

Risk Management Annual Report

2021/22



Contents

	Page
1. Introduction	3
2. Purpose of Risk Management	3
3. Role of Risk Management	4
4. Embedding Effective Risk Management in 2021/22	5
5. Corporate Risk Register	7
6. Other Risk Management Developments	8
7. Forward Plan	10
8. Emerging Risks	10
9. Further Information	11
<u>Appendix A</u> - Corporate & Group Risk Management Process Map	12
<u>Appendix B</u> - Corporate Governance of Risk Management	13
<u>Appendix C</u> - Directorate Risk Registers	14

The key contacts in connection with this report are:

Andy Evans

Corporate Director of Finance

t: 01895 250994

e: aevens2@hillingdon.gov.uk

Stephanie Rao

Internal Audit Manager

t: 01895 556130

e: srao@hillingdon.gov.uk

Version Control

Version No.	Date	Revision History	Author
0.1	24.08.2022	First Draft	Stephanie Rao, Internal Audit Manager
0.2	02.09.2022	Draft for CRMG	Stephanie Rao, Internal Audit Manager
1.1		Final for AC	Andy Evans, Corporate Director of Finance

1. Introduction

- 1.1 The London Borough of Hillingdon (LBH) has a statutory responsibility to ensure arrangements are in place for managing risks. The Accounts and Audit (England) Regulations 2015 state that a local government body shall ensure that its financial management is adequate and effective as well as having a sound system of internal control which facilitates the effective exercise of its functions and includes arrangements for the management of risk. Further, the CIPFA/Solace governance framework “Delivering Good Governance in Local Government (2016)” outlines the need for risk management to be embedded into the culture of the organisation, with members and officers recognising that risk management is part of their role.
- 1.2 Risk management is about managing opportunities and threats to objectives and in doing so help create an environment of “no surprises”. Risk management is a crucial element of good management and a key part of corporate governance. It should be viewed as a mainstream activity and something that is an integral part of everyday management of the organisation.
- 1.3 Risk Management is already inherent in much of what the Council does. Good practices such as safety systems, procurement and contract regulations, financial regulations and internal control are not labelled as Risk Management but these and many other processes and procedures are used to manage risk.

2. Purpose of Risk Management

- 2.1 The Council is committed to providing high quality services in the most efficient and cost effective way that puts its residents first. The management of risk is a core element of corporate governance to ensure the Council's priorities for improvement as well as day-to-day services are delivered as expected. For the purpose of this policy and guidance, risk is considered to mean anything that will, or has the potential to adversely affect the achievement of service improvement priorities and/ or disrupt day-to-day operational service delivery (for the purpose of optimising success by minimising threats and maximising opportunities and outcomes).
- 2.2 Risks can never be entirely eliminated but proportionate and targeted action can be taken to reduce risks to an acceptable level. It is essential that managers and their teams manage risks to achieve the following business benefits:
 - Achieve the Council's priority to be an efficient, well-run, innovative council working with partners, delivering services to improve the lives of our residents;
 - Ensure the Council will be a well-run, sustainable council with sound financial management, achieving positive outcomes for residents;
 - Protect staff and residents;
 - Protect valuable assets; and
 - Maintain and promote the Council's reputation.
- 2.3 Managing risk is part of everyday business for the Council and is a process that involves; the early identification of risks, assessing their potential consequences and determining the most effective way to reduce the likelihood and/or impact of the risk. This policy and guidance provides a framework to ensure:
 - Clear accountabilities and well defined roles and responsibilities for managing risks;
 - Risks are promptly identified and their likelihood and impact on Council business is accurately assessed and appropriate action is taken to mitigate the potential risk;
 - Employees have the knowledge and skills to identify and manage risks;
 - Decisions are taken having considered relevant risks; and
 - The impact of risk management is evaluated.

3. Role of Risk Management

- 3.1 The role of Risk Management is to provide independent and objective assurance on the risk management process. Internal Audit ensures effective risk management by supporting CMT to:
- Incorporate risk management into service improvement and everyday management arrangements such as service and financial planning;
 - Identify, assess and manage risks so as to minimise the potential costs and disruption to services caused by undesired events;
 - Make informed decisions based on a balance between risk and the benefits that may be realised from opportunities for service improvement;
 - Encourage innovation and improvement through taking calculated and well managed risks to improve services for residents;
 - Raise employee awareness of risk management through promotion, training, performance management and review;
 - Produce the Annual Governance Statement in relation to the authority's system of internal control, corporate governance arrangements and risk management framework; and
 - Work in partnership to manage risks.
- 3.2 The Council's approach to risk management requires managers and staff to undertake the following steps, which are illustrated below:



- 3.3 For further info about the Framework please refer to the [Council's Risk Management Policy 2020-23](#).
- 3.4 Our risk management process is mapped to provide clarity and transparency within the Council. A copy of the process map can be found at [Appendix A](#).

