

# ***Supplementary Committee Agenda***



**Epping Forest  
District Council**

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## ***Audit & Governance Committee Monday, 20th March, 2023***

**Place:** Council Chamber - Civic Offices

**Time:** 7.00 pm

**Democratic Services:** Laura Kirman  
Tel: 01992 564243 Email:  
democraticservices@eppingforestdc.gov.uk

### **1.a Risk Management (Pages 3 - 30)**

To review the current risk register.

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## **Report to the Audit and Governance Committee**



**Epping Forest  
District Council**

**Report reference:**

**Date of meeting: 20 March 2023**

**Portfolio: Leader of the Council**

**Subject: Risk Management**

**Responsible Officer: Andrew Small (01992 564278)**

**Democratic Services: Laura Kirman (01992 564243)**

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### **Recommendations/Decisions Required:**

- (1) To review the current risk register and consider whether there are any new or emerging risks that are not on the current Corporate Risk Register that should be referred to the officer Risk Management Group**

### **Executive Summary:**

This report gives the Audit and Governance Committee the opportunity to comment on and suggest new risks for inclusion on the Corporate Risk Register or changes to the scoring of existing risks.

### **Reasons for Proposed Decision:**

To enhance the Council's risk management framework.

### **Other Options for Action:**

None. Formal responsibility for making recommendations to Cabinet on risk management issues lies with the Audit and Governance Committee. Members may suggest new risks for inclusion or changes to the scoring of existing risks.

### **Report:**

#### Corporate Risk Register

1. The Council is in the process of refreshing its risk management framework which is currently under review by the Senior Leadership Team. A new corporate risk register template, and likelihood and impact matrices (appendix 2a and 2b) have been developed and rolled out to the Senior Leadership Team and Wider Leadership Team through a series of workshops facilitated by Zurich Resilience Solutions.
2. The corporate risk register has been updated to reflect the current position using the new risk naming convention, 5X5 matrix and scoring, and is attached at appendix 1.
3. Following downgrading the 'delays in issuing planning permissions' risk has been transferred to the service risk register and no longer appears on the corporate risk register.
4. In addition, the Local Plan risk has been removed following its adoption at the

Extraordinary Council meeting on 06 March 2023.

5. The former 'financial resilience' risk has been split into its three separate components to more clearly articulate the risks faced by the Council.
6. An emerging risk around 'people' was discussed and added to the Corporate risk register.
7. The risk register was subsequently presented to the Corporate Governance Group (which includes the Chief Executive and the Section 151 Officer in its membership) for review and challenge.
8. Members are asked to consider the attached updated Corporate Risk Register (Appendix 1) to determine whether the risks listed are scored appropriately and whether there are any additional risks that should be included. Appendices 2a and 2b set out Council's revised risk likelihood and impact assessment matrices which are used to determine individual risk scorings.
9. The table below shows a comparison of the risks between the former and current risk register formats.

Former risk no.	New risk ref.	Risk	Residual risk rating Jan 2023	Residual risk score Mar 2023
1	PLA001	Failure to approve Local Plan	B1	N/A
2	HRA001	Increase in demand for housing	B2	16
3	N/A	Financial resilience	C1	N/A
4	ECDEV001	Economic Development	C2	4
5	CORSER001	Risk of data/information breach	C2	12
6	CORSER002	Lack of and/or inadequate BC (business Continuity) Plans	C2	16
7	ICT001	Risk of cyber security incident	B2	16
8	N/A	Delays in issuing planning permissions	D3	N/A
9	SUS001	Failure to achieve carbon emissions targets	B2	9
10	CONT001	Failure of Contractor/ Service - waste	B2	16
11	COMP001	Failure of compliance with social housing regulation	A1	12
N/A	FIN001	Failure to maintain a Balanced Budget and Sustainable Medium-Term Financial Plan	N/A	10
N/A	FIN002	Failure to ensure continued financial viability of Qualis	N/A	12

Former risk no.	New risk ref.	Risk	Residual risk rating Jan 2023	Residual risk score Mar 2023
N/A	FIN003	Failure to maintain and improve VFM (value for money)	N/A	12
N/A	PEOPLE001	People Strategy failure	N/A	12

**Resource Implications:**

Within the report

**Legal and Governance Implications:**

The Corporate Risk Register is an important part of the Council's overall governance arrangements.

**Safer, Cleaner and Greener Implications:**

None

**Consultation Undertaken:**

The Risk Management Group and Leadership Team were involved in the process.

**Background Papers:**

CIPFA audit committees – practical guidance for Local Authorities and Police 2018 edition

**Risk Management:**

If the Corporate Risk Register was not regularly reviewed and updated, a risk that threatened the achievement of corporate objectives might either not be managed or be managed inappropriately. In addition, new or emerging risks are not considered which could threaten achievement of the Council's corporate objectives.

**Equality Analysis:**

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as appendix 3 to the report.

