Strategic Risk Register

September 2020

Introduction

Risk management is the process of identifying, assessing and managing the risks that we face in attempting to achieve our objectives.

The Council's **Risk Management Strategy** sets our approach to managing risks. The Strategy recognises that we will need to take risks in order to achieve our objectives, yet in doing so we will ensure that the risks we take are well informed and that any negative consequences are managed to an acceptable level.

We manage risks at two levels:

- **Strategic level:** These risks are directly linked to the delivery of the **Corporate Plan.** Being more strategic in nature means they are inherently more risky, with impacts that could be felt Council wide. As such, these risks are closely monitored, updated and reported.
- **Operational level:** These risks are more directly linked with the day to day operation of Council services, and are mainly identified and monitored through the service planning process. Operational risks are monitored and updated locally by our Managers and Officers, however they should be escalated where appropriate through to the Risk Management Group.

The *Risk Management Group* is a working group made up of a cross section of Officers within the Council. The Group has oversight of the risk management process. The purpose of the Group is to ensure that we have effective risk management arrangements in place and that we continue to develop and improve them and keep up with good practice. In addition, the Group takes an active role to monitor and update the strategic risks, and identify actions needed to manage them to an acceptable level. The current membership of the group is under review due to personnel changes.

Purpose

This document sets out our strategic risks. The register (detailed below) shows the triggers for each risk, the impact to the Council if the risk materialises, and the internal controls we have in place to manage the risk. In response to these risks, we have also identified any further actions that we need to take to keep the risk to an acceptable level.

The impact matrix is shown at the end of this document.

Strategic Risk Profile

We assess risks based on *impact* and *likelihood* to gain an overall view of whether the risk poses a significant threat to the achievement of objectives. These are multiplied to give an overall score which is used to inform our response to the risk. The table below summaries the net score (after controls have been applied) for each risk including changes since the last update. The matrix shows Council's overall risk profile, again based on net risk.

Ref	Risk Title	June 2019 Score	September 2020 Score
SR01	Finance	10 Medium	15 High
SR02	Property Investment Strategy	9 Medium	9 Medium
SR03	Asset management & maintenance	9 Medium	9 Medium
SR04	Knowledge, capacity & culture	8 Medium	12 Medium
SR05	Technology	9 Medium	9 Medium
SR06	Information & data management	8 Medium	10 Medium
SR07	Legal compliance, governance & ethics	6 Low	6 Low
SR08	Capacity of community partners	6 Low	6 Low
	Customer Re-Design	*8 Medium*	*Risk Removed*
SR09	Health & Safety (incl. Staff Wellbeing)	8 Medium	12 Medium
SR10	Emergency planning & severe weather events	6 Low	8 Medium
SR11	Safeguarding	4 Low	4 Low
	Local Plan	*8 Medium*	*Risk Removed*
SR12	Covid-19	*NA*	8 Medium
SR13	Temporary Accommodation	*NA*	8 Medium

		Impact				
		Minimal (1)	Minor (2)	Moderate (3)	Major (4)	Critical (5)
Likelihood	Very Likely (5)					
	Likely (4)					
	Possible (3)			SR02 SR03 SR05	**SR04 SR09**	**SR01**
	Unlikely (2)			**SR07 SR08**	SR10, SR12 SR13	**SR06**
	Very Unlikely (1)				**SR11**	

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The summary below maps each of the strategic risks to the Council's Corporate Plan:

No.	Risk	Net Risk Rating	Value for Money	Keep the District Safe	Provide high quality services	Protect the Green Belt	Support and grow the local economy
01	Finance	15 High	✔	✔	✔	✔	✔
02	Property Investment Strategy	9 Medium	✔		✔		✔
03	Asset management & maintenance	9 Medium	✔		✔		✔
04	Knowledge, capacity & culture	12 Medium	✔	✔	✔	✔	✔
05	Technology	9 Medium	✔	✔	✔	✔	✔
06	Information & data management	10 Medium	✔	✔	✔	✔	✔
07	Legal compliance, governance & ethics	6 Low	✔	✔	✔	✔	✔
08	Capacity of community partners	6 Low	✔	✔	✔		✔
09	Health & Safety (incl. Staff Wellbeing)	12 Medium	✔	✔	✔	✔	✔
10	Emergency planning & severe weather events	8 Medium	✔	✔	✔	✔	✔
11	Safeguarding	4 Low		✔	✔		
NEW 12	Covid-19	8 Medium	✔	✔	✔	✔	✔
NEW 13	Temporary Accommodation	8 Medium	✔	✔	✔		

Strategic Risk Register

The strategic risks are detailed below. Each risk has a lead officer who is best placed to co-ordinate the response to the risk. The impact and likelihood of each risk are first assessed gross (without existing controls in place) and then re-assessed following the identification of key controls (net). Actions have been identified to further enhance controls, and progress will be updated quarterly through the Risk Management Group.

