

**Agenda Item No:** 6  
**Report To:** Audit Committee  
**Date:** 27 September 2012  
**Report Title:** Strategic Risk Register – Action Plans  
**Report Author:** Brian Parsons, Head of Audit Partnership



**Summary:** The report sets out the draft Strategic Risk Register and the Action Plans which have been completed by the respective 'risk owners'.  
  
Audit Committee is asked to note the Action Plans and confirm that it is satisfied with the action that is being taken to manage the Council's strategic risks.

**Key Decision:** No

**Affected Wards:** N/A

**Recommendations:** Audit Committee is asked to:-

1. Note the strategic risk management action plans
2. Confirm that it is satisfied with the action that is being taken to manage the Council's strategic risks
3. Consider whether the risk score for Risk 6 should be amended from 4/2 to 3/2. (see Para 9)

**Policy Overview:** The Strategic Risk Register provides a means for monitoring the risks to the delivery of the Council's strategic objectives and for ensuring that appropriate action is taken to manage them. This review of strategic risks also deals with a significant governance issues raised in the 2010/2011 Annual Governance Report.

**Financial Implications:** None directly

**Risk Assessment** Risk is the basis for the report

**Equalities Impact Assessment** No

**Other Material Implications:** None

**Background Papers:** None

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## Report Title: Strategic Risk Register – Action Plans

### Purpose of the Report

1. The report sets out the Strategic Risk Register which was agreed at the meeting of the Committee on 25 June 2012 and the Management Action Plans that have since been completed to show the action that is being taken to manage the risks.
2. The Audit Committee is responsible for ensuring the effective development and operation of risk management. The Committee therefore needs to be satisfied with the action that is being taken to manage the Council's strategic risks

### Issue to be Decided

3. Audit Committee is asked to:
  - Note the strategic risk management action plans
  - Confirm that it is satisfied with the action that is being taken to manage the Council's strategic risks
  - Consider whether the risk score for Risk 6 should be amended from 4/2 to 3/2.

### Background

4. The Audit Committee, meeting on 25 June 2012 endorsed:
  - The draft Strategic Risk Register and the wording used to describe the risks
  - The 'ownership' of the risksand agreed:
  - The process for monitoring and reporting action on the risk register
  - The respective responsibilities for risk management
5. It was also agreed that the Audit Committee should receive risk reports first and add their comments before reports went to the Cabinet, so that Cabinet was not exposed and the comments of the Audit Committee can be taken onboard. It was agreed that the risk reports to the Committee would incorporate the use of the 'traffic light' system.
6. The Strategic Risk Register is shown at Appendix 1, and is endorsed by the Management Team (subject to the comment overleaf at Paragraph 9).
7. The 'risk owners' are senior managers whose role makes them best placed to manage the identified risk. The Management Action Plan shows the risk and the risk owner, the current risk score and the target score, a description of the risk and the 'vulnerability' i.e. the context for the risk. The 'current risk score' incorporates a traffic light approach (red, amber, green) to reflect where the risk appears on the risk matrix. The risk matrix is shown at Appendix 2.

8. The completed action plans are shown at Appendix 3. The detailed action plans show:
  - The action/control that is already in place – these are the controls that already mitigate the potential effect of the risk
  - Whether the action/control is adequate to address the risk
  - The further action that needs to be taken to adequately manage the risk
  - Critical success factors – how we will know that the risk is being addressed
  - Review frequency – how often the risk management action needs to be reviewed
  - Key dates – the key dates affecting the management of the risk
9. In the course of completing the Action Plan, the Head of Legal & Democratic Services concluded that, in his opinion, the risk score for Risk 6 (Members skills, capacity and experience) is currently not 4 (significant likelihood)/2(medium impact) as stated, but is now 3(low likelihood)/2(medium impact) at the worst. Members are asked to consider whether this risk should be amended accordingly.
10. Following consideration by the Audit Committee, the Strategic Risk Register will be reported to Cabinet for adoption. The action plans will accompany the report.
11. Six-monthly action plan updates will be sought from the risk owners. This will result in a report to Management Team followed by a report to the Audit Committee and subsequently a report to Cabinet.
12. It is important that the strategic risk process becomes an embedded part of the governance and strategic management cycle and that it remains fresh and meaningful. New strategic risks will need to be added to the register as they emerge and older risks may no longer need to be managed at a strategic level and therefore can instead be dealt with operationally. The changes to the risk register need to occur as part of the six-monthly reporting process.
13. When the strategic risk process has become embedded, consideration will be given to whether resources are sufficient to introduce risk management into service planning, in order to cover operational (service based) risk.

## **Risk Assessment**

14. The Council is a complex organisation responsible for many £ millions of public expenditure. It is also a tax collector and a landlord receiving substantial levels of income. The actions of the Council have a major impact on the community for which it is responsible. It is therefore vital that the strategic risks to the Council's objectives are identified and properly managed.
15. Risk, where managed correctly, is not necessarily undesirable. Riskier models of delivery can often be the most innovative and effective. The key to setting a positive risk appetite is the knowledge that the organisation is able to manage risks effectively.

## **Other Options Considered**

16. The Audit Committee is responsible for ensuring the effective development and operation of risk management. The Committee therefore needs to be satisfied that the action taken to manage risks is adequate. No other option could be advocated.

