

Appendix B: Above Tolerance Operational Risks

Service	Ref	Risk Description	Current Controls	Further Mitigation Plans
Assets Impact – 5 Likelihood – 2	AS1	Delivery of Repairs, Maintenance, Compliance and FM in Public Buildings	<ol style="list-style-type: none"> 1. Close management of the Alliance Norse Service agreement through monitoring of Key Performance Indicators (KPI's). 2. Working collaboratively with Alliance Norse to develop improvement plans for the priority areas of the service. 	<ol style="list-style-type: none"> 1. Ongoing monthly operational meetings to review KPIs and improvement plans are occurring and we are focusing on receiving better information. 2. ANL to develop annual business plans in line with service delivery plans. 3. Monthly Finance meetings to review budget position. 4. Improvement plans for key areas to be formalised: data behind KPI's requested from Alliance Norse.
	AS2	Compliance or H&S Failure in HRA	<ol style="list-style-type: none"> 1. Contract management in place to ensure compliance aspects are undertaken. 2. New system of prioritisation in place with Repairs and Neighbourhood Teams for area of urgent escalation. 3. Data held within Keystone System. 4. Asbestos Action Group formed to work through actions relating to asbestos management. 5. New system for classifying potentially dangerous failures. 6. Norse have delivered the operations of Compliance and H&S activities since July 2022 - project to include improvements to be managed through KPIs. 	<ol style="list-style-type: none"> 1. Norse project live since July 22. This will include the investment into "Connect". Further discussions required as to suitable systems to hold compliance data. Keystone will continue to be utilised until a suitable solution can be agreed with Norse. 2. Compliance activities have been detailed in services spec and within the agreed KPIs to manage the delivery of the service. 3. Improvement plans to ensure the focus on delivery and transparency of reporting compliance activities. Systems are being proposed to improve compliance and tracking of events.
Impact – 3 Likelihood – 4	AS3	Sustainability of the Assets Green agenda and CO2 net zero by 2030	Assets input into the corporate carbon reduction plan. Further work on the database and stock condition is required to refocus on climate change in the revised Asset Management Plan. All capital projects are to review the "green options" before implementation.	<ol style="list-style-type: none"> 1. Central focus in Asset Management policy and strategy work. 2. Strategic approach required for the Asset Management Plan and Climate Change action plan. 3. Commission Energy Audits of key public buildings to assist with the revised Asset Management Plan. 4. Interrogation of energy audits against stock condition to develop the new investment programme. 5. Discussions with Alliance Norse about levels of support for de-carbonising initiatives. 6. Ongoing work around energy usage through the accommodation review.
	AS4	Rapid increase in	Some contracts are still in place with pricing based on original	<ol style="list-style-type: none"> 1. Revisions of capital programme following strategic