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR01: Finance - *Failure deliver a balanced budget* **Lead Officer: Adrian Rowbotham & Alan Mitchell**								
• Impact of Covid-19 on Council income and expenditure • Limited opportunity to generate income through the business rates retention scheme and New Homes Bonus • Effect of council tax referendum limits • Low, decreasing and uncertain level of government grant • Uncertainty of the timing and outcome of the Government spending and fair funding review • Potential for negative government funding (local authority to make payments to Government) • Effect of cost of external borrowing on the Council's budgets • Loss of external funding • Accuracy of budget assumptions • Ability to identify increase in savings requirement to deliver a balanced 10-year budget • Failure to meet savings targets • Poor financial plans and strategies • Ineffective financial governance	• Poor financial health • Inability to maintain services and deliver Council Vision and Promises • Requirement to issue S114 notice • Reputational damage • Negative impact on staff morale and potential recruitment and retention difficulties • Poor outcome for the Audit of Accounts or Value for Money assessment • Potential for increased intervention	4	5	20	• Self-sufficient budget position; no reliance on direct government funding • Long term 10 year budget framework • Savings Plan • Flexible use of reserves • Property Investment Strategy • Strong financial and scenario planning over the short, medium and long term • Effective budget setting and financial monitoring processes embedded • Financial and budget risk management process in place • Effective financial governance including reports to FAIC, Cabinet, Audit Committee and Scrutiny Committee • Qualified and experienced officers in post • Annual Internal and External Audit reviews *Note: The net score is still high because of the current volatility of the external situation and because the net impact could be more than £1m. We would expect to be able to revise this down when we have greater financial certainty or once the new 10 year budget is in place*	3	5	15

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR01: **Finance** - *Failure deliver a balanced budget* Lead Officer: **Adrian Rowbotham & Alan Mitchell**								
• Lack of capacity and skilled professionals within the finance team • Failure to maintain proper financial and budgetary controls								

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR02: Property Investment Strategy – *Failure to identify opportunities to meet the Property Investment Strategy*								
Lead Officer: Adrian Rowbotham & Detlev Munster								
- Ability to seek appropriate investment opportunities - Appetite for risk within investment strategy to enable the Council to generate target returns - Ability to deliver sufficient funds to maximise the opportunities presented through the Property Investment Strategy - Appetite to prudentially borrow over the medium to long term - The cost of interest payments - Lack of capacity or skilled professionals to advise on investment and borrowing strategies - Ineffective governance processes that could result in opportunities being missed or being ineffectively scrutinised - Ineffective use of Quercus 7 to support the Council's investment strategy - Ability to borrow funds including the effect of government legislation changes - Covid-19 / Economic conditions – ability to find or retain tenants, collect lease or rental income, reduction in asset values	- Lack of diversity in investments - Cost of interest payments - Negative impact on budgets, reserves and the ability to deliver Council projects - Poor financial health - Unable to maintain low increases in council tax levels - Reputational damage - Poor outcome for the Audit of Accounts or Value for Money assessment and potential for increased intervention	4	4	16	- Council approved Property Investment Strategy, with defined rates of return demonstrating risk appetite - Governance arrangements defined with appropriate delegations agreed - Qualified and experienced officers in post - Professional, external advisers engaged to support the development of strategies and fill skills gaps - Effective budget setting and financial monitoring processes embedded - Effective financial governance including reports to FIAC, Cabinet, Audit Committee and Scrutiny Committee - Regular Quercus 7 Board and Trading Board meetings – including regular review of investment parameters to monitor market fluctuations	3	3	9