4. Embedding Effective Risk Management in 2021/22

4.1 Risk management is integrated into a number of different management and service planning arrangements within the Council. Effective risk management helps to mitigate against the financial and reputational risks arising from the broad range of risks to which LBH is exposed. This section of the report describes some of the key ways risk was identified, assessed and mitigated throughout day-to-day Council business in 2021/22.

4.2 Service and Financial Planning

4.2.1 Risk management is an embedded part of service and financial planning. Managing strategic risks is a core responsibility for senior managers in close liaison with Elected Members. The financial planning process requires Directorates to consider and report risks that may affect or arise from service improvement and financial budget proposals. The Council's capital programme includes risk management as part of the criteria to allocate resources.

4.2.2 At the start of the 2021/22 financial year, all budgets across the Council were reviewed and approved by the appropriate Head of Service, and Director. This annual process ensures that risks can be identified and monitored throughout the financial year. During the financial year, budget monitoring is undertaken for all budgets on a monthly basis, with savings and other higher risk areas subject to enhanced oversight and scrutiny.

4.2.3 Financial risk in relation to the impacts of Covid-19 are tracked monthly and includes reporting to central government an analysis of costs incurred and loss of revenue.

4.2.4 The Care Governance Provider Risk Panel governs the quality of service providers in Social Care. The panel, on a monthly basis, reviews all pay uplift requests and any provider financial instability on a risk based approach.

4.3 Dedicated Schools Grant

4.3.1 The Dedicated Schools Grant (DSG) is the main grant that central government allocates to local authorities for educational provisions in their areas. The DSG is divided into three nominal blocks: schools, high needs and early years. Local authorities face significant financial pressure due to the Children & Families Act 2014 expanding the number eligible for support, and in turn, the proportion of the DSG required to fund 'Special Educational Needs and Disabilities' within the High Needs Block.

4.3.2 A formal 'Safety Valve' agreement is now in place including a £25m contribution to the deficit from the DfE (with £11m already received in March 22). Furthermore, a detailed Deficit Recovery Plan, resourcing and the associated governance arrangements is in place with continuous monitoring of actions and workstreams to reduce the deficit over a five year period.

4.4 Project Management

4.4.1 LBH has an organisational wide common approach to the management of any projects. The management of risks (positive and negative) is seen as one of the key requirements for delivering successful projects at the Council. Where a project management approach is required, the risks to achieving the project are monitored throughout the life of the project.

4.5 Contractual Arrangements

4.5.1 Any risks which are identified through the contract management process are recorded and managed for individual service providers and kept under review as part of the Council's contract management framework. Updated supplier risk protocols are in place with financial evaluation embedded within standard tender documents and Member Reports which ensure due consideration is provided to suppliers' financial risk.

4.5.2 The Medium Term Financial Forecasting (MTFF) has allocated significant sums through inflation to deal with pressures experienced by social care providers. The Council believes it has sufficient balances and reserves to cover the impact of any significant contract or supplier failure.

4.5.3 Procurement rolled out specific training sessions in May and June 2022 to raise awareness with managers regarding the impacts and necessary adjustments to contracts in their role as contracts managers given the current high levels of inflation.

4.6 Promotion, Training and Support

4.6.1 All managers are required to complete the e-learning risk management module, which is included in the mandatory induction process and checklist. The purpose of the e-learning module is to support the development of a robust approach to risk management within the Council. Training on risk management for elected Members and the Independent Chair of the Audit Committee is facilitated by Internal Audit and is included as part of the Training and Development Plan for Audit Committee Members that is co-ordinated by Democratic Services.

4.6.2 The Council's Risk Management Policy and Guidance 2020-23 was last reviewed and updated in March 2021 and the terms of reference for CRMG were last reviewed and updated in September 2022.

