

Project	Corporate Risks
Risk Log Owner	Carol Chen, Group Head of Democracy and Governance
Date	17/02/22

Ref	Risk description	Cause	Consequence	Response	Action agreed to respond / mitigate / control	CURRENT RISK ASSESSMENT		
						Likelihood 1-4	Severity 1-4	Risk Score
1	A breakdown in community cohesion within the Town and the ability to ensure our objectives meet the needs of our residents and businesses.	Watford has a diverse population and date shows we continue to welcome people both from eastern Europe and the Asian sub continent. We have also seen a high number of people moving from London due to high house prices which has had a knock on effect on house prices in the Borough. A shortage of affordable homes, a diverse population and a constrained boundary may lead to tensions in community relations. The council may not be able to deliver the services the expanding population requires leading to a reduced level of satisfaction in council services.	Higher rates of hate crime and anti social behaviour, communities not engaging with the council or each other. Sections of communities leave the Borough. Borough gets bad reputation in the press that then discourages businesses from investing in the Town.	Treat	Good engagement by mayor and local politicians with communities. Working with One Watford to understand our varied communities. Looking at reviewing our local plan policies and looking at partnerships to create more affordable homes. Working with the community and the implementation of the Road to Recovery Plan. Delivering a range of community led and focused events and attractions that bring people together and allow different groups within the community to share their experiences and engage across the Watford community as a whole.	3	3	9
2	Our major projects not being delivered on time and in budget	The Council has a number of major projects, some of which are directly within its control and some of which it has to rely on third parties. Failure to deliver these projects would affect the finances of the council and its ability to provide its statutory services, will affect the economic prosperity and well being of the Borough, this would have a knock on effect for the reputation of the council	The council will not have sufficient resources to provide statutory services. The council will not meet its 5 year land supply of housing. The council will not be able to engage with its customers in the way they would prefer. The Borough is not seen as a place for businesses to invest and the economic prosperity of the Town declines, leading to increased unemployment and homelessness and higher reliance on welfare benefits.	Treat / Transfer	Projects within the control of the council have good governance arrangements. Risks are regularly assessed by project boards and reported through the EPMO . For projects outside of the Councils control the council seeks to assert influence through its politicians and senior officers lobbying and influencing decision makers. Regular engagement with businesses and the LSP. Making use of external funding opportunities where ever possible such as the LEP, HLF or other similar funding streams to help make projects viable and achievable. Need to have plans in place in case critical staff are unavailable to keep projects going.	3	4	12
3	Failure to have a suitably skilled workforce and the capacity to deliver the councils services and objectives	The council is unable to retain and recruit staff with the appropriate skills to deliver the councils objectives and that it does not have the correct number of staff to undertake and manage the work	Services are not delivered. Contracts are not managed more resources are spent on using external providers without appropriate management and oversight.	Treat	Robust people strategy in place with clear reward and recognition. Robust job evaluation scheme. Employee well being and work life balance understood. Regular PDR process. Robust recruitment process. Good prioritisation of corporate objectives.	2	4	8

4	Unable to provide our statutory services at all times	The council is unable to fulfil its statutory responsibilities to its residents and businesses due to catastrophic service failure or as a result of a civil emergency	The council is unable to perform its statutory obligations, it fails its citizens and the government intervenes to run the services in its place. National media and government criticism. Major reputational damage and loss of trust and confidence in the council	Tolerate	Belong to Herts Resilience Partnership which supports the county response to civil emergencies. Keep emergency plan up to date. Encourage staff to volunteer to assist/look to change employment contracts to compel assistance. Developed relationships with partner agencies to also provide assistance. Undertake regular EP exercises. Keep Business Continuity Plans up to date and regularly tested. Statutory Service KPI's regularly monitored by LT.	3	4	12
5	Decline in economic prosperity and vibrancy of the borough	The council is unable to deliver an up to date and workable local plan due to the inability of the council and its neighbouring districts to cooperate on major planning policy requirements. There is insufficient funds to provide the necessary infrastructure to promote growth	Piecemeal inappropriate development in the Borough. Resident dissatisfaction, increased legal challenges to planning decisions with resultant expense. Businesses do not locate in the Borough, rise in house prices and unemployment, more homelessness, more congestion.	Treat	Good working relationships at officer level with neighbouring authorities and joint working already taking place. Good dialogue with the County Council and input into SW Herts Transport Strategy. Making use of external funds like the LEP to bring forward infrastructure projects, robust use of s106 for site specific infrastructure, like schools. MARF, Developers Forum. Core strategy in place	3	3	9
6	Failure to provide an optimum service for our residents by not looking proactively at all service delivery models.	Fail to make the most of opportunities to provide better more cost effective service delivery	Customer dissatisfaction with level of service provided. Increasing financial burden for the cost of services may result in cuts.	Treat	Already operate a number of different delivery models, from shared services to outsourcing, to supporting self service (third sector). Officers continue to look at best practice. Leadership Team has overview but with a dedicated Executive Head, part of whose role is to consistently scan and assess opportunities.	2	2	4
7	Failure to maintain our ambitious programme of delivery.	Our ambitious programme exceeds our funding capacity as the opportunities to generate additional income become more scarce and more difficult and council tax and non domestic rates come under pressure. Lack of internal capacity leads to issues in delivery.	Projects are not delivered on time and within budget and commitments on service levels and improvements can not be fulfilled.	Treat	Ensure governance processes are in place to actively manage programmes. Corporate ownership of major projects and budgets.	3	3	9