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# Corporate Risk Register- March 2023

Summary Position March 2023

Page 7	LIKELIHOOD	Almost Certain	5					
		Highly Likely	4				CORSER002 ICT001 CONT001 HRA001	
		Possible	3			SUS001	COMP001 CORSER001 FIN002 FIN003 PEOPLE001	
		Unlikely	2		ECDEV001			FIN001
		Negligible	1					
			1	2	3	4	5	
			Negligible	Low	Medium	High	Very High	
			<b>IMPACT</b>					

## Key

- CORSER002- Lack of and/or inadequate BC Plans
- ICT001- Risk of cyber security incident
- CONT001 -Failure of Contractor/Service – waste
- HRA001-Increase in demand for housing
- SUS001- Failure to achieve carbon emission targets
- COMP001-Non-compliance with social housing regulations
- CORSER001-Risk of data/ information breach
- FIN002- Failure to ensure continued financial viability of Qualis.
- FIN003- Failure to maintain and improve VFM.
- ECDEV001- Economic Development
- FIN001- Failure to maintain a Balanced Budget and Sustainable Medium-Term Financial Plan (MTFP)
- PEOPLE001 - People Strategy failure

## Corporate Risk Register- March 2023

RISK REF (ID)	RISK (IF-THEN) - (one line snapshot)	INHERENT LIKELIHOOD	INHERENT IMPACT	INHERENT RISK SCORE	MITIGATION CURRENT CONTROLS	RESIDUAL LIKELIHOOD	RESIDUAL IMPACT	RESIDUAL RISK SCORE	FURTHER ACTIONS REQUIRED	RISK OWNER (Officer & PFH)	COMPLETE OR NEXT REVIEW DATE	STATUS OPEN/ CLOSED
						TREATMENT STATUS	TOLERANCE	DIRECTION OF TRAVEL			ACTION OWNER	ACTION DATE
HRA001 Increase in demand for Housing	Inadequate provision provided by the Council to deal with the cost-of-living pressures and responses to the Domestic Abuse Act which have resulted in increased demand for homelessness assistance directly affecting the general fund.	5	4	20	1) Extensive work undertaken to provide a private sector lettings resource to increase prevention of homelessness, reduce demand for Temporary Accommodation and instances where a full rehousing duty would otherwise be owed	4	4	16		Interim Service Director Housing & Property	Jun 23	OPEN
	<b>CAUSE - EFFECT (detail narrative)</b>				2) Monthly tracking for early identification of spikes in demand							
8068 CURRENT REVIEW DATE Feb -23	<p>If the Council fails to implement a strategy and action plan to deal with increased demand for temporary accommodation, then this will result in the following scenarios:</p> <ul style="list-style-type: none"> <li>Tenants will no longer be able to afford current/new tenancies in the private rented sector</li> <li>Residents will no longer be able to afford mortgages.</li> </ul> <p>This will lead to</p> <ul style="list-style-type: none"> <li>An increase in evictions and homelessness</li> <li>And Increased costs of temporary accommodation</li> </ul> <p>This will result in adverse financial impact for the Council, failure of service delivery and reputational damage. The wider economic picture cannot be fully mitigated by the Council.</p>				3) Job coach has been employed to improve employment amongst homeless households							
					4) Review the effectiveness of current support to people experiencing domestic abuse and our ability to prevent homelessness							
					5) Project to improve tenancy sustainment in the private rented sector has been included in the Service Plan for 2023/4. The purpose being to prevent homelessness at an earlier stage						DB	1.4.23



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ECDEV001	A failure to deliver projects linked to the council's UK Shared Prosperity Fund (UKSPF) bid, mean that the council will miss out on the benefits linked to £1 million worth of external funding.	4	5	20	1) Strategic Partnerships specialist/Economic Lead responsible for overseeing delivery of various business support programmes to be delivered through economic development team.	2	2	4	<ul style="list-style-type: none"> <li>Deliver 2022-2023 programmes, which include the procuring of several business support programmes alongside the completion of the Ninefields Playground which is partially funded through the UKSPF.</li> <li>Conduct quarterly and six-monthly reports highlighting outcomes and outputs associated with 2022-23 UKSPF projects.</li> <li>Understand status of Rural England Prosperity Fund which would bring an added £450,000 worth of extra funding into play in tangent with the existing UK Shared Prosperity Fund programme. Bid submitted but no confirmation of award yet.</li> <li>Continue to build communications channels with neighbouring authorities to understand any changes in UK Government reporting requirements and areas for joint delivery.</li> </ul>	Local Strategic Partnership Manager	Jun 23	OPEN
	<b>CAUSE - EFFECT (detail narrative)</b>				2) A full-time officer is working on ensuring that other departments accessing the funds are aware of all the expectations around deploying these.	<b>TREATMENT STATUS</b>				<b>DIRECTION OF TRAVEL</b>	<b>ACTION OWNER</b>	<b>ACTION DATE</b>
Feb 23	i) A lack of staff resource to coordinate the programmes, means that the council is unable to report adequately back to the UK Government on the use of funds. ii) A failure to follow UK Government legal and procurement rules risks the delivery of UKSPF projects. iii) A failure to attend to marketing and communications rules linked to the programme leads to risk of the UK Government withdrawing funding support.				3) This full-time officer is also responsible for organising quarterly and six-monthly reports back to the UK Government around delivery.	TREAT					DH	Mar 23
					4) Dedicated account manager working with economic development team is aware of key requirements regarding financial returns to government.							
					5) A process has been set up between the economic development team and the legal and procurement teams, to ensure all contracts for projects are reviewed before sign off.							

