

# Corporate Risk Register



The corporate Risk Register provides information on the very high and high risks to the Boards, assessing the likelihood and impact of each of those risks.

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## Introduction

Witham and Humber Drainage Boards assess and manage Corporate Risk using the Corporate Risk Register (CRR). The CRR is used to identify, analyse and prioritise those risks that may affect the 4 Boards' ability to deliver their Service and Strategic /Corporate Objectives.

A Matrix is used to assess the level of risk posed to the Boards. Risks which remain **high or very high** after controls are recorded, managed and monitored via the Corporate Risk Register will have oversight at Senior Manager and the Strategy at Board levels. Those risks which pose a low or medium risk, are deemed to be 'business as usual' and the Director for that Service will be managing these risks as part of the day-to-day work activities with their team members.

Whilst the CRR will include those high and very high risks to the Board and members of our community, where a Director/Senior Management Team determine by history, or horizon scanning there is a likelihood of the risk escalating, low or medium risks may be included on the risk register.

Risks may vary and may change due to external factors at any time, the Senior Management Team is cognisant of this and will escalate or reduce risk at any time, to ensure the most up to date Corporate Risks are clearly identified and controlled.

Witham and Humber Drainage Boards' 'risk appetite' is medium. The rationale is:

The Senior Management Team and employees are trained, competent and hold appropriate qualifications and experience to deliver our Services. Therefore, low and medium risks are, on a day-to-day basis, managed within each relevant team and Directorate.

Where risks are high/very high, as part of the CRR review consideration is given to determine the best course of action for the risk, and to ensure members are aware.

W&HDB endeavour to put controls into place to stabilise or reduce the risk to an acceptable level. However, it is accepted that some risks may be outside the control of the Boards, e.g., where the risk is affected by external factors. Where this is the case, such risks continue to be monitored, reviewed and controls put into place to stabilise or reduce as far as possible. Some risks are controlled internally, but where the risk is outside of working practise, or the capabilities of officers, the risk is transferred, examples of this would be insurance provision where external brokers and insurance providers are used.

## Summary table of Risks

Shaded - Ref which have been removed from the CRR – April 2023 (as agreed January 2023)

Ref	Strategic Objective	Risk
1	<b>Objective 1:</b> Provide, improve and maintain standards of sound, needs based sustainable land drainage, flood protection and water levels management.	Asset failure at the Board's Pumping Stations, of the Board maintained watercourses or the Board's plant and machinery
2		Risk of Operations failure due to lack of staffing or machinery resource, staff error or accident, failure of key supplier or contractor
3		<b>NEW risk added:</b> Impact on IDB assets due to additional water flows from Main Rivers, due to breaches, overtopping and excessive seepage.
4		Reduction in income to the Board to maintain an appropriate provision of services (special levy, drainage rates income, highland water income, rechargeable works income & grants income)
	<b>Objective 2:</b> To conserve and enhance the environment wherever practical and possible, to ensure there is no net loss of biodiversity	
8	<b>Objective 3:</b> To provide a safe and fulfilling working environment for all staff.	Issues with Staff Retention & Recruitment
10	<b>Objective 4:</b> To provide a cost effective, value for money organisation and maintain financial records that are correct and comply with recommended accounting practice.	<b>NEW risk added:</b> Failure to collect income by the Board due to DRS (Rating System) being de-supported from 31, March 2025
11		Excessive Expenditure, beyond approved budgets, especially following wet weather events
	<b>Objective 5:</b> To ensure that all actions taken by each Board comply with current UK (and EU) legislation	

### Risk Matrix used within Corporate Risk Register

- 1 – 3 Low
- 4 – 7 Medium
- 8 – 11 – High
- 12 + Very High

Likelihood	4				
	3				
	2				
	1				
		1	2	3	4
		Impact			

Likelihood		
Rating	Score	Likelihood issue will occur
Almost Certain	4	Almost certain within coming year
Likely	3	Very likely to occur in coming year
Possible	2	More likely not in the coming year
Unlikely	1	Potential, but not often
Impact (in hours (H)/days (D))		
Rating	Score	Impact of Issue occurring
Severe / Critical	4	Permanent/ long disruption (11+D)
Major	3	Medium-term disruption (3-10 D)
Moderate/ Significant	2	Short Term disruption (1 -3 D)
Minor	1	Day to day management (24 H)


Residual Risk Changes (infographic denoting the movement of risk since January 2023)

