

Summary Corporate Risk Register – March 2021

Risk Ref	Risk Description	Risk Owner	Latest Risk Sheet (Date)	Controls	Current Status	Current Risk Score	Date last considered by SLT
RR1	<p><u>Staffing, Skills and Capacity</u> The changing nature of the public sector has seen the council move into areas outside of traditional council expertise. In addition, the changing jobs market, both locally and nationally, means that the council is facing far greater competition for the best talent, along with difficulties recruiting to posts in some areas, in common with many other employers across all sectors. The erosion of the benefits traditionally associated with working in the public sector has added further challenge in terms of recruiting and retaining talented workforce leading to a concern that the skills of the organisation may not match its ambition. Further to this the impact of Britain exiting the European Union, and what immigration controls will be in place beyond the transition period may add further complexity in future.</p> <p>The Covid-19 pandemic will have an impact – the full effect of which is still to be felt. Whilst it is likely that this will result in greater numbers of individuals within the</p>	Executive Director of Corporate Services	Mar-21	<p>The following is in place to ensure that the council is able to recruit and retain the right people, in the right jobs, with the right skills:</p> <ul style="list-style-type: none"> - Pay and Benefits review commenced in January 2021- this is designed to provide a fair and transparent system for establishing pay grades and relevant allowances which ensures the council can attract and retain staff, respond to market changes and comply with equal pay legislation. - The council's Smarter Ways of Working programme is in progress which has resulted in an extensive rollout of new IT equipment and will see staff working in a newly refurbished office and working between home and the office supporting flexibility and work/ life balance for staff. - People Strategy setting out our key priorities for people management, this will be refreshed in 2021. - The culture change programme, commencing in 2020 and running for three years will be part of establishing BDBC as an 	<p>All the controls described above are in place and are continually reviewed by the Human Resources business unit, more work will be needed moving forward to ensure BDBC remains competitive.</p> <p>The ambitious transformation programme which BDBC is undertaking in areas including digital transformation and smarter ways of working will involve improvements to the flexibility of the work offer at BDBC and will also be underpinned by a cultural change programme which will further enhance BDBC's ability to position itself as an employer of choice.</p>	<p>MEDIUM RISK</p> <p>Likelihood – Possible (3)</p> <p>Impact – Marginal (2)</p>	3-Mar-21

	<p>labour market there is likely to remain the challenge of recruiting into specialist roles.</p>			<p>employer of choice and is an intrinsic element of the Fit for the Future Transformation Programme.</p> <ul style="list-style-type: none"> - A staff pulse survey was undertaken in July 2020 - the results of which will inform key activities including wellbeing and Smarter Ways of Working. - Work is underway on the development of a target operating model for the council, as part of the work surrounding this a review of our values is planned to support retention and attraction. - Framework for internal communications and staff engagement to ensure that staff feel informed, involved, valued and recognised - Learning and development opportunities for all levels of staff in a wide range of areas - Increased focus on apprenticeships as a route into employment within the organization and as part of an overall focus on “growing our own” to address key skills gaps in shortage areas. - Commitment to supporting the health and wellbeing of our staff through a range of initiatives including in-house virtual training, focused events and provision of wellbeing support such as EAP and counselling provisions. - Competitive pay and benefits package for all staff and a continued focus on finding new and innovative ways of 			
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				<p>enhancing the offer to staff – this will be reviewed as part of an overall pay and benefits review in 2021.</p> <ul style="list-style-type: none"> - A wide range of flexible working opportunities which help staff achieve a better work-life balance whilst still delivering excellent services to residents. This will be further extended with the implementation of Smarter Ways of Working. 			
RR2	<p><u>Major Strategic Partnerships/Projects</u> Achieving the council's objectives requires strong and effective strategic partnerships that need to be effectively established and managed to deliver our major strategic projects.</p>	Deputy Chief Executive and Director of Borough Development	Mar-21	<p>The following Controls are in place:</p> <ul style="list-style-type: none"> - Skilled and experienced staff in place who are supported by appropriate external advisors. - Key projects have the appropriate buy-in across the organisation to maximise collective corporate input - Identified Portfolio Holder and senior officer leads - Procurement processes and contracts in place where relevant - Corporate Projects Programme Board - Contract management boards and reviews - Performance and budget monitoring - Programme and project management governance is appropriate and resourced correctly - Regular engagement with partners - Cabinet Executive Committees in place - Regular review and lessons learnt exercises 	The above controls are in place and are monitored regular. Reviews of strategic partnerships and the Council's approach to them to identify and implement any opportunities for improvements and ensure they are effectively delivering the Council's priorities are underway and ongoing.	<p>MEDIUM RISK</p> <p>Likelihood – Possible (3)</p> <p>Impact – Critical (3)</p>	3-Mar-21
RR3	<p><u>Information Management</u> A great deal of personal and commercially sensitive information</p>	Executive Director of Corporate	Mar-21	<p>The following policies apply:</p> <ul style="list-style-type: none"> - Data Protection 	Data protection to be included within future core audits. Information Governance audit	<p>HIGH RISK</p> <p>Likelihood –</p>	3-Mar-21

