

REPORT TITLE: Q4 GOVERNANCE MONITORING

17 JULY 2025

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 fourth quarter of the 2024/25 financial year.

RECOMMENDATION:

That the Audit and Governance Committee notes the contents of the report, including the progress made on internal audit management actions. The Committee is requested to raise any issues or concerns on the content of the report with the Cabinet Member.

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 this report details the actions being taken to address these issues.

## 11 SUPPORTING INFORMATION

- 11.1 This report provides summary information regarding governance for the fourth quarter of the 2024/25 financial year.

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

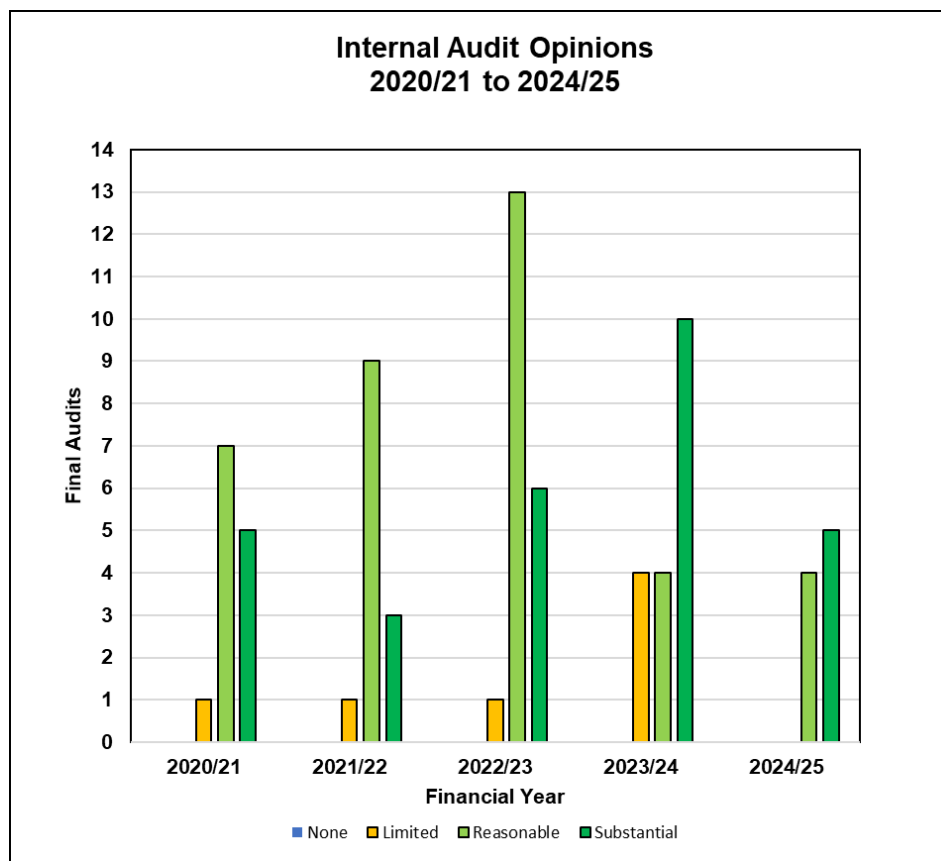
- 11.2 Progress against the actions included in the 2023/24 Annual Governance Statement is provided in Appendix 1 of this report.
- 11.3 Elsewhere on this Committee's agenda is the Annual Governance Statement (AGS) 24/25 (Report AG162 refers). Progress against the actions included in the AGS Action Plan will be provided in future quarterly Governance Monitoring reports.

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

- 11.4 During the period 1 January 2025 to 31 March 2025, there were three declarations of gifts and hospitality made by officers in accordance with the Employee Code of Conduct.
- 11.5 Members regularly update their register of interest forms. During the period from 1 January 2025 to 31 March 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.

