

Report

Governance and Audit Committee

Part 1

Date: 26 January 2023

Subject Quarter 2 22/23 Corporate Risk Register Update

Purpose To present an update of the Corporate Risk Register for the end of quarter 2 (1st July to 30th September 2022).

Author 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 two, there were 14 risks recorded in the Corporate Risk Register that are considered to have a significant impact on the achievement of the Council's objectives and legal obligations.

Overall, there are 8 Severe risks (risk scores 15 to 25); 6 Major risks (risk scores 7 to 14); that are outlined in the report. In comparison to the quarter one Corporate risk register, there were no new and/or escalated risks, and two risks were closed. Three risks increased in risk score; one risk had decreased in risk score; with the remaining 10 risks remaining the same score. No risks were escalated or de-escalated in quarter one.

As set out in the Council's Risk Management Policy, Cabinet reviews the Corporate Risk Register on a quarterly basis ensuring procedures are in place to monitor the management of significant risks. The Register is likely to change following the approval of the new Corporate Plan and priorities for service delivery.

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 Corporate Management Team and Heads of Service

Timetable Immediate

This report was prepared after consultation with:

- Executive Board
- Corporate Management Team

Signed

Background

The Well-being of Future Generations (Wales) Act 2015 requires Newport City Council to set Well-being Objectives in its Corporate Plan. As a public body, Newport Council is also responsible for delivering services (statutory and non-statutory) to residents, businesses, and visitors across Newport. We will inherently encounter opportunities and risks that may prevent, disrupt, impact or enhance the delivery of the Council services and achieve the objectives in the Corporate Plan. How the Council responds and manages these opportunities and risks is important to ensure resources are being used efficiently and effectively to maximise value for money and to minimise and/or prevent the risk impacting services, communities, and citizens in Newport.

The Council's Risk Management Policy provides an overview of the Council's approach and its appetite for managing opportunities and risk. To provide assurance on the Council's Risk Management approach, the Corporate Risk Register provides assurance on the most significant risks that the Council was managing in the last quarter.

Officers across the Council regularly manage risk in the course of their duties whether this is health and safety risks, civil contingencies including Covid-19, safeguarding risks to children, young people, adults and carers or risks to assets, buildings, and Council employees. The relevant service area(s) and professional disciplines will be assessing and managing these risks as required and reporting these through their own reporting mechanisms. In accordance with the Council's Risk Management Policy, any new, escalated / de-escalated, and closed risks in the Corporate Risk Register are presented to the Council's Executive Board for decision.

Corporate Plan 2022-27 and Council Re-structure

In Quarter 3 (October to December 2022), Newport Council has agreed and its new Corporate Plan 2022-27. To support the new Corporate Plan, the Council's 11 service areas will have new service plans to deliver the Council's Well-being Objectives and strategic priorities.

Service areas have been reviewing and re-assessing their risk registers (Corporate / Service Risks). As part of this re-assessment, service areas are considering the impact which these risks will have on the achievement of the new Corporate Plan and delivery of statutory services, as well as considering other internal and external factors such as cost of living / inflationary pressures, the Council's Medium Term Financial Plan, and demand on services. As part of the Council's risk management process, all Corporate Risks (existing, new and those proposed to close) have been reviewed agreed by the Council's Executive Board (Chief Executive and three Directors).

In preparation of these changes and reporting the attached Risk Register (see Appendix 3) has been updated. The Corporate Risk Register and Service Risks will be reported in the Quarter 3 Risk Report in February and March 2023 to Cabinet and Governance and Audit Committee respectively.

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 have to 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 are 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.

Newport City Council - Quarter 2 22/23 Risk Update

Appendix three of the report, provides an overview of the Council's overall risks reported at the end of quarter two. This includes corporate and service area risks across the Council's service areas. In summary, the Council had 44 risks of which:

| Total Risks at Quarter 2 | Risk Scores Increased since Q1 | Risk Scores Decreased since Q1 | No Change since Q1 | New Risks Since Q1 | Closed Risks Since Q1 | Escalated Risks ^{*1} | De-escalated Risks ^{*2} |
|--------------------------|--------------------------------|--------------------------------|--------------------|--------------------|-----------------------|-------------------------------|----------------------------------|
| 42 | 5 | 4 | 33 | 0 | 2 | 0 | 0 |

Newport City Council Quarter 2 Corporate Risk Register Summary

At the end of quarter two, the Council's Corporate Risk Register included 14 of the 42 risks that are considered to pose the most risk to the delivery of Council services and achievement of its strategic priorities. The 14 Corporate Risks consisted of:

- 8 Severe risks (15 to 25)
- 6 Major Risks (7 to 14)

In comparison to the quarter one Corporate risk register, there were no new and/or escalated risks, and two risks were closed. Three risks increased in risk score; one risk had decreased in risk score; with the remaining 10 risks remaining the same score. No risks were escalated or de-escalated in quarter two.

