

Meeting Executive
Portfolio Area All
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CORPORATE PERFORMANCE QUARTER THREE 2022/23

KEY DECISION

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1 PURPOSE

- 1.1 To highlight the Council's performance across key priorities and themes for quarter three 2022/23 and provide an update on progress against the Cost-of-Living Action Plan, and current strategic risks.
- 1.2 For Members information, a presentation will be provided at the Executive meeting which will cover updates in relation to delivery against FTFC Cooperative Corporate Plan Priorities and the key themes emerging from the quarter three performance data.

2 RECOMMENDATIONS

- 2.1 That the delivery of priorities which form the Future Town Future Council Programme (Appendix A) and service performance across the key themes for quarter three 2022/23 (Appendix B) be noted.
- 2.2 That the strategic risk updates (section 4.6) be noted.

- 2.3 That the performance challenges in relation to housing voids (section 4.4.5), customer services (section 4.2.5) and human resources (section 4.2.13) are noted, and the planned measures to improve performance are endorsed.
- 2.4 That the Executive Action Tracker (Appendix C) be noted.

3 BACKGROUND

- 3.1 This report covers progress in quarter three against the Corporate Performance Suite that was agreed by the Executive in July 2022.
- 3.2 Many of the programmes and key performance measures are a continuation from previous years. As such, we continue to build on a strong programme of Future Town Future Council (FTFC) activity, and a predominantly positive performance base. For more information, please refer to the Quarter 4 Performance Report and the Annual Report (21/22) presented to the Executive in July 2022.
- 3.3 There are some areas where performance is not yet at the desired levels, specifically housing voids, customer service and human resources. Improvement Plans, which set out how officers are seeking to address the performance concerns, are in place and are regularly monitored. The plans are owned by the relevant service and overseen by the responsible Portfolio Holder.
- 3.4 The Council continues to deliver a wide range of services in an increasingly challenging environment. The impact of the Russian invasion of Ukraine, the consequences of the Covid-19 pandemic and the significant reduction in funding from central Government have contributed to cost-of-living and financial challenges unseen in the UK for 40 years.
- 3.5 The increase in inflation has had a direct impact on Council budgets, primarily through increases in utility, materials and fuel costs. Whilst it is predicted that inflationary pressures are likely to continue until the middle of 2023 it is anticipated that the economic situation will remain volatile for some time. To help address the financial challenges in 23/24 the Council has approved a number of income and savings proposals.
- 3.6 In response to the cost-of-living crisis, the Council is working with partners through the Stevenage Together Partnership and the Cost-of-Living Executive Member Working Group to implement meaningful support initiatives to residents. This can be seen through the provision of Warm Spaces, increased coordination of front-line services with partners, and timely communication of information, advice and guidance to residents. An update on current progress can be seen in Section 4.5.
- 3.7 The Council is committed to the delivery of its priorities and its local services, to the benefit of local residents and businesses. Its ability to do this in a very competitive, employee-driven market remains challenging. Not being able to retain, attract and recruit the right people and skills at all levels will impact on the Council's capacity to deliver all of its priorities and provide core services. In response, the Council is continually reviewing its recruitment and retention approaches to seek to ensure it maintains the right capacity, skills, values and experience amongst staff at all levels.
- 3.8 It is important that where targets are reprofiled mid-year the changes and the rationale are set out. The ECHFL1nat: 'Percentage of homes maintained as decent against minimum DH standard' has been revised to reflect the latest profile of the planned programme of decent homes works for Qtr 3 (80.07%). This reprofiling does not reduce the Council's overall decent homes target for

arrears they won't be presented as part of the report until the next quarter. This means that the measures for quarter two are included in the compendium for quarter three (Appendix B), and quarter three will be reported within quarter four.

4.2 TRANSFORMATION AND SUPPORT THEME

Number of Measures Reported	Meeting or exceeding target	Amber Status (Within a manageable tolerance)	Red Status (Urgent improvement action required)	Unavailable Data
20	12	2	6	0

Fig 2.

4.2.1 The Transformation and Support Theme incorporates the following Business Units and Future Town Future Council Programmes:

- Corporate Services
- Digital and Transformation
- Finance and Estates
- Making Your Money Count FTFC Programme

4.2.2 Further information on the measures included in this theme can be found in Appendix B. Further detail on projects for Making Your Money Count can be found in Appendix A.