	<p>is required to be held and processed by the Council. This information may be subject to requests under the Freedom of Information Act or Environmental Information Regulations and personal data needs to be processed in accordance with the UK General Data Protection Regulations (UK GDPR) and Data Protection Act 2018.</p> <p>Information may not be appropriately processed due to :</p> <ul style="list-style-type: none"> - Failure to adhere to policies and procedures - Lack of clarity on the use of data - Human error - Failure in systems security or system security found wanting - Information retained for too long, not in accordance with retention requirements - Lack of staff training and awareness - Theft or loss of data, including through cyber attacks 	<p>Services</p>		<ul style="list-style-type: none"> - Freedom of Information - Home and Remote Working - Information Management - Information Security - Security Incident and Personal Data Breach - Code of Conduct - CCTV - ICT <p>All relevant policies have been reviewed and updated to ensure compliance with the UK GDPR.</p> <p>In addition to the strict policy position the following is in place;</p> <ul style="list-style-type: none"> - Named Data Protection Officer and Senior Information Risk Owner (SIRO) - Mandatory, annual e-learning training for all staff, including temporary staff and contractors - Annual training for staff without access to the e-learning platform (for example the Operations Team) - A data protection e-learning module for Members - Guidance for all staff on Sinbad - Guidance for residents on the council's website - Freedom of Information Co-ordinators in each Business Unit and manager signoff on information provided - Information Governance Team that reports to the Team Leader (Contentious) in Legal - Represented on the Hants and Isle of Wight's Data Protection Group that feeds into the Local Government Forum - Introduction of Data Protection 	<p>undertaken in 2020 which has provided substantial assurance.</p> <p>One recent breach has been reported to the ICO (in October 2020). This involved access to the HR G:Drive being temporarily granted to all members of staff in error. The ICO has determined no further action was necessary in this case. As a result of the breach IT is considering the purchase of auditing software. All security incidents and breaches are logged and reviewed by the Information Governance Steering Group.</p>	<p>Significant (4)</p> <p>Impact – Critical (3)</p>	
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				<ul style="list-style-type: none"> - Impact Assessments - Introduction of Retention and disposal schedule - Information Asset Owners identified - Information Audits carried out with all service areas (as part of GDPR preparation) - Information Governance Steering Group to ensure ongoing compliance with the GDPR. This group meets bi-monthly and will report to SLT twice yearly. - Reports to Audit and Accounts Committee on breaches under the GDPR which have been reported to the ICO - Quarterly reports to SLT on FOIs and data breaches - DPO Annual work plan - Specific controls around cyber security as in RR7 			
RR4	<p><u>Communities, Relationships and Partnerships</u></p> <p>By its nature the council works with many external stakeholders who are vital to the success of its service delivery and whom the council is accountable to for performance. Failure of these relationships can be extremely detrimental to the council's ability to engage with key audiences, understand local priorities and deliver both its statutory and non-statutory obligations.</p> <p>It is vital that the council has appropriate risk mitigation strategies to ensure that its ability to work with communities,</p>	Executive Director of Borough Development and Deputy Chief Executive	Mar-21	<p>The following controls are in place to mitigate this risk:</p> <ul style="list-style-type: none"> - Grant agreements with funded organisations - Contracts are in place where relevant - Voluntary Agreements with smaller organisations being developed - Corporate Programme Board - Performance Panel reviews - Contract Management boards and reviews - Basingstoke Voluntary Action has an important role in supporting groups and advising on standards of governance. BVA is supported by a grant from the council - Understanding of the strengths 	Standards are met or action is taken to advise groups of improvements required.	<p>MEDIUM RISK</p> <p>Likelihood – Possible (3)</p> <p>Impact – Critical (3)</p>	3-Mar-21

