

APPENDIX 1

CORPORATE RISK REGISTER

This register summarises the Councils most significant risk. It sets out controls in place and identifies any further action needed to mitigate risks. Actions are assigned to appropriate officers with target dates for implementation.

Level of risk: Likelihood vs. Impact on a scale of 1 (lowest) to 4 (highest)

Content reviewed September 2017 by the Internal Audit Manager

PREVIOUS RAG (SEP)	CURRENT RAG (MAR)	RISK / CONSEQUENCES	LIKELIHOOD OF RISK	IMPACT OF RISK	LEVEL OF RISK (to evaluate)	CONTROLS	OUTSTANDING ACTIONS	RISK OWNERSHIP	TARGET DATE	PROGRESS /REASONS WHERE NOT IMPLEMENTED
		1. Health and Safety failing resulting in death or serious injury to staff /public and legal action against the Council	2	4	4	Policies and SHE (Safety Health and Environment) system . The Health and Safety Policy went to Cabinet for adoption on the 21 June 2017. The Health and Safety, Insurance and Risk Administrator manages the SHE Database, overseen by the Health and Safety, Insurance and Risk Manager. The Spelthorne Safety Management system is built on the IOSH Managing Safety course syllabus and terminology. Managers have a legal requirement to conduct regular risk assessments. Induction training. Annual reminders have been introduced to encourage all employees to complete/update health and safety risk assessments (DSE, Homeworking, and Service). The SHE system is being used to ensure that automatic reminders are set for completion and renewal of risk assessments. Annual health and Safety checklist and compliance programme for Managers. Personal Safety Training provided and Lone Worker protection process being pursued. Safety Champions designated for each Service.	<i>1i. Recommendations raised in an Internal Audit review of January 2017 are being pursued. There is scope to tighten up controls relating to training and the 2017 Management activity/compliance programme 1ii. The inspection process across the authority needs to be made more robust - regular inspections to be carried out and consistently documented to ensure evidence is available.</i>	HSIRM/ SEHM/ MAT/ All Group Heads *	31 December 2017 *R Requires Monitoring	1i. The Health and Safety Officer has developed an annual rolling plan of actions and activities for Managers such as conducting annual risk assessments and inspections. This is now due to take effect from January 2018. To ensure the delivery of the annual rolling plan, Champions for Health and Safety have been identified in each Service area to implement the necessary actions. Health and Safety at Work Regulations have been circulated for Managers attention. Training sessions are in place through the Council's IOSH training provision and Group Heads, Managers and Team Leaders are being encouraged for Champions to attend. The Managers and Team Leaders Guide to Health and Safety will (once completed) include instructions for the use of SHE (Health and Safety Management system). The Health and Safety Officer is also in the process of arranging training sessions for all staff on the use of SHE. 1ii. This issue will be raised at the next Corporate Risk Management Group. This group have not met frequently since 2016, due to the organisational restructure and uncertainty over some working groups.
		2. Uncertainty surrounding the financial /economic/other consequences of contaminated land. Legal action against the Council.	2	4	4	Legal duty to inspect land and prioritise action. Documented records of all site investigations and assessments held. A separate risk assessment is held which is reviewed regularly. Contaminated land risk assessment was reviewed in November 2016, with the next review due November 2018, or sooner if need be. Reports periodically issued to Management Team and Cabinet. The revised contaminated land strategy went to Cabinet for adoption in June 2017.	NONE	SEHM*	Completed/ Ongoing Monitoring	Case law (Powys CC v Price & Anor, Court of Appeal - Civil Division July 2017 EWCA Civ 1133) has held that local authorities are not liable for pollution created by its statutory predecessor council landfill operators. This landmark case reduced the liability for local authorities in respect of Part 2a Contaminated Land. In consequence it does increase the liabilities of landowners near operational and historic council landfill sites; highlighting the importance of land purchases of pre-purchase land contamination risk assessment.
		3. Disaster- major in borough, e.g. flooding, resulting in significant strain on council services	2	4	4	Corporate Emergency Plan updated January 2016. Multi- agency flood plan completed December 2015. Function being delivered via the Mutual Applied Resilience Service. Membership of Local Resilience Forum (LRF). Regular testing of Emergency Assistance Centre plan. Borough Emergency Centre Plans.Improvements made to the Business Emergency Centre (BEC) by ICT. Incident management training and exercising. The two DCX's have attended Multi-Agency Gold Command Courses. Emergency Response requirements remain the responsibility of the authority. Contract agreement in place with Applied Resilience, with increased resilience and support for Emergency Planning. Prevent Strategy training provided to front line officers as well as an awareness briefing to all staff (March 2017).	<i>3i. Monitoring the agreement with Applied Resilience should incorporate specific targets and expected outcomes in order to measure actual performance. Monitoring needs to be meaningful and clearly evidenced. 3ii. A Borough Emergency Centre Exercise will be taking place in October providing an opportunity to test plans.</i>	CX (RT)/ GH C & T*	31 December 2017* R Requires Monitoring	3i. Implemented and monitoring continues to be undertaken by the Group Head for Commissioning and Transformation. Between July and September Applied Resilience have undertaken a series of Borough Emergency Centre training sessions for staff to increase preparedness for an incident.
		4. Failure to manage corporate and service performance / failure to meet Council objectives and targets (Performance Management)	2	3	3	The Corporate Plan sets out targets for the authority which should be monitored by Members and Management Team. Service performance should be monitored by Management Team. Individual performance should be monitored through the appraisal process. Flagship project performance is reported to Management Team and Members. Performance Management Working Group has been established to improve monitoring arrangements. Revised Corporate Plan approved and publicised. Recommendations highlighted in an internal audit review of October 2016 have been addressed for the 2017/18 Service Planning process (including re-establishing annual performance reviews of Service Plans, ensuring a clear Service Plan guideline and timetable is communicated, scheduling performance indicator returns into the Cabinet forward plan, scope to make some existing performance indicator's more meaningful and improved monitoring of the staff appraisal process).		MAT / DCX LO/GH C & T	Completed/ Ongoing Monitoring	Annual performance reviews for 2016/17 have been completed where feasible and an overview has been prepared in draft. Previous actions have been addressed. Group Head for Commissioning & Transformation has confirmed implementation of internal audit recommendations raised for this area which have fed into the 2017/18 service planning process. See also risk category 5 below.