Highlights

4.2.3 Key Future Town Future Council (FTFC) highlights for Quarter Three include:

- The quarter two monitoring has been completed for revenue and capital and work is progressing with the 2023/24 budget setting. An informal Executive session on the Medium-Term Financial Strategy (MTFS) took place which outlined potential areas for savings and increases to fees and charges. Further work was undertaken during the quarter and a report was presented to the Executive in December.
- The review of the Council's skip hire and trade waste offers continued this quarter, with new pricing approved by the Executive in November. A marketing plan for both of these services is in development and a launch of the new offers is anticipated for quarter four.
- In line with plans agreed as part of the 2022/23 budget setting process, the transformation programme Phase 1 (Customer Services) is concluding. Key changes have been introduced this financial year with the goal of improving




the customer experience and delivering a budget saving in Customer Services. In Q3 service improvements included:

- Digital garage lettings were launched this quarter
- Assisted Waste collections sign ups have been digitised
- Complaints and feedback methods have been modernised however following receipt of feedback from some Members further consideration is being given to the systems configuration
- A business case was considered and agreed by the Executive in October 2022, introducing a new Five Star customer service programme and the associated Customer Hub model working alongside specialist teams.
- The implementation of phase 2 of the Transformation programme has continued. A report outlining further options to inform the delivery of the programme will be presented to Members in quarter two 2023/24. The service delivery programme will focus on the creation of a “Customer Hub” focusing on Localities, Advice and Support, Income & Debt, and Lettings & Bookings.

4.2.4 Key service performance highlights for Quarter Three include:

- The time taken to recruit has significantly reduced this quarter from 60 days to 37.25 days due to improvements made to processing documents and requesting information.
- Following a successful recruitment drive and targeted training, the percentage of calls to the Customer Service Centre reported as resolved by the customer increased from 60% to 62%.
- The percentage of council tax collected increased from 59.3% in Qtr 2 to 85.7% in Qtr 3.

Areas for Service Improvement

TRANSFORMATION & SUPPORT		Actual - Quarter 3 2021/22 YTD	Actual - Quarter 4 2021/22 YTD	Actual - Quarter 1 2022/23 YTD	Actual - Quarter 2 2022/23 YTD	Actual - Quarter 3 2022/23 YTD	Target - Quarter 3 2022/23 (YTD)	Direction of travel since last quarter	
CompHRA1: % of housing service customer complaints responded to within deadline	Customer Focus	Not collected			57.93%	69.91%	64.00%	78.00%	
CSC12: Percentage of calls abandoned in the customer service centre	Customer Service Centre	33.80	35.50	39.80	32.10	27.50	15.00		
Dig1: % of digital customer transactions	Digital	19	23	24	25	24	30		




BV9: % of Council Tax collected	Finance & Estates	86.1	94.5	32.4	59.3	85.7	88	
Pe2: % of Agency Work assignments exceeding 12 weeks	Human Resources	49.20	54.00	63.00	74.70	70.13	50.00	
Pe4a: Sickness Absence Rate for the Current Workforce (FTE)	Human Resources	9.17	10.63	11.07	10.54	9.45	8.00	

Fig. 3

CompHRA1: % of housing service customer complaints responded to within deadline

- 4.2.5 Ongoing resourcing challenges and the volume of complaints have contributed to performance remaining below target, particularly in the area of Property Repairs and more recently in the Housing service overall.
- 4.2.6 There is now a full team of Complaints Managers within the Housing service. This means there is dedicated resource to respond to complaints and work is underway to develop the reporting system so that complaint trends and root causes can be identified. Work to develop the reporting will enable service areas to better understand complaints activity and implement improvement activities accordingly.
- 4.2.7 The role of Repairs Supervisors is expected to help reduce the volume of repair complaints by improving oversight of the repair workload, ensuring repairs are undertaken in an efficient, timely and effective way. The new repairs self-service online portal anticipated for 2023/24 will also help to reduce the level of complaints received, as customers will be able to select their own repair appointment times and be kept updated on progress quickly and conveniently. This programme of work is being monitored on a weekly basis by the Assistant Director (SDS) and Operations Director (Housing and Communities).

