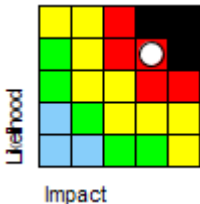

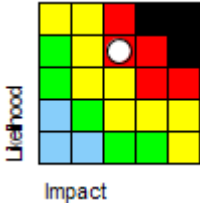

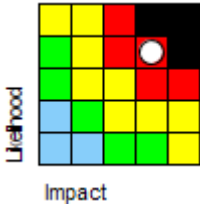



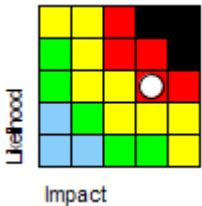

## Strategic risks

**Report Type:** Risks Report

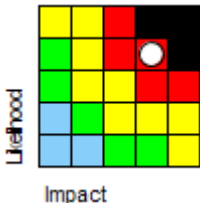

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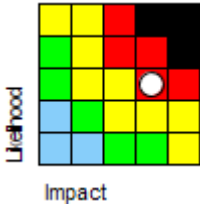

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. ECO DEV. R003	Eurostar – negative impact on local economy (development and investments) due to Eurostar not stopping in Ashford	Loss of international status; Reduced development and investments in Ashford; Reduced connectivity to Europe, use of station.		Partnership Working Lobbying		The implementation of the border changes are now delayed until December 2023. This will be a key issues for them resolve with government and French authorities before there can be substantive discussions around the return of services to Ashford or Ebsfleet. Whilst it is difficult to measure the economic impact to-date, it is raised regularly by business and will provide a challenge going forward in terms of decisions businesses will make or opportunities that may not be able to be secured.
COR P.22. ENV SPO RT.R 009	Supply chain disruption	Projects and services not delivered to time or budget		Monitoring of goods and services Contract management		Inflationary pressures continue to be faced by all which is impacting both tender prices and request for price increases from Suppliers. Whilst this does present a funding pressure for the Council, this has been factored into the development of the Medium Term Financial Plan, reducing the financial impact score since the last update.

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. FINI T.R0 03	Successful cyber attack	Data breach Loss of service Reputation Financial		<div>Staff training</div> <div>Patching, firewall, policy rules</div> <div>Emergency planning exercise</div>		<p>The risk has been raised to reflect the increase in the number of public sector cyber attacks. Various mitigation measures in place to prevent attacks &amp; affects including:</p> <ul style="list-style-type: none"> <li>• All staff and Councillor Cyber e-learning mandatory.</li> <li>• Immutable storage solution installed to retain offline encrypted copy of backups.</li> <li>• IT Health Check &amp; external pen test carried out in January 23 for annual Public Sector Network CoCo accreditation.</li> <li>• Regular patching of all devices.</li> <li>• Enforced MFA (multi factor authentication) across all users (including Councillors)</li> <li>• Mobile devices configured with InTune Mobile Device Management for protection if lost / stolen.</li> </ul>

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. HOU SING .R00 1	Increasing numbers of people in Temporary Accommodation	Negative social and educational impacts. Pressure on the General Fund. Increased casework and placements.		Welfare intervention officer Early Interventions Accommodation Officer Communications campaign		Detailed note provided below:
<p>The risk profile reflects the spend and numbers in temporary accommodation increasing. Whilst numbers presenting as homeless remain stable, the profile of people presenting has changed, with an increase in singles rather than families. We have recently seen an increase in former rough sleepers being accommodated due to weather conditions. Currently the supply of temporary accommodation for singles is limited and we are having to rely on expensive Bed and Breakfast providers, who are also increasing their prices. The move on option for this group is also more limited due to the shortage of supply of one bedroom units which has led to people remaining in Temporary Accommodation for a longer period of time, which has led to our overall numbers increasing.</p> <p>To mitigate this risk, we are talking to a number of providers to see whether we can source cheaper, more suitable accommodation. We have recently block booked a B&amp;B at a reduced rate which will provide a saving of approximately £100,000 per year. We are about to go out to tender for temporary accommodation providers to hopefully drive down costs and increase standards. We have increased the number of social lettings made available to homeless households and have been working across the department to reduce the number of days a property is void to help speed up supply. We have recently received Rough Sleepers Initiative funding to help support and prevent single people from becoming homeless and have just recruited to four new posts, with a focus to move former rough sleepers on from temporary accommodation.</p>						

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. HOU SING .R00 3	Supply of affordable rented housing keeping pace with demand	Pressure on the housing waiting list Financial impact	<p>Likelihood</p> <p>Impact</p>	<p>Affordable Homes Programme</p> <p>Securing funding sources</p> <p>Partnership working with registered providers.</p>	↑	With Stodmarsh preventing the Council getting on site and stopping some 4,000 homes being constructed in the borough, many of which will have an allocation of affordable housing as part of their binding agreement, the likelihood is that the gap between delivery and demand will only grow apart in the short-to-medium term. The waiting list numbers continue to rise up to 1,700 households. It doesn't increase reputational risk for the council as the issues are clear and well documented. It does mean the possibility of people on the list not being able to sustain their existing tenancy and possibly presenting to the council through another route remains.

