

REPORT of DIRECTOR OF STRATEGY AND RESOURCES

**to
PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE
7 MARCH 2024**

REVIEW OF CORPORATE RISK – QUARTER 3

1. PURPOSE OF THE REPORT

- 1.1 The Risk Management Policy requires this Committee to undertake a quarterly review of the Corporate Risk Register as assurance that the corporate risks are being managed effectively.
- 1.2 Online versions of all previous risk reports are available to view on the Members' SharePoint site.

2. RECOMMENDATIONS

- (i) That Members review the Corporate Risk Register in **APPENDIX 1** and provide comment and feedback for consideration;
- (ii) That Members review progress of the Corporate Risk Mitigating actions in **APPENDIX 2** and provide comment and feedback for consideration;
- (iii) That Members are assured through this review that corporate risk and is being managed effectively;
- (iv) That Members challenge risk where the Committee feels that the Council's corporate goals may not be achieved.

3. SUMMARY OF KEY ISSUES

- 3.1 **APPENDIX 1** shows a summary and detailed table of the Corporate Risk Register, the latest ratings and officer commentary. The control strength of each risk is also included as well if there are any active mitigating actions.

Note: Risk controls are an *embedded* action / process that help control or minimise the likelihood and/or impact of the risk.

- 3.2 **APPENDIX 2** shows progress of all active mitigating actions.

Note: Mitigation actions are the identification of new or enhanced actions / processes with defined implementations that help control or minimise the likelihood and/or impact of the risk.

3.3 New Risks / Change in Rating since last quarter

- One risk noted a decrease in rating
 - **R11 - Failure to protect commercially sensitive data**

Note concerning increasing risks from service level: Service level risks are identified and monitored in Service Plans by the relevant Service Plan Owners. They are then escalated, if deemed appropriate and necessary, to committee level for consideration.

4. CONCLUSION

- 4.1 Overall, no major Corporate Risk Register concerns have been raised. The economic situation may have an impact on corporate risk and the Council will work to mitigate this. Work continues to ensure all risks are mitigated, and where possible, working towards their closure.
- 4.2 All Risk Management criteria is set out in the Risk Management Framework.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2023 - 2027

- 5.1 It is important that risk is monitored and managed effectively, to ensure that Maldon District Council progresses towards and/ achieves its stated priorities.

6. IMPLICATIONS

- (i) **Impact on Customers** – Those risks in the Corporate Risk Register are defined as having a wider impact on our customers and delivery. The monitoring and mitigation of these will reduce the impact on customers.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk (including Fraud implications)** – If risk is not managed effectively by the Council, it puts the Council's strategic delivery at risk and increases unnecessary exposure to potential, operational, reputational, or regulatory consequences.
- (iv) **Impact on Resources (financial)** – All risk management is undertaken within existing planned budget. Exceptions being for a potential enactment of a recommendation outside of pre-defined resource.
- (v) **Impact on Resources (human)** – All risk management is undertaken within existing planned budget. Exceptions being for a potential enactment of a recommendation outside of pre-defined resource.

Background Papers: None.

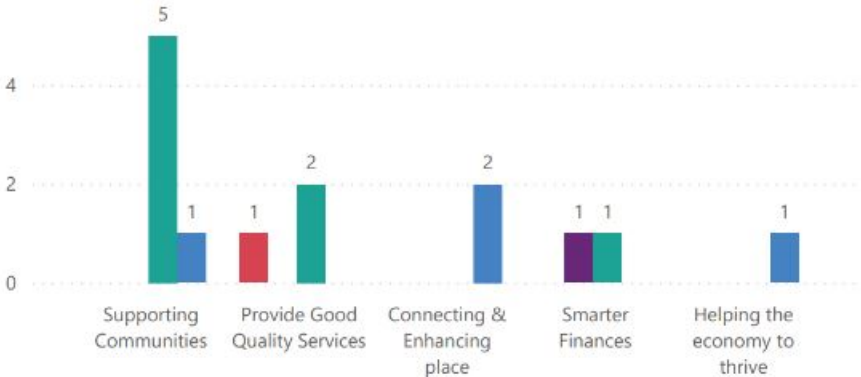
Enquiries to: Paul Dodson, Director of Strategy and Resources.

