

# Report

## Governance and Audit Committee

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### Part 1

Date: 26 May 2022

**Subject** Quarter 3 2021/22 Corporate Risk Register Update

**Purpose** To present an update of the Corporate Risk Register for the end of quarter 3 (1<sup>st</sup> October to 31<sup>st</sup> December 2021).

**Author** Director of Transformation and Corporate  
Head of People, Policy and Transformation

**Ward** All

**Summary** The Council's Corporate Risk Register monitors those risks that may prevent the Council from achieving its Corporate Plan or delivering services to its communities and service users in Newport.

At the end of quarter three, the Council had 44 risks across its eight service areas. Two service area risks were closed at the end of quarter 3 with no new risks being included.

Eighteen of the 47 risks were recorded in the Council's Corporate Risk Register and considered to have a significant impact on the achievement of the Council's objectives and statutory obligations. At the end of quarter three, there were no risks closed or escalated from the service area risk registers. Overall, there are 10 Severe risks (risk scores 15 to 25); 5 Major risks (risk scores 7 to 14); 2 Moderate risks (risk scores 4 to 6); and one low risk (1-3) that are outlined in the report.

The role of the Governance and Audit Committee is to review and monitor the corporate governance and risk management arrangements in place, with comments and recommendations of the Committee on risk process considered by Cabinet.

**Proposal** The Governance and Audit Committee is asked to consider the contents of this report and assess the risk management arrangements for the Authority, providing any additional commentary and/or recommendations to Cabinet.

**Action by** Executive Board, Corporate Management Team and Heads of Service

**Timetable** Immediate

This report was prepared after consultation with:

- Executive Board
- Corporate Management Team

**Signed**

## **Background**

The Wellbeing of Future Generations (Wales) Act 2015, requires Newport City Council to set Wellbeing Objectives in its Corporate Plan 2017-22. With any Corporate Plan there will be risks that may prevent the Council from achieving its objectives. The Council's Risk Management Policy and Corporate Risk Register enables the Council to effectively identify, manage and monitor those risks to ensure that the Council realises its Plan and ensure service delivery is provided to its communities and citizens. In July 2020 the new Risk Management Policy for 2020-22 was approved by the leader of the Council. This policy is attached as part of the background papers of this report for reference.

The Local Government and Elections (Wales) Act 2021 changes the role and responsibilities of the Council's Governance and Audit Committee in relation to the performance and governance arrangements of authority and other constitutional changes. In April 2021, the Council's Democratic Services agreed to update the terms of reference of the Governance and Audit Committee to reflect these changes in the Act. The role and responsibilities of the Governance and Audit Committee remains the same in the review and assessment of the Council's corporate governance and risk management arrangements in place with comments and recommendations of the Committee on risk process considered by Cabinet.

The Council has set up a working group to review and implement the new legislative requirements over the next year.

## **Covid-19 / Post EU Transition, Newport City Council Response**

Throughout the last year, Newport City Council has continued to focus on supporting front-line services, protecting lives and minimising the spread of Covid-19. As part of the Council's Civil Contingencies arrangements, the Council's Gold Command group consisting of Heads of Service and Chief Executive to monitor the situation; and to manage emerging operational / community risks. This group also links into the wider Strategic Coordination Group and Welsh Government structures and these arrangements remain in place at the time of this report.

Similarly, the Council has continued to monitor the situation following the UK leaving the EU and the Single Market. The Post EU Transition risk score presented in this report reflects the position at the time (31<sup>st</sup> December 2021).

## **Risk Management Process**

In Newport City Council risks that may prevent or impact on the delivery of our services is continuously monitored and managed at all levels of the organisation. The following diagram below summarises how risks are continuously managed in Newport City Council.

There are many different sources of risks, such as civil contingencies, health & safety, service delivery and projects throughout the organisation where risks to the delivery of the Corporate Plan, or services might be identified and included on the Council's risk register. New risks identified to be included on the register must be assessed and evaluated to determine their risk scores (Inherent / Residual / Target), existing controls that are in place and where further mitigating controls are required to respond and reduce the overall impact of the risk to the Council. To assess risk scores Newport City Council uses a standard 5x5 matrix that is commonly adopted across Welsh and English local authorities. Appendix 1 of this report shows a heat map of the Council's corporate risks using this matrix.