### ***Internal Audit***

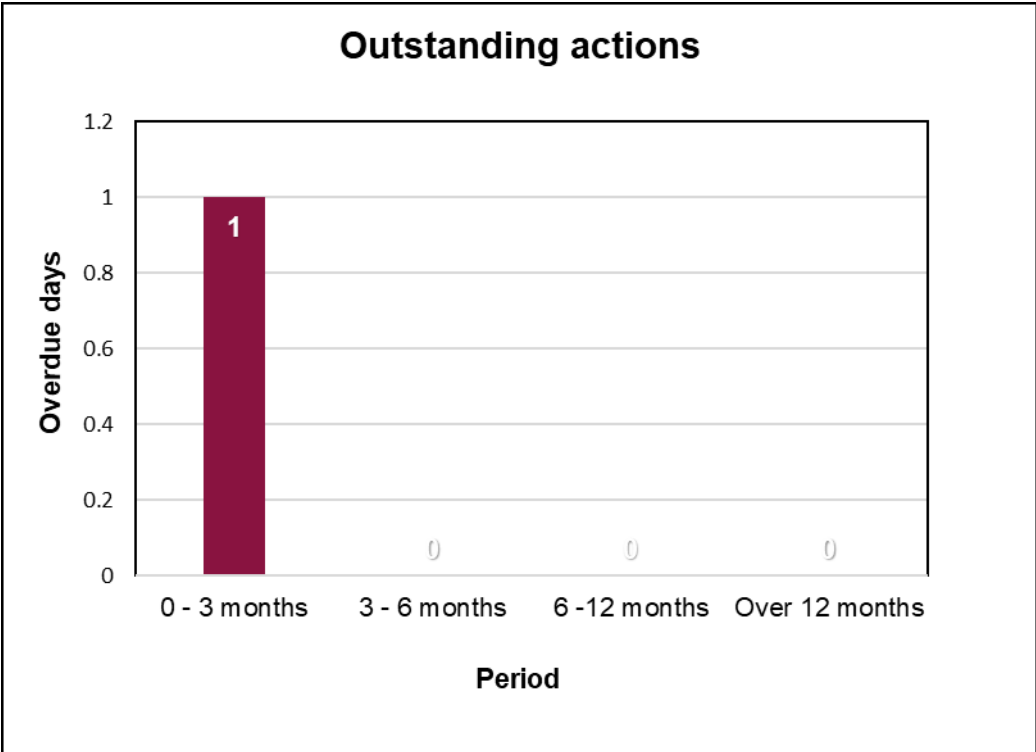
- 11.6 The council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements.
- 11.7 Internal audit provides an evaluation, through a risk-based approach, on the effectiveness of governance, risk management, and internal controls operating at the council. The internal audit plan for 2024/25 was approved by this committee on 29 February 2024, report [AG127](#) refers.
- 11.8 The formal internal audit reviews result in published reports and provide an opinion on the assurance that can be placed on the framework of risk management, internal controls, and governance designed to support the achievement of management objectives in the service area under review.
- 11.9 The chart below shows the assurance opinions of the completed internal audits that were included in the audit plans from the years from 2020/21 to 2024/25.



- 11.10 Where reasonable or substantial audit opinions are provided following an audit review, this assures senior management, external auditors, and committee members that an appropriate system of governance, risk management, and control is in place, with internal controls and processes operating effectively in the audited area.
- 11.11 To assist members to monitor the progress of actions where audit opinions are either limited or no assurance, additional commentary summarising the observed weaknesses and the progress being made to address them can be found in section 12 of this report.
- 11.12 Since the Q3 2024/25 Governance Monitoring report was considered by this Committee on 25 February 2025, five internal audit reports have been finalised and issued before the end of March 2025. One report concluded with substantial assurance, while four reports concluded with reasonable assurance.
- NNDR (Substantial)
  - Governance Framework (Reasonable)
  - Microsoft Licensing (Reasonable)
  - Information Governance – Records Retention (Reasonable)
  - Disabled Facilities Grant (Reasonable)

