

Lower Severn (2005) Internal Drainage Board

RISK REGISTER

As at 12 December 2018

The owner of this document is the Principal Officer

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level (without controls)	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Governance											
G1	Gradual or sudden loss of reputation	High	High	High	Treat As an action or non-action by the Board, employee, subcontractor or supplier. This includes personal behaviour.	Ensure that all risks are minimised. Ensure plans are fulfilled.	Use governance arrangements to utilise monitoring and feedback controls and assurances. Ensure that the Board is sensitive to changes and can respond accordingly.	Low	High	Medium	Board, PO, AO, LDE, CE
					Treat Inappropriate behaviour by a member of staff. Staff not aware of their importance in maintaining the Boards reputation.	Staff training given on the importance of their actions or non action. Emphasise that they are the contact point for members of the public.					
G2	Board doesn't have adequate competency/skills to understand or control the business.	Medium	Medium	Medium	Treat 14 elected members, landowners and owner occupiers have a vested interest in ensuring drainage is effective.	The Board consists of 14 elected members and 15 appointed members. The appointed members are determined by the local Councils within the Board's area.	Board members receive appropriate ongoing training.	Low	Medium	Low	Board
G3	Difficulty in appointing new Board Members.	Low	Low	Low	Tolerate Board consists of elected and appointed members. Member turnover is low.	Electoral register in place and updated to enable elections to take place. Last elections took place in October 2015.	Open elections for new Board Members due in October 2018.	Low	Low	Low	Board
G4	Susceptibility to concentration of power.	High	High	High	Treat Management meetings held on a regular basis, Chairman and Vice Chairman involved.	There are five committees that report to the Board. Each committee has an appointed Chair.	Segregation of duties and regular meetings between Board and key members of staff to review major issues and future actions. Schemes of delegation to both Chair and Officers in place.	Medium	Medium	Medium	Board

G5	There is no overall strategy for the organisation as a whole.	High	High	High	Treat The Board has a business plan and a corporate strategy.	Business plan in place and reviewed annually.	Regular review of forthcoming reporting deadlines at the Board meetings.	Medium	Medium	Medium	Board
G6	Failure to comply with key legislation, regulations and Corporation requirements.	High	High	High	Treat Regular Board meetings take place.	Reports to Board on new legislation and regulations. Membership of Association of Drainage Authorities (ADA). Regular review of publicly available websites.	Regular review of forthcoming reporting deadlines at the board meetings. Access specialist advice as appropriate.	Low	High	Medium	Board
					Transfer Audit takes place on Management and Accounts to ensure compliance with legislation.	PKF Littlejohn appointed as external auditors by Smaller Authorities' Audit Appointments. Internal Auditors appointed annually.					
G7	Board not assuming control of key statutory requirements e.g. Health and Safety and Risk.	High	High	High	Treat Citation appointed as Health and Safety and Human Resources advisors.	Reports to Board. LDE monitors and maintains Health and Safety records.	Board have been made aware of the key legislative requirements to ensure they understand their responsibilities. Board members to attend training courses as appropriate.	Low	Low	Low	Board
					Transfer Indemnity policy is in place so board do not have to pay compensation.	Included in insurance cover with Zurich Municipal.					
G8	Implementation of Eel Regulations.	High	High	High	Treat Consultants appointed to report on steps to take to meet the statutory regulations.	Engineers to report to Engineering Committee as necessary. Pump replacement programme in place.	Frequent update to Engineering Committee and Full Board.	Low	High	Medium	Board

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level without controls	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Finance											
V1.	Inaccurate assumptions in place within the Business Plan.	High	High	High	Treat There is a Business Plan in place and it is reviewed annually.	Business plan reviewed by the Board at least annually. Medium Term Financial Plan reviewed by F&GP Committee.	Business Plan stating objectives of the Board is in place. Medium Term Financial Plan prepared.	Medium	Medium	Medium	Board and F&GP Committee
V2	Inadequate internal control resulting in poor financial management.	Medium	High	High	Treat Bishop Fleming have been appointed as Internal Auditors.	Auditors to be appointed annually.	Appointed at the September F&GP meeting.	Low	Medium	Low	Board
V3	Security of deposit takers.	Medium	High	High	Treat Use NatWest as the main bankers. Cash deposits to be placed, up to a maximum of £85,000, with institutions that are participants of the Financial Services Compensation Scheme. The maximum fixed term to be six months.	Treasury Sub Committee to review investments and performance.	Regular reporting to the Treasury Sub Committee.	Low	Medium	Low	Board and F&GP Committee
V4	Investments.	High	High	High	Treat Appointed Smith and Williamson as investment managers.	Treasury Sub Committee to review investments and performance.	Regular reporting to the Treasury Sub Committee.	Low	Medium	Low	F&GP Committee
V5	Inaccurate Accounting.	Medium	High	High	Transfer Accounts are audited by external Auditors appointed by the Audit Commission.	External Auditors report on and certify the Annual Governance and Accountability Return (AGAR).	AO responds and takes action regarding recommendations made by the External or Internal Auditors.	Low	Medium	Low	AO and F&GP Committee
				Treat Accounts Officer to be responsible to the preparation of accounts.	Management Accounts are regularly presented to F&GP Committee.	Accounts/budgets prepared by Accounts Officer.					