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											DIRECTION OF TRAVEL		
CURRENT REVIEW DATE	CAUSE - EFFECT (detail narrative)				TREATMENT STATUS	ACTION OWNER	ACTION DATE						
<b>CORSER001</b>	Risk of data held by the Council ends up in inappropriate hands.	4	4	16	1) The Council continues to have a designated SIRO, Data Protection Officer, and FOI Officer  2) A Strategic Information Governance Group and an Information Asset Owner Group is in place.  3) The Information Governance Group has put together a work programme and is updated quarterly.	3	4	12	1) The IGG Work Programme is being prioritised and is subject to ongoing review by the SIRO and Chief Auditor.  2) ICT information Governance policy review to be undertaken by Policy sub-group chaired by the SIRO.  3) Executive Team Information Governance training to take place in 2023.  4) People Team are reviewing staff who have not undertaken the GDPR and cyber security training.  5) FOI infographic eLearning on Litmos along with raising awareness communication and data governance will be rolled out during 2023.	Service Director Corporate Services	Jun 23	OPEN	
Feb-23	Breach of the 2018 Data Protection Act (DPA) and the General Data Protection Regulations (GDPR) leading to significant fines or/and intervention by the Information Commissioner's Office (ICO)  • Increased costs and legal implications • Reputational damage to the Council				4) GDPR & Cyber security e-learning training on Litmos was provided during 2022.  5) Training is underway with SLT, started on 30 January 2023	TREAT	PM/SM	Mar 24					
										MM	Oct 23		
										PM	Feb 23		
										AP	Jun 23		
										LR	Jun 23		

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<b>CORSER002</b>	Failure to ensure robust plans are in place for critical services and regularly tested could result in an event occurring having adverse impact on service delivery.	5	5	25	1. There is a well established MIM process for ICT issues to be managed. 2. All 'office' based employees can work from home. 3. The Council has alternative locations it could work from	4	4	16		Service Director Corporate Services	Jun 23	OPEN
<b>CURRENT REVIEW DATE</b>	<b>CAUSE - EFFECT (detail narrative)</b>			<b>TREATMENT STATUS</b>		<b>DIRECTION OF TRAVEL</b>	<b>ACTION OWNER</b>	<b>ACTION DATE</b>				
Feb-23	The Council is required to develop and implement robust Business Continuity Plans in line with the requirements of the Civil Contingencies Act 2004. Failure to do so can result in loss of service delivery. <ul style="list-style-type: none"> <li>• Possible loss of income</li> <li>• Staff absence</li> <li>• Hardship for some of the community</li> <li>• Council criticised for not responding effectively</li> </ul>			TREAT				1. BCP Framework being worked on by BCP Officer and Service Director 2. Finalise Corporate BC Plan. Include the role of internal Gold officer and Group also Silver and Bronze response. 3. Subject matter expert has been instructed to work with Service Managers to produce their Service BC Plan and BIA. 4. For both sets of Plans identify specific processes and agreed decisions related to the situation 5. Work with Essex Police BC Team on Plan templates and manager training 6. BC Officer booked to attend specific BC course and take exams – September 2023		LL	Jul 23	

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ICT001	Failure to ensure adequate controls and firewalls are in place, along with close monitoring and training of staff could result in a cyber security incident.	5	5	25	All data back up now directly to the cloud.  Documented and tested incident management procedures in place.	4	4	16		S151/ Interim Strategic Director	Jun 23	OPEN
	<b>CAUSE - EFFECT (detail narrative)</b>				Cyber security training completed by all users and the People Team notifies ICT of all leavers to ensure access rights are promptly disabled.						<b>DIRECTION OF TRAVEL</b>	<b>ACTION OWNER</b>
Feb-23	The Authority handles a large amount of personal and business data. Either through hacking or carelessness, security of the data could be compromised resulting in:  <ul style="list-style-type: none"> <li>• Loss of system access and/or data</li> <li>• Unable to provide Council services</li> <li>• Increased costs</li> <li>• Reputation damaged</li> <li>• Ransomware payment</li> <li>• Corporate fines</li> </ul>				Access to the Council's Active Directory domain is protected by both two-factor authentication and robust password security settings.  Firewall appliances has been deployed to protect the Council's network.	TREAT			1.Mystery Phishing campaign will commence the first week of February 2023  2.Microsoft security audit data collection has been undertaken and a prioritised remedial action plan will be created, and resources planned to mitigate key risks found.  3.PSN compliance check, both internal and external, are booked w/c 27th Feb. A remedial action plan will then be created for action from April 2023  4.An updated draft information security policy has been created. After feedback from the above compliance checks and tests it will be shared with the business in Q4 2022/23. This requires input from and ratification from the SIGG.	MM		