## **Consultation**

17. The creation of a strategic risk register has been the subject of considerable consultation so far. The current report has been considered by Management Team

## **Implications Assessment**

18. A strategic risk register, with proper arrangements in place for monitoring the management of the risks, should be seen as a vital element of the Council's governance/strategic management arrangements.

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# Appendix 1

## Ashford BC Strategic Risk Register – 2012 to 2015

Risk No.	Vulnerability	Trigger	Consequences	Current Risk Rating Likelihood / Impact	Risk Owner
1	The Council needs to work with and influence developers, businesses and other agencies to ensure that the right quality and mix of housing, infrastructure and investment in the borough is delivered.	1a) Risk of a lack of economic growth in the borough / lack of facilitation of job creation / an inappropriate balance of jobs leading to a decline in average earnings.	<ul style="list-style-type: none"> <li>Investment not attracted to the area</li> <li>Local economy declines</li> <li>Housing fails to meet community needs</li> <li>Potential increase in homelessness</li> </ul>	High (5) / Severe (3)	RA
		1b) Risk of failing to get the right mix and quality of housing - fail to get the right units in the right places.	<ul style="list-style-type: none"> <li>Loss of community confidence in the quality agenda</li> <li>New communities not attracted to the area</li> <li>Strategy undermined</li> </ul>	Significant (4) / Severe (3)	RA
2	The Council's income streams are vulnerable to a number of factors including new legislation e.g. localising support for Council Tax, local collection of business rates, new homes bonus and also adverse economic conditions e.g. impacting on the return on investments.	Risk that key income streams are volatile and significantly adversely affected by the changing legislative and economic environment.	<ul style="list-style-type: none"> <li>Financial plans undermined</li> <li>Further savings have be made</li> <li>Service delivery adversely affected</li> <li>Business Plan undermined</li> </ul>	Very High (6) / Severe (3)	PN

3	The Council is managing a reducing resource base at a time when the needs of the community are increasing e.g. people are living longer and many young people are not able to access employment. This is heightened by factors such as adverse economic conditions, and the introduction of the Universal Credit. There are also high expectations as to what the Council can deliver.	3a) Risk that the Council fails to fully understand levels of demand / fails to manage expectations / fails to remain relevant to the local community	<ul style="list-style-type: none"> <li>• Increase in vulnerable people / vulnerable people at risk</li> <li>• Service mis-match</li> <li>• Financial implications</li> <li>• Business Plan undermined</li> <li>• Reputation undermined</li> </ul>	Low (3) / Medium (2)	JB
		3b) Risk that the Council fails to anticipate the consequences of the introduction of the Universal Credit / fails to fully prepare and manage the budget consequences.		Significant (4) / Severe (3)	PN
4	The Council needs to continue to drive the localism agenda in a constructive way.	Risk of failing to continue to recognise opportunities for localism for the community / fail to take a clear leadership role / fail to be consistent around managing opportunities.	<ul style="list-style-type: none"> <li>• Opportunities missed</li> <li>• Resources not allocated effectively</li> <li>• Residual elements of service delivery become more expensive</li> <li>• Community lose confidence</li> <li>• Reputation undermined</li> </ul>	Low (3) / Severe (3)	JB
5	The Council needs to develop a more flexible workforce and in doing so assess what skills are required to meet current and future needs. It also needs to undertake effective succession planning to avoid being over reliant on key managers / staff who are	Risk of a lack of effective workforce planning / Risk that key managers / staff leave and no obvious replacements are found.	<ul style="list-style-type: none"> <li>• Adverse impact service delivery</li> <li>• Momentum lost / Loss of strategic direction</li> <li>• Pressure on remaining staff increases</li> <li>• Staff morale declines</li> </ul>	Significant (4) / Severe (3)	MP

	responsible for leading the delivery and implementation of the Council's strategic plan.				
<b>6</b>	<p>Members are being asked to make decisions against a backdrop of an increasingly complex local government agenda e.g. new legislation, new ways of working, commercial opportunities etc.</p> <p>This is at a time when a number of new members have joined the Council.</p>	<p>Risk that Members don't have the skills, capacity, experience required to respond effectively to the changing agenda / Risk of a lack of an effective training and capacity building process in place / Risk of a lack of an assessment of skills.</p>	<ul style="list-style-type: none"> <li>• Impact on the decision making process / wrong decisions made</li> <li>• Potential tensions between members and officers</li> <li>• Opportunities missed</li> <li>• Business Plan undermined</li> </ul>	Significant (4) / Medium (2)	TM
<b>7</b>	<p>The risk there is a perception that the Business Plan is not a living document and that there is a lack of effective prioritisation from members and officers - they find it hard to say 'no' and therefore new priorities are competing with existing priorities for resources.</p>	<p>Risk of an ongoing lack of effective prioritisation from members and officers.</p>	<ul style="list-style-type: none"> <li>• Anticipated savings are not delivered</li> <li>• Staff fail to buy-in to changes</li> <li>• Confusion about what is a priority</li> <li>• Loss of strategic direction</li> </ul>	Significant (4) / Severe (3)	JB
<b>8</b>	<p>The Council is a major landlord and has recently taken on a significant loan in order to gain complete control of the 'landlord account'. There are considerable demands on the housing waiting</p>	<p>Risk of failing to manage the housing landlord role and the demands for housing.</p>	<ul style="list-style-type: none"> <li>• The landlord account becomes increasingly difficult to balance, as income reduces and expenditure increases</li> <li>• Housing quality decreases due to reduced maintenance</li> </ul>	Significant (4) / Severe (3)	TK