Change in direction of risk score (Quarter Two)

| Risk | Lead Cabinet Member | Lead Directorate / Service Area | Q1 Risk Score | Q2 Risk Score | Commentary |
|---|--|--|---------------|---------------|---|
| R3 - Pressure on the delivery of Children Services | Cabinet Members for Social Services. | Social Services / Children Services | 20 | 25 | The risk score has increased in the last quarter as the service has had to put in place measures to manage the increase volume of referrals into the safeguarding hub. We have also seen an increase in staff sickness and we continue to struggle with recruitment. We are currently working as a whole service to ensure that the most vulnerable and at risk are prioritised and Red Amber Green (RAG) rating of other cases open to statutory services is underway. |
| R4 - Balancing the Council's Medium-Term budget | Leader of the Council / Cabinet | Transformation & Corporate / Finance | 12 | 20 | In line with the comments from the previous quarter, a significant budget gap is forecasted. Therefore, the Council will need to look at significant service area savings. |
| R9 - Information & Cyber Security | Cabinet Member for Organisational Transformation | Transformation & Corporate / People, Policy & Transformation | 16 | 12 | <p>Whilst the potential impact remains the same as previously, it is believed that the mitigation measures in place are such that the likelihood is less than previously, despite international tensions due to war in Ukraine.</p> <p>Existing governance is documented in the council's information risk management policy including the Information Governance Group and the Annual Information Risk Report. An Annual IT Health Check is carried out in line with requirements of the Public Services Network (PSN). Regular hardware and software updates are carried out by the IT Service. Technical controls are in place including the use of endpoint protection, firewalls, encryption, backups, security certificates, mobile device management etc. Physical security measures are in place to prevent inappropriate access and a data centre move to a more resilient data centre has commenced.</p> <p>The council's IT Service, the Shared Resource Service (SRS), has a security function complementing council staff as well as security embedded in various roles. The council has processes for out of hours incidents including the SRS.</p> |
| R10 - Schools Finance / Cost Pressures | Deputy Leader & Cabinet Member for Education & Early Years | Chief Executive / Education Services | 9 | 12 | This situation remains very fragile, and following confirmation of the pay award. Education service and schools are working with Finance to support and identify schools who may be likely to end the year with a deficit position. Systems and |

| Risk | Lead Cabinet Member | Lead Directorate / Service Area | Q1 Risk Score | Q2 Risk Score | Commentary |
|------|---------------------|---------------------------------|---------------|---------------|--|
| | | | | | processes for early identification of potential difficulties continue to be refined and will be used to mitigate any issues likely to arise. |

See also Appendix 2 and 3.

Quarter 2 Closed Risk

At the end of Quarter 2, two risks, Covid-19 Pandemic Outbreak and Post EU Transition was agreed by Executive Board to close.

| Risk | Cabinet Member | Directorate / Service Area | Q1 Risk Score | Q2 Risk Score | Target Risk Score | Commentary |
|-----------------------------------|---------------------------------|--|---------------|---------------|-------------------|--|
| COVID-19 Pandemic Outbreak | Leader of the Council / Cabinet | Transformation & Corporate / People, Policy & Transformation | 12 | 6 | 6 | While Covid remains a risk, the arrangements for monitoring and managing this risk are undertaken as part of business as usual activities through ongoing HR, health & safety and civil contingency processes. Additionally, the Council's Gold emergency arrangements have also been stood down to reflect this position. Therefore, the risk score has been reduced to reflect this position. Following consideration by the Executive Board, it has been agreed for this risk to close at the end of quarter 2. |
| Post EU Transition | Leader of the Council / Cabinet | Transformation & Corporate / People, Policy & Transformation | 12 | 6 | 10 | The Post EU Transition arrangements are largely outside of the control of Newport City Council at UK Government and Welsh Government levels. Newport Council alongside other local authorities as part of the Welsh Local Government Association are managing and responding to changes to post EU arrangements as they arise. The Council's Community Cohesion team are continuing to support EU Citizens living in Newport as part of ongoing community cohesion activities, providing advice and guidance as required by those impacted by legislation. In consideration of these arrangements, the risk score has decreased to reflect this position and following consideration by the Executive Board, it has been agreed for this risk to close at the end of Quarter 2. |

Appendix 1 - Quarter 2 Corporate Risk Heat Map and Risk Profile

Appendix 2 – Quarter 2 NCC Service Area Risk Summary.