<b>Likelihood</b>	<b>4</b>			(8)	
	<b>3</b>			(1) (2) (11)	(4) (10) ↑
	<b>2</b>				
	<b>1</b>				
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
		<b>Impact</b>			

## Corporate Risk Register (CRR)


Ref 1 Risk: Asset failure at the Boards pumping stations, of the Board maintained watercourses or the Boards plant and machinery		
<b>Strategic Objective:</b> Provide, improve and maintain standards of sound, needs based sustainable land drainage, flood protection and water levels management.		
<b>Risk Owner:</b> CEO, Director of Engineering and Director of Operations		
Risk Consequence	Owner Assurance Commentary (mitigation)	Key Projects or notes on effectiveness
Failure of pumping stations – risk of flooding or land and properties	<ul style="list-style-type: none"> <li>Regular maintenance and inspection checks completed and recorded.</li> <li>Ongoing replacement of control panels, where possible Grand in Aid scheme (Capital) is used.</li> <li>Weed screens provided at all Pumping Stations.</li> <li>Some automated weed screen cleaners to keep pumps operating effectively.</li> <li>Telemetry provision at key identified locations. With 2022 – 2023 telemetry project extends provision.</li> <li>Planned Maintenance/Statutory Inspection programme.</li> <li>High voltage electricity supplies/KVA charges to ensure supply.</li> <li>Positive history of limited major breakdowns/failures.</li> <li>Regular checks by dedicated pump team, at all pumping facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Pumps are lifted and maintained based on multiple factors to ensure they remain operational.</li> <li>Telemetry upgrade was due by March 2023. – however, due to external factors, there were initial delays. The works are underway but have been further delayed by recent rainfall events.</li> <li>Capital programme to support refurbishment of Pumping Stations (See risk 4)</li> <li>Following Storm Babet, some main rivers have breached, overtopped or seen significant seepage, which has led to inundation of some IDB pumping stations.</li> <li>Some pumping stations may not be able to be fully repaired until the main river breaches have been addressed – due to the potential of further inundation and damage to IDB assets in such an event.</li> </ul>
Overtopping, failure of bank structures	<ul style="list-style-type: none"> <li>There is a programme of annual maintenance to cover required works.</li> <li>UW/W1/W3 have direct workforce and plant.</li> <li>NEL contract works externally.</li> <li>All Board maintained embanked water courses are Annually inspected for damage to reduce the risk of breach.</li> </ul>	<ul style="list-style-type: none"> <li>Minimal flood events on Board maintained drains.</li> <li>There is work undertaken on the main river on behalf of the EA. This is via the Public Service Cooperation Arrangement (PSCA) and works are bid for on an annual basis.</li> <li>Recent history of high rainfall events has seen breaches, overtopping and significant seepage of EA main rivers which has impacted on Board systems [2019, 2023 &amp; 2024].</li> <li>Impact of climate change and more frequent rainfall events.</li> </ul>

		<ul style="list-style-type: none"> <li>The impact of flooding from main rivers within the IDB catchment has been noted with localised flooding of agricultural land. However, the details pertaining to the areas flooding are not detailed specifically within the CRR.</li> </ul>
Capacity of drains reduced below design standard.	<ul style="list-style-type: none"> <li>The Board approve an annual maintenance of work programme in preparation for the forthcoming season.</li> <li>The Boards watercourses will receive such maintenances as deemed required to keep them to the designed standard and capacities.</li> </ul>	<ul style="list-style-type: none"> <li>The Board undertakes works on behalf of the EA (PSCA) with additional works as requested by the EA.</li> <li>Storm Babet and breaches, overtopping and significant seepage of some main rivers led to an inundation of IDB watercourses and pumping stations.</li> </ul>
Failure of Board owned Plant and Machinery.	<ul style="list-style-type: none"> <li>Plant is regularly serviced and maintained to keep operational.</li> <li>Plant and equipment are replaced in accordance with the Plant &amp; Machinery Replacement Programme.</li> <li>New key plant is purchased with at least a fixed price service agreement.</li> <li>All plant and equipment is insured.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing prevention of vandalism on equipment and vehicles.</li> <li>Minimal breakdown, and main plant downtime usually due to damage/ vandal damage.</li> </ul>


Inherent Risk Score (Before Controls)					Residual Risk Score (after mitigating controls)						
Likelihood	3	Impact	4	Total	12	Likelihood	3	Impact	3	Total	9
Trend: 											