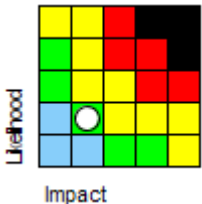
Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. PLA NNIN G.R0 10	Managing nutrient neutrality in the Stour	An inability to permit housing development without appropriate assessment and mitigation measures. Negative impact on council budget due to loss of planning income, cost of mitigation strategy.		<p>Legal advice received being followed</p> <p>Relevant stakeholders working on mitigation schemes to allow development to take place.</p>		<p>No change in risk assessment.</p> <p>Progress update (up to 7 March 2023):</p> <ul style="list-style-type: none"> <li>• Work ongoing to secure land for strategic wetlands</li> <li>• Alternative avenues for nutrient mitigation, alongside wetlands, being explored.</li> <li>• Project group established and regularly meeting for the strategic wetland application. The project groups includes the Environment Agency and Natural England.</li> <li>• Applications proposing on-site mitigation continuing to progress through Appropriate Assessment process.</li> <li>• Work ongoing to prepare draft Stodmarsh Supplementary Planning Document.</li> <li>• Regular meetings held as part of the Catchment strategy working group to prepare Catchment-wide nutrient mitigation strategy.</li> </ul>

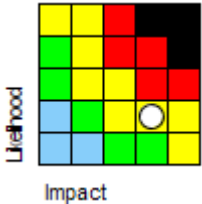

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. POL PER. R003	Not meeting our climate commitments	Environmental damage (for example flooding and loss of biodiversity and reduction in residents' health and wellbeing)	 <p>Liability Impact</p>	<p>Carbon reduction action plan</p> <p>Members of Kent Climate Change Network</p> <p>Green principles embedded in decision making and project management processes</p> <p>Ashford Climate Action Campaign</p>		<p>This risk has been raised again to reflect the threats and impacts that remain at both a global and local level. There has however, been good progress and engagement from all council services. Climate Action Team estimate Climate Action Plan 2022-24 is approximately a third complete, which is good progress. Significant bids have been put into BEIS for Social Housing Decarbonisation Fund which would see retrofit of 727 of our Housing Revenue Account properties and also to the Heat Network Development Unit for feasibility work to understand commercial viability and carbon reduction opportunities to be obtained from a heat network in Ashford, starting with the Newtown Works development. We await decisions. Work is ongoing to integrate climate consideration into all decision making so that carbon reductions are obtained as a matter of course.</p>

## Financial risks

**Report Type:** Risks Report

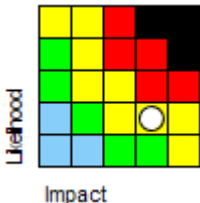

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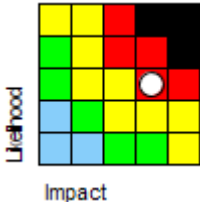
Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. FINI T.R0 08	Change to accounting standards: requirement to record all losses through income and expenditure.	Potential for temporary losses to be shown affecting the council's investment decisions.		<p>Regular communication with Arlingclose</p> <p>Lobbying</p>	<p>■</p>	<p>No change to the risk profile. There was originally a statutory override for the 5 years from 1 April 2018 to 31 March 2023 that stops the requirement for Councils needing to budget for investment fair value movements.</p> <p>Following consultation the statutory override has now been extended until 31 March 2025, with the standard then to be fully applied.</p> <p>We will continue to monitor this position and the potential impact if the standard needs implementation post march 2025.</p>

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. FINI T.R0 10	Insufficient reserves to respond to an unforeseen event	Section 114 Notice Inability to deliver services		MTFP and budget monitoring processes Savings target Commercial income target		Detailed note provided below:
<p>The Medium Term Financial Plan for 2023-2028 identified and £2.6m deficit in 2023/24 and £10m over the five year period. At present there are sufficient reserves in place over the medium term to cover the losses in 2023/24 and this is the proposed strategy. However, Cabinet has recommended through the draft budget, that Portfolio Holders and Officers will need to work together to reduce the budget deficit and return the council back to a sound financial footing. The current budget report for 2023/24 has reduced the deficit to be funded from reserves to £1.5m due to additional government funding during the Financial Settlement. This is a positive short-term change although there is continued uncertainty around future levels of government funding.</p> <p>Due to the reduction in deficit and positive action currently being undertaken by Management and Members on saving proposals, the likelihood has reduced but this will be closely monitored against delivery of saving objectives. Without making savings the level of reserves will diminish quickly leaving the Council financially vulnerable.</p>						



Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. FINI T.R0 10	MTFP Delivery	An unbalanced budget Corporate Plan delivery		Budget monitoring savings and investments strategy commercial and digital programmes Economic Resilience Reserve		Detailed note below:
<p>Due to rapidly changing economic conditions including accelerated inflation and interest rates, the MTFP has significantly changed in the past year with a number of significant pressures coming through into the MTFP. These pressures are generally across the board with inflation impacting all expenditure. Also, the rises in grant funding and significant income streams not keeping pace and coming under pressure due to household incomes reducing, corporate property voids increasing and the need to provide rent concessions.</p> <p>Given the deficit in the MTFP, it is necessary to deliver considerable savings to balance the budget, the delivery of the current MTFP with the £10m deficit is not sustainable. A savings plan has been developed which has identified savings of approximately £1.6m each year over the lifetime of the plan. Work still needs to be carried to implement the plan which will have governance arrangements in place to ensure delivery is closely monitored.</p> <p>Although savings are being identified, it is recommended that this remains a red risk until a new MTFP has been drafted.</p>						
COR P.22. HOU SING .R01 0	Reduction in Housing Revenue Account income	Housing Revenue Account levels negatively impacted		Increased monitoring of number of cases, arrears levels and number of new Universal Credit claimants Use of Orchard analytics		Our end of Quarter 3 figures showed an increase in our collection rates, which is positive heading into the final quarter of the year. The team have moved to Specialist working now and will now have 4 dedicated officers focusing on rents. On target to meet 98% collection rate for end of year.

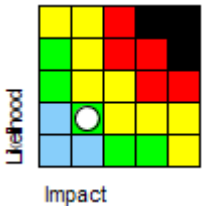

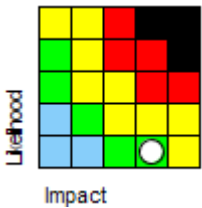

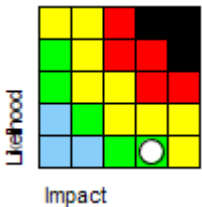

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. STR AT.R 004	Inability to make expected return on commercial investment portfolio	Reputational damage of not delivering strategic projects. Financial loss to the council which would impact on the councils Medium Term Financial Plan.		<p>Monthly monitoring with developer of Elwick Place</p> <p>Regular review of tenancies at International House with portfolio holder and marketing agent.</p> <p>Established tenants on mid-term leases at International House.</p> <p>Monthly review of the market with agent (Carlton Road)</p> <p>Current demand for similar product to Carlton Road elsewhere</p>		Detailed note provided below:
<p>In terms of the risk against the inability to make expected return on commercial investment portfolio. There are a number of factors to be considered including volatility of the markets. What is certain is the rise of living costs in particular the cost of utilities, in turn service charges. The rent has impacted due to the turn in the market to assist tenants to survive through these challenging times and so that the council reduce the risk of having to cover costs associated with vacant units/suites. It also improves the ability to collect rent, despite being reduced. There is an increase of tenants approaching the council requesting rent-free periods or reduced rent. Office suites are in less demand and larger retail units are in less demand. The smaller units and suites including industrial are in more demand.</p>						

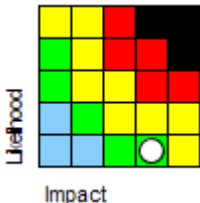

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. STR AT.R 008	Ongoing maintenance liabilities exceeding available budget.	Standard of maintenance reduced. Only necessary maintenance carried out.		<div>Programme management &amp; PID process</div> <div>Corporate asset management review</div> <div>Expenditure in line with Asset Management Strategy and prioritised.</div> <div>Stock condition survey</div>	↑	Conditions surveys are underway across the estate which will look at both the condition of buildings and their commercial viability. The risk remains high as the obligations to maintain our buildings in good condition to meet health and safety requirements. Until the conditions surveys are complete it is expected that we will have unexpected spend to meet our obligations. Once a plan is in place a strategy will be developed for the overall estate.

