

### Corporate Risk Register

Ref:	Risk cause and event	Risk consequences	Risk Owner	L	I	RAG	Mitigating actions and responsibility	Status update
SR1	Inability of Council to make savings as identified in the Medium Term Financial Strategy and to delivered a balanced outturn for 2023/24 and 2024/25,	Negative impact on the Council's budget.  Council exhausts reserves to balance the budget.  Reduce services / resources.  Section 114 notice required to be issued by Chief Financial Officer leading to cessation of non-essential spend and essential service provision at minimal level.  Reputational damage.	Chief Financial Officer (CFO) & S151 Mark Hak-Sanders	2	4	8	Savings are managed through the Future Tandridge Programme Governance, of which the Chief Executive is Senior Reporting Officer. Savings are also included in regular financial monitoring. Arrangements are: - Maintaining robust budget monitoring and if appropriate, corrective action to ensure spending in line with the budget - Development of a range of actions (savings and other budget improvement measures) to address current and future financial environment to inform future business and budget planning - Fortnightly Programme and Benefits Delivery Board meetings of EMT chaired by the CFO - Weekly EMT or MT meeting as an escalation point - A Programme Team to provide oversight on delivery including action tracking and risk register updates - Specific governance arrangements for key savings areas - Named owners for all savings and risks - Fully allocated savings plan for 2023/2024 - An increased contingency held in the 2023/2024 budget - Detailed savings planning under way for 2024/25, including updates 29 June S&R committee.	At outturn, 94% of savings for 2022/2023 were achieved. The Council completed the year with a small 1% surplus on budget.  The 2023/2024 savings plan was approved by Council on 9 February at £1.7m. Delivery is tracked monthly and reported to each Strategy and Resources and Audit and Scrutiny. Currently 3% (£61k) is RAG rated Red or Black , with 33% (£546k) rated amber. This profile is typical at this point in the year and the amber value is under continual review.  A savings realisation audit for 2022/2023 gave 'substantial' assurance and the audit will be repeated in 2023/2024.
SR4	Failure to meet rental income targets due to market difficulties of renting out council assets and current business tenants not able to make rent payments.	Increased risk of tenants (private and public) struggling to meet rental obligations. Reduced cash flow and impact on budget. Continued economic uncertainty creating increase in interest rates and inflationary pressures such as energy, workforce costs, supply chain pressures and invasion of Ukraine. Changes in ways of doing business, such as online shopping and increased potential of working from home – less office space needed. Increased vacancies following expiring contracts / insolvencies.	Chief Financial Officer & S151 Mark Hak-Sanders	3	3	9	Close contact with tenants and clear understanding of their cashflow issues. Offering short-term rent free periods and deferred payment schemes for previously strong tenants. Proactive, rational and flexible approach to rents negotiations. Proactively seek new lettings and maximising income from existing assets. Good understanding of the local property market and national movement across all sectors. Positive relationship with private tenants. Proactive relationship with council tenants around debt. Proactive engagement with all tenants identified to be at risk (factors include covenant deterioration, payment history and business sector) Proactively seeking rent deposits and/or guarantors where possible for new lettings	Mitigations are ongoing.