Corporate Risk Overview

2023/2024 Q3

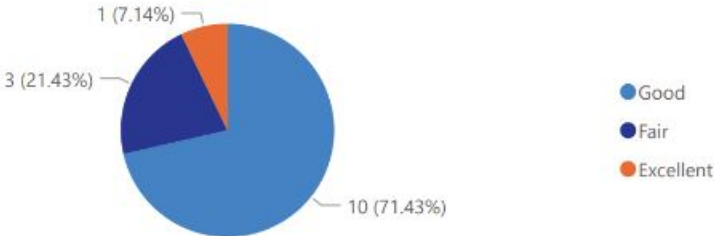
Risk Category

● Compliance ● Financial ● Operational ● Strategic



Risk Control Strength

A control is an embedded action or process that helps control or minimise the likelihood &/ impact of the risk



Active Corporate Risks

14

Risks with active mitigating actions

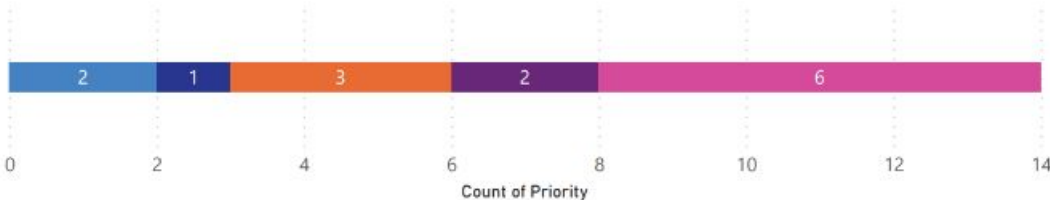
APPENDIX 1

2

Mitigating actions are identified to strengthen existing controls &/ risk reduction. They should be clearly defined and delivered, with a lead officer and timescales for implementation/completion.

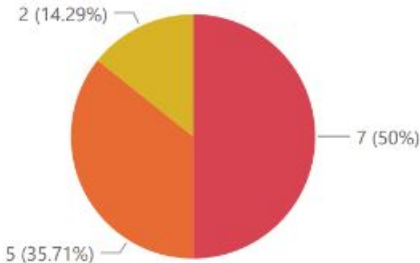
Affected Priority

● Connecting & Enhancing ... ● Helping the economy t... ● Provide Good Qu... ● Smarter Finances ● Supporting Co...

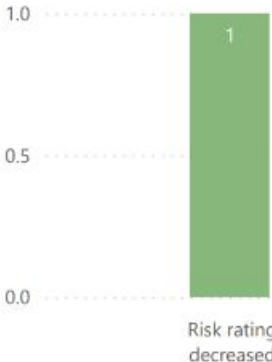


Tolerance Split

● Red Tolerance ● Amber Tolerance ● Yellow Tolerance



Risk Direction



Corporate Risk Register

Ref	Risk Description	Impact	Likelihood	Overall Risk Rating	Rating direction	Q3 2023/2024 Commentary	Control Strength	Additional Mitigating Action	Year Raised
R5	Damage to the Councils reputation associated with delays to planned infrastructure delivery in the District by third parties which is due to support approved development	4	5	20	Risk rating unchanged	The Council is not responsible for delivering and/or providing much of the infrastructure needed to support the delivery of the District's approved growth; instead it must seek to use its position to influence and hold other organisations that are responsible to account for their delivery. MDC does have a very important role however in securing developer contributions (S106) from relevant schemes where a likely impact on infrastructure can be evidenced, to justify mitigation where a grant of permission could then be possible. Whilst development is visibly occurring, it has not been at the pace forecast in the LDP in 2017, which has a knock on effect on the payment triggers for S106 funds. This money will come when the triggers are met, but this is leading to a slowing of infrastructure delivery on the ground and can seem as though development in the District is not providing infrastructure, despite the lawful process being followed. S106 continues to be accrued from development sites allocated in the LDP 2017 (as well as all other permissions) as required by the LDP and legal agreements. The Council is robustly monitoring its S106 agreements and seeking payments when specific triggers are hit; authorising the transfer of funds to third party providers or internal departments when projects are ready to draw down/ take their financial planning contributions, as well as considering whether further recovery action is necessary when contributions are not paid on time. This is reported annually in the Infrastructure Funding Statement to PGA Committee in Q1/Q2 of each financial year. The Maldon District Infrastructure Delivery Plan remains under review (as part of the LDP Review) and officers are proactively engaging with infrastructure providers frequently (e.g. ECC Highways, Education and NHS) to keep track of projects (such as the Southminster Medical Centre/ Burnham Surgery/ Maldon Health Hub/ South Maldon Relief Road, Limebrook Way Primary School, etc.) that were expected to be delivered during 2014-2029 (the LDP plan period). This engagement helps ensure work is started through their organisation's capital investment business case procedures to design and programme works to improve local services or facilities as quickly as possible. Officers continue to remain alert to national spending reviews that could impact on budgets of third parties and therefore their priorities and possible Government funding and will remain in discussions with Homes England and other partners about other funding opportunities and options that could help fund or bring forward expect.	Good - controls in place are considered adequate and reduce the risk	None Required	2014/15
R8	Failure to meet the affordable housing need	5	4	20	Risk rating unchanged	The Housing team are regularly meeting with various partners in relation to delivery of affordable housing, there is also work to strengthen these relationships when national impacts are starting to be seen. Various programmes of work are being reviewed/progressed to support the ongoing issues and pressure social housing is facing as well as continuing to consider major planning applications against the recommendations of our Local Housing Needs Assessment	Fair - some controls in place and some reduction in risk but still not adequate	Yes	2016/17