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SUS001	Failure to achieve carbon emission targets will result in not achieving our targets contained within our Corporate Plan and will result in increased costs.	5	5	25	The Climate Change and Sustainable Transport Officer developed a draft action plan with the overall objective of becoming carbon neutral by 2030. It covers all service areas and the wider District emissions and acknowledges the control we have over emissions in these areas. The final version of the Climate Change Action Plan was submitted and approved by Cabinet in April 2022  Actions from the action plan have continued to be implemented by different service areas while the Climate Change Officer was on maternity leave. e.g. - Further roll out of rapid electric charging points in Ongar - Energy efficiency measures in park homes and other low efficiency household as part of the Sustainable Warmth programme - Energy audit at the Waltham Abbey museum - Litter strategy adopted	3	3	9	The Climate Action Plan reviewed to identify what is Business as Usual and what are priority actions. Findings will be reported back to the PMO Steering Group. Climate work to be scoped and mapped.  (Optional) Further work to embed climate change action into business as usual by providing training and revising policies and decision-making processes.	Interim Strategic Director	Jun 23	OPEN
	<b>CAUSE - EFFECT (detail narrative)</b>											
	Failure to achieve carbon emission targets.  The Council declared a climate emergency and has pledged to do everything within its power to make the Epping Forest District carbon neutral by 2030. If we fail to achieve our targets could result in: <ul style="list-style-type: none"> <li>• Reputational damage</li> <li>• Greatly increased costs from Climate Change Adaptation requirements</li> </ul>					TREAT						

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CONT001	Failure of Waste Contractor to deliver service and failure of the Council to procure a new Contractor to commence in Nov 2024	4	5	20	1. Daily communications with Biffa, keeping members and residents informed. 2. Biffa have agreed a further 2-year pay deal with the GMB. Biffa have already managed to recruit an additional 6 drivers who will commence employment shortly. 3. Biffa have invested resources to improve the service delivery in terms of increasing pay, training, and new vehicles. Additional external waste contractor has been deployed to help deal with the missed collections. 4. Cabinet approval for capital and permission to develop an EFDC waste depot at NWA granted in Feb 23. 5. Cabinet decision to go out to procurement for the waste contract was agreed in October 2022.	4	4	16	1) A Waste Management Portfolio Holder Advisory Group has been agreed by Cabinet in November 2022 to look at current issues and service improvements. 2) Biffa have a vehicle repair/replacement plan in place. Biffa are applying for planning permission to have a workshop at their depot to maintain the vehicles. 3) Procurement documents will go to market on 13 <sup>th</sup> March 2023	Service Director Contracts	Jun 23	OPEN
CURRENT REVIEW DATE Feb-23	<b>CAUSE - EFFECT (detail narrative)</b>  1) Failure of Waste Contract Inability of the Council's partnering contractor, Biffa Municipal Limited to provide waste collection services as specified in Contract. 2) Failure to procure new Waste Contractor to commence in Nov 2024  <b>Consequences:</b> <ul style="list-style-type: none"> <li>Reputational damage to the Council</li> <li>Significant additional costs to the Council</li> <li>Environmental impact – increased rubbish on street, and health issues if waste left out too long before collected.</li> <li>Ongoing service delivery issues</li> </ul>				TREAT							

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						TREATMENT STATUS	DIRECTION OF TRAVEL	ACTION OWNER				
COMP001	Failure of compliance with social housing regulation	4	4	16	1) An external consultancy has given advice on compliance to the council, including policies and procedures. 2) Extensive work has been undertaken to connect spreadsheets containing compliance data to a dashboard for senior management to review monthly. 3) Weekly gas meetings take place monitoring and improving gas compliance.	4	3	12		Interim Service Director Housing and Property	Jun 23	OPEN
	<b>CAUSE - EFFECT (detail narrative)</b>											
	In addition to the requirements of the Social Housing Regulator described above there are requirements from the Building Safety Act 2022 and Fire Safety Act 2021. HSE is now the new regulator for building safety and whilst currently applies to 7 storeys and above the intention is to reduce this down to lower storey blocks. Requires a competent person to be formally appointed and 'golden thread' of records and retention of documents. Fire Safety Act 2021 – applies to EFDC from January 2023 and will amend the existing regulatory (reform) Fire safety order 2005. Applies to all buildings not just housing. The Council must self-refer if not compliant. Fire Safety (England) Regulations 2022.				4) Improvement plan for asbestos being produced for mid-March 2023. 5) Interim Strategic Director is agreed lead on Health and Safety for Housing (as required by the Regulator) 6) The Director for Housing & Property is lead for Consumer Standards. As required by the Regulator. 7) Results of the mid-point of the stock condition survey were made available on 8.3.23. This will inform an assessment of Decent Homes Progress.	TREAT		1) Live dashboard is in place and being reviewed regularly 2) Stock condition survey will be completed at the end of April 2023 3) Survey of social housing residents' satisfaction with housing services will take place in the summer of 2023. 4) Asset Management Strategy will be in place for Autumn 2023 ensuring that structural and compliance needs for the council's council housing are given priority and are fully resourced.	PW			