4.7 Committee Reports

4.7.1 All reports to Cabinet are signed off by the relevant Senior Finance Manager and by Corporate Finance. Compliance with requirements on risk management is one of the criteria used to evaluate whether the Committee or Cabinet report is appropriate for sign off.

4.8 Counter Fraud

4.8.1 Counter Fraud continues to adopt a risk-based approach to identify the highest risks when risk assessing fraud referrals and this commitment is set out in the Council's Counter Fraud Strategic Plan. Each fraud referral is assessed based on its systemic, financial, reputational and operational risk to the Council to enable appropriate allocation.

4.8.2 This approach is underpinned by the Council's Fraud Universe and a full range of investigative policies and procedures. The Fraud Universe is regularly reviewed in collaboration with key stakeholders to enable the team to adapt to any emerging risks. As part of the commitment to creating a stronger counter fraud culture, a program of Fraud Awareness is being delivered across the organisation and externally, which includes the use of social media.

4.9 Health and Safety System

4.9.1 LBH's Health and Safety (H&S) management system (Assure) assists in managing H&S for the Council's undertakings, integrating H&S and the assessment of risk into the Council's daily business. Further to this, the auditing tool on Assure has been developed and is now in use by the H&S team. Dashboard reports now include incidents, DSE assessments, audits, actions, health surveillance attendance and risk assessments.

4.10 Insurance

4.10.1 Effective risk management helps to mitigate against the financial and reputational risks arising from the broad range of insurable risks to which LBH is exposed. The re-tendering of LBH insurance contracts undertaken in 2021 supports the transfer of financial risk through a mixed portfolio of suppliers specialising in particular insurance sectors, alongside quarterly risk meetings with Insurers and actions by the Insurance Team to raise awareness of such risks.

4.10.2 Insurance dashboards have been embedded to further enable management to adopt a risk-based approach and decision-making regarding insurance claims and risk exposure. The dashboards are tailored to specific service areas and include trend analysis, high profile cases, high cost and high frequency of claims. The dashboards also include recommendations of actions that can then be taken to minimise the impact and likelihood of future claims. Bespoke reports are produced for Highways and Green Spaces to identify claim hotspots to inform proactive planned maintenance work programmes.

4.11 Risk Champions

4.11.1 Each Directorate has a risk champion representing their Directorate who will help and assist in the risk management process giving support, advice and guidance on best practice developments in risk management:

- To promote risk management within their Directorate and to ensure that it is being applied; and
- To ensure appropriate reporting to SMT's and CRMG.

4.12 Corporate Governance of Risk Management

4.12.1 The local authority has well established governance arrangements for monitoring and reviewing risks (refer to [Appendix B](#)).

5. Corporate Risk Register (CRR)

5.1 The Council's CRR is an essential part of the Local Authority's corporate governance arrangements. The CRR provides evidence to the Corporate Management Team (CMT) and the Audit Committee about how identified corporate risks are being managed and the mitigating actions in place. All key corporate and directorate specific risks must be recorded in the relevant Council Risk Register and reviewed at least quarterly. There are currently 2 levels of risk register in full operation across the Council: the **Corporate** Risk Register and **Directorate** (Group) Risk Registers.

Corporate Risk Register

5.2 This is used for risks which are graded 'red' or are considered strategic and cross cutting which affects the longer term strategy of the Council.

Directorate (Group) Risk Registers

5.3 These are used for risks which are specific to a Directorate i.e. Central Services, People, Place and Finance. These are reviewed by the respective Senior Management Team (SMT) who assess whether the risk could have a significant effect on service delivery and planned priorities.

5.4 Risk owners must use the [Council's Risk Scoring Methodology](#) to assess a risk. The assessment of a risk is based on a combined score from the likelihood of the risk occurring and the impact in the event that the risk is fully realised. The risk scoring methodology shows the risk criteria in use to guide managers when assessing the likelihood/impact of the risk and the score the assessment will produce. Managers must assess and report the current risk (refer to [Appendix C](#) to review an analysis of directorate risks for 2021/22 Q4).

