams from 2021/22 (due to happen in 2020/21 but delayed a further year by the government), with a move from relying on local taxation rather than funding from Central Government. The current Budget Plan assumes challenging levels of savings in revenue costs and increased reliance on investment in major capital projects to provide future revenue income. There is a possibility that assumptions will not be fully met.	12
Empty retail properties / town centre decline	Chief Executive and Commercial Services	Loss of town centre businesses leads to a continued downward spiral resulting in long-term depression of the towns.	12
Major housing developments	Commercial Services	Local opposition may result in planning permission not being obtained for the development, leading to contractual problems with the developer.	12
5-year land supply and housing delivery	Environment & Planning	The Planning Inspectorate does not agree that the Council has identified an adequate supply of land designated as housing development land for the next 5 years, and consequently this will lead to development approved in areas that the Council does not want developed.	12
Housing market	Chief Executive	Demand in the housing market will fall resulting in the Council being unable to sell all the properties built.	12
Strategic land and property acquisition	Commercial Services	The Council has a finite amount of land/properties in its portfolio which will limit future opportunities for development/investment and associated financial return.	12
Accelerated Construction Programme	Chief Executive	Delivery breaches agreed contract terms with Homes England.	12
Emergency response (External)	Environment & Planning	The Borough is vulnerable to the effects of flooding and it is anticipated that the local area will be flooded at some stage.	12
Council Reputation	Chief Executive Environment & Planning Commercial Services	An avoidable incident occurs which could result in the council's reputation being adversely affected, resulting in loss of confidence from the public. Such incidents could relate to HMO's, food safety, leisure activities, asbestos, legionnaires disease	12
Health and Safety	Environment & Planning	Compliance with Health & Safety legislation relevant to the Council's activities is a mandatory requirement. Failure to comply with H&S requirements can lead to injury and ill health to employees and the public at large who might be affected by Council activities. Compliance failure can also lead to enforcement action by the Health and Safety Executive.	12
Cost Reduction Programme (staff morale & members' expectations).	Chief Executive	The process of cost reduction programme necessary to assist the Cabinet to meet the future budget shortfall could lead to a drop in staff morale and consequently an increase in sickness absence. Members may not fully realise the impact of the necessary budget cuts on the level of service delivery.	9
Reputation management	Central & Community Services	Poor media reporting of Council activity can adversely affect customer satisfaction and staff morale. The matter is particularly relevant in the light of the cost reduction programme and potential impact on services, where planned communications activities will be crucial. Reputation also affected by external factors over which the Council has little influence.	9
Capacity	Central & Community Services	As staffing levels are reduced to a minimum, capacity to cope with major projects, sickness absence and peak holiday periods is compromised resulting in insufficient staff levels to deal with operational matters.	9
Channel Shift	Central & Community Services	The level of required savings will not be achieved if the level of integration of OneVu with the back office systems is not delivered or is delayed. This could impact on service reviews required to identify efficiency savings.	9
Cyber security attack	Central & Community Services	Data and systems could be compromised by way of ransomware, virus and / or phishing attacks.	9
General Data Protection Regulations (GDPR)	Chief Executives	Failure of Council to respond to new regulations which come into effect in May 2018	9
Provision of leisure services	Commercial Services	Transfer does not progress according to plan leading to damage to service and quality of operation and a decline in attendance and income. <i>Reframe risk: New service delivery model does not perform to expectations and business plan.</i>	9
West Winch/North Runcton Strategic Growth Area	Commercial Services/Environment & Planning	Failure to raise sufficient funding to construct the road and related improvements or major delays with scheme design, application and implementation, scheme costs increase significantly following feasibility study. Consequences for housing delivery, new homes bonus, council tax, lost income for services such as leisure, car parking, town centre spend, resident dissatisfaction.	9
Major projects programme	Commercial Services	The failure to deliver the programme of major projects to its approved parameters impacts upon the council's finances and delivery of council services. A major project being any approved property project that can cause significant financial, legal, reputational or compliance issues or prevent the council from delivering a priority or key objective.	9
Homelessness Reduction Act 2017 (Preventing homelessness.)	Chief Executive	Increase in demand results in budget overspend for bed and breakfast accommodation.	9
Improvements to heritage buildings	Commercial Services	Funds will not be available to carry out the improvements to the heritage buildings needed to increase the attractiveness of the town	9
Conflicting aims (with Partners)	Chief Executive	The aims of our partners do not fully match the Council's aims resulting in a failure to optimise the use of collective resources.	9
Business continuity (Internal) Including loss of staff and loss of King's Court	Environment & Planning	The Council is unable to meet its obligations as a Category 1 responder under the Civil Contingencies Act 2004 which requires that the Council has effective, organisation wide plans based on risk assessment. In addition the Council appears to be ineffective in times of emergency.	8
ICT failure of backup	Central & Community Services	Failure of backups could lead to loss of data.	8
Procurement of new Waste and Recycling Contract	Commercial Services	The procurement process could fail to identify a suitable contractor and/or the potential savings that can be achieved through a joint procurement process with partners could fail to be realised	8
Loss of ICT	Central & Community Services	The IT system consists of multiple servers. There is potential for the loss of one or more servers e.g. power, fire, mechanical failure.	6
VAT	Finance Services (s151 Officer)	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).	6
Pension Fund	Finance Services (s151 Officer)	The Council is unable to meet all its liabilities in relation to the Norfolk Pension Fund.	6
Pay Policy	Central & Community Services	Current Council pay arrangements could be disrupted by changes in the Government's public sector pay policy, having an impact on recruitment and retention of employees and financial implications for the Council.	6
Local employment	Commercial Services	The ability to attract new investment could be adversely affected by potential barriers in the local economy such as availability of premises and levels of skills in the workforce.	8
Community Relations	Central & Community Services	Community relations come under pressure, which could result in increased racial tensions within neighbourhoods which can manifest itself in various ways.	6
Modern Slavery	Central & Community Services	An emerging national issue has local impacts within the Borough given its demographic and economic profile.	6
New regulations regarding HMOs	Chief Executives	Failure to prepare for the implementation of the new regulations leading to service failure and criticisms of the Council by tenants, landlords, etc	6

