

Place and Resources Scrutiny Committee



Risk Management Exception - Quarterly Update Report

Extreme and High-Level Risks

August 2022

Contents

Heading	Page No.	Heading	Page No.
Introduction	2	Risk Ranking Matrix identifies the level of risk	4
Why is this risk report important?	2	SUMMARY of PERFORMANCE	7
Risk Management Road Map	3	Corporate Services	8
Effective Management	3	Place Directorate	19

Introduction

This update report is a summary that describes the potential risks that Dorset Council face. The report addresses risks, which have the potential for severe consequences, and emerging risks that may become problematic in the future. The report highlights:

- How effective Dorset Council is at handling potential risks
- What changes are necessary to keep risk at an acceptable level
- What the updated status of corrective actions is
- What the signs of trends in the incidence of risks are

Why is this risk report important?

Risk reports are important because they help managers and officers to better understand various risks Dorset Council is taking, whilst the provision of accurate and informative report ensures that stakeholders know of existing risks and gain knowledge to help create a plan to avoid unwanted surprises and actions. Dorset Council risks are managed through SharePoint that includes actions to minimize the risk and designates an owner who is the individual responsible for the risk. Risks are updated on a quarterly basis and the reports focus on the most severe risks (Extreme and High Level) that require corrective actions. The reports should help to create focus, such as risk action plans.

Risk Management Road Map 2022

The Road Map helps to provide a visual way to quickly communicate our plan of work for the coming months. We feel that this is the most effective tool to give you a bird's-eye view of everything that's planned. By being more risk aware, Dorset Council will be better placed to avoid threats and take advantage of any opportunities.



Effective Management

The Scrutiny Committees' terms of reference also include the monitoring of performance against outcomes in the Corporate Plan. There are links between scrutiny, performance, and risk and how effectively the Council is managing risk. Effective management through risk management helps to embed a culture, process and structure that is directed towards the effective management of opportunities and threats. The Annual Governance Statement (AGS) highlighted opportunities to enhance risk management and efforts have been made to increase the level of ownership, enhance the engagement of members, and update the risk registers, and update the risk training and awareness. Risk management has consequences in terms of performance, environmental and safety outcomes, and professional reputation. Risk is anything and everything that could impact upon the successful achievement of aims and objectives. Risk management is a process to identify, assess, manage, and control potential events. It is crucial that the council can prioritise potential risks so that management attention and resources can be directed towards the high-risk items.

The two-key metrics in the measurement of risk:

- **impact (or severity)** - Impact is the measure of consequences – the severity of an event should it materialise
- **likelihood (or probability)** - Probability is the associated likelihood of an event occurring during a certain period.

The overall risk score is the product of the two metrics – **Impact x likelihood**. **Risk Ranking Matrix** is used during risk assessment to define the level of risk and increase visibility of risks.

Risk Ranking Matrix identifies the level of risk

Once risks have been scored using the Risk Assessment Matrix, the next step is to understand what this score means and use it to inform a suitable response.

Each risk, based on its score, will be rated as either **LOW, MEDIUM, HIGH-LEVEL, OR EXTREME** and will be colour-coded according to the Risk Assessment Matrix.

The rating will determine the approach to be taken to the management of each risk and will reflect the Council’s risk appetite i.e., the level of risk the Council is willing to accept or tolerate which then dictates the level and intensity of response required.

Impact	Catastrophic	5	10	15	20	25
	Major	4	8	12	16	20
	Moderate	3	6	9	12	15
	Slight	2	4	6	8	10
	Limited	1	2	3	4	5
		Very Unlikely	Unlikely	Possible	Likely	Certain
Likelihood						

Impact	Catastrophic Score five	Multiple deaths of employees or those in the Council's care; Inability to function effectively, Council-wide; Will lead to resignation of Chief Executive and/or Leader; Corporate Manslaughter charges; Service delivery must be taken over by Central Government; Front page news story in National Press; Monetary loss over £10m
	Major Score four	Suspicious death in Council's care; Major disruption to Council's critical services for more than 48hrs; Noticeable impact achieving strategic objectives; Will lead to resignation of Senior Officers and/or Cabinet Member; Adverse coverage in National press/Front page news locally; Monetary loss £5m-£10m
	Moderate Score three	Serious Injury to employees or those in the Council's care; Disruption to one critical Council Service for more than 48hrs; Will lead to resignation of Head of Service/Project Manager; Adverse coverage in local press; Monetary loss £1m-£5m
	Slight Score two	Minor Injury to employees or those in the Council's care; Manageable disruption to services; Disciplinary action against employee; Monetary loss £100k-£1m
	Limited Score one	Day-to-day operational problems; Monetary loss less than £100k

Likelihood	Certain Score five	Reasonable to expect that the event WILL happen, recur, possibly or frequently
	Likely Score four	Event is MORE THAN LIKELY to occur. Will Happen, recur, but is not a persisting issue.
	Possible Score three	LITTLE LIKELIHOOD of event occurring. It might happen or recur occasionally.
	Unlikely Score two	Event NOT EXPECTED . Do not expect it to happen or recur, but it is possible that it might do so.
	Very Unlikely Score one	EXCEPTIONAL event. This will never happen or recur.

Level of Risk	EXTREME (20-25)	<p>Risks at this level sit above our tolerance and form the biggest risks.</p> <p>Risks at this level sit above the tolerance of the Council and are of such magnitude that they form the Council's biggest risks. The Council is not willing to take risks at this level and action should be taken immediately to manage the risk.</p>
	HIGH-LEVEL (12-16)	<p>The Council is not willing to take risks at this level and action should be taken immediately.</p> <p>These risks are within the upper limit of risk appetite. While these risks can be tolerated, controls should be identified to bring the risk down to a more manageable level where possible.</p>
	MEDIUM (5-10)	<p>While these risks can be tolerated, controls should be identified to bring the risk down to a more manageable level.</p> <p>These risks sit on the borders of the Council's risk appetite and so while they do not pose an immediate threat, they are still risks that should remain under review. If the impact or likelihood increases, then risk owners should seek to manage the increase.</p>
	LOW (1-5)	<p>These risks sit on the borders of the Council's risk appetite and so while they do not pose an immediate threat, they are still risks that should remain under review. These are low level risks that could impede or hinder a achievement of objectives. Due to the low level, it is unlikely that additional controls will be identified to respond to the risk.</p> <p>Minor level risks with little consequence but not to be overlooked completely.</p>

The change in the overall risk profile demonstrates how action is taken to manage risks, to ensure the completeness of the risk register and to capture emerging risks.

The full Services Risk Register can be viewed from this link [HERE](#)

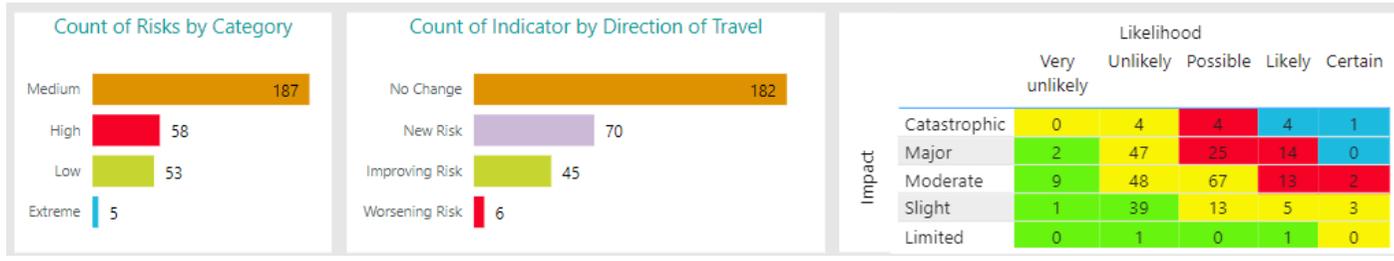
Once risks have been identified, they must be assessed in terms of how likely it is that they will materialise (likelihood) and, if they do, what might the effects be (impact).

