

COVID-19 Risk Register

Last updated:

12/06/20

| Description/effect of impact | Risk score if no action impact x likelihood = total | Existing controls and/or mitigation | Actions being taken to manage risk and progress to date | Action owner and due date | Target score impact x likelihood = total | Risk owner | Direction of travel | RAG |
|---|---|--|---|---------------------------|--|------------|---------------------|-------|
| <p>FINANCIAL (INCLUDING CREDIT & COUNTERPARTY) <i>Financial: related to the financial position and investment of the Council's assets and cash flow, market volatility, currency etc.</i> <i>Credit and Counterparty: related to investments, loans to institutions and individuals and counterparties in business transactions.</i></p> <p>Risk - that the Council's expenditure in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.</p> <p>Effect - the Chief Finance Officer has to issue a Section 114 report to Full Council to report an unbalanced budget</p> | 5 x 4 = 20 | Lobbying central government Medium Term Financial Strategy (MTFS) Corporate/service planning Budget process/budget monitoring Annual review of reserves Consultation responses Project management framework Balanced 2020/21 budget | Committee report to Cabinet and O&S covering the financial impact of COVID-19 presented to committee May 2020 Further financial update report to committee in August 2020 Continued lobbying of ministers/central government requesting further financial support | SLT | 4 x 3 = 12 | SLT/OMT | ↓ | Amber |
| Inability to balance budget | | Lobbying central government Medium Term Financial Strategy (MTFS) Corporate/service planning Budget process/budget monitoring Annual review of reserves Consultation responses Project management framework Balanced 2020/21 budget | | | | | | |
| Insufficient cash flow - Uncertain cash flows and reduced income leading to increased borrowing requirements | | Central government funding of £65.5m received to fund Small business Grant scheme Daily cash flow monitoring and forecasts Budget monitoring process and MHCLG monthly finance returns Availability of PWLB borrowing facilities and/or local authority lending | | | | | | |

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|---|--|--|--|--|--|
| <p>Increasing expenditure:</p> <ul style="list-style-type: none"> precept payments housing benefits community hubs residents communications staff overtime borrowing costs other service costs | | <p>Central government funding of £65.5m received to fund Small business Grant scheme</p> <p>Daily cash flow monitoring and forecasts</p> <p>Budget monitoring process and MHCLG monthly finance returns</p> <p>Some offset expenditure from closed facilities etc redirected to support additional costs</p> | | | |
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| <p>Reductions in income:</p> <ul style="list-style-type: none"> council tax business rates fees and charges car park income planning fees building control fees commercial waste income beach huts & chalets property rentals investment income | | <p>Central government funding of £65.5m received to fund Small business Grant scheme</p> <p>Daily cash flow monitoring and forecasts</p> <p>Budget monitoring process and MHCLG monthly finance returns</p> <p>Some offset expenditure from closed facilities etc redirected to support additional costs</p> | | | |
| <p>Failure to achieve planned savings - increased pressure on the budget and future years planning</p> | | <p>Budget monitoring MTFS</p> | | | |
| <p>Delays to central government funding reviews (Fair Funding Review/Business Rates Review/Spending Review) - increasing uncertainty about future years funding allocations</p> | | <p>MTFS</p> | | | |

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| Central government offset support (apart from business rates support), RSG and NHB | | MTFS | | | | | | |
| Reductions in reserve balances - contingency allocations and provisions reduced which puts additional pressure on the budget | | MTFS | | | | | | |
| Delays to the capital programme and receipt of capital income - capital projects might be delayed leading to increased contract costs, delays to improvements and reducing capital receipts | | MTFS Capital budget monitoring | | | | | | |
| Closing of accounts and statutory publication of draft Statement of Accounts along with completion of the Whole of Government Accounts return - unable to meet statutory deadlines, potential qualifications to accounts | | Accounts closedown timetable and procedures | Deadlines for publication of the draft accounts have been increased by a month by central government due to the outbreak | DE (August 2020) | | | | |
| Inability to continue creditor payment runs - unable to pay suppliers, staff etc | | Creditor payment procedures IT improvements to enable payment runs (BACS) to be processed from home | | | | | | |
| OPERATIONAL <i>Related to operational exposures within its organisation, its counterparties, partners and commercial interests</i> | 4 x 4 = 16 | | | | 4 x 3 = 12 | SLT/OMT | ↓ | Amber |
| Risk - operational issues prevent or hinder the achievement of the Council's aims. | | | | OMT/SLT | | | | |
| Effect - the Council does not achieve its operational or strategic aims. | | | | | | | | |
| Major disruption to people resource inside the organisation and externally due to social distancing measures - inability to maintain currently provided services in the same way | | | | | | | | |
| Inability to operate services from main office buildings - reduced services available to customers | | Provision of remote working Implementation of digital solutions for service delivery Redeployment of staff to key service areas | Return to work guidance | SB (June 2020) | | | | |