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR03: Asset Management & Maintenance – *Losing the ability to:* *a) Dispose of surplus land;* *b) Maintain and develop assets and land holdings;* *c) Secure tenants for vacant or part-vacant assets* Lead Officers: **Adrian Rowbotham & Detlev Munster and Alex Dawson**								
- Lack of finance to deliver asset management plans and maintenance programmes - Lack of capacity to appropriately manage, maintain and invest in the council's assets - Failure to maximise the benefit from asset disposals - Lack of tenants to occupy vacant or part-vacant assets - Lack of buyers for surplus Council land - Failure to adopt effective governance procedures - Project management skills to ensure cost effective and robust developments - Failure to identify partners to take forward projects and initiatives - Loss of contracted providers to manage and operate assets - Covid-19 / Economic conditions – ability to find or retain tenants, collect lease or rental income, reduction in asset values	- Decrease in asset values placing increased pressure on council budgets - Failure to maximise the opportunity to raise income from investment in assets - Increased insurance premiums - Adverse impact on service delivery - Loss of investment or income opportunities - Reputational damage - Closure of public assets and loss of community facilities	4	4	16	- Property / Asset Register (record of land in Council ownership) - Annual review of Asset Management Plan - Asset maintenance budgets reviewed annually - Ongoing strategic review of council owned property - Inventory registers in place - Financial procedure rules and disposal policy in place - Economic Development & Property team in place - Professional, external advisers engaged to support the development of strategies and fill skills and capacity gaps - Capital Programme and Asset Maintenance 2019-22 plan in place - Surveys of all Council buildings completed and reflected in Asset Maintenance plan - Long term leases in place with providers with regular monitoring	3	3	9

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR04: Knowledge, capacity & culture - *Management of the Council's human resources fails to protect the Council's culture, making it difficult to address gaps in capacity and knowledge* Lead Officer: **Jim Carrington-West & Graeme Taylor**								
• Continuing reductions to Council budgets • National and local pay constraint • Employment and retention of high quality staff • Amendments to the Local Government Pension Scheme • Increased demand for services and high levels of work with reduced capacity and resources • Requirement for new skills to deliver the Council's Corporate Plan promises • Lack of capacity within the Human Resources team to develop policy and support the workforce • Ineffective succession planning • High staff turnover • Loss of IIP Platinum status • Impact of Covid-19 on working practices and greatly increased working from home	• Lack of resources to employ, develop and support the wellbeing of staff • Impact of poor mental health across the organisation • Reduced morale and staff satisfaction • Reduced productivity • Reduced quality of staff and work / services • Unable to recruit or retain high quality staff • Increased absence levels • Unable to continue to deliver the range and quality of services currently experienced • Skills gaps that inhibit the ability to deliver Council projects • Reputational damage as an employer and a service provider	4	4	16	• 10 year budget minimises the need for short notice changes to the workforce • HR Strategy including workforce development plan, recruitment and retention policies • Managing Attendance Policy supported by return to work and staff wellbeing initiatives • Staff Appraisal Scheme and Personal Development Plans • Regular Staff Surveys and Investors in People Assessments to benchmark effectiveness as an employer • Management and Staff Development programmes to support staff and protect the organisational culture • Ability to engage professional, external advisers to support the organisation and fill skills and capacity gaps • Investors in People Platinum status maintained (re-assessed in February 2019), demonstrating the Council is a high quality employer ACTION: Re-evaluate HR strategies, training, development and retention plans and internal communications to address the post Covid working environment	3	4	12

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR05: Technology - *The Council's Information Technology doesn't meet the needs of the Council, Members, Officers and the local community* Lead Officer: **Jim Carrington-West & Matt Mitchell**								
• Lack of finance to effectively procure and develop IT infrastructure and solutions across the Council • Lack of capacity and skilled professionals to procure, implement and develop IT infrastructure and solutions across the Council • Failure to identify areas where IT solutions could improve service delivery and reduce costs • Failure to implement robust IT security arrangements in existing and new infrastructure and software • Failure to meet the demands of partnership working in the delivery of solutions and on-going IT support • Poor data management preventing the implementation of new services • User base may not have sufficient broadband to work from home	• Failure to effectively deliver Council services and objectives • Failure to benefit from the service efficiencies good use of IT would deliver e.g. channel shift, demand management, digital services • Failure to maximise the cost savings and value for money efficient use of IT would deliver • Security lapse could compromise the Council IT network and render systems inoperable • Data loss • Reputational damage • Failure to deliver projects within required timescales • Failure to provide adequate day to day support to customers • Failure to prioritise projects effectively as financial resources reduce	3	4	15	• IT Strategy and Action Plan • IT Security Policy • Business Continuity Plan • Disaster recovery plans in place • Network security measures in place including firewall and access level controls • Risk management and procurement practices in place within the IT Service • Experienced staff in post • Effective budget setting and financial monitoring processes embedded • Officer groups in place to support progress of digital services	3	3	9