New

Risks removed since May 2018

Ref	Title	Director	The risk is that:	Current risk score			Mitigation	Progress at April 2019	Risk removed
				Impact	Likelihood	Score			
1.13	VAT - Trust arrangements	Finance Services (s151 Officer)	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.	Minor	Unlikely	6	Use of legal and VAT specialists to advise on the requirements to comply with tax regulations.	The latest VAT health check has been completed with only minor issues raised. The results, together with an action plan, have been presented to both Alive Leisure and Alive Management Boards. A health check was undertaken in August which has been reported to the Board. There were no major findings identified during the check. VAT arrangements considered during the review of leisure delivery options. <i>Removed following transition to new council owned company.</i>	Jun-19
1.22	Revenues and Benefits software tender	Finance Services (s151 Officer)	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	Moderate	Unlikely	6	Adherence to agreed procurement procedures. Allocation of appropriate resources to the project. Knowledge, skills and experience of those working on the project. Other digitalisation projects put on hold pending identification of new supplier - this may have an impact on the ability to achieve predicted savings. Implementation of new system may have an impact on processing times.	Contract awarded in January 2018 to Civica. Risks initially reduced as Civica is an existing supplier. Implementation plan for 2018 completed and system now live. Revenue savings anticipated through back office integration and development of e-forms. <i>Removed as project implemented.</i>	Jun-19
1.26	Fire compartmentalisation	Commercial Services	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.	Moderate	Unlikely	6	Fire safety assessment undertaken. Property Services undertaking necessary compartmentalisation works in response to assessment.	Ongoing communication with fire officers and with DWP. The first phase of the fire compartmentalisation works were completed on the 14th September 2018. This included the areas of the recent refurbishment. During these works, other areas were identified and these have now been surveyed and we are waiting the reports and quotations. There is approximately another 2 ½ weeks of works to be completed and we are hoping that these will be complete by the end of October 2018. March 2019 - all works within King's Court are complete, with the exception of a handful of ceiling tiles on the 1st floor which need to be replaced. These were planned to be replaced w/c 4th March, but the contractor was unable to attend site that day. The final works will be completed as soon as possible. April 2019 - works completed. <i>Removed following completion of works.</i>	Jun-19
4.2	THi 2 Application to the Heritage Lottery Fund	Commercial Services	Important parts of King's Lynn continue to be in a dilapidated state giving a very poor image of the town	Major	Possible	12	The proposals have been discussed with the HLF who have indicated support. The Council's first THi scheme in St Margarets ward has been seen as successful by the HLF.	The application to the HLF will be submitted in December 2018 for a Stage 1 decision in Spring 2019. <i>Removed as the bid was unsuccessful and ongoing work is included in risk 4.1.</i>	Jun-19
3.4a	Waste and Recycling Contract	Commercial Services	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.	Extreme	Unlikely	10	Ongoing discussions with Kier to agree a solution to the current dispute over fees.	Regarded as being unlikely that Kier will risk the reputational damage caused to them by walking away from the contract without leaving BCKLWN any facilities to continue collections. <i>Removed as solution agreed with Kier.</i>	Oct-18
1.20	King's Court	Commercial Services	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.	Moderate	Unlikely	6	Appropriate agreements to be in place with regards to the cost of any works associated with the development of the King's Court site to accommodate staff employed by other partners. Clear project management plans, involving all relevant Officers involved. Health and Safety considerations identified and managed. ICT closely involved in project to ensure risk to disruption as new systems are accommodated within the building are minimised. Arrangements to ensure the site remains secure when occupied by contractors undertaking building work. Business continuity implications to be identified and addressed.	An Officer working group is in place which meets weekly, involving key staff from across relevant Council services. A 'comfort agreement' has been signed with DWP to cover the capital costs of the work. <i>Removed as partner organisations successfully located.</i>	May-18