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		5. Failure to align service objectives to corporate aims and priorities / Failure to deliver services effectively due to poor service planning	2	3	3	The Corporate Planning process should set out a clear vision for the authority and specific targets. Some services have statutory responsibilities. Individual Service Plans should be derived from the Council's Corporate Plan and statutory/other responsibilities. Plans incorporate resources, risks, workforce, significant projects and performance indicators. Service Plans for 2016/17 have been prepared following the restructure and placed on Spelnet.	5i. Service Plans are being prepared, taking into account the latest Corporate Plan and priorities. They will be made available on Spelnet, enabling other services to assess the likely impact.	Group Heads/ MAT / DCX LO/GH C & T	31 December 2017 *R Requires Monitoring	See also risk category 4 above. 5i. The majority of Service Plans for 2017/18 have been completed and placed on Spelnet.
		6. Failure of projects due to poor project management arrangements. Lack of resource and expertise to deliver and coordinate asset related/other projects whilst continuing to maintain services.	2	3	3	1. Project management arrangements are in place including process for project initiation, consideration of resources available to deliver, identification of project risks and progress reporting processes. Corporate Project Register updated as necessary. Corporate Project team is in place. The Council's Management Team ensures project documentation is completed, resource implications assessed and agreed control processes adhered to. On a quarterly basis a report goes to MAT, Cabinet Briefing and Overview and Scrutiny committee outlining progress made with projects and the work of the corporate project team.	6.1 i. Development of a Contract and Procurement Hub by December. 6.1 ii. Prepare an action plan for the implementation of the Hub.	MAT /GH C & T*	31 December 2017 *R Requires Monitoring	6.1 - A plan is held for the development and implementation of a Contract and Procurement hub, setting out the Council's strategic approach to Procurement. New Procurement Officer appointment commencing from September 2017. Looking to continuously improve processes and currently developing improved reporting systems and paperwork to streamline the process and encourage further organisational buy-in enabling monitoring of performance and successes more easily.
							6.1 iii Management team to consider limited capacity and revenue implications prior to approving additional / new projects. 6.1iv. The new Procurement Officer to promote the importance of following correct procurement processes in delivering projects.	MAT	Ongoing monitoring	Approx. 35 projects are currently being tracked through the Project Office and TaSF programme. Resourcing of projects remains an ongoing challenge. The new Procurement Officer will be focussing on procurement in the projects process during the coming months.
						2. Staines upon Thames - The Group Head for Regeneration and Growth oversees Staines upon Thames regeneration with support from consultants. 5 work streams have been fully defined and documented.	6.2. A number of options are being considered for the Bridge Street site.	GH R & G *	31 December 2017 *R Requires monitoring	Developer Bellway pulled out of acquiring the Bridge Street site in 2016. The Council is therefore considering options.
						3. Towards a Sustainable Future - The programme for this challenging initiative identifies roles, responsibilities, key deadlines, financial implications and risks. There are three work streams/mini programmes falling under the overall TaSF programme. MAT have assigned resources to the main areas of the TaSF programme, and projects are underway. ? coordinates all three main work streams under the TaSF programme, reporting to the Group Head for Commissioning and Transformation who currently oversees the direction of the programme. TaSF structural review completed with the Group Head appointments from April 2016 and Deputies from July 2016. Review completed of document retention and electronic data management systems (see section 7).	6.3. High level overview of the three work streams has been identified to ensure cohesion and coordination. Scope to ensure this is periodically considered.	MAT	31 December 2017 * R Requires monitoring	Close monitoring of TaSF projects and timeframes is ongoing to manage risks and overall impact of the delays on the programme as a whole. Some TaSF projects have been completed whilst other areas are outstanding.
		7a. Security / data breaches, resulting in system failure, Information Commissioner fines and reputational damage. Information could be processed inappropriately resulting in breaches of the DPA. Loss of public confidence. Potential to breach Freedom of Information (FOI) Act and other Information Regulations resulting in ICO enforcement .	2	4	3	Back up and continuity arrangements managed by ICT and tested by Service Heads. ICT security policies. Personal Commitment statement required from staff. ICT security group assess ongoing risks. ICT Disaster Recovery test conducted in December 2016. Information Governance Group. Information Governance Officer is in post to provide ongoing guidance and ensure compliance with statutory obligations. Mandatory Data Protection training. Spelthorne currently breaches the time limit set for response to FOI requests in approx. 20% of cases and recently received a Decision Notice against the Council from the ICO.	7i. Information Governance Group to pursue action plan to ensure information assets are identified and managed. 7ii. In view of the organisational restructure, confirmation of where the authority's Senior Information Risk Owner (SIRO) should sit and identification of training requirements. 7iii. Refresher training for Data Protection to be rolled out which should take into account the implications of the new DPA due to take effect from May 2018 (whereby regulators can impose a significant increase in fines up to £20m or 4% of global revenue turnover). 7iv. Raise awareness of Information Governance and the requirements of the DPA amongst staff and members. Information flows to be mapped and Information Asset Owners to be identified. 7v. Implement mandatory FOI training and raise awareness of Public Sector Information Regulations.	GH C & T */IGO *	31 December 2017* R Requires Monitoring	7i. Partially implemented - The Information Governance Group has reconvened in July to address outstanding actions which have been reassigned with expected deadlines. The Information Governance Officer has produced a detailed workplan to ensure GDPR compliance by May 18. 7ii. MAT agreed in March 2017 that the Group Head for Commissioning and Transformation would be appointed as the authorities Senior Information Risk Owner (SIRO) and training requirements have been identified with some training scheduled for September. A report is due to be prepared. 7iii. Implemented - Mandatory training sessions for all staff have been organised and delivered to 225 staff with remaining staff to be covered in September/October 2017 7iv Ongoing and represents a large piece of work. 7v . Outstanding but not a current priority due to GDPR. Officers guide on FOI requests as necessary.

