

REPORT TITLE: Q3 GOVERNANCE MONITORING

5 MARCH 2026

REPORT OF CABINET MEMBER: CLLR BECKER – CABINET MEMBER FOR HEALTHY COMMUNITIES

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WARD(S): ALL

PURPOSE

To provide members of the Audit and Governance Committee with a summary overview of the key issues in respect of governance during the third quarter of the 2025/26 financial year.

RECOMMENDATIONS:

1. That the Audit and Governance Committee note the contents of the report, including the progress made against the actions in the Annual Governance Statement. The Committee is requested to raise any issues or concerns on the content of the report with the Cabinet Member.
2. That the Director of Legal, under delegated authority adopt the updated draft Terms of Reference for the Audit and Governance Committee, as set out in Appendix 4 of the report. The amended terms of reference will be included in Article 9 of the Council's constitution and the changes reported to Full Council later this year for noting in accordance with Article 15.

## IMPLICATIONS:

### 1 COUNCIL PLAN OUTCOME

This summary document supports the council to be open and transparent by reporting the effectiveness of its governance framework and highlighting areas of weakness or issues of concern.

### 2 FINANCIAL IMPLICATIONS

There are no financial implications arising from the content of this report.

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

There are no legal or procurement implications arising from the content of this report.

### 4 WORKFORCE IMPLICATIONS

There are no workforce implications arising from the content of this report.

### 5 PROPERTY AND ASSET IMPLICATIONS

There are no property and asset implications arising from the content of this report.

### 6 CONSULTATION AND COMMUNICATION

Consultation on the content of this report has been carried out with the Deputy Leader and Cabinet Member for Finance and Transformation, the Cabinet Member for Healthy Communities as well as members of the Executive Leadership Board (ELB) and Corporate Heads of Service (CHoS).

Additionally, officers have provided updates on the progress made against their actions included in internal audit reports and referred to in this report.

### 7 ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations arising from the content of this report

### 8 PUBLIC SECTOR EQUALITY DUTY

There are no Public Sector Equality Duties arising from the content of this report. However, officers will need to consider the council's Public Sector Equality Duty and, if required, complete an Equality Impact Assessment on any specific recommendations or future decisions to be made. This report is for noting and raising issues only and does not make any decisions

### 9 DATA PROTECTION IMPACT ASSESSMENT

There are no data protection impact assessments required.

## 10 RISK MANAGEMENT

This report provides a summary update on the council's performance against the governance arrangements outlined in the Risk Management Policy 2025/26 and the Local Code of Corporate Governance.

Independent assurance from the council's internal and external auditors identifies weaknesses in the council's governance arrangements and supports the assessment of the adequacy of measures in place to manage the council's risks.

## 11 SUPPORTING INFORMATION:

- 11.1 This report provides summary information regarding governance for the third quarter of the 2025/26 financial year.

### *Internal Audit*

- 11.2 As required by the Global Internal Audit Standards in the UK Public Sector, the monitoring of progress against the Internal Audit Plan 2025/26, as well as the implementation and completion of management actions arising from finalised internal audit reports—previously reported within this Governance Monitoring report—is now incorporated into a separate quarterly Internal Audit Progress report. For the third quarter this was reported to the meeting of this committee on 29 January (report AG180 refers).
- 11.3 The Internal Audit Progress Report provides an overview of audit activity and assurance work undertaken to evaluate the effectiveness of the Council's risk management, control, and governance processes.
- 11.4 During the quarter there were four completed audit reviews from the approved Audit Plan and final reports issued. The review of Council Tax administration resulted in a **Substantial assurance opinion**, reflecting a sound system of governance, risk management and controls in place and consistently applied by the team.
- 11.5 The following audit reviews concluded with reasonable opinion:
- Accounts Payable
  - IT Networking and Communications – Software Patch Management
  - Housing Asset Management – Retrofit Programme.

Each of these reviews found that the structures, processes and procedures provided evidence that generally a sound system of governance, risk management and control was in place.

Areas of improvement were observed and actions to address these were agreed before the audit reports were finalised.

### ***Annual Governance Statement***

- 11.6 Progress against the actions included in the 2024/25 Annual Governance Statement is provided in Appendix 1 of this report.

