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## Corporate Risk Management Report - Appendix 6 2022-2023

Report for 2022-2023

Filtered by Prefix: Exclude Risk Prefix: OP, PR, EV

Filtered by Flag: Include: \* Corporate Risk Register

For MDDC - Services

Filtered by Performance Status: Exclude Risk Status: Low

Not Including Risk Child Projects records, Including Mitigating Action records

Key to Performance Status:

Mitigating Action:	<b>Milestone Missed</b>	<b>Behind schedule</b>	<b>In progress</b>	<b>Completed and evaluated</b>	<b>No Data available</b>
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Risks:	<b>No Data (0+)</b>	<b>High (15+)</b>	<b>Medium (6+)</b>	<b>Low (1+)</b>
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**Risk: Culm Garden Village** Possible discontinuance of Government funding support

Service: Planning

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Funding opportunities	Lobby for the creation of further funding opportunities and for further rounds of the garden communities capacity funding	Adrian Welsh	03/02/2021	01/09/2022	Satisfactory(2)
In progress	Further bids for capacity funding	To continue to secure external funding to support the project	Tristan Peat	29/03/2019	01/09/2022	Satisfactory(2)

**Current Status: Medium (12)**

**Current Risk Severity: 4 - High**

**Current Risk Likelihood: 3 - Medium**

Service Manager: Adrian Welsh

Review Note: 2022/2023 capacity funding secured; however other funding sources needed to advance the project - these are currently being explored.

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**Risk: Cyber Security** Inadequate Cyber Security could lead to breaches of confidential information, damaged or corrupted data and ultimately Denial of Service. If the Council fails to have an effective ICT security strategy in place.

Risk of monetary penalties and fines, and legal action by affected parties

Service: I C T

### Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Audit of Cyber Security	Devon Audit Partnership will be carrying out a cyber security audit during August and September.	Lisa Lewis	12/08/2022	31/10/2022	Satisfactory(2)

**Current Status: High (20)**

**Current Risk Severity: 5 - Very High**

**Current Risk Likelihood: 4 - High**

Service Manager: Brian Trebilcock

Review Note:

## Corporate Risk Management Report - Appendix 6 2022-2023

**Risk: Homes for Ukraine Scheme** There is a risk of the 'Homes for Ukraine scheme' failing should the host relationship breakdown and re-matching is not an option.

Where refugees cannot afford to pay for private accommodation the Council has a Homelessness Duty.

Service: Public Health

### Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Collaboration	Continue to engage with DLUHC, LGA and DCN on scheme roll-out, pressures and risks/updated national guidance etc.  Reviewing a Devon-wide exit strategy around pending housing/accommodation pressures once hostings end – joint solutions (work in progress)	Simon Newcombe	18/07/2022	05/08/2022	Satisfactory(2)
In progress	Finance	<ul style="list-style-type: none"> <li>Funding for Q1 of the scheme received from DCC under agreed financial arrangement based on numbers and payments out. Further Q2-Q4 returns and payments in due course</li> <li>-60% of £10.5k per refugee (DCC 25%, 15% contingency for all) which includes £200 subsistence payment per head</li> <li>-100% of monthly £350 host 'thank you' payments</li> <li>-Q1 payment of £640K banked</li> <li>-Committed spend to date inc. some Q2 expenditure and existing staff time is around one-third of funding received so far @ £235k</li> </ul>	Simon Newcombe	18/07/2022	05/08/2022	Satisfactory(2)
In progress	Re-matching demand	Re-matching demand is relatively low (host/guest arrangements ending early) and single figures but starting to see increase due to rurality of some hosts and requirement to be closer to employment, services and schools	Simon Newcombe	18/07/2022	05/08/2022	Satisfactory(2)
In progress	Team Devon	<p>Petroc offer a myriad of informal network events will help support transition to sustainable residency (employment, language, skills, accommodation, schools etc) and help during summer holiday period – likely to be testing for some host/guest relationships</p> <p>Negotiated strong Petroc offer for summer holidays and longer-term programme inc. Tiverton campus</p> <ul style="list-style-type: none"> <li>- Summer programme (get to know - family cookery, arts and crafts, physical activity, trips to local attractions)</li> </ul>	Simon Newcombe	18/07/2022	05/08/2022	Satisfactory(2)
In progress	Team Devon resettlement	Devon strategy agreed with L&Cs to prevent homelessness presentations&TA costs [Existing host support (host monthly payments top-ups)/Re-	Simon Newcombe	13/10/2022		Satisfactory (2)

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### Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
	strategy	matching/utilisation of EOIs/Transition to private rental sector (guest and landlord grants, rent assurance)] Costs within Q1&2 budget-contingency&Q3/4 funds headroom. 12-mths CHAT contract+MDDC PSH/homeless teams. Support beyond formal HfU scheme end (Mar. 23) to Oct. 23. HfU funds c/f into 23/24. 215 guests/92 hosts - new arrivals now 1-2 families per mth.				