	<p>relationships, and partnerships is successful. To ensure that these strategies are effective, they need to take into account the varied nature of communities, which can be geographical, virtual, thematic (e.g. based on belief, interests), and formal / informal partnerships, such as contracts, grants and working agreements with organisations from a range of sectors.</p> <p>Providing a robust performance review process and a clear channel for escalation to senior management and leadership is a key mitigation of risk. This allows for regular oversight of the progress and effectiveness of relationships, partnerships and engagement with organisations, businesses and communities. Regular engagement and consultation with residents, partners and staff provides a key feedback mechanism that informs the shaping of council priorities and decision-making. This, together with regular engagement with ward members, allows for a well governed and performing council.</p>			<p>of community cohesion and causes of tension though open engagement with groups collectively and individually</p> <ul style="list-style-type: none"> - Regular communication and engagement with partners and communities - Open and transparent performance – monitoring partnerships and community engagement / cohesion work - Delivering commitments set out in corporate strategies and plans - Adhering to legislation, best practice and corporate guidance on consultation, engagement and partnerships - Highly skilled officers are in place - Developed partnership plans, where appropriate - Understanding that interdependences between different groups and relationships are complex and constantly evolving - Mapping of the diversity of community groups' and organisations' governance, membership etc. and the implications of this on performance and relationships 			
RR5	<p>Finance and Budgets</p> <p>There is a need to ensure that budgets are balanced and that the Council does not overspend/underspend. Ongoing savings and additional income need to be delivered over the MTFS period. Budgets are not balanced/savings</p>	Executive Director of Corporate Services	Mar-21	<p>The following controls and mitigations are in place</p> <ul style="list-style-type: none"> - Annually updated Medium Term Financial Strategy budget forecast which is linked to council service planning and priorities - Clear budget/savings strategy and targets incorporated into 	The 4 year and Budget Update Report for 2021/22 to 2024/25 was approved by Council in February 2021 and included a balanced budget for 2021/22 and a risk assessed review of reserves over the next 4 years. The Covid 19 pandemic has	<p>MEDIUM RISK</p> <p>Likelihood – Possible (3)</p> <p>Impact – Critical (3)</p>	3-Mar-21

	<p>are not delivered due to:</p> <ul style="list-style-type: none"> - Budgets not accurate - Poor financial management of budgets - Financial monitoring not accurate - Human error - Unexpected external economic impacts - Lack of detailed and achievable plans to deliver savings - Unexpected reduction in government grant schemes - Unexpected impact of Covid-19 - Further financial impact linked to UK exit from the European Union 			<p>Medium Term Financial Strategy</p> <ul style="list-style-type: none"> - Corporate ownership and participation in developing and delivering the required savings strategy - Clear Member and officer understanding of the council's financial environment - Robust budget setting process linked to Priority Based Planning & Budgeting - Effective and timely in year budget monitoring and forecasting with regular reporting - Specific savings delivery monitoring - Adequate specific risk reserves (rents, interest and business rates) - Maintaining an appropriate general fund balance - Scenario planning and contingency plans - Specific savings and income targets achievement monitoring by SLT - Robust and effective Financial Regulations and Procedures - Comprehensive reporting to MHCLG on the impact of COVID 19 (income loss and additional expenditure incurred) - From 2020/21 ensuring compliance with the CIPFA Financial Management Code (to be fully compliant by 2021/22) 	<p>had a significant impact in the current year 2020/21 and is likely to impact in future years as the country slips into financial recession. Central Government funding has been given in the current year to help mitigate the financial impact along with local mitigations such as a moratorium on spend and a recruitment freeze. The combination of local measures and national funding support is expected to meet the financial impact in the current year. The expected future year's impact has been addressed as part of setting the budget for 2021/22 and future years approved by Council in February 2021. This incorporates further Central Government Funding as detailed in the Final Local Government Finance Settlement.</p>		
RR6	<p>Treasury Management To support the on-going financial position of the Council significant funds are invested to provide returns for the Council.</p>	Executive Director of Corporate Services	Mar-21	<p>The following controls are in place</p> <ul style="list-style-type: none"> - Regularly updated Treasury Management Strategy which for 2021/22 includes a wider diverse suite of managed funds 	<p>Treasury Management Strategy is aligned with CIPFA Code and MHCLG Guidance for investing funds prudently and having regard to the</p>	<p>MEDIUM RISK Likelihood – Possible (3)</p>	3-Mar-21