### ***Declarations of gifts and hospitality***

- 11.7 During the period 1 October 2025 to 31 December 2025, there were five declarations of gifts and hospitality made by officers in accordance with the Employee Code of Conduct.
- 11.8 Members regularly update their register of interest forms. During the period from 1 October 2025 to 31 December 2025, there were no declarations of gifts or hospitality over the value of £50 made by members in accordance with the Members Code of Conduct.

### ***Risk Management***

- 11.9 The council's Risk Management Policy 2025/26 sets out a timetable for this committee to review the policy and corporate risks (section 11 of the Risk Management Policy). The latest quarterly review by Executive Leadership Board (ELB) of the Corporate Risk Register was carried out on 4 February 2026. All corporate risks and their current controls were reviewed with the current Corporate Risk Register shown at Appendix 3.
- 11.10 During the review, ELB considered the rapidly emerging risks (and opportunities) arising from the Devolution agenda and Local Government Reorganisation (LGR) timetable. It was agreed that the risks arising from LGR would continue to be captured as a cause that might impact existing corporate risks, specifically CR001 and CR007. ELB noted that until the announcement by government in the Spring, it was too early to fully understand the extent of the risks. In response to the evolving nature of these issues, the council continues to closely monitor developments, ensuring that any emerging risks or opportunities are promptly identified. A comprehensive risk management strategy specifically addressing devolution and LGR has been developed and regularly reviewed ensuring that the council remains well-prepared to manage any potential changes and their impact on governance, service delivery, and resources.
- 11.11 As a result of the ELB quarterly review there were the following updates:
- CR001 – Capacity to deliver services – the controls to manage this risk were updated to include the reference to close monitoring of the impacts of LGR on council capacity and delivery of services and reflected in service plans covering the period 2026 – 2028.
  - CR004 – Failure to have in plans and processes – updated to record that the annual programme to review and test business continuity plans is in place for 2026.

- CR007 – Ability to achieve a balanced budget – the causes were updated to include the specific reference to the uncertainty over the total cost for preparing for LGR and that additional LGR costs may be unbudgeted for. A further update has been added to the current controls that references approval by Cabinet on 19 November of the MTFS setting a balanced budget to the end of 2027/28.
- CR011 – Lack of preparedness and incapability to respond to events caused by climate change – the current controls were updated to show that the annual review of the council's Flood Action Plan had been completed in November, including a review and update of the contact details of the parish flood coordinators across the district.

11.12 Other than the updates set out above, the original and residual risk ratings of all risks were considered appropriate and tolerable. The causes, consequences and controls for each risk were reviewed and deemed to be current and sufficient at the time of the review.

11.13 ELB continues to monitor the potential impacts to existing risks and any new or emerging risks that might require inclusion on the Corporate Risk Register.

11.14 At the same time as the review of Corporate Risks, ELB considers the risks included on the Operational Risk Register with a particular focus on the risks with a residual risk score was rated as being in the red area of the risk matrix. ELB agreed that the current controls were sufficient to mitigate the risks and that the residual risk score was correct. ELB agreed that these risks did not require escalation to the Corporate Risk Register at this time.

## 12 ***Code of Conduct Complaints***

12.1 The Audit and Governance Committee has two sub-committees, including the Standards Sub-Committee, whose purpose is to consider investigation reports in respect of Code of Conduct Complaints referred to it by the Monitoring Officer.

12.2 Appendix 2 provides brief details of the Code of Conduct complaints received, in progress, and closed, as well as enquiries made to the Office of the Monitoring Officer.

## 13 ***Dispensation Requests***

13.1 At the Audit and Governance Committee meeting on 25 February 2025, members requested that the Monitoring Officer provide a quarterly update to the committee, detailing all dispensations granted or refused during the quarter.

13.2 During the period from 1 October 2025 to 31 December 2025, there were no individual dispensations granted by the Monitoring Officer.