CSC12: Percentage of calls abandoned in the customer service centre

- 4.2.8 The call abandonment rate has continued to improve from last quarter with 27% abandoned compared to Q1 (39%) and Q2 (32%). This is mostly attributed to improved staffing levels during November and December 2022. Underpinning this is the rolling recruitment program whereby recruitment was progressed on an ongoing basis until all vacancies were filled.
- 4.2.9 Advisors also continue to report that at times, calls can be particularly lengthy due to complex and multi-service enquiries. To help address this matter and ensure advisors can easily access service information, the Council are exploring the development and implementation of an online knowledge base for staff. The knowledge base holds service documentation for Customer Service Advisors to enable them to deal with calls more effectively. This includes information like service descriptions, processes, FAQs, service standards, points of escalations and any key documents. The initial rollout has focussed on housing and repairs

services and there is an ongoing piece of work taking place with Service Managers across the organisation to inform content.

Dig1: % of digital / online customer transactions

- 4.2.10 Use of digital services across Q3 (24%) reduced slightly compared to Q2 (25%). However, within the quarter there was considerable variation, with strong performance in October (28%) and weaker than expected performance in December (21%). Digital garage lettings went live this quarter and improvements were also made to the refuse and recycling reporting processes which has seen a positive impact on more people using digital services.
- 4.2.11 Development of further digital services is being planned in the FTFC Transformation (Phase 2) programme, however, it is anticipated quarter 4 performance is likely to remain similar to quarter 3 until the Repairs self-service function is implemented. Repair's self-service and the associated digital system improvements is a complex project which will be implemented during 2023/24.

BV9: % of Council Tax collected

- 4.2.12 Feedback from the Shared Revenue and Benefits service indicates that the impact of the cost-of-living crisis is leading to an increase in missed payments and requests for alternative payment arrangements from residents. In response to the crisis some Customers have moved from 10-month Direct Debits to 12-month Direct Debits to try and spread payments and lessen the impact. Concurrently the Shared Revenue and Benefits service has been distributing the Government Council Tax Energy Rebate scheme which was time limited and as an outcome resource intensive.

Pe2: % of Agency Work assignments exceeding 12 weeks

- 4.2.13 The percentage of long-term agency workers has reduced slightly in Q3 (70.1%) compared to last quarter (74.7%). Of the 77 agency workers, 54 have been engaged for more than 12 weeks. Agency workers are recruited to help maintain operational efficiency and fulfil roles where there are skills gap.
- 4.2.14 The level of agency use continue to reflect of the very challenging recruitment market nationally, with the UK having its highest levels of employment in 50 years. A survey undertaken by the Local Government Association (LGA) show that due to new duties being implemented, such as the new post-Grenfell building safety system and reviewing the condition of social and private rented housing, services including Environmental Health have experienced difficulties recruiting qualified practitioners. Also, nationally, more than a fifth (22 per cent) of councils are experiencing recruitment difficulties for heavy goods vehicle (HGV) drivers putting pressure on waste and collection services.
- 4.2.15 The Senior Leadership Team continue to monitor recruitment activity and undertake analysis of hard to recruit to posts. There is also permanent recruitment activity underway for some key posts in order to seek to reduce extended agency usage.

Pe4a: Sickness Absence Rate for the Current Workforce (FTE)

- 4.2.16 Sickness has decreased by 0.41days, compared to the previous 12 months, with long term sickness accounting for 51.3% of all absences.

4.2.17 In the last 12 months 1,268 working days (2.09 days per FTE) have been lost to Covid related absences. If Covid related sickness were to be removed from the data, the sickness rate would be 7.6 days per FTE in the quarter as opposed to 9.45. From 1 January 2023 staff who are off work because of a new episode of COVID-19 will be subject to existing sick pay provisions, this means that any absences arising from episodes of COVID-19 will count towards the normal absence triggers in the policy. These absences will be managed in line with formal stages of the policy.

4.2.18 The Council’s HR Business Partners continue to work with Assistant Directors to support their teams. This includes the use of the Council’s Employee Assistance Programme (EAP) and signposting to relevant agencies where appropriate. Seasonal flu and Covid booster programmes are also widely promoted to staff and they are encouraged to take these up if they are eligible.

4.3 PLACE THEME

Number of Measures Reported	Meeting or exceeding target	Amber Status (Within a manageable tolerance)	Red Status (Urgent improvement action required)	Unavailable Data
28	21	1	4	2

Fig.4

4.3.1 The Place Theme incorporates the following Business Units and Future Town Future Council Programmes:

- Planning and Regulation
- Stevenage Direct Services
- Transforming Our Town FTFC Programme (Regeneration)
- More Social and Affordable Homes FTFC Programme (Housing Development)

4.3.2 Further information on measures included in this theme can be found in Appendix B and more detail on the projects for Transforming Our Town and More Social and Affordable Homes Programmes can be found in Appendix A.

