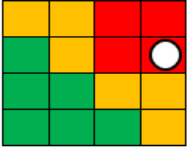
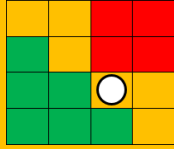
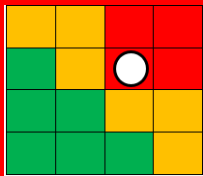
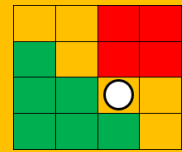


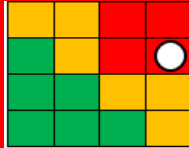
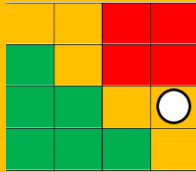
## 1. Supporting Communities

Inherent Risk Score	Current circumstance	Risk Control	Residual Risk Score	Action Required
<p>Likelihood 3 x Impact 4 = High 12</p> 	<p>Communities are likely to be negatively impacted due to the current rate of inflation and specifically the significant increase in fuel, food and utilities. This will create additional pressures on local businesses and job security.</p> <p>Communities are impacted through a shortage of housing including affordable housing Supply being delivered within the District. Lack of 5 years housing land supply/ will fail Housing Delivery Test in Nov 2022</p> <p>The Council needs to do more to support communities with enhanced digital channels for transacting and communicating with the Council.</p> <p>There will also be some challenges around the delivery of the Freeport</p>	<ul style="list-style-type: none"> <li>A. Community focussed initiatives and funding streams</li> <li>B. Targeted support to voluntary and community sectors</li> <li>C. Engagement in key fundamental activities and discussions, eg; Solent Freeport, County Deals</li> <li>D. Close working partnership with the Community Safety Partnership with identified priorities as part of annual Partnership Plan</li> <li>E. Active engagement with skills advisory group</li> <li>F. Review and application of the Council's Local Plan, including active monitoring of the implementation</li> <li>G. Roll out of Digital Strategy                             <ul style="list-style-type: none"> <li>- 'Customer First, Digital by design'</li> </ul> </li> <li>H. Corporate Plan 2020-2024</li> <li>I. Collaborative working with key partners as part of the Cost of Living Steering Group to implement a Poverty Action Plan</li> <li>J. Implementing a referral system to partners to support vulnerable residents</li> <li>K. Regular engagement with the voluntary sector</li> <li>L. Proactively working with developers/providing enabling infrastructure/ review of Local Plan</li> <li>M. Collaborative working through the Solent Freeport Consortium Limited, and presence on the board, and it's various sub-committees.</li> </ul>	<p>Likelihood 2 x Impact 3 = Medium 6</p> 	<ul style="list-style-type: none"> <li>A. Allocate resource to support Corporate Plan priorities <i>Progress Update: Ongoing consideration within annual budget proposals.</i></li> <li>B. Continue to work in partnership with other public sector partners to explore new and existing opportunities to deliver to residents and businesses <i>Progress Update: The council is engaged in relevant partnerships and governance to secure community benefit. Examples include the Solent Freeport</i></li> <li>C. Resident Survey to be completed to further understand the needs and requirements of our residents <i>Progress Update: Resident survey has now been concluded and the results are in the process of being analysed. The survey provides important information about our residents health, wellbeing and financial circumstances which will continue to be monitored through a bi-annual survey</i></li> <li>D. Full participation and regular updates on the Cost of Living Steering Group <i>Progress Update: Continued support to the Cost of Living Steering Group is provided, bringing a multi-agency approach to tackling issues affecting the most vulnerable in the community, working alongside the Local Partnership Campaign Manager to explore and promote further support to household.</i></li> </ul>