## 14 ***External Quality Assessment***

- 14.1 The Global Internal Audit Standards in the UK require that the Chief Internal Auditor must develop a plan for an external quality assessment and discuss the plan with the Audit Committee. The external audit assessment must be performed at least once every five years by a qualified, independent assessor or assessment team. The requirement for an external assessment may also be met through a self-assessment with independent. The standards are applicable from 1 April 2025.
- 14.2 In local government, the CIPFA Code of Practice for the Governance Internal Audit in UK Local Government (CIPFA Code) applies to address the 'essential conditions' for the governance of internal audit set out in Domain III of the standards. The Code concerns the roles of senior management and the audit committee regarding internal audit. External Quality Assessments (EQAs) under the 2025 standards must also consider the governance of internal audit, which for local government is set out in the CIPFA Code.
- 14.2 The assessment against the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government seeks to serve two purposes:
- To provide evidence of compliance with Domain III of the GIAS in the UK Public Sector to support the conclusion of individual principal authorities as part of the Southern Internal Audit Partnerships external quality assessment 2025
  - To provide evidence for the Council to support their assertion in their Annual Governance Statement 2025/26 that *'Internal audit arrangements are in conformance with the Global Internal Audit Standards in the UK public sector (GIAS and the Application Note) and the CIPFA Code of Practice on the Governance of Internal Audit.'* as required in the recently published Delivering Good Governance in Local Government: Framework – Addendum, covering the annual review of governance and the annual governance statement
- 14.3 Arising from the assessment, there are two requirements where the council's existing arrangements achieve partial compliance. To achieve full compliance, the council is recommended to review and update the Terms of Reference for the Audit and Governance Committee in accordance with the CIPFA model terms of reference for an Audit Committee and produce an annual report on the Committee's activities.
- 14.4 Appendix 4 provides the current Terms of Reference for this Committee (as set out in Article 9 of the Council's constitution), with recommended additions shown in bold and underlined. The recommendation is to adopt the CIPFA model terms of reference in full, with additions to include the specific responsibilities at Winchester. The primary differences to the council's existing terms of reference are:
- To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and

effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements and internal and external audit functions

- To report to full council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.
- To publish an annual report on the work of the committee, including a conclusion on the compliance with the CIPFA Position Statement.

14.5 By adopting the updated Terms of Reference, for which the Director Legal has delegated authority, and produce an annual report on the Committee's activities, the council will achieve full compliance with the Code of Practice for the Governance of Internal Audit in UK Local Government.

14.6 The terms of reference for Audit & Governance Committee are set out in Article 9 of the Council's constitution and if agreed, the changes will be reported to Full Council later this year for noting in accordance with Article 15.

## 15 OTHER OPTIONS CONSIDERED AND REJECTED

15.2 None.

### BACKGROUND DOCUMENTS:-

#### Previous Committee Reports:-

AG171 Governance Monitoring Quarterly Update Q1 and Q2 2025/26 37 November 2025

#### Other Background Documents:-

None.

### APPENDICES:

Appendix 1 - Annual Governance Statement 2024/25 – Action plan update

Appendix 2 - Code of Conduct complaints

Appendix 3 - Corporate Risk Register

Appendix 4 – Amended Terms of reference

Appendix 5 – CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government

**Annual Governance Statement 2024/25 – Action Plan update – December 2025**

No.	Issue	Actions	Progress Update	Lead Officer	Target Date	Current Status
1.	<b>Landlord Health and Safety Compliance –</b> to ensure that our responsibilities under the consumer standard for Safety and Quality are being met, specifically in relation to regulatory compliance for gas, electrical, asbestos, fire, water, and lift safety.	Establish an appropriate Governance and assurance structure	To enable oversight of performance against the Big 6, KPI information is provided at a corporate level; the compliance scorecard is reviewed, signed off and scrutinised by Housing DMT; it is then scrutinised by TACT Board for further oversight.	Simon Hendey Gillian Knight	Feb 2025	Complete.  Reporting of these KPIs is included in the quarterly Finance and Performance report, considered by Scrutiny and Cabinet.
		Undertake a data validation exercise across our asset data, compliance areas and inspection records	A monthly compliance scorecard is in place reporting across all areas of compliance and data validation continues on a monthly basis. This work will be supported by the implementation of the 'True Compliance' system.	Adrian Wilgoss Sarah Hobbs Heather Gibson	Sept 2025	Complete