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| Inability to operate services externally - reduced services available to customers | | Alternative service provision Liaison with contractors | | | | | | |
| Inability to meet statutory meeting requirements - delays to or illegal decision making | | Online meetings Changes to Constitution Training for Members & officers | | | | | | |
| Inability to provide an adequate working environment - poor welfare and health and safety cover for staff | | Updates to various policies and dissemination of managers, provision of return to work guidance | | | | | | |
| New starters do not receive the appropriate induction training leading to inefficient performance | | HR policy guidance New starter procedures | | | | | | |
| Failure of contractual arrangements - leading to reduced service provision, increased costs, delays etc | | | | | | | | |
| Failure of contractor to provide services - reduction/removal of services to customers | | Contractual arrangements Liaison with contractors | | | | | | |
| Contractor failure - contractor goes out of business | | Pre-contract due diligence work Implement central government procurement support guidance Mitigation of losses Supporting with cash flow | | | | | | |
| Waste and recycling not collected from households - increased public health risk | | Business contingency arrangements in place with contractor | | | | | | |
| Lack of adequate IT provision - failure to deliver efficient services to customers | | | | | | | | |
| Lack of suitable bandwidth - reduced network capacity for staff to access systems and work effectively | | Technological solutions applied to increase bandwidth | | | | | | |
| Insufficient equipment to support remote working - inefficient use of staff resources and resultant impacts on service delivery | | Additional hardware | | | | | | |
| Inability to delivery digital solutions to customers - reduced access to services and reduced efficiency | | New software solutions acquired/developed ie Zoom, online forms, apps etc | | | | | | |
| Property not able to be used as intended - additional costs, reduced service provision | | | | | | | | |
| Increased risk of vandalism from closed facilities - additional costs, insurance claims and monitoring | | Contractor site visits | | | | | | |

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| Risk of virus transmission from use of facilities - transmission rate increases | | Closure of some sites Increased cleaning regimes Social distancing measures | Managed re-opening of sites | Gold (June 2020) | | | | |
| MACROECONOMIC <i>related to the growth or decline of the local economy, interest rates, inflation and to a lesser degree, the wider national and global economy amongst others.</i> Risk - national/global recession resulting in business failure and unemployment Effect - increased requirement for benefits, housing, council tax support, business advice and support | 4x4 =16 | | | | 3x4=12 | SLT/OMT | ↓ | Amber |
| Negative impact of the virus on the local, national and global economies - business failure, increased unemployment, reducing GDP | | | | | | | | |
| Impact on the local economy - business failure and unemployment increase | | Provision of advice from the Economic Development team Administration of Small Business Grant scheme and Discretionary Grant Scheme Business survey currently being undertaken | Business survey currently being undertaken. Operation of the Council Tax Hardship Fund | SQ (Sept 2020) TG/LC (Jan 2021) | | | | |
| Impact on the national economy - business failure, unemployment levels rise, increasing welfare costs, reduction in GDP, national debt increases | | No Council mitigations | | | | | | |
| Impact on the global economy - business failure and unemployment increase | | No Council mitigations | | | | | | |