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR06: Information & Data Management – Failure to properly protect, preserve and make best use of the data and information resources that the Council holds Lead Officer: **Jim Carrington-West & Martin Goodman**								
• Lack of capacity or skills within the workforce to implement a knowledge management system • Lack of IT capacity to support a knowledge and information management system • Ensuring compliance with the requirements of the Code of Connection • Ensuring security levels are appropriate to protect data and information without preventing effective and efficient service delivery • Breach / non-compliance with General Data Protection Regulations (GDPR)	• Breach of regulations and potential for significant financial penalties • Impact on residents / customers • Failure to meet the Council's objectives • Failure to continue to deliver high quality services across the Council • Increased costs from recruitment and staff training • Negative impact on the organisations culture and on staff morale • Reputational damage	4	5	20	• Data Protection policies in place and available to all staff • Training for all staff on Data Protection • IT Strategy, Plan and related policies in place • Annual assessment against the Code of Compliance • Disaster recovery plans in place • Business Continuity Plan in place • Information Governance Policy endorsed by SMT	2	5	10

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Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR07: Legal compliance, governance & ethics – *Failure to recognise and adapt to changes in legislation and to deliver proper governance, scrutiny and internal control to protect the Council from poor practice and mismanagement* Lead Officer: **Jim Carrington-West & Martin Goodman**								
• Lack of capacity in the workforce to identify and adhere to legislative changes • Lack of finance to adjust to changes in legislation • Lack of Member or Senior Management support to deliver service changes in response to new legislation • Breakdown in relationships between Members and Officers • Lack of capacity and skilled professionals within the Legal, Democratic and Internal Audit teams • Lack of financial resources to deliver high quality governance arrangements • Governance arrangements which may not provide effective oversight of shared service arrangements • Lack of skills and resources to provide Counter-Fraud and Corruption service • Ineffective support for Councillors in relation to governance, legal compliance and ethics • Procurement undertaken outside of / in breach of the Rules	• Failure to fulfil statutory duties resulting in government intervention and an increase in legal liabilities • Failure to continue to deliver high quality services • Increase in customer complaints and falling satisfaction levels • Increase in incidences of fraud and error • Failure to maximise the opportunities changes to legislation may bring • Ineffective political and management leadership • Ineffective scrutiny of decision making and performance • Failure to deliver statutory requirements including an up to date constitution, an effective Internal Audit function and an Annual Governance Statement • Reputational damage	3	4	12	• Dedicated Lexcel accredited in house Legal team with qualified and experienced officers in place • Professional managers within service areas • Council's Constitution including Codes of Conduct, Officer / Member Protocol and Standards regime • Cabinet and Committee Structure including Advisory, Governance, Audit, Scrutiny & Standards Committee's • Monitoring Officer and Section 151 officers in post • Effective budget setting and financial monitoring processes embedded • Annual review of Committee Terms of Reference • Members Handbook and Training • Annual Governance Statement and action monitored and plan reported to Audit Committee **Action** • **Reframe procurement group and framework** • **Review risk management framework including operational risk management**	2	3	6

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR08: Capacity of Community Partners - *The impact of austerity and reduced public spending on the workloads and budgets of community partners and the voluntary sector* Lead Officer: **Sarah Robson**								
• Reductions in Government funding of partners such as housing, health, leisure, Police and Fire & Rescue services • Increased demand on partner resources and services as a result of Covid-19, against historic reductions in government funding • Changes to the way Government grant is distributed inhibiting the delivery of local priorities e.g. health funding • Reductions in Council grant constraining the funding available for community grants • Reduction in the number of voluntary sector organisations operating in the District as a result of funding difficulties or lack of willing volunteers	• Unable to deliver the priorities and actions set out in the Community Plan, Community Safety Action Plan and Health Action Plan • Unable to deliver on the priorities and actions set out in the Council's health and housing strategies • Increased hardship in the District • Greater health inequalities across the District	3	3	9	• Robust budget setting processes in place which considers the benefits of the Council's community grant scheme and Service Level Agreements • Representation on the Kent and Medway COVID-19 District and Communities Recovery Cell • Continue regular interaction with advisers at the MHCLG • COVID-19 Communities and Economy Recovery Plans adapted and being delivered • Ability to attract external funding to sustain community projects • Strong relationships with local community and voluntary groups • Community Awards Scheme to celebrate the success of local residents and community projects and promote the benefits of volunteering • Local Strategic Partnership for the District • Robust monitoring • Voluntary Sector Forum for the District • Partnership Agreement in place and monitored with West Kent Housing Association	2	3	6