No.	Issue	Actions	Progress Update	Lead Officer	Target Date	Current Status
			Feedback from regular meetings with the Regulator for Social Housing (RSH) is positive as we evidence our improvement journey delivering against the 'Big 6.'			
		Compliance reporting review	<p>Compliance reporting is produced monthly, via the scorecard.</p> <p>Going forwards, the 'True Compliance' system will enable this data and related reporting to be produced automatically.</p> <p>Through the landlord service restructure, and the creation of one centralised data team, will enable internal data assurance interrogation and monitoring.</p>	Adrian Wilgoss	June 2025	<p>Complete.</p> <p>Reporting to TACT Board, Cabinet member, Scrutiny and Cabinet via a highlight report is also reported quarterly.</p>
		Undertake a policy principle and strategic direction workshop for each compliance area and	The review of the 'Big 6' compliance policies (gas, electrical, water, asbestos, lift and fire safety) working with a sector specialist and tenants is complete and these were presented to	Sarah Hobbs Adrian Wilgoss	Sept 2025	<p>Complete</p> <p>A review frequency is in place and updated policies</p>

No.	Issue	Actions	Progress Update	Lead Officer	Target Date	Current Status
		develop and finalise each policy	Cabinet Committee Housing on 4 November 2025 These will then be disseminated across the service through the new policy assurance framework.			considered and adopted by future Cabinet Committee – Housing.
		Review and update our procedures	Cabinet Housing Committee on 4 November adopted updated policies covering the ‘Big 6’ including (gas, electrical, water, asbestos, lift and fire safety). Work is ongoing to review and update other housing procedures and policies.	Adrian Wilgoss	June 2026	In progress.
2.	<b>Local Government Reorganisation -</b> capacity to deliver services to our residents and customers while working collaboratively with our local authority partners to deliver local government reorganisation at pace	Establish an appropriate governance structure and clearly define the programme scope, including emerging workstreams and designated lead officers.	Post April governance structure drafted to be agreed once partner local authorities are confirmed.  Preparatory activities underway, working with KPMG to initiate 10 LGR workstreams across partners, who meet weekly and report to the LGR Rep Group.	Liz Keys	June 2025	Ongoing

No.	Issue	Actions	Progress Update	Lead Officer	Target Date	Current Status
		<p>Prepare for change with the council organising itself to achieve as much as possible and ensures that staff, services and assets that are being transferred are in the best possible position to be integrated into the new authority.</p>	<p>The LGR Transition Plan to be unitary ready focusses on delivery of council priorities over the next two years, ensuring service stability and driving continuous improvement building on the success of our transformation plan.</p> <p>Preparation of our systems, processes and services for a smooth transition and continuing our digital transformation journey.</p> <p>Developing and supporting colleagues, so we're in the best position and confident to thrive in change.</p>	Liz Keys	Ongoing	Ongoing

### **Code of Conduct Complaints**

As of 5 January 2026, this update includes Code of Conduct complaints received by the Office of the Monitoring Officer since the previous meeting of the Audit & Governance Committee, along with updates on complaints previously reported.

#### **Summary of current caseload:**

- A. Number **Active Individual Complaints**: 0 complaints from 0 individual complainants (see current status/update below).
- B. Number Complaints **Not Commenced**: 0
- C. Number **individual complaints** relating to a City Councillor: 0.
- D. Number **individual complaints** relating to a Parish/Town Councillor: 0.
- E. Number of complaints received since last report: 0.
- F. Number of **complaints closed** since the last report: 0.
- G. Number of **Standards Sub Committees** held: 0.

#### **Analysis of recent active case:**

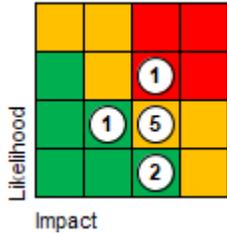
<b>Date received</b>	<b>Relating to Parish/ Town/ City Councillor</b>	<b>Current status/update</b>	<b>Approx time spent on this complaint</b>
29/10/2025	Parish	Response to complaint received from the Subject Member along with the Independent Person's recommendation for resolution via the Informal Resolution procedure. The MO reviewed the complaint and recommendation. Subsequently, the Subject Member resigned from the Parish Council, and complaint was therefore closed.	28 hours