## 2. Achieving future financial resilience

Inherent Risk Score	Current circumstance	Risk Control	Residual Risk Score	Action Required
<p><b>Likelihood 3 x Impact 3 = High 9</b></p> 	<p>Many external economic factors, including the longer-term impact of COVID-19 recovery and the current rate of inflation (cost of living) have an impact on the Council's Medium Term Financial Plan; both in terms of expenditure pressures and the ability to generate new and existing income.</p> <p>Other factors, more specific to the Council include pay award, levelling up, the fair funding review, the impact of a business rate reset and increased salary costs resulting from a need to align pay with the wider market.</p> <p>The Council may also need to do more to support communities due to the potential for closure of local businesses and job losses as a result of the cost of living crisis.</p> <p>Parish and town councils may also find themselves in financial difficulties and may look to the District Council for support.</p>	<p>A. Regular review of the Council's MTFP including reserve levels and future changes to funding</p> <p>B. Annual budget setting for revenue and capital including funding</p> <p>C. Utilisation of external financial support that provides support for funding modelling</p> <p>D. Regular budget monitoring reports and updates to senior officers and Members</p> <p>E. Effective delivery of the transformation plan that includes actions that will support the closing of future budget gaps</p> <p>F. Development of savings plans and invest to save initiatives</p> <p>G. Treasury Management Strategy to ensure the Council is acting within the prudential indicators</p> <p>H. Maintain appropriate level of financial reserves as contingency arrangements to provide resilience over the medium term</p> <p>I. Development of capital plans in accordance with Capital Strategy with full financial appraisal and revenue implications</p> <p>J. Working with Towns and Parishes to maximise opportunities for joint working</p>	<p><b>Likelihood 2 x Impact 3 = Medium 6</b></p> 	<p>A. Continue to keep abreast of developments in:</p> <ul style="list-style-type: none"> <li>- pay award</li> <li>- Fair Funding</li> <li>- National Business Rate Policy</li> <li>- Levelling Up</li> <li>- County Deals</li> </ul> <p><a href="#">Progress Update: Pay Award 22/23 concluded and funded, and additional allowance, beyond 2%, included within 23/24 MTFP.</a></p> <p>B. Maintain momentum and presence within the delivery of the Solent Freeport</p> <p><a href="#">Progress Update: Actively ongoing.</a></p> <p>C. Develop the actions to address the Medium Term Financial Plan Deficit, and see through to delivery</p> <p><a href="#">Progress Update: Updated MTFP and Budget proposal for 23/24 to be considered by Cabinet on 15 Feb and ultimately adopted by Council on 27 Feb.</a></p> <p><b>NEW ACTION</b></p> <p>D. Development of the Transformation Programme to deliver enhanced services and financial efficiencies to support the delivery of the Medium Term Financial Plan</p>

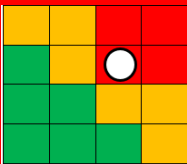
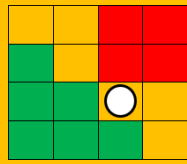
## 3. Ensuring efficient and effective internal control, governance and compliance

Inherent Risk Score	Current circumstance	Risk Control	Residual Risk Score	Action Required
<p>Likelihood 3 x Impact 4 = High 12</p> 	<p>As a local authority we need to show appropriate compliance and controls:</p> <ul style="list-style-type: none"> <li>- Financial Management Code</li> <li>- Payment Card Industry Data Security Standard Accreditation</li> <li>- Production and publication of various statutory documents</li> <li>- Effectiveness of the Capital Change and Delivery Board</li> <li>- Effectiveness of the new Project Management Framework</li> </ul>	<ul style="list-style-type: none"> <li>A. Annual internal audit plan developed by senior officers and members is targeted at key risks areas and responsive to new areas of risk</li> <li>B. External/internal audit regime</li> <li>C. Annual Assurance Statements compiled testing compliance with key business activities, supporting Annual Governance Statement compilation</li> <li>D. Range of performance indicators that monitor internal controls</li> <li>E. Maintenance of a range of policies that underpin the control framework – Financial Regulations, Counter Fraud Strategy, Risk Management Framework, Contract Procedure Rules coupled with staff training</li> <li>F. Regular reporting at Audit Committee</li> <li>G. Compliance with Transparency Code</li> <li>H. Compliance with Local Code of Corporate Governance</li> <li>I. Key compliance roles identified and assigned ie Section 151 Officer, Monitoring Officer, Data Protection Officer, H&amp;S etc</li> <li>J. Compliance with information governance including the UK General Data Protection Regulation and Data Protection Act 2018</li> <li>K. Review and update of Business Continuity Plans</li> <li>L. Housing Compliance reported regularly through EMT</li> <li>M. Information Governance Team in place with regular reporting through EMT.</li> <li>N. Financial Regulations and workflows built into core financial system</li> </ul>	<p>Likelihood 2 x Impact 4 = Medium 8</p> 	<ul style="list-style-type: none"> <li>A. Continue through information governance work programme, including updated document retention and destruction schedules for all services. <b>Progress Update:</b> Currently ongoing with schedules for approximately 50% of the Council's business areas being approved and ready for implementation. Further progress is being made on the remaining business areas, with the majority of these close to conclusion.</li> <li>B. Management to undertake actions from the internal audit reports <b>Progress Update:</b> Risk is being managed by regular reports from Audit Committee to EMT as scheduled quarterly.</li> <li>C. To assess the effectiveness of the Capital Change and Delivery Board <b>Progress Update:</b> The Capital and Change Board (CCB) continues to provide governance to significant projects by regularly monitoring progress on delivery times, costs and risks with a call in mechanism for more substantial updates where required.</li> </ul>