8	Failure of Contract Management of Outsourced Services/Contractor insolvency and failure of management capacity	Failure of contracting partner to deliver required service to agreed specification. Contractor going into administration/liquidation. Failure of adequate contract monitoring. Failure to have appropriate contractual terms in place to remedy problems. Restrictions imposed by the Government as a result of the Covid Pandemic.	Service delivery inadequate, loss of income, reputation affected, step in to deliver services directly increasing costs	Treat	Robust procurement processes. External consultancy support used. Clear specifications and conditions. Contract monitoring officers and client teams and regular monitoring meetings in place. Legal conditions in contract. Full monitoring regime in place, and regular real time reporting procedures. Weekly / Monthly updates to review progress. Contract Management Forum established in Nov 2013. Developing corporate wide "Centre of Excellence" approach in contract management and Toolkit development. Public Procurement Contract regulations complied with. Making adjustments as required as a result of the Covid pandemic.	2	4	8
9	Lack of affordable housing in the Borough to meet demand, homelessness Increases, placing pressures upon temporary accommodation & bed and breakfast	homeless / vulnerable families and individuals have no accommodation or unsuitable accommodation creating health, wellbeing and safety issues The council is unable to fulfil its statutory duty towards homeless households by offering a sufficient supply of suitable affordable accommodation within the Borough. Unable to secure sufficient suitable affordable accommodation on privately developed sites due to viability issues. Unable to source sufficient affordable accommodation in the private rented sector due to the difference between local housing allowance rates and private rental income.	Increased cost to the council in finding temporary accommodation. Increased legal challenges as homeless families placed outside of the Borough. Families split up and disconnected from their support networks, schools work	Treat	Joint venture with Watford Community Housing to increase amount of both temporary and affordable housing. Use of redundant garage sites to build temporary accommodation. Framework contract with accommodation providers to get better rates. Making better use of property assets to lever more affordable housing. Make use of commuted sums from developers for affordable housing and the councils own capital receipts	3	3	9
10	Failure to ensure our ICT systems remain fit for purpose and services can maintain service delivery	Inadequate resources secured both in-house and external leading to a skill set gap. Inadequate contract management, poor process & lack of procedures, poor governance. Service not fit for purpose. Failure of hardware and software.	Services unable to operate business as usual due to service interruption and down time. Security breaches leading to loss of information and reputation. Loss of income. High resident and customer dissatisfaction	Treat	ICT strategy being developed. Resources being spent to upgrade hardware. Stronger contract management and governance arrangements around new projects. Staff structure being implemented.	1	4	4
11	Failure to comply with the GDPR and Data Protection Act 2018	Lack of staff awareness, failure in IT system security, failure to manage Data Processors, failure to use safe methods of sending personal data	Loss, or misuse of personal data, causing complaints to ICO with potential for heavy fines and also loss of reputation to Council	Treat	Data Protection Officer post created, outsourced to HCC for greater resilience. Training to be ongoing with regular refreshers. Installation of e-mail encryption. Regular IT upgrades to maintain security of systems.	3	4	12