Every risk will be considered as unique, with its own significance. Once risks have been scored using the Risk Assessment Matrix, the next step is to understand what this score means and use it to inform a suitable response.

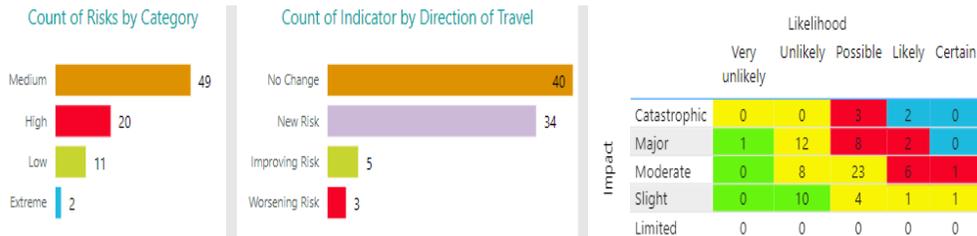
Each risk, based on its score, will be rated as either LOW, MEDIUM, HIGH-LEVEL, OR EXTREME and will be colour-coded according to the Risk Assessment Matrix.

A SUMMARY of PERFORMANCE of the risks for this reporting period August 2022

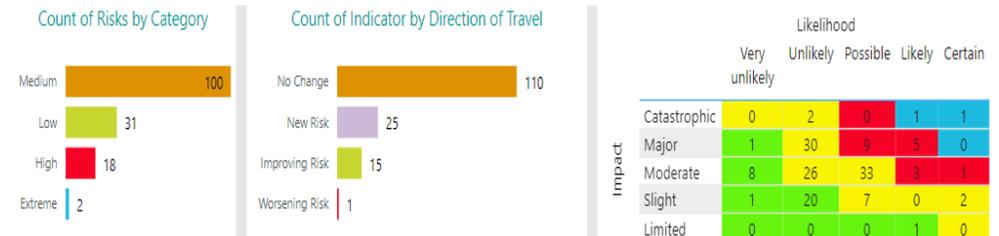
303
No of Open Risks



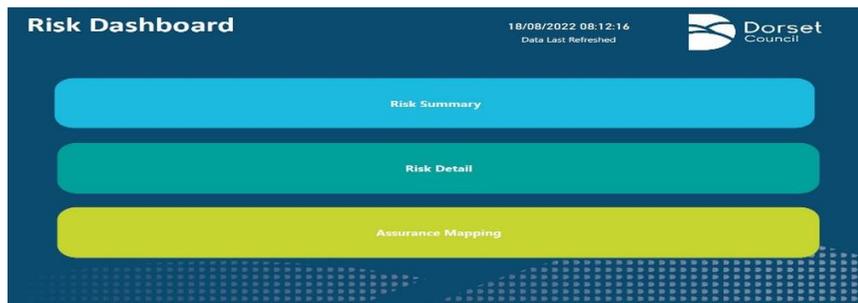
Corporate



Place



Note the deadline to update risks to enable the production of this report was 4 August 2022



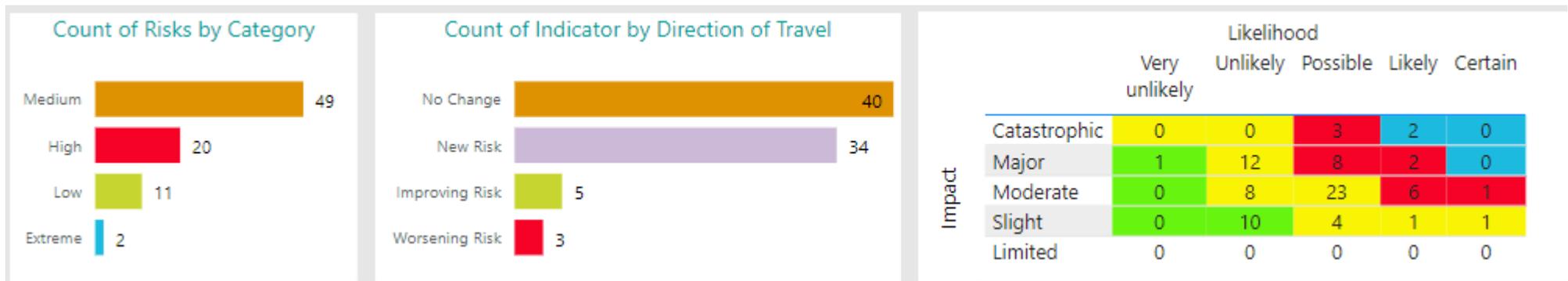
Risk Dashboard can be found [HERE](#)

Risk Management Update Report

Corporate Services

Extreme and High-level Risks

August 2022



Corporate Services

Extreme

ICT Operations

Risk 286 - Loss of ICT service or data through a cyber-attack

Risk 348 - There is a business continuity risk from delayed ICT recovery after a disruption such as a power failure

High-Level Risks

Human Resources

Risk 359 - There is a risk that Schools will cease buying DC HR services, leading to a reduction in income into service and associated impact on service delivery from the wider service

Risk 349 - There is a risk that the HR Manager Self-Service model is inconsistently applied across the council by managers

Risk 358 - There is a risk that the review of terms and conditions may impact on the retention of key skills within the council

Legal & Democratic Services

Risk 389 - Information Compliance - Inadequate compliance with individuals rights under data protection law

Risk 393 - Information Compliance - Inadequate "data protection by design and default" culture and processes

Communications and Engagement

Risk 314 - Lack of capacity to focus on core campaigns (Comms)

Risk 344 - There is a risk that teams/services/directorates breach the Equality Act 2010 by failing to assess the impact of service changes, new policies, and projects on people with protected characteristics

Revenues and Benefits

Risk 435 - Failure to bill correctly and / or collect Council Tax

Risk 436 - Failure to bill correctly and / or collect Non-Domestic Rates

Risk 458 - BACS - failure to collect direct debits and/or make Housing Benefits payment

Risk 433 - Failure to manage the cessation of partnership with BCP council

Risk 448 - Loss of ICT service due to cyber attack

Risk 432 - Failure to recruit, train, retain key personnel

Transformation, Innovation and Digital

Risk 326 - Failure to deliver savings from transformation - The efficiency and savings programme and associated the transformation programme are not delivered including the failure to deliver financial savings

Risk 330 - The inability to attract, retain or afford sufficient staff to deliver the organisation's ambitions

Risk 317 - Policy work slower than required (Chief Exec's)

Corporate Management Team

Risk 377 - Failure to understand the impact of government policy changes on future service delivery

Risk 385 - Failure to deliver the medium-term financial plan leads to service cuts

Human Resources

Risk 359 - There is a risk that Schools will cease buying DCHR services, leading to a reduction in income into service and associated impact on service delivery from the wider service					Direction of Travel No Change		Last Reviewed 27 July 2021	
Risk Owner Service Manager for HR Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	4	Likelihood		3	Impact	
Update - Will impact on our ability to continue to fund services delivered to DC, due to c£400k of income underpinning costs of resources in teams/roles supporting DC services. Continued increase in large MAT's, in line with Govt direction, increases likelihood that schools will convert to larger MAT's, where direct employment of HR resources is more viable/common, resulting in schools ceasing to buy into DCHR Services.								
Controls - Continued focus on service improvement and promotion of DCHR Services, including added value offered as being part of LA and specialists in supporting educational settings with people management matters.								