Highlights

4.3.3 Key FTFC highlights for quarter three include:

- Event Island Stevenage (the former bus station) opened to the public in October 2022. Since its launch, the Regeneration team have received positive feedback both from internal and external stakeholders. The Regeneration team are working in collaboration with leisure, events and town centre management to scope an event programme for 2023, encompassing and building upon the current town centre events.
- Work has continued at the Symonds Green (Helston House) site with final internal decorations and external landscaping being completed. Handover is due for these homes in quarter four, once work to access the site has been completed by Hertfordshire Highways.

- The five new affordable homes on Stirling Close have been handed over and have been shortlisted for lettings to take place.
- The first round of public consultation for The Oval scheme took place, with over 4,700 responses to the online survey, as well as over 100 residents attending the in-person events. Work has been underway to incorporate this feedback into design proposals, with a further round of consultation planned for quarter four.

4.3.4 Key service performance highlights for quarter three include:

- Percentage of repairs appointments made and kept has seen an increase from 91% last quarter to 95% this quarter.
- Garage void rate has seen a reduction of 3% in the last 12 months. The launch of digital lettings for garages this quarter has seen significant uptake with 178 bids being made in the first three weeks.

Areas for Improvement





PLACE		Actual - Quarter 3 2021/22 YTD	Actual - Quarter 4 2021/22 YTD	Actual - Quarter 1 2022/23 YTD	Actual - Quarter 2 2022/23 YTD	Actual - Quarter 3 2022/23 YTD	Target - Quarter 3 2022/23 (YTD)	Direction of travel since last quarter
VED1: Percentage of dwellings with a valid EICR Electrical Certificate	Invest ment	48.54%	62.95%	87.85%	92.09%	94.86%	100.00%	
BTC1a: New jobs created through Business Technology Centre	Planni ng & Regula tion	20.00	35.00	6.00	7.00	18.00	19.00	
BTC1b: New business start up in Business Technology Centre	Planni ng & Regula tion	19.00	30.00	4.00	5.00	14.00	22.00	
Rep Cost1: Average responsive repair cost	Repair s	201.19	267.62	77.00	140.33	295.97	245.30	



Fig. 5

Rep Cost1: Average responsive repair cost per dwelling

4.3.5 A number of factors have contributed to this measure not meeting target this quarter including the cost of materials, inflation and capacity. The service has been affected by an increase in the cost of materials which is a factor throughout the sector with the Building Cost Information Service (BCIS) Building Maintenance index showing that materials prices rose by 8.0% in Q2 of 2022 compared with the previous quarter. There is significant variation between trades and items and some prices are easing which may well continue if supply chains receive no further shocks. To help address this, inflationary increases of 8.0% increase for building materials are reflected in the Housing Revenue Account (HRA) budget for 2023/24. In addition, whilst there remains a recruitment and retention challenge, some additional operatives are now in place leading to more repairs being carried out, and in turn an increase in materials. It is anticipated that this trend will continue into quarter four, however officers will seek to mitigate this through optimisation as far as possible.

BTC1a New jobs created through Business Technology Centre

4.3.6 The number of new jobs created through the Business Technology Centre (BTC) has increased since last quarter but continues to be below target. Advice and support through business counselling service continues to be offered and local businesses are continuing to access this support.

BTC1b: New business start-up in Business Technology Centre

4.3.7 The number of new business start-ups in the BTC has increased this quarter. Wentra have stated that businesses are still in recovery mode and, similar to last quarter, are taking advantage of the business counselling service to support cashflow to support resilience. Wentra continues to market the space on offer, however despite efforts to promote the BTC, a number of businesses at the BTC are taking steps to reduce overhead and downsize in space.

VED1: Percentage of dwellings with a valid EICR Electrical Certificate

4.3.8 Work continues on domestic electrical inspections; with an improved position of over 94%. Due to access issues where operatives were unable to gain entry to properties, 43% appointments booked in December did not take place. To help address this, a Resident Liaison Officer has been appointed to contact tenants to confirm appointments prior to attendance. Improved engagement and communication with tenants will help ensure access can be provided and inspections completed.