12	Failure of investments or commercial ventures	Downturn in commercial markets lead to failure in investments or reductions in income levels. Poor investment decisions.	Council does not have sufficient funds to undertake it's day to day activities, reductions in service budgets, s151 officer constrains spending, intervention by central government	Treat	Ensure appoint appropriate advisers to consider any potential transaction. Have proper governance arrangements in place. Clear monitoring and reporting. Effective management of reserves to guard against downturns.	3	4	12
13	Commercial income may not materialise as identified in the MTFS	Services offered for sale may not be as high as anticipated and/or commercial properties may remain vacant for prolonged periods of time.	The income built into the budget may be less than the estimate. This may cause a budget pressure which will need to be managed.	Treat	Regular budget monitoring should highlight income levels and allow an early warning system and appropriate action to be taken.	2	4	8
14	Failure to appropriately manage safeguarding within the Council.	Lack of understanding of the correct processes and procedures for reporting concerns or complete failure to report concerns. Lack of training for staff to identify when safeguarding might apply	Children and vulnerable adults being left at risk and not being referred to the appropriate agencies. Damage to reputation of the Council.	Treat	Action plan in place following external safeguarding review. Regular monitoring to ensure actions in action plan are achieved.	2	4	8
16	Failure of major investment acquisition Croxley Park	Downturn in the market leading to business failures and inability to rent units.	Significant expenditure commitment to freeholder with inadequate resource to pay and significant losses to the council	Treat	Active management of the Park with appropriately qualified staff. Regular monitoring.	2	3	6
17	Pandemic	Virus or other noxious substance causes major health concerns throughout the population	Potential substantial impact on the operations of the council and our businesses and residents, dependent on the nature of the pandemic situation.	Tolerate	<ul style="list-style-type: none"> - Robust business continuity planning and incident management planning - Ensure lessons learned from Covid-19 Pandemic - Be prepared to mobilise and take action in accordance with government advice and requirements as per the actions needed for the specific pandemic situation 	3	4	12
18	Provision of incorrect procurement advice, missing of crucial deadlines, lack of suitably qualified staff internally, lack of awareness to seek advice. Loss of reputation either by being successfully challenged through court action or receive a financial penalty relating to any Procurement activity	Lack of capacity internally due to staff shortage, sickness or difficulty recruiting to posts. Lack of resources to research advice. Lack of time to consider advice being given. Lack of awareness by others that procurement advice should be sought	Council fails to follow it's own procurement procedures and faces challenges from contractors. Contracts are delayed. Possible litigation. Potential for financial and reputational loss	Treat	Dedicated Procurement Manager in post. Regular monitoring of corporate procurement activity. Maintenance of the Corporate Contract Register and pipeline register. Training opportunities taken to keep abreast of case law and other relevant events affecting this service area.	3	3	9

19	Failure to deliver anticipated efficiencies and improvements to customer experience through developing online services	Customer do not change behaviours to make use of online services to self-serve	<ul style="list-style-type: none"> - Planned savings through customers moving to self-service may not be realised. - Potential disjointed, inconsistent, unsustainable or non-strategic mix of services and delivery vehicles. 	Treat	<ul style="list-style-type: none"> - Ensure a high quality design of all self-service transactions and web content focussing on the needs of the customer - Ensure all staff are engaged in and monitored on ensuring continuous improvement to digital channels and web content - Ensure all staff are engaged in and monitored on promoting the uptake of digital channels - Work with communications to promote online services in a strategic and planned way to drive the uptake of digital channels - CSC staff to use the same processes and knowledge base (the web) as customers to drive up quality standards 	4	3	12
20	Failure to innovate and keep up to date with communications and engagement improvements	Lack of team time and motivation	Ineffective / poor quality communications and engagement that do not reflect the council or the town. Missed opportunities	Treat	<p>Training and mentoring to advance team and expose them to new techniques / ways of working.</p> <p>Continue to stretch into new areas - particularly around digital.</p>	3	3	9
21	Failure to engage with local businesses and build effective networks	Lack of time spent on networking and building relationships. Failure to deliver necessary communications / engagement tools for business.	Loss of council's credibility with business. Potential loss of existing and new business opportunities - loss of competitive advantage	Treat	Key accounts established to improve how the council engages with business. New business forums established. Enhanced economic development function in place.	3	3	9
22	New Local Plan unlikely to meet new housing requirement	The new housing need assessment methodology requires Watford to deliver 798 units per annum. The emerging Housing and Employment Land Assessment is showing that this will be exceptionally challenging for Watford during next plan period of 15 years. We will need to argue exceptional circumstances - i.e. size and green belt constraint	Plan could be found unsound at examination	Tolerate	Build comprehensive evidence base and work with neighbours to meet some of our housing need under DtC. Local Plan examination held and went well.	3	3	9
24	Failure to develop a replacement for MLX	Lack of available funding and lack of viable business case. Lack of leadership taking project forward	Impedes Watford's sustainable growth e.g. congestion of roads.	Treat	Determine feasible and practical delivery options. Working closely with HCC and clear on WBC's involvement to deliver for the town and its residents.	4	3	12
25	Watford Junction: failure to deliver site within timescales referred to in Housing Land Supply monitoring document which could cast doubt on deliverability on Local Plan	Scheme viability, ability to secure grant and private sector funding. Inability to gain landowner agreement to working together. Network rail fails to collaborate.	Failure to deliver site	Treat	Engagement with Network Rail and private sector partners in development of scheme including potential funding sources	3	3	9
26	Watford Junction: failure to secure grant funding from Homes England and other sources (e.g. LEP) to support infrastructure costs.	Inability of development partners to agree to parameters of the scheme and deliver essential infrastructure in timely and coordinated way. Lack of available grant.	Reduced s106/CIL receipts. Development does not go ahead	Treat	Appoint consultant to help develop business case and vision for the area. Work as part of the Herts Growth Board to secure Govt funding	3	3	9