Ref	Risk Description	Impact	Likelihood	Overall Risk Rating	Rating direction	Q3 2023/2024 Commentary	Control Strength	Additional Mitigating Action	Year Raised
R15	Failure to plan and deliver balanced budgets over the medium term	5	4	20	Risk rating unchanged	No change to risk score or controls compared to Q2. Existing controls remain in place, with the Finance Member Group continuing to meet regularly to consider the MTFS position and identify a savings/income strategy to meet the budget gap. The outcome of this work will be reported to Strategy and Resources Committee on 25 January, ahead of the budget being agreed by Council in February 2024, but it is expected that a balanced budget for 2024/25 should be achievable. Further work will continue on the remainder of the MTFS period post February to ensure the medium-term position is sustainable	Good - controls in place are considered adequate and reduce the risk	None Required	2008/09
R14	Unable to recruit and retain staff with specific skills sets in specialist areas to meet the demands of the service(i.e.) Planners	4	4	16	Risk rating unchanged	The changes to the structure within the service delivery directorate completed on time in December 2023. The work to recruit into vacant roles continues. At this time it is too early to see any impact the changes will have on attracting suitable candidates to the roles. Managers have ensured services continue to be delivered through agency staff. Turn over has been low resulting in continuity being achieved supporting out customers.	Good - controls in place are considered adequate and reduce the risk	None Required	2015/16
R31	Inadequate staffing structure and resource for resilience	4	4	16	Risk rating unchanged	The changes within the directorate of Service Delivery completed on time during December 2023. Each of the delivery teams have been assessed and resources allocated accordingly based on need. Heads of Service now oversee activity. At this time it is too early to reduce the risk level but at the end of Q4 a review will be undertaken after the changes have had time to embed. It is intended to review the service structures within the Resources and Strategy Performance and Governance Directorates during 2024	Fair - some controls in place and some reduction in risk but still not adequate	Under Review	2021/22
R33	Lack of Temporary Accommodation & Social Housing to cope with demand	4	4	16	Risk rating unchanged	Good progress has been seen for projects that would be able to support affordable homes for older people and temporary accommodation pressures, as well as have an impact on other areas of affordable housing projects. The decision to cease the progression of a commercial project has also allowed for repurposing of S106 funds.	Fair - some controls in place and some reduction in risk but still not adequate	Under Review	2022/23
R7	Failure to maintain a 5 year supply of Housing Land	5	3	15	Risk rating unchanged	Published position remains 6.35 years which officers and council representatives are defending at Planning Appeals. Monitoring of 5YHLS occurring to support in-year data updates to support planning appeal process as and when required. Update on 5YHLS will be reported to Council in Q1 24/25 using methodology approved by Council in May 2023.	Good - controls in place are considered adequate and reduce the risk	None Required	2017/18