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR09: Health & Safety - *Breach / non-compliance with Health & Safety legislation and practices resulting in harm to workforce* **Lead Officer: Richard Morris, Adrian Rowbotham, Annie Sergeant, Alex Dawson and Trevor Kennett**								
• Ineffective or lack of Health and Safety Policy, guidance and training for staff • Ineffective controls for the management of Health and Safety • Ineffectiveness of health and safety risk assessments • Lack of awareness of health and safety controls and practices at work • Lack of capacity and skills to ensure continuous provision of high quality health and safety in the work place • Property standards decline • Threats posed by the pandemic – both in the office and - how we use everything • Increased home working in the light of Covid-19 - equipment and facilities - staff not have equipment to work from home • Covid – ways of working in the office	• Poor working practices • Increased absence from work • Work place accidents and near misses • Health and Safety Executive inspections and fines • Reputational damage as a service provider and as an employer • Corporate Manslaughter • Financial impact • Non-compliance with statutory requirements	4	5	20	• Health and Safety Policy regularly updated • Health and Safety guidance • Health and Safety risk assessments • Health & Safety risks included within Operational Risk Registers • Regular review and monitoring of risk assessments and safe working practices • Health and Safety training • Health monitoring • Accident recording, monitoring and action planning • Qualified Officers undertake H&S risk assessments • Occupational health service • Effective risk assessments for Covid-19 to protect staff, customers and Members, that are regularly reviewed and communicated • Corporate Health and Safety update reported to SMT quarterly • Staff wellbeing (Health, Safety and Security) is a standing item on the SMT agenda.	3	4	12

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR10: Emergency planning & severe weather events – *Ability to respond effectively in the event of a prolonged major incident while maintaining the ability to keep services running* Lead Officer: **Adrian Rowbotham & Alex Dawson**								
• Adequacy of emergency plan & business continuity plans • Ability to appropriately implement emergency plans in response to any given event • Capacity or specialist skills within the workforce to co-ordinate and respond to a major emergency • Controls for major emergency hazards • Security – responding to national threat levels (move to critical plans within the major) emergency plan) • Resilience in the face of a long-term event • Multiple successive and/or simultaneously occurring events i.e. EU exit, Covid and a severe weather event	• Disruption to the community and to community services • Inability to maintain Council services • Excessive non-recoverable expenditure on response • Loss of Council information • Reputational damage • Inability to adequately respond to multiple occurring events either separately or concurrently • Insufficient staffing capacity to deal with a long term and/or major /or concurrent event(s)	3	5	15	• Emergency Planning Officer Group • Expertise to formulate and co-ordinate the Council's emergency response • Programme of training delivered to staff on Emergency Planning & BCP • District Major Emergency Plan (including BCP) in place, regularly updated, enhanced and tested • Community Risk Register • IT Disaster Recovery Plan in place & tested • Collaborative arrangements and plans agreed with other Category 1 and 2 responders, Town and Parish Councils, the voluntary sector and others • Access to support resources from across the Council, including Direct Services • Applied learning from experience of emergency and flooding incidents • Council is a member of the Kent Resilience Forum which gives access to expertise and resources • Business continuity impact assessments undertaken identifying priority services • Mutual aid provision via CCA	2	4	8

