

Strategic risks

Report Type: Risks Report
 Generated on: 23 February 2022



Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR17 FINIT 003	Successful cyber attack	Data breach Loss of service Reputation Financial	<p>Likelihood</p> <p>Impact</p>	Staff training Patching, firewall, policy rules Emergency planning exercise		<p>New solutions to help with our cyber security have been installed, including a new endpoint protection solution from Cybereason, which not only gives us signature based virus protection but also delivers active machine learning to help detect and protect against unknown malware and ransomware attacks.</p> <p>Also an immutable storage solution has been introduced to our backup infrastructure, which takes frequent copies of our backups and stores them off of the network in a read-only form, so we have a copy of our data protected against ransomware attack.</p>

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR17 PLAN 015	South of Ashford Garden Community not delivered to time and quality	A quality garden community not delivered in accordance with the approved vision and strategy within anticipated timescales.	<p>Likelihood</p> <p>Impact</p>	Chilmington Together governance structure in place Quality Monitoring Team Dedicated co-ordinator and programme management systems in place Approved design code and quality charter District Deal working protocol		Detailed note provided below:

Garden Community Priority Project Delivery

A funding bid has been submitted to Homes England's Garden Community Capacity Fund to support internal resourcing and a wide range of projects to develop and progress delivery of community infrastructure. The outcome of this bid should be known at the end of February.

Work to develop an SAGC website is underway and will be complete shortly.

Planning Matters

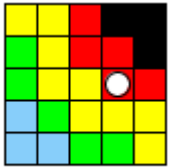
Ongoing discussions with Hallam Land re Court Lodge continue with agreement to the community heads of terms expected soon. The review of the Nutrient Neutrality report for CL is underway. Once the remaining matters are confirmed/resolved, the application will move to Committee for resolution. There is no current progress on Kingsnorth Green to report.

Two application for Reserved Matters have been received at Chilmington Green. Hodson Developments has submitted an application for Parcels D & H and Brookworth Homes have submitted an application for Parcel K. Officers are currently assessing these applications.

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
<p>Natural England</p> <p>Mitigation is required for both Court Lodge and Kingsnorth Green in order for the applications to be determined by the council. Any future Reserved Matters at Chilmington Green will also need to consider mitigation.</p> <p>Chilmington Green Delivery</p> <p>We have circa 200 occupations. It appears that Hodson Developments are progressing with some new groundworks at the rear of The Lakes development. Barratts are completing the final few properties on Parcel Q and continue to build out at Parcel R. Jarvis continue to make steady progression with good sales at Parcel P.</p> <p>In the autumn the council sent their decision on Hodson's application to redetermination 57 of the s106 clauses. Hodson Developments then applied to Court for a Judicial Review which was turned down by the Judge. Hodson Developments have appealed this decision which is currently under consideration. These legal discussions mean that the council's relationships with all developers are under pressure.</p> <p>Secondary School</p> <p>A planning application was submitted in the autumn and is being considered by officers. There are concerns with the impact on the highway and levels of parking proposed with comments raised by the parish council, residents and community members. Officers are working with KCC Highways and the applicant to resolve these concerns. It is however hoped that the application can be taken to committee in March.</p> <p>The S106 amendments for school access remain under discussion between KCC and Hodsons.</p> <p>Primary School</p> <p>The primary school opened on the 1st November. There are community concerns about traffic access to the school. The school appears to be managing these well. The improved footpaths provided by KCC and ABC from The Lakes to the school and from Chilmington Green Lane to the primary school have had a positive impact.</p>						

