

Appendix C - 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 2023/2024 and 2024/2025,	<p>Negative impact on the Council's budget.</p> <p>Council exhausts reserves to balance the budget.</p> <p>Reduce services / resources.</p> <p>Section 114 notice required to be issued by Director of Resources leading to cessation of non-essential spend and essential service provision at minimal level.</p> <p>Reputational damage.</p>	Director of Resources & S151 Mark Hak-Sanders	2	4	8	<p>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. Actions in place:</p> <ul style="list-style-type: none"> - Robust budget monitoring and if appropriate, corrective action to ensure spending in line with the budget. - 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 escalation point. - Programme Team provides 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. - Increased contingency held in the 2023/2024 budget. - Detailed savings plan approved for 2024/2025. 	<p>At outturn, 94% of savings for 2022/2023 were achieved. The Council completed the year with a small 1% surplus on budget.</p> <p>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 9% (£146k) is RAG rated Red or Black, with 15% (£255k) rated amber. This profile is typical at this point in the year and the amber value is under continual review.</p> <p>A savings realisation audit for 2022/2023 gave 'substantial' assurance and the audit will be repeated in 2023/2024.</p> <p>Budget planning for 2024/25 is complete, with the budget approved in February 2024, balanced without the use of reserves and with a £0.6m savings plan.</p>
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.	<p>Increased risk of tenants (private and public) struggling to meet rental obligations.</p> <p>Reduced cash flow and impact on budget.</p> <p>Continued economic uncertainty creating increase in interest rates and inflationary pressures such as energy, workforce costs, supply chain pressures and invasion of Ukraine.</p> <p>Changes in ways of doing business, such as online shopping and increased potential of working from home – less office space needed.</p> <p>Increased vacancies following expiring contracts / insolvencies.</p>	Director of Resources & S151 Mark Hak-Sanders	3	3	9	<p>Close contact with tenants and clear understanding of their cashflow issues.</p> <p>Offering short-term rent free periods and deferred payment schemes for previously strong tenants.</p> <p>Proactive, rational and flexible approach to rents negotiations.</p> <p>Proactively seek new lettings and maximising income from existing assets.</p> <p>Good understanding of the local property market and national movement across all sectors.</p> <p>Positive relationship with private tenants.</p> <p>Proactive relationship with council tenants around debt.</p> <p>Proactive engagement with all tenants identified to be at risk (factors include covenant deterioration, payment history and business sector)</p> <p>Proactively seeking rent deposits and/or guarantors where possible for new lettings</p>	Mitigations are ongoing.

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SR5	Council is subject to a cybersecurity attack	Data breach. Impact on delivery of services Reputational damage.	Director of Resources & S151 Mark Hak Sanders	2	4	8	<p>Cyber Essentials certification in place.</p> <ul style="list-style-type: none"> - 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 <p>Scheduled cyber security test exercises. IT staff undertake courses and webinars to keep abreast of emerging trends in cyber security</p>	<p>This is a risk we tolerate because even with the most robust measures it is impossible to fully mitigate against an attack.</p> <p>The team is working with DLUHC to review all procedures and has received funding to support the work.</p>
SR9	Delivering climate change action plan in set timescales.	Delays to reducing operational carbon emissions in line with the 2030 ambition. Negative impact on reputation - Council declared a climate change emergency in 2020. Increased likelihood of flooding impacting properties Extreme weather (heat and cold) impacting vulnerable residents Extreme weather having a greater impact on the day to day delivery of services Detrimental impact on the local environment	Head of Policy and Communications Giuseppina Valenza	3	3	9	<p>Agree to tolerate residual risk as programme is not one of the Council's critical / statutory services.</p> <p>Work underway to co-ordinate and drive forward climate change mitigation activities.</p> <p>Officers involved in various county wide working groups to maintain knowledge and awareness of current activities.</p> <p>EV charging project has been agreed subject to financial and legal sign off.</p> <p>Well rehearsed plans to manage severe weather impact in place.</p>	<p>Services are working to mitigate climate change.</p> <p>Review and co-ordination of activity underway.</p> <p>Cross party councillor working party set up to agree revised strategy and action plan.</p>