Risk 349 - There is a risk that the HR Manager Self-Service model is inconsistently applied across the council by managers					Direction of Travel No Change		Last Reviewed 17 August 2021	
Risk Owner Service Manager for HR Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	3	Likelihood		5	Impact	
Update - Will impact on individual and collective decision making leading to a range of impacts from administrative errors to lengthy and expensive employee relations disputes - Lack of clarity around role of managers in dealing with people management matters and willingness of managers to engage in this way of working, potentially influenced by experience or lack of confidence in dealing with people management matters.								
Controls - Monitoring of volume of managers working outside of current self-service model, with escalation of any patterns or areas of concern. Work underway to introduce improvements to systems and process (i.e., DES, Recruit) to simplify common tasks performed by managers.								

Risk 358 - There is a risk that the review of terms and conditions may impact on the retention of key skills within the council.					Direction of Travel No Change		Last Reviewed 27 August 2021	
Risk Owner Service Manager for HR Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	4	Likelihood		3	Impact	
Update - Without incurring significant additional cost to the council, it will be difficult to introduce a set of terms and conditions for all employees that will not see any reduction in terms in some areas, which may lead to employees deciding to leave the council (i.e., potential reduction in annual leave for Social Workers).								
Controls - Engagement with directorate leads to understand the potential impact of changes to terms and conditions on different elements of the workforce. Early engagement with TUs. Full consideration of different implementation options.								

ICT Operations

Risk 286 - Loss of ICT service or data through a cyber-attack					Direction of Travel Improved		Last Reviewed 4 August 2022			
Risk Owner Head of ICT Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		Extreme					High-Level			
		Impact	5	Likelihood	4		Impact	3	Likelihood	4
<p>Update - Countermeasures for this risk can be split into two categories, Likelihood reduction and Impact reduction.</p> <p>Likelihood reduction: Reducing the likelihood of an attack requires multiple layers of protection around the infrastructure and staff accounts. This is known as the 'defence in depth' principle.</p> <p>Implemented mitigations: Phishing/Social Engineering – Around 80% of successful attacks are caused by successful phishing attacks. This would usually be staff being tricked into providing their username and password or downloading malicious software to their work computer. Cyber Security awareness training helps staff identify fraudulent emails and phone calls and reduces the likelihood of being tricked into this type of attack. This control is in place and is maturing.</p> <p>Multifactor Authentication – Multifactor authentication is a technical control that requires staff to provide additional information to log into a system. This helps protect accounts from compromise even if the username and password is known. This reduces the likelihood of complete account compromise in some situations even where the account password is known. Conditional Access – Only allows account access if certain conditions are met. Defines when multifactor is required to log in. Vulnerability Management – identifies vulnerabilities in technology. Reduces likelihood by enabling ICT Operations to proactively resolve vulnerabilities before they are exploited in an attack.</p> <p>UPDATE: 04/08/2022 - The total number of vulnerabilities in the council's infrastructure has been reduced by 82% in the last 12 months. UPDATE: 04/08/2022 - SIEM capabilities are deployed within the council and are maturing.</p> <p>Immutable backup – This is a 'backup of last resort' and is specifically intended to provide a countermeasure to a ransomware attack. Immutable backups provide a read only copy of data that would be difficult to compromise during a ransomware attack and would enable the Council to recover data if primary systems had been compromised.</p> <p>UPDATE: 04/08/2022 - Immutable backup capabilities have been deployed in the council.</p> <p>The longer a vulnerability, cyber-attack or breach is left uncontrolled the more damage can be done. Permanent total data loss, Citizen data released on the internet, extortion. Data gathered can be used by the threat actors to launch social engineering attacks on the residents of Dorset with information stolen from the Council. Application rationalisation (Likelihood) will reduce the total number of vulnerabilities in the infrastructure therefore reducing the attack surface of the council. Target score is twelve with optimal controls in place.</p> <p>Controls - Cyber Awareness Training (Likelihood) – Awareness training is provided using a third-party service and includes content on phishing activities. The product also runs automated phishing simulation emails to all staff and provides reports indicating susceptibility to phishing emails over time. Conditional Access (Likelihood) – Conditional Access technologies are in place to protect staff account identities. Conditional Access has been implemented, Vulnerability Management (Likelihood) – Capabilities have been implemented and are being matured. Security Event and Incident Management (Impact) - Capabilities have been implemented and are being matured.</p>										

Risk 348 - There is a business continuity risk from delayed ICT recovery after a disruption such as a power failure.					Direction of Travel No Change		Last Reviewed 4 August 2022			
Risk Owner Head of ICT Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		Extreme					Medium			
		Impact	5	Likelihood	4		Impact	3	Likelihood	3
<p>Update - LGR/One Domain work has now concluded. The first major test will be conducted in Oct/Nov 2022. This will be conducted during a controlled power down of the data centre for electrical works. This exercise will mark the first major review of the council's continuity position since the formation of the new council - and provide the first indication of assurance about our ability to respond effectively which will start to reduce this risk rating. Inadequate ICT service continuity capabilities, planning, training, and testing results in delayed ability to recover ICT services supporting critical business functions in the event of a disruption.</p> <p>Controls - Current counter measures are based on the experience and previous procedures used in the former DCC. Whilst these procedures were effective, they have not been updated for Dorset Council. The principles will work however some of the specific details will be out of date.</p>										

Legal & Democratic Services

Risk 389 - Information Compliance - Inadequate compliance with individuals rights under data protection law					Direction of Travel Worse		Last Reviewed 28 July 2022			
Risk Owner Service Manager for Assurance	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level					Medium			
		Impact	3	Likelihood	4		Impact	3	Likelihood	2
<p>Update - Currently compliance levels for Subject Access Requests remain low. The SARs team have transferred across from Children's Services to Assurance in 2022, and as part of this review several improvements are being considered. A project is being initiated to look at more effective redaction tools. We are currently outsourcing larger more complex cases to an external provider, and the effectiveness of this will be reviewed. We are looking at our processes to reduce QA time, by early referral back to the initial reviewer. Children's Services will explore whether early discussions with the customer reduce the number of documents that need to be released. The outsourcing arrangement can be extended to other services. We are working with the Rees Foundation to provide an external and independent contact point for requestors that are leaving care, which will help to focus requests but also support the requestor in terms of the content.</p> <p>Controls - Dedicated Subject Access Request team in the Assurance Service. Outsource provider. Rees Foundation.</p>										

Risk 393 - Information Compliance - Inadequate "data protection by design and default" culture and processes					Direction of Travel No Change		Last Reviewed 28 July 2022			
Risk Owner Service Manager for Assurance	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level					Medium			
		Impact	3	Likelihood	4		Impact	3	Likelihood	2
<p>Update Work is necessary to embed a culture of Data Protection Impact Assessments for any transformational change proposals. A task and finish group has been established to look at developing a wider "Impact Assessment" tool, which would also embrace climate change and equalities impacts. This may need the assistance of service-based change champions to assist services with lower risk assessments. Higher risk impacts would be escalated to a proposed operational level information governance group.</p>										

Communications and Engagement

Risk 314 - Lack of capacity to focus on core campaigns (Comms)					Direction of Travel No Change	Last Reviewed 11 May 2021				
Risk Owner Head of Communications and Engagement	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level								
		Impact	3	Likelihood	4		Impact		Likelihood	
Update - Reactive, responses constantly required resulting in inability to resource full range of campaigns to support council priorities - Weekly (and sometimes daily) work prioritisation - Work with the team to identify workable solutions e.g., splitting reactive and initiative-taking work to specific individuals.										