5.5 Risk Reporting

5.5.1 The CRR is reviewed and updated on a quarterly basis by senior managers and the Lead Cabinet Member for risk management. The CRR is then reviewed by CRMG and Audit Committee where it is then signed-off (pending no further changes). The quarterly CRR papers include a 1 page summary which contains a snapshot of all the risks, the direction of travel and the risk score. The table below contains the dates and groups who reviewed the CRR in 2021/22:

	CRMG	CMT*	Audit Committee
2021/22 Q1	14/09/2021	16/09/2021	29/09/2021
2021/22 Q2	17/01/2022	19/01/2022	01/02/2022
2021/22 Q3	17/01/2022	19/01/2022	01/02/2022
2021/22 Q4	11/07/2022	13/07/2022	27/07/2022

* = Change in process in 2021, CMT review risk papers via email circulation

5.6 Analysis of Corporate Risk Register

5.6.1 The following tables highlight for 2021/22:

- The number of new and retired risks;
- The number of Corporate Risks where the risk scores have increased, decreased or remained the same; and
- The changes and movement of each individual risk in the CRR between Q1 and Q4.

Number of Corporate Risks brought forward from 2020/21	15
Number of new Corporate Risks in 2021/22	0
Number of retired Corporate Risks in 2021/22	2
Number of Corporate Risks where the Risk Scores have increased	2
Number of Corporate Risks where the Risk Scores have decreased	3
Number of Corporate Risks where the Risk Scores have remained static*	7
Total Number of Corporate Risks in 2021/22	15

CRR Risk \ Quarter	Q1	Q2	Q3	Q4
1. Heathrow	Static E1			
2. Housing Needs	Static B2			
3. Children's Demand Asylum & Trafficked	Deteriorating B3			
4. Litigation	Static B3			
5. Budget	Static C1			
6. Suppliers	Improving C2			
7. HS2	Retired C2			
8. School Places	Static D2			
9. GDPR	Static D1			
10. Cyber Security	Static D1	Deteriorating C1		
11. Brexit	Improving D3		Retired D3	
14. Schools Grant	Static E1			
15. Coronavirus	Static A1			Improving C2

Key:  The risk has not changed in this specific quarter

6. Other Risk Management Developments

6.1 There were a number of key appointments within the organisation during 2021-22 and review of the senior management structure and governance arrangements. In January 2021, a new Leader of the Council was appointed and a new Cabinet put in place. This was followed later in 2021/22 by the appointment of a new Interim Chief Executive and a restructure of senior management and directorates, shaped to deliver the vision for the Council going forward. This includes the development of the Council's Strategy (2022-2026) which was presented to Cabinet in July 2022. The Council's Constitution has been remodelled and modernised to meet emerging risks and changing needs locally and to encompass new national legislation.

6.2 Service and Financial Planning

6.2.1 The Council continues to operate in an environment of static financial support from government against a backdrop of rising inflation costs and significant demographic changes (i.e. there is an increasing number of children in the borough and people are living longer). As a result, this presents the Council with the challenge of managing the greater demand for its broad range of services, which in the absence of any response would result in a rising annual deficit. However, LBH continues to review and transform services to drive improvement and efficiency through initiatives such as the successful BID programme, which continues to support bridging of the budget gap with 2021/22 savings of £7.7 million delivered, on track for delivery or covered in the short term by alternative savings or Covid-19 grant, with a further £1.7 million of the budgeted savings which will crystallise in early 2022-23. This proven successful approach is set to be continued beyond 2021/22, enabling the Council to continue 'putting our residents first' despite the challenging economic, financial conditions and demographic pressures.

6.3 Covid-19 Pandemic

6.3.1 Throughout 2021-22, the Council continued to assess key risk areas and impacts of the coronavirus pandemic and has updated its corporate and service risk registers, as well continued implementation of the Council's Coronavirus Recovery Plan. Work continues in partnership with Public Health England and Central Government.

6.3.2 To manage the risk of further transmission and infection, the Council implemented local Track and Trace, community lateral flow testing sites, monitored 18 managed quarantine facilities in the Borough and continued to respond to any variants of concern. However, from 24th February 2022, the government removed the legal requirement to self-isolate following a positive coronavirus (COVID-19) test and ended routine contact tracing.

6.3.3 The combined impact of the central/local government response and activities undertaken has resulted in LBH incurring additional costs, income losses with potential delay to savings programmes and cost pressures (which have exacerbated some existing risks on our RRs).

6.4 Business Transformation

6.4.1 The Council has an ongoing programme of Business Improvement Delivery reviews underway across all of the organisation to help mitigate the huge impact on the financial resilience, service delivery and forward planning arrangements. Scoping work has begun on the 2023/24 MTFP including scenario planning on some of the risks including high inflation and energy costs. This programme will be increasingly important in such an environment and continue to include service modernisation and consideration of significant changes and alternative ways of working to continue to deliver services to our residents, whilst improving their resilience and effectiveness.