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SR10	Organisational capacity to deliver is impacted	<p>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:</p> <ul style="list-style-type: none"> • 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	3	3	9	<p>Efficient and effective recruitment and retention processes with targeted HR support and advice provided to hiring managers in place.</p> <p>Actions being embedded: Annual service and budget planning process aligned with the capacity of the organisation. Review of recruitment process. Use of skills matrix to identify gaps. Employing apprentices to grow own talent. Training and development of middle managers. Wider cultural change programme underway</p> <p>Actions to be taken Development of People Plan.</p>	<p>Future Tandridge Programme has reduced the size of some teams, which has an impact on capacity.</p> <p>Digital project will impact all staff and require support and engagement from all teams if it is to be successful.</p> <p>It has been difficult to recruit a Human Resources Organisational Development specialist, whose focus would be to lead, drive and deliver the actions detailed. The Council is working with Reigate and Banstead to recruit to that post. Some actions are being delivered, for example there are internal working groups reviewing recruitment. Training and development is being offered to middle managers.</p> <p>While recruitment is underway to various posts, until those posts are filled the likelihood rating remains high. Recruitment is difficult in some areas.</p>
SR12	Corporate Health and Safety policies and procedures not in place	<p>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.</p> <p>This risk is informed by a number of factors, including:</p> <ul style="list-style-type: none"> • 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 Operations Simon Mander	2	3	6	<p>Corporate Health and Safety Policy, arrangements and procedures in place</p> <ul style="list-style-type: none"> - 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 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 - IOSH Health and Safety training undertaken. 	<p>Work to improve health and safety is ongoing.</p>

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SR13	Future Tandridge Programme including Digital Transformation Programme	Failure to deliver staff and efficiency savings. Failure of the digital project to reduce direct contact from residents and businesses.	Director of Resources Mark Hak-Sanders	3	2	6	<p>FTP structured into workstreams with clear objectives and owners.</p> <p>Digital Transformation objectives and benefits included in a business case approved in June 2022.</p> <p>Work in progress to deliver the outcomes documented in the business case.</p> <p>Work started to review potential benefits of digital across the organisation and will result in a benefits realisation plan with timeline.</p> <p>Monthly highlight reports.</p> <p>Digital Programme Board set up.</p>	<p>Work continuing on the programme, with regular monitoring of workstreams, monthly highlight reports approved by Sponsors. Savings have been clearly identified and are monitored regularly with owners (EMT). Digital Programme board meets regularly to monitor progress and resolve issues and agree mitigations for risks. A plan has now been shared and a further detailed plan will be created with resource details to enable resource planning across IT and other services.</p>
P1	Lack of up-to-date adopted district wide local plan makes resisting inappropriate green belt applications more challenging.	<p>Financial cost to the Council in defending inappropriate planning applications at appeal.</p> <p>Additional pressures on Development Management and policy teams and ability to adequately resource.</p> <p>Additional costs associated with developing a new district wide plan.</p> <p>Potential delay in bringing forward new district wide plan as a result of government slowness in introducing changes to the planning system. Inability to benefit from the use of transitional arrangements for plan making as a result.</p>	Chief Planning Officer	4	4	16	<p>Action already taken:</p> <p>Interim Policy Statement for Housing Delivery in place and is successfully bringing forward a housing supply.</p> <p>Future actions:</p> <p>Develop strategy and work programmes to mitigate impacts of plan being found unsound.</p> <p>Prepare new Local Plan timetable and update evidence base.</p> <p>Retain existing evidence base on website and review to determine which can remain extant and relied on to inform future decision making and what needs updating.</p> <p>Prepare new evidence to support Development Management and policy functions and the preparation of a new Local Plan.</p> <p>Seek support, eg from PAS, to help ensure a robust approach to future plan-making that takes on board latest advice and experience elsewhere.</p>	<p>Received Inspector's final report recommending non adoption of the Local Plan.</p>
P2	Lack of five year housing land supply including gypsy and traveller land	<p>Financial cost to the Council in potentially having to defend inappropriate planning applications at appeal.</p> <p>Increase in pressure to identify and support sites to accommodate traveller and showpeople outside of plan making.</p>	Chief Planning Officer	4	4	16	<p>Call for sites, update Brownfield Register and HELAA.</p> <p>Updating of traveller need and supply evidence.</p> <p>Defend appeals.</p>	<p>Call for sites completed on 17 March and Brownfield Register updated.</p> <p>Prepare Interim Gypsy, Traveller and Travelling Showpeople position statement.</p>

