

Operational Risk Register

Legal Democratic & Regulatory

Quarter 4, 2013

Consequences	Inherent Probability	Inherent Impact	Inherent Risk Score	Controls	Residual Probability	Residual Impact	Residual Risk Score	Assurance
Finance & Governance >> Legal Democratic & Regulatory - Steve Baker								
LDR_F01 - Lack of resources to be able to spend the appropriate time analysing the Council's 3rd party expenditure								
Category of risk: Financial Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Continued delivery of a reactive service Potential breach of the Public Contract Regs via non-aggregation Off-contract spend Reduced savings	3 - Likely	4 - Severe	12 - Red	- Spikes Cavell spend analysis undertaken - Realignment of the Service will increase resource capacity	2 - Unlikely	4 - Severe	8 - Amber	
Status of this risk: Treating			Corporate Priority: Dacorum Delivers					
<p>Risk Owner Comments:</p> <p>The residual probability score was reduced from 2 to 1 in Q3 following the appointment of an additional full time Procurement Officer. Also, a projects procurement officer is being recruited on a temporary contract. However, the residual probability score has been changed back to 2 because of the impact of the major procurement contracts on the capacity of the Procurement Unit means that the Unit remains under-resourced for the time being. The score will be reviewed when the projects procurement officer is actually in place.</p> <p>The residual impact score has been increased from 3 to 4 on review. This is because the potential compensation claims for breaches of the public procurement rules could exceed £50,000. This places the risk within the definition of a 'severe impact'.</p>								
LDR_F02 - Lack of resources to be able to design and implement a Category Management approach to the Council's 3rd party expenditure								
Category of risk: Financial Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Lack of strategic direction Reduced savings Procurement silos Increased workload	4 - Very Likely	3 - High	12 - Red	- Realignment of Service will increase the resource capacity.	2 - Unlikely	3 - High	6 - Amber	
Status of this risk: Treating			Corporate Priority: Dacorum Delivers					

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<p>Risk Owner Comments:</p> <p>The residual probability score was changed in Q3 from 3 to 2. The reason for this change was the commissioning of external procurement support in the preparation of an action plan for the design and implementation of a Category Management approach.</p> <p>However, the residual impact score has been increased from 2 to 3 on review. This is because the control measures in place will not effect the inherent impact score of 3.</p>								
<p>LDR_M01 - Failure to reach our most vulnerable citizens, in particular the elderly and disabled, in the provision of housing assistance, (i.e. grant aid and loan schemes)</p>								
Category of risk: Marketplace Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Leads to essential repairs and disabled adaptations not being undertaken, resulting in (non Council owned) dwellings remaining unfit for purpose and a reduction in the quality of the housing stock	3 - Likely	4 - Severe	12 - Red	<ul style="list-style-type: none"> - The housing assistance scheme being completely reviewed to offer a comprehensive package - The Private Sector Housing Renewal Strategy being reviewed to reflect this - IT system being re-programmed to capture more sophisticated performance data - Staff training - Phase II realignment improving resource allocation - Partnership opportunities being sought - Equity release schemes being researched 	1 - Very Unlikely	4 - Severe	4 - Green	
Status of this risk: Tolerating			Corporate Priority: Safe and Clean Environment					

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<p>Risk Owner Comments:</p> <p>The residual probability score was changed in Q3 from 2 to 1. The reason for this change was the completion of the control measures, including the completion and adoption of the Cross Tenure Energy Strategy in Sept 2012. The review of the private sector housing assistance scheme was completed early this year which resulted in financial assistance to private home owners being more targeted towards the most vulnerable. The Policy has been adopted and will be promoted to residents who are receiving benefits or are disabled.</p> <p>The residual impact score has been increased from 3 to 4 as the control measures will not effect the inherent impact score of 4.</p>								
LDR_M02 - Failure of Council staff and Members to understand and embrace localism								
Category of risk: Marketplace Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Poor service to communities, intervention from Government, Poor reputation	3 - Likely	3 - High	9 - Amber	- Officer training Localism policy and strategy being developed.	1 - Very Unlikely	3 - High	3 - Green	
Status of this risk: Treating			Corporate Priority: Building Community Capacity					
<p>Risk Owner Comments:</p> <p>The residual probability score was changed in Q3 from 2 to 1. The reason for this change was the completion of the control measures. Policies and guidance were developed and promoted. Training sessions were held for Members and staff. The voluntary and community sector have been engaged and provided with information. The Cabinet and CMT have received regular reports on the Council's progress on implementing the Localism Act e.g. the community right to bid, the community right to challenge and neighbourhood planning.</p>								
LDR_M03 - Failure to prepare policy and strategy around Localism								
Category of risk: Marketplace Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Poor service to communities, intervention from Government, Poor reputation	3 - Likely	3 - High	9 - Amber	- Officer/member training events. Localism policy and strategy being developed. Localism Working Group set up. Guidance and processes being produced	1 - Very Unlikely	3 - High	3 - Green	
Status of this risk: Treating			Corporate Priority: Building Community Capacity					