	list and a requirement to meet the housing needs of an expanding population and an ageing demographic. The government's welfare reforms will have a number of impacts on the housing service. There are risks inherent in the delivery of the solutions to meet demand and maintain a good and effective housing service.		<ul style="list-style-type: none"> <li>• The waiting list increases</li> <li>• Homelessness responsibilities can't be met</li> <li>• Additional demand as a result of government welfare reforms.</li> </ul>		
<b>9</b>	The Council is planning the timely implementation of infrastructure in a volatile funding context / difficult economic climate.	Risk of not having the right funding at the right time for the right infrastructure / Risk of over focussing on physical infrastructure at cost of social infrastructure.	<ul style="list-style-type: none"> <li>• Dissatisfied community</li> <li>• Lack of the right social infrastructure</li> <li>• Long term problems stored up</li> <li>• Potential long term financial liability builds up</li> <li>• Reputation undermined</li> </ul>	Very High (6) / Severe (3)	RA



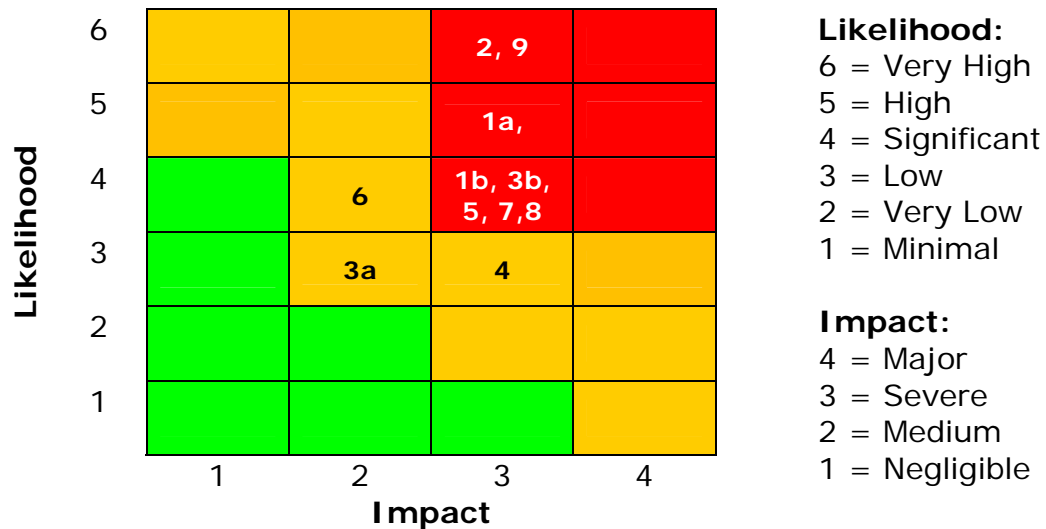
## Appendix 2

### Ashford BC Strategic Risk Register – 2012 to 2015

#### Risk Prioritisation Matrix

The preparatory work with Management Team and Members to Appendix 1 identified eleven Strategic Risks (including the two split risks) which were ranked and prioritised using the matrix below. Appendix 1 therefore represents the key risks the Council faces in delivering its objectives, which will be managed by the nominated Senior Managers, and regularly reviewed by the Cabinet and the Audit Committee. The subject topics in Appendix 1 remain consistent with the April report to the Committee.

The risks were prioritised in terms of residual risk by taking account of actions and controls which are already in place to manage the risks.



## Ashford Borough Council Strategic Risks:

- Risk Scenario 1a = Lack of economic growth in the borough
- Risk Scenario 1b = Failure to get the right mix and quality of housing
- Risk Scenario 2 = Volatility of key income streams
- Risk Scenario 3a = Failure to understand levels of demand/Failure to manage expectations
- Risk Scenario 3b = Failure to anticipate the consequences of the introduction on Universal Credit
- Risk Scenario 4 = Failure to continue to recognise opportunities for localism in the community
- Risk Scenario 5 = Lack of effective workforce planning
- Risk Scenario 6 = Members don't have the skills, capacity, experience required to respond effectively to the changing agenda
- Risk Scenario 7 = Lack of effective prioritisation from members and officers (Business Plan)
- Risk Scenario 8 = Failure to manage the housing landlord role and the demands for housing
- Risk Scenario 9 = Not having the right funding at the right time for the right infrastructure

# Appendix 3

## Ashford BC Strategic Risk Register – 2012 to 2015 – Action Plans

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**Management Action Plan    Risk 1a    Economic Growth    Risk Owner    Richard Alderton**