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		7b. See above.				Document Retention Policy held. The authority has decided on its approach to document management and implemented the first phase.	7iii. <i>Electronic document management systems (EDMS) project is due to be completed by December 2017, which is intended to help strengthen information security.</i> 7iv. <i>The Document Retention Policy is being revisited in relation to back scanning of Building Control and Disabled Facilities Grants.</i>	GH C & T*/IGO* MAT	31 December 2017 R* Requires Monitoring	EDMS is progressing. The Idox document management system has been implemented for Environmental Health, Planning and Building Control with training delivered. Progress is ongoing for Building Control and Environmental Health and requirements for Planning almost complete. Close working with Customer Services currently. Analysis work underway to identify requirements to expand Civica Contact Manager additional modules to accommodate other service areas (HR, Housing, Leisure). For internal Documents the plan is to upgrade and rebrand SharePoint, although sufficient resourcing is required to progress this.
		8. Failure to meet the minimum security requirements of the Government Code of Connection resulting in termination of connection to any other government sites/data; uncertainty over direction of ICT; unavailability of ICT systems; fraud eg unauthorised removal and selling of data; inadequate measures to combat cyber security attacks or respond effectively.	2	3	3	A review group assesses compliance with the Government Code of Connection (CoCo). Firewall installed, laptops encrypted, memory sticks banned until they are 'white-listed' as known devices on the network, and universal serial bus (USB) ports locked down. Dual factor authentication on all laptops. All Baseline Personnel Security Standard checks completed. Annual health check and security penetration test completed. CoCo re-accreditation achieved in January 2016. The Cabinet Office has increased security requirements due to the implementation of the Public Service Network (PSN). Successful certification of Public Service Network (PSN) compliance in March 2017. Now accredited until March 2018. Mimecast e-mail filtering software installed June 2016 to help reduce infected and problematic e-mails entering the Council's network. Disaster Recovery plan for ICT developed alongside Applied Resilience. The next annual Disaster Recovery test is scheduled for September 2017. National Cyber Security Strategy.	8. i. <i>Production, approval and implementation of an ICT Strategy consistent with the core objectives of the Council, ensuring effective and efficient use of resources and service delivery.</i> 8ii. <i>Internal Audit review scheduled for 2017 of measures being taken to protect the authority from Cyber Security threats and adequacy of the authority's response to any such attacks.</i> 8iii. <i>A network refresh is overdue and MAT are encouraging the need for flexible solutions.</i>	Head of ICT*	31 December 2017 R* Requires monitoring	8i. Whilst the Head of ICT has prepared a formal ICT strategy approved by MAT, implementation is some way off. The strategy has identified a requirement for a Business Analyst post, and this appointment has since commenced (September 2017). 8ii. An Internal Audit Review of Cyber Security is progressing and initial draft findings were discussed with Management Team in August 2017. Further discussion of findings will take place shortly. 8iii. Network refresh underway.
		9. Lack of business continuity planning to cover loss of building, equipment, ICT or staff - leading to loss or disruption to services	2	3	3	Business Continuity (BC) Policy updated. The BC Forum oversees progress of BC planning. Business Impact Assessments identify priority services, resources required for their continuation and time frame. Emergency protocols for loss of building access/loss of power/loss of ICT are being developed. Emergency messaging system for staff. Improvements made to telephony resilience. Contract agreement in place with Applied Resilience, with increased resilience and support for Business Continuity Planning. Updated staff contacts list. Issues arising from the corporate table top exercise of September 2016 have been fed into the Corporate Business Continuity Operational Plan.	9i. <i>Monitoring the agreement with Applied Resilience (by Spelthorne) should incorporate specific targets and expected outcomes in order to measure actual performance.</i> <i>Monitoring needs to be meaningful and clearly evidenced.</i> 9ii. <i>Corporate Business Continuity Operational Plan is being updated.</i> 9iii. <i>Applied Resilience to issue a final deadline regarding the outstanding service-level continuity plans.</i>	GH C & T*	31 December 2017 (R*). Requires Monitoring	ii. The Corporate Business Continuity Plan now forms two plans so it is more meaningful for the key responders (Incident Management Team and recovery team). iii. Applied Resilience have collated updated Service-Level Plans (SLP) and are pursuing outstanding plans (at least six). Group Heads have commented positively on guidance offered by the Resilience Advisor in this process. 5/6/17 - Awaiting updates from Applied Resilience to actions 9ii and 9iii.
		10. Failure in service delivery due to over reliance on individuals; loss of technical systems knowledge and expertise; staff uncertainty due to changes impacting on staff morale and stress levels.	3	3	3	Group Heads/MAT are responsible for ensuring business continuity, including loss of key staff. Critical procedures should be documented and staff appropriately trained. Group Heads should review as part of the service planning process. Resilience may be provided from other local authorities or other organisations. Wellbeing and Resilience Training provided in 2015. Significant investment has been built into the 2017-18 Budget to address resourcing, retention and morale issues. These include moving back to a local pay award likely to mean an additional 1% for staff, building in £200k for market supplements, additional resourcing for key delivery areas of Legal and Asset Management.	10i. <i>In view of the imminent departure of Spelthorne's Chief Executive from September, the Audit Committee seeks assurance that the recruitment process is underway and on target.</i> 10ii. <i>Deputy Chief Executives to provide corporate steer for progressing Management development training based on needs identified.</i> 10iii. <i>Human Resources to commission bespoke training as well as utilise existing management development courses on offer.</i> 10iv. <i>Ongoing management of change within Finance and Customer Relations and interim pastoral support will be required until the new Group Head for Finance and Customer Relations is in post.</i>	Group Heads/ MAT/HRM /DCX (TC)/DCX (LO)	Completed/Ongoing Monitoring	Group Head for Commissioning and Transformation attended the June Audit Committee to provide a general update of this area and has been requested to attend the September Audit Committee to provide a further update to Members. 10i. Implemented - The new Chief Executive is now in post with effect from 4.9.17. 10ii & iii - Implemented - Human Resources have reviewed development needs for recently appointed Group Heads and Deputies and presented information to the DCX'S, with some training prioritised. Training has been provided by Advisory, Conciliation and Arbitration Services and further training is scheduled for September 2017. 10iv. Implemented - A structural review of Customer Services has been completed and recruitment underway together with an office refit to support the changes in ways of working. Appointments have been made for a new Chief Accountant and Deputy Chief Accountant to oversee the Finance team, and interim support has been in place (Interim Finance Manager) to cover the gap between permanent post holders. The Deputy Chief Accountant is in post and the Chief accountant starts shortly.