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
<p>Sustainable Transport Strategy</p> <p>This jointly funded piece of work with KCC is drawing to a conclusion. A draft strategy and action plan are being considered with consideration by members likely in the spring. Funding to support delivery of projects within the action plan was included in the HE funding bid. Work with KCC to identify other sources of funding is underway.</p> <p>CMO</p> <p>The CMO is in the process of agreeing its new business plan. Hodson Developments have changed their nominations on the board so induction of these new directors is underway. The closing date for applications for the first resident director have now passed with interviews to take place over the coming few weeks. It is hoped to have a resident director in post by early April, if not before.</p> <p>Community development will gather pace this year. In partnership with the CMO, the council is procuring a Placemaking Sprint, a series of high impact, quick community projects to raise the profile of the CMO and increase resident engagement. The CMO has also set up a Community Grants Fund which is now live and is piloting a resident sounding board. These events, alongside resident surgeries and newsletters are expected to build and grow the reputation of the CMO amongst residents and engender community participation/capacity building.</p> <p>Work to hand over landscaping to the CMO is gathering pace, with the first handover expected in about six weeks, subject to the provision of plans, inspections and the expected quality of planting.</p> <p>Discovery Park Masterplan</p> <p>Work to progress with the masterplan is shaping up using internal resources and skills. A community consultation event is hoped will take place later this year.</p>						

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR19 PLAN 017	Poor quality water in the River Stour (nitrates and phosphates)	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>Likelihood</p> <p>Impact</p>	<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 since last assessment.</p> <p>Work still ongoing to identify and acquire land for strategic wetlands. Discussions are being held with Environment Agency and Natural England about wetland proposals.</p>
CR20 POL0 2	Eurostar – negative impact on local economy (development and investments) due to Eurostar not stopping in Ashford until 2022.	Loss of international status; Reduced development and investments in Ashford; Reduced connectivity to Europe, use of station.	<p>Likelihood</p> <p>Impact</p>	<p>Partnership Working</p> <p>Lobbying</p>		<p>Following a meeting with Eurostar in January 2022, the operator is saying that they will not stop at any of the intermediary stations in Kent until 2023. This is due to the ongoing impact of Covid restrictions on International Travel. The service was again hit by the Omicron variant and imposed restrictions over the December / January period. Eurostar are now starting to increase services between capital cities on their strongest routes and hope to have services operational from Ashford by 2023 if passenger numbers return to pre-pandemic levels. There is clear risk and uncertainty over whether</p>

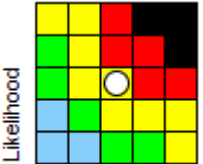

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
						passenger numbers will return and over what timescale. Eurostar are coming to the Ashford Joint Transportation Board in March 2022 to report on the latest position.
CR21 ENV0 09	Failure to deliver Ashford aspect of Mid-Kent Joint Waste Management Contract	Financial impact on the MTFP Impact on recycling rates Council's reputation Disruption to waste collection service	 <p>Likelihood</p> <p>Impact</p>	<ul style="list-style-type: none"> Regular communication, liaison & escalation of issues Information sharing and collaboration Financial planning, analysis and internal controls Access to specialist support, advice and expertise Contingency planning 	-	We have had 4 initial expressions of interest on the contract that have dwindled to 3 in the course of qualifying questions. The final invitation to participate in dialogue will go out at the end of March 2022 in preparation for initial competitive dialogue (CD). Following this, refined submissions are expected in June for further sessions of CD.

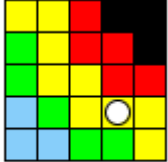

Financial risks

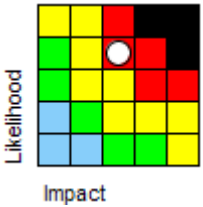

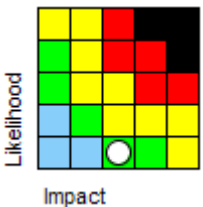

Report Type: Risks Report
Generated on: 23 February 2022



Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR17 FINIT 008	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.		Regular communication with Arlingclose Lobbying		<p>No change to the risk profile. There is a statutory override for the 5 years therefore it will cause an issue in the short/medium term however it is unclear if this will be made permanent or be removed in the future.</p> <p>Will consider impact when borrowing and investing in individual instruments.</p> <p>We will continue to monitor and discuss with auditors.</p>
CR17 FINIT 010	Insufficient reserves to respond to another unforeseen event	Section 114 Notice Inability to deliver services		MTFP and budget monitoring processes Savings target Commercial income target		<p>Cabinet & Management team have worked to generate annual savings and with Government covering a significant proportion of income losses the Council's reserves are sufficient to fund the MTFP and some corporate projects.</p>