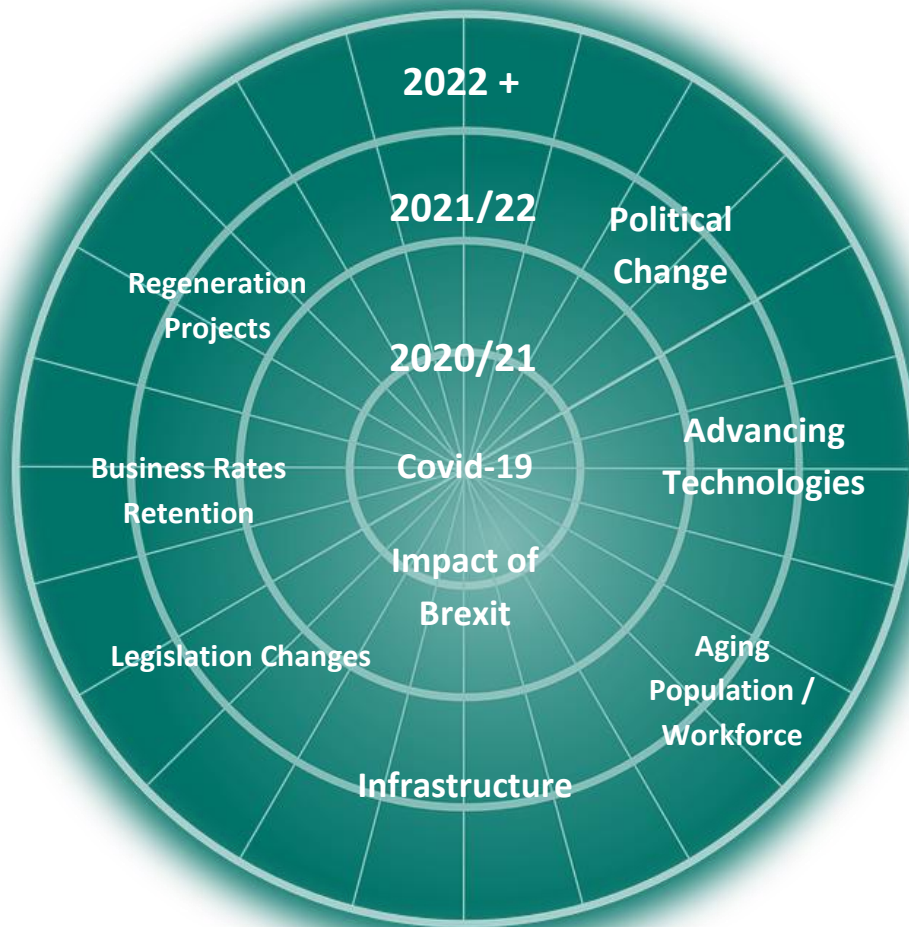| Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR11: Safeguarding - Failure to identify and act on a Safeguarding concern Lead Officer: **Sarah Robson & Jim Carrington-West**								
• Failure by the organisation or a member of staff to take action to refer a child or vulnerable adult to the appropriate agency when we become aware that they may be at risk • Training and awareness of Safeguarding duties and processes • Increased interaction with potentially vulnerable children and adults • Reductions or loss of resources, capacity and knowledge / expertise	• Could result in domestic homicide, suicide or other death, injury or continuing neglect, continuing modern slavery, human trafficking, terrorism • Damage to public confidence and Council reputation	2	4	8	• Safeguarding Policy • DBS checks in place for relevant staff • Training for staff • Promotion of safeguarding to all staff through posters, Safeguarding newsletters and Grapevine • Simple reporting arrangements • A corporate Safeguarding Group to continually review and update policy and processes, and monitor strategic risk • Workload management process and analysis kept up to date to ensure staff capacity to respond • Staff trained as trainers • Trained Designated Safeguarding Officers • Lead Chief Officer reports regularly to SMT • Deputy Lead is also a Chief Officer • Annual Section 11 Audits to provide external assurance • Good working relationship with KCC and the Kent Safeguarding Boards • Rollout of Net-Consent to evidence communication and awareness of Policies and Procedures • Staff sign up to the policy online and complete online training as soon as they join the organisation.	1	4	4