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		11. Failure in service delivery due to reduced capacity and increasing demands from the community; prolonged staff vacancies due to inability to recruit; posts advertised as temporary may be adversely impacting on the Council's ability to recruit. Increased risk of delay, errors or stress.	3	4	4	Short term reductions in capacity are accommodated by prioritisation and reallocating work amongst staff. Longer term impacts and changes to demand may be more difficult to address. If resources cannot be enhanced, services will have to prioritise work. Staff have access to counselling via Occupational Health. Posts advertised with Surrey Jobs which also feeds into a wider network of job sites. Specialist websites are also used to advertise posts. Annual report by Human Resources issued to Management Team summarising staff recruitment and turnover. The commissioned piece of work on areas under specific pressure in terms of recruitment and retention has been completed in 2016 and options considered. Market supplements awarded to certain roles and increased investment allocated to certain Services.	11i. Members and Management Team will need to keep resourcing levels under review, particularly the impact of new projects and any statutory obligations on service/project delivery. 11ii. Implementation of requirements relating to the national apprenticeship scheme. 11iii. Human Resources to monitor the effectiveness of measures taken to improve recruitment and retention across the authority , in collaboration with Services.	Group Heads/ MAT/HRM	31 December 2017 * R Requires monitoring	11i. ongoing 11ii. Briefing sessions have been held to raise awareness amongst Managers about the national apprenticeship scheme and uptake is being encouraged where feasible. A decision regarding the authority's preferred approach to apprenticeships is underway. 11iii. Group Head for Commissioning and Transformation attended the June Audit Committee to advise Members of the recruitment and retention challenges faced by the authority and improvement measures taken . A further update will be provided to the September Audit Committee.
		12. Low morale as a result of increasing service demand, lack of staff & finance, organisational restructure. Increased turnover, high staff stress levels, risk of losing expertise and impact on services.	2	3	3	Employment arrangements in place include recruitment and selection, pay and rewards, training and development. Change Management process, communications, performance management systems, appraisals, one to one's, team meetings, performance clinics, staff meetings. Stress audit conducted in Housing. The Human Resources Manager advises MAT as appropriate. Planned TaSF Senior management restructure taken place in 2016. See also controls recorded under section 10 above.	12i. Management Team to keep under review.	MAT	Completed/Ongoing monitoring	MAT maintaining under review . There is an ongoing risk of low morale and increased turnover during times of organisational change and uncertainty which MAT acknowledge. However additional budget provision built in to the 2017 - 18 budget for market supplement to assist with recruitment and retention; Council has moved back to a local pay scheme allowing an additional 1% pay increase.
		13. Failure to comply with the Council's corporate governance requirements and standards resulting in poor value for money, Costly legal challenges and reputational damage.	3	3	3	Corporate Plan setting out clear purpose, vision and outcomes. Constitution setting out clearly defined roles/rules for Members/Officers. Code of Corporate Governance and Codes of Conduct to promote high standards of conduct and behaviour. Informed and transparent decision making processes open to scrutiny. Member and staff training programmes. Accountability through published accounts and community engagement . Induction programme delivered for new councillors during 2015 including briefing on roles and responsibilities, financial position, delivering services and current key issues.	13. The Council's Code of Corporate Governance is due for review.	MAT or Head of CG	31 December 2017 R* Outstanding Action	As the review of the code of Corporate Governance remains outstanding, Audit Committee have asked the Head of Corporate Governance to attend the September Audit Committee to provide an update on progressing the review . Following the June Audit Committee the Head of Corporate Governance suggested that this area be incorporated into the work programme for Overview and Scrutiny Committee.
		14a. Procurement - Weak governance arrangements and lack of transparency. Financial penalties for non-compliance with legislative requirements. Contractual disputes and claims through poor specifications. Weak contract management resulting in Contractors/partners failing to deliver expected outcomes. Reputational damage, challenge and poor VFM	3	3	3	Contract Standing Orders set out tendering requirements, revised in April 2016. Contract guidelines with compliance checklist. Officer Code of Conduct sets out requirement for declaration of interests. Contract management training held in 2012 and 2013. Specification writing training taken place. Procurement training provided in October 2014. Development of the e-procurement system continues and further contracts continue to be sourced with this solution which offers significant time savings and efficiencies for staff in Legal. Development of Contract and Procurement hub. The Procurement strategy has been updated in early 2017, to include a strategy action plan to facilitate monitoring. The new Procurment Officer to take this forward.	14i. Full compliance with the Local Government Transparency Code is required and should be confirmed once achieved. 14ii. To ensure there is an ongoing reference for officers involved in procurement activity, Procurement and Contract Management guidelines need to be updated and publicised to reflect regulatory changes of 2015. 14iii. Implement a programme of training for contract managers where the principles of Contract Standing Orders and Contract Check list form the core element of the learning. 14iv. The future of the Procurement Board to be considered as part of a review of all boards across the authority (NEW) 14v. Development of a Contract and Procurement Hub by December 2017 and preparation of an action plan to assist implementation .	MAT DCX (TC)/ PS/Group Head C & T*	31 December 2017 *R Requires Monitoring	Group Head for Commissioning and Transformation has been requested to attend the September Audit Committee. 14i, 14ii & 14iii . Whilst currently outstanding it is envisaged that with the appointment of the new Procurement Officer from 18 September 2017, these proposed actions can be taken forward and implemented. Compliance with the transparency code is being addressed through the purchase of a procurement and contract management system used by 27 local authorities and will be a priority for the new Procurement officer. Documentary evidence of procurement processes followed and performance monitoring is recognised as an area for improvement (highlighted in the recent internal audit review) and the Group Head for C & T envisages that with the new Procurment Officer and a service level monitoring officer at the Depot this area should improve. 14iv. -The Procurement Board have not met frequently since 2015, due to the organisational restructure and uncertainty over assigned roles, responsibilities and direction of Boards. Furthermore it is felt that a board may not be required. 14v. A plan is held for this.