4.4 CUSTOMER THEME

Number of Measures Reported	Meeting or exceeding target	Amber Status (Within a manageable tolerance)	Red Status (urgent improvement action required)	Unavailable Data
12	7	0	1	4

Fig. 6

4.4.1 The Customer Theme incorporates the following Business Units and Future Town Future Council Programmes:

- Communities and Neighbourhoods
- Housing and Investment
- Co-operative Neighbourhoods FTFC Programme
- A Clean, Green, Safe and Thriving Town FTFC Programme

4.4.2 Further information on measures included in this theme can be found in Appendix B. Further detail on projects for Co-operative Neighbourhoods and Clean, Green, Safe and Thriving Town Programmes can be found in Appendix A.

Highlights

4.4.3 Key FTFC highlights for quarter three include:

- The Co-operative Neighbourhoods programme has been allocated funding from Department for Levelling Up, Housing & Communities (DLUHC) against the Council’s Local Investment Plan for UK Shared Prosperity Funding. £39,000 has been allocated in the first two years, with a further £176,000 in year three (24/25). A memorandum of understanding (MOU) has been returned ahead of receipt of funding
- The initial recommendations report from the Equalities Commission has been produced and the final recommendations report is due to be shared with key stakeholders before March
- Three new community orchards were created as part of the Urban Tree Challenge Fund. The new orchards at Bedwell Park, Peartree Park and Letchmore Road Open Space were planted with support from local schools
- A successful funding bid was made to Hertfordshire’s Building Life Chances programme. The £15k funding will be used in partnership with Stevenage Football Club Foundation to provide 12–17-year-olds with drop in holiday camps over the school holidays
- The Stevenage Against Domestic Abuse (SADA) service has continued to grow and have secured two accommodation contracts for dispersed refuge. This funding which equates to around £150k will help to support more victims and survivors of domestic abuse
- The Council is piloting an online climate software platform to manage information related to all climate actions. The platform will improve communication of key climate projects and progress to internal and external stakeholders by enabling real-time updates

4.4.4 Key service performance highlights for quarter three include:

- Income officers are working closely with tenants and external partners to ensure they gain access to Central Government financial support where applicable. This enables tenants to continue to pay their rent and this has been evident this quarter with the rent collection rate achieving target.

Areas for improvement


CUSTOMER		Actual - Quarter 3 2021/22 YTD	Actual - Quarter 4 2021/22 YTD	Actual - Quarter 1 2022/23 YTD	Actual - Quarter 2 2022/23 YTD	Actual - Quarter 3 2022/23 YTD	Target - Quarter 3 2022/23 (YTD)	Direction of travel since last quarter
Void Loss 1: Void loss in year (£)	Voids/ Finance	£419,701.87	£532,510.82	£174,371	£353,269	£544,119	£374,078	
Void Re-let measures	Voids/ Letting	Unavailable measures (see para 4.4.6)						

Fig. 7

Void Loss 1: Void loss in year (£) and Void Re-let Measures

- 4.4.5 The void loss for Q3 resulted in a budget pressure for the HRA which is likely to continue into quarter 4. Continuing recruitment / capacity challenges within the void repairs team in SDS has negatively impacted turnaround times for all property types. To assist with the backlog of void property repair works and help to manage the ongoing demand, a partnering arrangement with a contractor has been established that commenced in February 2023. This arrangement requires standard void repairs to be completed between 5 and 15 days depending on the scale of the works required and will be evaluated over time.
- 4.4.6 As agreed by the Executive in Q2, four Void measures (which are monitored to understand the void relet turnaround times) have been suspended whilst the data sources are being investigated. To help expedite the Council's ability to start monitoring these measures again, work has been underway since early December 2022 with a specialist housing contractor to review the systems and information that inform the voids process. A progress update was presented to the Housing Improvement Board by the contractor on the 1st February to set out key findings and opportunities identified as part of the initial discovery phase. Further work with stakeholders to progress the detailed planning stage is underway. A draft recommendations report and improvement plan for senior stakeholder review will be shared during March.
- 4.4.7 To improve the condition of the housing stock and reduce the demand for void repairs, additional funding has been identified through the HRA business planning process to enhance planned and cyclical preventative maintenance works. Additional HRA funding will also help to increase the number of proactive tenancy audits that take place, including pre-void contact as soon as a termination notice is received, to check for any unauthorised alterations, damage and clearances required, caused by the existing tenant. The Lettable Standard is also being reviewed to focus on an agreed new standard.