All risks identified must be initially agreed by the Head of Service. If the residual risk score is 15 or above or if the Head of Service considers the risk to have an impact on the delivery of services / achievement of objectives in Council, it is escalated to the Council's Corporate Management Team (CMT) to determine whether it is included on the Council's Corporate Risk Register or if the risk should be managed by the relevant service area(s).

All risks are recorded in the Council's 'Management Information Hub'. Every quarter, risk owners, and risk action owners are required to assess and provide an update on the risk score and mitigating actions in place. Any risk that has escalated to 15 or above is automatically escalated and requires the Directors team to consider whether it should be included on the Corporate risk register or if they are satisfied that the responsible owner and mitigating actions are effective to be managed within the service area / team.

As risk mitigating actions are completed and the risk is reduced to meet the target risk score, an assessment will be undertaken by the risk owner to determine whether the risk is closed and if the risk mitigation actions have been sufficient to mitigate the overall risk. For risks on the Corporate Risk Register this responsibility would fall onto the Risk Owner and CMT to determine if the risk can be closed.

## Quarter Three risk update

Service areas' have aligned the objectives and actions in the 2021/22 service plans with the [Council's Strategic Recovery Aims](#). Service areas also continue to consider any new and/or emerging risks that are impacting on the delivery of their services.

At the end of quarter three (to 31<sup>st</sup> December 2021), service areas had recorded 44 risks (including Corporate Risks) recorded in their risk registers.

| Service Area                    | Q3 Risks | Risk Scores Increased since Q2 | Risk Scores Decreased since Q2 | No Change since Q2 | New Risks (Since Q2) | Closed Risks (Since Q2) |
|---------------------------------|----------|--------------------------------|--------------------------------|--------------------|----------------------|-------------------------|
| Adult & Community Service       | 3        | 0                              | 0                              | 3                  | 0                    | 0                       |
| Children & Young People Service | 3        | 0                              | 0                              | 3                  | 0                    | 0                       |
| City Services                   | 6        | 0                              | 1                              | 5                  | 0                    | 0                       |
| Education                       | 7        | 0                              | 1                              | 6                  | 0                    | 0                       |
| Finance                         | 5        | 0                              | 2                              | 3                  | 0                    | 0                       |
| Law & Regulation                | 2        | 0                              | 0                              | 2                  | 0                    | 1                       |

| Service Area                       | Q3 Risks  | Risk Scores Increased since Q2 | Risk Scores Decreased since Q2 | No Change since Q2 | New Risks (Since Q2) | Closed Risks (Since Q2) |
|------------------------------------|-----------|--------------------------------|--------------------------------|--------------------|----------------------|-------------------------|
| People & Business Change           | 12        | 0                              | 1                              | 11                 | 0                    | 0                       |
| Regeneration, Investment & Housing | 6         | 0                              | 1                              | 5                  | 0                    | 1                       |
| <b>Total</b>                       | <b>44</b> | <b>0</b>                       | <b>6</b>                       | <b>38</b>          | <b>0</b>             | <b>2</b>                |

### Closed Service Area Risks

At the end of quarter 3, two risks were closed in the following service areas:

| Risk                                      | Service Area                      | Q3 Risk Score | Target Risk Score | Reason   |
|---|-----------------------------------|---------------|-------------------|--|
| Transfer of Land Charges to Land Register | Law & Regulation                  | 5             | 6                 | The transfer of land registry funded through government grant and the Council will receive an additional transitional payment as compensation to mitigate its impact. As the risk has achieved its target risk score the Head of Service has closed this risk. |
| Children and Communities Grant (CCG)      | Regeneration Investment & Housing | 3             | 5                 | Newport Council received confirmation of funding over the next three years from Welsh Government. As the risk has achieved its target risk score, the Head of Service has agreed for the risk to close.  |

### Corporate Risk Register Update (Quarter 3)

The role of the Corporate Management Team (CMT) is to determine whether the risk should be included on the Corporate Risk Register for monitoring or if the risk should remain in the service area(s) because of sufficient management action being undertaken to manage the overall risk.