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		14b. Major Contracts - Lack of forward planning in preparation for the expiry of existing Leisure Centre arrangements in 2021, resulting in delays in Service provision. Delays in delivery of project and key milestones.	3	3	3	Leisure centre operator contract ends 2021. A paper entitled "Leisure Centre Needs Analysis" was submitted to MAT in July 2014. This was updated in May 2017 and endorsed the recommendation to carry out a feasibility study to refine options going forward. All project related documentation is in place for the project start up including project plans, outline business case (identifying risks and issues) and highlight reports. Project Management is shared between the Joint Head and Deputy Group Head for Community Wellbeing. Councillors have been kept informed of key progress milestones. A high level discussion document was presented to Cabinet in October 2016 and a project team has subsequently been formed to support the future direction of this project.	14bi. Project progress to be monitored against plan to ensure timely progress. 14bii. This project should be included in the Corporate Project Register to facilitate regular monitoring and reporting by the Corporate Project team. 14biii The tender for the appointment of specialist advisors to assist with the development of the feasibility study and financial business plan is due to be published by 30th September 2017. (NEW) 14biv. A final decision on the site for the new leisure centre is under consideration. (NEW)	Joint Group Heads CW/Deputy Group Head CW *	31 August 2017 *R Requires Monitoring	Update received from the Deputy Group Head for Community Wellbeing on the following areas: 14bi. A high level and more detailed project plan is now in place to monitor progress against. Although it is difficult to be precise at this stage of the project, high level milestones and deliverables have been identified. 14bii. This project is now on the Corporate Projects Register with all project related documentation completed. Although a clear view on how the project will progress will not be apparent until the feasibility study is complete, outline requirements and timeframes are starting to emerge. 14biii The tender for specialist advisors will remain open for 2 weeks and a preferred supplier to be appointed to commence work by early October 2017. 14biv Action is being taken to review potential solutions to address the risks identified in the flood risk assessment (May 2017) around the preferred site. Any proposed engineering solutions will need to be cost justified.
		15. Pressures on Housing Service as a result of economic climate and welfare reforms. Universal Credit may lead to staff retention issues. Loss of Housing Benefit subsidy and uncertainty over recovery of outstanding debt. London Boroughs increased use of Spelthorne properties. Insufficient affordable properties. Housing shortage.	3	3	3	Group Heads/ MAT/Members are aware of risks. Working groups established to deal with changes. The authority faces some challenges in managing the loss of £500k per annum in subsidy (recovery of Housing Benefit overpayments) and the roll out of Universal Credit is now projected for 2022. Therefore the loss of subsidy will be spread over a longer period of time as completion of Universal Credit roll out slips. Accountancy have factored into outline budget projections. There is currently £2.7m of outstanding Housing Benefit overpayment debt in the Council's accounts. This is being recovered, albeit repayments are often small due to Housing Benefit regulations. Cabinet has received updates on Welfare Reforms. This includes a suggested approach to the use of discretionary housing payments. Strategic Housing Group. Officers and A2D have been working with families affected by the benefit cap. The Department for Work and Pensions (DWP) have advised further on the number of cases that have been affected by the new benefit cap rules and this is 161 claims, less than the previous prediction of 215 claims (up to 500 was originally anticipated).Housing Company being set up. Close working with private landlords. New Landlord guarantee scheme went live in Sep 2016 with a number of Landlords having signed up. Projects commenced to ensure strategies are followed. Corporate Debt Group.	15.i A model for the strategic way forward in delivering the Housing function is being applied. 15.ii. Management Team to continue to monitor the pressures facing the Housing Service. 15.iii. Implementation of legislative changes arising from the Homelessness Reduction Act effective from January 2018 and planning for the likely impact on the Housing team (NEW)	MAT / Joint Group Heads CW *	31 December 2017 * R Requires Monitoring	15.i Knowle Green Estates (subsidiary) set up in May 2016 focusing on Housing Delivery. Despite this the pressures on the frontline Housing Services are continuing to increase. There is additional pressure as the impact of County Council cuts on areas such as local voluntary organisations, the closure of key hospital units, Supported Housing schemes, Adult and Children's Services generally filter through to organisations and individuals. Staff are spending considerably more time on cases and becoming frustrated at the shortage of community based support mechanisms for clients. There is a new Housing Options manager in post who will be putting forward proposals to address some of the pressures of upcoming legislative changes. There will be increased duties placed on local authorities to prevent and relieve homelessness. A new post for a Strategic Housing Manager has been approved and will be advertised shortly.
		16. Poor partnership governance arrangements	3	3	3	MAT set strategic direction for Partnerships. Partnership governance policy out of date (August 2009). Insurance arrangements in place.	16i. A responsible officer to review, update and re-issue the Partnership Governance policy. 16ii. A list of significant Partnerships entered into should be identified and recorded centrally. 16iii. Completion of questionnaires to make an assessment of Partnership governance arrangements. 16iv. Members of Overview and Scrutiny Committee to scrutinise Partnership activity if required.	MAT	31 December 2017 * R Requires Monitoring	Internal Audit review of 2016/2017 identified limited attention has been given to Partnership Governance since 2011 and therefore some actions are required to revitalise the necessary governance arrangements and associated controls. The Group Head for C & T issued a report to Management team in July 2017 outlining the intention to implement all of the recommended actions. As a first stage a list of significant partnerships entered into across the authority has been compiled and shared.