Ref	Title	Director	The risk is that:	Inherent risk without mitigation			Mitigation	Current risk score			Trend (compared with last review)	Progress at Nov 2019	Target risk		
				Impact	Likelihood	Score		Impact	Likelihood	Score			Impact	Likelihood	Score
Priority 1 - Provide important local services within our available resources															
1.1	Business continuity (Internal) Including loss of staff and loss of King's Court	Environment & Planning	The Council is unable to meet its obligations as a Category 1 responder under the Civil Contingencies Act 2004 which requires that the Council has effective, organisation wide plans based on risk assessment. In addition the Council appears to be ineffective in times of emergency.	Major	Likely	16	1. Business Continuity Corporate Officer Group. 2. Incorporate Business Continuity into Risk Management systems. 3. Develop and test service specific plans across the Council. 4. Disaster Recovery Plan for ICT. 5. Business Continuity Policy and Strategy, Incident Response Plan, Invocation Process and Checklist in place and regularly reviewed. 6. Out of Hours Contact Card. 7. Office 365 deployment. 8. Tests of business continuity plans each year via Metis exercise. 9. ICT network and back up improvements to enhance resilience. 10. MHCLG provided additional funding for 2018/19 and 2019/20 for Brexit preparations.	Major	Unlikely	8	Same	A Business Continuity Corporate Officer Group continues to monitor, test and, where appropriate, improve existing arrangements. Membership of the Business Continuity Officer Group includes the Property Services Manager (or nominated representative) who is responsible for all the main buildings. Internal Audit have completed a re-visit to check progress with recommended actions from the last audit; progress has been assessed as 'good'. Plan tests conducted: METIS 17 in January 2018; Metis 18 in June/July 2018. Office 365 roll out trialled and approved by ICT Development Group to support evolution of agile working. Bronze plans reviewed over summer 2018. King's Court evacuation plans developed and ICT task group introducing network improvements. Threat cards and Out of hours contact card updated. Critical Incident Team to be reviewed. Biennial review of policy and strategy to be completed May 2019. Brexit no deal scenario - engagement with LRF and assessment of impact upon council services informing service plans for 2019/20 e.g. food safety. Ongoing monitoring of Kier in light of trading updates and administration of several significant outsourcing companies. Metis 19 undertaken in December 2019 testing work area recovery plan for King's Court.	Moderate	Unlikely	6
1.2	Cost Reduction Programme (staff morale & members' expectations).	Chief Executive	The process of cost reduction programme necessary to assist the Cabinet to meet the future budget shortfall could lead to a drop in staff morale and consequently an increase in sickness absence. Members may not fully realise the impact of the necessary budget cuts on the level of service delivery.	Moderate	Likely	12	1. Efficiency Plan. 2. Actively involve staff and Members in designing the cost reduction programme. 3. Maintain open channels of communication on plans/ proposed changes. 4. Keep staff and members informed of how the budget reductions are being managed. 5. Budget monitoring reports.	Moderate	Possible	9	Same	An Efficiency Plan and associated cost reduction plan for revenue savings is in place. A Cabinet away day was held with Mgt Team in April 2017 to review the cost reduction programme and corporate projects and to discuss future cost reduction activities. Revenue cost reduction savings for 2017/18 achieved. Progress evident with 2018/19 savings and reviewed with Extended Management Team on 24 July 2018. Savings achieved are reported within the Budget Monitoring report. Staff absence levels are monitored by Management Team. Progress with the capital programme are reported to Management Team to enable close monitoring of progress against the agreed plan. Cabinet away day in Autumn 2018 considered the programme. Staff briefing on council finances held in January 2019. Internal Audit review of cost reduction plan being finalised. Briefing to EMT in Oct 2019 highlighting potential for new schemes.	Moderate	Unlikely	6
1.3	Reputation management	Central & Community Services	Poor media reporting of Council activity can adversely affect customer satisfaction and staff morale. The matter is particularly relevant in the light of the cost reduction programme and potential impact on services, where planned communications activities will be crucial. Reputation also affected by external factors over which the Council has little influence.	Major	Likely	16	1. Media spokespeople are trained. 2. Protocols implemented. 3. Staff trained to spot opportunities and potential threats. 4. Social Media Guidelines and training in place.	Moderate	Possible	9	Same	Communications team continues to promote positive news, to respond effectively to media enquiries and to rebut inaccurate reporting. However, social media and the use of cameras on mobile phones etc. have changed the landscape of communications, leading to the need for increasingly quick responses required by agreed spokespeople. Protocols to be updated accordingly to reflect the changing nature. Review of communications, marketing, customer engagement and tourism reported Dec 2018 and implementation underway. Spikes in media attention arising from Leisure services delivery model, H&M development and NWES.	Moderate	Unlikely	6
1.4	Due diligence	Chief Executive and all Executive Directors	Increasing pressure on the Council to find alternative ways to deliver service objectives means that new, innovative projects are being considered, which may not generate savings as anticipated or have sufficient staff resources with the required skills to deliver.	Major	Likely	16	1. Capital and Property Investment Strategy approved Jan 2017. 2. Sharing of ideas at Management Team level to allow full consideration of all issues. 3. Use of the pool of knowledge contained in Extended Management Team to act as 'critical friend'. 4. Chief Executive and Executive Director, Finance Services discuss proposals with external auditor on a regular basis. 5. Key statutory officers meet; Head of Paid Service, Monitoring Officer and Section 151 officer. 6. Use of project initiation documents, briefs and business cases. 7. Use of external consultants for specialist advice and capacity e.g. VAT, Treasury management, specific property development expertise. 8. Use of pre-application planning service. 9. Major Projects Board in place to provide more rigorous governance around major capital projects. 10. Additions to governance framework being developed including a new member led body to enhance oversight of major projects and mechanisms to deal with council owned companies. 11. Use of lessons learnt reports and external inquiry to improve practice.	Major	Possible	12	Same	Innovative approaches to opportunities which arise are being developed where the potential to generate income is identified. Implementation following the 2016 service review of Property Services, Regeneration & Economic Development and the Corporate Project teams is complete and the revised structure is being monitored by the Executive Director. There may be a need to engage external specialists if riskier investments are considered where the Council does not have the expertise in-house. Changes to the Prudential Code may impact upon the Council's future investment plans with an emphasis on robust business cases and plans. Norfolk authorities are collaborating on a tender for VAT advice, currently in draft form, issue anticipated end Sept 2018. Governance arrangements for King's Lynn Innovation Centre being reviewed. Treasury Management advice regarding borrowing in light of uncertainties such as Brexit. Emphasis is on robust plans. Project team meetings for key work streams; leisure, major projects, housing companies. Hunstanton seafront project developing with Hemingway design. Governance improvements being developed to respond to NWES lessons learnt report, notable practice regarding council owned companies and ongoing commercialisation. PWLB rates unexpectedly increased by 1%. Project due diligence checklist being developed for property projects.	Moderate	Unlikely	6
1.7	Loss of ICT	Central & Community Services	The IT system consists of multiple servers. There is potential for the loss of one or more servers e.g. power, fire, mechanical failure.	Major	Likely	16	1. Investment to protect remote sites. 2. Business Continuity Plan - document procedure for loss of ICT server in place. 3. Security policy to ensure data integrity. 4. Replication and manageability of live data storage off-site. 5. Installation of UPS with backup generator to feed an uninterruptible power supply with conditioning to include surge protection to the computer room. Network improvements. 6. Increasing number of applications using cloud technology supported by agile working.	Moderate	Unlikely	6	Same	A second site is now established at Fakenham and key data is replicated there. Work is under way to ensure that staff can access data from home if necessary via Citrix and cloud based systems. There will be a limited number of citrix licences due to cost constraints (x60). Internal Audit and the Business Continuity Corporate Officer Group are aware of this position and are satisfied that in the event of a disruption or emergency, this is manageable. Business Continuity task and finish group established to review current ICT infrastructure arrangements in light of the potential loss of King's Court; our main offices and the plan for decanting staff to various satellite offices. Phase one of this review has concluded and recommendations agreed at Management Team and the ICT Development Group with the implementation phase underway with a number of more resilient connections now in place.	Moderate	Unlikely	6