Likelihood	6				
	5			1a	
	4				
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
1a	5/3 High/Severe	3/2 Low/Medium	Risk of <b>lack of economic growth</b> in the borough / lack of facilitation of job creation / an inappropriate balance of jobs leading to a decline in average earnings
Vulnerability: The Council needs to work with and influence developers, businesses and other agencies to ensure that the right mix of housing, infrastructure and investment in the borough is delivered.			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
<p>Promotion of economic development through dedicated ED team; planning – allocations, site negotiations and approvals; media and marketing activities</p> <p>Range of partnership activity with the Locality Board, Locate in Kent, Homes and Communities Agency and others</p> <p>Specific initiatives such as Portas funding; deferred developer contributions; broadband access to rural areas; GREENOV support for sustainable energy sector; etc</p>	<p>Adequate but further progress sensitive to levels of staff and other resource available</p> <p>Adequate</p> <p>Adequate but quality of achievements sensitive to levels of staff and other resource available</p>	<p>Continued focus on ‘economy-first’ approach across the Council. Strategic audit of current approach and re-assessment of economic development capacity, priorities and resource levels</p> <p>Maintain commitment to joint working; take stock and agree a set of site and topic specific objectives and identify clear responsibilities for each</p> <p>Clarify a realistic set of objectives across key areas so that priorities can be agreed within resources available – identify opportunities that could be taken with increased resources</p>	<p>Richard Alderton for Management Team</p> <p>John Bunnett</p> <p>Andrew Osborne</p>	<p>Identify additional actions to promote economic activity -promote those that exist already</p> <p>Clarify objectives and help drive achievement of priorities</p> <p>Concentrate resources on priorities and apply any extra to new opportunities</p>	<p>3 months</p> <p>3 months</p> <p>3 months</p>	<p>Milestones/deadlines</p>

## Management Action Plan

### Risk 1b

### Mix and quality of housing

### Risk Owner

### Richard Alderton

Likelihood	6				
	5				
	4			1b	
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
1b	4/3 Significant/ Severe	3/3 Low/Severe	Risk of failure to get <b>the right mix and quality of housing</b> – fail to get the right units in the right places
Vulnerability: The Council needs to work with and influence developers, businesses and other agencies to ensure that the right mix of housing, infrastructure and investment in the borough is delivered.			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
SPD adopted to drive space standards and quality environments	Adequate	Continued vigilance in application of the SPD and approach to high quality urban design	Lois Jarrett	High quality development and community building	Annual	[Milestones/deadlines]
Masterplans to help shape density plans and help quality place-making, including new focus on garden city principles	Adequate	Programme of awareness raising for officers and members on garden city principles to help refine current approach	Richard Alderton	Understanding and support for clear set of development objectives	3 months	

## Management Action Plan

## Risk 2 Volatile Income Streams Risk Owner Paul Naylor

Likelihood	6			2	
	5				
	4				
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
2	6/3 Very High/ Severe	5/2 High/Medium	Risk that <b>key income streams are volatile</b> and significantly adversely affected by the changing legislative and economic environment
<p>Vulnerability: The Council's income streams are vulnerable to a number of factors including new legislation e.g. localising support for Council Tax, local collection of business rates, new homes bonus and also adverse economic conditions e.g. impacting on the return on investments.</p>			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
<ol style="list-style-type: none"> <li>1. Regular income monitoring through budget management</li> <li>2. development of data sets that inform usage and demand trends as part of financial management</li> <li>3. more strategic corporate data sets that has pan-service ownerships that acts as a predictive modelling tool for positions on major income flows (business rates, council tax, new homes bonus, parking etc)</li> <li>4. Flexible financial and service management ability to adjust priorities or to take corrective actions</li> <li>5. Robust medium term financial and service planning, informed by reasonable data and assumptions</li> <li>6. Keeping up-to-date with legislative reforms and how this impacts on income levels and having actions in place (for example council tax support scheme)</li> </ol>	<p>Good</p> <p>Good</p> <p>Developing</p> <p>Good</p> <p>Good foundation to build on with current MTFP arrangements</p>	<ol style="list-style-type: none"> <li>1. Keep process under scrutiny to ensure works smoothly and any risks highlighted at the earliest reasonable opportunity</li> <li>2. Refine the corporate data set needed for more strategic pan-service discussion, and then set up short review discussions bi-monthly as minimum</li> <li>3. Keep financial management controls and procedures under review to ensure decision-making protocols are appropriate if circumstances change</li> <li>4. Ensure management team and members are well briefed on the importance of managing income opportunity and risk, as central to the operation and funding for the council – this will require some special briefings on financial and welfare reforms and how they impact corporately</li> <li>5. MTFP processes to develop accordingly</li> </ol>	<p>BL and PN</p> <p>BL and PN</p> <p>BL</p> <p>BL</p> <p>BL</p>	<p>Across all points, success would be measured through:</p> <ul style="list-style-type: none"> <li>• Ideally good predictions leading to good plans and not too many surprises</li> <li>• Well informed organisation</li> <li>• External acknowledgement of good methods, for example from external auditors</li> </ul>	<p>Across all points.</p> <p>PN and BL to review progress and effectiveness with MT, portfolio holder and MTFP Task Group on quarterly basis.</p>	<p>Initial work to be completed late autumn 2012</p>

**Management Action Plan      Risk 3a      Community demands/expectations**  
**Risk Owner      John Bunnett**

Likelihood	6				
	5				
	4				
	3		<b>3a</b>		
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
3a	3/2 Low/ Medium	2/2 Very Low/Medium	Risk that <b><u>the Council fails to fully understand levels of demand / fails to manage expectations / fails to remain relevant to the local community</u></b>
<p>Vulnerability: The Council is managing a reducing resource base at a time when the needs of the community are increasing e.g. people are living longer and many young people are not able to access employment. This is heightened by factors such as adverse economic conditions, and the introduction of the Universal Credit. There are also high expectations as to what the Council can deliver.</p>			



Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
<ul style="list-style-type: none"> <li>■ Gathered core financial assistance to the Voluntary and Community Sector under the Single Grants Gateway, ensuring that funding aligns with the corporate priorities of the council</li> <li>■ Developed role for a number of officers (see 4) to address the unique needs of a number of local communities</li> <li>■ Large-scale community consultations are integral to the review of the Core Strategy</li> <li>■ The council actively engages with community groups such as the Parish Forum and Kent Associations of Local Councils (KALC)</li> <li>■ Gaining a stronger corporate picture of local economic, demographic and social factors to incorporate into more detailed policy-setting</li> <li>■ Used existing and new partnerships to reach out and understand better the needs of local communities</li> <li>■ Consulting / Implementing a new Council Tax Benefit scheme to comply with government policy</li> <li>■ Begun implementation of wider Welfare Reform agenda.</li> </ul>	<p>Adequate but under continued pressure</p> <p>Adequate but need reviewing</p> <p>Good</p> <p>Good</p> <p>Adequate but improving</p> <p>Adequate</p> <p>Good</p> <p>Good</p>	<p>Finalise and agree a new Discretionary Business Rate Relief Scheme for the Voluntary and Community Sector</p> <p>Provide an annual review against the effectiveness of these arrangements</p> <p>Continue to liaise with residents and community representatives over any substantive changes to council operations</p> <p>Produce alternatives to current governance in unparished area, in order to manage community demands more effectively and democratically</p> <p>Agree a single set of Principles to govern any further work with communities (see 4)</p> <p>Finalise consultation and implement policy in a transparent and fair manner</p>	<p>Policy Team</p> <p>Paul Naylor</p> <p>Richard Alderton</p> <p>Kirsty Hogarth / Michelle Byrne</p> <p>Nicholas Clayton</p> <p>Policy Team</p> <p>Paul Naylor</p> <p>Paul Naylor</p>	<ul style="list-style-type: none"> <li>■ Lack of substantive objections to upcoming policy changes</li> <li>■ New governance structure in urban area</li> <li>■ New Business Rate Scheme agreed</li> </ul>	<p>Annually</p>	<p>Many are ongoing, organic projects rather than milestones [Milestones/deadlines]</p>

**Management Action Plan      Risk 3b      Consequences of Universal Credit**  
**Risk Owner      Paul Naylor**

Likelihood	6				
	5				
	4			<b>3b</b>	
	3				
	2				
	1				
		1	2	3	4
		Impact			

Risk Number	Current Risk Score	Target Risk Score	Description
3b	4/3 Significant/ Severe	3/3 Low/Severe	Risk that the Council fails to anticipate <u>the consequences of the introduction of the Universal Credit</u> / fails to fully prepare and manage the budget consequences
<p>Vulnerability: The Council is managing a reducing resource base at a time when the needs of the community are increasing e.g. people are living longer and many young people are not able to access employment. This is heightened by factors such as adverse economic conditions, and the introduction of the Universal Credit. There are also high expectations as to what the Council can deliver.</p>			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
<p>1. Proactive involvement with government departments and other local authorities to understand and also help to inform development of UC.</p> <p>2. Internal working group to assess service and resident impacts</p> <p>3. Planned briefings for Management Team and involvement of members in service action planning</p> <p>4. Planned engagement with the voluntary and community sector to help develop action plans</p> <p>5. Intention to consider resource impacts and make recommendations accordingly</p> <p>6. Local communications strategy and plans in draft</p> <p>7. Already working with KCC on customer service and social fund transfer issues</p> <p>8. Particular attention to housing service and customer impacts, and therefore need for service, resource and policy change</p> <p>9. Intention to engage with the private rented sector, and to engage with younger people regarding awareness raising and signposting for assistance</p>	<p>Very well as the engagement gives ABC opportunities not open to many and provides some 'early warnings'.</p> <p>Officer working group established and working well, but needs now to engage in briefing and involving members.</p> <p>Foundation for VCS engagement established</p> <p>Capacity to do all that could be done will be challenging, so some prioritising needed. Platforms for engaging with tenants and private rented sector are present.</p>	<p>Internal officer group to summarise all the issues and options into summary reports for MT and members (establish a task group following consultation with cabinet)</p> <p>Use the VCS engagement to inform service options and action planning</p> <p>Consider extent the council should and can enhance the VCS and its capacity to respond.</p> <p>Use the assessments to inform MTFP resource planning</p> <p>Take communications plans to members for consideration and then implement agreed plans - consider resource needs</p> <p>Agree with KCC the operation of the social fund and additional staff need</p> <p>Agree with KCC the service consequences for the Gateways and resources needed</p> <p>Continue to engage in national and representative group processes (such as the Local Government Delivery Council, the UC Impact Assessment Group, and the UC Operational Assessment Group - for all three ABC is in a privileged position as representing district councils), and learn from the pilot councils.</p> <p>Use the various consultation platforms we have to engage with residents and other stakeholders</p>	<p>Internal Officer Welfare Reform Working Group to oversee this plan, but then to transfer oversight to member task group.</p>	<p>UC is not a council reform, but a reform that will impact on many residents, who may well turn to the council for support in a number of ways, or to the VCS for advice and support.</p> <p>Success of UC is dependent on government and its design of the system.</p> <p>Success for the council will mean:</p> <ul style="list-style-type: none"> <li>* being well informed and transferring this to residents and other stakeholders</li> <li>* being seen to be supportive where possible</li> <li>* minimising disruption to affected residents where feasible</li> <li>* good contingency plans</li> </ul>	<p>Ongoing throughout the UC development programme to late 2013 and then beyond to full operation post 2015 - this is a long term issue</p>	<p>[Milestones/deadlines]</p>