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		17a. Uncertainty over economic growth and supplier failure, impacting on: <ul style="list-style-type: none"> • Delivery of contracts and services • Business Rate income. SBC now bears a significant share of any losses on collection. 	2	3	3	Financial Services monitor the financial media in relation to larger companies and critical commercial partners. Recovery and inspection of business properties is being strengthened to maximise collection/minimise losses for the Council. Spelthorne are a member of the Surrey Business Rates pool enabling enhanced monitoring and data sharing with the other four participating councils. Business Rates Subgroup formed with agreed terms of reference focusing on Group Training, specialist advice, cross boundary prosecutions and legal advice. On 15 February 2017 the DCLG published a second consultation on further business rates retention, alongside a summary of responses to the first consultation last year.	17i. Impact of new Business Rate arrangements on Council finances is under ongoing review. 17ii. Business Rates project being pursued. 17iii. Local Authorities have been invited to participate in a second round of 100% business rates retention pilots as pools across economic areas for 2018/19. This is being pursued by the Deputy CX (TC) in close liaison with Surrey Treasurers. (NEW)	DCX (TC)/Acting Group Head CR *	31 December 2017 * R Requires monitoring	A service level project has been initiated to focus on 3 areas of business rates: <ul style="list-style-type: none"> Increase tax base Reduce Business Rate avoidance Increase admin grant Use Analyse Local software as information source . Business Rates Avoidance Officer post approved but not yet recruited. This role is intended to assist in maximising the tax base and target potential areas of avoidance. Additional counter fraud resource has also been made available from August 2017 to identify and investigate potential tax avoidance and evasion cases, working to a specification of high risk categories. See also risk category 26, Corporate Counter Fraud.

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		17b. Economic Development Strategy fails to be implemented impacting on growth				Economic Development Strategy is reviewed every three years. Regular reporting to the Cabinet Member with responsibility for Economic Development to advise on progress with action plans and delivery of the strategy. LGA funded adviser produced 3 reports on Key Account Management, Inward Investment and Visitor Numbers. Funding subsequently approved. A CRM is being developed to track Spelthorne's top 20 businesses with regards to key account management. A permanent post of Business Engagement Officer has now been created (8 May 17) to support inward investment / key account management for 3 days per week. The updated 5 year economic assessment & development strategy for 2017 - 2022 was approved by Cabinet in February 2017. It incorporates recommendations made by Internal Audit in their 2016 review such as formal clarification of responsibilities, establishing timescales for actions in the strategy (wherever possible) to improve accountability, documentary evidence for decision making, enhancing performance review and monitoring mechanisms, and ensuring regular formal Member oversight of the strategy. A Business Improvement District has taken effect for Staines-upon-Thames and charges have been incorporated into annual billing for business rates.	17iv. Economic development is a Council priority and growth will impact on business rate income - this is under ongoing review. 17.v. The updated 5 year economic assessment & development strategy for 2017-2022 and associated processes incorporate recommendations raised by Internal Audit in their review of December 2016. One such recommendation made is that progress on each of the 'actions' in the strategy needs to be regularly monitored by the Economic Development Engagement Group (EDEG) bi-annually. 17vi. Through the EDEG 5 areas have been identified as the most important areas of delivery within the strategy and will be reported on every 6 months to the group to strengthen performance monitoring.	DCX (TC)*/GH R & G*/ CS & EDO*	31 December 2017* Requires monitoring	17iv. Ongoing review. 17v & 17vi - Each year the economic development plan will be reviewed and amended as necessary, with targets that have been achieved removed, and new emerging targets included subject to approval from the EDEG.
		18. Failure to comply with employment legislation or statutory duty leading to possible compensation (unlimited), damage to reputation, Legal costs and significant officer time.	2	3	3	Human Resources (HR) identify changes in employment legislation, provide guidance and training to ensure compliance. Professional HR support. Equality and Diversity working group and training provided to all staff.	18. Where HR guidance is issued to officers in relation to changes in employment legislation, this needs to be consistently evidenced (documented) as a safeguard against potential employee claims.	MAT/ Group Heads/ HR Manager *	Completed/ Ongoing Monitoring	There is a range of different legislation that Human Resources have to oversee and there is no one set process when implementing change. Where there are possible contractual changes and other implications Human Resources notify managers and recent examples of this are the IR35 changes and English Language requirement. Measures are taken to ensure policies, procedures and working practices are compliant and incorporate best practice. Human Resources also feed into the SLP training programme to ensure any legislative changes are covered in courses on offer for our staff.
		19. Failure to comply with statutory duty / adhere to Safeguarding Policy leading to death or injury to child or vulnerable adult, legal action and reputational damage. Failure by County to address Spelthorne referrals relating to vulnerable children/adults.	2	4	4	Council has statutory responsibility for safeguarding children and Adults. Safeguarding policies and procedures. Staff and Member training. All referrals to Surrey County Council should be reported to a nominated Spelthorne Officer. Regular meetings held with Surrey County Council and consultation with the Surrey Safeguarding Children's Board (SSCB). Annual Section 11 audit. The Children's Safeguarding and Adults at Risk Strategies have been revised Feb 2017. The latest Safeguarding Policy was approved by Cabinet in March 2017 and is on Spelnet. The updated referral procedure is displayed on all notice boards. Instructed to escalate any cross border referrals/ issues to the senior safeguarding managers.	19i. Further liaison with Surrey County Council is necessary in order to strengthen the feedback process relating to children's referrals. 19ii. Staff training needs to be assessed and revised policies/processes publicised in due course. 19iii. Internal Audit recommendations of December 2016 are being implemented.	DCX (TC)/LSM/ILM/Joint Group Heads - CW *	Completed/ongoing monitoring	19i. Implemented - The Deputy CX, Terry Collier and Joint Group Head for CW (Karen Sinclair) met with recently appointed Head of the Surrey MASH team, Carl Bussey on 21 June 2017 to discuss concerns about cases at that time with a view to improving communication. It was a positive meeting and Carl Bussey is keen to improve processes, requesting also that Spelthorne work with him on a challenge panel to test the improvements. This officer appears to be very proactive in responding to Spelthorne's issues. As at 29/8/17 there are no outstanding cases from Housing which have been referred to Social Services. 19ii. Implemented - The Leisure Services Manager has liaised with Human Resources to ensure an accurate list is held of staff requiring training and DBS checks. A new online safeguarding training module was launched at Spelthorne in December 2016 and cascade training has been provided for Streetscene and Spelride drivers. 19iii. Measures have been taken to address latest internal audit recommendations.