				Impact	Likelihood	Score		Impact	Likelihood	Score	with last review)		Impact	Likelihood	Score
1.8	ICT failure of backup	Central & Community Services	Failure of backups could lead to loss of data.	Major	Likely	16	1. The testing programme of backups. 2. Business resumption plan in place. 3. An off-site storage facility in place. 4. Stand-by facilities to be provided.	Major	Unlikely	8	Same	There has been significant investment previously in the back-up system and process of off-site storage. There is a programme in place for backups and the testing of backups. The system has been reviewed and a new tape library has been deployed.	Moderate	Unlikely	6
1.9	Capacity	Central & Community Services	As staffing levels are reduced to a minimum, capacity to cope with major projects, sickness absence and peak holiday periods is compromised resulting in insufficient staff levels to deal with operational matters.	Major	Likely	16	1. Arrangements with other councils. 2. Use of agency and interim staff. 3. Improve staff resilience/ cross training. 4. Service and management restructures and related recruitment and development. 5. Absence management.	Moderate	Possible	9	Same	Established training regime to enable colleagues to cover for each other's absences. A Service Review has been completed across Planning and Environmental Health support services to ensure resources are appropriately allocated to priority areas and to establish levels of resilience across teams. The Apprenticeship Levy is utilised to enhance training across the authority. Consideration is given to succession planning in relation to specialist / technical roles by Executive Directors as appropriate. 15 Apprentices were enrolled in September 2017 in accordance with the new apprenticeship scheme. The delivery of capital projects has been strengthened in view of its importance to the Council's financial position. This risk may increase as finances tighten considerably over the next 2/3 years. Comms and marketing review actions being implemented. Service restructures and related recruitment and development activities in Personnel. Management restructure in progress with implementation planned for January 2020. UEA intern to support climate change footprint and policy development with ongoing links with degree modules for additional project activity.	Moderate	Unlikely	6
1.10	Fraud and corruption	Finance Services (s151 Officer)	The Council, like any other organisation, is vulnerable to fraud and corruption. The Council suffers a loss and/or reputational damage.	Major	Likely	16	1. Audit and Fraud Team dealing with the prevention of fraud and corruption. Strong guidance arrangements and internal controls are in place and regularly tested. 2. Anti-Fraud and Anti-Corruption Strategy, Whistleblowing Policy and a Fraud Response Plan are in place. 3. Fraud and Corruption Risk Assessment. 4. Review of Serious and Organised Crime. 5. National NFI Exercise and the annual Flexible Matching Service Exercise. 6. Debtor/Absconder Tracing. 7. Joint working with the DWP regarding Council Tax Reduction Scheme frauds and other benefit fraud.	Major	Possible	12	Same	Audit and Fraud Team work programmes are in place and progressing. Any instances of potential fraud are dealt with quickly. Audit work plans cover vulnerable areas of risk. The Anti-Fraud and Anti-Corruption Strategy, Whistleblowing Policy and Fraud Response Plan were updated and agreed in February 2017 to ensure they were up to date and reflected current good practice. Shared Audit Manager formally took effect from 1 April 2017 and operating effectively across both authorities with no impact on the delivery of the Council's audit plan. Discussions regarding a potential Counter-Fraud Hub are underway with regional/sub-regional partners. Preventative measures are being developed to reduce the numbers of those in debt and arrears. Interest expressed in a Fraud Data Sharing Pilot with HMRC aimed to reduce the numbers of those in debt and arrears. Fraud and corruption risk assessment underway. Participation in national NFI exercises and the annual Flexible Matching Service exercise.	Moderate	Unlikely	6
1.11	VAT	Finance Services (s151 Officer)	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).	Major	Possible	12	1. A contract is in place to obtain specialist VAT planning and advice. 2. De Minimis calculation.	Moderate	Unlikely	6	Same	The last de Minimis calculation for 2016/17 was 1.14%, well below the 5% limit. Each time a new major project is considered the impact on the de minimis percentage is one of the factors considered. The calculation will be done for 2018/19 will be determined after final accounts in July 2018. The outcome of the Leisure review may impact upon future de Minimis levels. VAT meeting with advisors and officers held in August 2018. Collaboration with Norfolk authorities on VAT advice services.	Moderate	Unlikely	6
1.12	Financial plan	Finance Services (s151 Officer)	Balancing income and expenditure for both Revenue and Capital as set out in the estimates will become more challenging. In addition to the current economic climate, within which there is significant pressure to reduce the level of public spending, there are known changes needed to funding streams from 2021/22 (due to happen in 2020/21 but delayed a further year by the government), with a move from relying on local taxation rather than funding from Central Government. The current Budget Plan assumes challenging levels of savings in revenue costs and increased reliance on investment in major capital projects to provide future revenue income. There is a possibility that assumptions will not be fully met.	Major	Likely	16	1. A review of the costs and provision of all services will continue with the aim of reducing costs and if necessary reduce services to match income. 2. Attendance at consultation updates from LGA / MHCLG. 3. Budgets will be monitored/reported against estimates on a regular basis. 4. Balanced and funded budget to 2021/22. 5. Efficiency Plan and multi-year settlement with Government. 6. Capital and property investment strategy and related monitoring process. 7. Planned and unplanned savings transferred to General Fund balance to adapt to reduction in central government funding. 8. Cabinet and Management Team away days to focus on financial management. 9. Budget presentations to council panels.	Major	Possible	12	Same	Target savings and planned savings are being monitored and reported on for 2019/20. Budget training for members will take place in January 2020 to raise awareness of budget issues. Clarity of the impact of the Fair Funding Review 2020 and Business Rates Retention awaited and remain a concern. Proposals to fund local government via 75% business rates remain a risk as outlined under 1.16 below. Sector and Treasury Management advice in light of uncertainties such as Brexit. Corporate financial model is being developed covering investment schemes. Additional funding received for Brexit preparations (£35,000 split across 18/19 and 19/20), but we're not aware of any further funding for 2020/21 following on from the delay in Brexit.	Moderate	Unlikely	6
1.15	Pension Fund	Finance Services (s151 Officer)	The Council is unable to meet all its liabilities in relation to the Norfolk Pension Fund.	Major	Possible	12	1. 3 year valuation and 30 year plan. 2. Because from the Pension Fund's aspect the council's funding strategy is classed as being ongoing, and a very long time horizon (30+ years) and is a secure employer the Pension Fund can allow the Council to make stabilised contributions, which in effect smoothes the contribution profile so that it isn't subject to great peaks and troughs in contribution rates. The council can then budget with more certainty and consistency. One-off lump sum payments can also be paid at the start of the 3 year valuation period which secures savings for the Council. This can then be accounted for and budgeted for over the 3 year period.	Moderate	Unlikely	6	Improved	Stabilisation payments have been made with 2019/20 being the final year of the current 3 year valuation period. For the next 3 years stabilisation payments have been offered again. Also by paying a one-off lump sum payments savings will be secured and can also be budgeted for with certainty and at the same level for each of the three years. Position fully documented in the annual Statement of Accounts.	Moderate	Unlikely	6