# Corporate Risk Register 2026/27



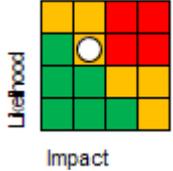
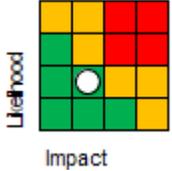
As of 4 February 2026

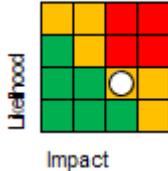
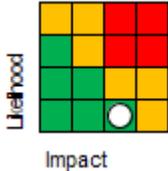
Residual Risk Summary:

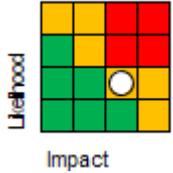
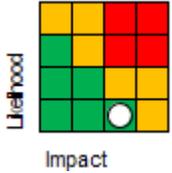


Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
CR001	Given competing demands and multiple complex priorities, the risk is that the council does not maintain capacity to deliver services	Chief Executive	<ul style="list-style-type: none"> <li>• Ambitious council plan with multiple strands of activity</li> <li>• Staff resources are lean, and teams are working at capacity to deliver services at current levels of demand</li> <li>• Outbreak of a pandemic that increases the pressure to continue to provide critical services as well as respond to the needs of residents and businesses</li> </ul>	<ul style="list-style-type: none"> <li>• If decision making is slow, delays occur, and potentially available resources are redeployed or become unavailable if they are externally sourced</li> <li>• Implementation of business continuity plan to target work in critical areas in cases of staff shortage</li> <li>• If staff lack political awareness, middle managers will be slow to redeploy resource to current priorities</li> </ul>		<ul style="list-style-type: none"> <li>• Council Plan is distilled into key priorities by service. If capacity becomes an issue, prioritisation of activity is in place</li> <li>• Critical activities are reviewed with Cabinet alongside a refreshed Council Plan approved in January'23</li> <li>• Proactive approach to communications internal and external</li> <li>• 50/50 hybrid working policy agreed</li> </ul>	

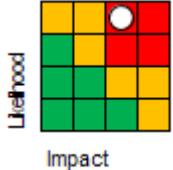
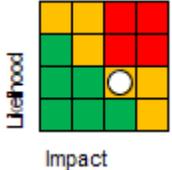
Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
			<p>affected by the pandemic</p> <ul style="list-style-type: none"> <li>• Competition from the private sector for key staff roles e.g. planning, project management</li> <li>• Decision making can be slow</li> <li>• Tension between day-to-day and strategic priorities</li> <li>• Key skills not in the right place</li> <li>• Budget uncertainty</li> <li>• Preparing for Local Government Reorganisation</li> </ul>	<ul style="list-style-type: none"> <li>• If staff are diverted, then can't deliver on other lower-level priorities or day-to-day work</li> <li>• Reputation is damaged as the council is not seen to be able to deliver projects</li> <li>• Local members are not always kept informed of activity in their area</li> <li>• Unable to deliver key council services</li> </ul>		<ul style="list-style-type: none"> <li>• Maintaining communication</li> <li>• Annual business planning, with actions and projects aligned to Council Plan priorities</li> <li>• Regular meetings with relevant cabinet members</li> <li>• Positive use of fixed term contracts to aid flexible resourcing</li> <li>• Targeted use of external resource</li> <li>• Reallocation of human and financial resources across and within the organisation as required</li> <li>• PAC Board regularly reviews resources available to deliver projects</li> <li>• Substantial assurance opinion following internal audit review of corporate planning and performance monitoring.</li> <li>• Close monitoring of the impacts of LGR on council capacity</li> </ul>	