- 4.4.8 A newly recruited Empty Homes Co-ordinator is working with officers in Housing and SDS to coordinate void properties by managing and overseeing the complete voids pathway; from keys received by the outgoing tenant, to keys provided to the new tenant. Officers are also developing the property management digital system to improve the accuracy of the data held. The improvements will also provide the status of each void and clarity on which team a void is with at any point in time. This work will allow the Lettings team to plan for a property being ready to let and to offer support to the applicant in advance.








4.5 COST OF LIVING










- 4.5.1 The Cost-of-Living Action Plan for Stevenage was approved by the Executive in October 2022. The plan is a live document which sets out how the Council and its partners will respond to the cost-of-living crisis, and seek to mitigate the potential impacts on residents, businesses, council employees and Council finances. The implementation of the Action Plan continues to be overseen by the Executive Member Working Group, supported by the Officer Working Group and linking to partners through the Stevenage Together Partnership.
- 4.5.2 A key element of the Action Plan has been the coordination of Council and partner services, ensuring that meaningful information, advice and guidance can be shared with local residents in a timely manner. Support initiatives are widely promoted on the Council's website with dedicated pages covering Stevenage Warm Spaces Network (launched in November), as well as links to partners websites, food bank provision, benefit guidance and a summary of the Government funding available to residents, local businesses and community groups. The information is also promoted via community noticeboards, direct mail, the Chronicle magazine and through community centre partners, recognising that not all residents have digital means to access information.
- 4.5.3 In addition to promoting local support services, community initiatives continue to be developed, this includes plans to develop a 'Community Bank of Kindness' pilot where people are able to trade their time and expertise in a reciprocal arrangement. Discussions for this project are still in initial stages but could provide residents with an opportunity to support others in a meaningful way, and without the need for currency.
- 4.5.4 Alongside support for the community, the Council has also implemented initiatives to support staff. In addition to the benefits available through the Council's Employee Assistance Programme, staff are also able to access the recently introduced Money, Advice & Pension self-referral service for confidential advice on financial and benefit information. The Council also prioritised the rollout of the pay award to ensure that staff had access to pay increases prior to the end of December.

4.6 STRATEGIC RISK

- 4.6.1 Table 1 below outlines the current strategic risks facing the Council. The risks were considered by Corporate Risk Group on 26 January, agreed by the Senior Leadership Team on 7 January and noted by Audit Committee at its meeting on 27 March.

- 4.6.2 Audit Committee receives a detailed Strategic Risk Report each quarter. The report to Audit Committee considers the actions which have been identified to mitigate each of the identified risks and the progress of those actions identifying whether actions are on track. Changes to the way risk is managed at the Council are also highlighted and considered by Audit Committee. Where the Committee raises specific concerns about the risks or the process for managing them, these are highlighted to Executive within this quarterly report.
- 4.6.3 A risk is a future event which has the potential to impact on the Council's ability to deliver services, projects and achieve its ambitions. Conversely an opportunity will enhance the Council's ability to achieve and effectively deliver, however, there are often risks inherent in pursuing opportunities. By being alert to and putting in place mechanisms to manage both the risks and opportunities effectively, the Council is in a better position to continue to deliver services, remain viable, continue to innovate and use resources more efficiently. Some risks will always exist and will never be eliminated.
- 4.6.4 Each risk is measured in terms of a combination of the likelihood of a perceived threat or the opportunity occurring and the magnitude of its impact on the Council's objectives. The table below outlines both the inherent and residual risk scores. Inherent risk is the risk present in any scenario where no attempts at mitigation have been made and no controls or other measures have been applied to reduce the risk from initial levels to levels more acceptable to the Council. Residual risk is the risk remaining after efforts have been made to reduce the inherent risk. The risks below all have mitigating actions which are being worked through and risks scores are reviewed quarterly to assess whether completion of actions has reduced the level of risk.