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FIN001	Failure to maintain a Balanced Budget and Sustainable Medium-Term Financial Plan (MTFP)	3	5	15	1) The active monitoring and reporting on internal and external factors affecting the MTFP, including the 2024/25 Budget through the established Financial Planning Framework  2) Regular communication of financial position and future prospects to Members (through the Cabinet and Scrutiny process) and senior management (via SLT route).	2	5	10		Strategic Director of Resources (Section 151 Officer)	June 2023	OPEN
March 2023	The Council has a legal duty under the Local Government Finance Act 1992 to maintain a balanced budget.  Furthermore, Section 114 (3) of the Local Government Finance Act 1988 dictates..."the CFO (Section 151 Officer) of a relevant authority shall make a report under this section if it appears to them that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure".  The updated Medium-Term Financial Plan (MTFP) 2023/24 to 2027/28 adopted by the Council on 28th February 2023 showed a forecast General Fund budget deficit of £2.389 million for 2024/25, which needs to be eliminated in order to set a balanced budget.		TREAT	1) Maintain (effective) Recruitment Freeze in 2023/24. 2) Develop and deliver Action Plan for balancing 2024/25 Budget. 3) Develop Shared Services Strategy 4) Develop and deliver Transformation Plan (including Shared Services)	AS	April – March (23/4)						
										CH	Oct 23	
										TBC	Oct 23	
										TBC	Feb 24	



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FIN002	Failure to ensure the continued financial viability of Qualis represents a major financial and reputational risk to the Council.	3	5	15	1) Quarterly monitoring and reporting on progress against Qualis Business Plan through the established Governance Framework. 2) Quarterly reporting on Council budget position (including Qualis loan margins and other transactions) through Cabinet and Scrutiny process. 3) Enhanced reporting (with effect from 2023/24 in compliance with December 2021 codes) through Audit & Governance Committee re Capital and Treasury Management strategies (especially on Qualis-related Service and Commercial Investments).	3	4	12		Strategic Director of Resources (Section 151 Officer)	June 2023	OPEN					
	<b>CAUSE – EFFECT (detail narrative)</b>										<b>DIRECTION OF TRAVEL</b>	<b>ACTION OWNER</b>	<b>ACTION DATE</b>				
March 2023	<p>The Council's LATCO, the Qualis Group, has had to operate in particularly difficult economic and trading conditions since its inception. This is proving challenging in property development especially, with the recent sharp increase in worldwide interest rates threatening the viability of planned housing and regeneration schemes. In particular, the Council's medium-term income assumptions are dependent on the successful delivery of these schemes through the margins that it makes on on-lending to Qualis.</p> <p>The Council has obtained security wherever possible against its financial commitments to Qualis, so has purposely mitigated risk to a large extent. Nevertheless, in the event that Qualis fails to establish and maintain its financial viability in the medium-term, the Council would potentially suffer significant financial loss, as well as reputational damage.</p>					TREAT		1) Monitor and report on monthly Cash Flow Statement from Qualis. 2) Monitor and report quarterly on Qualis-related Council risk exposure. 3) Ensure the protection of local taxpayers' interests in the Grounds Maintenance contract from 2023/24. 4) Ensure the protection of local taxpayers' interests in the Commercial Assets contract from 2023/24.		AS	AS	AS	AS	Apr 23	July 23	Mar-Apr 23	Mar-Apr 23

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## Corporate Risk Register- March 2023