V6	Fraud occurring through deliberate activity.	High	High	High	Transfer Internal audit will look for fraudulent activity as part of the annual audit process.	Performed by Internal Auditors	Fraud and whistle blowing policy circulated to all staff.	Medium	Medium	Medium	All Staff
					Treat Chairman and Vice Chairman have access to internet banking.	Access log available.	Accounts Officer has been added as a bank signatory and internet banking. Further segregation of duties.				Board
					Transfer Increased Fidelity Guarantee Insurance.	Cover reviewed annually.	Community insurance cover with Zurich Municipal.				Board and PO
					Treat Fraud policy and whistle blowing policy in place.	Policy in place approved by the Board. Fraud and whistle blowing policy circulated to all staff.	Fraud and whistle blowing policy circulated to new staff.				PO
					Treat Register of members interests held on file.	Register maintained and available for review.	Updated as members interests change.				PO
					Treat Ensure no unauthorised transfer of funds from bank accounts.	Bank signatories regularly reviewed.	Dual authorisation of payments and bank transfers required.				PO and AO
V7	Effect on inflation and exchange rate movements on specific areas.	Low	Low	Low	Treat Budget overspent in year.	Budget agreed by the Board in February. Considered when levy and agricultural rate set by Board in February.	Monitored regularly by F&GP Committee.	Low	Low	Low	Board , F&GP Committee and AO
V8	Impact of movements in interest rates on income.	Low	Low	Low	Treat All cash balances held in approved banks.	Monitoring of budget, Medium Term Financial Plan and Severnside funds.	Actual rates and revised estimated presented to Board in February and November. Treasury management policy approved annually.	Low	Low	Low	Board, F&GP Committee and AO
V9	Failure to achieve value for money.	Medium	Medium	Medium	Treat Three quotes are obtained for any major purchase over £5,000 unless there are few suppliers. Compliance with Financial Regulations.	AO reviews with LDE/CE.	Chairman and Vice Chairman informed of award and reasons.	Low	Low	Low	Board and AO

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level without controls	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Management and Maintenance											
M1	Increased risk of flooding owing to inaccurate assumptions affecting the planned maintenance programme.	Medium	High	High	Treat There is a realistic planned maintenance programme.	LDE monitors progress of the plan throughout the year.	Progress regularly reported to the Engineering Committee and the Board.	Low	High	Medium	Board, Engineering Committee and LDE
M2	Inadequate provision for safeguarding the Boards assets. Loss of Machinery through theft or damage.	Medium	High	High	Treat Machines are locked up and fenced off. Spare Machines are available to meet work schedules.	Location is reported daily. Spares either held in workshop, or immediate delivery. Repairs carried out on site/workshop.	Staff training on type of equipment and all aspects of Health, Safety and risk review. All plant machinery insured through Fenton Insurance Services. All machines are tagged.	Low	High	Medium	LDE
M3	Loss of specific personnel leading to work being incomplete on schedule.	Low	High	Medium	Treat Skilled workers are trained up so if one could not work then another could, ensuring minimum down time.	Training schedules are maintained by the LDE.	Staff are trained to use equipment as appropriate.	Low	Low	Low	LDE
M4	Damage to Third Party property or individuals	Medium	High	High	Treat Risk assessments undertaken	Close Supervision by Foreman and LDE. Covered by insurance	Regular staff training and updating of information held re maps, access etc.	Low	High	Medium	LDE
M5	Pumps fail to operate	Medium	High	High	Treat Pumps maintained and checked at regular intervals	Planned maintenance undertaken. Pumps checked by Foreman	Pump replacement programme enacted	Low	High	Medium	LDE
M6	Watercourse unable to convey water	High	High	High	Treat Rhines and ditches regularly cleared of weed growth. Flaps desilted on a regular basis . Culverts regularly checked and cleared out.	Planned maintenance undertaken. Rhines and Ditches checked by Foreman.	Planned annual maintenance schedule.	Low	High	Medium	LDE
M7	Lack of progress of the Biodiversity Action Plan	High	High	High	Treat Aims and objectives are met.	Approved by Board.	Implementation of plan by modifications to standard operations in designated locations and in special projects with partners. Progress regularly reported to the Board on meeting the targets in the plan.	Medium	Medium	Medium	CE and LDE