At the end of quarter three, the Council's Corporate Risk Register included 18 of the 44 risks that are considered to pose the most risk to the delivery of Council services and achievement of its Corporate Objectives. The 18 Corporate Risks consisted of:

- 10 Severe risks (15 to 25)
- 5 Major Risks (7 to 14)
- 2 Moderate Risk (4 to 6)
- 1 Low Risk (1 to 3).

Full list of Corporate risks are and can be found in appendix 1:

- COVID-19 Pandemic Outbreak (Cross-cutting, led by People & Business Change)
- Stability of Social Services Providers (Adult & Community Services)
- Highways Network (City Services)
- Educational Out of County Placements (Education Services)
- Pressure on Adult & Community Services (Adult & Community Services)
- Ash Die Back Disease (City Services)

- Pressure on the delivery of Children Services (Children & Young People Services)
- Demand for Additional Learning Needs (ALN) and Special Educational Needs (SEN) support (Education Services)
- Balancing the Council's Medium-Term budget (Finance Services)
- Schools Finance / Cost Pressures (Education Services / Finance Services)
- Cyber Security (People & Business Change)
- Pressure on Housing & Homelessness Service (Regeneration, Investment & Housing)
- Post EU Transition (Cross Cutting, led by People & Business Change)
- City Centre Security and Safety (City Services / People & Business Change)
- In year financial management (Finance Services)
- Climate Change (Cross Cutting, led by Regeneration, Investment & Housing)
- Newport Council's Property Estate (Regeneration, Investment & Housing)
- Safeguarding (Cross Cutting, led by Children & Young People Services)

### **Change in direction of risk score (Quarter Three)**

In comparison to the quarter two Corporate risk register, there were no new and/or escalated risks, and no risks were closed. No risks de-escalated back into service area registers for monitoring. At the end of quarter three, two risks had decreased, and 16 risks had remained the same as quarter two. The table below highlights those risks where there has been a change in direction between quarter three and two. These risks are:

| <b>Risk</b>   | <b>Service Area<br/>Cabinet Member</b>  | <b>Q2 Risk<br/>Score</b> | <b>Q3 Risk<br/>Score</b> | <b>Commentary</b>   |
|---|---|--------------------------|--------------------------|---|
| <b>Ash Die<br/>Back<br/>Disease</b>                           | Deputy Leader &<br>Cabinet Member<br>for City Services &<br>Member<br>Development | <b>20</b>                | <b>16</b>                | Still an issue with potentially major impacts, however management programme of survey and removal is in place, so risk is reducing each month. Works will continue throughout 2022 and risk re-assessed each quarter.   |
| <b>Balancing<br/>the Council's<br/>medium-term<br/>budget</b> | Leader of the<br>Council / Cabinet  | <b>16</b>                | <b>9</b>                 | Between Q2 and Q3, the Council has received its provisional 2022/23 funding settlement figure from Welsh Government. In addition, indicative funding allocations for the following two financial years were also received. The 2022/23 settlement figure was more positive than anticipated, meaning that the Council does not have a funding gap to address in 2022/23. As well as this, the indicative figures for 2023/24 and 2024/25, when inserted into the Medium-Term Financial Plan, result in an overall medium term budget position that is broadly balanced. Whilst there is a risk that additional pressures will emerge, which could result in a budget gap, the challenge of balancing the medium-term budget is seemingly more achievable than previously assumed. |

**Appendix 1** - Quarter 3 Corporate Risk Heat Map and Risk Profile  
**Appendix 2** of this report is the Council's Corporate Risk Register.

### **Financial Summary**

There are no direct costs associated with this report.