				Impact	Likelihood	Score		Impact	Likelihood	Score	with last review)		Impact	Likelihood	Score
1.16	Business Rates	Finance Services (s151 Officer)	The financial plan may be adversely affected as a result of substantial events that affect the Business Rates due to the Council. Such events may be appeals being agreed leading to substantial Rateable Value reductions; reliefs being granted; failure to grow the business rate tax base or closure of a large business; and uncertainty relating to the 100% retention of Business Rates in future.	Extreme	Likely	20	1. Reserves created for measurable risks and membership of the Norfolk Business Rates Pool. 2. Continue to monitor potential areas of risk and work with LGA where possible. 3. Continue working with major businesses to reduce the possibility of closure. 4. VOA has changed its appeal process - now check, challenge and appeal, which seems to have reduced the number of appeals coming through, although it is still early days with this new process so reserves have been maintained at existing levels.	Extreme	Possible	15	Same	A contingent liability has been noted in the Statement of Accounts in respect of the possible backdating of business rates reductions to the QE hospital following advice they have received regarding their possible charitable status - NHS Foundation Trusts have taken legal action to decide the matter and the Council has contributed to the LGA's response. The case was heard at Court in November 2019. The judge reserved judgement which means that it could be mid 2020 before a judgement is made and there is the possibility of an appeal. This is a situation raised across the country. Membership of the Business Rates Pool provides some provision to offset some of the impact, should it occur. The Norfolk Business Rates Pool have taken the decision to continue for 2020/2021, although the pool has reserved to right to review should the NHS case go against councils. Reserves have been created to provide some funding protection from the impact on business rates income in the event of the closure of major businesses. The movement in the overall business rates position is monitored on a monthly basis. Potential for negative economic impact of a no deal Brexit reduced by Benn Act and related Govt assurances given in response to legal action. Ongoing uncertainties may hold back wider economic growth, retail spending, investment, etc.	Moderate	Unlikely	6
1.17	Channel Shift	Central & Community Services	The level of required savings will not be achieved if the level of integration of OneVu with the back office systems is not delivered or is delayed. This could impact on service reviews required to identify efficiency savings. <i>Reframe this risk to focus on digital exclusion.</i> <i>Risk 1.17 – Digital access and integration</i> <i>Migration to digital services introduces barriers</i>	Major	Likely	16	1. Engage with the operational staff and systems admin, who understand the back office system. 2. Robust project plans that are monitored independently.	Moderate	Possible	9	Same	Work is concentrating on customer facing aspects initially to engage fully with the public and reduce the need for more staff intensive means of communication, such as telephone enquiries. The Hunstanton and Downham Market Offices closed, moving customer contact to telephones/online which are more cost effective methods. Revenues & Benefits have implemented their Civica solution providing integration with their back office. Work is ongoing with Environmental Health to achieve full integration with IDOX. Development of approach to digital inclusion underway. Customer access impact arising from a new waste contract provider under consideration.	Moderate	Unlikely	6
1.19	Cyber security attack	Central & Community Services	Data and systems could be compromised by way of ransomware, virus and / or phishing attacks.	Extreme	Almost certain	25	1. Best practice in regards to the Public Sector Network and Payment Card Industry standards are followed. 2. Necessary firewalls and filtering is in place. 3. Patching is kept up to date. 4. Staff and Members are regularly reminded to be vigilant and not click on links within emails from unknown sources.	Moderate	Possible	9	Same	A review of our security measures, in light of the recent large-scale attack was undertaken during May 2017 and appropriate enhancements to security protocols have been made as a result. Furthermore, a new Security Network Access Controller business case will be taken to Corporate Management Team and the ICT Development Group for approval. If successful, this will be implemented thereafter. Norfolk Resilience Forum exercise on cyber-security 31 Jan 2019. Cyber security e-learning for all staff rolled out in 2019.	Moderate	Unlikely	6
1.21	Pay Policy	Central & Community Services	Current Council pay arrangements could be disrupted by changes in the Government's public sector pay policy, having an impact on recruitment and retention of employees and financial implications for the Council.	Major	Possible	12	1. 9 years of the Government's public sector pay restraint has had an impact on recruitment and retention for some Council services. Government starting to relax its previous 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.	Moderate	Unlikely	6	Same	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. Mitigation elements include pay policy, growing our own, succession planning, early recruitment and identification of skills. Pay policy approved at Cabinet 26 March 2019. National pay award decision delayed pending General Election 2019.	Moderate	Unlikely	6
1.23	General Data Protection Regulations (GDPR)	Chief Executives	Failure of Council to respond to new regulations which come into effect in May 2018	Major	Likely	16	1. Eastlaw supporting work to review current arrangements with Service Managers in a timely manner to ensure all necessary changes to systems/procedures are identified and action taken to implement any required changes arising from the regulations. 2. Information governance enhanced with SIRO and Deputy SIRO roles and network of Information Asset Owners and Administrators. 3. Training and development for staff. 4. Internal Audit review of GDPR policy and practice. 5. Document Retention Policy supported by service based Records of Processing Activity in place.	Moderate	Possible	9	Same	Briefing session for EMT undertaken and followed by individual meetings to review specific service requirements in 2018/19. Deputy SIRO appointed along with a network of information asset owners and administrators in services in place 2018/19. Document Retention Policy approved March 2019. Internal Audit review of GDPR practice and ongoing work with services to enhance practices. Training for key staff taking place on 30 May 2019. Assessment of data transfer issues undertaken as part of Brexit planning - no issues identified Oct 2019.	Minor	Unlikely	4
1.24	Financial ledger software replacement	Finance Services (s151 Officer)	Failure to effectively implement new 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.	Major	Almost certain	20	1. Adherence to agreed procurement procedures. 2. Allocation of appropriate resources to the project. 3. Knowledge, skills and experience of those working on the project. 4. Use of software provider support. 5. Prioritisation of work programme.	Major	Likely	16	Same	Senior member of staff who is Prince 2 qualified has been appointed as Project Manager. Close collaborative working with external supplier and Embridge (third party engaged to implement the project). Allocation of appropriate resources to the project. Knowledge, skills and experience of those working on the project. Implementation planned for 1 April 2020.	Minor	Unlikely	4

				Impact	Likelihood	Score		Impact	Likelihood	Score	with last review)		Impact	Likelihood	Score
1.25	Provision of leisure services	Commercial Services	Transfer does not progress according to plan leading to damage to service and quality of operation and a decline in attendance and income. <i>Reframe risk: New service delivery model does not perform to expectations and business plan.</i>	Major	Almost certain	20	1. Due diligence; financial and legal arrangements. 2. Legal advice and technical expertise bought in where required. 3. Project board established. 4. Strategy, business case, business plan development and management of project risk register. 5. Stakeholder engagement. Communications support. 6. Consideration of VAT issues arising from a change in delivery model. 7. Reports to Cabinet (5 Feb 2019) and Environment and Community Panel (22 Jan 2019) with regard to the transfer of the Leisure Services operation from ALT to the Council. 8. Heads of Terms agreement agreed and aiming for 1 July 2019 handover. 9. Alive West Norfolk council wholly owned company established and directors appointed. 10. Financial ledger for new company. 11. Contract monitoring role within management restructure.	Moderate	Possible	9	Improved	Financial ledger development focused on the new company with the council to follow by April 2020. Interim business plan developed July 2019 - March 2020. More strategic business plan to be developed post April 2020. Company operational July 2019. Internal Audit reviewing project to identify gaps. Contract monitoring resource being introduced within the council's management restructuring in late 2019.	Minor	Unlikely	4