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
						<p>£4m has been set aside to manage MTFP risks for 2021/22, with £5m to fund the overall MTFP deficit.</p> <p>The draft budget submitted to Cabinet on 24 February together with the report of the Budget Scrutiny Task Group which found the proposals to be sound and deliverable.</p>
CR17 HPC0 04	Reduction in parking income due to changing people behaviour	Negative impact on Medium Term Financial Plan.	 <p>Likelihood</p> <p>Impact</p>	<p>Income monitoring</p> <hr/> <p>Promotional campaigns to increase take up.</p>		<p>Moving into the recovery phase of the pandemic, parking usage is still expected to be down by circa 15% and this has been built into the 2022/23 budget. In relation to mitigating the overarching risk, the base budget including the 15% reduction has now been factored into the MTFP with no anticipated increase. Any increase will create a positive contribution to the Council.</p>

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR17 PRO P002	Inability to make expected return on commercial investment portfolio	<p>Reputational damage of not delivering strategic projects.</p> <p>Financial loss to the council which would impact on the councils Medium Term Financial Plan.</p> <p>Potential loss of income by not achieving the minimum rent at Elwick Place to cover quality maintenance.</p> <p>Inability to let the units at Carlton Road could lead to the need to repurpose or sell the site.</p>	 <p>Likelihood</p> <p>Impact</p>	<p>Monthly monitoring with developer of Elwick Place</p> <hr/> <p>Regular review of tenancies at International House with portfolio holder and marketing agent.</p> <hr/> <p>Established tenants on mid-term leases at International House.</p> <hr/> <p>Monthly review of the market with agent (Carlton Road)</p> <hr/> <p>Current demand for similar product to Carlton Road elsewhere</p>		<p>Carlton Road is performing well. Elwick and Park Mall are need to be kept under review and are being closely monitored. For International House there is a review of the terms on those tenants holding over.</p> <p>The remainder of the portfolio is on track to achieve envisaged returns and sufficient reserves are in place to fund any pressures.</p>

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR17 PRO P011	Ongoing maintenance liabilities exceeding available budget.	Standard of maintenance reduced. Only necessary maintenance carried out.		Programme management & PID process Corporate asset management review Expenditure in line with Asset Management Strategy and prioritised. Stock condition survey		Capacity to deliver the maintenance works due to competing demands on the team, current vacancy within team impacting as well as carbon neutrality initiatives. Some capacity will return once a vacancy in the project team has been filled.
CR20 HOU S13	Reduction in Housing Revenue Account income levels as a result of Covid-19	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		Detailed note provided below:
<p>The team have worked hard to maintain collection levels and work streams to limit the impact of Covid and this is evidenced in recent budget monitoring report. The Neighbourhood Housing Officers have been working as generic since mid-way through the current financial year and have all received refresher training on the arrears collection process. The team have been working in partnership with Revenues and Benefits to access Discretionary Housing Payment when appropriate and with the Welfare Intervention Officers to maximise the support to those tenants who are struggling financially. The stay on possession applications and action was lifted in October, taking this action is a last resort when all other options have been explored and if the tenants in arrears simply do not engage. There has also been the opportunity to access other funding streams where tenant's income and ability to pay has been impacted, we identified recently 300 tenancies who may benefit from this support. We have also introduced monthly performance monitoring for the team and individuals within the team for arrears collection. There will also be a review of generic working in the early part of April 2022 to establish how successful this structure is and if any changes are required to improve performance where required. The Rent Collection Policy is also currently being reviewed to reflect the lifting of Covid restrictions.</p>						

Compliance risks

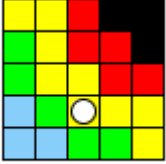
Report Type: Risks Report
Generated on: 23 February 2022



Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR17 FINIT 001	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		All laptops issued as part of recent lease rollout, and all corporate smartphones are protected with the Microsoft InTune MDM (mobile device management) solution. This solution enables IT to remotely wipe these devices of all corporate data if lost / stolen, when they connect to the internet.
CR17 FINIT 002	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		PSN Code of Compliance is still the only compliance regime we have to officially achieve. Due to having our payment systems hosted offsite by Capita and have closed the Tourist Information Centre at the Gateway we no longer have to be PCI compliant, just ensure whoever we use for these services is.

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR17 FINIT 005	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	■	New KPSN circuit is live at the Sevington Border Control Post, and survey work has commenced on a secondary / backup circuit running from a different BT exchange location (Canterbury) and running to / in site via different route for resilience purposes due to importance of the site and its operation.
CR17 HPC0 13	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 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	■	Detailed note provided below.

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
						<p>The 'work from home if you can' Plan B guidance was lifted in England on 20 January 2022. From 31 January 2022, the office hot desk booking facility was reopened. Key members of staff, particularly those that are customer-facing, are continued to work from the office throughout. Mitigation measures remain in place following Covid Secure principles; this applies to visitors and tenants. All precautions are regularly risk assessed, reviewed and are compliant with health and safety law and Covid guidance. Managers have been advised to update their teams and HR have updated messages on Smart Hub to inform staff of the new arrangements.</p> <p>The Covid office outbreak plan was revised in January 2022 and is a valuable document for managers to refer to should they need support in the instance of a single case or outbreak.</p> <p>PPE Cell arrangements continue as PPE is still a useful tool to protect individuals from Covid and is likely to remain in place until at least spring 2022 due to the expected seasonal peak in Covid cases nationwide. This is in line with the governments 'Operation Rampdown' Covid exit strategy and response to the Omicron variant.</p> <p>The review of the Fire Safety Management arrangements has been completed following a delay (it was due to be completed by the end of June 2021). Management Team have identified four named individuals (one will co-ordinate and the other three will implement) who will be appointed as Competent Person(s) under the Fire Safety Regulatory Reform Order 2005. HR has consulted with the individuals about the changes to their responsibilities, the training programme involved and have sent a letter of appointment to confirm the details. They will matrix work across the organisation to provide fire safety expertise and resilience.</p> <p>In addition, a review of the Fire Safety Management policy and supporting framework documentation was scheduled for completion by the end of September 2021 but was delayed. It is now scheduled for completion by Fire Safety Management Group Members and reported to Management Team by the end of February 2022.</p> <p>A full review of the health & safety-related corporate policies and procedures is underway, but they remain valid and current. The ABC Health & Safety Policy has been reviewed and updated, including changes to the sub-group meetings terms of reference and membership. Following internal consultation, via JCC it was presented to Cabinet for sign off in January 2022. Following approval, it has been shared with staff on Smart Hub.</p> <p>An active training and refresher programme is maintained.</p>

Risk Code	Risk Title	Potential consequence	Risk Matrix	Internal Controls	Change	Latest note
CR17 LEG0 04	Non-compliance with GDPR	ICO fines Enforcement notices Reputational damage Customer dissatisfaction	 <p>Likelihood</p> <p>Impact</p>	GDPR action plan Service briefings Dedicated resource Staff training Information Governance Group Consultant legal support for key policies Information Commissioner Office registration	-	Whilst remote working presents data protection risks, a recent six-monthly update on the council's data protection controls showed that there had been no increase in significant data incidents. Continued improvements have been made to our arrangements including Covid-19 privacy notices, training to CMT on data protection and remote working and the introduction of increased security measures when logging into council systems remotely. Also, increased email security is being tested. This is in addition to ongoing communication regarding data protection to all staff. GDPR has now been in place for several years and therefore a review of council policies in particular the retention policy will be reviewed over the coming months to reflect UK data protection laws.