**Internal Audit Management Actions Tracking**

- 11.13 Corporate Heads of Service (CHoS), Service Leads, and the Executive Leadership Board (ELB) regularly review the progress of the actions included in the internal audit reports.
- 11.14 A summary table showing the status of these actions is reported on a quarterly basis. This table is regularly reviewed to assess progress and to consider where actions might become superseded or obsolete due to external or internal factors.
- 11.15 To assist members' understanding, an additional narrative is included in the table below to provide a brief explanation of the progress being made against the actions that have passed their target date and the reasons for the delay in completion.
- 11.16 As of the current date, there is one overdue action, one of which is classified as high priority. This is a reduction of three actions compared to the number reported at the last committee meeting held on 25 February 2025.
- 11.17 The chart below presents an analysis of the overdue management actions categorised by the duration since their target completion dates.





## 12 ***Internal Audits with Limited Assurance opinion***

12.1 The following section provides background information and an update on the progress of management actions where an internal audit concluded with a limited assurance opinion. This section supports members in monitoring the progress of actions taken to address the identified weaknesses observed during the audit review.

### 12.2 ***Tree Management***

During this quarter, the following actions have been completed:

- WCC tree officers undertake one random site visit each year for each contractor to check compliance. The visit will be chosen to encompass as many tree works operations as possible (e.g., stump grinding, climbing, MEWP work, crane work, general tree work) to allow a representation of works to be assessed. The tree admin officer will obtain details from contractors to understand when they will be undertaking certain jobs and where they will be at that point in time to schedule these spot checks.
- All pre-start meetings will be followed up with an email confirming what was agreed and will be retained on record.

The only remaining action is to update historic records on Ezytreev. There are 1,000 historic records that need to be updated and “closed off” after they were incorrectly migrated from previous software with the wrong categorization. This task is being systematically undertaken by the tree officer and is expected to be completed by December 2025. Currently, this administrative task is 50% complete.

### 12.3 ***Information Governance – Records Management***

Following the successful archiving of all electronic documents that were required to be retained, all management actions included in the Information Governance – Records Management audit have now been completed.

During Q4, internal audit completed the planned audit covering Information Governance (Records Retention), reviewing the work that had been completed in response to the weaknesses identified as part of the previous audit review. The final report offered reasonable assurance opinion and concluded that there is generally a sound system of governance, risk management and control now in place.

## 13 ***Risk Management***

13.1 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 of the Corporate Risk Register by the Executive Leadership Board (ELB) was carried out on 30 April 2025. All risks and their current controls were reviewed. The current Corporate Risk Register is at Appendix 3.

13.2 ELB considered the rapidly emerging risks (and opportunities) arising from the devolution agenda and Local Government Reorganisation (LGR) timetable. It was agreed that these would not be added as new risks to the register as devolution and LGR would contribute as a cause that might impact existing corporate risks, specifically CR001 and CR007. ELB noted that the expected significant resources required to deliver LGR would have an impact on several of the corporate risks however it was too early to fully understand the extent considering the limited information currently available. In response to the evolving nature of these issues, the Council will closely monitor developments, ensuring that any emerging risks or opportunities are promptly identified. A comprehensive risk management strategy specifically addressing devolution and LGR will be developed in due course, ensuring that the Council remains well-prepared to manage any potential changes and their impact on governance, service delivery, and resources.

13.3 As a result of the ELB review there were the following updates:

- CR001 – Capacity to deliver services – the causes that might impact this risk were updated to include Devolution and LGR as a new workstream over and above what the council was already working on. The current controls were updated to include the council closely following Government announcements and resources would be considered once more information had been made available.
- CR006 – Breakdown of effective partnership working – the risk owner was changed to Chief Executive, following the Strategic Director leaving the organisation at the end of March.
- CR007 – Ability to achieve a balanced budget – the causes were updated to include LGR and the current uncertainty that this places on the council.
- CR010 – Failure to effectively respond to the Climate Change Emergency and reduce the council and district emissions – the risk owner was changed to Chief Executive from Strategic Director.
- CR011 – Lack of preparedness and incapability to respond to events caused by climate change – the risk owner was changed from Strategic Director to Chief Executive.
- CR012 – Nutrient neutrality – Phosphates – change risk owner from Strategic Director (D Adey) to Strategic Director (S Hendey)

13.4 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.