Appendix 3 – Newport Council's Quarter 2 Corporate Risk Register (Attached separately).

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. 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

Service Plans 2021/22

Robust risk management practices increase the chances that all of 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 itself. 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 outlined in the report that there are three risks that have increased in score, all of which could have a financial impact. Two of these are directly linked to the current and medium-term financial situation and are largely the product of high inflation and demand for services. The first of these (the ability to balance the Council's medium term budget) has increased significantly in a short space of time due to the rapidly changing financial context and is set out in detail within a recent budget report to Cabinet. The schools finance risk will need close attention heading into 2023/24 once the impact of the 2023/24 Council revenue budget is understood at an individual school level.

In addition, the risk in relation to Children's Services has the potential to have a significant financial impact. Some of this impact is reflected within the Council's Medium Term Financial Plan (MTFP) and draft 2023/24 budget. However, should the demand for services continue to increase, there is the potential for it to add further pressure to the financial outlook. Therefore, it will be important that the risk continues to be monitored for its financial impact and any such impact reported in the regular monitoring reports and

reflected in the MTFP, if appropriate. The same principle applies to any other risk that potentially has a financial impact.

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 identification of corporate risks within the risk register and monitoring the effectiveness of the mitigation measures are matters for Cabinet. However, Governance & Audit Committee are responsible for reviewing and assessing the Council's risk management, internal control and corporate governance arrangements. The report confirms that there have been no significant changes in the risk profile during the first quarter of this financial year, as compared with the final quarter of last 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 1 risk scores being increased and 1 being decreased. The risk register will need to be updated in due course to reflect the new Corporate Plan and the new service areas.

Comments of Head of People, Policy and Transformation

Effective monitoring and reporting against the Council's Corporate Risk Register is essential in minimising and preventing the likelihood and impact of risks against our objectives. The Council's risk management is a key area in the implementation of the Well-being of Future Generations Act (Wales) 2015.

The recent changes made to our risk management processes and system will ensure officers at all levels of the organisation have greater control and oversight of their risks taking the necessary action to mitigate their impact and escalate where necessary to senior management.

Scrutiny Committees

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

Equalities Impact Assessment

For this report, a full Fairness and Equality Impact Assessment is not required to be undertaken. This is because this report is not seeking any strategic decisions or policy changes, with its purpose being to update Governance and Audit Committee on the current risk register and risk management process of the Council.

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

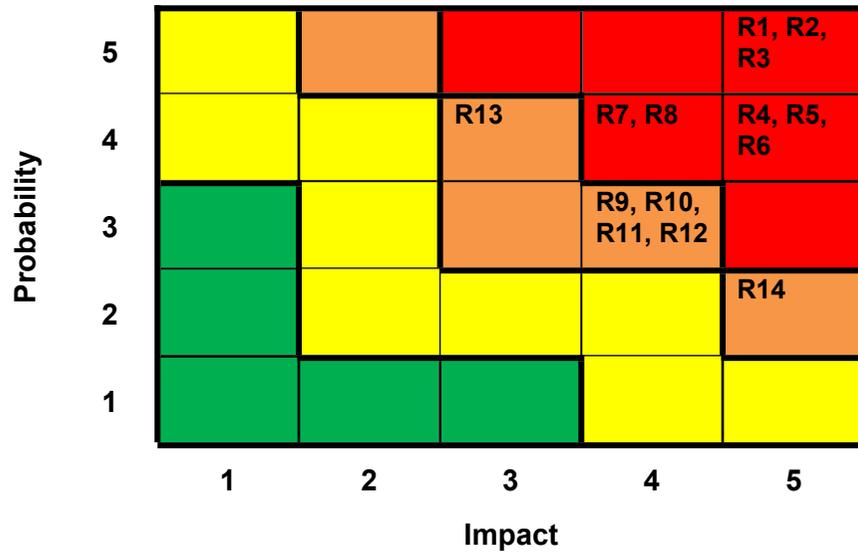
As above, the Risk Register is considered by Governance and Audit Committee and Cabinet.