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		20. Service delivery and planning difficulties due to Central Government funding being withdrawn and therefore reduction in spending. Possible withdrawal of New Homes Bonus with impact on Revenue Budget. Opportunities for significant income generation and investments are missed, impacting on the Council's ability to close the budget gap and deliver vital services	3	4	4	Long term strategic/financial planning. Corporate Plan / priorities reviewed. Member engagement 'Towards a Sustainable Future' programme identified potential savings and additional sources of income. The Council is working to find innovative ways to fund services and create new revenue streams. Advice is sought from the Treasury Management advisors as appropriate.	20i. Towards a sustainable future programme to be delivered 20ii. Contract agreements to include relevant clauses in order to safeguard the Council's interests, with monitoring arrangements to follow. 20iii. Effective systems need to be in place to record and recover significant rental income due to SBC. 20iv. A robust governance framework is being developed to support property acquisitions and investment processes (NEW)	MAT	31 December 2017* Requires monitoring	20i. TaSF programme being progressed. Officer Structural Review completed. As part of Income Generation there have been significant Asset acquisitions and Investments during the current and previous financial year. In September 2016 Spelthorne Borough Council announced the purchase of the campus occupied by BP in Sunbury-on-Thames. BP will remain as tenants at the Sunbury site leasing back the offices from SBC for a minimum of 20 years. This will generate significant income year on year helping the financial sustainability of the Council. 20ii Awaiting update on status of actions. 20iii. Assigned officers within Asset Management and Finance have been advised of their duties.
		21. Reduction in service delivery, reduced capacity and possible loss of internal control as a result of savings required to balance budget	3	3	3	Management as the first line of defence are responsible for maintaining key services and internal controls. Reduced resource levels in some areas are likely to impact on the ability to operate an adequate level of controls. For example segregation of duties is not always possible and there may be fewer management checks. In such cases compensating controls are required.	21i. MAT to acknowledge that reduced resources and capacity levels has an impact on the level/adequacy of controls operating within functions/corporate systems and processes. Associated with this is a lower level of assurance.	Group Heads/MAT	Completed/ongoing monitoring	2017/18 Budget providing additional resources for Housing, Legal and Asset Management. A new Property Manager and Procurment Officer have recently been appointed.
		22. Changing political landscape - Brexit represents many potential uncertainties for organisations such as currency devaluation/volatility, trade, investments, relocation of Partners/Suppliers, changing access to EU funds, level of compliance with EU regulations, workers rights (EU Nationals), existing policies and procedures, procurement process	3	3	3	At the request of Management Team, a discussion paper setting out potential staffing implications and uncertainties associated with Brexit has been prepared by the Human Resources Manager (March 2017). A verbal update has been provided with regards the potential financial implications, risks and opportunities.	22i. MAT to consider potential Brexit uncertainties for Spelthorne and have a plan in place to address.	MAT	31 December 2017* Requires monitoring	This area requires ongoing review.
		23. Poor return on long term investments /investments insecure in current climate	2	3	3	Treasury Management Strategy approved annually by Members. Aim to select counter parties of the highest credit quality; credit ratings monitored closely. Council's investments managed internally in consultation with Arlingclose. Quarterly meetings and conference calls held with Arlingclose. Deputy Chief Executive, Terry Collier and Portfolio Holder, Councillor Williams are involved in key decisions. Use a range of credit ratings and criteria recommended by Arlingclose. Regular monitoring ,reporting of investment portfolio and returns achieved.		DCX (TC) *	Ongoing monitoring	Appointments have been made for a new Chief Accountant and Deputy Chief Accountant to oversee the Finance team including the Treasury Management role, and interim support has been in place (Interim Finance Manager) to cover the gap between permanent post holders. The team continues to explore options for diversifying the portfolio. As well as investments the Council now has £413m worth of debt (fixed rate) a result of the recent asset acquisitions. The portfolio continues to deliver good rates of return - on core pooled funds achieved average rate of return of 5.18%. Consultation on CIPFA Code of Practice and Prudential Code is currently underway.