13.5 ELB continues to monitor the potential impacts to existing risks and any new or emerging risks.



- 13.6 Of the 71 operational risks managed by Corporate Heads of Service, three of these were presented to ELB for review as the residual risk was rated as 'red'. ELB agreed that the current controls were sufficient to mitigate the risks and that the residual risk score was correct. ELB agreed that the risks did not require escalation to the Corporate Risk Register at this time.

#### 14 ***Code of Conduct Complaints***

- 14.1 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.
- 14.2 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.

#### 15 ***Dispensation Requests***

- 15.1 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.
- 15.2 During the period from 1 January 2025 to 31 March 2025, five individual dispensations were granted by Audit and Governance Committee, and these were to Cllr Porter, Cllr Tod, Cllr Wallace, Cllr Warwick, and Cllr Williams. as dual hatted Hampshire County Councillors. One further dispensation was granted to Cllr Scott (as a WCC HRA tenant) by the Legal Director in his capacity as Monitoring Officer.

#### 16 **OTHER OPTIONS CONSIDERED AND REJECTED**

- 16.1 None

#### **BACKGROUND DOCUMENTS: -**

##### **Previous Committee Reports: -**

AG148 Governance Monitoring Quarterly update Q3 2024/25, 25 February 2025.

##### **Other Background Documents:**

None.

#### **APPENDICES:**

Appendix 1 - Annual Governance Statement 2023/24 – Action plan update

Appendix 2 - Code of Conduct complaints

Appendix 3 – Corporate Risk Register

**Annual Governance Statement 2023/24 – Action Plan update – June 2025**

No.	Issue	Actions	Progress Update	Lead Officer	Target Date	Current Status
1.	<b>Records Retention and Disposal</b>  Ensuring that the Records Retention and Disposal Policy and Schedule are refreshed and embedded into the organisation so that records are stored in accordance with the agreed schedule.	Adoption of updated Retention & Disposal Schedule by Executive Leadership Board (ELB)	The updated Retention and Disposal schedule was approved by ELB on 12 June 2024.	Senior Policy & Programme Manager/ Corporate Heads of Service	June 2024	<b>Complete</b>
		Map & align retention schedule to content /indexing and values in system(s)	The retention schedule has been mapped to systems in preparation for the implementation across business applications and systems.	Senior Policy & Programme/ Service Lead for IT	June 2024	<b>Complete</b>
		Create implementation plan for roll out Policy & Schedule for adoption at ELB	The implementation plan to roll out the policy and schedule has been initiated and agreed by ELB.  The Policy and Schedule have been rolled out across the council.	Senior Policy & Programme Manager	June 2024	<b>Complete</b>
		Implementation of Retention & Disposal schedule across business applications and systems	The IT department has successfully completed the secure archiving of all electronic documents within the server areas that are no longer required for retention.	Senior Policy & Programme Manager/ Corporate Heads of Service	Mar 2025	<b>Complete</b>

### **Code of Conduct Complaints**

As of 7 May 2025, 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: 2.
- F. Number of **complaints closed** since the last report: 3.
- G. Number of **Standards Sub Committees** held: 0.

#### **Analysis of active cases:**

<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>
June 2024	Parish Councillor	Determined to be a breach of the code of conduct. Further details regarding this complaint are provided below.	46 hours

### **Breach of the Code of Conduct**

In line with paragraph 5.1.1 of the previous guidance notes relating to the handling of code of conduct complaints, where a complaint is decided by informal resolution and the subject member accepts that their conduct was unacceptable and offers an apology, the Monitoring Officer will report the matter to the Audit and Governance Committee.

On 3 June 2024, a complaint was made regarding Hursley Parish Councillor Eleanor Bell's conduct. The complaint was shared with the subject member who made a full response to the points raised.

The complaint essentially highlighted a concern that Cllr Bell had breached the Council's Code of Conduct in several respects relating to her failure to disclose interests and in actively participating in discussions with other Parish Council members and the Clerk on a planning application matter in which she had an interest.