### **Risks**

| Risk   | Impact of Risk if it occurs* (H/M/L) | Probability of risk occurring (H/M/L) | What is the Council doing or what has it done to avoid the risk or reduce its effect  | Who is responsible for dealing with the risk?    |
|--|--------------------------------------|---------------------------------------|---|--|
| The Council does not achieve its objectives as corporate level risks are not adequately managed and monitored. | M                                    | L                                     | Risk Management Strategy has been adopted and mechanisms are in place to identify, manage and escalate emerging and new risks / mitigation strategies.<br><br>Audit Committee oversight of risk management process. | Directors, Heads of Service and Performance Team |

\*Taking account of proposed mitigation measures

### Links to Council Policies and Priorities

Corporate Plan 2017-22  
Strategic Recovery Aims  
Service Plans 2021/22

Robust risk management practices increase the chances that all the Council's priorities and plans will be implemented successfully.

### Options Available and considered

1. To consider the contents of this report and assessment of the risk management arrangements for the Authority, providing any additional commentary and/or recommendations to Cabinet.
2. To request further information or reject the contents of the risk register

### Preferred Option and Why

1. Option 1 is the preferred option with recommendations raised by the Audit Committee to be considered and reported to Cabinet and Officers in accordance with the Council's Constitution.

### Comments of Chief Financial Officer

There are no direct financial implications arising from this report. The corporate risk register forms an important part of the governance and budget setting arrangements for the council and the risk register is used to guide the internal audit plan.

It is noted that overall, the corporate risk register remains largely unchanged since the second quarter with no new or escalated risks and none closed or de-escalated back to the service areas, but three have decreased and 15 remained the same. The register will continue to be monitored closely and any increasing risk scores that may lead to financial pressures without mitigation will be reflected in established ongoing revenue and capital monitoring and MTFP arrangements.

It should be noted that the risk score in relation to balancing the Council's medium term budget has been reduced between quarters two and three. The reasons for this are explained in the body of the report, however it should be noted that this is a rolling risk and, therefore, whilst the current medium term outlook is more positive than previously modelled, there remains scope for the position to deteriorate, particularly if unforeseen financial pressures emerge.

### Comments of Monitoring Officer

There are no specific legal issues arising from the report. As part of the Council's risk management strategy, the corporate risk register identifies those high-level risks that could impact upon the Council's

ability to deliver its corporate plan objectives and essential public services. The report confirms that there have been no significant changes in the risk profile during the third quarter of this year, with no additional risks being added to the corporate risk register and no risks being de-escalated back to the service areas. For the most part, the individual risk scores have also remained the same, with only 3 of the 18 risk scores being decreased. Governance & Audit Committee are responsible for reviewing and assessing the Council's risk management, internal control and corporate governance arrangements. The identification of corporate risks within the risk register and monitoring the effectiveness of the mitigation measures are matters for Cabinet

### **Comments of Head of People, Policy and Transformation**

Risk Management in the Council is a key area to implementing Wellbeing of Future Generations Act (Wales) 2015 and provides assurance over our control and governance arrangements in the Council.

The report provides an overview of the Council's risk management processes in place to manage internal and external risks that could impact on the delivery of the Corporate Plan and statutory duties. External factors such as Covid are managed through the council's business continuity arrangements. As prescribed in the Council's Risk Management Policy, the Council's Cabinet and senior officers operate an evidence-based approach to decision making considering all opportunities and risks to the Council, its services and service users.

### **Comments of Cabinet Member**

The Council's quarter three Corporate Risk Register has been reported to the Council's Cabinet on 9<sup>th</sup> March 2022. The Chair of Cabinet has been consulted and has agreed that this report goes forward to Audit Committee for consideration with Audit Committee comments and recommendations reported back to Cabinet in the next quarters update.

### **Local issues**

None.

### **Scrutiny Committees**

Not Applicable. Audit Committee have a role in reviewing and assessing the risk management arrangements of the Authority.

### **Fairness and Equalities Impact Assessment**

Not applicable as this report is not seeking any strategic decisions or policy changes with its purpose to update GAC on the previous risk register.

### **Wellbeing of Future Generations (Wales) Act 2015**

Under the Wellbeing of Future Generations Act (Wales) 2015 and its 5 ways of working principles this report supports:

Long Term – Having effective risk management arrangements will ensure that the opportunities and risks that will emerge consider the long term impact on service users and communities.

Preventative – Identifying opportunities and risks will ensure the Council is able to implement necessary mitigations to prevent or minimise their impact on Council services and service users.