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						TREATMENT STATUS	DIRECTION OF TRAVEL	ACTION OWNER			ACTION DATE	
FIN003	A failure to maintain and improve Value for Money (VFM) in the commissioning and delivery of services would potentially jeopardise public funds and cause the Council significant reputational damage.	3	4	12	1) Quarterly performance monitoring and reporting through established Cabinet and Scrutiny progress.  2) Ad hoc scrutiny of Qualis service-delivery performance.	3	4	12		Strategic Director of Resources (Section 151 Officer)	June 2023	OPEN
	<b>CAUSE – EFFECT (detail narrative)</b>											
March 2023	<p>The Council is a Best Value authority under the Local Government Act 1999 and is under a general Duty of Best Value, which requires it to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness” (an optimal balance thereof representing “Value for Money”).</p> <p>The Council’s Duty of Best Value is further reflected in Sections 20 and 21 of the Local Audit and Accountability Act 2014, which require (external) auditors to be satisfied that the Council “has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources”.</p> <p>The Council is redesigning service delivery arrangements in a range of areas (including the transfer of some services to Qualis), so has to ensure that the Duty of Best Value continues to be met.</p>					TREAT		1) Further develop, monitor and report on VFM metrics, including benchmarking and ‘baselining’ services prior to outsourcing.  2) Benchmark Housing Maintenance contract performance against industry standards.  3) Complete VFM assessment of Housing Maintenance contract based on 2022/23 performance.		AS  PW  AS	Jul 23  Jul 23  Jul 23	

## Corporate Risk Register- March 2023

RISK REF (ID)	RISK (IF-THEN) - (one line snapshot)	INHERENT LIKELIHOOD	INHERENT IMPACT	INHERENT RISK SCORE	MITIGATION CURRENT CONTROLS	RESIDUAL LIKELIHOOD	RESIDUAL IMPACT	RESIDUAL RISKSCORE	FURTHER ACTIONS REQUIRED	RISK OWNER (Officer & PFH)	COMPLETE OR NEXT REVIEW DATE	STATUS OPEN/ CLOSED
						TREATMENT STATUS	DIRECTION OF TRAVEL	ACTION OWNER			ACTION DATE	
PEOPLE001 People Strategy failure	Experiencing significant workforce issues around not having the right skills, behaviours, productivity and capacity in place to deliver services to our residents and deliver the Corporate Plan 2023-27.	4	5	20	1. People Strategy 2020/22 in place that recognises the importance of attraction & retention, employee development, supports our new ways of working and engagement with employees and trade unions, and wellbeing support.  2. A successful Apprentice Scheme which maximises expenditure of the Apprenticeship Levy  3. Well established hybrid/flexible ways of working  4. Leadership development programmes  5. A dedicated L&D (Learning and Development) budget and team  6. Partnership working/shared services other authorities and public services which offers potential career, specialist and personal development.  7. Officers involved in a range of Essex wide groups discussing attraction and recruitment to wider Essex	3	4	12	1. Finalise agreement of our People Strategy 2023/27 which supports delivery of the corporate plan, improve skills & behaviours, attraction, develop the whole workforce, engagement, wellbeing, and digital transformation.  2. People Team service plan activating year 1 of the People Strategy  3. Service workforce development plans become an element of our Service Planning Process	Service Director – Corporate Services		OPEN
CURRENT REVIEW	CAUSE - EFFECT (detail narrative)					TREATMENT STATUS	DIRECTION OF TRAVEL	ACTION OWNER		ACTION DATE		
Feb-23 Page 19	The Council requires a highly skilled and motivated workforce to deliver the Corporate Plan and services to our residents. Public services are facing challenging times regarding; <ul style="list-style-type: none"> <li>▪ financial restraints</li> <li>▪ cost of goods and services for employees and employers</li> <li>▪ tight labour markets</li> <li>▪ increasing trade union unrest</li> </ul> The Council needs to attract, recruit, and retain a workforce that can meet these challenges whilst meeting high standards of delivery					TREAT				J Budde n	June 2023	
										J Budde n	June 2023	
										J Budde n / C Graham	Sept 2023	

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LIKELIHOOD ASSESSMENT			
Score	Description	Probability of Occurrence	Likelihood of Occurrent
1	Highly unlikely	The event may occur only in rare circumstances (remote chance) 0-2% chance it will occur	1 in 8 plus years
2	Unlikely	The event may occur in certain circumstances (unlikely chance) 3- 10% chance it will occur	1 in 5- 8 year period
3	Possible	The event may occur (realistic chance) 11 - 20% chance it will occur	1 in 2 - 5 year period
4	Highly Likely	The event will probably occur (significant chance) 21 - 80% chance it will occur	1 in 1 - 2 year period
5	Almost Certain	The event is expected to occur or occurs regularly More than 80% chance it will occur	Up to 1 within 1 year