Following the initial investigation the Monitoring Officer, having consulted with the Independent Person (IP) commissioned a further, external investigation into the matters raised. This included interviews with the complainant, the subject member, the Parish Council Chair and the Parish Council Clerk. The investigators report was submitted to the Monitoring Officer who accepted its findings and who then undertook further consultation with the Independent Person.

Councillor Bell had acknowledged that she should have avoided engaging in conversations and drafting statements on behalf of the Parish Council regarding the planning application submitted by the complainant. Additionally, the investigator concluded that she attempted to use her public office for personal gain by seeking support to oppose the planning application.

Councillor Bell accepted her mistakes at the initial assessment stage and acknowledged them in her subsequent statement. Although it was felt that she did not breach the code of conduct in relation to the disclosure of her interests, it was concluded that she did breach the code of conduct in relation to the general obligations of members, specifically paragraphs 3.2, 3.3, and 3.5 of the Council's Code of Conduct.

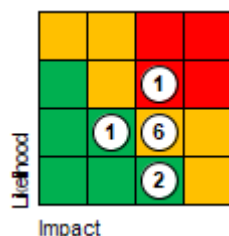
The Independent Person was consulted and agreed that there had been a breach of the Code of Conduct. Councillor Bell was asked to apologise, to the complainant for this breach and has since done so. Given the circumstances, the Monitoring Officer also recommended that he and the IP undertake a bespoke session regarding governance and code of conduct for Hursley Parish Councillors, which is scheduled for July 2025. The full decision notice was uploaded to the code of conduct pages of the council's website in April 2025.

## Corporate Risk Register 2025/26

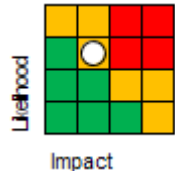
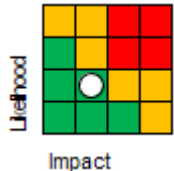


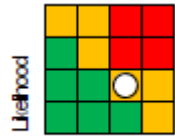
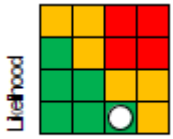
As of 30 April 2025

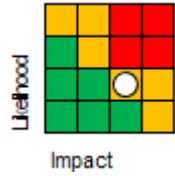
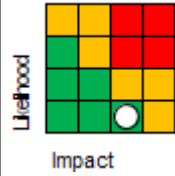
Residual Risk Summary:



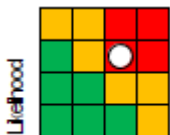

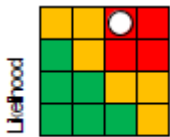
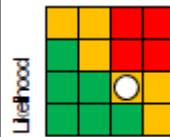
Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
CR001	Given competing demands and multiple complex priorities, the risk is that the council does not maintain capacity to deliver services	Chief Executive	<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 affected by the pandemic.</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 new Council Plan 25-30 adopted in January 2025</li> <li>Proactive approach to communications internal and external</li> <li>50/50 hybrid working policy agreed.</li> <li>Maintaining communication</li> <li>Annual business planning, with actions and projects aligned to Council Plan priorities.</li> </ul>	

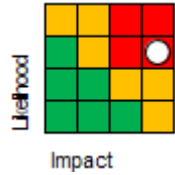
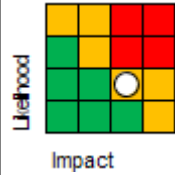
Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
			<ul style="list-style-type: none"> <li>• Competition from the private sector for key staff roles e.g. planning, project management</li> <li>• Decision making 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>• 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>• 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 available resources to deliver projects</li> </ul>	
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> </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>	 <p>Likelihood Impact</p>	<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 completed, and results used to evidence and inform decision making.</li> <li>• A proactive open and transparent approach to</li> </ul>	 <p>Likelihood Impact</p>