Collaborative – The management of risk is undertaken throughout the Council and officers collaborate within service areas, Corporate Management Team and the Council's Cabinet to ensure decisions are made in a timely manner and are evidence based.

Involvement – The Council's Risk Management process involves officers across the Council's service areas and Cabinet Members.

Integration – Risk Management is being integrated throughout the Council and supports the integrated Planning, Performance and Risk Management Framework. The Framework ensures that planning activities consider the opportunities and risks to their implementation and overall supports the delivery of the Council's Corporate Plan and legislative duties.

## **Consultation**

As above, the Risk Register is considered by Audit Committee and Cabinet.

## **Background Papers**

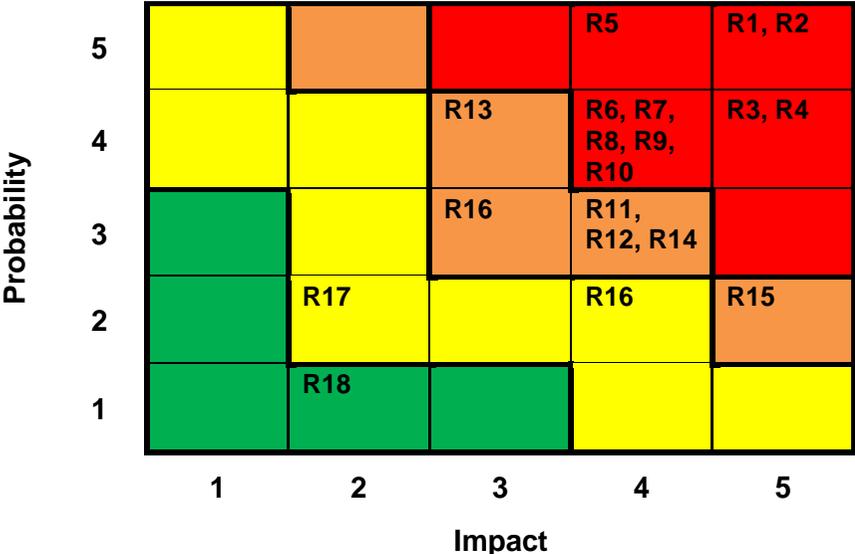
Risk Management Policy 2020-22 v1

Q2 Risk Cabinet Report, December 2021

Covid Strategic Recovery Aims

Dated: 24<sup>th</sup> March 2022

Appendix 1 - Quarter 3 Corporate Risk Heat Map



| Corporate Risk Heat Map Key (Quarter 3 2021/22)    |  |
|--|--|
| R1 - Stability of Social Services Providers        | R10 - Newport Council's Property Estate          |
| R2 - Pressure on Adult & Community Services        | R11 - Schools Finance / Cost Pressures           |
| R3 - Highways Network                              | R12 - Educational Out of County Placements       |
| R4 - COVID-19 Pandemic Outbreak                    | R13 - Climate Change                             |
| R5 - Pressure on the delivery of Children Services | R14 - Post EU Transition                         |
| R6 - Ash Die Back Disease                          | R15 - City Centre Security and Safety            |
| R7 - Demand for ALN and SEN support                | R16 - Balancing the Council's Medium-Term budget |
| R8 - Cyber Security                                | R17 - Safeguarding                               |
| R9 - Pressure on Housing and Homelessness Service  | R18 - In year financial management               |

### Risk Score Profile between Quarter 4 2020/21 and Quarter 3 2021/22

\* Information on Cabinet portfolios added to the report to improve alignment with portfolios.