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<p>Risk Owner Comments:</p> <p>The residual probability score was changed in Q3 from 2 to 1. The reason for this change is similar to the reason given in respect of LDR M02. The Corporate Localism Working Group has developed policies and guidance in relation to the new community rights and neighbourhood planning. These policies have been adopted and promoted to local voluntary and community organisations.</p>								
LDR_R01 - Failure to deliver successful elections								
Category of risk: Reputational Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Legal sanction and re-run of election at DBC expense Loss of faith in elections process Intense scrutiny on future referenda Potential 'Failed service' designation from Electoral Commission Personal Financial liability for Returning Officer. Invalid or unsubstantiated election Results Dissatisfaction of key stakeholders with the borough council elections and the process for future referenda	4 - Very Likely	4 - Severe	16 - Red	- Election Preparation Plan and Risk Assessment - Establish Election Team, allocate resources, audit and prepare equipment - Oversee actual Election - Check Results - Conclude election paperwork - Clear and Store election equipment - Prepare Election Accounts - Consult Key stakeholders - Produce 'Mop-up' report for Autumn Overview & Scrutiny - Implement recommendations from Overview & Scrutiny in preparation for future elections	1 - Very Unlikely	4 - Severe	4 - Green	
Status of this risk: Treating			Corporate Priority: Dacorum Delivers					
<p>Risk Owner Comments:</p>								
LDR_R02 - Failure to successfully complete Parliamentary Boundary Review								
Category of risk: Reputational Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					

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Inability to run National Parliamentary election or By-elections Legal sanction and re-run of Review at DBC expense Delay in future County, Borough, and Parish Reviews Parliamentary Boundaries not Reviewed	4 - Very Likely	4 - Severe	16 - Red	- Prepare Plan and Risk Assessment - Establish Review Team, allocate resources, audit and prepare mapping equipment - Consult with all interested groups and statutory consultees - After 2011 election begin to implement action plan - Winter 2011/12; Collect consultation, organise Boundary Steering Group, agree Council submission - Assess review and implement conclusions	1 - Very Unlikely	4 - Severe	4 - Green	
Status of this risk: Treating		Corporate Priority: Dacorum Delivers						
Risk Owner Comments:								
LDR_R03 - Failure to maintain Lexcel accreditation								
Category of risk: Reputational Risks		Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services						
Loss of confidence in the service, adverse effect on staff morale, processes not improved, waste of officer time and waste of consultant's costs and assessment fee	4 - Very Likely	3 - High	12 - Red	- IDP framework - Support from Policy and Improvement Officer - Support and active participation of Legal Team members	1 - Very Unlikely	3 - High	3 - Green	
Status of this risk: Treating		Corporate Priority: Dacorum Delivers						

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Risk Owner Comments:								
LDR_R04 - Failure to have a robust system in place to deal with contingencies								
Category of risk: Reputational Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Leads to the inability to respond to a civil contingency or an incident that affects the continuity of the Council's operations, resulting in non-compliance with the Council's statutory and other obligations, service disruptions and system failures	4 - Very Likely	4 - Severe	16 - Red	- Training programme for officers who would be involved in the emergency plan in place - regular training exercises - regular testing of business continuity call out - Existing arrangements with Herts CC - Up to date business continuity plans in place	2 - Unlikely	4 - Severe	8 - Amber	
Status of this risk: Tolerating			Corporate Priority: Dacorum Delivers					
Risk Owner Comments: The residual probability score was changed in Q3 from 3 to 2. The reason for this change was the completion of the control measures. The Corporate Emergency Plan was reviewed, updated and published. The Corporate Business Continuity Plan and Disaster Recovery Plan are currently being updated in response to the changes to the Council's IT service. Training exercises were held in 2012 and this year to test the Emergency Plan and the business continuity cascade system. Bespoke resilience training was held for 68 members of staff who have roles in the Emergency Plan. Emergency Duty Officer Guidance was produced and briefing sessions held. A series of multi-agency Buncefield Task and Finish Group meetings were held followed by a table-top exercise to test the Buncefield Terminal Complex Off-Site Emergency Plan. There was also an Internal Audit report in Sept 2012 on emergency planning which gave a "Full" evaluation assessment i.e. "there is a sound system of internal control designed to achieve the system objectives". However, the inherent impact score of 2 has been reviewed and is felt to be too low. Failure to have a robust system in place to deal with a major interruption to business continuity could result in service disruption of more than 5 days. The inability to respond effectively to a civil emergency, on a similar scale to the Buncefield fire for example, would result in adverse and persistent negative media coverage and have a severe impact on the Council's reputation, etc. This places the risk within the definition of a 'severe impact'. The inherent impact score has therefore been increased from 2 to 4. The residual impact score has also been increased from 2 to 4.								
LDR_R05 - Failure to adopt a service specific best practice approach to managing Health and Safety								
Category of risk: Reputational Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Death or injury to staff; residents or contractors' staff; reputation; litigation and charges of corporate	3 - Likely	4 - Severe	12 - Red	- Service specific health and safety policies in respect of Council buildings and commercial properties.	1 - Very Unlikely	4 - Severe	4 - Green	

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manslaughter			12 - Red	- Ongoing training for staff in key areas.			4 - Green	
Status of this risk: Treating		Corporate Priority: Dacorum Delivers						
Risk Owner Comments:								
LDR_R06 - Failure to maintain an effective business continuity plan for all relevant service areas								
Category of risk: Reputational Risks			Portfolio Holder: Cllr Neil Harden - Residents & Regulatory Services					
Disruption caused by service failure leading to hardship for individuals, potential loss of business and significant reputational damage	3 - Likely	4 - Severe	12 - Red	- Business continuity plans in place, revised at March 2011. - Annual review and update process. - Corporate business continuity process and procedures set out in emergency response toolkit.	1 - Very Unlikely	4 - Severe	4 - Green	
Status of this risk: Tolerating		Corporate Priority: Dacorum Delivers						
Risk Owner Comments:								