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Likelihood - 3		cost of materials, sub-contractors, and supply.	agreements. As contracts come to an end, prices are significantly increasing. Contracts are being reviewed on individual merits and alternative procurement options are being reviewed, however prices and suppliers across the board are being affected.	options. 2. Apply inflationary increases to likely costs of the Asset Management Plan in the Mid Term Financial Plan to ensure that significant increases in costs are captured. 3. Review the Asset Management Plan and HRA business Plan refresh to capture significant levels of cost inflation. 4. All expenditure being reviewed, work is ongoing to manage costs in line with budget.
Impact – 4 Likelihood – 4	AS5	Recruitment and Retention.	1. Continuous review of priorities, ensuring that the more areas of significant risk are dealt with first. 2. Undertake recruitment drives/advertising of roles. 3. Review alternative options, including "growing our own" staff approach for the longer term. 4. 2 full time staff members recruited (Apr 24) who will be working on the housing portfolio 5. Norse consulting proposal to recruit a team into ALN has been approved by Members (Sept 24)	1. Utilising agencies for temporary / interim staff to support the existing teams. 2. Increase support function to alleviate pressures from officers. 3. Determine what options are available for further outsourcing of work and add to procurement forward plan. 4. Team to be recruited into ALN following Member approval
Impact – 3 Likelihood – 4	AS9	Increase in Housing Disrepair Claims. External agencies prompting significant increases in claims.	All procedures have now transferred to Alliance Norse. 1.Repairs are classified into 4 categories to ensure that they are carried out in a timely manner. 2.Records are kept of customer reports. 3.All disrepair claims are dealt with as they are received. 4.Request to Repair data is used to report KPI's to members. Alliance Norse are required to input into the disrepair process.	1.Data is analysed monthly by the Service Manager to ensure performance is monitored, working with ALN to manage repairs promptly. 2. Complaints are monitored and attended to daily and responded to within the corporate timescales. 3. Supervisors to make random inspections of Operatives standards of work. 4. New IT system to be procured and implemented. 5. Access to the Connect system is now available to Council Commissioning Officers
Impact – 5 Likelihood - 3	AS11	Significant failing in fire door compliance	Need has been fully identified and there is a plan in place to resolve the issues around fire door compliance within three years.	All doors to be brought up to standard, certified and recorded within three years. Fire doors are now being installed (from Sept 24). Program of works is ongoing with the Alliance Norse Capital Team
Leisure & Environmental Services Impact – 4	SC1	Failure to deliver waste and recycling collection services to domestic	1. Shareholding and Strategic Oversight Board (replacing Commissioning board) meeting structure in place 2. Quarterly financial meetings held to flag up financial challenges. 3.Monthly Client meetings undertaken to monitor service	1. We would bring the service back in house, vehicles are primarily owned by the Alliance, would spot hire any required in the short term if risk materialised. 2.Contractors contingency arrangements have been tested in recent months and are in place should they be

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Likelihood – 3		properties and businesses.	delivery and performance. 4. Employees categorised as key workers, Staff from streets and parks (non-priority) trained to be able to undertake and support waste collections. 5. Contractor Business Continuity Plan in place and reviewed regularly	required again. 3. Funding allocated from government (DEFRA) for capital purchase of new vehicles to implement simpler recycling arrangements from April 26 onwards. Revenue funding (amount (TBC) will also assist with financing the operational implementation of the new arrangements such as additional workforce capacity.
Impact – 4 Likelihood - 3	SC3	Leisure Centre service provision failure	1. Monthly client meetings held to monitor performance 2. Strategic Oversight Board structure in place to monitor contractor performance - two meetings per annum alongside attendance at scrutiny annually. 3. Use of large operator. 4. Quarterly financial statements from contractor/s. 5. Financial support package provided by the Alliance 6. Robust programme of Health and Safety audits provided. 8. Contractor Business Continuity Plan is in place and reviewed regularly.	1. Consultancy support being sourced to review long term delivery model of operations (delivered by establishing Alliance Leisure Ltd in Oct 24). 2. Consultancy support obtained via Sport England to help determine the impact of operator failure on Councils in regard to liabilities and risk 3. Further Government funding awarded in Feb 2024 to help offset financial impact due to covid on recovery of facilities post pandemic at New Mills to support energy reduction works.
Development Services Impact – 4 Likelihood - 5	PL3	Risk of injury to the public / damage to property as a result of falling trees / debris	1. Monitored and inspected council treestock 2. Produced Ash die back strategy and trained staff to recognise and respond to reports of the disease. 3. Service /resource requirements have been reviewed and increased. 4. Technology has been updated-tablets now in use	1. Continue with inspection regime. 2. Further position being recruited 3. Progress to be reviewed at Risk Management Group
Env Health Impact – 3 Likelihood - 4	Env 2	Major incident (requiring Environmental Health response/input)	1. Cross working, multi/minor skilled staff. 2. Emergency Plan in place and tested. 3. Good working relationship with other LA's /Agencies. 4. Good communication network. 5. Liaison with high-risk premises on contingency plans. 6. More control over officers and teams in the new structure- can be deployed to specific areas more effectively.	1.Focus on personal development and additional training for existing staff to retain existing talent (Appraisal process). 2. The service review has been completed, recruitment has commenced (including an additional principal post) and the new structure is being implemented
Finance	FP1	Risk to income stream/budget overspend.	1. Budget monitoring. 2. Efficiency programme. 3. Consider latest intelligence for budget reviews. 4. Contingency and ear-marked reserves in place	1. Ensure there is a provision in the General Fund on an annual review basis. 2. Monitor budget position and target specific areas quarterly throughout the year. Efficiency &