Background Papers

Risk Management Policy 2020-22
Q1 Risk Report September 2022

Dated: 12th January 2023

Appendix 1 - Quarter 2 2022/23 Corporate Risk Heat Map



| Corporate Risk Heat Map Key (Quarter 2 2022/23) | |
|---|---|
| R1 - Stability of Social Services Providers | R8 - Newport Council's Property Estate |
| R2 - Pressure on Adult & Community Services | R9 - Information & Cyber Security |
| R3 - Pressure on the delivery of Children Services | R10 - Schools Finance / Cost Pressures |
| R4 - Balancing the Council's Medium-Term budget | R11 - Demand for ALN and SEN support |
| R5 - Highways Network | R12 - Educational Out of County Placements |
| R6 - Pressure on Housing and Homelessness Service | R13 - Climate Change |
| R7 - Ash Die Back Disease | R14 - City Centre Security and Safety |

Risk Score Profile between Quarter 3 2021/22 and Quarter 2 2022/23

| Risk Reference | Risk | Lead Cabinet Member(s) | Lead Directorate / Service Area | Risk Score Quarter 3 2021/22 | Risk Score Quarter 4 2021/22 | Risk Score Quarter 1 2022/23 | (Current) Quarter 2 2022/23 | Target Risk Score (at Q2 22/23) |
|-----------------------|--|---|--|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|--|
| R1 | Stability of Social Services Providers | Cabinet Members for Social Services | Social Services / Adult Services | 25 | 25 | 25 | 25 | 6 |
| R2 | Pressure on Adult & Community Services | Cabinet Members for Social Services | Social Services / Adult Services | 25 | 25 | 25 | 25 | 10 |
| R3 | Pressure on the delivery of Children Services | Cabinet Members for Social Services | Social Services / Children Services | 20 | 20 | 20 | 25 | 6 |
| R4 | Balancing the Council's Medium-Term budget | Leader of the Council / Cabinet | Transformation & Corporate / Finance | 9 | 9 | 12 | 20 | 10 |
| R5 | Highways Network | Cabinet Member for Infrastructure & Assets | Environment & Sustainability / Infrastructure | 20 | 20 | 20 | 20 | 15 |
| R6 | Pressure on Housing and Homelessness Service | Cabinet Member for Strategic Planning, Regulation & Housing | Environment & Sustainability / Housing & Communities | 16 | 20 | 20 | 20 | 6 |
| R7 | Ash Die Back Disease | Cabinet Member for Climate Change & biodiversity | Environment & Sustainability / Environment & Public Protection | 16 | 16 | 16 | 16 | 6 |
| R8 | Newport Council's Property Estate | Cabinet Member for Infrastructure & Assets | Transformation & Corporate / People, Policy & Transformation | 16 | 16 | 16 | 16 | 9 |

| Risk Reference | Risk | Lead Cabinet Member(s) | Lead Directorate / Service Area | Risk Score Quarter 3 2021/22 | Risk Score Quarter 4 2021/22 | Risk Score Quarter 1 2022/23 | (Current) Quarter 2 2022/23 | Target Risk Score (at Q2 22/23) |
|----------------|--|--|--|------------------------------|------------------------------|------------------------------|-----------------------------|---------------------------------|
| R9 | Information & Cyber Security | Cabinet Member for Organisational Transformation | Transformation & Corporate / People, Policy & Transformation | 16 | 16 | 16 | 12 | 10 |
| R10 | Schools Finance / Cost Pressures | Deputy Leader & Cabinet Member for Education & Early Years | Chief Executive / Education Services | 12 | 9 | 9 | 12 | 6 |
| R11 | Demand for ALN and SEN support | Deputy Leader & Cabinet Member for Education & Early Years | Chief Executive / Education Services | 16 | 12 | 12 | 12 | 6 |
| R12 | Educational Out of County Placements | Deputy Leader & Cabinet Member for Education & Early Years | Chief Executive / Education Services | 12 | 12 | 12 | 12 | 4 |
| R13 | Welsh Government's Net Carbon Zero target by 2030 (formally Climate Change Risk) | Cabinet Member for Climate Change & Biodiversity | Environment & Sustainability / Environment & Public Protection | 12 | 12 | 12 | 12 | 10 |
| R14 | City Centre Security and Safety | Cabinet Member for Infrastructure & Assets | Environment & Sustainability / Infrastructure | 10 | 10 | 10 | 10 | 8 |

