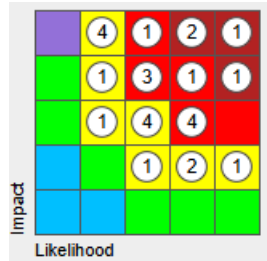


Audit & Risk Committee

Corporate Risk Register 1 December 2024

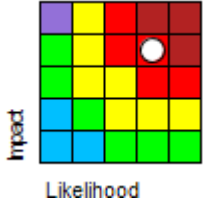
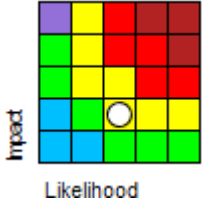

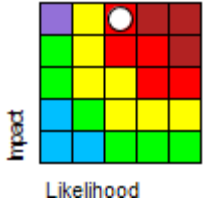
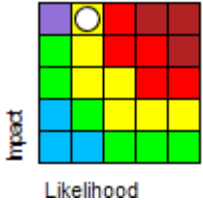

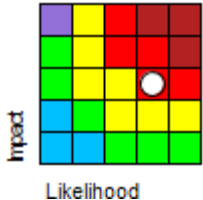
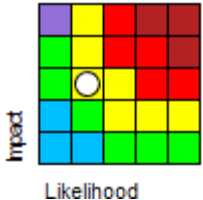



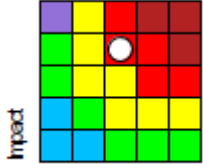
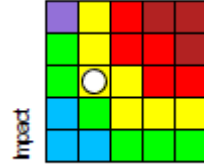

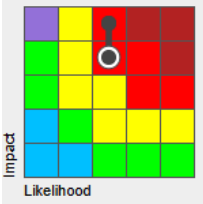
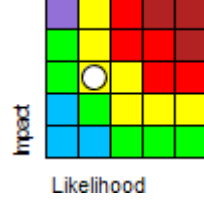

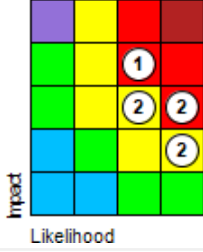

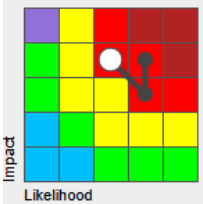

Very High Risks (4)

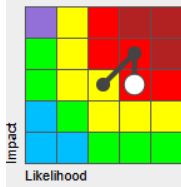

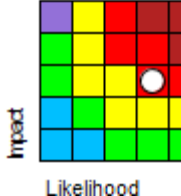

Code, Title & EMT Owner	Description	Current Risk & Movement	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL001 Failure to achieve full regulatory compliance for Council Housing Stock Gillian Douglas	Following governance failure, incomplete or ineffective maintenance or not keeping up with requirements the Council fails to achieve full regulatory compliance for Council Housing Stock increasing risk to residents' safety, increasing liability and repair cost and reducing ability to use housing stock to support residents.				19 August 2024 The notice was issued by the Regulator of Social Housing on 26/3/24 and we present improvement data monthly. Progress is being made but the following indicate significant areas of non-compliance: 24% of homes non-decent Repairs WIP reduced but still over 8,000 Overdue fire safety actions 2,548.
LBL002 Unable to effectively improve housing stock Gillian Douglas	Owing to incomplete or inaccurate stock condition information, lack of resources to secure improvement, poor project management for works or continued unexpected deterioration the Council is unable to effectively improve its housing stock resulting in higher maintenance costs, poor quality housing for tenants, increased health and safety risk with Council liability and not achieving key corporate objectives from Lewisham Homes merger.				19 August 2024 The Housing Capital Programme is projected to spend £72m in 2024/25, of a total budget of £82m. The risk remains at assessed level as it will take some time to develop the programme to target the stock in poorest condition, as indicated by the stock condition survey and our repairs, damp and mould and disrepair data.

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL011 Loss of overall financial control David Austin	Because of significant overspends that are insufficiently responsive to control and demand management efforts the Council may lose overall financial control resulting in severe further service reduction, or need to consider s114 reporting.				13 November 2024 Retained at very high level in light of current financial situation and in particular pressures facing the HRA.
LBL021 Housing Management Software Implementation Failure Gillian Douglas	Following supplier issues, resource constraints, ineffective project management or error we do not effectively implement the new Housing Management Software leading to increased financial risk, data loss and poor customer service.				19 August 2024 Delays in system implementation and the problem-solving required to achieve functionality are impacting on rent collection in general needs and temporary accommodation. Automation is expected to go live 30/8/24 which will enable income collections teams to tackle arrears and low collection rates more effectively and work towards BAU levels of performance.