Risk	Inherent Risk Score	Residual Risk Score Q2	Residual Risk Score Q3	Direction of Travel since last quarter
General Fund Asset Management: If sufficient capital funding from land/asset sales is not received, there is a risk that there will be insufficient funding available to invest in the Council's non-housing property portfolio to ensure Council properties remain sustainable and fit for the future	20 Very High	12 High	12 High	
Building Management: In the event of failure to proactively maintain the Council's non-housing property portfolio there is a risk that required remedial work is not carried out in a timely way. This could lead to an increased health and safety risk for service users, buildings having to be taken out of use and increased repair costs	20 Very High	12 High	12 High	
Building Safety/Fire Safety Act: In the event of failure to meet the new requirements of the Building Safety/Fire Safety Act, there is a risk of enforcement action or fines	12 High	12 High	12 High	
Capacity: The Council is committed to delivery of its priorities and its local services. If the Council fails to retain, attract and recruit the right people and right skills at all levels, there could be an impact on its capacity to deliver all of its priorities as well as provide core services and implement new government legislation	12 High	9 Medium	9 High	
Commercialisation: If the Council fails to achieve its commercial ambitions within desired timescales or at the scale hoped for, it will be unable to support the Council's Making Your Money Count objectives	16 Very High	12 High	High	
Contract Management: A failure to ensure resilience, quality and best value are being provided by suppliers and contractors could have a negative impact on the performance of Council's services and achievement of priorities	16 Very High	9 Medium	9 Medium	
Council Housebuilding and Acquisitions Programme: The Council's housing programmes are now well established, providing benefits such as homes for social and affordable rent as well as private sale homes. The delivery of each scheme, and the delivery of homes through the Wholly Owned Company, creates a financial risk surrounding estimated build costs and projected sales income materialising as forecast, as well as risks in relation to the servicing of debt. This may create revenue pressures on the General Fund to meet the loan repayments to the Public Works Loan Board	20 Very High	12 High	12 High	

Covid-19/Flu/Pandemic: If COVID-19/flu or other illnesses this winter are significant and protracted, the Council's ability to maintain delivery of essential services and support the community could be severely impacted. There could also be an impact on the Council's finances due to loss of income and increased reliance on services.	20 Very High	12 High	12 High	
Fraud: As a result of the scale and scope of services delivered by and through the Council, there is a risk of fraud which could lead to service disruption, financial and reputational loss.	16 Very High	9 Medium	9 Medium	
IT Resilience and Cyber Security: Failure of ICT services as a result of a cyber-attack or IT resilience issues could cause significant service disruption, possible data loss and financial implications for the Council	25 Very High	12 High	12 High	
Health and Safety: In the event of failure to maintain adequate and effective safety management arrangements there is a risk of injury, illness and death to both service users and employees.	20 Very High	15 High	15 High	
Housing Revenue Account Business Plan: There is a risk that changes to legislation and new local authority responsibilities could negatively affect the medium to long term viability of the Housing Revenue Account Business Plan	20 Very High	12 High	12 High	
Information Governance: There is a risk that the loss, inappropriate acquisition or disclosure of sensitive personal or commercial data and/or breach of data subject rights (contrary to the requirements of the Data Protection Act 2018 and the General Data Protection Regulation) could negatively impact on the individual(s) affected and lead to significant financial implications for the Council	16 Very High	9 Medium	9 Medium	
Leisure Provision: There is a risk that external factors (including cost of living, Covid-19 pandemic, war in Ukraine etc) could impact the viability of leisure provision in Stevenage	16 Very High	12 High	12 High	
Making your Money Count: Due to the ongoing financial impact of Covid-19 and following years of funding reductions from central government, there is a risk that the Council does not have sufficient resources to fund its medium and long term service plans	20 Very High	16 Very High	16 Very High	
Regeneration Risk – Capital Funding Risk: In the event of insufficient capital funding, the Council would not be able to fulfil its obligations for the SG1 Regeneration Scheme and will also not be able to match fund the money received from the Towns Bid meaning priority improvements could not be delivered	12 High	8 Medium	8 Medium	