Risk 344 - There is a risk that teams/services/directorates breach the Equality Act 2010 by failing to assess the impact of service changes, new policies, and projects on people with protected characteristics					Direction of Travel No Change	Last Reviewed 19 July 2021				
Risk Owner Head of Communications and Engagement	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level								
		Impact	3	Likelihood	4		Impact		Likelihood	
Update - This is a risk because a) we are going through a period of significant service change and transformation b) understanding of equality legislation is inconsistent across the workforce and c) we are implementing a new process for assessing equality impacts. The risk is of a successful judicial review resulting in financial penalties and reputational damage Information Governance Action Plan - Controls - EDI training is mandatory for all employees - Controls - EDI training is mandatory for all employees and a new EQIA system is being developed.										

Revenues and Benefits

Risk 435 - Failure to bill correctly and / or collect Council Tax					Direction of Travel No Change	Last Reviewed 26 July 2022				
Risk Owner Head of Revenues and Benefits	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level								
		Impact	4	Likelihood	3		Impact		Likelihood	
Update - Collection rates have fallen because of Covid and the data merge and plans to restart recovery runs during 2022 have been made. Annual Billing 2022/23 was undertaken on time.										
Controls - Recruiting to vacant posts and up-scaled structure. The regular issue of reminders. Booking of courts										
Mitigation - The pandemic has impacted collection rates due the economic situation and fact that courts were closed. Courts are now open, and the economic position has improved which will allow full recovery action to be taken during 2022/23.										

Risk 436 - Failure to bill correctly and / or collect Non-Domestic Rates					Direction of Travel No Change		Last Reviewed 26 July 2022	
Risk Owner Head of Revenues and Benefits	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	4	Likelihood		3	Impact	
Update - Collection rates have fallen because of Covid and the data merge and plans to restart recovery runs during 2022 have been made . Annual Billing 2022/23 was undertaken on time.								
Controls - Recruiting to vacant posts and up-scaled structure. The regular issue of reminders . Booking of courts. Award of discretionary relief.								
Mitigation - The pandemic has impacted collection rates due the economic situation and fact that courts were closed. Courts are now open, and the economic position has improved which will allow full recovery action to be taken during 2022/23.								

Risk 458 - BACS - failure to collect direct debits and/or make Housing Benefits payment					Direction of Travel No Change		Last Reviewed 26 July 2022	
Risk Owner Head of Revenues and Benefits	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	5	Likelihood		3	Impact	
Update - BACS - failure to collect direct debits and/or make Housing Benefits payment. This risk remains high even though the likelihood remains at 3.								
Controls - Resolute staff processing BACS / Direct debit transactions . Regular training.								
Mitigation - This is a corporate risk for all departments which use BACS/Direct Debit.								

Risk 433 - Failure to manage the cessation of partnership with BCP council					Direction of Travel No Change		Last Reviewed 27 July 2022	
Risk Owner Head of Revenues and Benefits	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	4	Likelihood		3	Impact	
Update - Failure to manage the cessation of partnership with BCP council (bringing the legacy EDDC/NDDC work in house). Negotiations with BCP council regarding a n amicable cessation are ongoing. Some work has already returned, but the risk remains at this level until all work has migrated (partnership ends 31/03/23) .								
Mitigation - There is a will from each council to end the partnership amicably.								

Risk 448 - Loss of ICT service due to cyber attack					Direction of Travel No Change	Last Reviewed 27 July 2022			
Risk Owner Head of Revenues and Benefits	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level							
		Impact	5	Likelihood		3	Impact		Likelihood
Update –									

Risk 432 - Failure to recruit, train, retain key personnel					Direction of Travel No Change	Last Reviewed 27 July 2022			
Risk Owner Head of Revenues and Benefits	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level							
		Impact	4	Likelihood		3	Impact		Likelihood
Update – The service has several vacancies and is in the process of upscaling to take on the work in respect of the legacy EDDC and NDDC areas. Numerous vacancies are in the process of being filled. As of July 2022, some posts have been filled but the risk remains.									
Mitigation - The Revenues and Benefits service has advertised and appointed three roles during the pandemic and was able to successfully appoint. The ability for colleagues to work from home will widen the net for future recruitment.									

Transformation, Innovation and Digital

Risk 326 - Failure to deliver savings from transformation - The efficiency and savings programme and associated the transformation programme are not delivered including the failure to deliver financial savings.					Direction of Travel No Change	Last Reviewed 19 July 2022			
Risk Owner Corporate Director – Transformation, Innovation & Change	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level				Low			
		Impact	4	Likelihood		3	Impact	2	Likelihood
Update - Transformation Programme in place focussed on delivering agreed financial targets. Financial monitoring arrangements strengthened and integrated into budgetary control. Governance arrangements in place to report and monitor the realisation of savings. Review of financial forecasts at MTFP - effective project management to realise savings and ensure appropriate staffing levels within projects.									
Treat – continue with the activity and bring the risk to an acceptable level.									
Financial savings deep dive in place annually, undertaken by Dartboard and reported to the Transformation and Performance Board. Benefits profiling across all directorates in place with clear action leads for delivery of the savings.									
Highlight reporting in place via the transformation hub for monthly review alongside CPPI reporting to the MTFP.									

Risk 330 – The inability to attract, retain or afford sufficient staff to deliver the organisation’s ambitions					Direction of Travel Worse		Last Reviewed 19 July 2022		
Risk Owner Corporate Director – Transformation, Innovation & Change	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level					Low		
		Impact	4	Likelihood	4		Impact	3	Likelihood
<p>Update - Successful bid to the transformation fund to fund new posts in 2021 until 2023. However, as these fixed terms enter their last 9 months, employees are already seeking new opportunities in the event their contracts end. This places greater risk to the delivery of year 2 transformation. Prioritisation of work via the pipeline to best manage capacity of change within the business continues.</p> <p>Treat – continue with the activity and bring the risk to an acceptable level .</p> <p>SWAP audit undertaken to review organisational capacity to deliver change. Leadership and management programme continues to be developed to support managers to lead through change. Transformation bid being developed to seek extension of this temporary resource for a further two years.</p>									

Risk 317 - Policy work slower than required					Direction of Travel No Change		Last Reviewed 11 May 2021		
Risk Owner Service Manager for Business Intelligence & Performance	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level							
		Impact	3	Likelihood	4		Impact		Likelihood
<p>Update - Resource issues. Results in lack of corporate oversight of key council policies, horizon scanning and funding opportunities.</p>									

Corporate Management Team

Risk 377 - Failure to understand the impact of government policy changes on future service delivery					Direction of Travel No Change		Last Reviewed 4 August 2022		
Risk Owner Senior Leadership Team	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level					Medium		
		Impact	4	Likelihood	4		Impact	3	Likelihood
<p>Update - There is currently a vacancy for the Policy and Strategy Business Partner within the BI & Performance Service. The central Policy team remains under-developed, and work is currently underway to build-out this model. The central team continues to have links with devolved policy officers in the People Directorates.</p> <p>Controls - Working closely with our MPs. Continue monitoring all government consultations. Publish a weekly bulletin providing updates on key activities that may impact DC. This is sent via an automated email to all subscribers. Publish a monthly MP Briefing covering all MP's activity throughout each month. This is sent via an automated email to all subscribers.</p> <p>Publish a weekly Engagement Tracker providing the latest policies, guidance, consultation, funding, and news, allowing Services to identify relevant documents. This is sent via an automated email to all subscribers. Engage with CCN's Policy and Strategy Group.</p>									

Risk 385 - Failure to deliver the medium-term financial plan leads to service cuts				Direction of Travel No Change		Last Reviewed 24 November 2021					
Risk Owner Corporate Service Management Team	Inherent risk The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating				
		High-Level									
		Impact	5	Likelihood	3			Impact		Likelihood	
Update – To be updated											