Appendix 2 – Quarter 2 NCC Service Area Risk Summary

| Service Area | Directorate | Total Q2 Risks | Risk Scores Increased since Q1 | Risk Scores Decreased since Q1 | No Change since Q1 | New Risks Since Q1 | Closed Risks Since Q1 | Escalated Risks* ₁ | De-escalated Risks* ₂ |
|--------------------------------------|--------------------------------|----------------|--------------------------------|--------------------------------|--------------------|--------------------|-----------------------|-------------------------------|----------------------------------|
| Adult & Community Service | Social Services | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 0 |
| Children & Young People Service | Social Services | 3 | 1 | 1 | 1 | 0 | 0 | 0 | 0 |
| Infrastructure | Environmental & Sustainability | 5 | 0 | 0 | 5 | 0 | 0 | 0 | 0 |
| Education | Chief Executive | 7 | 1 | 1 | 5 | 0 | 0 | 0 | 0 |
| Environment & Public Protection | Environmental & Sustainability | 5 | 0 | 0 | 5 | 0 | 0 | 0 | 0 |
| Finance | Transformation & Corporate | 5 | 2 | 0 | 3 | 0 | 0 | 0 | 0 |
| Housing & Communities | Environmental & Sustainability | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| Law & Standards | Transformation & Corporate | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| People, Policy and Transformation | Transformation & Corporate | 8 | 0 | 2 | 6 | 0 | 2 | 0 | 0 |
| Prevention & Inclusion* ₃ | Social Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Regeneration & Economic Development | Chief Executive | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 0 |
| Total | | 42 | 5 | 4 | 33 | 0 | 2 | 0 | 0 |

*1 – Escalated Risks – Risks that have been escalated from Service area risk registers to Corporate Risk Register

*2 – De-escalated Risks – Risks that have been de-escalated from Corporate Risk Register to service area risk register

*3 – Prevention & Inclusion – This is a newly created service area and no risks were transferred from other service area. P&I are developing their service plan and risk register. This will be updated for Quarter 3.

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. In order 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

| Score | Description | Impact Measures | | | | | | |
|-------|-----------------|---|--|---|--|---|--|--|
| | | Strategic / Policy | Operational / Business Continuity | Financial | Governance / Legal / Regulatory | Health & Safety | Reputational | Project Delivery / Savings / Benefits |
| 5 | Severe | Failure of a key strategic objective | Serious organisational / service failure that has direct impact on stakeholders including vulnerable groups. Service disruption over 5+ days. | <u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital > £1M 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. (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. Project(s) do not deliver the major benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational Impacts |
| 4 | Major | Severe constraint on achievement of a key strategic objective | Loss of an important service(s) for a short period that could impact on stakeholders. Service disruption between 3-5 days. | <u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital > £0.5M - £1.0M 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. (Linked to Financial / Reputational Impacts) | Adverse publicity in professional / municipal press, affecting perception / standing in professional /local government community Adverse local and social media publicity of a significant and persistent nature. | Project status is 6 to 12 months over from anticipated implementation date. Project(s) do not deliver major benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational Impacts |
| 3 | Moderate | Noticeable constraint on achievement of a key strategic objective / | Loss and/or intermittent disruption of a service between 2-3 days. | <u>Corporate / Project</u> Unplanned and/or additional | Significant legislative breach resulting in investigation. (Linked to Financial | Major reversible injury to staff, student or member of | Adverse local publicity / local public opinion including social media. | Project status is 1 to 6 months over from anticipated implementation date. |

| Score | Description | Impact Measures | | | | | | |
|-------|-------------|--|--|--|---|---|---|---|
| | | Strategic / Policy | Operational / Business Continuity | Financial | Governance / Legal / Regulatory | Health & Safety | Reputational | Project Delivery / Savings / Benefits |
| | | Service Plan objective. | | expenditure disturbance. Capital = £0.25M - £0.5M Revenue = £0.25M to £0.5M Revenue = £0.25M to £0.5M | / Reputational Impacts) | public. Not life threatening. (Linked to Financial / Reputational Impacts) | Statutory prosecution of a non-serious nature. | There is significant reduction on delivery of benefits / savings identified in business case. 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. Service disruption 1 day. | <u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital = £0.1M - £0.25M Revenue = £0.1M – £0.25M | Moderate impact leading to warning and recommendations. | Some minor reversible injuries. (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. There is minor reduction on delivery of benefits / savings identified in business case. 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> Unplanned and/or additional expenditure disturbance. Capital < £100k | No reprimand, sanction or legal action. | Some superficial injuries. (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. There is insignificant / no impact on delivery of benefits / savings |

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

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