Priority 2 - Drive local economic and housing growth

16	2.1	Local employment	Commercial Services	The ability to attract new investment could be adversely affected by potential barriers in the local economy such as availability of premises, levels of skills in the workforce and related low value work. <i>Reframe to include low value work.</i>	Moderate	Likely	12	1. Delivery of an Enterprise Centre and implementation of skills & training initiatives with partners and business sectors. 2. The opening up of employment land at Hardwick and Campbell's Meadows in KL and at St John's Business Estate in Downham Market. 3. Information packs on the local area and to aid recruitment are provided on request. 4. Maintain regular contact with Department for International Trade and market investment opportunities with them. 5. Effectively handle enquires received direct, whether from inside or outside the Borough. 6. Active involvement with New Anglia LEP and Greater Cambridge Greater Peterborough LEP. 7. Enterprise Zone development. 8. Use of external funds to de-risk developments.	Major	Unlikely	8	Same	Project funding targeted at raising attainment in local schools from Second Homes money. Land at Downham Market and NORA is actively marketed. The King's Lynn Innovation Centre (KLIC) has high occupancy. A marketing plan for the Nar Ouse Business Park Enterprise Zone implemented. Gas main diversion completed. Nar Ouse site infrastructure & Phase 1 premises construction progressing with Enterprise Zones tenders received and within budget. LEP financing helps to de-risk the development. Engagement with the BID. Early interest shown by several local companies seeking to expand. Ongoing uncertainty arising from Brexit may delay company investment decisions. Unemployment rate is at a low level. H&M store opened Nov 2019 and will further strengthen the town centre offer. Management restructure will strengthen focus on regeneration. External funding being progressed via High Street Heritage Action Zone, Town Fund, Future High Streets Fund.	Moderate	Unlikely	6
	2.2	Empty retail properties / town centre decline	Chief Executive and Commercial Services	Loss of town centre businesses leads to a continued downward spiral resulting in long-term depression of the towns.	Major	Likely	16	1. Continued support to businesses through hardship relief. 2. Active management of lettings and promotion of a positive image of the town to potential businesses. 3. Initiatives to promote the town to visitors, shoppers and businesses. 4. Town Centre Partnership/BID. 5. Transport and town centre studies. 6. Bids for external funding such as Town Fund, Future High Streets Fund. High Street Heritage Action Zone. 7. Improvements to key access roads and junctions. 8. Management capacity.	Major	Possible	12	Same	Town Centre Partnership work is ongoing. BID presentation to R&D Panel on 26 June 2018. Roadworks on A47 Saddlebow interchange completed. King's Lynn transport study underway. Working with partners such as the BID and have commissioned a King's Lynn town centre study. Bid to Future High Streets fund has progressed to second stage. Future bid to Stronger Towns Fund under consideration. Potential for a town centre strategy/prospectus to emerge from bids but subject to capacity. National retail statistics suggest downward trend in town centre footfall compounded by ongoing economic uncertainty and range of national retailers entering administration and CVA. H&M store opened Nov 2019.	Moderate	Unlikely	6
	2.3	Major housing developments	Commercial Services	Local opposition may result in planning permission not being obtained for the development, leading to contractual problems with the developer.	Extreme	Likely	20	1. Continue to consult with local groups. 2. Investment in additional sports facilities included in the project. 3. Ongoing monitoring of potential Brexit impact.	Major	Possible	12	Same	Consultation group no longer active as issues resolved. Work on Marsh Lane is progressing well. Sales progressing on key sites and option for private rented market via West Norfolk Property Ltd. Sales updates reported to CPP and R&D panel. Potential impact from Brexit relating to drop in house prices and demand, supply side issues affecting the construction industry and reduction in rental values. Linked with Risk 2.5 - Housing market.	Moderate	Unlikely	6
	2.4	5-year land supply and housing delivery	Environment & Planning	The Planning Inspectorate does not agree that the Council has identified an adequate supply of land designated as housing development land for the next 5 years, and consequently this will lead to development approved in areas that the Council does not want developed.	Major	Likely	16	1. 5 year plan. 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.	Moderate	Likely	12	Same	The Council currently has a 5-year plan. National policy changes announced Feb 2019 affecting housing land supply, the definition of "deliverable" and appropriate assessment for habitats sites. New housing delivery target of 95%, BCKLWN performance is 91% so an action plan will be developed to meet the shortfall. Planning decisions on large contentious sites may result in a failure to provide a 5 year land supply.	Moderate	Unlikely	6
	2.5	Housing market	Chief Executive	Demand in the housing market will fall resulting in the Council being unable to sell all the properties built.	Major	Likely	16	1. Formation of a Local Authority Housing Company to take over any surplus housing stock to rent out until the market picks up. 2. NORA Phase 4 - proportion of development will be rented properties to be available late spring/summer 2019. 3. A viability review of the market will be carried out before the decision to commence each phase is taken. 4. Additional due diligence from East of England Talent Bank.	Moderate	Likely	12	Same	Exit strategy being developed by West Norfolk Property Company for private rented sector properties from major housing schemes. Link with the Accelerated Construction Programme. 7 additional sites being developed and brought forward faster than the original programme. Need to balance market absorption rate across the range of developments. Potential impact from Brexit relating to drop in house prices and demand, supply side issues affecting the construction industry and reduction in rental values.	Moderate	Unlikely	6