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IMPACT ASSESSMENT					
	1	2	3	4	5
	Negligible	Low	Medium	High	Very High
<b>Financial</b>	No or very minor loss that is unlikely to have an impact on ability to deliver services.	Loss of a scale that would have a minor impact on ability to deliver some services. Loss/overspend under £50K - or contained within Section/Team	Loss of a scale that would noticeably impact on ability to deliver some services. Loss/overspend £50K - £250K or contained within the Directorate	Loss of a scale that would significantly impact on ability to deliver services. Loss/underspend £250K - £1m Budget adjustments across Directorates	Loss of a scale that would threaten the ability to continue to deliver services. Loss/underspend over £1m - Corporate budget realignment
<b>Service Delivery</b>	No impact to the quality and effectiveness of Service Delivery, all demand for Services can be met and can be delivered in a sustainable manner	Minor impact to the quality and effectiveness of Service delivery but not resulting in disruptions, minor impact to strategic partnerships, ability to meet nearly all demand for Services and with minimal environmental impact.	Moderate impact to the quality and effectiveness of Service delivery resulting in short term disruptions limited to a single service, moderate impact to strategic partnerships. The majority of demand for most Services can be met and delivered with no environmental impact. Moderate impact on achievement of one or more objectives	Major impact to the quality and effectiveness of multiple Services and long term disruptions resulting in required standards, including environmental standards not being met. More than one strategic partnership affected. Demand cannot be met for some key services (e.g. waste) Impact on achievement of a key target(s)/objective(s)	Catastrophic impact to the quality and effectiveness of Service delivery for high number of key Services and key required standards including environmental standards are consistently not met. All strategic partnerships are significantly affected with long term adverse impacts and demand cannot be met for key Services. Catastrophic impact on achievement of several key targets/objectives
<b>Reputation</b>	No customer awareness and contained internally within the Council and no complaints received. No or insignificant impact on relationships with Strategic Partners. No adverse publicity	Contained within Directorate or minor customer awareness. No media concerns. Low level of complaints received from the community and minor impact to some strategic partners	Limited local public and media concern with "short lived" local coverage. Moderate level of complaints received from the public/customers and strategic partners moderately impacted.	Significant regional public ad media concern with the potential to escalate to national coverage. Significant level of complaints received from the public/customers and strategic partner adversely impacted.	Sustained national public and media coverage resulting in long term adverse impacts for the Council. Significant levels of complaints received wider than the District. Strategic partners experience long term catastrophic impacts.
<b>Compliance/Regulatory/Legal</b>	No legal proceedings brought against the Council and EFDC is compliant with all required policies and procedures.	No legal proceedings brought against the Council but minor breaches to some policies and procedures have occurred	The Council is subject to a low number of legal proceedings and some policies and procedures have been breached. Moderate breaches of regulations and standards with financial penalties involving Ombudsman and/or regulators	The Council is subject to a significant number of legal proceedings which are likely to be successful. A number of policies and procedures have been breached by a significant number of EFDC staff. Moderate sanctions by the Regulator	The Council is subject to high profile legal proceedings which is likely to be successful. There has been organisational breaches of all major policies and procedures which will in turn likely to further legal proceedings or sanctions from regulators
<b>Health &amp; Wellbeing of EFDC Staff</b>	No work related fatalities and no adverse impact on staff health and wellbeing. Insignificant impact to staff morale and engagement.	No work related fatalities but potential impact on staff health and wellbeing (e.g. short term absence and sickness rates). Minor impact to staff morale and engagement. There is a diverse workforce where the majority of staff feel equal and included	No work related fatalities but significant impact on staff health and wellbeing (e.g. longer term absences/sickness) Increased numbers of vacancies. Minor impact to staff morale and engagement. Not all staff feel equal and included.	Potential work related fatalities or serious injury. Significant impact on staff and wellbeing, significant impact to staff morale and engagement. Short to medium terms implications with culture the workforce lacks diversity and a significant number of staff are made to feel unequal/excluded	Work related fatalities or multiple serious injuries and staff are affected across all Services. Long term impact to staff morale and engagement and sustained impact to EFDC culture. The workforce lacks any diversity at all and the majority of staff feel unequal/excluded
<b>Partnership/key contractor (objectives/ deadline)</b>	No impact on partnership.	Breach of contract with significant stakeholder Minimal impact on Partnership	Breach of contract with significant stakeholder. Adverse effect on partnering arrangements	Significant impact on Partnership/key contractor or most of expected benefits fail.	Complete failure/breakdown of partnership or key contractor with failure of achieving fundamental objectives
<b>Community health and wellbeing</b>	No impact on the health and wellbeing on the community. No individuals are at risk of physical or mental harm	Minor impact on the health and wellbeing of the community. Low level of individuals are at risk of physical or mental harm and communities are largely unaffected. Minor increase in high street vacancy rate up to 3 months. Minor increase in unemployment up to 3 months. Minor increase in homelessness	Moderate impact to the health and wellbeing of the community. Some individuals are at risk of physical or mental harm and specific communities are adversely impacted. Moderate increase in high street vacancy rate 3-6 months. Moderate increase in unemployment between 3 - 6 months. Failure to support delivery technology resulting in areas 'left behind' unable to embrace change. Moderate increase in homelessness 3 - 6 months period	Major failure to protect the health and wellbeing of the community and physical and mental harm to a high number of individuals is impacted. Communities are unable to thrive. Noticeable increase in high street vacancy rate 6-12 months. Noticeable long term increase in unemployment between 6 - 12 months impacting social services and deprivation. Noticeable long term increase in homelessness between 6 - 12 months.	Catastrophic failings to protect the health and wellbeing of the community. Almost all communities experience physical or mental harm and suffer long term adverse impacts. Significant increase in high street vacancy rate to over the UK National average greatly impacting high street viability. High increase in unemployment level impacting social deprivation with continued rise of unemployment for more than 12 months. High increase in homeless for longer than 12 months.
<b>Environment and/or Public Health</b>	Near miss or resolved without adverse impact	Short term local impact. No lasting detrimental effect on the environment or the community e.g. noise, fumes, dust etc	Moderate impact to the local environmental or social impact	Long term environmental or social impact such as a chronic and/or significant discharge of pollutant	Extensive long term impact. Major public health/environmental incident or loss of significant community facility