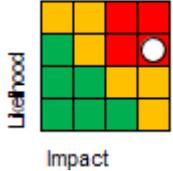
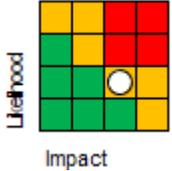
Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
						and delivery of services and reflected in future service plans	
CR003	Decisions made by the council are challenged due to a lack of a strong evidence base, customer insight and engagement with change or procedural errors	Monitoring Officer G John	<ul style="list-style-type: none"> <li>• Lack of skill and/or time to identify evidence to support decision making</li> <li>• Lack of consultation with ward members and/ or parish councils over local issues</li> <li>• Procedural error in statutory process</li> <li>• Inconsistent and traditional approach to customer engagement across the council</li> <li>• Lack of awareness of the questions to ask</li> <li>• Lack of awareness of the 'right time' to engage</li> <li>• Lack of public awareness of the opportunity to engage</li> <li>• Council is not aware of the full range of interested stakeholders</li> <li>• Council may only hear the loudest voices and not the silent majority or those that do not readily engage</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of a robust and evidence-based approach to customer engagement can lead to:                             <ul style="list-style-type: none"> <li>- Reputational damage</li> <li>- Views that the council is too Winchester-centric</li> <li>- Decisions made are Inequitable</li> <li>- A perception that people's views are ignored</li> </ul> </li> <li>• Ward members and/or parish council's not being informed</li> <li>• Legal/ judicial review or challenge against a decision made</li> </ul>		<ul style="list-style-type: none"> <li>• Engagement with ward and parish councillors (on matters within their ward or parish) encouraged</li> <li>• Risks with regard to significant projects are recognised and addressed separately via robust Project Management and regular reports to the Programme and Capital Strategy Board</li> <li>• Legal and Monitoring Officer consultation on decisions made</li> <li>• 2024 Residents' survey commissioned and will be undertaken in June'24 and results will be used to evidence decision making</li> <li>• A proactive open and transparent approach to communication based on Gunning Principles</li> </ul>	

Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
						<ul style="list-style-type: none"> <li>• Use of external specialist advice when appropriate</li> <li>• Commitment made in the refreshed Council Plan in terms of 'Listening Better'</li> <li>• Equality, Diversity, and Inclusion Action Plan is being embedded across the organisation</li> <li>• Updated Constitution adopted at Council on 30 November 2023</li> <li>• Where possible and appropriate, digitalisation will be utilised to mitigate against procedural errors</li> <li>• Substantial assurance opinion following internal audit review of decision making</li> </ul>	
CR004	Failure to have plans and processes in place to recover and maintain services after a major incident (including pandemic) that has a significant impact on the ability of the Council to provide its services	Chief Executive	<ul style="list-style-type: none"> <li>• Not maintaining an effective corporate wide Business Continuity Plan</li> <li>• Not regularly testing the plan and following-up learning</li> <li>• Key staff unavailable</li> </ul>	<ul style="list-style-type: none"> <li>• Unacceptable delay and uncertainty in returning to normal working after an emergency</li> <li>• Adverse publicity and criticism</li> <li>• Reputation damage</li> <li>• Adverse social and/or economic impact</li> </ul>		<ul style="list-style-type: none"> <li>• Business Continuity Plans reviewed and tested in 2024 and approved by ELB</li> <li>• IT Disaster Recovery Plan exercise held on 20 March</li> <li>• Business critical services reviewed in</li> </ul>	

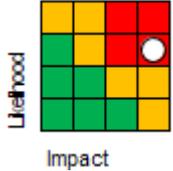
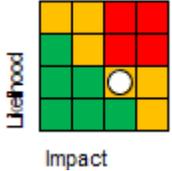
Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
			<ul style="list-style-type: none"> <li>• Communication systems ineffective</li> <li>• Lack of awareness of Business Continuity Plan</li> <li>• Failure to assess business critical functions and have plans in place</li> </ul>			<p>2025 with individual business continuity plans created, and approved</p> <ul style="list-style-type: none"> <li>• All staff able to seamlessly work from home, where job allows</li> <li>• 2023 internal audit review of business continuity offered substantial opinion and no identified weaknesses.</li> <li>• Work programme in place for 2026 to review, update and test plans</li> </ul>	
CR006	Breakdown of effective partnership working	Chief Executive	<ul style="list-style-type: none"> <li>• Partnerships can falter due to lack of shared vision within partnerships</li> <li>• Money spent on Partnership working doesn't add value</li> <li>• Strategic partnerships may falter due to conflicting demands within individual partners</li> <li>• Incorrect application of the procurement regulations due to a misunderstanding as to how and when they</li> </ul>	<ul style="list-style-type: none"> <li>• Significant project delivery such as the major projects and the new homes building programme could fail due to failure of strategic partnerships</li> <li>• Local delivery could fail if local strategic partners are not aligned</li> <li>• Reputational damage to all partners</li> <li>• Lack of value for money (VfM)</li> </ul>		<ul style="list-style-type: none"> <li>• Annual review by each CHoS of all partnerships undertaken to identify key strategic partners</li> <li>• Partnership register established and endorsed by ELB on 6 March.</li> <li>• Guidance documents available from Knowledge Hub</li> <li>• Partnership Governance and Management Framework adopted.</li> </ul>	

Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
			apply to partnership working <ul style="list-style-type: none"> <li>Partnerships may be unsuccessfully commissioned due to lack of skills and poor scoping</li> <li>Significant local, regional, or national partners may close down, affecting the council</li> </ul>			<ul style="list-style-type: none"> <li>Partnership scoring tool available to assess project tier</li> <li>Management checklist available from Knowledge Hub</li> </ul>	
CR007	Lack of sufficient funding and/or escalating costs over the medium term reducing financial viability and inability to achieve a balanced budget (General Fund and HRA)	Director of Finance L Keys	<ul style="list-style-type: none"> <li>Reduced Government funding</li> <li>Reliance on strategic partners to deliver services and projects</li> <li>Macro economy, including effects of Brexit, reduces locally generated Business Rates and parking income</li> <li>Failure to achieve income targets</li> <li>Inflation rises</li> <li>Penalties are imposed on the Council due to falling standards in services</li> <li>Impact of a Pandemic</li> <li>Additional financial costs preparing for Local Government</li> </ul>	<ul style="list-style-type: none"> <li>Unable to balance the budget</li> <li>Increased Council Tax</li> <li>Public's ability to pay for services</li> <li>Reduce services provided</li> <li>Demand/cost of services</li> <li>Increased construction costs and impact on delivery and viability of key projects</li> <li>Over borrowing and avoidable cost</li> </ul>		<ul style="list-style-type: none"> <li>One year funding settlement in place</li> <li>MTFS approach setting out medium and longer term options</li> <li>Quarterly finance reporting and monitoring of key income sources</li> <li>Regular policy review and monitoring</li> <li>Scenario planning and sensitivity analysis of key risks</li> <li>Transformation Challenge 2025 (TC25) is embedded into the organisation.</li> <li>Maintain General fund reserve of at least £2m</li> </ul>	

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			<p>Reorganisation that are unbudgeted for.</p> <ul style="list-style-type: none"> <li>• Uncertainty over total cost of preparing for LGR</li> </ul>			<ul style="list-style-type: none"> <li>• Regular review of reserves</li> <li>• Annual review of fees and charges</li> <li>• Monthly budget monitoring and regular HRA business plan updates</li> <li>• Substantial assurance opinion following internal audit of the council's financial stability (including TC25).</li> <li>• Cabinet approved MTFS on 19 November 2025 setting a balanced budget to the end of 2027/28</li> </ul>	
CR008	Availability of new homes to meet the strategic need via a variety of means (build or buy).	Strategic Director S Hendey	<ul style="list-style-type: none"> <li>• Increasing demand for new houses</li> <li>• High cost of housing, including private rented sector</li> <li>• Unable to identify new sites for new houses</li> <li>• Increasing infrastructure demands on new sites</li> <li>• Higher build costs</li> <li>• Increasing inflation and interest rates affecting supply</li> </ul>	<ul style="list-style-type: none"> <li>• Increased housing waiting list numbers</li> <li>• Increasing homelessness</li> <li>• Difficulty accessing housing markets</li> <li>• Outward migration of younger residents</li> <li>• Adverse publicity</li> <li>• Government intervention</li> <li>• Ability to meet the business plan target which will have a negative effect on income</li> </ul>		<ul style="list-style-type: none"> <li>• A variety of plans in place to deliver new homes</li> <li>• Regular monitoring of projects</li> <li>• Revised Housing Strategy and HRA Business Plan</li> <li>• Cost benchmarking</li> </ul>	