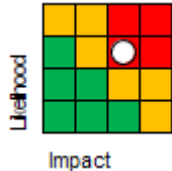
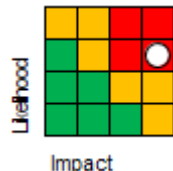
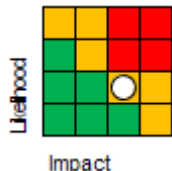
Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
			<ul style="list-style-type: none"> <li>• Lack of public awareness of the opportunity to engage</li> <li>• Council is not aware of the full range of interested stakeholders.</li> <li>• Council may only hear the loudest voices and not the silent majority or those that do not readily engage</li> </ul>			<p>communication based on Gunning Principles</p> <ul style="list-style-type: none"> <li>• Use of external specialist advice when appropriate</li> <li>• Listening and Learning priority included in the new Council Plan.</li> <li>• Equality, Diversity, and Inclusion Action Plan approved, and actions being progressed 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> </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> <li>• Communication systems ineffective</li> <li>• Lack of awareness of Business Continuity Plan</li> <li>• Failure to assess business critical</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>	 <p>Uplift</p> <p>Impact</p>	<ul style="list-style-type: none"> <li>• Business Continuity Plans reviewed and tested in 2024 and approved by ELB on 6 March 2024</li> <li>• IT Disaster Recovery Plan exercise held on 20 March.</li> <li>• Business critical services identified with individual business continuity plans created, tested, and approved.</li> <li>• All staff able to seamlessly work from home, where job allows.</li> <li>• 2023 internal audit review of business continuity offered</li> </ul>	 <p>Uplift</p> <p>Impact</p>

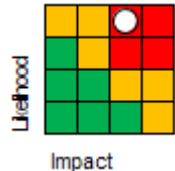
Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
			functions and have plans in place			substantial opinion and no identified weaknesses. • Work programme in place for 2025	
CR006	Breakdown of effective partnership 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 apply to partnership working.</li> <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>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> <li>Partnership scoring tool available to assess project tier.</li> <li>Management checklist available from Knowledge Hub</li> </ul>	



Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
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>Local Government Reorganisation</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>	 <p>Likelihood</p> <p>Impact</p>	<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 now in the process of being implemented.</li> <li>Maintain General fund reserve of at least £2m.</li> <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> </ul>	 <p>Likelihood</p> <p>Impact</p>
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> </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</li> </ul>	 <p>Likelihood</p> <p>Impact</p>	<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>	 <p>Likelihood</p> <p>Impact</p>

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>Increasing inflation and interest rates affecting supply</li> </ul>	which will have a negative effect on income supply			
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> <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 undertaken to see what</li> </ul>	

Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
						further actions the councils can pro-actively take to mitigate this risk further	
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.</li> <li>• Asset Management Strategy</li> <li>• £45mil HRA</li> </ul>	
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 respond 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</li> </ul>	

Code	Risk Description	Risk Owner	What might go wrong? (cause)	What will happen? (consequence)	Original Risk Rating	Current Controls	Residual Risk
						<p>available to be deployed where there is a need.</p> <ul style="list-style-type: none"> <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 September'24</li> <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> </ul>	
CR012	Nutrient neutrality - Phosphates	Strategic Director S Hendey and Corporate Head of Planning and Regulatory (J Pinnock)	<ul style="list-style-type: none"> <li>• Inability for developers to achieve nutrient neutrality specifically related to phosphates will delay housing and delivery of other forms of residential development within the affected area</li> </ul>	<ul style="list-style-type: none"> <li>• Adverse impact on economy</li> <li>• Reduction in supply of new homes</li> <li>• Inability to maintain a 5-year housing land supply leading to unplanned development being permitted.</li> <li>• Reputational damage</li> </ul>		<ul style="list-style-type: none"> <li>• The Council is working in partnership with PfSH and has signed the Inter Authority Agency (IAA) to enable all parties to benefit from nutrient mitigation projects. The IAA sets out how funding and future projects will be governed and managed.</li> <li>• Next stage of discussions in relation to further upgrades by HRA and through PfSH funding LNMf.</li> <li>• HRA Funding in place for four projects</li> </ul>	