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## Equality Impact Assessment

1. Under s.149 of the Equality Act 2010, when making decisions, Epping District Council must have regard to the Public Sector Equality Duty, ie have due regard to:
  - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
  - advancing equality of opportunity between people who share a protected characteristic and those who do not,
  - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
  - age
  - disability
  - gender
  - gender reassignment
  - marriage/civil partnership
  - pregnancy/maternity
  - race
  - religion/belief
  - sexual orientation.
3. In addition to the above protected characteristics you should consider the cross-cutting elements of the proposed policy, namely the social, economic and environmental impact (including rurality) as part of this assessment. These cross-cutting elements are not a characteristic protected by law but are regarded as good practice to include.
4. The Equality Impact Assessment (EqIA) document should be used as a tool to test and analyse the nature and impact of either what we do or are planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. Use the questions in this document to record your findings. This should include the nature and extent of the impact on those likely to be affected by the proposed policy or change.
6. Where this EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. All **Cabinet, Council, and Portfolio Holder reports must be accompanied by an EqIA**. An EqIA should also be completed/reviewed at key stages of projects.
8. To assist you in completing this report, please ensure you read the guidance notes in the Equality Analysis Toolkit and refer to the following Factsheets:
  - Factsheet 1: Equality Profile of the Epping Forest District
  - Factsheet 2: Sources of information about equality protected characteristics
  - Factsheet 3: Glossary of equality related terms
  - Factsheet 4: Common misunderstandings about the Equality Duty
  - Factsheet 5: Frequently asked questions
  - Factsheet 6: Reporting equality analysis to a committee or other decision making body

## Section 1: Identifying details

Your function, service area and team: **Strategic Director**

If you are submitting this EqIA on behalf of another function, service area or team, specify the originating function, service area or team:

Title of policy or decision: **Risk Management report**

Officer completing the EqIA: Tel: **01992 564446** Email: **smarsh@eppingforestdc.gov.uk**

Date of completing the assessment: 13/03/2023

## Section 2: Policy to be analysed

2.1	Is this a new policy (or decision) or a change to an existing policy, practice or project? <b>No; an update of risk management to Audit and Governance Committee</b>
2.2	Describe the main aims, objectives and purpose of the policy (or decision): <b>N/A</b> What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? <b>N/A</b>
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none"> <li>• service users</li> <li>• employees</li> <li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li> </ul> <b>N/A</b>  Will the policy or decision influence how organisations operate? <b>N/A</b>
2.4	Will the policy or decision involve substantial changes in resources? <b>N/A</b>
2.5	Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes? <b>N/A</b>

### Section 3: Evidence/data about the user population and consultation<sup>1</sup>

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	<p>What does the information tell you about those groups identified?  <b>N/A</b></p>
3.2	<p>Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?  <b>N/A</b></p>
3.3	<p>If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:  <b>N/A</b></p>

## Section 4: Impact of policy or decision

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	N/A	N/A
Disability	N/A	N/A
Gender	N/A	N/A
Gender reassignment	N/A	N/A
Marriage/civil partnership	N/A	N/A
Pregnancy/maternity	N/A	N/A
Race	N/A	N/A
Religion/belief	N/A	N/A
Sexual orientation	N/A	N/A

<b>Section 5: Conclusion</b>			
		<b>Tick Yes/No as appropriate</b>	
5.1	Does the EqlA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No ✓	
		Yes <input type="checkbox"/>	If ' <b>YES</b> ', use the action plan at <b>Section 6</b> to describe the adverse impacts and what mitigating actions you could put in place.

**Section 7: Sign off**

**I confirm that this initial analysis has been completed appropriately.  
(A typed signature is sufficient.)**

Signature of Head of Service: Andrew Small

Date: 13/03/2023

Signature of person completing the EqlA: Sarah Marsh

Date: 13/03/2023

**Advice**

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqlA you undertake to the director responsible for the service area. Retain a copy of this EqlA for your records. If this EqlA relates to a continuing project, ensure this document is kept under review and updated, eg after a consultation has been undertaken.