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CR009	Failure in cyber security leaving the council exposed to phishing and other attacks leading to compromised IT systems and data loss	Director of Finance L Keys	<ul style="list-style-type: none"> <li>Malicious attack by Hackers for financial gain</li> <li>Malicious attack by Hackers to disrupt business and ability to deliver services</li> <li>Viral code attack in order to data mine information and identities</li> </ul>	<ul style="list-style-type: none"> <li>Possible complete shutdown of Council IT Systems and Infrastructure</li> <li>Business\service delivery disruption</li> <li>Significant Financial loss</li> <li>Credibility and confidence lost in engaging with digital services and e-payments</li> </ul>		<ul style="list-style-type: none"> <li>Mandatory Cyber Security awareness training held for all staff</li> <li>IT Systems and processes administered to PSN (Public Services Network) standards and protocols</li> <li>ITILv3 Methodology adoption for ITSM</li> <li>Comprehensive and regular reviews of ISP (Information Security Policies) and IT Network Access Policies</li> <li>Operational daily checks and proactive monitoring of Firewalls and pattern updates</li> <li>Staff qualified in Cyber Scheme Professional standards and within GOV UK CESG guidelines</li> <li>Regular system health checks and vulnerability scans</li> <li>System and software maintained to supported levels.</li> </ul>	

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						<ul style="list-style-type: none"> <li>Email security managed by accredited 3rd party</li> <li>Insurance for potential losses of a cyber attack</li> <li>Third party review jointly with TVBC being undertaken to see what further actions the councils can pro-actively take to mitigate this risk further</li> </ul>	
CR010	Failure to effectively respond to the Climate Change Emergency and reduce the council and district carbon emissions	Chief Executive	<ul style="list-style-type: none"> <li>Failure to achieve target for the council to be carbon neutral by 2024 and the district by 2030</li> <li>Carbon emissions increase</li> <li>Air quality drops</li> <li>Insufficient project capacity in-house</li> </ul>	<ul style="list-style-type: none"> <li>Reputational damage for failing to meet targets</li> <li>Increased risk of flooding - damage to property, disruption to business, health, and wellbeing of displaced residents</li> <li>Increased risk of droughts - pressure on river system health, depleted aquifer/reservoir volumes, negative impact upon agriculture, fire risk</li> <li>Extreme heat and cold - health risk for vulnerable people, pressure on emergency and health services</li> <li>Protests by lobby groups</li> <li>House price volatility</li> </ul>		<ul style="list-style-type: none"> <li>Revised CNAP plan put in place 13/09/2023</li> <li>Actions leading towards carbon reduction are clearer in theme and size of reduction needed.</li> <li>Climate Emergency declared in 2019</li> <li>Asset Management Strategy</li> <li>£45mil HRA</li> <li>Council named 'Top Performing' district council for Climate Change</li> </ul>	

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CR011	Lack of preparedness and incapability to respond to events caused by climate change	Chief Executive	<ul style="list-style-type: none"> <li>• Failure to prepare for an adverse weather event, for example long period of rain, heavy snow, or heatwave</li> <li>• Failure to manage sluice gates and maintain rivers</li> <li>• Failure to have plans in place to respond and recover to an adverse weather event</li> </ul>	<ul style="list-style-type: none"> <li>• Flooding causing damage to property and assets</li> <li>• Loss of income to the council e.g. closed car parks due to snow</li> <li>• Adverse publicity</li> <li>• Damage to reputation</li> </ul>		<ul style="list-style-type: none"> <li>• Multiagency Emergency Response Plan in place, reviewed and updated annually</li> <li>• Emergency Planning exercise to test the Plan held annually with partners participating</li> <li>• Completion of flood alleviation schemes</li> <li>• Temporary flood defence barrier purchased and available to be deployed where there is a need</li> <li>• The Emerging Local Plan has clear objectives to support the council priority of Tackling the climate emergency and creating a greener district</li> <li>• Annual review of Flood Action Plan which includes contact details of parish flood coordinators last undertaken in November 2025</li> </ul>	

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						<ul style="list-style-type: none"> <li>• Gold and Silver commander training attended or to be by relevant officers at that level.</li> <li>• Extreme Weather Plan in place</li> <li>• HOIW LRF Multi-agency Flood Plan in place</li> <li>• LRF Community Resilience workstream</li> </ul>	