SR5	Council is subject to a cybersecurity attack	Data breach.  Impact on delivery of services  Reputational damage.	Head of Transformation and Business Support Melanie Thompson	2	4	8	Cyber Essentials certification in place. - Access to systems and data strictly controlled and data held securely to ensure it is only available as permitted and not at risk of loss or compromise Regular testing of the ICT security perimeter (firewalls), monitoring for new vulnerabilities of systems and a cycle of ensuring all system versions are up to date is in place. - Regular patching cycle of server and desktop infrastructure and also monthly review of security systems (Proxy server, firewalls, switches, backup software, HCI software) Council information governance, which includes cyber security elements, is reviewed quarterly and formally assessed annually. Information governance Board in place. The IT Acceptable Use Policy (AUP) updated with relevant guidance and information on cyber security risks  Scheduled cyber security test exercises. IT staff undertake courses and webinars to keep abreast of emerging trends in cyber security	This is a risk we tolerate because even with the most robust measures it is impossible to fully mitigate against an attack.  The team is working with DLUCH to review all procedures and has received funding to support the work.
S10	Organisational capacity to deliver is impacted	If the organisation does not have capacity to deliver services this has implications for statutory services and could lead to service failure. Capacity problems increase turnover and absence and adversely affect wellbeing and productivity levels. Creates impact on service levels and increasing financial cost to the Council. Issues with significant gap between demands on employees and what they can realistically deliver. This can impact: • Ability to recruit and retain talented staff • Effective prioritisation of key workstreams • Ability to respond to additional priorities • Managing public expectations of service delivery	Chief Executive David Ford	2	3	6	Efficient and effective recruitment and retention processes with targeted HR support and advice provided to hiring managers in place.  Actions being embedded: Annual service and budget planning process aligned with the capacity of the organisation. Review of recruitment process. Development of People Plan. Use of skills matrix to identify gaps. Employing apprentices to grow own talent. Training and development of middle managers. Wider cultural change programme underway	Added to risk register following audit review. Council must ensure it has the capacity to achieve the priorities in the Corporate Plan and to ensure the effective delivery of services. Human Resources and Organisational Development (HROd) lead being recruited.
S12	Corporate Health and Safety policies and procedures not in place	Failing to have good Health and Safety arrangements in place, could lead to loss of service and / or preventable accidents to and ill health of staff, contractors, public or others.  This risk is informed by a number of factors, including: • Compliance with Health and Safety at Work Act • Continuing to reduce the risk of COVID-19 transmission • Civil Duty • Moral and Public Duty	Head of Transformation and Business Support Mel Thompson	2	3	6	Corporate Health and Safety Policy, arrangements and procedures in place - Regular reviews of health and safety arrangements by Health and Safety consultant - Health and Safety action plan in place - Employee induction includes focus on Health and Safety and all employees provided with Health and Safety Guidance - Health and Safety risk assessments in place for all service areas - Covid related risk assessments in place and updated in line with guidance. This includes effective communication and engagement with Staff Hub, Health and Safety Group, and use of external Health and Safety advice - Lone working procedure in place - Fire risk assessments in place for relevant Council properties - Arrangements with partner organisations/contractors to ensure appropriate Health and Safety requirements are in place	Added to risk register following audit review.