Ref	Risk Description	Impact	Likelihood	Overall Risk Rating	Rating direction	Q3 2023/2024 Commentary	Control Strength	Additional Mitigating Action	Year Raised
R1	Failure to safeguard children and vulnerable adults	5	2	10	Risk rating unchanged	Safeguarding risks continue to be managed via the Council's Freshserve system. Safeguarding Forum met on the 06/12/23. Attendance at Forum was generally good. General points of action related to sharpening the online forms for raising concerns, and keeping work of the Domestic Violence Projects Officer relevant. Additional safeguarding training planned for Q4	Good - controls in place are considered adequate and reduce the risk	None Required	2012/13
R32	Uncertainty of the cost of living crisis impacts	3	3	9	Risk rating unchanged	<p>The Council continues to monitor the economic situation and regular meetings with partners continue through the One Maldon Partnership which helps identify emerging issues and trends.</p> <p>Customers are signposted to organisations who are able to provide independent financial support and reductions are available for low income households in the form of council tax support.</p> <p>Any additional Government funding made available for direct support is distributed in accordance with guidelines or locally agreed policies eg Council Tax Hardship awards which have been paid during 2023-24 to eligible customers.</p>	Good - controls in place are considered adequate and reduce the risk	None Required	2022/23
R2	Failure to target services and influence partners with the aim of having an effective outcome on the identified (health and wellbeing) needs of the vulnerable population	4	2	8	Risk rating unchanged	The risk rating remains unchanged due to our strong working relationships with district and regional partners. We continue to work in partnership to support our most vulnerable residents with Mid Essex Alliance, One Maldon District, Maldon District Community Forum, Livewell Board and Maldon District Food Support Network.	Good - controls in place are considered adequate and reduce the risk	Yes	2016/17
R4	Failure to influence Community Safety partners to address the key areas of public concern (including rural crime) and the negative perception of crime	4	2	8	Risk rating unchanged	The community safety partnership continues to focus on identified priorities within the district to address crime and the fear of crime. Partnership work is the cornerstone of activities and greater liaison will be achieved through the creation of a community safety hub in 2024. The hub will be a shared space within the Council Offices for partners including the Council, the Police and Fire Services amongst others to come together, share intelligence and target activities. The Community Engagement Team continue to provide bespoke services at Parish level to address local issues such as Anti Social Behaviour and also target anti-social driving through the Trucam initiative.	Good - controls in place are considered adequate and reduce the risk	None Required	2017/18

Ref	Risk Description	Impact	Likelihood	Overall Risk Rating	Rating direction	Q3 2023/2024 Commentary	Control Strength	Additional Mitigating Action	Year Raised
R11	Failure to protect personal or commercially sensitive data	4	2	8	Risk Rating Decreased	Staff have had training on planning comments and ICO confirmed no case in relation to complaint received by them. Has been a reduction in reports to DPO. Likely due to Egress implementation.	Good - controls in place are considered adequate and reduce the risk	None Required	2009/10
R3	Failure to target services/influence partners effectively to support identified housing needs of increasing aging population	4	1	4	Risk rating unchanged	<p>Housing Associations partners have indicated that Extra Care is no longer seen as a viable/desirable housing provision, due to extra costs involved and the ability of service users to seek independent services (not be tied to a schemes provision), whilst Essex County Council are keen to promote the virtues of Extra Care, they have also acknowledged the challenges. Discussion are now under way to review how best to approach extra care housing needs.</p> <p>The Housing Allocations policy (which is administered and maintained by Gateway Homechoice) allows Housing to deliver its obligations in relation to Housing Allocations. The Housing Register functions continue to run smoothly. There continues to be a shortfall of both settled and temporary Housing across the district. We are working with Members and Housing Partners to secure new accommodation and/or consider schemes that will allow for delivery of new units.</p>	Good - controls in place are considered adequate and reduce the risk	None Required	2016/17
R34	Failure to have a structured way to engage and support local business	2	2	4	Risk rating unchanged	The Supporting Local Business engagement programme is being delivered in accordance to the contract. Success has been seen with initial event delivery and increased engagement with social media channels.	Good - controls in place are considered adequate and reduce the risk	None Required	2023/24

Report End

Corporate Risk Mitigating Actions

Associated Risk	Mitigating action	Status	Q3 2023/2024 Updates	Completion date
R2 - Failure to target services and influence partners with the aim of having an effective outcome on the identified health and wellbeing needs of the vulnerable population	Develop Livewell Strategy and formal action plan.	Not Started	The Livewell meeting is scheduled for January 2024. Following this the work will commence on the Health & Wellbeing strategy. Implementation been amended to reflect timeline change	May 2024
R8 - Failure to meet the affordable housing need	Establish a programme of community led housing	Completed	<p>Eastern Community Homes met with Housing via TEAMs discussed progress against the workstream. Members also received an update at the Strategic Housing Board (05/10/23).</p> <p>This is now an established programme of work, which will be tracked and delivered as part of the BAU service activities. The Corporate risk controls for 'Failure to meet the affordable housing need' have also been updated.</p>	December 2023

Report End