**Current Status: High (20)**

**Current Risk Severity: 5 - Very High**

**Current Risk Likelihood: 4 - High**

**Service Manager: Tanya Wenham**

**Review Note:** Councils are concerned about what will happen post six-months as we know the importance of having continuity for children settled in schools, those guests who have found jobs and the connections they now have to local communities.

We also face the challenge of a large number of people already on our housing register, the high cost of renting property, and the rise in the cost of living for everyone.

An LGA spokesperson said "Councils, sponsors and Ukrainian guests all need to know what the options are at the end of the six month period so they can start planning now".

We also face the challenge of a large number of people already on our housing register, the high cost of renting property, and the rise in the cost of living for everyone.

**Risk: Information Security** Inadequate data protection could lead to breaches of confidential information and ultimately enforcement action by the ICO.

**Service: Governance**

### Mitigating Action records

No Mitigating Action records found.

**Current Status: Medium (12)**

**Current Risk Severity: 4 - High**

**Current Risk Likelihood: 3 - Medium**

**Service Manager: Giovanni Wallace**

**Review Note:** Recently appointed to the role of Data Protection officer - Instantly highlighted areas for improvement and have put a frameworks in place to improve data quality, compliance and data protection. Framework is being built and will be imbedded at all levels with training being given to all levels of MDDC.

## Corporate Risk Management Report - Appendix 6 2022-2023

**Risk: National shortage of chlorine and other chemicals** A countrywide shortage of chlorine due to production issues in China and the war in Ukraine means some councils plan to close their swimming pool facilities and amend timetables.

**Service: Leisure Services**

### Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Alternatives to using Chlorine in our swimming pools	To convert the disinfection systems to salt would cost EVLC and LMLC approximately £30K each.  A significant investment however if there is an agreement to change over to salt it would take time and resources.	Nicola Cuskeran	08/07/2022	31/10/2022	Satisfactory(2)
In progress	Challenges Nationally	Leisure pools are being “challenged nationally” with (sodium hypochlorite) chlorine shortages and while these have been building for some time. The ongoing crisis is due to a ‘perfect storm’ of supply chain issues, caused by Brexit, Covid, and the Ukraine war.  Curently our leisure service are able to get stocks of Chlorine by chasing suppliers.  The price of chlorine has also increased by 50-60%.	Nicola Cuskeran	08/07/2022	31/10/2022	Satisfactory(2)

**Current Status: High (15)**

**Current Risk Severity: 5 - Very High**

**Current Risk Likelihood: 3 - Medium**

**Service Manager: Lee Chester**

**Review Note:** Chlorine resources remain challenged nationally, however the supply chain has consistently delivered the requested volumes on time since August 2022. costs are continuing to increase and resources remain vulnerable to the events in the Ukraine. At this time the impact of chlorine shortages will still remain high although the likelihood of pool closures has decreased. alternatives are still possible, however this would require a feasibility assessment and a cost-benefit analysis moving forwards.

## Corporate Risk Management Report - Appendix 6 2022-2023

**Risk: Overall Funding Availability** Changes to Revenue Support Grant, Business Rates, New Homes Bonus and other funding streams in order to finance ongoing expenditure needs.

**Service: Financial Services**

### Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Engaging in commercial activities	To provide additional revenue streams	Paul Deal	28/09/2017	31/10/2022	Satisfactory(2)
In progress	Medium term planning	Work to close is on-going. A range of options are being considered but Covid, business rates and uncertainty over fair funding review make the situation extremely challenging	Paul Deal	28/09/2017	31/10/2022	Satisfactory(2)
In progress	We continue to work with managers to reduce costs and explore new income streams	To close the budget gap and maintain services	Paul Deal	07/02/2019	31/10/2022	Action required(3)

**Current Status: High (20)**

**Current Risk Severity: 5 - Very High**

**Current Risk Likelihood: 4 - High**

**Service Manager: Paul Deal**

**Review Note:** National political issues provide less clarity on the potential future level of grant funding. The cost of living crisis places significant financial pressure on local authorities that the Government must note and act upon. The delayed Autumn Statement will now be announced on 17 November. This places a risk that the Local Government Settlement may be announced later than normal.

The Medium Term Financial Plan report will be presented to Cabinet on 1 November and savings options and potential increases in Fees and Charges will be presented to Policy Development Groups for discussion, prior to approval being sought on 29 November.