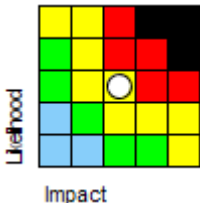
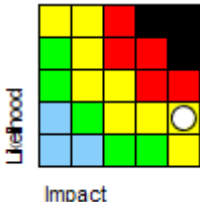
## Compliance risks

**Report Type:** Risks Report

**Generated on:** 08 March 2023

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22.FINI T.R0 01	Loss or theft of portable devices and data stored on them	Potential breach of council or personal data. Reputational damage.		Remote working and portable devices guidance Portable devices encrypted Data Protection Impact Assessment		889 corporate devices are now protected using the Microsoft InTune MDM (mobile device management) solution. This solution allows us to remotely wipe devices of corporate data if device is lost / stolen when it connects to the internet, it also has additional functionality such as audible alarm to help locate lost device etc.
COR P.22.FINI T.R0 02	Not achieving codes of compliance: pci and Public Services Network	Potential to stop the council being able to communicate with other public sector organisations.		Patching, firewall, policy rules		Onsite IT Health Check and external pen test completed by Intertek NTA Ltd at end of January. Subsequent reports have been received, and resulting mitigation plan will be formulated and introduced.
COR P.22.FINI T.R0 05	Loss of the Kent Public Services Network (KPSN) and services it provides	Potential to stop the council being able to communicate with other public sector organisations.		Externally managed		Backups now being replicated to the Ashford Gateway in case Civic Centre is lost / inaccessible.

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. LEG DEM .R00 5	Implementation of the Elections Act	Voters unaware of changes Delays on election day reputational		National and local communications campaigns ERO portal Elections risk register		Detailed note provided below:
<p>The Government has introduced an Elections Act that will have a significant impact on the conduct of the borough and parish elections scheduled for 4 May 2023.</p> <p>The requirement for electors at polling stations to provide photographic identification is the headline change. Other changes and mitigations being introduced the elections risk register include:</p> <ul style="list-style-type: none"> <li>• Photographic voter identification for polls.</li> <li>• Limits on postal vote handling;</li> <li>• Removing the time limits on overseas voter registration;</li> <li>• Increasing accessibility requirements in polling stations;</li> <li>• EU Citizens voting and candidacy rights;</li> <li>• Changing the frequency of absent voting refreshes.</li> </ul> <p>A comprehensive communications plan is in place to raise awareness with voters on the changes to ID requirements. As well as national campaigns, locally we will be carrying out direct communications with voters, advertising on poll cards, in Ashford for You magazine and through the council's website. Staff training has taken place to help raise awareness and there are briefings for councillors and agents.</p>						

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
COR P.22. POL PER. R001	Non-compliance with data protection laws	ICO fines Enforcement notices Reputational damage Customer dissatisfaction		GDPR action plan	-	Data Protection Policy reviewed and approved by Cabinet in November 2022. Training package for Members being developed and corporate drive on staff training completion means that compliance is good. Retention remains the area where additional focus is needed to ensure compliance and a review of our Retention Policies is scheduled to coincide with the adoption of the overarching policy. A CMT session is booked for January. Upcoming Audit on Breach Management due.
				Service briefings		
				Dedicated resource		
				Staff training		
				Information Governance Group		
				Consultant legal support for key policies		
				Information Commissioner Office registration		
COR P.22. SAF EWE LL.R 007	Non-compliance with Health Safety Act and Regulations	Reputational Financial fines from the Health and Safety Executive Loss of working days Death or serious injury		Risk assessments	-	Detailed note provided below:
				Health and Safety Policies and Procedures		
				Mandatory and targeted training programme		
				Service compliance audits		
				Management Team trained on leading safely		
				Six monthly report to Management Team		

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
						<p>Corporate Health and Safety (CHS) is currently delivered by the Food and Health and Safety Team (FHST). The Team Leader of this function is currently absent from work, and another two officers from this team resigned both leaving the organisation in January 2023. As an interim measure, an APH officer has been seconded to the Insurance and CHS vacancy for 6 months.</p> <p>A 'health check' of CHS was undertaken in October 2022 by an external assessor, with a report provided in December 2022. Officers delivering CHS will work with relevant managers to implement the report recommendations within agreed timescales to maintain and secure compliance, with a draft action plan progressing.</p> <p>An active safety and wellbeing training and refresher programme is maintained and CHS continually liaise with HR.</p> <p>The three named individuals Management Team identified and appointed as Competent Person(s) under the Fire Safety Regulatory Reform Order 2005 have almost completed their qualification. These Competent Persons matrix work across the organisation to provide fire safety expertise and resilience.</p> <p>Limited Covid-19 controls remain in the Civic Centre. These follow the Covid Secure principles and apply to visitors and tenants and many of these controls follow the sensible winter flu guidelines. All precautions are periodically risk assessed, and reviewed and are compliant with health and safety law and government guidance. The current measures follow the 'Living with Covid' plan and HSE advice. Health and wellbeing messages are periodically posted on Smart Hub, including by HR, to inform staff of any new safety arrangements, particularly relating to the Civic Centre.</p>

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