| Risk Reference | Risk  | Lead Cabinet Member(s) *  | Risk Score Quarter 4 2020/21 | Risk Score Quarter 1 2020/21 | Risk Score Quarter 2 2020/21 | (Current) Quarter 3 2021/22 | Target Risk Score |
|----------------|---|---|------------------------------|------------------------------|------------------------------|-----------------------------|-------------------|
| R1             | Stability of Social Services Providers        | Cabinet Member for Social Services                                      | 25                           | 25                           | 25                           | 25                          | 6                 |
| R2             | Pressure on Adult & Community Services        | Cabinet Member for Social Services                                      | 20                           | 20                           | 25                           | 25                          | 10                |
| R3             | Highways Network                              | Deputy Leader and Cabinet Member for City Services & Member Development | 20                           | 20                           | 20                           | 20                          | 15                |
| R4             | COVID-19 Pandemic Outbreak                    | Leader of the Council /Cabinet  | 20                           | 15                           | 20                           | 20                          | 6                 |
| R5             | Pressure on the delivery of Children Services | Cabinet Member for Social Services                                      | 20                           | 20                           | 20                           | 20                          | 6                 |
| R6             | Ash Die Back Disease                          | Deputy Leader & Cabinet Member for City Services & Member Development   | 20                           | 20                           | 20                           | 16                          | 6                 |
| R7             | Demand for ALN and SEN support                | Cabinet Member for Education and Skills                                 | 12                           | 16                           | 16                           | 16                          | 6                 |
| R8             | Cyber Security                                | Cabinet Member for Assets and Community                                 | 16                           | 16                           | 16                           | 16                          | 10                |
| R9             | Pressure on Housing and Homelessness Service  | Leader of the Council   | 16                           | 16                           | 16                           | 16                          | 6                 |

| Risk Reference | Risk                                       | Lead Cabinet Member(s) *  | Risk Score Quarter 4 2020/21 | Risk Score Quarter 1 2020/21 | Risk Score Quarter 2 2020/21 | (Current) Quarter 3 2021/22 | Target Risk Score |
|----------------|--|---|------------------------------|------------------------------|------------------------------|-----------------------------|-------------------|
| R10            | Newport Council's Property Estate          | Cabinet Member for Assets and Community                                   | 16                           | 16                           | 16                           | 16                          | 9                 |
| R11            | Schools Finance / Cost Pressures           | Leader of the Council /Cabinet Member for Education and Skills            | 12                           | 12                           | 12                           | 12                          | 6                 |
| R12            | Educational Out of County Placements       | Cabinet Member for Education and Skills                                   | 12                           | 12                           | 12                           | 12                          | 5                 |
| R13            | Climate Change                             | Cabinet Member for Sustainable Development                                | 9                            | 9                            | 12                           | 12                          | 10                |
| R14            | Post EU Transition                         | Leader of the Council / Cabinet   | 8                            | 8                            | 12                           | 12                          | 10                |
| R15            | City Centre Security and Safety            | Deputy Leader and Cabinet Member for City Services and Member Development | 10                           | 10                           | 10                           | 10                          | 8                 |
| R16            | Balancing the Council's Medium-Term budget | Leader of the Council / Cabinet   | 16                           | 16                           | 16                           | 9                           | 10                |
| R17            | Safeguarding                               | Cabinet Member for Social Services  | 6                            | 6                            | 4                            | 4                           | 4                 |
| R18            | In year financial management               | Leader of the Council / Cabinet   | 3                            | 3                            | 3                            | 2                           | 6                 |

## **Glossary**

This document provides an explanation of terminology used in this report and supporting documents.

**Risk Appetite** – the amount of risk that Newport City Council is willing to seek or accept in the pursuit of the Council's long term objectives.

**Inherent Risk Score** – The level of risk in the absence of any existing controls and management action taken to alter the risk's impact or probability of occurring.

**Residual Risk Score** – The level of risk where risk responses i.e. existing controls or risk mitigation actions have been taken to manage the risk's impact and probability.

**Target Risk Score** – The level of risk (risk score) that Newport City Council is willing to accept / tolerate in managing the risk. This is set in line with the Council's overall risk appetite.

**Risk Mitigation Action** – Actions identified by the Risk Owner to respond to the risk and reduce the impact and probability of the risk of occurring.

**Risk Mitigation Action (Red Progress Score)** – Significant issue(s) have been identified with the action which could impact on the ability of the action meeting its completion date. Immediate action / response is required resolve its status.

**Risk Mitigation Action (Amber Progress Score)** – issue(s) have been identified that could have a negative impact on the action achieving its completion date. Appropriate line manager(s) should be informed and where necessary action taken.