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		24. Failure to collect/recover income due, resulting in losses to the authority.	3	3	3	Corporate Debt Officer Group reconvened. This forum is used to monitor the more material items on the aged debt analysis and also coordinate action to tackle debt that is unlikely to be recovered. The DCX, Terry Collier, as S151 Officer, receives and reviews a monthly status report of higher value aged debts over 6 months old in order to confirm that suitable recovery action has been taken, and where exhausted, ensuring write-off action is pursued. Corporate Recovery Policy held. Recovery policies also exist for specific areas such as Council Tax, NNDR, Sundry Debts etc. Debt collection statistics produced and analysed. Budget Monitoring identifies any shortfall in income. Accountancy report to Management Team and Members on significant variances and comparisons with previous year. Debt recovery training for relevant staff has been provided.	24i. The terms of reference for the Corporate Debt Group require review. Outstanding internal audit recommendations can be monitored and progressed through this group, in particular actions relating to the monitoring and recovery of outstanding aged debt and the governance of the recovery process. 24ii. The sundry debt recovery policy is being reviewed with a view to speeding up the recovery timetable process. (NEW) 24iii. In order to improve efficiency, there is scope for Customer Services to take greater control over the persual of all sundry debts. (NEW)	MAT/ DCX, TC/AGH CR/ Group Heads	31 December 2017 * R Requires Monitoring	24i. A review of the terms of reference for the Corporate Debt Group is on the agenda of the next meeting.
		25. Serious and organised crime poses a threat to national security; lack of awareness may lead to harm to the local community or staff; intelligence is not shared or acted upon; organised crime groups could be benefitting from public sector procurement contracts resulting in financial or reputational losses	3	4	4	The Internal Audit Manager is Spelthorne's Single Point of Contact for Serious and Organised crime. There has been liaison with the Police and official documentation provided on requirements for Spelthorne.	25i. Serious and Organised Crime Audit to be carried out in accordance with the official Police framework. This is intended to identify areas where Spelthorne is most vulnerable/ at risk. 25ii. Group Heads and Managers to assess governance arrangements currently in place to help combat the risk of serious and organised crime.	IAM/ Group Heads/MA T	31 December 2017 * R Requires Monitoring	25i. The Internal Audit Manager met with the local Police team in April 2017 to identify high risk areas generally and specifically for Spelthorne, which have been communicated to the DCX (Terry Collier). The framework to be applied for the Serious and Organised Crime Audit was also discussed. Prior to commencing the audit, the Police representative and Internal Audit Manager will be raising general awareness of this topic at a future Manager's Briefing (these briefings have not been held for several months) or corporate staff meeting. 25ii. This action will be taken forward as part of the planned audit, in collaboration with Group Heads and Managers.
		26. Increased risk of fraud / theft due to economic climate resulting in financial losses and damage to reputation of authority. Housing tenancy fraud reduces availability of social housing.	3	3	3	Corporate Policies including Confidential Reporting Code (Whistle blowing), Anti-fraud, Bribery and Corruption Strategy, Proceeds of Crime and Anti-Money Laundering, Code of Conduct including rules relating to gifts and hospitality, and declaration of interest. Staff are reminded about governance policies during the appraisal process. Refresher fraud and anti-bribery awareness training for staff and Members is due. Various policies and procedures such as Financial Regulations and Contract Standing Orders, management checks, segregation of duties, reconciliation processes for financial systems and IT Security measures. An internal fraud referral process/system has been implemented within Housing. Audit Services and Investigating Officers continue to attend specialist Fraud groups with Surrey Partners which are very useful forums for sharing skills, knowledge and approaches to tackling fraud/ business rate avoidance/evasion cases. Internal Fraud Overview meetings also held to disseminate high level issues. Fraud alerts and relevant reports are circulated. A growth bid for additional Corporate Counter Fraud resource approved for 2017/18.	26i. Assign additional counter fraud resource to priority areas and monitor financial payback. 26ii. To arrange Fraud and anti-bribery and corruption training for all staff and Members.	Group Heads/ MAT/IAM	31 December 2017 *R Requires monitoring	Counter fraud work continues with non-benefit fraud returns being collated quarterly, focusing on housing and business rates (evasion and avoidance). At 30.6.17 the cumulative return for Spelthorne (since the start of the Surrey Fraud Partnership in January 2015) is £931,000. Document verification systems are being explored for use across the authority (corporate anti-fraud measure). 26i. Implemented. Additional counter fraud resource for 2017/18 procured from Reigate and Banstead Council, in accordance with a pre-defined specification. This contractual arrangement is being closely monitored by the Internal Audit Manager. Financial payback will be monitored periodically. A meeting was also held with A2D to discuss scope for greater joint working in an attempt to combat tenancy fraud. 26ii. The Internal Audit Manager has recommended to Human Resources and the DCX'S a need for Corporate Fraud, anti-bribery and corruption awareness training for all staff and Members. It has been about 5 years since such training was provided and it is therefore overdue. Effective methods for delivery being explored.

***KEY TO RAG RATING**

- Actions overdue and outstanding
- Partially actioned
- Completed/Ongoing monitoring

Note that previous RAG ratings are included to illustrate the Direction of Travel for recommended actions

***KEY TO OFFICERS**

MAT - Management Team

***KEY TO TARGET DATES**

- * O = Original target date for assigned action
- * R = Revised target date for assigned action
- * N = New Action

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		AGH CR - Acting Group Head for Customer Relations, Roy Tilbury Head of CG – Head of Corporate Governance, Michael Graham Head of ICT – Helen Dunn DCX (TC) – Terry Collier HSIRM - Health and Safety, Insurance and Risk Manager – Stuart Mann GH C & T - Group Head - Commissioning and Transformation, Sandy Muirhead GH - NS - Group Head - Neighbourhood Services- Jackie Taylor DCX (LO) – Lee O’Neil SEHM - Senior Environmental Health Manager, Tracey Wilmott-French PS - Principal Solicitor, Victoria Statham					GH R & G - Group Head - Regeneration and Growth, Heather Morgan IGO - Information Governance Officer, Clare Williams HRM – Human Resources Manager, Debbie O’Sullivan CM- Contract Managers Joint Group Heads of CW – Joint Group Heads for Community Wellbeing, Deborah Ashman and Karen Sinclair LSM - Leisure Services Manager, Lisa Stonehouse RRO – Risk and Resilience Officer, Nick Moon CS & EDO – Community Safety and Economic Development Officer, Keith McGroary IAM - Internal Audit Manager, Punita Talwar			