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR12: **Covid-19 – impact on SDC** - *The impact of the current pandemic on the ability to operate the Council effectively and to continue to provide services to residents and businesses* Lead Officers: **SMT**								
• Ability to provide a Covid-secure work environment • Loss of staff through illness, self-isolation and shielding • Impact on suppliers and partners • Impact on Council finances and budgets • Increased needs of residents and demands on services • Managing new responsibilities to support residents and businesses	• Loss of staff essential to the provision of services • Temporary closure of council offices • Temporary pause on Council services • Insufficient budget to maintain all services • Interruptions to supply chain causing disruption to services • Insufficient resources to meet increased demand for new or existing services	3	5	15	• Covid-19 Health and Safety Policy to implement and sustain a Covid-secure work environment in place and regularly reviewed • Covid-19 health and safety risk assessments in place and regularly reviewed • Business Continuity Plans in place to prioritise service delivery and allocation of council resources • Tested and effective home working arrangements in place • Flexible working practices adopted to assist colleagues with national or local measures such as school closures • Increased cleaning and hygiene protocols and practices implemented • 10 year budget in place, with effective budget monitoring to address short term impact on council finances • Ability to seek alternative suppliers in the event of disruption to supply chains • Effective use of technology to enable the continuation of officer and Member aspects of the organisation	2	4	8

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR13: Temporary Accommodation – *Inability to effectively manage the volume of people presenting themselves as homeless and the additional pressures placed on the homeless budgets.* Lead Officers: **Sarah Robson**								
• Changes in government funding • Rising numbers of placements	• Failure to fulfil statutory obligations • Impact on life chances and outcomes for individuals and families in temporary accommodation • Increased risk of legal challenge due to provision of unsuitable accommodation (including shared accommodation) • Pressure on other services	4	4	16	Focus on preventing homelessness and diversion to alternative housing options through: - Landlord and Tenancy advice, support and sustainment - Assistance, (including financial aid) to access the private rented sector - Access to employment and training - Debt, money, budgeting and welfare benefits advice, including assistance to resolve rent and mortgage arrears - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Implementation of the Quercus Housing Business Plan to ensure the supply reduces the reliance on nightly paid accommodation - Implementing the Homelessness Strategy - Incentive campaign for private sector landlords embedded and benefits being realised	2	4	8

Strategic Risk Radar

Long-term horizon scanning allows us to be aware of key risks which are, as yet, too uncertain to assess or quantify. By keeping our eye on and tracking these issues we are able to draw them down into the strategic risk register when the timing is right. Having a longer-term view of strategic risk also enables us to be aware of local, sector-wide and even global issues. The chart below shows some of issues we are keeping on our radar

Sevenoaks Impact Matrix

Impact Headings	Financial	Service Delivery & Capability	Reputation	Legal & Regulatory	People & culture
	Relating to uncontrolled expenditure or loss of income	*Relating to operational delivery of services / objectives*	*May cause harm to public confidence or embarrassment*	*Related to breaches of law, rules or governance*	*May impact negatively on our workforce, culture or values*
Critical (5)	Uncontrolled financial losses in excess of multiple **£m's**	Failure to deliver *statutory* service / service disruption for **>14 days**	National adverse publicity perceived as failing in a significant area of responsibility	Breach of law, regulations leading to significant sanctions Breakdown of governance / internal control resulting in fraud	Significant staff dissatisfaction / increased long term absence & staff turnover Loss of culture and value framework
Major (4)	Uncontrolled financial losses in excess of **£1m+** overspend in budget by **>£1m+**	Unable to deliver *discretionary* service / service disruption for **>14 days**	Sustained negative local media attention & damage to public confidence	Breach of law or regulation leading to some sanction Breakdown of internal controls open to abuse	Adverse staff dissatisfaction / likely increased absence and turnover of staff Negative impact on culture & value framework
Moderate (3)	Uncontrolled financial losses between **£500k - £1m** / overspend in budget by **>£500k**	Unsatisfactory service performance / service disruption of **>5 days**	Isolated negative local publicity	Breach of regulation or internal standard (limited sanctions) Isolated internal control weaknesses	Declining staff dissatisfaction Isolated instances of behaviours outside of value framework
Minor (2)	Uncontrolled financial losses between **£100k - £500k** / overspend in budget by **>£100k**	Reduced service delivery / service disruption for **7 hours**	Local publicity, but manageable through communication channels	Breach of internal policies Internal controls partially effective	Isolated areas of staff dissatisfaction / likely impact on absence and turnover
Minimal (1)	Uncontrolled financial losses less than **£100k** / overspend in budget less than **£100k**	Disruption managed within normal day to day operations	Unlikely to cause adverse publicity	Breaches of internal procedures / working practices	Loss of staff morale but unlikely to result in absence or turnover of staff