6.4.2 Business Transformation projects are consolidated and managed within an overarching governance framework to help ensure they are all closely aligned to the MTFP and coordination across the various Council services. The Council's Business Transformation Programme is in the process of being refreshed for the next 2-3 years and will be key to managing the MTFP position over this period.

6.5 Internal Audit

6.5.1 A new 3-year IA strategy was approved in early 2022 to reflect the new environment, risk landscape, emerging risks and to take account of the significant transformation agenda that is required. The strategy provides structure and objectives for the next 3 years. It will help the IA team support the Council with their strategic priorities and help drive an improved, modern IA service.

6.5.2 Internal Audit continues to communicate key findings from Limited and Nil assurance IA reports to CRMG for discussion. This enables current weaknesses to be considered as part of the review of the Corporate and Directorate Risk Registers.

6.6 Fuel Shortages

6.6.1 In early 2022, there was a fuel shortage across the country which arose from an increasingly challenging economic climate due to the potential risks emanating from Brexit, Covid-19, and the war in Ukraine. This resulted in limited national availability and high cost of fuel.

6.6.2 Risk management activities were soon underway in order to minimise disruption to Council services such as waste collections. Business continuity and contingency plans in place were activated which includes an allocated petrol station in the Borough for key workers to refuel. The Council has a Fuel Plan in place with an agreed level of stock held and re-order level and the Fleet Team is now holding an increased amount of fuel to provide further buffer in the event of further fuel supply issues.

7. Forward Plan

7.1 Move to 'Risk Managed'

7.1.1 The Chartered Institute for Internal Audit's Risk Maturity Model is a benchmarking tool to assess the Council's organisation's risk maturity.

7.1.2 In accordance with this model our current risk maturity level is '**Risk Defined**'. It is an aspiration to develop the organisation's risk maturity to the next level of '**Risk Managed**' in alignment with the ongoing transformation programme and recently refreshed Council Strategy. An independent audit of the risk management process (subject to the approval of the Audit Committee via the Internal Audit Plan) will be undertaken to inform and support the development of the planned work programme.

7.2 Operational Risk Registers

7.2.1 Internal Audit will continue working across the Council assisting in the development of Team/ Operational Risk Registers to facilitate and embed operational risk management within the service where appropriate in line with the Council's risk management process and supported by associated escalation processes to Group and/ or Corporate risk registers. This allows the Council to identify and address emerging risks that may crystallise.

8. Emerging Risks

8.1 Health service are under increasing pressure following the COVID pandemic, there is a major economic downturn and inflation is rising rapidly, with the Council facing a multitude of challenges, all of which are exacerbated by geopolitical risks. Risk professionals continue to analyse the implications and effects to provide insights on the changing risk landscape. Some of the emerging risks the Council continue to face are set out below.

8.2 Governments could be left with higher debt

8.2.1 We are in a period of major change globally that will affect all aspects of the public sector. The impact of the pandemic combined with an increasing aging population, greater numbers and more complex child referrals, an increase in homelessness and a growing demand for services for children with special educational needs or disabilities, will inevitably lead to increasing cost pressures on local authorities. The scale of government's transformation programmes, limited government capacity, ongoing financial constraint and the challenges of an ageing population mean that both the delivery of public services and the expectations of those who rely on them are changing.

8.2.2 Subsequently, local authorities across the country continue to face increased pressure to reduce investment in preventative and early help measures in order to meet existing demand, which can impact on the future sustainability of the services and ability to meet statutory duties within a finite budget.

8.3 Inflation

8.3.1 UK inflation could peak at a near 50-year high of 18.6% early next year because of soaring wholesale gas prices, according to the latest forecast from Citigroup. In July 2022, inflation rose to a high of 10.1%, according to the latest figures from the Office for National Statistics. The increase to the Consumer Prices Index (CPI) was higher than economists' forecasts of 9.8% and will pile extra pressure onto consumers and households already in the grip of a cost-of-living crisis. The steep increase on the 9.4% recorded in June is the first double-digit CPI reading for the UK since February 1982.