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				<p>D. To assess the effectiveness of the new Project Management framework for projects to ensure appropriate Governance arrangements are in place for all projects. <a href="#">Progress Update: Project Management capacity is a challenge and we will look to do this in 23/24</a></p> <p>E. Financial Management Code – to review how the Council complies with the new code <a href="#">Progress Update: An update will be forthcoming to a future Audit Committee.</a></p>
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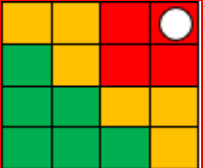
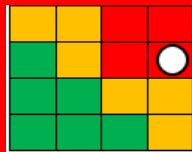
## 4. Creating the right culture, capacity and capability

Inherent Risk Score	Current circumstance	Risk Control	Residual Risk Score	Action Required
<p>Likelihood 3 x Impact 3 = High 9</p> 	<p>The Council needs to attract, recruit and retain the high calibre of employee that it requires to fulfil its expectations in Service delivery.</p> <p>The current Leadership review and subsequent service reviews could create some unrest amongst the current Leadership team and other staff. There is also a risk around the time required to achieve organisational/cultural change.</p> <p>The emergence of Covid-19 has identified that the Council can effectively respond to a change in circumstances to ensure continuous operations. This rigor now needs to be applied to ensure this momentum continues and that positive experiences and benefits achieved as a result of recent changes are not lost, and that negative experience and challenges encountered in service delivery are addressed and improved upon.</p>	<ul style="list-style-type: none"> <li>A. Employee Forum to encourage collaboration and engender a culture that enables change and innovation</li> <li>B. Learning and development programme providing training, tools and techniques to develop the necessary skills</li> <li>C. Regular 1-1's and annual PDI process</li> <li>D. Investigation and identification of further collaborations that will support building capacity and capability (and resilience) including both public and corporate business</li> <li>E. Staff Suggestion scheme</li> <li>F. Allowance within the council's budget for a pay spine review, to take account of the National Living Wage (NLW) forecast to April 2024</li> <li>G. Transformation framework in progress</li> <li>H. Communications plan (internal) allowing for regular staff engagement/progress updates</li> <li>I. Staff/union engagement</li> <li>J. Project management/capability</li> <li>K. Performance management and key performance indicators in place</li> <li>L. Staff/officer wellbeing and support</li> <li>M. Development of Workforce Strategy and enabling an agile workforce</li> <li>N. Corporate plan 2020-2024</li> <li>O. Hybrid working increasing potential pool of staff</li> <li>P. More support and training on virtual working/managing staff</li> <li>Q. Further ICT training to ensure maximum return on investment</li> </ul>	<p>Likelihood 2 x Impact 3 = Medium 6</p> 	<ul style="list-style-type: none"> <li>A. Embedding of new Council Leadership structure <i>Progress Update: Strategic Director roles have been fulfilled and implemented.</i></li> <li>B. Conduct and then progress learnings from employee survey <i>Progress Update: Employee Survey has been completed; results are being reviewed.</i></li> <li>C. Undertake leading and developing programmes including fostering leadership skills <i>Progress Update: HR developing plans to work with third parties to deliver relevant exercises and courses</i></li> <li>D. Keep abreast of developments in pay award negotiations and be ready to respond accordingly. <i>Progress Update: Pay award successfully delivered.</i></li> <li>E. See through the emerging transformation framework into an approved direction of travel through the democratic process <i>Progress Update: Transformation plan being formulated to include design principles for a new operating model, approach, implementation, and necessary resources. A key aspect of the design principles will be our people strategy and organisational development opportunities. A full business case will be presented to the new administration following the May elections</i></li> </ul>