New risks identified by Corporate Services Management Team – to be reviewed and developed:

- Inflation and thus prices across various services remain a concern - As does cost of living for both residents and our employees
- Delivering against our Capital projects
- Recruitment and retention within Corporate Services

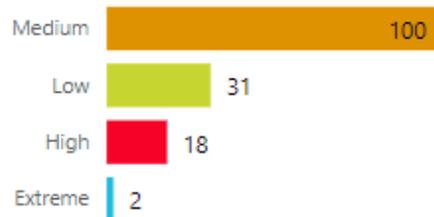
Risk Management Update Report

Place Directorate

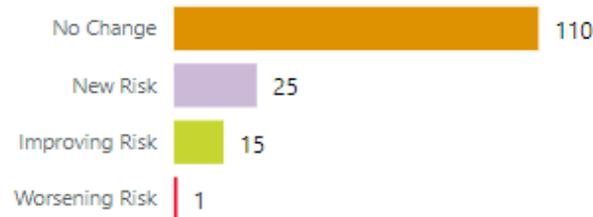
Extreme and High-level Risks

August 2022

Count of Risks by Category



Count of Indicator by Direction of Travel



Impact	Likelihood				
	Very unlikely	Unlikely	Possible	Likely	Certain
Catastrophic	0	2	0	1	1
Major	1	30	9	5	0
Moderate	8	26	33	3	1
Slight	1	20	7	0	2
Limited	0	0	0	1	0

Place

Extreme

ASSETS & PROPERTY

Risk 463 - Risks surrounding the cost of construction resources due to main provider being in Belarus. Linked to this is the soaring cost of resources and only being able to get 30-day quotes

Place Based Services – COMMERCIAL WASTE & STRATEGY

Risk 381 - Cost of contracted services (HRCs operation, transportation) increases when retendered

High-Level

ASSETS & PROPERTY

Risk 138 - Breach of health and safety at an occupied premise

Risk 228 - Changing funding landscape and ability to secure investment funding for Dorset

Risk 231 - Securing sufficient and appropriate skills and resources through restructuring of service to deliver DC economic growth strategy

Economy Infrastructure and Growth – DORSET TRAVEL

Risk 362 - LOSS OF STRATEGIC PUBLIC ROUTE Loss/severe reduction of key public transport route(s) - e.g., no longer commercially viable, change to bus operator strategic direction - now made worse by COVID

Risk 364 - OVERHANGING TREES Unviability of school bus routes caused by failure to cut back overhanging trees and vegetation (e.g., those operated by First Wessex and others)

Risk 365 - MARKET FORCES Failure to understand and influence factors affecting DCs spend on contracted-out transport services - resulting in significant overspend

Economy Infrastructure and Growth – HIGHWAYS

Risk 84 - Failure to deliver a safe and suitable alternative to the current arrangements for Wareham Level Crossing

Risk 73 - Failure to attract funding for asset maintenance

Risk 292 - Winter Service budget pressures

Risk 63 - Inability to maintain the highways infrastructure to an acceptable standard in the face of changing circumstances (e.g., budget reductions, climate change)

Risk 469 - Failure of parking machines due to mechanical issues or technology becoming out of date

Economy Infrastructure and Growth – PLANNING

Risk 141 - Changes to national planning policy led to delays to prep of the Local Plan Review

Risk 194 - Lack of five-year housing land supply, or failure to meet Housing Delivery Test, means that policies are considered out of date and there is risk of having to allow more applications and of losing planning appeals

Management Team

Risk 375 - Gap exists between amount of available resource and ability to deliver statutory demand

Risk 373 - An inability to recruit into key / critical posts

Commercial Waste & Strategy

Risk 293 - Failure to secure capital to develop and maintain waste infrastructure

Risk 382 - Change of regulations leads to higher cost of waste treatment

Risk 208 - Gaining sites and planning to provide infrastructure leads to failure to deliver service

Risk 211 - Failure to maintain high recycling and therefore waste diverted to more expensive disposal

Place Based Services – ENVIRONMENT AND WELLBEING

Risk 201 - Climate change effects on sea level rise and uncertainty could lead to low lying areas such as Weymouth being uneconomic to defend

Assets and Property

Risk 138 - Breach of health and safety at an occupied premise (Directorate Duty Holder)					Direction of Travel No Change		Last Reviewed 4 August 2022	
Risk Owner Corporate Director of Assets & Property	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level				High-Level		
		Impact	4	Likelihood		3	Impact	4
Update - Sites now have a nominated Premises Responsible Person. However, restructuring of services and adoption of Corporate Landlord model has reduced local understanding of the Directorate Duty Holder Strategy. The strategy is ratified and DDH nominees have been identified. Grenfell Tower fire has implicated the need for a review of fire safety and specific review of individual property risks. Comply with DCLG/DFES requests for information/ complete our own fire risk reviews additionally and implement actions arising. An internal audit currently being undertaken by SWAP and the results are due by the next reporting period. The audit focuses on a review on policies and procedures for the council that affect and relate to all council buildings and a check with national legislation.								

Risk 463 - Risks surrounding the cost of construction resources due to main provider being in Belarus. Linked to this is the soaring cost of resources and only being able to get 30-day quotes					Direction of Travel New Risk		Last Reviewed 4 August 2022	
Risk Owner Corporate Director of Assets & Property	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		Extreme				High-Level		
		Impact	5	Likelihood		5	Impact	4
Update – The organisation is engaging with its principal contractors and their supply chain to identify alternative material suppliers to seek to minimise any increase in costs and time delays by alternative material suppliers. The team are forward planning for any resources that may be needed and are factoring this into project management, contingency plans are being used to minimise risk, but we can only work within the availability of resources available.								

Risk 228 - Failure to secure investment funding for Dorset results in inability to enable economic growth needed for Dorset residents to thrive.					Direction of Travel No Change		Last Reviewed 4 August 2022	
Risk Owner Service Manager for Growth & Economic Regeneration	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level				Medium		
		Impact	3	Likelihood		4	Impact	3
Update – Further actions - Collation and evaluation of evidence and preparation of schemes and business cases. Controls - Establish economic growth strategy and priorities for Dorset, aligned with Dorset LEP and BCP.								

Risk 231 - Securing sufficient and appropriate skills and resources through restructuring of service to deliver DC economic growth strategy					Direction of Travel No Change		Last Reviewed 4 August 2022	
	Inherent risk (Current)	Risk Rating			Residual risk (Target)	Risk Rating		

Risk Owner Service Manager for Growth & Economic Regeneration	The natural level of risk before applying controls to prevent and mitigate the risk	High-Level				The level of risk that remains after implementing a set of controls to reduce the inherent risk	Medium			
		Impact	4	Likelihood	3		Impact	3	Likelihood	3
Update – Further actions - Collation and evaluation of evidence and preparation of schemes and business cases. New head of service has been appointed and works are currently being undertaken with '31 ten' to undertake a review of service in achieving positive outcomes. Controls - Establish economic growth strategy and priorities for Dorset, aligned with Dorset LEP and BCP.										