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P3	Lack of capacity in planning team, difficulty in recruiting permanent staff and issues with IT systems negatively impacts performance.	Financial pressures due to use of interims. Inability to sustainably maintain desired policy work programme. Difficulty providing non-statutory services which are valued because of prioritisation of statutory services.	Chief Planning Officer	4	4	16	Review of recruitment practices and speeding them up. Reduce reliance on interim staff. Recruit apprentices. Review IT systems.	New round of recruitment for permanent staff. Hiring of junior planner(s) to support senior officers to free up time spent on more administrative tasks. Explore opportunities to share resources with neighbouring authorities.
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 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 shut down. 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. Financial assistance package approved by HC for the contractor at the Caterham on the Hill schemes. Two stage contracts investigated. Initial conversations with a MMC contractor and the CIC Building Better who facilitate procurement options and solutions for MMC. Maximising opportunities to release land for development by seeking sites from other public sector bodies, open market transactions and working with Asset Management to identify suitable land holdings. Completed on purchase of land in Caterham to deliver 16 affordable homes for rent. Extension of the buy-back programme with a strategic focus to enable development as well as providing new homes. Utilised preferential grant rates available in the LAHF programme to increase stock of family sized housing. Achieved Investment Partner status with Homes England to allow for grant funding to subsidise the building programme. £1,450,000 secured to date. Capacity issues in team being addressed with additional members of staff. New Housing Development support Officer started this year. Temporary Project manager in place. Working with TDC ecologist to identify suitable land holdings for off site BNG provision. Early appointment of ecologists to design in BNG from an early stage.	Contractors at both Uplands and Bronzeoak in voluntary liquidation following reports of financial difficulties. Uplands has new contractor and work onsite is ongoing. Handovers expected in both March/April. Financial assistance package approved by HC for the contractor at the Caterham on the Hill schemes. Schemes now progressing well and no current indications 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 Continuing investigation into MMC as an option. Consideration of procurement frameworks or Dynamic Purchasing Systems for contractor appointments. Acquisition continues on 2 further land purchases for approx. 20 and 13 homes. One property identified and acquisition in progress. LAHF1 property purchases (x7) completed. LAHF R2 property purchases (x6) to complete by end of March 2024. LAHF 3 to be announced shortly. Bid applications for Windmill/Auckland and wolfs Wood will be submitted shortly. Permanent PM role to commence in April)
CS2	Loss of Goods Vehicle Operating Licence at the depot (due to lack of resilience).	Inability to carry out cess pool services impacting on public health. Reputational impact.	Head of Environment Simon Mander	3	4	12	Agency contacted to provide candidates to cover this role. Discussions with Sevenoaks District Council and Reigate and Bansted Borough Council to see if their transport manager(s) can carry out the work.	An external company has carried out an audit and identified areas for improvement. The interim Transport Manager has left the position.

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CS3	Delays in monitoring council owned trees and impact of Ash dieback creates greater risk of tree falls	<p>Risk to life if procedures are not followed.</p> <p>Reputation of the Council if there are any injuries or fatalities.</p> <p>Legal implications if Council does not meet statutory obligations under the Civil Contingencies act.</p> <p>Financial implications due to damage to property / persons.</p>	Head of Environment Simon Mander	3	4	12	<p>A Tree Management Plan is in place which sets out the inspection regime according to high, medium, and low criteria depending on where the trees are situated.</p> <p>There is a planned monitoring schedule for site inspections based on their risk score.</p> <p>Actions to take The Council needs to produce woodland management plans and manage the ash dieback removal project.</p> <p>Recruitment of the a new Tree Officer</p>	<p>The Council has struggled with the continuous employment of a Tree Officer, which has led to fewer inspections, resulting in a backlog of inspections. This has been challenging to catch up on.</p> <p>Currently there are 22 high risk sites overdue their inspection. This is on hold due to the vacant Tree Officer role.</p> <p>Work underway to commission woodland management consultants to produce the woodland management plan is on hold due to the vacant Tree Officer role.</p>
CS5	Failure of Freedom Leisure Contract	<p>Loss of leisure facilities in the district and impact on residents' wellbeing</p> <p>Financial implications as two sites are owned by the Council.</p> <p>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</p>	Head of Communities Julie Porter	3	3	9	<p>Review of the current contract and financial position carried out by an independent consultant.</p> <p>Bid submitted via Sports England for the Swimming Pool support fund to assist with the financial pressures due to the increase in energy costs. The Council was successful with this bid.</p> <p>Energy prices have reduced slightly and cost mitigations have taken place on both sites.</p> <p>Regular monthly meetings with Freedom Leisure, monthly monitoring submitted to Sports England as part of the Swimming Pool support grant monitoring.</p>	<p>The Council was successful with funding for both de Stafford and Tandridge Leisure. Funds are to be put towards the cost of utilities.</p> <p>A Leisure/Wellbeing strategy is being looked at to be published later in 2024/2025 working with in partnership with Freedom Leisure and Active Surrey.</p> <p>The Council was not successful in Phase 2 of the Swimming Pool Support fund.</p>

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				