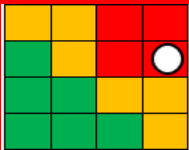
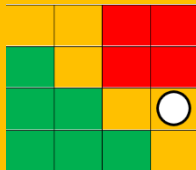
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				<p>F. Develop and implement associated transformational strategies as necessary <i>Progress Update: Currently ongoing and as per progress update narrative E.</i></p> <p>G. Continue to identify further opportunities that should be progressed in connection with improving service delivery <i>Progress Update: Currently ongoing</i></p> <p>H. Allocate resource to support Corporate Plan ambitions <i>Progress Update: Funding set aside in the 22/23 base budget has been allocated to align to corporate plan priorities, and the Council's proposed budget for 2023/24 is in the final stages of development, to further consider the creation of capacity to support corporate plan priorities.</i></p> <p>I. Continue to work in partnership with other public sector partners to explore new and existing opportunities to deliver to residents and businesses <i>Progress Update: Currently ongoing</i></p>
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## 5. Ensuring robust security measures to protect the Council's data and assets from external threats

Inherent Risk Score	Current circumstance	Risk Control	Residual Risk Score	Action Required
<p>Likelihood 4 x Impact 4 = High 16</p> 	<p>This risk relates to the Council's ability to defend itself against the constantly evolving threat from cyber based attack. The Council, in common with other public bodies, should be regarded as a high-profile target given the impact and publicity a successful attack can have.</p> <p>The current insurance market for public sector cyber risks is volatile.</p>	<ul style="list-style-type: none"> <li>A. Up to date Disaster Recovery plan is in place</li> <li>B. Awareness training of officers and staff on the threats of cyber attacks</li> <li>C. Continued reviewing and tightening of existing IT Security Policy to ensure measures adapt to the changing threat, including awareness, familiarisation and training.</li> <li>D. Acceptable use of IT policy to ensure staff are using equipment safely and appropriately.</li> <li>E. Relationships with other agencies to ensure best practice is established</li> </ul>	<p>Likelihood 3 x Impact 4 = High 12</p> 	<ul style="list-style-type: none"> <li>A. Continued development of O365 services to improve email and anti-virus protections <i>Progress update: The Councils network, Microsoft 365 suite and access controls are continually monitored, assessed and improved in all areas including email security and anti-virus protections.</i></li> <li>B. Carry out penetration test <i>Progress Update: ICT undertake an annual IT health check which includes a full penetration test. Any vulnerabilities identified within the test are put into a remedial action plan into an order of criticality.</i></li> <li>C. Ongoing refresher training on cyber risks for all staff <i>Progress Update: Our ICT security eLearning training platform, uSecure periodically sends out security training to all users. This content is updated on a regular basis to ensure its current and contains new and existing threats/risks. The Security Team monitors course participation regularly.</i></li> <li>D. To look at service provisions externally that can assist with cyber risks. <i>Progress Update: ICT are considering options for a Cyber Incident Response service</i></li> </ul>