Ref 2 Risk: Risk of Operations failure due to lack of staffing or machinery resource, staff error or accident		
<b>Strategic Objective:</b> Provide, improve and maintain standards of sound, needs based sustainable land drainage, flood protection and water levels management.		
<b>Risk Owner: CEO and Director of Operations</b>		
Risk Consequence	Owner Assurance Commentary (mitigation)	Key Projects or notes
Lack of staff resource	<ul style="list-style-type: none"> <li>• Role clarity, training and development provided.</li> <li>• Clear job roles, identification of training needs.</li> <li>• Attendance to courses and refreshers.</li> <li>• Regular assessment of staffing training requirements.</li> <li>• During high rainfall events, all staff and team members support operational activities as needed and required.</li> </ul>	<ul style="list-style-type: none"> <li>• National challenges to recruitment.</li> <li>• Generic advert for the Boards for Land Drainage Operatives.</li> </ul>
Lack of machinery resource.	<ul style="list-style-type: none"> <li>• The plant and machinery replacement programme is taken to each Board Annually.</li> <li>• Due to current economic climate each piece of machinery when due for scheduled review, is reviewed in its own merits to determine if replacements are required at that time. This is agreed with the Board Members.</li> </ul>	<ul style="list-style-type: none"> <li>• Minimal breakdown of plant.</li> <li>• Most major plant on service packages.</li> </ul>
Volume of PSCA/ rechargeable works requested.	<ul style="list-style-type: none"> <li>• Additional requests for rechargeable work continue to be assessed and evaluated prior to tender.</li> <li>• WHDB continue to tender for the PSCA works</li> </ul>	<ul style="list-style-type: none"> <li>• Additional works above and beyond that tendered for, regularly come in from the EA under the PSCA agreements.</li> </ul>
Failure of key supplier/contractor	<ul style="list-style-type: none"> <li>• Ensure know who key suppliers/contractors are, maintain regular communication with suppliers/contractors.</li> <li>• Good financial management.</li> <li>• Continually review tender listed suppliers and contractors to ensure that the right organisations provide the right service to the Boards. Quoted works follow Financial Regulations.</li> </ul>	<ul style="list-style-type: none"> <li>• Periodically quote or tender for works to assess potential suppliers to ensure market opportunities and options are reviewed.</li> </ul>

Inherent Risk Score (Before Controls)				Residual Risk Score (after mitigating controls)							
Likelihood	3	Impact	4	Total	12	Likelihood	3	Impact	3	Total	9
Trend: 											

Ref 3 Risk: Impact on IDB assets due to additional water flows from Main Rivers, due to breaches, overtopping and excessive seepage.		
<b>Strategic Objective:</b> Provide, improve and maintain standards of sound, needs based sustainable land drainage, flood protection and water levels management.		
<b>Risk Owner: CEO and Director of Operations</b>		
Risk Consequence	Owner Assurance Commentary (mitigation)	Key Projects or notes
Operational impacts due to loss of pumping stations	<ul style="list-style-type: none"> <li>PSCA works completed to complete some maintenance on the main rivers as requested by the EA.</li> <li>Notify the EA of any potential issues when noted working in and round the main rivers e.g. slips.</li> <li>Look at resilience measure for IDB Pumping Stations where feasible and cost effective.</li> <li>IDB Statement of Claim submitted to Anglian (Northern) RFCC for additional costs resulting from Storm Babet.</li> </ul>	<ul style="list-style-type: none"> <li>FDGiA Capital schemes to include resilience measures e.g. raising MCC levels, replace with submersible pumps, raise transformers to better protect in wet weather event.</li> </ul>
Operational impact due to staff requirements during wet weather event		
Financial impact due to electricity charges for additional pumping		
Financial impact due to additional staffing costs		

Inherent Risk Score (Before Controls)					Residual Risk Score (after mitigating controls)						
Likelihood	4	Impact	4	Total	16	Likelihood	4	Impact	4	Total	16
<b>Trend:</b> 											