				Impact	Likelihood	Score		Impact	Likelihood	Score	with last review)		Impact	Likelihood	Score
2.6	Strategic land and property acquisition	Commercial Services	The Council has a finite amount of land/properties in its portfolio which will limit future opportunities for development/investment and associated financial return.	Major	Almost certain	20	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.	Major	Possible	12	Same	Cabinet has considered reports relating to the acquisition of specific property/investment opportunities in King's Lynn town centre and around the South Gates. Additional member led governance in development. Work ongoing to broaden the range of development tools available to the council including taking options on development sites.	Moderate	Unlikely	6
2.7	West Winch/North Runcton Strategic Growth Area	Commercial Services/Environment & Planning	Failure to raise sufficient funding to construct the road and related improvements or major delays with scheme design, application and implementation, scheme costs increase significantly following feasibility study. Consequences for housing delivery, new homes bonus, council tax, lost income for services such as leisure, car parking, town centre spend, resident dissatisfaction.	Major	Likely	16	1. Project and programme management approach. Stakeholder engagement. Commissioning technical expertise. Communications support. 2. Norfolk County Council undertaking the design and planning permission for the road. Check date. 3. Successful bid approved by Norfolk Business Rate Pool. 4. Link with Officer Major Projects Board. 5. Project board established.	Moderate	Possible	9	Same	Project team meetings, meetings with partners, project management approach to scheme development and implementation, use of external support to provide technical support and capacity. Extensive stakeholder engagement with MPs, MHCLG, Homes England, etc. Bid submitted to the Norfolk Business Rates Pool to contribute towards outline planning for the site, an equalisation agreement and supplementary planning document. Consideration of taking an option on part of the site that will also improve investor interest and deliverability.	Moderate	Unlikely	6
2.8	Accelerated Construction Programme	Chief Executive	Delivery breaches agreed contract terms with Homes England.	Major	Likely	16	1. Individual grant per site with staged drawdown of funds to compartmentalise risk. 2. Utilising Modern Methods of Construction. 3. Performance framework agreed with Homes England with quarterly returns. 4. Delivery via Major Development Contract.	Major	Possible	12	Same	Reports to Corporate Performance Panel and a special Cabinet Sept 2018 set out current position and £9.8m funding across 7 sites. Negotiation on contracts and performance framework underway with Homes England. Complicated programme with many externalities outside of council's control. £1m additional funding provided by Homes England. Contracts being finalised. Additional funding sought from Homes England for upscaling MMC development. Due diligence on individual sites in progress. 1 site may be problematic. Output rates higher than traditional build equating to approx 7 units per month compared with 3. Market absorption rate to be considered alongside the major housing development sites.	Moderate	Unlikely	6
2.9	Major projects programme	Commercial Services	The failure to deliver the programme of major projects to its approved parameters impacts upon the council's finances and delivery of council services. A major project being any approved property project that can cause significant financial, legal, reputational or compliance issues or prevent the council from delivering a priority or key objective.	Major	Likely	16	1. Project management principles applied with use of briefs, PIDs, risk, etc. 2. Officer Major Projects Board for approval of projects and oversight of delivery and involving senior officers representing key disciplines. 3. Member Major Projects Board oversight with updates to Audit Committee. 4. Use of external professional advisers on technical and professional matters e.g. architects, engineers, etc. 5. Broad programme agreed by Cabinet with updates via Cabinet briefings and to portfolio holders. 6. Due diligence undertaken on investments, partnerships, third parties, etc and recorded in contracts, reports, etc. 7. Skills development for Property Services and Regeneration staff. 8. Use of external funds to de-risk developments.	Moderate	Possible	9	New	Risks and mitigation measures identified in project documents. Officer and Member Major Projects Boards provide oversight and assurance. Due diligence checklist in development covering site, legal, financial, communications, resource issues and development options. Wide range of external funds to de-risk development financing such as Future High Streets Fund, Town Fund, Business Rates Pool, Accelerated Construction Programme, Coastal Revival Fund, etc.	Minor	Unlikely	4

Priority 3 - Work with our communities to ensure they remain clean and safe

3.1	Emergency response (External)	Environment & Planning	The Borough is vulnerable to the effects of flooding and it is anticipated that the local area will be flooded at some stage.	Major	Likely	16	1. Borough Council is a member of the Norfolk Local Resilience Forum (NRF). 2. The NRF work together to develop emergency plans based upon the Norfolk Community Risk Register.	Major	Possible	12	Same	Active participation in NRF planning and exercising. Emergency plans are in place and were tested in January 2017 for a predicted tidal surge. Participation with NRF on Brexit related planning. Tidal surge experienced in Oct 2019 with minimal impact.	Moderate	Unlikely	6
3.2	Community Relations	Central & Community Services	Community relations come under pressure, which could result in increased racial tensions within neighbourhoods which can manifest itself in various ways.	Moderate	Possible	9	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. 2. External funding bids with partners.	Moderate	Unlikely	6	Same	The Council is involved in proactive work through the West Norfolk Partnership. 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. No evidence of Brexit related tensions as experienced in neighbouring councils.	Minor	Unlikely	4
3.3	Council Reputation	Chief Executive Environment & Planning Commercial Services	An avoidable incident occurs which could result in the council's reputation being adversely affected, resulting in loss of confidence from the public. Such incidents could relate to HMO's, food safety, leisure activities, asbestos, legionnaires disease. A failure to identify mitigate risks associated with contracts.	Major	Almost certain	20	1. Proactive inspection and enforcement programmes. 2. Appropriately qualified and experienced staff employed. 3. Training programmes for relevant staff. 4. Incident Response Plan. 5. Liaison with external audit. 6. Use of independent inquiry and publication of lessons learnt reports - leading to enhanced policy and practices to reduce future risks and errors. 7. Communications support.	Moderate	Likely	12	Same	Key activities have been identified as part of the service planning. Staff qualifications and any resulting training requirements are reviewed as part of the PRP process. Inspection and enforcement regimes are in place and monitored for performance and records kept. Risk assessments undertaken where appropriate. Leisure project group established. Incident Response Plan briefings held summer 2018. Chalcroft Ltd and KLIC/NWES impacted upon reputation - independent inquiry initiated and to report Dec 2019. Media and presentation skills training. Assurance on presentation content by senior management.	Moderate	Unlikely	6