High Risks (6, +3 sub-risks)




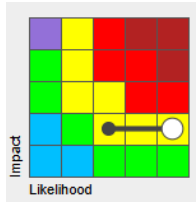

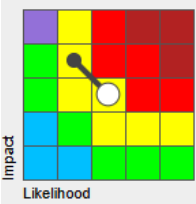
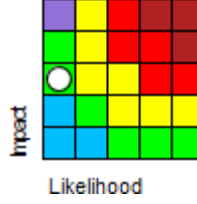

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL003 Non-Compliance with Health & Safety At Work Act Regulation Jennifer Daothong	Following weak governance, ineffective management, poor procedure or unaddressed incidents the Council does not comply with health and safety regulation resulting in increased threat to safety, financial liability and prosecution risk.				25 November 2024 Resignation of key employee pushes up likelihood but no immediate change to score because of anticipated ability to fill vacancy with limited time gap. Will review and revise risk score pending progress of recruitment exercise.
LBL009 Significant Cyber Security Breach David Austin	Because of failure in IT security, or novel attack the Council suffers a Significant Cyber Security Breach which widely disrupts systems or data, places data security at risk and severely inhibits usual ways of working.				13 November 2024 Retained as high impact moderate likelihood. Council continues to face myriad attacks and threats, so far largely contained by security measures, but risk of breach remains.
LBL004 Workforce attraction and retention Jennifer Daothong	Following lack of competitive offer, cumbersome recruitment processes, reputation as an employer, employment market challenges, financial restrictions, failure of succession planning or poor management the Council cannot effectively attract or retain sufficient workforce leading to increased workload and stress among remaining staff, inability to achieve service goals, failure to retain a representative workforce, loss of organisational memory and increased spend on temporary/agency employees.				25 November 2024

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL008 Disruption to services following major supplier failure Jennifer Daothong	Following failure to manage relationships, supplier malfeasance, poor economic conditions or difficult contractual arrangements the Council experiences failure of a major supplier resulting in increased expense, disruptions in service or service failure, increased risk of legal liability.				25 November 2024
LBL014 Major procurement failure David Austin	Due to compliance failure, market issues, deliberate malfeasance or errors in process the Council experiences a major procurement failure resulting in gap or loss of service, increased cost, poor contractual terms, damaged relationships or heightened risk of legal liability				13 November 2024 Reduced procurement activity lowers impact, but likelihood remains at moderate levels until effects of Procurement Act changes become clearer.
LBL020 Building For Lewisham Programme Failure (has sub-risks) Steve Evison	Due to financial constraints, unexpected circumstances, supplier failure, economic uncertainty or contractual issues the building for lewisham programme fails to deliver its objectives resulting in overspends, poor or non-complete buildings, loss of income and reputational damage.		(Sub-risks detailed separately)		25 October 2024
LBL020a BFL Financial Constraints (HRA/GF)					21 August 2024 BfL Programme is currently working to a -£10m NPV (although a -£20m NPV is actually approved). Monitoring of the GF NPV is also undertaken each quarter

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL020b BFL Unexpected Events (force majeure)					<p>19 June 2024</p> <p>Based on lessons learnt post Covid, supplier, contractor and council have reviewed the working policies</p>
LBL020d Economic Uncertainty Impacting BFL					<p>21 August 2024</p> <p>Scheme financial viability is being constantly assessed and new sources of grant funding are investigated with both the GLA, MHCLG and use of our RTB receipts. Discussions with the GLA in terms of scheme specific funding are ongoing. Schemes that are currently financially unviable have been paused in the programme</p>

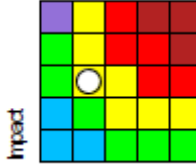
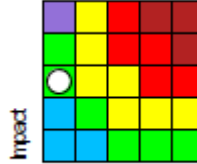

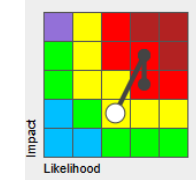


Moderate Risks (10, +4 sub-risks)

