

Strategic risks

Report Type: Risks Report

Report Author: Charlotte Hammersley

Generated on: 19 September 2019



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		<p>Two simulated "phishing" attacks carried out in July as part of ongoing awareness exercises, targeting Management Team and all councillors, plus officers who did not pass the last exercise and any new 2019 officers. Carrying on from corporate wide exercise carried out in December 2018.</p> <p>The risk profile remains high to reflect the national risk register.</p>
CR17 FINIT 009	Recession	Loss of income Increased caseload Increased demand for Housing and Revenues and Benefits Services		Regular communication with Arlingclose Increased minimum reserves balance		<p>The impact could be high on services and commercial income could be at risk. There are a number of controls around collection and risk reserves are in place. Whilst the overall impact would be reduced due to these measures but the impact could still be high.</p>

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CR17 HOU S002	Insufficient resources to respond to Homelessness Reduction Act	Increase in the number of people presenting themselves as at risk of homelessness. Increase in workload due to need to develop personal homelessness reduction plans.		<p>Staff structure being put in place to best respond to the Act</p> <p>Prevention tools increased</p> <p>Effective use of temporary accommodation</p> <p>IT solution being procured.</p>	↑	Following the implementation of the Homelessness Reduction Act we have now had the opportunity to review the current structure of the Housing Options Team and revised proposals will be taken to Management Team imminently.
CR17 HOU S005	Increasing disparity between rents and Local Housing Allowance	Unaffordable rents. Increase in number of people presenting as homeless to the council.		<p>Unique package to support landlords</p> <p>Social lettings agency</p> <p>Financial incentives</p>	▬	Situation with welfare reform remains as before, and the existing links and risk of rent shortfall and risk of homelessness remains.
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	▬	No change to last assessment. Recruitment ongoing.
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		Ongoing monitoring with College	▬	Delivery of Phase 1a continues to be a priority for the College and potential future providers. West Kent and Ashford College has now gone into education administration. A

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		part funded college building within timeframes of the funding agreement				<p>recommendation from the Further Education commissioner is to split the College with the Ashford Campus being operated by the East Kent College Group in the future. Chief Executive and Economic Development Manager are having regular meetings with all parties to consider the implications for all parties involved. The council is continuing to lobby for the delivery of Phase 1a.</p>

Financial risks

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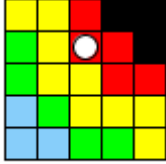

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CR17 HPC0 04	Downturn in the economy leads to reduction in parking income.	Negative impact on Medium Term Financial Plan.		<p>Income monitoring</p> <p>Promotional campaigns to increase take up.</p>	↑	The risk profile has been amended to reflect increased wider economic risks and in line with broader corporate assessment. Some fluctuations by car park are inevitable especially for new sites but all are showing increased activity at present. Ability to adapt pricing and marketing arrangements in light of any decrease in demand. Review of parking charges scheduled this year for implementation from April 2020.
CR17 PRO P002	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>Potential to consume any shortfall within the total Elwick Place project budget.</p> <p>Regular review of tenancies at</p>	↑	<p>In line with the budget monitoring report for the first quarter.</p> <p>Elwick Place: Interests for unit 7b and unit 3 in addition in securing unit 6 Dansaki. The rents below commercial target rents, needs to be closely monitored. Temporary use for the remaining units being considered.</p>

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		Potential loss of income by not achieving the minimum rent at Elwick Place to cover quality maintenance. Inability to let the units at Carlton Road could lead to the need to repurpose or sell the site.		<p>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>		<p>Carlton Road: Interest in the units has reduced and are awaiting the outcome of BREXIT to be known.</p> <p>International House: progress has been made with letting the 11th floor (principle space which remains) with 50% of the space is under offer and is at Heads of Terms.</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>Regular meetings with marketing and management agents</p> <p>Lettings Strategy</p>	—	The risk profile remains unchanged. Whilst there is a growing budget pressure, tenancies profile remains relatively unchanged.

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CR17 PRO P011	Ongoing maintenance liabilities exceeded available budget.	Standard of maintenance reduced. Only necessary maintenance carried out.	 <p data-bbox="817 352 846 456">Likelihood</p> <p data-bbox="817 469 898 489">Impact</p>	<p data-bbox="1090 292 1375 400">Programme management & PID process</p> <hr/> <p data-bbox="1090 416 1375 485">Corporate asset management review</p>		<p data-bbox="1594 292 2136 544">A schedule of repairs and renewals is being produced to assist with the prioritisation of works. The focus is currently on necessary maintenance (lease obligations, statutory compliance and Health and Safety requirements).</p>

Compliance risks

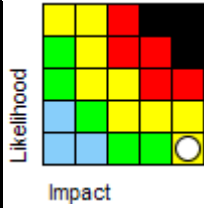

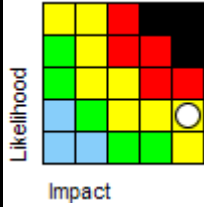

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CR17 FINIT 002	Not achieving codes of compliance: pci and Public Services Network	Potential to stop the council being able to communicate with other public sector organisations.		Patching, firewall, policy rules	■	<p>PSN connection compliance achieved for period to 20th Aug 2020.</p> <p>Remediation plan accepted by Cabinet Office assessors, including retirement of Win 7 desktops & Win 2008 servers by agreed time.</p>
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	■	Risk profile remains the same as last quarter. There is currently a major KPSN project taking place to upgrade this network to 10Gb at the core and by design a more resilient network for all Kent users.
CR17 FINNI T001	Loss or theft of portable devices and data stored on them	Potential breach of council or personal data. Reputational damage.		<p>Remote working and portable devices guidance</p> <p>Portable devices encrypted</p> <p>Data Protection Impact Assessment</p>	■	Risk profile remains the same as last quarter. MDM solution (AirWatch) has been purchased to allow for portable devices to be wiped remotely in the event that they are lost or stolen. The solution now needs to be rolled out across the authority.

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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		All core corporate policies and procedures up-to-date and an active training progress is maintained. The council has a satisfactory record of compliance and strong welfare support for staff.
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. At present it is considered that there are sufficient resources if a snap election was called. This has been tested earlier in the year when the Elections Team were able to mobilise resources to run the EU elections smoothly in May 2019.

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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		The risk profile remains the same. Services are currently being asked to update their Records of Processing Activity (RoPA) for review by the council's Corporate Information Governance Group. This is an area which will require focus over the coming year. The recent consultation carried out across the Mid-Kent authorities found Ashford's response to GDPR to be appropriate but highlighted some areas of non-compliance with the RoPA. Areas of strength identified during the consultation include the Council's Individual Rights Policy and its approach to email retention.