**Risk Mitigation Action (Green Progress Score)** – The action is on course for delivering to the agreed completion date and within the agreed tolerances.

### **How the Council Assesses Risk**

An assessment of the likelihood and impact of risk is important to measure, compare and monitor risks to ensure efficient use of resources and effective decision making. This assessment is carried out using the risk matrix as described below.

### **Risk Assessment Matrix**

A Corporate Risk Register will contain the high level risks for the whole authority. To differentiate between these high level risks a 5x5 risk assessment matrix will be applied. The matrix is shown below and further detail is included in appendix 3.

Risks are scored using the scoring system for probability and impact and assigned a rating based on the tolerances set out in the matrix below

## Impact Matrix

| Score | Description     | Impact Measures   |  |  |  |  |  |  |
|-------|-----------------|---|--|--|--|--|--|--|
|       |                 | Strategic / Policy  | Operational / Business Continuity  | Financial  | Governance / Legal / Regulatory  | Health & Safety  | Reputational   | Project Delivery / Savings / Benefits  |
| 5     | <b>Severe</b>   | Failure of a key strategic objective                          | Serious organisational / service failure that has direct impact on stakeholders including vulnerable groups.<br><br>Service disruption over 5+ days. | <u><b>Corporate / Project</b></u><br><br>Unplanned and/or additional expenditure disturbance.<br><br>Capital > £1M<br>Revenue >£1M             | Legislative / Regulatory breach resulting in multiple litigation / legal action taken on the Council (linked to Financial / Reputational Impacts). | Multiple major irreversible injuries or deaths of staff, students, or members of public.<br><br>(Linked to Financial / Reputational Impacts) | Severe and persistent National media coverage. Adverse central government response, involving (threat of) removal of delegated powers. Officer(s) and / or Members forced to Resign.                                     | Project status is over 12 months from anticipated implementation date.<br><br>Project(s) do not deliver the major benefits / savings identified in business case.<br><br>This is linked to Financial / Strategic / Reputational Impacts  |
| 4     | <b>Major</b>    | Severe constraint on achievement of a key strategic objective | Loss of an important service(s) for a short period that could impact on stakeholders.<br><br>Service disruption between 3-5 days.                    | <u><b>Corporate / Project</b></u><br><br>Unplanned and/or additional expenditure disturbance.<br>Capital > £0.5M - £1.0M<br>Revenue >£0.5M-£1M | Serious legislative breach resulting in intervention, sanctions and legal action. (Linked to Financial / Reputational Impacts)                     | Major irreversible injury or death of staff, student or member of public.<br>(Linked to Financial / Reputational Impacts)                    | Adverse publicity in professional / municipal press, affecting perception / standing in professional /local government community<br><br>Adverse local and social media publicity of a significant and persistent nature. | Project status is 6 to 12 months over from anticipated implementation date.<br><br>Project(s) do not deliver major benefits / savings identified in business case.<br><br>This is linked to Financial / Strategic / Reputational Impacts |
| 3     | <b>Moderate</b> | Noticeable constraint on achievement of a key                 | Loss and/or intermittent disruption  | <u><b>Corporate / Project</b></u>  | Significant legislative breach resulting in investigation.   | Major reversible injury to staff, student or member of   | Adverse local publicity /  | Project status is 1 to 6 months over from  |

