

Strategic risks

Report Type: Risks Report

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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		Staff training Patching, firewall, policy rules Emergency planning exercise	↑	Risk profile raised slightly to reflect central government and law enforcement agencies response to threats from Russia and recent events. Kent Connects members are as a group, putting pressure on ducl to ensure the KPSN is secure and fit for purpose.
CR17 FINIT 007	Impact of Universal Credit	Increase in Council Tax arrears Increase in homelessness Impact on delivery of housing objectives Staff morale		Not replacing staff that leave Adjusting resources to respond to Universal Credit	—	Risk remains at the same level, working with the DWP, declined funding for UC assistance. Housing for HRA have implemented an IT solution to support rental collection and strengthened the team by expanding the remit of the Serious Arrears Officer into a Senior Area Manager for income and arrears. Implementation date 1/6/18

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CR17 HOU S003	Supply of affordable rented housing keeping pace with demand	Pressure on the housing waiting list Financial impact		Affordable Homes Programme Securing funding sources Partnership working with registered providers.	—	Still high risk due to demand but we are continuing to look at ways we can promote delivery of affordable rent.
CR17 HRC S002	Delivery of Digital Transformation	Wasted financial and resource investment Customer dissatisfaction Inefficient service delivery		Regular project monitoring by MT and the IT and Digital Advisory Board	—	Progress against the action plan appended to the strategy is good particularly on the IT strand and the app is live for soft launch. Increased communications is being developed. Upcoming workstreams will need to be programmed to ensure services can respond to the project.
CR17 PLAN 007	Developers not delivering sites with planning permission to expected timescales (linked to national economy)	Lack of five year land supply not addressed.		Out of ABC's control but do consider viability of key development sites.	—	This risk profile remains unchanged. Whilst outside of the council's control it continues to be monitored and site viability assessments carried out.

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CR17 PLAN 015	Chilmington Green not delivered to time and quality	Five year land supply delayed or not met. Reputation of the council to deliver quality development affected.	<p>Likelihood</p> <p>Impact</p>	<p>Chilmington Delivery Managers Group and themed working groups</p> <p>Quality Monitoring Team</p> <p>Regular high level developer and stakeholder meetings</p> <p>Dedicated co-ordinator</p> <p>Approved design code and quality charter</p> <p>District Deal working protocol</p>		<p>After some initial delays, planning permission granted in February 2018 for first land parcels (346 dwellings). Groundworks now underway. The developer expects to reach above foundation level in June for which a number of S106 triggers are due, relating to the community management organisation (CMO).</p> <p>An application from Jarvis for 99 dwellings at the Hamlet is submitted and further pre-application meetings with Hodson and BDW are underway. Monthly meetings with all the developers are keeping regular oversight of issues, risks and milestones together with internal working groups and monthly reporting to Directors. First occupations expected spring 2019.</p> <p>The Planning Authority are working to the agreed aspirations of the Design Code and Quality Charter to maintain high quality design and delivery, alongside an emerging Quality Monitoring function.</p>

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CR17 POL0 02	Ashford Spurs - works to platforms 3 and 4 to ensure trains can access the station	Reduced international services from April 2018	<p>Likelihood</p> <p>Impact</p>	Communications plan	↑	The works to the platform are complete and the new service was launched. However, since the launch the service had to be suspended due to a technical issue which still provides a risk to accessing Ashford International.
CR17 POL0 03	Ashford College - delivery of phase 1a project to time	Removal of ability for the college to deliver engineering courses in Ashford Non-delivery of ABC part funded college building within timeframes of the funding agreement	<p>Likelihood</p> <p>Impact</p>	Ongoing monitoring with College	→	The college is planning to submit initial funding bids this summer and is working to deliver phase 1a by December 2019. This risk will continue to be monitored until the funding is confirmed and construction has commenced.

Financial risks

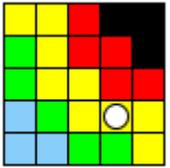
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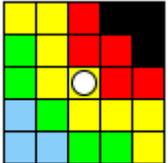
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CR17 HOU S001	Government Policy on sale of high value assets to fund Right to Buy	Not compensated for sale of higher value assets. Loss of capital receipt and on going rent from HRA.		Monitoring legislative developments	■	Risk remains but the policy seems to have lost momentum and government direction is awaited.
CR17 HPC0 04	Downturn in the economy leads to reduction in parking income.	Negative impact on MTFP.		Income monitoring Promotional campaigns to increase take up.	■	There has been no change to the risk profile since the last update.