Regeneration Risk – Delay: As a result of delays due to possible shortages of construction materials, labour and other factors beyond the Council’s control, there is a risk of construction projects associated with the regeneration programme taking longer to complete than anticipated which would affect the delivery of the overall Regeneration Programme	12 High	8 Medium	8 Medium	
Repairs and Maintenance: Due to current recruitment pressures, the backlog of repairs due to Covid-19, storms and the availability of materials as a result of the war in Ukraine, there is a risk that the repairs service will not be able to carry out repairs in a timely manner	16 Very High	12 High	12 High	
Social Housing Regulation Bill: In the event of failure to meet the new requirements of the Social Housing Regulation Bill, there is a risk of enforcement action or fines	12 High	12 High	12 High	
Socio-Economic Impacts: As a result of the combined socio-economic impacts of welfare reform, the Covid-19 pandemic, an economic downturn and a cost of living crisis, it is likely there will be a significant adverse effect within the community. This will cause increased complexity of needs which will increase demand on Council services which could lead to capacity issues in some areas, as well as reduced income for the Council and increased arrears.	20 Very High	12 High	12 High	
Transformation Programme: The Council is operating in a rapidly changing environment with increasing financial challenges which are expected to become more demanding in future years. There is a risk that due to capacity and other priorities, the Transformation Programme the Council is implementing may not meet its aims and ambitions to improve customer experience, increase workforce productivity and organisational resilience, whilst also meeting Making Your Money Count targets	16 Very High	8 Medium	8 Medium	

Table 1:
Strategic Risks, Scores and Direction of travel

Capacity Risk

- 4.6.5 The risk rating of the Capacity risk has been increased this quarter from Medium to High risk as some service areas continue to experience difficulties with recruitment to key roles which is having an impact on service delivery and performance. The local position reflects the national trend of recruitment and retention challenges, with unemployment currently at an all-time low. Corporate Risk Group highlighted that in addition to a focus on recruitment activities, there also needs to be a focus on retention of existing staff.
- 4.6.6 The Human Resources team continues to work with a recruitment marketing expert to provide ongoing support to review adverts and the approach taken to fill some of the more difficult to recruit to posts. Human Resources are working with managers to support them to agree the best way to advertise their roles. SLT are monitoring recruitment activity and undertaking analysis of hard to recruit posts and reviewing the proposed approaches.

Local Government Reform and Devolution Risk

- 4.6.7 This risk is being deleted from the Strategic Risk Register as there are currently no devolution plans for Hertfordshire. This risk will be added back on should the situation change.

Building Management Risk

- 4.6.8 This topic remains one of particular interest to Corporate Risk Group, and a separate meeting was held in November 2022 to fully understand the steps to implement the new Corporate Landlord operating model. This included a specific focus on how it will help to meet compliance requirements such as fire risk assessments across the estate. The Estates Manager to provide a timeline for implementation of the Corporate Landlord function to ensure compliance for our general fund properties.

5 IMPLICATIONS

5.1 Financial Implications

There are no direct financial implications from the recommendations contained in this report. However, officers responsible for delivering the priorities over the coming year and implementing any improvement activity set out within this report will need to identify and consider any resulting financial implications.

5.2 Legal Implications

There are no direct legal implications from the recommendations contained in this report. However, officers responsible for delivering the priorities over the coming year and implementing any improvement activity set out within this report will need to identify and consider any resulting legal implications.

5.3 Equalities and Diversity Implications

There are no direct equality, diversity and inclusion implications arising from this report, although examples are given in the Annual Report 2021/22 where positive action has been taken to advance equality, diversity and inclusion across our workforce and the community. Where necessary, Equality Impact Assessments will be completed for programmes, projects, service changes and improvement activity identified.

5.4 Risk Implications

There are no direct significant risks to the Council in agreeing the recommendation(s). However, officers responsible for delivering the priorities over the coming year and implementing any improvement activity set out within this report will need to consider any risk implications that arise.

- 5.4.1 The Council has an embedded approach to risk management that mitigates any adverse effect on delivery of the Council's objectives and internal control processes and also provides good governance assurance.

5.5 Climate Change Implications

The Council declared a climate change emergency in June 2019 with a resolution to work towards a target of achieving net zero emissions by 2030. There are no direct climate change implications arising from this report, however, officers responsible for delivering the priorities will need to identify and address any climate change considerations in the implementation of improvement activities.

5.6 Other Corporate implications

5.6.1 Implementing the priorities and improvement activity outlined in this report may impact on the development of future policy or procedure.

6 BACKGROUND DOCUMENTS

- [Strategic Risk Register \(Part II\)](#)
- [FTFC Plan on a Page](#)
- [FTFC Programme Performance for Quarter 1 22/23](#)
- [FTFC Programme Performance for Quarter 2 22/23](#)

7 APPENDICES

- Appendix A: FTFC Programme Performance for Quarter Three 22/23
- Appendix B: Compendium of Performance Results Quarter Three 22/23
- Appendix C: Executive Action Tracker