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level without controls	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Human Resources											
HR1	Inability to retain or recruit new staff.	Medium	Medium	Medium	Treat Pay review, pensions.	Board agree all pay reviews and changes.	Pay scales are reviewed to ensure they remain competitive.	Low	Medium	Low	Board, PO and AO
Tolerate Pay in line with expected action of skill level of staff.					Pay scales are set annually, at national level. Changes to staff responsibilities are set against tables/spine points.	Pay scales and conditions are reviewed at least annually to ensure they remain competitive. Non monetary benefits such as holiday entitlement is monitored to ensure that this also remains competitive to aid recruitment and retention.					
Treat Increase training.					Training schedules are maintained.	Staff receive ongoing relevant training.					
Transfer Pension fund review.					Annual review by actuaries of Glos LGPS. LGPS scheme closed to new staff in July 2015. Staff appointed since August 2015 are auto enrolled into a defined contribution Pension Scheme.	LGPS Employer contributions are revised on basis of actuaries triennial review. Review of Employer contribution to defined contribution pension scheme.					
HR2	Incidents to staff.	Medium	High	High	Treat Lone working training, manual handling and use of ladders.	Training schedules are maintained. Skyguard Lone worker system in place.	Where possible restrict amount of lone working.	Low	High	Medium	LDE
Treat Street work signage training has been given.					Training schedules are maintained.	All workers have completed signage training.					
Treat Accident occurs which injures a member of staff.					Risk assessments are undertaken before starting a job. Staff wear appropriate Personal Proactive Equipment. Staff are trained on machinery before they operate it. Accidents are reported and logged.	All workers have completed appropriate training. The LDE reviews all risk assessments.					
Treat A member of staff contracts a disease.					Health and Safety Training schedules are maintained.	All workers have completed first aid training.					
Transfer Fidelity Guarantee Insurance cover.					Cover reviewed annually.	Cover under community Insurance through Zurich Municipal.					
							AO				
HR3	Loss of key members of staff in a small team.	Medium	Medium	Medium	Tolerate Other drainage boards, Environment Agency and Local Authorities could be asked to advise on operational needs if engineers were to leave.	Member of ADA and in dialogue with other Boards and use of consultants.	Ensure that admin duties are understood by more than one individual. Engineers overlap to ensure spread of knowledge.	Low	Low	Low	AO, LDE and CE

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level (without controls)	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Office Systems/IT											
O1	Disaster to office premises/IT.	Low	High	Medium	<p>Treat Can work from home using a Laptop which will have server access.</p> <p>Treat Backups of server daily and once a week major backup.</p>	Business Continuity/Disaster Recovery plan tested satisfactorily in 2011 with Orchard computers.	<p>A disaster recovery plan has been approved and clearly explains the steps that should be taken dependent on the type of disaster that occurs.</p> <p>Orchard Computer services. Daily/weekly backups.</p>	Low	Medium	Low	PO,CE, LDE and AO
O2	Failure to store confidential and personal data in a secure environment.	High	High	High	<p>Treat Ensure compliance with Data Protection Act 2018 and General Data Protection Regulation.</p>	Review of data held annually. Destruction of data that is either out of date or no longer required. Paper records to be destroyed by a secure method and computer records to be deleted and erased.	Ensure that all staff and the Board are aware of the need to keep data secure and the implications of releasing personal sensitive data	Low	High	Medium	AO
O3	Failure to provide adequate insurance cover.	Medium	High	High	<p>Transfer Level of Insurance cover is reviewed annually .</p>	Cover reviewed annually.	Cover provided through Zurich Municipal.	Low	Low	Low	AO
O4	Inadequate functionality of IT systems.	Low	Medium	Low	<p>Tolerate IT Systems are updated as and when they are needed. No specific high spec computers are needed, all packages used are basic and non bespoke.</p>	Sage upgrades are incorporated as available. Microsoft Office upgraded as appropriate. Data base holding rating information updated as necessary. Drainage Rating System (DRS) has been implemented.	IT Systems are reviewed on a regular basis. New/upgrades to software packages only purchased as necessary to improve information and efficiency of the business.	Low	Low	Low	PO and CE

Key: CE - Civil Engineer
LDE - Land Drainage Engineer
AO - Accounts Officer
PO - Principal Officer

F&GP Committee - Finance & General Purpose Committee