	<p>A funding gap could materialise due to:</p> <ul style="list-style-type: none"> - A financial market crisis - Policies are not adhered to - Organisation becomes too risk adverse - Counter party default / significant decline in value of collective funds - Lower interest rate environment - Changes in accounting treatment of investment assets - MiFid II categorisation resulting in inability to utilise certain investment instruments - IFRS9 changes potentially requiring valuation changes in fund values to impact on revenue account. - The impact of the exit from the European Union on financial markets. - The impact of Covid-19 on the financial markets and resultant recession. 			<ul style="list-style-type: none"> - Regularly reviewed and updated Treasury Management Practice statements/processes - Counter party limits and diversification - Use of money market and external funds to further diversify investment - Treasury Management processes including monthly officer meetings with Section 151 Officer - External advice and information services utilised - Regular monitoring reports produced - Regular scrutiny of activity via Audit and Accounts Committee - Specific interest risk reserve - Credit risk is externalised to experts via use of external funds - Opting –up’ to professional status within MiFid - An agreed government issued 5 year statutory over-ride to IFRS9 	<p>security and liquidity of its investments before seeking the highest rate of return.</p> <p>Treasury Management Strategy for 2021/22 approved by Council - February 2021.</p> <p>On-going monitoring and review of treasury management strategy is undertaken through monthly Treasury Management Team meetings and reported for Scrutiny quarterly to Audit and Accounts Committee.</p> <p>Proposed strategy continues to be focused on security and liquidity due to the uncertainty around exit from the European Union, global market impacts and the timing of the council's other investment strategies taking account of the fall in the investment markets resulting from Covid-19.</p> <p>Current in year monitoring is indicating a forecast reduction in income against budget of £0.8M due to sustained lower interest rates and lower average overall cash balances as a result of the impact of Covid 19.</p>	<p>Impact – Marginal (2)</p>	
RR7	<p>Cyber Risk</p> <p>A variety of computer systems are used to process data at the council. The public has access to the website and payment systems. The computer systems</p>	Executive Director of Corporate Services	Mar-21	<p>The council continually monitors threats to its systems externally by way of an Intrusion Protection system (IPS). Internally the council uses Intrusion Detection Systems to monitor threats. The council also uses Advanced threat</p>	<p>Payment Card Industry Data Security Standard (PCI DSS) compliance is up to date. Public Services Network (PSN) compliance is up to date (expires January 2021)</p>	<p>HIGH RISK</p> <p>Likelihood – Possible (3)</p> <p>Impact –</p>	3-Mar-21

