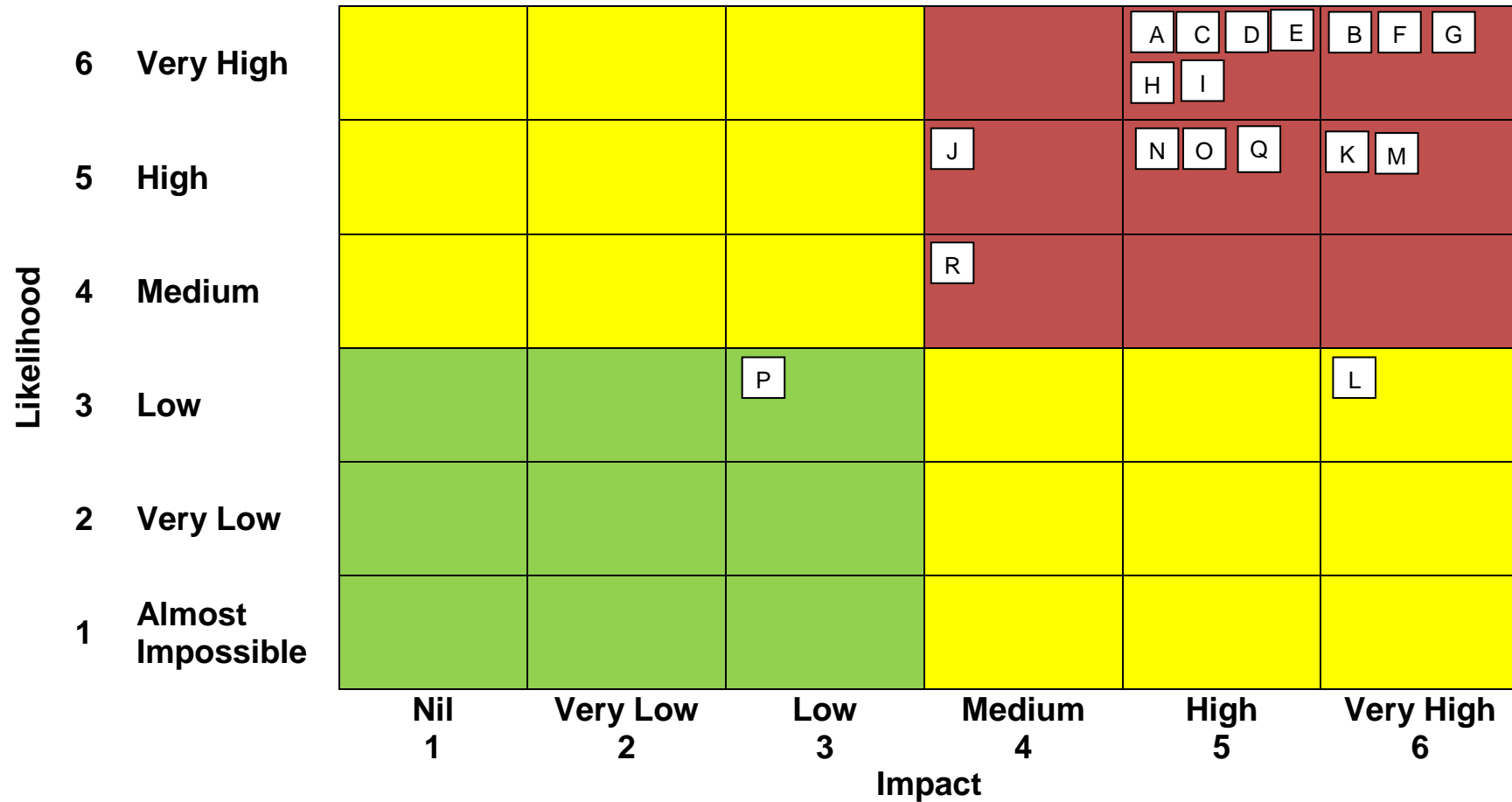


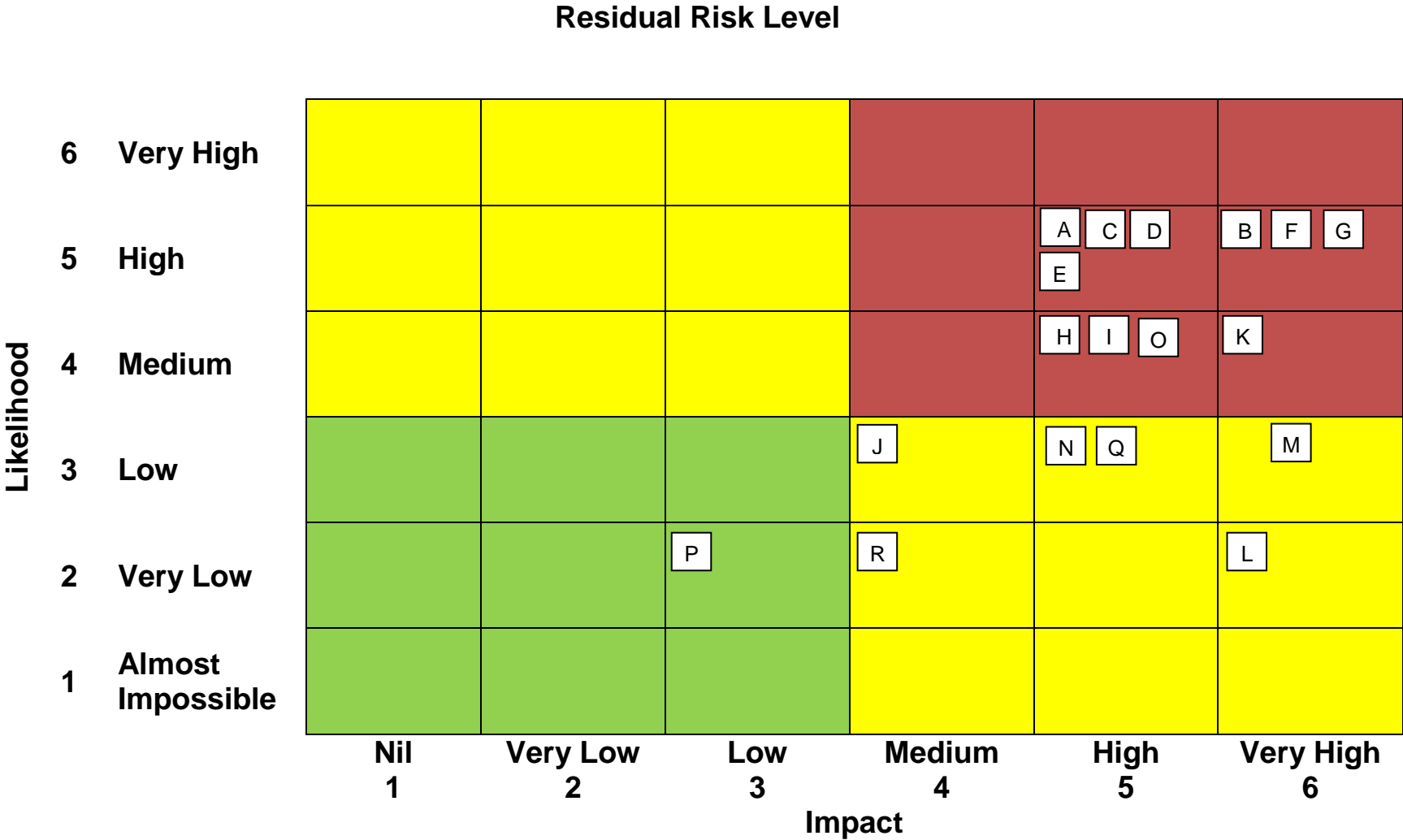
Kettering Borough Council - Risk Management Summary

Corporate Risk Profile

Date refreshed November 2018

Gross Risk Level





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KBC STRATEGIC RISK REGISTER

Risk Id.	Strategic Risk	Details	Risk Likelihood		Risk Impact	Actions to Improve Mitigation
			Gross	Residual		
A	Delivery of a Balanced Budget	<p>The Council continues to see reductions in central government funding and has also opted to freeze Council Tax levels over the past six years.</p> <p>As a consequence, the council has had to use increasingly innovative means to balance its budget and consider alternative strategies such as commercial investments in order to deliver a balanced budget.</p> <p>There is still much financial uncertainty facing the Council regarding its main funding sources such as New Homes Bonus and Business Rates Retention particularly from 2020 – when it is anticipated 100% Business Rates Retention will be introduced which will bring even greater volatility to one of the Council's main funding streams.</p>	6	<p>5</p> <p>Mitigation factors include;</p> <ul style="list-style-type: none"> ◆ MTFS (Lobbying) ◆ MTFS (swing-o-meter / sensitivity analysis) ◆ National group involvement (influencing) ◆ Accepting the offer of a four year settlement ◆ Commercial Outlook ◆ Reviewing use of the existing frameworks and guiding principles. 	5	Further review of Delivery Frameworks
B	External legislation Changes (particularly those arising from unforeseen or rapid changes in national policies)	<ul style="list-style-type: none"> a. Impact of the localisation of council tax benefit b. Potential impact of other changes due to welfare reform (Universal Credit, 2018) c. Impact of employment legislation on policies d. Impact of the Living Wage e. Business Rates reform f. Social Housing Green Paper g. Impact of reductions in Council Rents h. Apprenticeships i. Homelessness Reduction Act j. Fair Funding Review k. Leaving the European Union (impact to Local Economy and subsequently to KBC) 	6	<p>5</p> <p>Mitigation factors include;</p> <ul style="list-style-type: none"> ◆ MTFS (Lobbying) ◆ National group involvement ◆ Creation of earmarked reserves ◆ Use of technical / professional advisers ◆ Partnership Working ◆ Review of Resources 	6	N/A