27	The Watford economy is significantly impacted by Covid-19	Covid-19 and subsequent lockdowns	Businesses close, unemployment rises, town less prosperous	Treat	Road to Renewal plan in place. Refresh undertaken in September 2021 once the impact of the lockdown was understood to a better degree. Significant support for business in place through an enhanced economic development team.	3	4	12
28	Mayoral election in 2022 changes the priorities of the organisation	Election of a new Mayor from a different party	Council Plan no longer valid	Tolerate	Delivery Plan designed to cover the period 2020-2022 up until the Mayoral elections with further Delivery Plan to be developed following May 2022 to take into account any political priorities / changes	3	3	9
29	Article 4 Directions to protect employment areas no longer effective	Proposed legislative changes to the planning system.	The Council may not be able to resist the loss of employment uses harming the local economy	Treat	If new legislation is confirmed move to treat and consider options to renew Article 4 Directions Transitional stage need to review future arrangements	3	3	9
30	Reluctance of Community Organisations to agree to proposals under Community buildings section of the Property Strategy	Community organisations do not understand or cannot afford to comply with the proposals.	Council end up covering additional costs Tenants must vacate premises. Tenants lack the inducement to take control of their sustainability Possible reputational damage	Treat	Face to face meetings with tenants to explain reasons for change. Ensure tenants are supported in the early stages of transformation. Ensure sound rationale for supporting tenants from those with responsibility for community engagement. Ensure members are fully bought into the approach and are aware in advance of any engagement with community organisations.	3	3	9
31	Community organisations not fully supported when searching for property from which to operate. Members are drawn in to the process but do not have a clear understanding of the corporate estate	Nobody in the Authority has a clear brief on Community Engagement. Engagement is not significantly robust.	Community organisations make demands on CAM to secure properties that the Council do not have. Lack of transparency when considering requests for subsidised rents. Members expectations of the Estates Team to accommodate community organisations property requirements cannot be realised. Reputational risk	Treat	- Ensure there is a resource / team within the organisation with responsibility for community engagement	3	3	9
33	Reliance on consultants and interims to undertake projects and other work for the Council	Lack of workforce capacity to undertake tasks required.	Over reliance on consultants could lead to damage to the council's reputation	Treat	Need to have robust management arrangements in place for oversight of interims and consultants. EPMO in place so a flexible internal pool of project resource is available to support projects across the council	3	3	9

35	Cost of capital build and construction projects increase throughout the life of the project	Increase in the cost of raw materials and demand, including for resource, globally as a result of Covid-19, Brexit, Suez Canal issues and the Russian invasion of Ukraine	Increase in budget required, potential project delay	Tolerate	Consideration to be given upon initiation of project and the impact of cost increases if the project timeline is delayed for any reason. Value engineering options to be sufficiently considered.	4	3	12
37	Failure to retain or recruit well trained and experienced staff resulting in reduction of high quality services:	Low morale, uncompetitive salary/ terms and conditions, Buoyant local job market and competition from London authorities. Lack of career opportunities. Retirement and lack of succession planning	Failure to deliver high quality and timely services and loss of historical knowledge	Treat	Monitoring of staff workloads, staff appraisals, SEA, Staff satisfaction survey, benchmarking of salaries/ consider MFS. Each service area to develop succession planning	3	3	9
38	Loss of support for Watford's growth	Residents concerned about benefits of growth, Campaigns against individual schemes, lack of strong engagement with residents and stakeholders to secure support for growth.	Planning applications being rejected, developers not willing to work with council to delivers strong good designs, lack of consensus with the growth of the town. Potential decline across the town.	Treat	Increasing stakeholder communications. Develop brand narrative for the town. Develop town centre framework with heavy resident and stakeholder engagement	3	4	12
39	Failure to deliver social infrastructure for anticipated housing growth	Lack of funding and liaising with HCC	Unable to deliver Local Plan and lack of support for housing growth	Treat	Continuing to work with HCC across STS, LCWIP and discussing CIL governance	3	3	9
42	Major sites do not come forward	Schemes not viable Design aspirations divergence between Council and landowners Flood risk	Scale of redevelopment could be reduced significantly, this may make redevelopment unviable which would have consequences that we would lose a prime sites and amenities. Unable to deliver housing numbers in Local Plan.	Tolerate	WBC to engage with developers directly. To see if alternative mitigation could be provided potentially off site.	3	3	9
44	No five year housing land supply	New National Planning Policy Framework has introduced new standardised approach to assessing housing need. This increased significantly Watford's annual requirement and has meant that we have fallen below the 5 year housing land requirement	Likelihood of inappropriate development having to be approved.	Treat	Planning policy team progressing new Local Plan and working with SW Herts authorities on new Joint Strategic Plan. Housing Delivery Action Plan now in place.	3	3	9