	<p>are subject to daily cyber-attacks, these can be in the form of direct attacks (denial of service), or indirect attacks (phishing emails). Human error is also a major issue with the potential to cause data breaches.</p>		<p>analysis to monitor behavioral activity on its network. These systems are updated by the provider regularly with the latest threat signatures. All PC's, Laptops and servers owned by the council are protected with antivirus software, with signatures updated regularly.</p> <p>Email is scanned by two solutions. Firewalls are used to prevent unauthorised access to services and protect data. Extensive internal and external penetration tests are performed by a third party security consultancy provider as part of councils PSN and PCI DSS compliance. Internal Audit also contract a security specialist to test security. Servers and desktop equipment are regularly patched with security updates. New systems are tested for security vulnerabilities prior to being put live. Firewalls in place to protect against access to malicious websites.</p> <p>Mobile Device Management software is deployed to protect council information on mobile devices (corporate and personal). Malware protection is in place which provides endpoint protection to Malware infection via email and website.</p> <p>Council data is replicated and backed up to a secondary site daily. Email is hosted on cloud provider and replicated to third party security company to provide 'offline access'.</p> <p>Cyber security videos procured and rolled out informally via Friday email to aid knowledge without formal training. Phishing exercise are performed to increase learning and risk knowledge.</p>	<p>resubmission is set for November 2020.</p> <p>Re-publicised cyber security videos via Friday email – September 2020</p>	<p>Catastrophic (4)</p>	
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RR8	<p>Business Continuity Whilst business continuity arrangements have been developed to support the Council respond to an incident, a major incident may directly or indirectly affect the Council's ability to deliver services.</p> <p>The council has utilised its local business continuity plans as well as emergency pandemic arrangements to continue to deliver services throughout the Covid pandemic to date- albeit with some changes as dictated by national policy and health and safety. However the pandemic continues to have the potential to affect the Council's ability to deliver services.</p>	Executive Director of Corporate Services	Mar-21	<p>The following controls are in place:</p> <ul style="list-style-type: none"> - Annually reviewed Business Continuity Policy, Crisis Management Plan and Critical Service Delivery Plans (CSDPs). - Staff awareness training presentation available on Sinbad for use with teams - Business continuity considered as part of council procurement procedure - Business Units required to review services annually to identify any change and update CSDPs using Business Impact Assessment. The policy requires that Units test their arrangements, to assess effectiveness of delivery plans and identify improvement. - Business continuity coordinators meet twice per year and BC programme board annually to review arrangements, any incidents and inform improvements– these are predominantly senior managers 	<p>The responsibility for Business Continuity transferred to the Executive Director of Corporate Services. However, this has been picked up as part of the council's response to the Covid 19 Pandemic and managed throughout this period as part of the Strategic Emergency Management Team.</p> <p>A further review of critical services assessments and service recovery plans has been undertaken, and business continuity plans and risk assessments have all been updated as a result of the Covid 19 Pandemic. These will continue to be regularly reviewed and will be updated in light of any change in central government guidance.</p> <p>Going forward to review resourcing and management arrangements with incident</p>	<p>MEDIUM RISK</p> <p>Likelihood – Possible (3)</p> <p>Impact – Critical (3)</p>	3-Mar-21

				<p>with expertise in the identified critical services and supporting resource. This will be reinstated in 2021 as operational focus in 2020 was on COVID-19 response and requirement to update plans on an ongoing basis in response to changing national government advice and information.</p> <ul style="list-style-type: none"> - Alternative accommodation identified for initial crisis team response 	<p>management to understand how can further build resilience and robust approach.</p>		
RR9	<p>Fraud Failure to deter, address or identify fraud and other related activities.</p> <p>Fraudulent activity is not identified due to:</p> <ul style="list-style-type: none"> - Changing structures/resources - Opportunity created due to financial pressures - Council are reactive to fraud 	Executive Director of Corporate Services	Mar-21	<p>The following is in place that aids the effectiveness of the fraud service:</p> <ul style="list-style-type: none"> - Anti-Fraud and Corruption Strategy - Anti-Fraud & Corruption Policy - Whistleblowing Policy - Anti-Money Laundering Policy - Anti-Bribery Policy - Fraud Hotline - Fraud publicity on the council website and social media - Dedicated Anti-fraud page on Sinbad - Fraud investigators dedicated email address - Relationships with external bodies - Dedicated highly skilled fraud staff - Highly skilled internal audit team in place who test the council's control environment and recommend improvements to deter fraud - Adoption of 'CIPFA Code of Good Practice on Managing the Risk of Fraud and Corruption' - Participate in the National Fraud Initiative and other data matching exercises 	<p>Pro-active action plan in place Housing Benefit fraud investigations now carried out by Department of Works and Pensions (DWP) but a data sharing agreement is in place to assist the DWP with their investigations.</p> <p>Joint working capabilities now in place with the Department for Work and Pensions Protecting the Public Purse 2019/20 Annual report presented to Audit & Accounts Committee – 29 June 2020</p> <p>Protecting the Public Purse Half Year report presented to Audit & Accounts Committee – 23 November 2020</p> <p>International Fraud Awareness Week November 2020</p> <p>Focus on Fraud newsletter issued September 2020</p> <p>Fraud awareness part of the staff induction scavenger hunt</p> <p>Mandatory Fraud Awareness e-learning module currently live</p>	<p>MEDIUM RISK</p> <p>Likelihood – Possible (3)</p> <p>Impact – Marginal (2)</p>	3-Mar-21