8.3.2 Rising energy prices was one of the main contributors behind UK annual consumer prices reaching a 40-year high, with UK and European wholesale natural gas prices trading at nearly 10 times normal levels. Subsequently the Bank of England has increased UK interest rates from **1.25% to 1.75%** and has predicted that the UK will fall into recession in Q4 2022. This is the biggest jump in interest rates in 27 years.

8.3.3 The cost of living crisis and current economic climate will impact residents and exacerbate the cohorts requiring support and demand on Council services. As a further consequence from steep inflation levels, it has emerged that real levels of UK pay fell at the fastest rate for more than 20 years.

8.4 Recruitment and Retention

8.4.1 During 2021 workers nationwide quit their jobs at historic rates and this has subsequently been dubbed the 'Great Resignation'. This has resulted in high vacancy rates and volatile recruitment market across all sectors combined with the socio-economic impact of Brexit and Covid and has enabled candidates to have greater ability to negotiate inflated hourly / annual salary rates.

8.5 Housing and Social Care

8.5.1 Social care and Housing services have been impacted by years of declining real-terms public funding and rising demand and this is being further impacted by the pandemic, rising inflation and increase in the cost of living. The social care sector in the UK is facing shrinking care capacity and rising demand and complexity of need, driven by factors such as underfunding and a lack of coordination across various stakeholders and providers. This is further exacerbated locally, as Hillingdon is a port authority which accommodates and supports the needs of asylum seekers who arrive at Heathrow Airport, those who have been placed by the Home Office into hotels at Heathrow, or those who were displaced from the Ukraine due to its war with Russia.

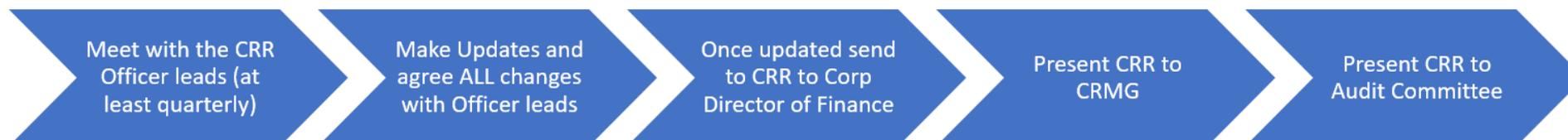
9. Further Information

9.1 The Council's Annual Risk Management Report for 2021/22 was produced by Internal Audit.

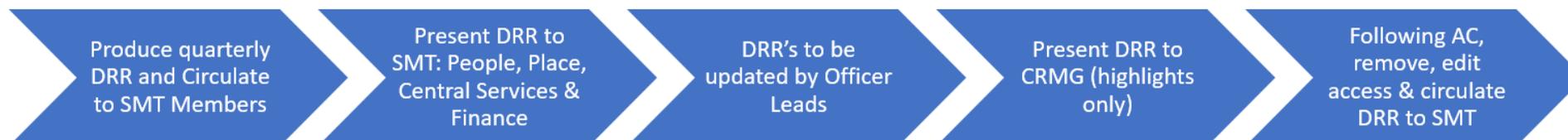
Stephanie Rao
Internal Audit Manager
xx September 2022

Corporate and Directorate Risk Management Process Map

Corporate Risk Register Process:



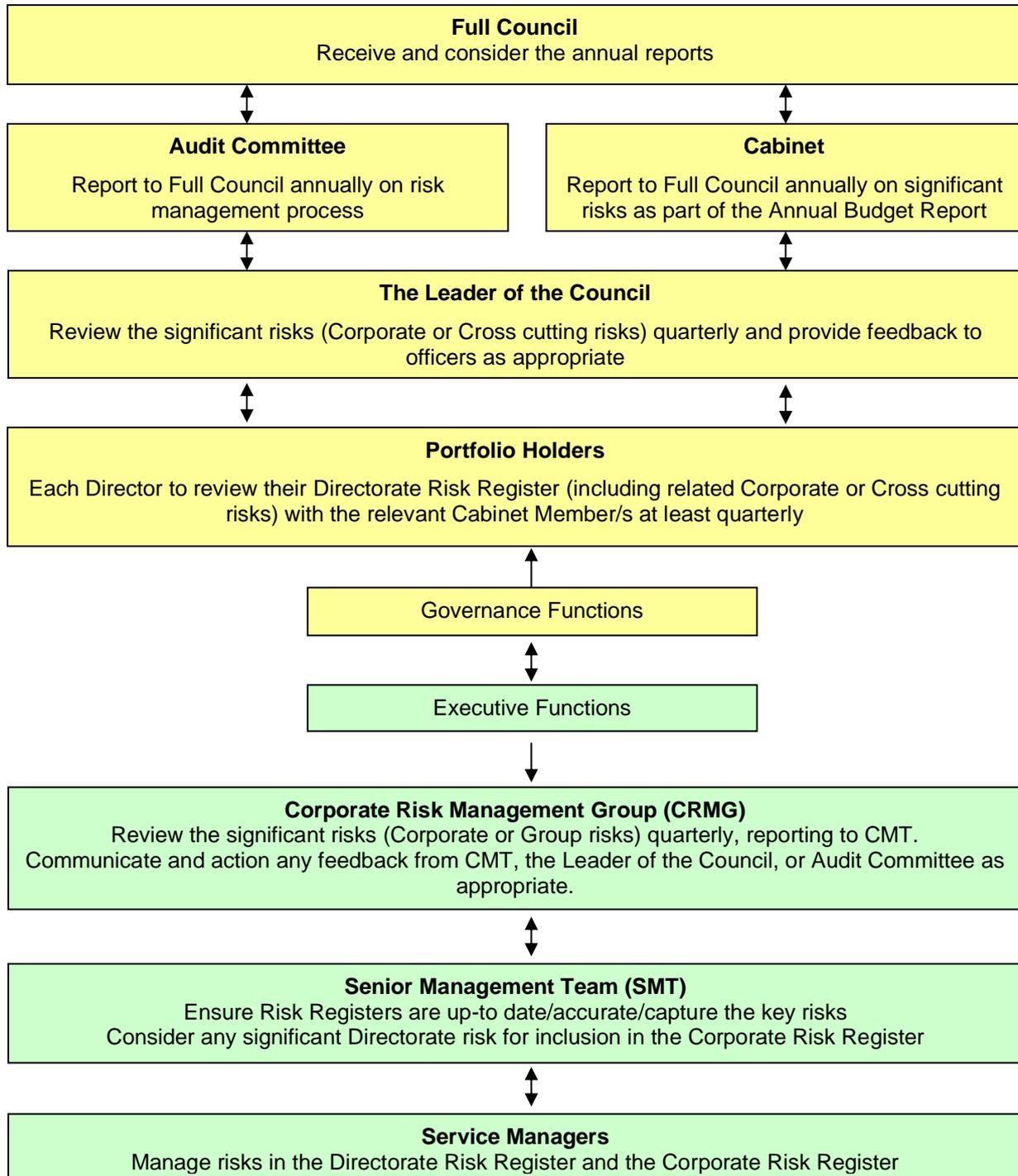
Directorate Risk Register Process:



Risk Champions:

- Lydia Newman – **Central Services**
- Andy Evans – **Finance**
- Mark Billings – **Place**
- Sandra Taylor – **People** (Adult Social Care)
- Alex Coman – **People** (Children & Young Peoples' Services)

Corporate Governance of Risk Management



CENTRAL SERVICES DIRECTORATE RISK REGISTER

SUMMARY OF RISKS - 2021/22 QUARTER 4

Risk No.	Summary Risk Description	DoT	Rating
(1)	Public Sector Equality Duty	↔	D3
(2)	Managing resident access across the telephone, website & face-to-face	↔	E3
(3)	Storage Capacity at Uxbridge Mortuary	↔	C4
(4)	Staffing (including recruitment and retention)	<i>Retired</i>	C4
(5)	Staff shortages at Uxbridge Mortuary	↔	C4
(6)	Network Resilience and ICT Disaster Recovery	<i>New</i>	D2
(7)	Staff Retention	<i>New</i>	C3
(8)	Recruitment	<i>New</i>	C3

DoT = Direction of Travel (Risk Movement over the last 3 months)

RISK MATRIX SCORING OF GROUP RISKS - 2021/22 QUARTER 4

LIKELIHOOD	Very High (A)				
	High (B)				
	Significant (C)	(3) (4) (5)	(7) (8)		
	Medium (D)		(1)	(6)	
	Low (E)		(2)		
	Very Low (F)				
		Small (4)	Medium (3)	Large (2)	Very Large (1)
IMPACT					