## Corporate Risk Management Report - Appendix 6 2022-2023

**Risk: Reduced Funding - Budget Cuts** We are subject to continuing budget reductions. If we concentrate on short term cost savings, it may increase long term impact of decisions

**Service: Financial Services**

### Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Business Plans	Service Business Plans are reviewed each financial year with suggestions for revised performance targets based on budget to be agreed by Cabinet Member and PDG.	Paul Deal	28/05/2013	31/10/2022	Satisfactory(2)
In progress	Identify Efficiencies	Taking proactive steps to increase income and reduce expenditure through efficiencies, vacancies that arise and delivering services in a different way.	Paul Deal	28/05/2013	31/10/2022	Satisfactory(2)
Completed and evaluated	Reserves	Cabinet have taken the decision to recommend a minimum general reserve balance of 25% of Net annual budget.	Paul Deal	28/05/2013	31/10/2022	Fully effective(1)
In progress	Set Budget	Each year as part of the budget setting process, members are consulted via PDGs in time to evaluate savings proposals, ahead of the November draft budget.	Paul Deal	28/05/2013	31/10/2022	Satisfactory(2)

**Current Status: High (20)**

**Current Risk Severity: 5 - Very High**

**Current Risk Likelihood: 4 - High**

**Service Manager: Paul Deal**

**Review Note:** The Medium Term Financial Plan report will be presented to Cabinet on 1 November and savings options and potential increases in Fees and Charges will be presented to PDGs for discussion, prior to approval being sought on 29 November.

## Corporate Risk Management Report - Appendix 6 2022-2023

**Risk: Resourcing Risk** If the Council fails to recruit and/or retain sufficient, suitable staff it may not be able to maintain essential and/or statutory services.

Service: Human Resources

### Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Increase in cost of living	As unemployment rates decline and job market confidence rises, employee turnover is more likely to increase. There is the added impact of growing inflation, energy price increases and increase in fuel prices and wider national industrial action across England as workers are seeking higher pay rises to deal with the cost of living may impact on service delivery.	Matthew Page	18/07/2022	17/10/2022	Satisfactory(2)
In progress	Pay award - cost of living	The LGA has consulted all authorities on proposals and have made an offer to the unions regarding the pay award. A response is hoped by September however the pay award last year was not accepted by all parties until March 2022.	Matthew Page	02/08/2022	17/10/2022	Satisfactory(2)
In progress	Recruitment and retention remains challenging	the rate of inflation rising, sometimes changing career leads to exciting opportunities and new people can bring fresh perspectives, ideas and expertise however when people move on employers can lose knowledge, experience and institutional memory. The staff turnover is at 4.28% for quarter 1 in 2022/2023.	Matthew Page	18/07/2022	17/10/2022	Satisfactory(2)
In progress	Retention	Consideration of bonuses and terms and conditions to improve staff retention	Matthew Page	12/07/2022	17/10/2022	Satisfactory(2)
In progress	Turnover Figure	The actual turnover figure came in as 21.23% which was an increase from 14% in the year 2020/2021. The council is currently able to continue business whilst carrying a number of vacancies.  You would expect to have a reasonable turnover during the financial year, it is natural to have a number of leavers and gives opportunities to bring in to the Council different skill set and knowledge	Matthew Page	14/04/2022	17/10/2022	Satisfactory(2)
Completed and evaluated	Update to Scrutiny	The 6 monthly establishment update report will be presented to Scrutiny Committee in September 2022	Matthew Page	02/08/2022	17/10/2022	Satisfactory(2)

**Current Status: Medium (9)**

**Current Risk Severity: 3 - Medium**

**Current Risk Likelihood: 3 - Medium**

Service Manager: James Hamblin



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**Review Note:** Turnover - Turnover is high, with current rates suggesting 24% could be seen this year.

Retention - A benefits survey has recently completed with analysis to be completed and shared with CMT/LT.

Pay Award - The ballot for Unite finished on 14 October, with GMB's ballot due to end on 21 October. It is expected that a meeting of the three unions will take place in early November to confirm the final result. 2 of the 3 unions must agree. Unison have already accepted the proposed increase.

updated to Scrutiny - The Established Report was created, reviewed and submitted to scrutiny in September 2022.

**Risk: SPV - 3 Rivers - Failure of the Company** This will depend on Economic factors and the Company's success in the marketplace commercially.

For MDDC the impacts will be:

3 Rivers are unable to service and repay the loan from MDDC

Not receiving the forecast additional income

Not supporting corporate objectives.

### Service: Financial Services

#### Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Cabinet	Regular meetings with Shareholder Representatives and updates to Cabinet on progress with the recommendations action plan and projects.	Andrew Jarrett	09/11/2020	13/10/2022	Satisfactory(2)
In progress	Regular monitoring	The Board of 3 Rivers deliver a half yearly report to the Cabinet which provides an update on their delivery against their business plan. We charge interest to them at a commercial rate in order to maintain an "arms-length" relationship and the interest provides some mitigation to the outstanding principal.	Andrew Jarrett	30/05/2019	13/10/2022	Satisfactory(2)

**Current Status: High (16)**

**Current Risk Severity: 4 - High**

**Current Risk Likelihood: 4 - High**

#### Service Manager: Paul Deal

**Review Note:** Regular meetings with the Council's Shareholder Representative continue, all of the 33 recommendations to improve financial and governance arrangements have been embedded and the company has also appointed an external auditor.

Quarterly financial updates are provided to and considered by the Cabinet and that it receives annual Business Plan and Outturn Summary reports. The Council ensures all intercompany transactions are charged at a commercial rate in order to maintain its "arm's length" independent status.