Economy Infrastructure and Growth – DORSET TRAVEL

Risk 362 - LOSS OF STRATEGIC PUBLIC ROUTE Loss/severe reduction of key public transport route(s) - e.g., no longer commercially viable, change to bus operator strategic direction - now made worse by COVID					Direction of Travel Worse		Last Reviewed 11 July 2022			
Risk Owner Service Manager for Travel Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level					Medium			
		Impact	4	Likelihood	4		Impact	2	Likelihood	3
Update - Providing revenue support to a public route beyond our current position would have significant financial implications – not just for one route, but for others in the network. This would need careful consideration and support from Cabinet. The Government's National Bus Strategy raised the profile and commitment to public transport in Dorset, but we have not received any of the expected funding associated with this initiative. This lack of funding, allied to the slow recovery of passenger numbers following COVID has meant operators are now seeking reductions in service frequencies or cancelling routes altogether. There is still some COVID funding support from Government, but this is well short of the additional funding required to prop up services and it runs out in September. We urgently need agreement on an uplift for these supported public service routes. No available transport for children, so they cannot get to school (if using this route); General public cannot get to employment or key services; Financial cost if we must support continuation of the route; Reputational damage to the Council if we fail to react. The public transport network in Dorset has been stripped back to a bare minimum since 2017. There is little or no scope to reduce it further.										
Controls - Lobbying government for more funding support for public transport in Dorset through Portfolio Holder. Make use of the last tranche of Covid financial support (ends in Sept 2022). Mitigation - Seek out sources of additional developer funding that may support the route. Tender route through Dynamic Purchasing System (DPS). Explore options to increase operator re-imburement rate for ENCTS. Work closely with operator and other key stakeholders to assess viable options for maintaining a viable public transport network in Dorset. Seek additional funding support from within Dorset Council.										

Risk 364 - OVERHANGING TREES Unviability of school bus routes caused by failure to cut back overhanging trees and vegetation (particularly affects larger school buses such as double decker's)					Direction of Travel No Change		Last Reviewed 11 July 2022			
Risk Owner Service Manager for Travel Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level					Medium			
		Impact	3	Likelihood	4		Impact	2	Likelihood	3
Update - Other bus companies are also experiencing problems on routes - Yellow Bus and Damory. The Arb team have a backlog of six hundred incidents to deal with. In recent years response times to tree problems have been slow for a whole variety of reasons.										
First Wessex may withdraw from the contract if they deem the costs of additional vehicles is too high - service delivery, financial and reputational risk; Retendering these routes may result in a sharp increase in costs of school transport; School children may be put at risk from vehicles impacting with branches if they insist on using double decker's on unsuitable routes - safety and reputational risk; Children may be late to school if there is damage and other problems arising from tree damage - delivery and reputational risk; Legal challenge from other operators if DC are seen to be subsidising First Wessex to mitigate the impact on their operation; Tree problems are no longer limited to First Wessex - they are affecting other operators such as Damory and Yellow Buses.										
Controls - Dorset Travel have procured a specialist tree cutting vehicle. We need maps from operators detailing most critical locations for tree cutting. Dorset Travel has been in touch with Highways colleagues and agreed that an annual planned programme of tree cutting works is required to keep on top of this problem. This will have significant financial and other resource implications for the Council.										

Mitigation - Facilitate communication and cooperation between First and DC's Highways and Arboriculture teams. Establish clear understanding amongst all parties of the problem tree locations and the scale of work and timeframes involved. Get a detailed and practical back up plan from First Wessex on how they will deliver their routes using alternative vehicles at the start of the school term. Instigate emergency tree cutting where necessary. Provide additional financial support for extra vehicles on routes affected. Implement and fund planned programme of tree cutting works across Dorset (action for Highways).

Risk 365 - MARKET FORCES Failure to agree a realistic uplift in contract prices, caused by rising market costs, will result in cancellation of contracts and much higher retender prices					Direction of Travel New Risk		Last Reviewed 11 July 2022			
Risk Owner Service Manager for Travel Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level					Medium			
		Impact	4	Likelihood	4		Impact	3	Likelihood	3
<p>Update - A forecast overspend of 20% has been built into the budget. Recent tenders suggest price increases running at >70% for routes that have been handed back and retendered. Fuel cost rises, lack of drivers, high driver wages, increased vehicle maintenance costs are all contributing to this. The biggest risk is the likelihood of huge price increases if we do not agree an uplift. This in turn will result in major budget overspends. In addition, this uncertainty is causing a lot of extra work and delays for Dorset Travel and a lot of anger and uncertainty amongst our suppliers. We may not be able to get transport contracts set up in time.</p> <p>Controls - A programme of contractor meetings is underway to gain a better mutual understanding of the current position and we have surveyed many operators to gather data about their cost pressures. Routes need to be reviewed for rationalisation. Perhaps make more use of Personal Travel Budgets (PTBs) for parents - this will require a more flexible approach. Lobbying of government through ATCO and other bodies.</p> <p>Mitigation - At least 10% uplift on current contracts recommended. Tendering in blocks to allow contractors to optimise their bids. Limiting lengths of contract to minimise financial liability on Council. Ensure that we have maximised the number of companies on our DPS to improve competition (but without sacrificing quality). Working with Children's and Adult Services on a rational commissioning strategy. Meeting regularly with contractors to improve our understanding of the market and their understanding of DC's needs. Review costs and practicalities of providing transport services in-house. Better training and resourcing of contract management within the team. Work closely with colleagues in Finance and Procurement on market changes. Expanding resource within contracts team.</p>										

Economy Infrastructure and Growth – HIGHWAYS

Risk 84 - Failure to deliver a safe and suitable alternative to the current arrangements for Wareham Level Crossing					Direction of Travel No Change		Last Reviewed 5 August 2022			
Risk Owner Service Manager for Infrastructure & Assets	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level								
		Impact	4	Likelihood	4		Impact		Likelihood	
<p>Update - Dorset Council assumed responsibility from Dorset County Council (DCC) to manage the pedestrian level crossing in Wareham. The lease agreement between Network Rail and Dorset Council for the level crossing runs until 2038; this crossing will close in 2038 as per the terms of the lease. If no suitable alternative is delivered before 2038 Dorset Council would be found to be breaching Equalities legislation. In 2008/9 The Office for Road and Rail (ORR) raised safety concerns with the pedestrian level crossing in Wareham. The ORR stated that mitigating measures had to be put in place or they would force the closure of the crossing. As a result, DCC paid for the provision of security guards at the crossing to improve compliance and safety at the crossing. In more recent years, following an additional review by the ORR the crossing has been managed with electronic gates closed by security guards when a train is approaching. The crossing is currently managed between 6am and 1am (19 hours) seven days a week. The provision of security staff is provided by third party contractors STM Security Ltd.</p> <p>The crossing is locked closed between 1am and 6am each day. Network Rail and the Council have tried twice before to resolve this by proposing ramped bridges adjacent to the existing footbridge but failed to obtain planning permission from the then Purbeck District Council owing to local objections. The crossing continues to be a financial commitment with ongoing reputational concerns as there is no suitable</p>										

an alternative means for all to cross the rail lines if the crossing is closed – there is a stepped footbridge adjacent to the crossing. A parallel footway/cycleway along the A351 is being explored in the area to address an existing network deficiency. There remains commitment from Dorset Council and Network Rail to finding a resolution. Commitment from central government appeared more likely following a visit by the Minister for Rail to the site and meeting with key stakeholders on 23 January 2020.

The Minister for Rail stated that he was committed to finding a solution and that safety and accessibility were of paramount importance which would mean that a degree of compromise is required when considering suitable alternatives.

Network Rail have agreed to explore and exhaust all possible technological options for providing an automated level crossing, however, it is more likely that an alternative step free route over the rail lines will be the most viable solution. Nov 2021 - No definitive permanent plans are proposed, or funding secured for a suitable alternative. Michael Tomlinson MP is lobbying Network Rail and Transport Minister for a solution and funding. Procurement of level crossing security contract in August 2021 has made revenue savings for council to continue to deliver the service to provide security at the crossing. Aug 2022 - Covid has delayed the lobbying, but Michael Tomlinson MP is now once again lobbying Network Rail and Transport Minister for a solution and funding.