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| <p>STRATEGIC key initiatives undertaken by the Council such as significant purchases, new ventures, commercial interests and other areas of organisational change deemed necessary to help the Council meet its goals.</p> <p>Risk - Corporate Plan and Projects may not be delivered within agreed timescales or budget</p> <p>Effect - objectives not delivered, poor use of council financial resources</p> | 4x3=12 | | | | 3x3=9 | SLT | ↓ | Amber |
| <p>The agreed Corporate and Delivery Plan do not reflect the new emerging priorities - resources expended inappropriately on non priority areas</p> | | Corporate planning process | Review of Corporate and Delivery Plan to be undertaken by Senior Leadership Team (SLT) and Members | SLT/Members (Sept 2020) | | | | |
| <p>Risk to Medium Term Financial Strategy (MTFS) - inability to produce a balanced budget</p> | | MTFS reviewed and updated every year Budgeting and budget monitoring processes | Update report to come to committee in August 2020 | DE (August 2020) | | | | |
| <p>Inability to consider appropriate scenarios and consider a volatile, uncertain, complex and ambiguous (VUCA) world - the Council is unable to adapt to change and operates at a less than optimum level</p> | | | | | | | | |
| <p>Inability to adapt and take advantage of new opportunities and ways of working/delivering services - efficiencies and service improvements missed</p> | | | | | | | | |
| <p>ENVIRONMENTAL AND SOCIAL related to the environmental and social impact of the Council's strategy and interests</p> <p>Risk - Council fails to take into account changing environmental and social needs</p> <p>Effect - strategic objectives don't reflect environmental and social issues</p> | 4x3=12 | | | | 4x3=12 | SLT | ↓ | Amber |

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| Increasing levels of social isolation - impact on people's wellbeing and mental health | | Community hubs Active community sector Community outreach programme and support | | | | | | |
| Increasing levels of poverty - increasing social deprivation, lower educational standards, poorer health outcomes, social inequality, homelessness | | Homelessness Strategy Hardship Fund | | | | | | |
| Removal or reduction of leisure and cultural activities - negative impact on wellbeing | | Corporate Plan Delivery Plan | Production of an outdoor leisure strategy | KR (Dec 2020) | | | | |
| Inappropriate usage of outdoor areas - increasing levels of littering and cleansing costs | | Cleansing contract | | | | | | |
| Increasing pressure on open public space - potential increase to virus and infection rates | | AONB managed through Coastal Partnership Woodland Ranger service Foreshore officers | | | | | | |
| GOVERNANCE <i>related to ensuring that prudence and careful consideration sit at the heart of the Council's decision-making, augmented by quality independent advice and appropriate checks and balances that balance oversight and efficiency.</i> Risk - Council acts outside established procedures or unlawfully Effect - risk of litigation/reputational risk to Council/poor decision making | 4x4=16 | | | | 3x3=9 | SLT | ↓ | Amber |
| Governance controls are bypassed or ignored - poor/illegal decision | | Constitution Corporate Governance Framework Statutory officers | | | | | | |
| REPUTATION <i>related to the Council's dealings and interests, and the impact of adverse outcomes on the Council's reputation and public perception.</i> Risk - Council's reputation is adversely affected Effect - reduced public confidence | 3x4=12 | | | | 2x4=8 | SLT | ↓ | Amber |

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| Council does not do the right things for the community - negative press coverage and reduced public confidence | | Corporate Plan | Updated Corporate Plan to reflect COVID priorities | SLT/Members (Sept 2020) | |
| Poor communication strategy - negative impact on Council reputation | | Communications strategy | Develop COVID based communications strategy | JF (Sept 2020) | |

Risk owners

AS - Alison Sayer (Resilience Manager)
DB - Debra Beckles (Procurement Officer)
DE - Duncan Ellis (Head of Finance & Assets)
ED - Emma Duncan (Head of Legal)
FH - Faye Haywood (Internal Audit Manager)
GOLD - Gold Command
JC - James Claxton (Interim Human Resources Manager)
JEC - Jenny Carroll (Chief Group Accountant)
JF - Joe Ferrari (Communications & PR Manager)
KR - Karl Read (Leisure & Locality Service Manager)
LH - Lucy Hume (Chief Technical Accountant)
ND/GC - Nicky Debbage and Graham Chapman (Joint Strategic Housing Team Leader)
OMT - Operational management Team
PR - Phillip Rowson (Head of Planning)
RG - Renata Garfoot (Estates & Asset Strategy Manager)
RY - Rob Young (Head of Economic & Community Development)
RT - Russell Tanner (Assets & Property Programme Manager)
SB - Steve Blatch (Chief Executive)
SK - Sean Kelly (Head of Business Transformation & IT)
SLT - Strategic Leadership Team