Ref 4 Risk: Reduction in income to the Board to maintain an appropriate provision of services (special levy, drainage rates income, highland water income, rechargeable works income & grants income).		
<b>Strategic Objective:</b> Provide, improve and maintain standards of sound, needs based sustainable land drainage, flood protection and water levels management.		
<b>Risk Owner:</b> CEO and Finance and Governance Director.		
Risk Consequence	Owner Assurance Commentary (mitigation)	Key Projects or notes
Lack of financial resources.	<ul style="list-style-type: none"> <li>The Boards implement systems and processes to maximise income opportunities and collection to the individual Board.</li> <li>Significant inflationary increases, particularly provision of utilities/electricity from October 2022 and October 2023.</li> <li>Setting annual balanced budgets to address income shortfalls and increased expenditure.</li> <li>EA review of FDGIA funded schemes reducing capital programme of pumping station refurbishments but internally business cases will continue to be developed for when programme resources become available.</li> </ul>	<ul style="list-style-type: none"> <li>Annual setting of a balanced budget takes account of all known factors at the time, including land movements, known rechargeable works and additional cost pressures.</li> <li>PSCA works are ongoing.</li> <li>Larger than usual increases in penny rate for 2023 – 2024 did not impact on collection of drainage rates.</li> <li>Boards' Capital refurbishment programmes will need to realign to resources available through EA FDGIA programme.</li> </ul>


Inherent Risk Score (Before Controls)					Residual Risk Score (after mitigating controls)						
Likelihood	3	Impact	4	Total	12	Likelihood	3	Impact	4	Total	12
<b>Trend:</b> 											

Ref 8 Risk: Issues with Staff Recruitment & Retention.		
<b>Strategic Objective:</b> To provide a safe and fulfilling working environment for all staff.		
<b>Risk Owner:</b> CEO, Associate Director of HR and all SMT		
Risk Consequence	Owner Assurance Commentary (mitigation)	Key Projects or notes
Regular staff turnover	<ul style="list-style-type: none"> <li>Positive working standards.</li> <li>Open communications, policies and procedures in place and followed.</li> <li>ADA Lincolnshire Branch's Pay &amp; Conditions Committee work.</li> </ul>	<ul style="list-style-type: none"> <li>Recognised Union within the Boards.</li> <li>Generic advert has been placed for Land Drainage Operatives.</li> <li>Pay award agreed for April 2024.</li> </ul>
Not able to recruit or retain competent and skilled workforce.	<ul style="list-style-type: none"> <li>Job descriptions and organisational accountabilities in place.</li> <li>Terms and conditions defined and applied.</li> <li>LGPS Pension scheme.</li> <li>Various platforms are used to advertise job roles to reach multiple potential applicants.</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment and retention is often influenced by external factors.</li> <li>It is more difficult to attract staff to the public sector mainly due to pay levels.</li> <li>Significant increase in media of Public Service Industrial Action due to pay.</li> <li>Concern over resilience due to small workforce.</li> </ul>


Inherent Risk Score (Before Controls)					Residual Risk Score (after mitigating controls)						
Likelihood	3	Impact	3	Total	9	Likelihood	4	Impact	3	Total	12
Trend: NEW Risk											



Ref 10 Risk: Failure to collect income by the Board due to DRS (Rating System) being de-supported from 31, March 2025		
<b>Strategic Objective:</b> To provide a cost effective, value for money organisation and maintain financial records that are correct and comply with recommended accounting practice.		
<b>Risk Owner:</b> CEO and Finance and Governance Director		
Risk Consequence	Owner Assurance Commentary (mitigation)	Key Projects or notes
Inability to charge and collect rates	<ul style="list-style-type: none"> <li>Current DRS system used to set bills based on size of land and penny rate is due to be de-supported from 31<sup>st</sup> March 2025.</li> <li>Licence of existing system to transfer to ADA to upgrade/develop the system for national IDB use.</li> <li>ADA set up subgroup of Policy &amp; Finance Committee to review and develop criteria for new system.</li> <li>Must have robust system to produce Rate demands and collect sums due to provide key income stream to the Boards.</li> </ul>	<ul style="list-style-type: none"> <li>ADA has set up a group to project manage a replacement for current DRS.</li> </ul>

Inherent Risk Score (Before Controls)				Residual Risk Score (after mitigating controls)							
Likelihood	4	Impact	3	Total	12	Likelihood	3	Impact	3	Total	9
Trend: <b>NEW Risk</b>											
											