- * This has been an ongoing issue for 25 years. Network Rail have tried twice before to resolve this but failed due to planning issues.
- * Currently costing the authority £100,000 per year for security guards.
- * Tried to introduce ramps, with crossing fenced off, and removal of security guards - community objection to removal of level crossing.
- * Continued lobbying and negotiations with Network Rail.
- * Implement main recommendation of ramped solution.
- * Open public meeting held in the evening chaired by MP. Ramp proposal met with overwhelmingly hostile local reaction.
- * Working to modify Network Rail asset, the existing bridge, has triggered more demanding NR assurance requirements.
- * Introduction of ramps (main recommendation) failed to get planning permission.
- * Access for All funding bid by Southwest Railways and Network Rail for DfT funding to install lifts failed.
- * The crossing continues to be a substantial risk for safety, continuing financial commitment and reputational damage. Risk being realised with recent crossing incidents, lack of attendants and crossing closure.

Cause: Failure to get planning agreement. Failure to get agreement on funding. Lack of Member/Cabinet support. Opposition from Town Trust, etc.

Consequence: Closure of crossing by Office of Road & Rail. Legal action against DC. Death. Severe injury. Reputational damage. Budgetary impact - either due to incidents or ongoing maintenance/management. Negative publicity. Customer dissatisfaction. Public liability claims.

Controls - Security guards in place (at cost to DC); Active programme in place to deliver alternative arrangements.

Risk 73 - Failure to attract funding for asset maintenance						Direction of Travel No Change		Last Reviewed 5 August 2022		
Risk Owner Service Manager for Infrastructure & Assets	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		Impact	4	Likelihood	3		Impact		Likelihood	
<div style="background-color: red; color: white; padding: 5px; display: inline-block;">High-Level</div>										
<p>Update - The new HAMP/AMP review will help us to understand whole life cost better. Inspection regimes for cycleway schemes are needed where we are legally responsible for their upkeep. We are not going to be allowed to charge commuted sums for SUDs adoption.</p> <p>Further actions: Development of the HAMP. Working with WSP and other authorities to share best practice and create a document for bidding purposes. Changes to processes so future maintenance funding is considered when bidding for funds. Cycleway assets - digitised in a way that allows defects to be assigned in confirm. Avoid over specifying schemes. Develop inspection regime for cycleways. Design schemes in the most suitable/minimal maintenance way. More robust contractual agreements where we are funding assets/equipment used by third parties (i.e., so they cannot be moved out of the county, etc).</p> <p>Nov 2021 - £6.3M secured for maintenance activities from corporate capital programme for 2021/22. Feb 2022 - Council approved capital bids submitted to CSAM for £6.3M for road maintenance each year for 5 years from 2022/23. In addition, £400k secured for ITS maintenance / enhancement and £400k for cycleway maintenance each year for 5 years.</p>										

Cause: Shortfalls exist in funding for future maintenance of current assets, with no commuted sums for newly constructed assets. Designing features which impact on future maintenance. Central Government focus on walking and cycling leading to construction of new infrastructure is increasing the need for DC to allocate maintenance funds to these assets.

Consequences: Increased future maintenance liability. Inability to maintain new assets. Adverse publicity and damage to service reputation. Negative impact on budgets. Increase pressure on staff. Controls - Commuted sums. Maintenance funds to be directed to footways / cycleways. This is an unknown quantity that comes from the revenue budget. The burden is placed on the capital budget to cover anything over and above the revenue budget.

Risk 292 - Winter Service budget pressures					Direction of Travel No Change		Last Reviewed 5 August 2022	
Risk Owner Service Manager for Network Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		Impact	4	Likelihood		3	Impact	
High-Level								
Update - The legal position relating to the Highway Authority's responsibility in respect of the winter service is set out in an amendment to Section 41(1) Highways Act 1980 (c.66) (duty of highway authority to maintain the highway). (1A) details that a highway authority is under a duty to ensure, as far as is reasonably practicable, the safe passage along a highway is not endangered by ice or snow. The current budget provision to the Highway Service is suitable to cover the cost of normal salting operations and up to 24 hours of snow clearance. There is no budget allocation to the service to cover the cost of snow clearance beyond this point. Clarity has been requested from the Corporate Director for Economic Growth and Infrastructure that the required budget provision will be provided or that any operational costs will be met corporately should they be realised. It has been confirmed that this provision would be made from the Server Weather Fund held outside of the service. New risk is that salt price has gone up by 60% because of transport costs.								
Controls - The current budget provision to the Highway Service is suitable to cover the cost of normal salting operations and up to 24 hours of snow clearance. There is no budget allocation to cover the cost of snow clearance beyond this point. Seasonal variations have led to up to 5 days of snow clearance over the winter period in recent years.								

Risk 63 - Inability to maintain the highways infrastructure to an acceptable standard in the face of changing circumstances (e.g., budget reductions; climate change)					Direction of Travel No Change		Last Reviewed 5 August 2022	
Risk Owner Service Manager for Network Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		Impact	4	Likelihood		3	Impact	
High-Level								
Update - Service levels have reduced due to reductions in highways revenue funding which severely impacted on drainage maintenance and pothole repairs. An increasing number of severe weather events due to climate change are having a negative impact on our highway infrastructure and we are seeing a higher number of slope stabilisation problems. We have assessed ourselves as Band 3 status for 2022/23, therefore secured the full allocation from the Department for Transport's Incentive Fund (£2.2million). But under investment in revenue maintenance funding has contributed to a reduction in scores for some questions, to Band 2, specifically relating to drainage and pothole repairs. To have dropped into Band 2 overall, would have resulted in a loss of £1.5million. In Feb 2022/23 Cabinet agreed to invest £6.3M in highway maintenance per year for the next 5 years. Further submissions for central government funding will be made as and when the opportunities arise. Further actions: Highway maintenance revenue budget report. Develop a risk-based approach to cyclic drainage maintenance. Further bids for extra funds from central government, and other sources, where appropriate. Deliver Action Plan to achieve full available funding from DfT incentivised funding.								
Cause: Adverse weather conditions. Under investment in highways infrastructure from central government and DC funding - now and in the future (future maintenance liabilities). Incentivised element of maintenance black funning from DfT has been increased by another year, uncertainty of funding mechanism from April 2022 onward. Lack of political support for local funding allocation. Lack of capacity to respond to necessary repair work at times of crisis/peak work periods. Reduction in funding without changes in ways of working. Increase in weight, size & volume of traffic. Lack of development of systems/evidence tools. Lack of staff motivation impacts adversely on the work undertaken. Lack of staff capacity to manage insurance claim administration within desired timescales. Unable to adapt to climate change.								

Consequence: Negative impact on the council's reputation. Inability to rely on Section 58 defence. Potential increase in claims costs. Road network not fit for purpose. Negative economic impact on the area. Negative impact on self-insurance arrangements. Negative impact on staffing capacity to respond to complaints/FOI requests, etc (failure demand). Customer dissatisfaction. Higher cost of reactive maintenance, rather than long term repairs. Challenges under S56 of Highways Act (noticed served to maintain area of highway). Increasing needs-based budget. Potential increase to safety risk.

Controls - Highways Climate Change Risk Register. Structural maintenance programme. Amended inspection processes. Risk based inspection regime. Use of innovative repair techniques. Compiled asset management strategy. Highways Asset Management Plans Volume One & Volume Two. Highway Maintenance Policy. Achieved 'Band 3' status in DfT incentive fund giving us 100% of a available funding from 2017 until 2021. Executive Advisory Panel set-up to seek additional capital and revenue funding with drainage and initiative-taking maintenance.