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C	Unexpected Budget Pressures (funding reductions elsewhere)	The challenging economic conditions have and are likely to continue to result in other public sector providers cutting service budgets. This could lead to pressure being placed on the Council to fill the resulting funding gap or lost service. This could be relevant given the financial challenges facing Northamptonshire County Council.	6	5 Mitigation factors include; <ul style="list-style-type: none"> ◆ MTFS ◆ Budget Containment Strategy ◆ Closer Joint Working ◆ Understanding the wider issues ◆ Exploring Opportunities 	5	N/A
D	Partnership Working	Proper arrangements are required to safeguard the council when it delivers services through joint working and partnership arrangements to ensure that costs, liabilities and risks are understood and agreed from the outset. The cumulative impact of austerity measures over time increase the risks of partner organisations failing. Northamptonshire County Council's stabilisation programme may redesign how services are delivered, impacting on existing partnerships.	6	5 Mitigation factors include; <ul style="list-style-type: none"> ◆ Partnership audit ◆ SLA's and agreements ◆ Risk assessment of partners at the inception of the arrangement. ◆ Reviewing partnership arrangements ◆ Review of notice periods in SLA's ◆ Robust exit strategy in the event of partnership dissolution 	5	Central Register of all SLA's that are reviewed annually
E	Delivery of Major Projects	The council has a very ambitious programme of corporate projects including: <ul style="list-style-type: none"> • Street Scene Partnership with Corby • Town Centre Delivery Plan • Growth Deals These projects can be both aspirational and challenging to deliver during normal economic conditions but become extremely stretching when operating in current market conditions.	6	5 Mitigation factors include; <ul style="list-style-type: none"> ◆ Strong project management ◆ Use of technical/professional advisers ◆ Dedicated performance clinics ◆ Strategic approach ◆ Joint working protocols based on a shared vision ◆ Identification of key milestones and critical success factors 	5	N/A

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F	Ensuring Corporate Capacity	<p>The council has ambitious objectives and projects and has developed a unique budget delivery framework that is currently standing the authority in good stead. To remain 'ahead of the curve' the council needs to ensure that it maintains corporate capacity to protect the council's position and to continue to deliver its priorities.</p> <p>This has the potential to become even more challenging as the council is required to deliver on its 'business as usual' whilst experiencing pressures from the Public Service Reform work streams.</p>	6	<p>5</p> <p>Mitigation factors include;</p> <ul style="list-style-type: none"> ◆ Proper budget and service planning ◆ Budget Delivery Framework ◆ Maintaining corporate resources and capacity ◆ Strategic approach ◆ Reviewing efficiency to enable smarter working 	6	N/A
G	Maintaining Political Focus and Stability	<p>To ensure that resources are properly deployed and used effectively and efficiently, maintaining political focus is very important. Being clear from the outset about what KBC is trying to achieve, how we achieve it, and then continuing to maintain the focus in these areas.</p> <p>The challenging nature of which is likely to increase as we progress through Public Service Reform.</p>	6	<p>5</p> <p>Mitigation factors include;</p> <ul style="list-style-type: none"> ◆ Clear corporate objectives and refreshed priorities ◆ Service and budget planning process ◆ Council constitution ◆ Focussing on Borough responsibilities ◆ Making difficult decisions, with the medium term impact in mind 	6	N/A
H	Effective Governance Arrangements	<p>Good governance is at the heart of the correct and effective workings of the council. This applies to compliance with legislation, member and officer behaviour and having a robust constitution.</p>	6	<p>4</p> <p>Mitigation factors include;</p> <ul style="list-style-type: none"> ◆ Council Constitution ◆ Clear protocol's ◆ Statutory Officer roles ◆ Standard Committee procedures ◆ Track record of dealing with issues ◆ Corporate Governance Group ◆ GDPR arrangements 	5	N/A