## 6. Ability to be agile and shift focus in response to policy and national political change

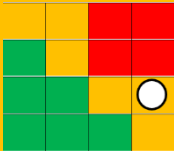
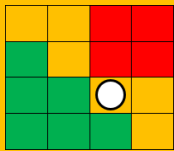
Inherent Risk Score	Current circumstance	Risk Control	Residual Risk Score	Action Required
<p>Likelihood 3 x Impact 4 = High 12</p> 	<p>The significance of the current cost of living crisis and inflation, coupled with the need to repay the COVID bill may impact on government priorities and planning.</p> <p>Changes in national politics and general &amp; local elections will have impact.</p> <p>Other legislation that will affect the council include:</p> <ul style="list-style-type: none"> <li>- Levelling up white paper</li> <li>- The environment bill</li> <li>- Future planning reform</li> <li>- Changes the regulatory landscape to housing.</li> </ul> <p>Managing the impact of climate change – impact on the coastline/managing the impact on the Council and communities resulting from increase in number of severe weather events/impact of increased temperature</p>	<p>A. Continuous monitoring of political landscape to allow for early indicators of policy change</p> <p>B. Prudent financial and strategy assumptions to allow for agile responses</p> <p>C. Corporate Plan 2020-2023 reviewed and updated where appropriate as changes identified that could impact on the Council and its plans i.e. Covid-19</p> <p>D. Section 151 Officer role providing advice to the Council on current/ future financial challenges</p> <p>E. Reports to committee include explicit assessment of implications and therefore should identify/reflect current and future challenges</p> <p>F. Executive to undertake horizon scanning look out/forwards and identify possible challenges ahead</p> <p>G. Membership of Local Government Association etc providing information/insights to the Council</p> <p>H. Members’ roles and responsibilities including involvement in local networks, County Council, other agencies and national forums, enabling insight to be gained and shared with the Council</p> <p>I. Staff membership of professional bodies enabling own development and also providing for insights through membership of challenges that may present themselves to the Council</p> <p>J. Officer/member forums and networks</p> <p>K. Review of Coastal Strategy and Actions. Climate Change Action Plan</p>	<p>Likelihood 2 x Impact 4 = Medium 8</p> 	<p>A. Making sure the workforce is aware that training is available. <i>Progress Update: Currently ongoing and will be supported through a new corporate learning management system, ready early 2023/24.</i></p> <p>B. Ensuring professional training availability as this impacts departments e.g., Planning and Legal <i>Progress Update: Currently ongoing and will be supported through a new corporate learning management system, ready early 2023/24.</i></p> <p>C. Encouraging staff to undertake professional development and service-related training. <i>Progress Update: Currently ongoing and will be supported through a new corporate learning management system, ready early 2023/24.</i></p>



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				<p>D. Prepare and implement the national changes arising out of the new Social Housing Charter, which represents the biggest change in social housing for 40 years.</p> <p>Progress Update: Work has been ongoing for the last 2 years to prepare and implement the necessary changes including report to Housing &amp; Homelessness Overview &amp; Scrutiny Panel on new resources required.</p>
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## 7. Delivering Council Services through adverse conditions

Inherent Risk Score	Current circumstance	Risk Control	Residual Risk Score	Action Required
<p>Likelihood 2 x Impact 4 = Medium 8</p> 	<p>The following may affect the delivery of Council Services from a national and local perspective:</p> <ul style="list-style-type: none"> <li>- Natural disasters / local power outages</li> <li>- Workforce Strike Action</li> <li>- Global Pandemic</li> <li>- Terrorism</li> <li>- Riot/Rebellion</li> <li>- Flooding</li> <li>- Major pollutions of surface waters and groundwaters</li> <li>- Adverse Weather</li> <li>- Fire</li> <li>- Nuclear Powered Vessels related to pollution</li> <li>- Coastal Erosion</li> <li>- Industrial Strikes</li> </ul>	<ul style="list-style-type: none"> <li>A. Business Continuity framework and individual service continuity plans</li> <li>B. Threat response plans which will include ICT Infrastructure response, alternative accommodation provisions and reallocation of staff.</li> <li>C. Emergency Planning Strategy and defined roles assigned</li> <li>D. Hybrid Working</li> <li>E. Communication with NFDC residents on all platforms e.g. social media</li> </ul>	<p>Likelihood 2 x Impact 3 = Medium 6</p> 	<ul style="list-style-type: none"> <li>A. Annual programme of Emergency Planning training to be established <i>Progress Update: Currently Ongoing. Robust training continues to be arranged and carried out for officers involved in emergency planning. Work continues in ensuring business continuity plans are in place, including for interruptions due to energy outages.</i></li> <li>B. Review and challenge of functional Service Continuity Plan and Conclude Business Continuity Planning. <i>Progress Update: Currently Ongoing</i></li> <li>C. Review Hybrid Working <i>Progress Update: Review completed and Hybrid Working Policy updated and adopted.</i></li> <li>D. Establish a dedicated role for focussing on emergency planning and business continuity to increase capacity for service to manage this risk <i>Progress Update: Recruitment looking to conclude early 2023</i></li> <li>E. Training and exercising to establish a strategic and tactical response including an agreed rota <i>Progress Update: New rota system implemented.</i></li> </ul>

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				<p>F. Set up links to Town and Parish councils as they would be involved in implementing actions through adverse conditions.</p> <p><a href="#">Progress Update: Currently Ongoing</a></p>
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