# Management Action Plan

## Risk 4

## Opportunities for Localism

Risk Owner

John Bunnett

Likelihood	6				
	5				
	4				
	3			4	
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
4	3/3 Low/ Severe	2/3 Very Low/Severe	Risk of failing to continue to recognise <b>opportunities for localism</b> for the community / fail to take a clear leadership role/fail to be consistent around managing opportunities.
<p>Vulnerability: It becomes a risk that the Council is not seen to facilitate the localism agenda in a constructive way, whilst ensuring that appropriate emphasis is attributed to the agenda.</p>			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
<ul style="list-style-type: none"> <li>■ Officers assigned to 5 areas(Parishes) with particular local issues to help break down barriers and facilitate change</li> <li>■ Piloted a number of localism initiatives, such as the parish handyman scheme</li> <li>■ Increased the local influence and accountability of Ward Members through a local grant scheme</li> <li>■ Fully complied with the government's transparency agenda</li> <li>■ Taken a collaborative offer-member approach to implementing new community rights as set out in the Localism Act (Community Right to Challenge and Bid)</li> <li>■ Maintain a focus on the rural aspects of localism, as laid out in the Ashford 2030 framework</li> <li>■ Taken steps to begin addressing the unique challenges to localism posed by the unparished urban area</li> <li>■ Neighbourhood Planning and other instruments brought in by government</li> </ul>	Adequate but need reviewing	Review this work during 2013	Policy Team	Set of principles to underpin all further discussions related to the localism agenda	6-monthly	3 months for agreed principles [Milestones/deadlines]
	Adequate but need reviewing	Develop key guiding principles for any further implementation of localist measures, or substantive community engagement e.g. financial assistance, procurement and long-term contractual obligations	Policy Team			
	Good	Review during 2013	Policy Team			
	Good	Maintain compliance with any further or amended guidance	Paul Naylor			
	Good	Ensure that implementation is successful	Nicholas Clayton			
	Good	Ongoing community expectation management (see 3a)	Management Team			
	Adequate and ongoing	Specific proposals needed during 2013	Paul Naylor			
	Good	Ongoing management and community liaison	Richard Alderton			

**Management Action Plan      Risk 5              Workforce Planning**  
**Risk Owner      Michelle Pecci**

Likelihood	6				
	5				
	4			5	
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
5	4/3 Significant/ Severe	3/2 Low/medium	Risk of a lack of effective <b>workforce planning</b> / risk that key managers / staff leave and no obvious replacements are found.
Vulnerability: The Council needs to develop a more flexible workforce and in doing so assess what skills are required to meet current and future needs. It also needs to undertake effective succession planning to avoid being over reliant on key managers / staff who are leading the delivery and implementation of the Council's strategic plan.			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
Some isolated succession plans are in place to deal with short term specific service based risks.	Adequate some improvement needed	Succession plans at service level- services will be supported in identifying posts that are key risks and potential successors and development needs during 2012 and 2013. This will become a process that needs monitoring and reviewing in light of turnover to maintain currency.  NB- in light of the volume of projects in CH&P team this will be the first service to be supported in formalising a longer term approach to service succession	Personnel & Development and Services	All services have identified key posts and where there are no successors	Ongoing updates in response to people/role changes. Annual formal review	End Q2 first draft of CH&Ps available

		Delivery of a leadership development programme in early 2013 will mark the commencement of a formal approach to succession planning at senior management level. This approach will inform general management succession planning for the council.	Personnel & Development	Delegates, and the organisation are able to explain how their work had been positively impacted by the leadership programme	Course Evaluation throughout programme , formal review of impact of overall programme by December 2013.	Autumn 2012 delegates selected
Generic working is being implemented in areas where this risk has been identified as part of a general acceptance of the changing nature of the skills required within specific disciplines.	Adequate some improvement needed	Greater formalised generic and flexible working across teams and services. The introduction of the 'Eyes and Ears' reporting tool will open up opportunities for more flexible working practices.	Business Change and Technology	Improved responsiveness to customers, better use of resources.	Monthly as part of corporate project monitoring	April 2013
		More stringent job description review at recruitment stage to look for opportunities to introduce more flexible roles.	All Managers and Personnel & Development	All opportunities to improve flexibility of roles taken.	On going	Ongoing
		Skills audit which identifies current skills base and future skills requirements. This will inform a development needs analysis that will be delivered through the training budget.  NB Immediate/short term Learning & Development needs are identified annually during the appraisal process and this process.	Personnel & Development and Services	Critical skills identified and development plans in place to address gaps	Annually as part of appraisal reviews	October 2012 proposal to MT on recommended method of audit

**Management Action Plan**

**Risk 6**

**Members skills, capacity, experience**

**Risk Owner**

**Terry Mortimer**

Likelihood	6				
	5				
	4		6		
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
6	4/2 Significant/ Medium	3/2 Low/Medium	Risk that <b>Members</b> don't have the <b>skills, capacity, experience</b> required to respond effectively to the changing agenda / Risk of a lack of an effective training and capacity building process in place / Risk of a lack of assessment of skills.
Vulnerability: Members are being asked to make decisions against a backdrop of an increasingly complex local government agenda e.g. new legislation, new ways of working, commercial opportunities etc. This is at a time when a number of new Members have joined the Council.			



Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key Dates
1. All key decisions by Members are taken with the benefit of professional advice from Officers.	Adequate	Ongoing provision of professional advice	Management Team	Successful outcomes from decisions	Ongoing	Ongoing
2. The Council has a dedicated Member Training Panel of eight elected members supported by senior officers which reports to Cabinet as required. The principal role of the Panel is to develop the post-election training and induction programme every four years to ensure new and returned Councillors are kept fully up to date on important Local Government and ABC issues. Councillors elected mid-term in by-elections also receive all written material provided as part of the normal induction process, and some specialist training e.g. on planning matters is also offered.	Adequate but some minor adjustments possible.	Raise profile of Member Training Panel by formally constituting it within ABC Constitution and introducing an agreed programme of regular meetings and annual reports to review training issues.	TM and KF	Report to Selection and Constitutional Review Committee to implement suggested improvement.	Annually	Annual meeting of Panel and development of the 4-yearly Induction programme.
3. The effectiveness of induction training and wider ongoing individual member training needs are reviewed after the first year to establish whether Members consider they require particular further training etc.	Adequate but some minor adjustments possible.	Introduce an agreed programme of regular meetings and annual reports to review training issues	TM and KF	Report to Member Training Panel - implement suggested improvements	Annually	Annual meeting of Panel and development of the 4-yearly Induction programme

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key Dates
4. ABC has a dedicated budget of £15K over the four year period to fund external training costs for members.	Adequate	Maintain current budget level	TM and KF	Adequate training provided from budget	Annually as part of budget setting process	Sept of each year
5. The most significant and high-profile potential risk in terms of Members lacking the necessary skills for decision-making arises in the field of town planning. In order to address this issue, ABC has a strict rule which requires all Councillors who sit on the Planning Committee (including substitutes) to have first undertaken specialist training on planning and probity matters.	Adequate	Continued, ongoing training to reflect changes in legislation and planning guidance.	TM & KF (and RA)	Number of successful planning appeals against decisions of the Planning Committee	Ongoing	N/A
6. ABC provides an IT allowance for every Councillor which supports the provision of good quality software to facilitate good communications and access to all relevant news and information services on the Internet.	Adequate	Ongoing provision of IT support.	TM & KF (and RN)	Provision of satisfactory service to Members	Annually as part of budget setting process	Sept of each year
7. Weekly electronic newsletters and media updates are provided to all Councillors which include links to enable Members to access relevant up-to-date material. (recent initiative)	Adequate	Maintain regular Members Update	TM & KF	Provision of satisfactory service to Members	After six months	N/A

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key Dates
8. Regular Officer briefings are held for all Councillors on a range of matters including major planning issues, ethical conduct, risk management procedures, major strategic projects etc.	Adequate	All Senior Manager to maintain briefings and updates as necessary	Management Team	Provision of satisfactory service to Members	Ongoing	N/A
9. All Service Heads hold regular Portfolio Holder briefings with their Portfolio Holder (and lead members where relevant) and Committee Chairmen to ensure he/she is up to date on all key issues relating to the Service/Committee.	Adequate	Continue regular briefings	Service Head & Management Team	Provision of satisfactory service to Members	Ongoing	N/A

## Management Action Plan

### Risk 7

### Business Plan

Risk Owner

John Bunnett

Likelihood	6				
	5			7	
	4				
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
7	5/3 High/ Severe	3/3 Low/Severe	Risk of an ongoing lack of effective prioritisation of <b><u>the Business Plan</u></b> from members and officers.
<p>Vulnerability: It becomes a perception that the Business Plan is not a living document and that there is a lack of effective prioritisation from members and officers – they find it hard to say 'no' and therefore new priorities are competing with existing priorities for resources.</p>			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
<ul style="list-style-type: none"> <li>■ Business Plan summary document available publically on the website</li> <li>■ Monthly update report on Business Plan presented and discussed at Management Team, alongside savings schedule from Finance</li> <li>■ Updating on the Business Plan represents a cornerstone of the Chief Executive's staff briefings, as well as other internal communications.</li> <li>■ Ongoing dialogue within management team and with cabinet members to focus on priorities</li> <li>■ Quarterly performance report to members, Parish councils and residents (via website)</li> </ul>	<p>Adequate</p> <p>Good</p> <p>Good</p> <p>Adequate</p> <p>Good</p>	<p>Comprehensive service planning process to ensure BP priorities are reflected and acknowledged in individual services</p> <p>Annual report on current achievement and future areas of focus; including a commitment to ensure completion of the business plan by 2015.</p> <p>Align Business Plan Priorities, Ashford 2030, Core Strategy Review and other strategic documents to present a coherent overarching framework for council operations</p> <p>Consider annual report from 2013</p>	<p>Policy Team</p> <p>John Bunnett / Communications</p> <p>Management Team / Policy Team</p> <p>Nicholas Clayton</p>	<p>Service Planning documents</p> <p>Report to Management Team on a strategic overview</p> <p>Content of next staff briefings</p>	<p>Annually</p>	<p>All before next review [Milestones/deadlines]</p>

## Management Action Plan

## Risk 8 Housing

## Risk Owner Tracey Kerly

Likelihood	6				
	5				
	4			8	
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
8	4/2 Significant/ Severe	3/3 Low/Severe	Risk of failing to manage the <u>housing landlord role and the demands for housing.</u>
<p>Vulnerability: The Council is a major landlord and has recently taken on a significant loan in order to gain complete control of the 'landlord account'. There are considerable demands on the housing waiting list and a requirement to meet the housing needs of an expanding population and an ageing demographic. The government's welfare reforms will have a number of impacts on the housing service. There are risks inherent in the delivery of the solutions to meet demand and maintain a good and effective housing service.</p>			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates

<p>Private Sector Leasing scheme still working to provide additional units for homeless, now extended to ABC lettings a focus on private sector homes for an alternative for waiting list applicants.</p> <p>Ability to discharge our duty to Homeless applicants into the private sector as a result of the Localism bill likely to be agreed in the Autumn this year</p> <p>Homeless prevention work continues with young single as part of the house project. Focus by the HOO's to prevent homelessness and negotiate with LL and family intervention, focus on supporting applicants in to work and training.</p> <p>Area management team monitors current tenant rent accounts and arrears on a F/N bases</p> <p>Communications strategy and plan in place to manage the welfare reform changes.</p> <p>Tenant's newsletter already communicating the changes to tenants of the welfare reform implications.</p> <p>Tenancy Strategy will be in place following the cabinet on the 13<sup>th</sup> Sept this will address 5 year tenancies.</p>	<p>Regular monitoring and included on monthly statics reported to CHAPS managers meeting</p> <p>Biggest issue will be control of families migrating from other expensive areas such as London.</p> <p>Working as part of the corporate officers working group and to effectively engage with members through the mini PAG for welfare reform and the VS.</p>	<p>Team resources moved to support the ABC lettings scheme. The business plan is monitored to ensure we are meeting our criteria.</p> <p>Advice to applicants to be provided by the HOO's at time of taking homelessness applications, less pressure on stock for waiting list and transfer applicants</p> <p>Numbers of homeless monitored closely and reasons for homeless to ensure prevention work and resources targeted in correct areas.</p> <p>Structure of the Estate management team is reviewed regularly, and resources may need to be re-balanced from estate management to income control. Trainee post has been agreed and out to recruitment to support the area managers. Modern apprentice is working in the estate management team to assist in resilience.</p> <p>Implications of welfare reform will affect collection rates, flexibility on DD dates to coincide with welfare payments, to be reviewed.</p> <p>Under occupation in tenancies is being reviewed and focussed communications targeted to those affected by the bedroom tax.</p> <p>Direct payment pilots being monitored closely to indentify the potential impacts and mitigate against loss of income</p> <p>[new actions/controls required to manage the risk down to its target score]</p>	<p>Sharon Williams</p> <p>Rebecca Wilcox Supported by the welfare reform group and the communications plan.</p>	<p>Taking on 9 new lets per month</p> <p>Reduction in homeless use of Bed and Breakfast</p> <p>99% rent collection levels.</p>	<p>Quarterly management meetings</p>	<p>April 2013</p>
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<p>HRA Business plan priorities address aging population, energy efficiency, adaptations, and environmental improvements. Resources within the HRA are reviewed and matched to areas of pressure. Business reviews are undertaken twice yearly with each CHAP's manager.</p> <p>Planned maintenance programme re-balanced as income levels change</p> <p>Control of the loans to manage the debt are shared between Finance and HRA and loans fixed for varying periods to maximise use of debt</p>		<p>Under occupation will be addressed as part of the 5 year renewal and larger properties will be released for waiting list applicants.</p> <p>Options to support those under occupying to take in Lodgers to occupy vacant bedroom space.</p> <p>Targeted communications and regular communications.</p> <p>Increasing/improving sheltered housing schemes, opportunity to manage the needs of the aging population and encouraging downsizing.</p> <p>More energy efficient homes to gives tenants more affordability.</p> <p>4 year maintenance plan issued and may require communicating changes should income levels drop significantly.</p> <p>Regular review with the Head of accountancy.</p>	<p>Bob Smart</p> <p>Chris Tillin</p> <p>Tracey Kerly</p>	<p>More available family units to let.</p> <p>Less single people seeking housing</p> <p>Older tenants taking up cash incentive to move to smaller homes.</p> <p>Some changes already as a result of interest rate movements</p>	<p>Customer satisfaction rates in the high 90's for responsive repairs, planned maintenance and general satisfaction.</p> <p>At least quarterly</p>	
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**Management Action Plan Risk 9 Infrastructure Risk Owner Richard Alderton**

Likelihood	6			9	
	5				
	4				
	3				
	2				
	1				
		1	2	3	4
	Impact				

Risk Number	Current Risk Score	Target Risk Score	Description
9	6/3 Very High/ Severe	5/3 High/Severe	Risk of not having the right funding at the right time for the right <b>infrastructure</b> / Risk of over focussing on physical infrastructure at cost of social infrastructure.
Vulnerability: The Council is planning the timely implementation of infrastructure in a volatile funding context / difficult economic climate.			

Action/controls already in place	Adequacy of action/control to address risk	Required management action/control	Responsibility for action	Critical success factors (outcome)	Review frequency	Key dates
Use of s106 and planned use of Community Infrastructure Levy with infrastructure plans to secure facilities needed	Adequate	Preparation of infrastructure plan in line with core strategy review; roll out of CIL regime; negotiations of infrastructure packages at Chilmington Green and elsewhere, supported by strong viability advice	Simon Cole	Infrastructure plan to support CIL and robust draft charging schedule; phased infrastructure plan for Chilmington Green	6 months	Milestones/deadlines