Ref 11 Risk: Excessive Expenditure, beyond approved budgets, especially following wet weather events		
<b>Strategic Objective:</b> To provide a cost effective, value for money organisation and maintain financial records that are correct and comply with recommended accounting practice.		
<b>Risk Owner: CEO and Finance and Governance Director</b>		
Risk Consequence	Owner Assurance Commentary (mitigation)	Key Projects or notes
Budgets overspent	<ul style="list-style-type: none"> <li>Budgets are set each January by the Boards.</li> <li>Actual income/expenditure against approved budgets is monitored.</li> <li>Reports and strategic direction overseen by Board Meetings, JSC meetings and relevant sub committees.</li> </ul>	<ul style="list-style-type: none"> <li>Budgets now more aligned to spend patterns.</li> <li>Statement of Claim submitted seeking reimbursement of costs incurred to date for electricity, staffing and repairs and for future pumping station repairs resulting from Storm Babet.</li> </ul>
Unapproved expenditure by Officers	<ul style="list-style-type: none"> <li>Financial Regulations sets out limits for virement, etc.</li> <li>Where practicable, segregate duties of staff (e.g., authorising and processing invoices for payment and authorising invoice payments), within limitations of smaller public bodies.</li> <li>Schedule of expenditure submitted to each Board meeting for scrutiny.</li> <li>Internal Audit review a sample of transactions.</li> </ul>	<ul style="list-style-type: none"> <li>Minimal issues arise. Where exceptions have occurred (e.g., urgent items) these have been reported to the following Board meeting.</li> </ul>
Fraudulent use of credit/purchasing cards.	<ul style="list-style-type: none"> <li>Purchases by credit/purchasing cards are subject to requirements set out in Financial Regulations.</li> <li>Cards are limited to key officers and reconciled monthly.</li> </ul>	<ul style="list-style-type: none"> <li>No issues of fraudulent or inappropriate use identified.</li> </ul>
Increased costs due to government policy /taxation, inflation, market changes & supply issues	<ul style="list-style-type: none"> <li>Inflationary cost pressures on public finances.</li> <li>Supply currently remains consistent, however continue to horizon scan.</li> </ul>	<ul style="list-style-type: none"> <li>Electricity key budget issue for 2023 - 2024 onwards.</li> <li>More frequent rainfall events due to climate change may impact upon future spend patterns.</li> </ul>

Inherent Risk Score (Before Controls)				Residual Risk Score (after mitigating controls)							
Likelihood	4	Impact	3	Total	12	Likelihood	3	Impact	3	Total	9
Trend: 											

## Document Control

Title	Witham and Humber Drainage Board Corporate Risk Register
Persons Responsible	Risk Manager
Date Last updated	November 2023
Location	Public Document on Internet (Internally – SharePoint)
Date of Review (this can be brought forward)	January 2024

## Revision Record

Summary of changes	Date of Change
<p>Review of Corporate Risk Register</p> <ul style="list-style-type: none"> <li>Review following Storm Henk and further disruption due to main river breaches, overtopping and significant seeping affected the IDB watercourses, and impacting upon costs and asset.</li> <li>New Risk 3 – added to the CRR</li> </ul>	January 2024
<p>Review of Corporate Risk Register.</p> <ul style="list-style-type: none"> <li>Risk 10 added to consider implications of DRS.</li> <li>General updates to reflect change of season/ year's forecast etc, however no significant implications to context.</li> <li>Updates to reflect Storm Babet (October 2023) and considerations and risks identified during and following.</li> </ul>	November 2023
<p>Review of Corporate Risk Register. Removal of low/medium risk from the CRR. Review and update of the existing CRR, with minor wording changes for changing into new financial year, and acknowledgement of the publicity round public sector pay and the industrial action within other public sector organisations. No additional Risk Ref added. Ref 4 – trend amended to 'stable'</p>	April 2023
<p>Review of Corporate Risk Register, by Risk Manager - new post holder.</p> <ul style="list-style-type: none"> <li>New lay out of document with pre/post control and mitigation risk.</li> <li>Residual (following mitigating controls) determine the necessity of upholding within the risk on the CRR.</li> <li>low/medium risk removed from CRR, as managed as 'business as usual' by Senior Managers and Teams.</li> <li>Role/Directorate responsible for objective added.</li> <li>Summary table of the Risks (new format – previous numbering referenced for traceability)</li> </ul>	December 2022

<ul style="list-style-type: none"> <li>Document/Version control added.</li> </ul>	
Review and update of CRR – Director of Finance Added 4.3.4 was added to CRR (now Ref 11 “inadequate insurance cover to cover losses due to insurance covers available or cost of adequate insurance” Added 4.4.3 (now Ref 12) “Inadequate insurance cover to cover losses due to insurance covers available or cost of adequate insurance”	November 2021
Review and update of CRR – Director of Finance	January 2021
Review and update of CRR – Director of Finance	September 2020
Review and update of CRR – Director of Finance	January 2020
Review and update of CRR with amendment to format – Director of Finance	September 2019
Review and update of CRR – Director of Finance	December 2018
Review and update of CRR – Director of Finance	May 2018
Initial document located on current system	January 2018