| Score | Description | Impact Measures  |  |  |   |   |   |   |
|-------|-------------|--|--|--|---|---|---|---|
|       |             | Strategic / Policy   | Operational / Business Continuity  | Financial  | Governance / Legal / Regulatory                         | Health & Safety   | Reputational  | Project Delivery / Savings / Benefits   |
|       |             | strategic objective / Service Plan objective.  | of a service between 2-3 days.   | Unplanned and/or additional expenditure disturbance.<br><br>Capital = £0.25M - £0.5M<br>Revenue = £0.25M to £0.5M<br>Revenue = £0.25M to £0.5M     | (Linked to Financial / Reputational Impacts)            | public. Not life threatening.<br><br>(Linked to Financial / Reputational Impacts)   | local public opinion including social media. Statutory prosecution of a non-serious nature.       | anticipated implementation date.<br><br>There is significant reduction on delivery of benefits / savings identified in business case.<br><br>This is linked to Financial / Strategic / Reputational impacts.                                    |
| 2     | Low         | Constraint on achievement of Service Plan objective that does not impact on Corporate Strategy | Brief disruption of service that has a minor impact on the delivery of a service.<br><br>Service disruption 1 day. | <u>Corporate / Project</u><br><br>Unplanned and/or additional expenditure disturbance.<br><br>Capital = £0.1M - £0.25M<br>Revenue = £0.1M – £0.25M | Moderate impact leading to warning and recommendations. | Some minor reversible injuries.<br><br>(Linked to Financial / Reputational Impacts) | Contained within Directorate Complaint from individual / small group, of arguable merit           | Project status is 1 to 4 weeks over from anticipated implementation date.<br><br>There is minor reduction on delivery of benefits / savings identified in business case.<br><br>This is linked to Financial / Strategic / Reputational impacts. |
| 1     | Very Low    | Constraint on achievement of Service / Team Plan objective                                     | Minor disruption of a non-critical service.  | <u>Corporate / Project</u><br><br>Unplanned and/or additional expenditure disturbance.<br><br>Capital < £100k                                      | No reprimand, sanction or legal action.                 | Some superficial injuries.<br><br>(Linked to Financial / Reputational Impacts)      | Isolated complaint(s) that are managed through the corporate complaints process and service area. | Project status is 1 week over from anticipated implementation date.<br><br>There is insignificant / no impact on delivery of  |

| Score | Description | Impact Measures    |                                   |                |                                 |                       |              |  |
|-------|-------------|--------------------|-----------------------------------|----------------|---------------------------------|-----------------------|--------------|--|
|       |             | Strategic / Policy | Operational / Business Continuity | Financial      | Governance / Legal / Regulatory | Health & Safety       | Reputational | Project Delivery / Savings / Benefits  |
|       |             |                    |                                   | Revenue <£100k |                                 | Reputational Impacts) |              | benefits / savings identified in business case.<br><br>This is linked to Financial / Strategic / Reputational impacts. |

## Probability

| Score | Probability          | Criteria  |
|-------|----------------------|---|
| 5     | Very likely<br>75% + | <p><b>Systematic Risks</b> – Local evidence indicating <b>very high</b> probability of occurrence if no action / controls are in place. Risk is highly likely to occur daily, weekly, monthly, quarterly.</p> <p><b>Emerging Risks</b> – National and Global evidence indicating <b>very high</b> probability of occurrence on local communities if no action / controls are taken. Risks are highly likely to occur within the next 5 years.</p> |
| 4     | Likely<br>51-75%     | <p><b>Systematic Risks</b> – Local evidence indicating <b>high</b> probability occur in most circumstances with near misses regularly encountered e.g. once or twice a year.</p> <p><b>Emerging Risks</b> – National and Global evidence indicating <b>high</b> probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 5-10 years.</p>                                       |
| 3     | Possible<br>26-50%   | <p><b>Systematic Risks</b> – Local evidence indicating <b>distinct</b> possibility with circumstances regularly encountered and near misses experienced every 1-3 years.</p> <p><b>Emerging Risks</b> – National and Global evidence indicating <b>distinct</b> probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 10-15 years.</p>                                      |
| 2     | Unlikely<br>6-25%    | <p><b>Systematic Risks</b> – Local evidence indicating <b>low</b> to infrequent near misses experienced every 3 + years.</p> <p><b>Emerging Risks</b> – National evidence indicating <b>low</b> probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 16-25 years.</p>  |
| 1     | Very Unlikely        | <p><b>Systematic Risks</b> – Local evidence indicating risk has rarely / never happened or in exceptional circumstances.</p> <p><b>Emerging Risks</b> – National evidence indicating very low probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 16-25 years.</p>  |

**Systematic Risks** – Risks that are known or are becoming part of social, cultural, economic and environmental systems that govern our lives.

**Emerging Risks** – Risks that are further away, less defined and early stage of being known about.