Risk 469 - Failure of parking machines due to mechanical issues or technology becoming out of date					Direction of Travel New Risk	Last Reviewed 10 May2022		
Risk Owner Service Manager for Network Operations	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	3	Likelihood		5	Impact	
Update - An increasing number of our parking machines are regularly breaking down. This causes problems to our customers and reputational damage to the council. It also causes problems when enforcing and a potential loss of income. It is essential that we invest in new parking machines as soon as possible. Bids have been put forward to cover the costs of replacing all machines. We have replaced nineteen so far and intend ordering another sixty by the end of August.								
This still leaves 190 to replace over the coming year. We are replacing the worst/most used machines first.								

Management Team

Risk 375 - Gap exists between amount of available resource and ability to deliver statutory demand					Direction of Travel No Change	Last Reviewed 17 August 2021		
Risk Owner Place Management Team	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	4	Likelihood		3	Impact	
Update - Risk identified during July 2021 risk workshop with the Place Management Team. Management update and mitigation action plan to be delivered by Risk Owner. Place provides several statutory services. Increasing demand and/or pressures on financial resources mean that there is a risk of a gap in the level of resource available and the statutory service delivery requirements.								
This risk is mitigated within the service budget by prioritising statutory service functions over discretionary ones.								

Risk 373 - An inability to recruit into key / critical posts					Direction of Travel No Change	Last Reviewed 10 December 2021		
Risk Owner Place Management Team	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	3	Likelihood		4	Impact	
Update - New risk identified at Place Management Team risk workshop in July 2021.								

Pressure points are - Highways - Driver shortages – Capacity within our supply chain is significantly reduced. However, by Christmas 21 it is expected that 8-10 additional drivers will have completed training. In addition, sickness levels remain low in comparison to historic figures - Waste – Driver shortages – High levels of disruption in Q2 which are especially reflected within missed collections performance indicators.

Place Based Services – COMMERCIAL WASTE & STRATEGY

Risk 293 - Failure to secure capital to develop and maintain waste infrastructure						Direction of Travel No Change		Last Reviewed 3 August 2022		
Risk Owner Head of Commercial Waste and Strategy	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level					Medium			
		Impact	4	Likelihood	3		Impact	4	Likelihood	2
Update - Waste services property forms an integral part of the Place Service depot review -which has stalled. All our depots need expansion and various degrees of repair to meet ongoing and future needs of the service. To expand services there is also a pressure and concern about DC's licence and the ability to add additional vehicles to the fleet. This risk links to risk 208.										
See risk 208. There's ongoing work regarding the development of HRC's and transfer stations.										

Risk 381 - Cost of contracted services (HRCs operation, transportation) increases when retendered						Direction of Travel No Change		Last Reviewed 3 August 2022		
Risk Owner Head of Commercial Waste and Strategy	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		Extreme					High-Level			
		Impact	5	Likelihood	4		Impact	4	Likelihood	3
Update - Current contract will expire in 2024. Prices have increased (labour, fuel) and high uncertainty of recycled prices are likely to increase prices when the service is retendered.										

Risk 382 - Change of regulations leads to higher cost of waste treatment						Direction of Travel No Change		Last Reviewed 3 August 2022		
Risk Owner Head of Commercial Waste and Strategy	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level					High-Level			
		Impact	4	Likelihood	4		Impact	4	Likelihood	4
Update - It is likely that the Government are going to stop us being able to charge for DIY wastes at HRC's (there was a consultation on this recently). If this were to go ahead, we estimate it would cost DC circa £500K- £750K more pa. Also, there are changes to regulations regarding Persistent Organic Pollutants (in domestic furniture and electronic equipment) and hazardous wood waste requires additional separation of materials and higher disposal costs.										
DC responded to the recent DEFRA technical consultation on preventing charges to householders for the disposal of "DIY" waste at household waste recycling centres. The consultation ran from 11 April - 4 July 2022. DC officers contributed to national responses to this consultation through industry bodies such as LARAC, NAWDO and ADEPT. We will continue to engage with Government through these groups and others, such as the LGA.										

Risk 208 - Gaining sites and planning to provide infrastructure leads to failure to deliver service.					Direction of Travel No Change		Last Reviewed 3 August 2022	
Risk Owner Head of Commercial Waste and Strategy	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	4	Likelihood		4	Impact	
<p>Update - Two major projects are currently ongoing. A central waste management centre in Blandford, where planning permission has been granted but we are still acquiring the land. A site search in the East of the county has been completed for a new HRC and a members briefing will be held shortly ahead of going to Place Overview Committee. A waste infrastructure review has been completed to provide a baseline of requirements. This fed into the recent property review of depots across Dorset, however more work is required in this area across the Council.</p> <p>Controls - Worked with waste planning authority to identify and safeguard sites to meet our needs through the Waste Local Plan. Collaborating with neighbouring authorities for continued use of facilities. Contingency plans identified in all waste contracts.</p> <p>Worked with waste planning authority to identify and safeguard sites to meet our needs through the Waste Local Plan. Collaborating with neighbouring authorities for continued use of facilities. Contingency plans identified in all waste contracts.</p>								

Risk 211 - Failure to maintain high recycling and therefore waste diverted to more expensive disposal					Direction of Travel No Change		Last Reviewed 18 August 2021	
Risk Owner Head of Commercial Waste and Strategy	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating			Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating		
		High-Level						
		Impact	4	Likelihood		3	Impact	
<p>Update - Ensure continued investment in communication and educational resources. Waste growth has increased at the kerbside as a direct result of Covid-19. More residents have been working from home and as such Dorset, together with all other local authorities, has seen an increase in waste arisings at the kerbside.</p> <p>There is a risk that the current increase in waste growth due to the pandemic and resulting shift to home working will continue as this change in working habit becomes normalised. This continued growth has potential to adversely affect our recycling rate and lead to increased costs in disposal. The recycling team are continuing their various projects to reduce waste and maintain high recycling performance (see controls and mitigation sections).</p> <p>Controls - Extensive communication and education plan to include communal improvement project, container messaging, side waste reduction trial, enhanced home compost bin subsidies, real nappy starter packs, free caddy liner trials and 'right stuff, right bin' messaging. Replacement vehicle programme to ensure waste is collected and public continue to support service.</p> <p>Mitigation - Continue to promote educational campaigns focussing on waste reduction and reuse, such as home composting, reducing food waste, using real nappies etc. Also, we will continue to promote the 'right stuff, right bin' campaign to maintain and increase material capture rates for recycling and composting. Use the new in cab BARTEC system to help further drive efficiencies from the existing R4D service. Continue with the development of a central strategic waste transfer station and a new HRC in the East of the county to support our reuse, recycling, and composting activities.</p>								

Place Based Services – ENVIRONMENT AND WELLBEING

Risk 201 - Climate change effects on sea level rise and uncertainty could lead to low lying areas such as Weymouth being uneconomic to defend					Direction of Travel Improved		Last Reviewed 4 August 2022			
Risk Owner Service Manager for Engineering & Special Projects	Inherent risk (Current) The natural level of risk before applying controls to prevent and mitigate the risk	Risk Rating				Residual risk (Target) The level of risk that remains after implementing a set of controls to reduce the inherent risk	Risk Rating			
		High-Level					Medium			
		Impact	4	Likelihood	3		Impact	3	Likelihood	3
Update - Latest inter-governmental guidance is used when designing coast defences, design life of 50 years. Shoreline Management plan review – agree to use managed realignment of coastline in areas. May have to design coastal defences for one hundred years life and accept increased costs of doing so. May have to relocate coastal communities. Work with, not against, nature. Further bids to Defra and others to increase funding above EA thresholds for erosion management and flood defence works. 100-year plan being developed for Weymouth in conjunction with Environmental agency. Controls - Use latest inter-governmental guidance when designing coast defences, design life of 50 years. Shoreline Management plan review										