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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>Potential to consume any shortfall within the total Elwick Place project budget.</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>To date the national economic climate has not significantly affected the council's investments. However, an economic risk reserve has been introduced to manage any fluctuations that may occur in year.</p> <p>The A3 units at Elwick Road are not yet fully let but this does not create a budget pressure for the next two years.</p> <p>At the time of writing, of the 24,000sqft of the Commercial Quarter office block underwritten by the council, 25% are let, 25% have Heads of Terms agreed leaving 50% currently not committed.</p> <p>The completion of the contracts on Carlton Road is imminent and construction works are expected to be completed by late Summer 2018. Rental values will continue to be assed during construction but commercial advisors have indicated that the initial rents of the business case could be exceeded. There is a planned three year implementation</p>

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						<p>phase before the units will be expected to be fully let.</p> <p>Rental income at International House continues to be monitored and remains unchanged with a number of mid-term lets secured.</p>
CR17 PRO P008	Long term viability of Park Mall due to reduction in number of tenants or increased maintenance costs	Impact on town centre economy Impact on council's MTFP Reputational impact	 <p>Likelihood</p> <p>Impact</p>	<p>Regular meetings with marketing and management agents</p> <hr/> <p>Lettings Strategy</p>	-	This risk profile remains unchanged.

Compliance risks

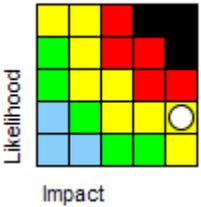
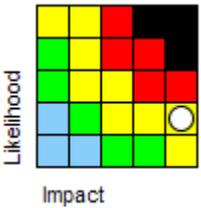
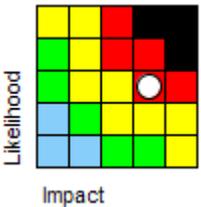
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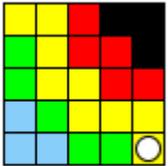
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CR17 ENV0 01	Operational - Memorial headstone Inspections	Potential for death or serious injury from unsafe headstones that have yet to be identified as part of the programme of inspections. Public Safety at Work Act		5 year inspection programme	↓	All the memorial headstones have been inspected, risk rated and secured temporarily where required. The risk remains on the register as not all headstones have been laid down and forward inspections are being programmed.
				Notification letter to all headstone owners		
				Banding and staking high risk headstones		
				Writing to owners of category 2 headstones		
CR17 HPC0 01	Insufficient resources to deliver statutory environmental health duties	Failure to meet statutory inspection duties Unable to respond to Environmental Health incidents		Request to fill vacant post	-	Vacant senior manager post and other vacancies within the service but being pursued.
				Engage temporary environmental resource		
CR17 HPC0 11	Inability to respond to a significant business continuity incident	Inability to continue key business processes Reputational damage		Business Continuity Steering Group	-	Business continuity risks have been reviewed and service controls are in place. The Business Continuity Team are working towards the use of Repton in the event of an emergency.
				Business Continuity Service Plans		
				Business Continuity exercises		

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CR17 HPC0 12	Inability to respond to a major emergency			Emergency Plan Audit of Emergency Planning Staff training (MAGIC)		Current controls are strong and externally assessed as such. Strategic training has taken place at strategic, tactical and operational levels.
CR17 LEG0 01	Insufficient resources in the event Election is called at short notice	Mistakes during election Staff morale Customer satisfaction Reputational damage		Increased staff hours and pay during election period. Well developed corporate support system		This risk profile remains unchanged.
CR17 LEG0 04	Non-compliance with GDPR	ICO fines Enforcement notices Reputation Customer satisfaction		GDPR action plan Service briefings Dedicated resource Staff training Information Governance Group Consultant legal support for key policies		<p>Good progress has been made against implementing the council's action plan for compliance with GDPR in May 2018. Training sessions have been completed, key policies are in the process of being updated and privacy notices have been amended to reflect the requirements of the legislation.</p> <p>This risk remains its current level whilst we wait for the regulation to come into force. There are some specific risks around maintaining unnecessary data which the Information Governance Group</p>

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						addressing. There is also some risk around potential data breaches in planning due to the volume of planning applications and processing deadlines. However, there are controls in place including staff training, visual desk prompts and raised visibility of privacy notices on the ABC website and with planning agents.
CR17 LEG0 06	Failure to implement new warding arrangements at the local elections in 2019		 <p>Likelihood</p> <p>Impact</p>	Project team established		Electoral Services and Members Services are liaising to ensure all the boundary work is passed by council in good time to ensure the parish boundaries full reflect the new Borough Ward Boundaries that will be implemented at the next elections. The aim is to have work completed by October 18 in advance of the publication of the register in December 18.