				Impact	Likelihood	Score		Impact	Likelihood	Score	with last review)		Impact	Likelihood	Score
3.4b	Procurement of new Waste and Recycling Contract	Commercial Services	The procurement process could fail to identify a suitable contractor and/or the potential savings that can be achieved through a joint procurement process with partners could fail to be realised. <i>Reframe to reflect implementation of waste contract.</i> <i>Mobilisation and new service delivery arrangements does not perform according to expectations.</i>	Major	Likely	16	1. Adherence to agreed procurement procedures. 2. Allocation of appropriate resources to the project including project team and document sharing platform. 3. Knowledge, skills and experience of those working on the project. 4. Meetings of 3 partners to manage the procurement process, mobilisation and contract management. 5. Procurement timetable: OJEU noticed published 27 Feb 2019, tender submission deadline 3 June 2019, contract award Oct 2019, NNDC commence April 2020, BCKLWN commence April 2021 6. Project group established to manage transition in west Norfolk. 7. Effective contract monitoring and management.	Major	Unlikely	8	Same	Joint procurement process for the new contract was agreed by Cabinet in August 2017. Tender opportunity published April 2019, contract originally planned to be awarded summer 2019 and new contract will commence 2021 and operate for eight years in west Norfolk. Contract award delayed to mid-December 2019. Potential for contract novation. Norfolk County Council waste disposal arrangements to be confirmed.	Minor	Unlikely	4
3.5	Health and Safety	Environment & Planning	Compliance with Health & Safety legislation relevant to the Council's activities is a mandatory requirement. Failure to comply with H&S requirements can lead to injury and ill health to employees and the public at large who might be affected by Council activities. Compliance failure can also lead to enforcement action by the Health and Safety Executive.	Major	Likely	16	1. Health, Safety & Welfare General Policy in place. 2. Corporate H&S Action Plan reviewed by Management Team and Joint Safety & Welfare Committee on a regular basis. 3. A training programme is ongoing to raise awareness. 4. External assessments are carried out to identify any risks. 5. Corporate Officer Group- Health and Safety	Major	Possible	12	Same	All areas within Alive Leisure are externally audited for H&S compliance by Right Directions. Staffing changes implemented in 2018/19 and responsibility moved to Env Health - Commercial.	Moderate	Unlikely	6
3.6	Modern Slavery	Central & Community Services	An emerging national issue has local impacts within the Borough given its demographic and economic profile.	Moderate	Likely	12	1. Partnership networks. 2. Safeguarding policy and referral mechanism. 3. Staff training and development. 4. Support with intelligence gathering and enforcement. 5. Communications support.	Minor	Possible	6	Same	Continue to work closely and proactively with partner agencies and county groups to identify and tackle issues effectively. Links between key services such as Community Safety, Homelessness, Revenues & Benefits and Environmental Health. Clear and robust safeguarding policies in place to identify and support those affected. Consistent and co-ordinated operational partnership approach to deal effectively with reports and disclosures as they arise, with consideration of the potential impact of public service intervention. Share information about perpetrators and victims as effectively as possible. Training and development to raise awareness. Raise with safeguarding network to clarify county-wide response. Relationship between modern slavery and county lines highlighted in presentation to E&C Panel in Oct 2019. Partnership and multi-agency approach followed to ensure national guidance is followed and disseminated.	Minor	Possible	6
3.7	Homelessness Reduction Act 2017 (Preventing homelessness.)	Chief Executive	Increase in demand results in budget overspend for bed and breakfast accommodation.	Major	Likely	16	1. Staff capacity. 2. Training and development programme on new responsibilities. 3. ICT development to support case management. 4. Support commissioned from voluntary and community sectors. 5. Partnership and network arrangements. 6. Communications support. 7. Accommodation options improved by Broad Street. 8. Reduction in working age population. 9. Strategic Housing Market Assessment identifies increasing prevalence of families sharing accommodation with families.	Moderate	Possible	9	Same	Resources improved within Housing Options with 2 additional posts. 2 providers commissioned to provide support services. External funds at risk going forward given continued pressure on public sector finances. Training and development for appropriate staff to be commissioned. Referral processes and documentation under development. Homelessness Strategy and Policies in place. Partnership arrangements and referral mechanisms. Assessments of vulnerability to be undertaken. Case management software under development. SLAs with local voluntary and community groups. Housing investment programme to develop more affordable homes via council owned companies. Learning from professional networks. Partner investment in additional resources. Rising spend on bed and breakfast accommodation may exceed budget.	Moderate	Possible	9
3.8	New regulations regarding HMOs	Chief Executives	Failure to prepare for the implementation of the new regulations leading to service failure and criticisms of the Council by tenants, landlords, etc	Major	Likely	16	Implemented new software to create a self-serve automated application process. Awareness raising activities with media and direct contact with landlords.	Minor	Possible	6	Same	Resources improved within Housing Options with 2 additional posts. 2 providers commissioned to provide support services. External funds at risk going forward given continued pressure on public sector finances. Training and development for appropriate staff to be commissioned. Learning from professional networks.	Minor	Possible	6
Priority 4 - Celebrate our local heritage and culture															
4.1	Improvements to heritage buildings	Commercial Services	Funds will not be available to carry out the improvements to the heritage buildings needed to increase the attractiveness of the town	Major	Likely	16	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.	Moderate	Possible	9	Same	A 'cultural prospectus' was developed to enable the Council to align its strategy with those of the LEP's, Arts Council and HLF. This work was completed as a pre-requisite to further funding bids in Spring 2018. To raise our profile with the Arts Council we have entered into a service level agreement with the Norfolk Museum service to develop actions arising from the cultural positioning statement. Other relevant activities are being organised with Creative Arts East and Collusion. HAZ Programme Manager commenced Sept 2018. Update provided to R&D Panel on 12 March 2019. Consideration of a revised bid to the HLF in Autumn 2019 based upon an improved funding model. Discussions with potential investor ongoing.	Minor	Unlikely	4

				Impact	Likelihood	Score		Impact	Likelihood	Score	with last review)		Impact	Likelihood	Score
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Priority 5 - Stand up for local interest within our region

Priority 6 - Work with our partners on important services for the borough

6.1	Conflicting aims (with Partners)	Chief Executive	The aims of our partners do not fully match the Council's aims resulting in a failure to optimise the use of collective resources.	Moderate	Likely	12	1. Clarify and agree with partners what the common targets are and how achievement of them will be recognised. 2. Terms of Reference or SLA's are agreed for each group to define the aims and respective roles and focus on core services plus specific projects. 3. Ensure active participation on relevant Boards/ Groups.	Moderate	Possible	9	Same	Core membership and terms of reference for the West Norfolk Partnership have been refreshed in early 2017. Multi-agency Active Lives meeting in July 2018 to consider Borough participation rates and agreement at West Norfolk Partnership to initial priorities. CAN - SLA focused on Universal Credit in rural areas; Freebridge SLA focused on anti-social behaviour. Health and Wellbeing Strategy sign off via E&C Panel and Cabinet Oct/Nov 2018. District council sub-group informing Health and Wellbeing Board proposals. Review of corporate business plan underway informed by consultation with policy development panels. Cross-council groups regarding housing advice (Shelter) and debt advice (Money Advice Hub). Community support service (Homelessness prevention outreach service) SLA and Rough Sleep Outreach Service SLA funded via central Govt and NCC.	Moderate	Unlikely	6
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