APPENDIX C - Corporate Risk Register

P1	Local plan is found unsound by the Inspector	Financial cost to the Council in potentially having to defend inappropriate planning applications at appeal.  Potential to lose control of where development takes place with risk to amount of affordable housing and minimum infrastructure.  Unable to lobby and deliver infrastructure that meets the needs of local residents, public sector partners and businesses for the whole district.  Unable to review Community Infrastructure Levy.  Additional costs associated with developing a new plan.  Reputational damage.	Chief Planning Officer	4	4	16	The Council cannot mitigate against this risk, as the Local Plan will be found unsound, despite the Council's efforts to put forward a modified plan for consideration by the Inspector.  <b>Future actions</b>  Prepare strategy and work-programmes to mitigate impacts of Plan being found unsound.  Continue to work with partners and statutory bodies where appropriate.  Undertake additional evidence preparation.  Continue to assess CIL bids to help support infrastructure delivery where possible	This risk must be tolerated as following the procedural meeting in July 2023, ID/26 has been issued which states the Inspector will be finding the Plan unsound.  Waiting for full Council to decide what action to take to bring the Local Plan preparation to a close.  Existing adopted policies will continue to be used to protect against speculative applications in the Green Belt and defend against poor development in the Green Belt and other locations.  Planning applications will continue to be assessed against the adopted development plan.
H1	Council fails to deliver the target number of properties in the Council House Building Programme, due to poor performance of the contractor, planning delays, unplanned costs, availability of materials and utility providers	Inability to meet local housing need and increase in number of households living in unsatisfactory housing conditions.  Increase in homelessness and related costs. Failure to meet statutory homelessness duties.  Negative impact on resident wellbeing.  Negative publicity and reputational damage.	Lead Housing Development Specialist Nicola Cresswell	3	4	12	Active management of contracts via monthly contractor meetings and day to day contact with the project team. Appointment of an Employers Agent to manage the contractor on behalf of the Council. Programme includes work to minimise inevitable delays resulting from manufacturing delays, material shortages, sub-contract labour being temporarily shutdown. Use of alternative materials to overcome supply shortages, different designs and different finishes and use of materials that are readily obtainable. Early liaison with utility providers by the contractor and the use of mature approved drainage plans within contract documentation.  New homes development programme to increase supply of permanent rented family housing where feasible.  Deliver actions within the Housing Strategy which include improving sheltered housing to encourage downsizing, moving tenants on from family accommodation, supporting Registered Providers to reduce rents and development and implementation of an Empty Homes strategy.  Maximise opportunities to release land for development.  Increase use of private sector housing to meet temporary accommodation demand and prevent homelessness.  Monthly monitoring of supply and demand for affordable housing.  Extend the buy-back programme into 23/24 (subject to budget and committee approval)	Contracts at both Uplands and Bronzeoak in voluntary liquidation following reports of financial difficulties. Uplands has a new contractor appointed and now in possession of the site. Preparation work ongoing for imminent re-start. Handovers expected in both November (3 bed houses) and February (2 bed flats)  Financial assistance package approved by HC for the contractor at the Caterham on the Hill schemes. Schemes now progressing well and no current indication of cash flow problems.  New homes programme seeing an increase in build costs due to material and energy price rises - and the construction industry being energy intensive.  Officers pursuing open market land purchases. Completed on purchase of land in Catherham to deliver 16 affordable homes for rent.  LAHF property purchases (x7) on target to complete by November 2023.  Application for IP status grant funding underway (subject to HC approval to enter Grant Agreement with Homes England)
CS3	Delays in monitoring council owned trees and impact of Ash dieback creates greater risk of tree falls	Risk to life if procedures are not followed.  Reputation of the Council if there are any injuries or fatalities.  Legal implications if Council does not meet statutory obligations under the Civil Contingencies act.  Financial implications due to damage to property / persons.	Head of Operations and Contracts Simon Mander	3	4	12	The Council has a qualified tree officer.  The Council has adopted a Tree Management Plan which sets out how sites are classified as High, Medium and Low risk sites. There is a planned monitoring schedule for site inspections based on their risk score.  <b>Actions to take</b> The Council needs to produce woodland management plans and managing the ash dieback removal project.	Currently there are 22 high risk sites overdue their inspection.  The planned 3 yearly HRA tree inspection programme has been delivered.  2 quotes have been received for producing the Woodland management funds. As a result of improving the quality of data regrading Woodlands the quotes will need to be resubmitted
CS5	Failure of Freedom Leisure Contract	Loss of leisure facilities in the district and impact on residents' wellbeing  Financial implications as two sites are owned by the Council.  Reputational risk if Council seen as unsupportive. Increase in complaints to the Council from residents. Negative impact in Partnership working with Health and Community stakeholders	Head of Communities and Partnerships Julie Porter	3	3	9	A review of the current contract and financial position was carried out by an independent consultant. The findings were presented at the Community Services Committee in June 2023. A bid was submitted via Sports England for the Swimming Pool support fund to assist with the financial pressures due to the increase in energy costs. The decision will be announced in October 2023.	Energy prices have reduced slightly and cost mitigations have taken place on both sites. Regular meetings continue with Freedom Leisure. It was agreed that a Leisure/Wellbeing strategy would be worked on in Partnership with Freedom Leisure and Active Surrey over the next 6 months. The Government will be launching Phase 2 of the Swimming Pool Support fund in September 23. This is an opportunity for local authorities to apply for capital funding for investment in energy measures for pools and leisure centres to reduce future operating costs and make facilities more sustainable.

Risk matrix

Likelihood	Very Likely	4	4	8	12	16
	Likely	3	3	6	9	12
	Possible	2	2	4	6	8
	Unlikely	1	1	2	3	4
			1	2	3	4
			Low	Medium	High	Very High
			Impact			