49	Increase in likelihood of a cyber attack.	Increase in types and opportunities to commit cyber crime., particularly given an increase in cyber attacks related to the Russian invasion of Ukraine	Loss of service to internal departments and therefore external customers and / or potential for financial or data fraud.	Treat	<ul style="list-style-type: none"> - Systems regularly backed up - IT Health check conducted once a year and follow-up actions completed - All non-supported operating systems and third party software either removed or isolated from the network - Annual external audit focussing on Cybersecurity - Threat alerts and advice received from National Cyber Security Centre <p>In relation to a specific threat as result of the Russian invasion of Ukraine:</p> <ul style="list-style-type: none"> - Direct user communications regarding vigilance and asking for help and support - Block at the perimeter known bad threat actors – prevention from entering our network - Review and update disaster recovery plan - Additional checks – out of hours – related to recovery and mitigation e.g. backups and anti-virus. 	3	4	12
51	Delays in project Initiation	The complexity of project could also be a contributing factor to delay and cost overrun. This can be affected by unforeseen works, extreme weather conditions, resource availability and changes in material prices.	This will / may cause a cash flow problem, but is merely a timing difference.	Treat	Review cashflow and borrowing requirements	3	3	9
53	Inaccurate estimate of fees and charges income	Additional or reduction in demand	Increasing income or reduction in income causing an in year budget pressure	Treat	Key income streams reported in the latest Finance Digest reports	3	3	9
54	The income received from commercial rents decreases	Property becomes void or is disposed of	In year budget pressure	Treat	The rental income received from the Council's property portfolio is a significant proportion of the total income the Council receives. This is regularly monitored and may require increase in use of reserves	3	3	9
55	Decrease seen in value of kerbside collected recyclable material	Global impact	Alternative markets may not offer a favourable price for material	Treat	Work closely with Pearce Recycling as the service provider to determine future market prices. Work will also be carried out through HWP to mitigate any loss.	3	3	9
58	The Town Hall Quarter programme is not delivered	Lack of member support, business cases not sufficiently robust, anticipated cost not deliverable, lack of programme and project management	Missed opportunity to drive benefit for the town, community and council. Damage to reputation and political pressure	Treat	Programme governance in place overseen by Programme Board and Member Steering Group. Programme Manager recruited and all projects resourced. Business case approved by Cabinet.	3	4	12
59	The council is unable to be sufficiently involved or engaged with County Deals work	Lack of internal capacity to engage sufficiently	Council unable to sufficiently engage and influence resulting in reputational damage and changes which are not considered politically acceptable or in the best interest of our residents, businesses and communities	Treat	Executive Support Officer in post to provide additional capacity to the Managing Director. Work underway in relation to shared services, agreed by Cabinet and Council	3	4	12

60	Significant downturn in property market	Uncertainty caused in part by Brexit	Reduces demand for property reduction in planning apps loss of income	Tolerate	Monitor market conditions. Before making investment decisions carefully analyse price reductions	3	3	9
61	Requirement to respond to new government requirements, community cohesion issues and staff challenges	Russian invasion of Ukraine	Additional resource required to address challenges, including additional pressure on infrastructure and housing as a result of any resettlement scheme	Treat	Incident Management Team meeting and coordination role now in place alongside project management support to plan ahead and manage issues as they arise.	4	3	12
62	Permanent project management resource can no longer be funded from capital	Project Management funded via capital budgets from projects.	Revenue pressure, loss of key staff, potential additional redundancy costs if fixed term contracts roll beyond 2 years	Treat	All new EPMO staff recruited on fixed term contracts where possible. Ongoing management of the projects pipeline alongside capital spend programme. All projects accompanied by clear resourcing plan.	3	3	9