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL010 Inability to set a balanced budget David Austin	Due to chronic lack of resources, failure to agree savings, or governance failure the Council is unable to set a balanced budget leading to s114 notice and Government intervention alongside significant impairment in ability to deliver services.			➡	13 November 2024 Retained at moderate risk, mindful of 12 month horizon for assessment. The Council's reserve position remains adequate on that horizon to mitigate the risks of being unable to set a balanced budget.
LBL012 Significant Internal Control Failure David Austin	Owing to failure to implement effective control framework for key business activity, poor culture, or inability to identify and deal with bad actors the Council suffers a significant internal control failure leading to financial or asset loss, significant reputational damage or service delivery failure.			➡	13 November 2024 Retained as moderate risk considering early feedback from audit and Annual Governance Statement conclusions not flagging any major control concerns.
LBL017 Major Child Safeguarding Failure Pinaki Ghoshal	Following management failure, poor practice, or mistaken risk assessments the Council experiences a major child safeguarding failure resulting in significant reputational damage, financial liability and service failure in addition to impacts on the affected family.			➡	7 August 2024 Impact and likelihood is unchanged. Involvement in a DfE funded Pathfinder programme is helping to improve our multi-agency response to risk of harm to children

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL018 Major Adult Safeguarding Failure Denise Radley	Following management failure, poor practice, or mistaken risk assessments the Council experiences a major adult safeguarding failure resulting in significant reputational damage, financial liability and service failure in addition to impacts on the affected individual(s).				31 October 2024 This continues to be a live risk, but equally continues to be managed and likelihood is low. Retained at current level in discussion at ASCH DMT.
LBL019 Failure to deliver climate emergency strategy Steve Evison	Because of resource limits, varying political will, poor governance, a lack of clarity on what delivery means or increased challenge the Council fails to deliver its climate emergency strategy resulting in environmental damage, loss of local leadership reputation and increased mitigation costs.				8 May 2024
LBL007 Significant legislative change Jeremy Chambers	Following failure to anticipate, poor preparation, lack of consultation or limited change capacity the Council experiences detriment from significant legislative change resulting in increased expense to meet modified duties, service disruption during change or increased risk of non-compliance with legal duty.				17 November 2024 Slight increase in likelihood and reduction in impact following review of incoming Government's legislative programme as set out in King's Speech & elsewhere.

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL020c BFL Supplier Failure Steve Evison					21 August 2024 Each Contractor on schemes within the Programme are being monitored in terms of their financial viability. Despite some contractors going into liquidation (post COVID) schemes that are viable are still being delivered. Ongoing discussions are had with contractors in terms of their financial viability
LBL020f GLA Grant funding for BFL Steve Evison					21 August 2024 Scheme specific discussions are being had with GLA with grant rates being proposed for individual schemes. Officers continue to look at alternative grant funding streams including the use of RTB receipts and other funding programmes
LBL023 Significant underperformance or disruption in partner IT (STS) David Austin	Due to staffing vacancy, technical failure, supply chain difficulty or insufficient funding or decisions made by partner authorities the Council's IT arrangements delivered through the STS partnership experience significant disruption or underperformance resulting in poor performance, reduced service effectiveness, impacted staff morale, increased cost of remedy and increased risk of data loss.				13 November 2024 Reduced impact as greater understanding and resilience of IT vulnerabilities now held within the Council.

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL006 Major Information Governance Failure Jeremy Chambers	Following inadequate training, poor handling practice, ineffective oversight, human error or deliberate malfeasance the Council experiences a major information governance failure resulting in reputation damage, increased risk of enforcement action and inefficient service operation.				15 November 2024 Retained at current score on review; threat remains and response also consistent.
LBL020e BFL Contractual Issues Steve Evison					10 July 2024 All schemes in delivery that previously had contractual issues have now been resolved. Contingency costs are built into all scheme budgets, so should any further unexpected events (which have the potential to incur costs) occur, the scheme budget should suffice
LBL020g RTB Funding for BFL Steve Evison					21 August 2024 The RTB receipts and spend against the receipts is monitored constantly. The predicted underspend of RTB receipts has been mitigated with no penalties being incurred and a plan of the use of RTB receipts going forward has been created. Officers will monitor any changes to the current RTB % that may be imposed by the new Government.

Code, Title & EMT Owner	Description	Current Risk Matrix	Target Risk Matrix	Trend Icon	Last Assessed & Latest Note
LBL005 Sharp decline in employee morale Jennifer Daothong	Following poor management, wider economy employee relations issues or mishandled change the Council sees a sharp decline in employee morale resulting in increased absenteeism, workforce attraction and retention issues and reduced service delivery.				26 November 2024 Risk held at moderate pending detailed staff survey results expected December/January.
LBL013 Cost of Living Impact on Residents David Austin; Pinaki Ghoshal	Continued wider economic uncertainty heightens the cost of living impact on residents increasing service delivery demand and reducing income collection rates.				13 November 2024 Reduced likelihood and impact. Additional household support through budget having an impact as are wage increases at lowest levels. Energy prices also stabilising but risk remains present reflecting wider economic situation.