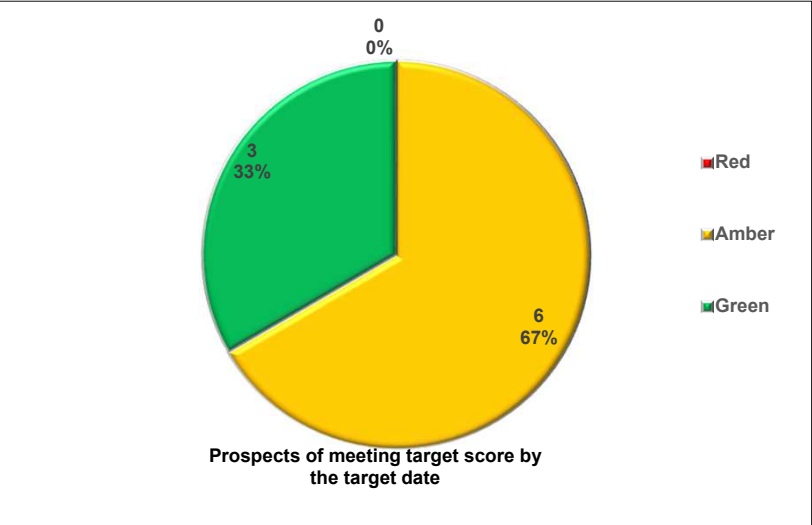


Appendix E - Norfolk County Council, Finance and Commercial Services Risk Summary, June 2017

Risk Register Summary Name			Finance and Commercial Services										Red	⬇️ Worsening
Prepared by			Thomas Osborne										Amber	↔️ Static
Date updated			May 2017										Green	⬆️ Improving
Next update due			July 2017										Met	
Area	Corp. / Dept.	Risk Number	Risk Name	Risk Description	Current Likelihood		Current Impact	Current Risk Score	Target Likelihood	Target Impact	Target Risk Score	Prospects of meeting Target Risk Score by Target Date	Direction of travel from previous review	Risk Owner
Finance	C	RM14265	The potential risk of failure to manage significant reductions in local and national income streams	This may arise from global or local economic circumstances (i.e. Brexit), government policy on public sector budgets and funding. As a result there is a risk that the Medium Term Financial Plan savings required for 2016/17- 2019/20 are not delivered because of uncertainty as to the scale of savings resulting in significant budget overspends, unsustainable drawing on reserves, and severe emergency savings measures needing to be taken. The financial implications are set out in the Council's Budget Book, available on the Council's website.	3	4	12	3	4	12	Amber	↔️	Simon George	
Finance	C	RM14279	The potential risk of failure to deliver effective and robust contract management for commissioned services.	Ineffective contract management leads to wasted expenditure, poor quality, unanticipated supplier default or contractual or legal disputes The council spends some £600m on contracted goods and services each year.	3	4	12	2	3	6	Amber	↔️	Simon George	
Finance	C	RM14281	The risk of the loss of key ICT systems including: - internet connection; - telephony; - communications with cloud-provided services; or - the Windows and Solaris hosting platforms.	Loss of core / key ICT systems, communications or utilities for a significant period - as a result of physical failure, fire or flood, supplier failure, misconfiguration or loss of PSN accreditation - would result in a failure to deliver IT based services leading to disruption to critical service delivery, a loss of reputation, and additional costs. Overall risk treatment: reduce.	3	4	12	1	3	3	Amber	↔️	Simon George	
Corporate Property Team	C	RM14282	Failure of Estate Management	There is a risk that the Council does not have a clear policy around estate management, is not acting in line with the expectations of a landlord, and does not have sound tenancy agreements in place.	3	2	6	2	2	4	Amber	⬆️	Simon George	
Finance	D	RM14246	Withdrawal of Grant Funding from Central Government and the European Union.	There is a risk that grant funding from central government could be withdrawn if conditions are not met by Norfolk County Council within the timescales set. Given the outcome of the EU Referendum, there is also uncertainty around European funding going forward, which should also be considered. Cause: Conditions set out by central government / the European Union are changed / tightened. Event: Conditions set out by central government are not met within the timescale set. Grants are withdrawn. Effect: There is less money provided from central government and the European Union to spend on service provision.	3	3	9	1	4	4	Amber	↔️	Simon George	
Finance	D	RM14255	Fulfilling Section 151 Responsibilities	There is a risk that Section 151 responsibilities are not fulfilled. These include; 1) Financial systems ie. Oracle are not functioning correctly. 2) The skills and resilience to support Section 151 responsibilities not being in place. Cause: Statutory financial obligations are not met. Event: Failure to deliver statutory responsibilities such as setting a legal budget; producing the statement of accounts; complying with government reporting requirements; providing appropriate financial advice to Councillors. Effect: Financial losses arise and/or the Council has a poor reputational standing. In extreme circumstances, the Government can intervene and direct how the Council's finances are managed.	1	5	5	1	5	5	Green	↔️	Simon George	
Corporate Property Team	D	RM14200	Failure to meet NCC carbon reduction target	There is a risk of a failure to address energy efficiency as part of operational practice, leading to increased energy and tax costs, against a background of a flexible buildings portfolio. The risks reside around the principal impacts associated with the use of buildings, transport and street lighting in support of service delivery. Reporting responsibility resides with the new the new Corporate Property Team who oversee the delivery of statutory reporting; impact is organisation-wide.	3	4	12	2	3	6	Amber	↔️	Jeannine de Sousa	
Finance	D	RM14268	Ability and capacity of ICT to support change whilst delivering business as usual	There is a risk that Finance will not be able to adequately support a change programme and ICT requirements whilst delivering business as usual.	4	3	12	3	2	6	Green	↔️	Simon George	
Finance	D	RM14269	Payment performance not improving in line with expectations from NCC service departments and external businesses.	There is a risk that Finance will not deliver to payment performance expectations of NCC service departments and external businesses.	2	3	6	2	3	6	Green	↔️	Simon George	



NB: Pensions risks are reported separately to the Pensions Committee and Pensions Oversight Board