				<ul style="list-style-type: none"> - Continuous programme for raising awareness of fraud (incl. Fraud Awareness Week, Mandatory E-learning module, Focus on Fraud newsletters and Friday Catch up email articles) - Fraud Risk Register in place. - Reports to Audit and Accounts Committee - Chair Hampshire Fraud Group and regional contact for the Fighting Fraud & Corruption Locally Board (FFCL) 			
RR10	<p><u>Climate Emergency</u></p> <p>Our changing climate is a significant threat to us all and we need to take urgent action to respond, in order to stop harming the planet. This is an international emergency that also has direct and local impacts.</p> <p>Whilst the borough has significant green and open space, a high quality built environment and has taken a number of positive steps to date, there is no room for complacency and emissions from borough council activities and more widely in the borough are high.</p> <p>The council has therefore declared a Climate Emergency and made a number of commitments as a result, including:</p> <ul style="list-style-type: none"> - To make council operations carbon neutral by December 2025 (including ensuring 	Executive Director of Residents Services	Mar-21	<p>The following controls are in place to mitigate this risk:</p> <ul style="list-style-type: none"> - Councillors have agreed a motion to declare a climate emergency - Climate Change and Air Quality Strategy and Action Plan adopted by Cabinet in February and Council in March which sets out a series of actions to assist in meeting our emergency declaration targets, which will be reviewed annually. This includes actions around leading, enabling and inspiring. - Embedding effective project management into the delivery of the Climate Emergency action plan - Climate Emergency project manager appointed - Member Advisory Panel (chaired by the Portfolio Holder) in place - Officer Delivery Group in place and meeting regularly with a relaunch in January 2021 - An 'action tracker' to monitor work of the Officer Delivery Group to ensure that progress is 	<p>Declaration of the Climate Emergency has led to co-ordination of focus and initial actions and the development of the Climate Change and Air Quality Strategy.</p> <p>Controls above are in place, with a number of on-going activities, including the Action Plan associated with the adopted strategy and an action tracker to support the work of the Officer Delivery Group.</p>	<p>MEDIUM RISK</p> <p>Likelihood – Possible (3)</p> <p>Impact – Critical (3)</p>	3-Mar-21

	<p>100% of heating and electrical needs are met from renewable sources and cease the purchase/lease of any vehicle that is not low carbon)</p> <ul style="list-style-type: none"> - To work towards making Basingstoke and Deane net zero carbon by 2030. <p>Effective action to tackle climate change by reducing carbon emissions, both as a council and more widely in the borough, will require radical change. It will require political agreement, to allow and support action; it will require financial and time resource; it will require effective co-ordination between council areas and more widely, across the borough and with other decision-makers (such as county council and national government); it will require technological innovation, such as low carbon vehicle alternatives; and it will require action to be taken by local businesses and residents.</p>			<p>made, and for this to be made available to Cabinet Members and Heads of Service</p> <ul style="list-style-type: none"> - A summit of key local organisations through the Basingstoke Area Strategic Partnership (BASP) was held December 2019. - Engagement with the Communities, Environment and Partnerships committee, including consideration of the draft strategy and annual updates to follow - Liaison with and assistance to local groups and Parish Councils to develop their own actions to tackle climate change at grass roots level including support for the preparation of a 'how to' guide - Climate change section added to the council's decision making report template and being embedded in other internal board reports - Environment Champions in place - Climate Change E-Learning module launched and mandatory for all staff and available to all Councillors 			
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