PLACE RISK REGISTER

SUMMARY OF RISKS - 2021/22 QUARTER 4

Risk No.	Summary Risk Description	DoT	Rating
(1)	Fire Safety	<i>Retired</i>	E2
(2)	Drivers	↔	E1
(3)	Rent Arrears	↔	C4
(4)	Burial Process	<i>Retired</i>	C4
(5)	Large Rate Payer Businesses	↑	E2
(6)	Flood and Water Management Act (FWMA) 2010 and the Flood	↔	E4
(7)	Demand processing Animal Product consignments	↔	D3
(8)	Tree inspections	↔	C3
(9)	5 Year Housing Land Supply/ Housing Delivery Test	<i>Retired</i>	D3
(10)	High Speed 2 Rail Link	↔	C2
(11)	Building Safety	<i>New Risk</i>	E2

DoT = Direction of Travel (Risk Movement over the last 3 months)

RISK MATRIX SCORING OF GROUP RISKS - 2021/22 QUARTER 4

LIKELIHOOD	Very High (A)				
	High (B)				
	Significant (C)	(3) (4)	(8)	(10)	
	Medium (D)		(7) (9)		
	Low (E)	(6)		1. (5) (11)	(2)
	Very Low (F)				
		Small (4)	Medium (3)	Large (2)	Very Large (1)
IMPACT					

FINANCE DIRECTORATE RISK REGISTER

SUMMARY OF RISKS - 2021/22 QUARTER 4

Risk No.	Summary Risk Description	DoT	Rating
(1)	Security of investments, particularly bank deposits	↔	E1
(2)	Outstanding Municipal Mutual Insurance claims	↔	E2
(3)	Impact of Business Rates Retention	↔	D1
(4)	Pension Fund	↔	D2
(5)	Maintained schools funding	↔	D1
(6)	Impact of Council Tax Reduction Scheme (CTRS) and Council Tax Collection Rates	↔	D1
(7)	National Non-Domestic Collection Rates (NNDR)	↔	D2
(8)	Financial Assessments and ASC debtors	↔	D2
(9)	Fuel	↓	C2
(10)	Inflation	New	C2

DoT = Direction of Travel (Risk Movement over the last 3 months)

RISK MATRIX SCORING OF GROUP RISKS - 2021/22 QUARTER 4

LIKELIHOOD	Very High (A)				
	High (B)				
	Significant (C)			(9) (10)	
	Medium (D)			(4) (7) (8)	(3) (5) (6)
	Low (E)			(2)	(1)
	Very Low (F)				
		Small (4)	Medium (3)	Large (2)	Very Large (1)
IMPACT					

PEOPLE DIRECTORATE RISK REGISTER

SUMMARY OF RISKS - 2021/22 QUARTER 4

No.	Summary Risk Description	DoT	Rating
(1)	Adult Care Providers (Quality of Care)	↔	D3
(2)	Home to School Transport	↓	B3
(3)	Community DOL	↔	E3
(4)	Demand on Adult Social Care (ASC) budgets	↔	C2
(5)	Increase in "Prevent" Activity	↔	E3
(6)	Increase in demand (Children Social Care)	↔	B3
(7)	Inspection of Youth Offending / Justice	<i>Retired</i>	B3
(8)	Youth violence and knife crime	↔	D2
(9)	A further Ofsted Inspection of Children's Services (ILACS)	↔	D4
(10)	Timeliness of Education Health and Care Needs Assessments (EHCNA)	↔	D3
(11)	High Needs SEN placements	↑	D2
(12)	Adolescent placements	↔	C4
(13)	Public Health Functions	<i>Retired</i>	B2
(14)	Anchor Telecare Response	<i>New Risk</i>	C3
(15)	Viability of Care Providers	<i>New Risk</i>	D3
(16)	School Redundancies and Settlements	↓	D3
(17)	Children Missing in Education	<i>New Risk</i>	C3

DoT = Direction of Travel (Risk Movement over the last 3 months)

RISK MATRIX SCORING OF GROUP RISKS - 2021/22 QUARTER 4

LIKELIHOOD	Very High (A)				
	High (B)		(2) (6) (7)	(13)	
	Significant (C)	(12)	(14) (17)	(4)	
	Medium (D)	(9)	(1) (10) (15) (16)	(8) (11)	
	Low (E)		(3) (5)		
	Very Low (F)				
		Small (4)	Medium (3)	Large (2)	Very Large (1)
IMPACT					