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I	Maintaining Staff Morale	<p>Staff are at the heart of our organisation and the council holds the belief that staff can provide the answers to the challenges that we face. Staff morale is vital to keep;</p> <ul style="list-style-type: none"> ◆ Services running ◆ Deliver efficiency savings ◆ Improve the councils reputation <p>In line with comments under Risk F, it is recognised that pressures from Public Service Reform could have an adverse impact.</p>	6	4	5	N/A
J	Reputation Management	<p>Ensuring that the reputation of the council is monitored and managed is important for any large organisation. Failure to do so could result in negative publicity and more importantly spending resources correcting the issue when it could have been avoided. Also includes the risk posed by comments on social media.</p>	5	3	4	N/A

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K	Effective Business Continuity Arrangements	The council needs to ensure that robust arrangements are in place for business continuity – especially in relation to IT systems, cyber security, data and buildings.	5	4 Mitigation factors include; <ul style="list-style-type: none"> ◆ Business Continuity Plans ◆ Partnership arrangements with neighbouring local authorities ◆ Work with external insurers ◆ Staff communication ◆ Data Security Protocols ◆ Effective cyber security practices 	6	Continued Development of the Business Continuity Disaster Recovery Plans
L	Effective Emergency Planning Arrangements	The council needs to ensure that robust arrangements are in place for emergency planning purposes	3	2 Mitigation factors include; <ul style="list-style-type: none"> ◆ Emergency Plan ◆ Partnership arrangements with neighbouring local authorities ◆ Participation in mock exercises 	6	Monitoring of Emergency Planning Partnership arrangements
M	Health and Safety Compliance	Keeping pace with the latest H&S requirements and practices is an important cornerstone of the councils work.	5	3 Mitigation factors include; <ul style="list-style-type: none"> ◆ H&S Committee ◆ Dedicated H&S Team ◆ Working relationships with regulatory agencies and meetings ◆ Policies regularly reviewed and updated ◆ Utilising technical expertise ◆ Ensuring statutory compliance ◆ Risk Assessments ◆ Training ◆ Adequate PPE 	6	Monitoring of Emergency Planning Partnership arrangements

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N	Robust & Effective HR Policies	Staff are the councils main resource, as such the council needs to ensure that it has up to date, flexible yet robust policies in place to deal with all aspects of employee management and relations. The importance of which are ever more present when going through organisational change e.g. Street Scene Partnership and Public Service Reform.	5	3 Mitigation factors include; <ul style="list-style-type: none"> ◆ HR expertise, tools and processes ◆ Regular policy review ◆ Employment committee ◆ Constructive union relations ◆ Ongoing and relevant dialogue with staff 	5	N/A
O	Keeping pace with the Demographic, Social & Economic Changes	Keeping pace with the demographic and social changes and the impact this and decisions by other public sector bodies has on the Council. Understanding and reacting to the changing needs of the community. Particular challenges facing the Council include, but are not limited to: Leaving the European Union, Welfare Reform and the ageing population.	5	4 Mitigation factors include; <ul style="list-style-type: none"> ◆ MTFS ◆ Policy Reviews ◆ Consultations ◆ Housing Market Review ◆ Service Review & Design ◆ Developing the capacity to be proactive ◆ Staying relevant and looking forward 	5	N/A

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P	Physical Assets	The Council needs to ensure that our physical assets are being used in a safe and efficient way to maximise their effectiveness in delivering outcomes.	3	2 Mitigation factors include; <ul style="list-style-type: none"> ◆ Stock Condition Survey ◆ Relevant H&S Assessments ◆ Security ◆ Appraise and Review ◆ Planned Investment ◆ Appropriate Rationalisation 	3	Ongoing review of Asset Utilisation
Q	Commercial Strategy	This includes seeking commercial investment opportunities, reviewing our fees and charges policy and being more commercially minded in our everyday processes to drive efficiencies.	5	3 Mitigation factors include; <ul style="list-style-type: none"> ◆ Technical expertise ◆ Robust due diligence ◆ Shared strategic vision ◆ Staff engagement ◆ Process reviews 	5	
R	Procurement	The appropriate and compliant purchase of goods and services is integral to all areas of the Council.	4	2 Mitigation factors include; <ul style="list-style-type: none"> ◆ Technical expertise ◆ Statutory compliance ◆ Contract Standing Orders ◆ Staff knowledge ◆ Effective Contract Management ◆ Staff Training ◆ Service Reviews 	4	