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Impact – 4 Likelihood – 4				Rationalisation and Inflation ear-marked reserves in place. Impact of cost of living crisis on service income streams to be monitored and built into future MTFP assumptions at update. 3. Resourcing of efficiency and transformation process via the Transformation Board monthly update monitoring. 4. Ensure adequate earmarked/ general reserve levels maintained and specific reserves utilised as need arises to manage the financial performance.
Impact – 4 Likelihood – 3	FP2	Pension Liability risk to budget	<ol style="list-style-type: none"> 1. Monitoring of pension liability 2. Careful consideration of pension cost implications when awarding contracts (externalisation of services) 3. Base budgets on latest intelligence 4. Manage pressure through the Financial Planning process. 5. Close liaison with pensions authority and actuary during revaluation process 6. Careful workforce planning including consideration of potential pension fund consequences of future outsourcing arrangements and use of pass through agreements 7. Actuarial review of legal challenges concluded minor impact on Borough Council Fund value 	<ol style="list-style-type: none"> 1. Flag up potential long term risks and manage carefully as part of the medium term financial planning process: <ul style="list-style-type: none"> - Wage inflation borne out of cost of living crisis will impact future pension liabilities and Fund - Monitor improvement in investment returns emerging from early indications of 2025 valuation exercise. 2. Improvement in Fund performance over period since the last valuation (in 2022) leading to reduction in contribution rates with effect from April 2026 3. Assess implications of 2025 valuation exercise as full results emerge from scheme actuary (Oct25). Early indications from SPF are positive.
Impact – 5 Likelihood - 2	FP3	Treasury Management failure (General)	<ol style="list-style-type: none"> 1. Professional training of staff. 2. Professional advice and support. 3. Careful control of lending list including investment limits on institutions through formally adopted Treasury Management strategy. 4. Full compliance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management. 	<ol style="list-style-type: none"> 1. Carry out regular credit checks and react to latest developments in treasury management risk. Incorporate into the annual Treasury Management Strategy - reported to Full Council each February. 2. Keep under review: the high inflation economy may impact banks - impacts of financial sector volatility in respect of interest rates and Government bonds. The lending criteria we have in place should flag up early risk signs. Regular monitoring controls are sufficient to keep within acceptable limits. 3. Ensure due consideration is given to risks associated with specific types of investment, such as in extractive industries. 4. Adherence to security, liquidity: yield hierarchy in

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				investment decisions.
Communities & Climate Change Impact – 4 Likelihood - 4	CCC1	CCTV Failure	The control room has been upgraded and is operated 24/7 by Carelink operatives. However, the contractors are not performing the contract as agreed with major slippage.	1. A meeting was held in November to discuss the next steps in order to procure contractor support. We are aiming to begin a review in January 2025 and implement a new maintenance contract in the same timeframe.
Customer Services Impact – 5 Likelihood - 2	CS3	Safeguarding for and by frontline staff	Specific procedures are in place for frontline staff to signpost and make referrals. Essential safeguarding training is ongoing. Call recording is in place, observations are also recorded.	1. Ongoing safeguard training is in place- this is targeted specifically for frontline staff 2. 'Challenging customer' training in place and ongoing. 3. Considering re-configuration of alarms in receptions.